

4 Reasons to Exploit Social Media for Investor Relations

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For many Investor Relations Officers, Directors and CFOs the idea of using social media to attract investment opportunities may seem imprudent or unnecessary. This article should hopefully dispel such notions and help you outline a simple but effective course of action to exploit the power of social media using a social media intelligence platform.

The (real) purpose of social media for your business: an introduction

Using social media is not only about “becoming 2.0” and having the ability to tell millennials that you are now officially “in”. While there’s a bit of that, never forget that the main goal of listening and using social media is to detect patterns in online conversations, increase the volume of positive discussions about your company, and reduce the quantity of misaligned messages. In this way social media is like an extended hand from your audience giving your company the opportunity to be appreciated in return for greater transparency. Some of your most important conversations are those you have with your investment partners

and gaining your investors' appreciation can lead to sizeable investment goodwill and brand equity, and therefore, market value.











Social media can find a place in your Investor Relations (IR) strategy too

IR social media marketing is essentially PR focused on your investor community. It can be used for the following purposes:

#1: Listening to what your target audience (investors, potential investors, financial journalists and other press, stock analysts, regulators, activist shareholders, etc.) has to say about you, and your industry, so you can embody those opinions and values in the definition of your company's vision and future development;

Tip: Monitoring the web for the legal name of your company is not enough. The following components all define who "you" are:

- The key people in your business: CEO, CSO, CFO, Investor Relations Director, and other members of your company board of directors and board of advisers
- Your cashtag: monitoring the dollar sign followed by your company's ticker symbol will give you all conversations on Twitter about your stock (see example below for some results about Facebook's cashtag)
- Your main competitors
- Your alternate business name (if you have one)
- Your industry name(s)

 Wall Street Journal @WSJ shared a link U.S. adults will spend 21 minutes a day on Facebook in 2014, accounting for 6% of their digital media diet. on.wsj.com/1uejCjH \$FB published on 02 October 2014 at 22:12 Twitter United Kingdom twitter.com	  METRICS 5.1M Potential Reach, 112 Engagement, 112 Retweets, 5.1M Twitter Followers
 CNBC Now @CNBCnow tweeted Facebook completes WhatsApp acquisition, adds WhatsApp CEO Jan Koum to its board of directors. • \$FB published on 06 October 2014 at 15:18 Twitter United States twitter.com	  METRICS 94.2K Potential Reach, 42 Engagement, 42 Retweets, 94.2K Twitter Followers
 Sean Gardner @2morrowknight shared an image  The College #Football Fan Map, according to Facebook data nyti.ms/1xSJAvQ \$FB #espn #maps #NCAA pic.twitter.com/YnHCrPvF8D published on 05 October 2014 at 19:00 Twitter United States twitter.com	  METRICS 735.0K Potential Reach, 18 Engagement, 18 Retweets, 735.0K Twitter Followers

Mentions of Facebook's cashtag (\$FB)

#2 Remaining informed and engaged on the issues that investors, and potential investors, care about most which in turn will give you the right direction for your communication campaigns and content strategy.

#3 Encouraging more reactivity and transparency: take the opportunity to react in real time to user comments about your key events, such as the publication of your annual reports, or other corporate actions (splits, mergers, spinoffs, industry conferences, etc.). This will give you the chance to reduce any message misalignments and the opportunity to encourage brand endorsement.

#4 Gathering insights on conversations about your stock: use social media intelligence collected around your cashtag, but also look at your published quarterly or annual results, your earning calls, your financial roadshows, etc.

Using the right social listening and analytics dashboard

Several professional social media listening tools are available to help you discover these valuable insights in the easiest way possible (see this [downloadable guide](#) for a step-by-step tutorial on how best to proceed). The more technologically advanced tools will also provide comprehensive metrics for you to properly assess the performance and ROI of your online communication campaigns such as:

- The reach of your publications and posts on social media
- Your engagement rate
- The level of influence of the writers and bloggers you've actively reached out to, who promoted your brand in their network
- The volume of message adoptions among all the ideas exchanged on the web
- The growth of your social media platforms

Stimulate conversations to stay top of mind

But it's not enough to listen and understand. Use the insights you've gathered through careful social media monitoring, and analyse the reports you have created about your investors and your audience. Once you've done that, it's time to talk to them and actively nurture the relationship and if done well, this will encourage discussions about your brand name. Dynamic companies are assumed to be investment-healthy companies. Here are some tips for your strategy in this area:

- Product updates (think of: Apple keynotes)

- Corporate news; merger and acquisition (think of: Facebook acquiring WhatsApp)
- Interviews and published books (think of: Losing My Virginity by Richard Branson)
- Appointments and discharges (think of: the buzz when Marissa Meyer switched from Google to Yahoo! and the appointment of Satya Nadella as Steve Ballmer's replacement after 14 years at Microsoft)
- Product placement in the movie industry (think of: Facebook and The Social Network (2010), or Google and The Internship (2013))

A final word: It's not about you, it's about them...

The last piece of advice to bear in mind is to never forget that you are doing this ultimately for your audience. Share information that is likely to solicit responses from investors. Since you have conducted thorough research on your audience, you can now refine your communications accordingly. For those interested in further insights, download the [10 steps to Investor Relations Excellence using Social Media Intelligence!](#)

Do you have any anecdotes to share about your experience in using social media for IR or do you have more tips to share with us? I would love to hear your views on Twitter [@Talkwalker](#).