CMR571

BERKELEY-HAAS CASE SERIES

Maersk Line:

B2B Social Media—"It's Communication, Not Marketing"

Zsolt Katona Miklos Sarvary

The case describes the launch of a social media platform by the largest container shipping company in the world. Maersk Line garnered over 1 million fans on Facebook, 40,000 followers on Twitter, and 22,000 on Instagram. They also launched and became active on other social media networks such as LinkedIn, Pinterest, and Google+ and created a social media home base for Maersk Line called Maersk Line Social that published articles and stories about the company in a less formal manner. The case discusses the organizational aspects of the program launch, as well as pressure from the marketing department to better integrate the largely independent social media operation into the company's broader marketing efforts. (Keywords: Social Media, Marketing, Social Networking)

"In social media, people—whether it's seafarers or CEOs—don't want third person narratives that are pushed out...like press releases or TV ads. They expect a human touch. And if companies have that, and it's not in a manufactured way, they will be rewarded big time."— Jonathan Wichmann, Head of Social Media, Maersk Line¹

n October 2013, Copenhagen, Denmark, was starting to feel the fall chill. Nina Skyum-Nielsen was excited to take on her new role as the head of social media at the world's largest container shipping company, Maersk Line. Even though she had been working full-time on social media as the Global Community Manager since June 2013, she was still nervous, however, because she had some big shoes to fill.

Her prior boss and predecessor, 34-year-old Jonathan Wichmann was about to leave Maersk Line to join advertising agency Wibroe, Duckert & Partners as a social media consultant. In his brief two years at Maersk Line, Wichmann had become a social media megastar in the normally low-profile and traditional world

The full case study version of this article is available through the Berkeley-Haas Case Series at http://cmr.berkeley.edu/berkeley_haas_cases.html.

UNIVERSITY OF CALIFORNIA, BERKELEY VOL. 56, NO. 3 SPRING 2014 CMR.BERKELEY.EDU

Zsolt Katona is an Assistant Professor of Marketing at the Haas School of Business at the University of California, Berkeley. Miklos Sarvary is the Carson Family Professor of Business and the faculty lead

for the Media Program at Columbia

Business School.

of shipping. In fact, he had become known as a leading expert on social media in general because he had helped Maersk Line garner over 1 million fans on Facebook, 40,000 followers on Twitter, and 22,000 on Instagram (as a point of comparison, Danish brewer Carlsberg's had 1.3 million and Nissan and Visa both had around 1 million, while Mediterranean Shipping Company, the second

largest container company, and CMA CGM, the third, had just 4,500 and 11,000 fans respectively).²

Wichmann had also helped Maersk Line launch and become active on other social media networks such as LinkedIn, Pinterest, and Google+ to name a few, and he had created a social media home base for Maersk Line called Maersk Line Social that published articles and stories about the company in a less formal manner. Most remarkably Wichmann has achieved all this with a total budget of less than \$100,000.³

In fact, Wichmann (and eventually a few others) was so successful, that in 2012, Maersk Line not only won the Community Presence in social media award at the 2012 European Digital Communications Awards, but also the prestigious Social Media Campaign of the Year award. According to the jury, they chose Maersk Line as the winner because the company had secured an astounding 420,000 fans on Facebook and a comprehensive presence on 8 other social media platforms in less than 11 months. "The company's social media program has changed the face of Maersk Line and is an example for other B2B companies to follow," said the jury.⁴

As Skyum-Nielsen shook Wichmann's hand at his farewell party, she felt proud of herself, Wichmann, and Sara Bathsolm (product manager) for putting Maersk on everyone's social media radar and of how they were able to accomplish their original mission of bringing Maersk Line closer to its customers. But she also felt anxious for the future. What should she do next and what should Maersk Line's next social media steps be? Of immediate concern was whether to support Wichmann's proposal for scaling up the social media group. In the current proposal, there was a request for three additional persons (five in total) and a tripling of the total budget. Was this the right resource base for the scaling up of activities? On top of the proposal, Skyum-Nielsen was also wondering if she should change Wichmann's "winning" approach as she felt increasing pressure from the marketing department to better integrate the largely independent social media operation into the company's broader marketing efforts.

Maersk Line Background

Maersk Line was part of Maersk Group, a collection of shipping and energy companies that also included APM Terminals, Maersk Oil, and Maersk Drilling. Through these companies and several others, Maersk Group had 121,000 employees around the world and \$59 billion in revenues in 2012. Specifically, Maersk Line had revenue of \$27 billion in 2012 and 25,000 employees across 325 offices in more than 125 countries.

EXHIBIT I. Market Share

Company	Market Share	
APM-Maersk Mediterranean Shg Co CMA CGM Group	15.2% 12.9% 8.3%	
Evergreen Line COSCO Container	4.0% 3.9%	
Hapag-Lloyd APL CSAV Group	3.9% 3.7% 3.5%	
Hanjin Shipping CSCL Other	3.3% 3.2% 38.1%	

Source: Compiled from public sources.

According to Maersk Group's website: "As a group, our business success is built on a number of strengths: our size and global reach, our financial strength, our talented employees, our time-honored values, our approach to sustainability and our drive to innovate. Combined, these strengths form a unique platform for our continued success and future growth." 5

As the world's largest container shipping company, Maersk Line had 15 to 17 percent of the market share worldwide (Exhibit 1). Maersk Line transported manufactured goods, perishable commodities, and everything in between. Its vessels made approximately 70,000 port calls annually to its 100,000 customers.⁶

Maersk Line had 660 owned and chartered container vessels (47 percent were owned). The average age of Maersk Line containers was less than five years due to continuous modernization needs.

Approximately 25 percent of the company's business went to large clients like Wal-Mart, Nike, and Tesco, 15 percent to key client freight forwarders (middlemen), 50 percent to smaller customers, and 10 percent to other freight forwarders.⁷

As the industry became increasingly competitive, Maersk Line emphasized what management believed to be its key competitive advantages of reliability, simplicity, and focus on the environment.

B2B Social Media Background

Social media is defined as the way in which people interact to create, share, and/or exchange information and ideas in virtual communities and networks. Social media is different from traditional/industrial media and advertising in many ways such as immediacy, permanence, cost, quality, frequency, and reach.

By 2013, many well-known social media platforms existed such as Facebook, LinkedIn, MySpace, Twitter, YouTube, Flickr, Tumblr, Reddit, Instagram, and more. The total time spent on social media in the U.S. on PC and mobile devices increased

37 percent from 2011 to 2012,⁸ and Nielsen forecasted that Internet users will continue to spend more time with social media sites than any other sites.

Traditionally, social media was used more widely and often by B2C (business-to-consumer) companies versus B2B (business-to-business) companies. B2C online communities typically form around brand promotion for products or services. Some B2C communities allow customers to interact among themselves to achieve a goal, improve a skill, and so on. But as social media has become increasingly important, B2B online communities have begun to grow. Such communities can be professional networks that might contain content and collaboration opportunities around a shared business experience. In fact, a recent CMO Survey showed that B2B social media spending increased 9.6 percent in 2012.9

Users and followers of B2B social media include employees of companies, customers, industry experts, and other general consumers. According to Forrester Research, such people use social media platforms for both consumption of information/news and interaction. Forrester estimated that 98 percent are "spectators" (such as those reading blogs and watching videos), 75 percent are also "critics" (commenting on blogs and posting ratings and reviews), and 56 percent are "creators" who publish posts and upload media. ¹⁰

Users interact with different B2B social media platforms in different ways. Those who use Facebook for business reasons most often connect with people they know (71 percent). But 57 percent have also liked a brand or a vendor, 51 percent have clicked on an ad or sponsored post, and 51 percent have posted on a page owned by a brand or vendor. LinkedIn is used to connect with peers or colleagues (among LinkedIn users, 88 percent have connected with peers or colleagues in the past month and 40 percent have participated in LinkedIn groups affiliated with a brand or vendor). Twitter is "primarily a consumption channel" where 86 percent of users who use it for business activities are reading others' tweets. Many have retweeted what they have read (58 percent), 55 percent have posted a tweet, 54 percent have responded to a tweet, and 42 percent have sought support for a product. 12

B2B companies face a unique set of challenges when it comes to social media: "The biggest challenge is that many companies see social media as a cute promotional activity when it can be a strategic marketing activity," says Christine Moorman, director of The CMO Survey and T. Austin Finch senior professor of business administration at Duke University's Fuqua School of Business. B2B companies also face other challenges related to social media—because they are marketing themselves to businesses, many might perceive social media as being unnecessary or even boring.

B2B companies who have used social media successfully have thought of the end-users as being consumers or people who can be influenced and/or engaged, Such companies have recognized that B2B social media can increase brand awareness, humanize B2B companies, establish companies as thought leaders, and connect with customers, prospects, and industry influencers, and potentially even increase sales.

Given this diverse landscape, before embarking on Maersk Line's social media adventure, Wichmann wanted to learn more about the best B2B social media practices. He studied the approaches followed by Dell and GE more closely.

Dell Computers has been touted by many for its successful B2C and B2B social media efforts and campaigns. The company successfully developed an online community on Facebook that includes blogs, message boards, news, and open membership for employee sites around the world. Furthermore, Dell set up its Social Command Listening Center in Austin, Texas to monitor social media for mentions of the brand. This gave them the opportunity to resolve customer service issues over social media with a high success rate of 98 percent. The biggest upside, however, was the impact on branding: as customer service handled complaints in public, they turned dissatisfied customers from "demoters" to promoters.

General Electric has also developed a thoughtful, integrated social media presence that is "informative, professional, and fun," according to social media expert Mark Schaefer. "GE distinguishes itself as the only leading industrial company that places an actual face with its social media efforts—Megan Parker [Corporate Communications Manager]. She effectively mixes press release reporting with 140-character wit. The real hub of the social media wheel is GEreports com, a blog-style information center making effective use of videos and search-by-topic capabilities."

The Beginning: Getting Buy-In to Explore

Maersk Line's entry into social media began in the fourth quarter of 2011 with a team of one person, Wichmann, and without any external agency support. Eventually, Wichmann had the support of a community manager and a product manager, but that wasn't until mid-2013. From October 2011 to July 2012, Wichmann only worked 50 percent of his time on social media, shifting to full-time social in July 2012.¹⁶

At the beginning, Wichmann was working in the communications department and had some social media experience from another company. When he first started, he faced skepticism internally and externally: "When I started, as far as social goes, we were at zero—absolute zero. People would tell me, 'We're not right for social media, we're boring, no one's going to like us, and who will support us?' A lot of people inside the company as well as outside just didn't think it would take." He elaborated: "The general perception at the company at the time was that social media doesn't sound right for Maersk because we are boring and no one will like us. I thought it was a really interesting task because of that and because it's a really conservative industry." 18

Developing the social media strategy for Maersk Line, the four areas of emphasis were: communications, customer service, sales, and internal usage. The goal in a nutshell was to "get closer to our customers", while understanding the other opportunities to get better press coverage, gain higher employee engagement, develop more brand awareness, and so forth. He also added: "At first, we didn't expect to sell shipping containers through social, though we eventually learned that in fact, we can." ¹⁹

Maersk Line's mission was to get closer to customers—customers who, as head of channel management Mette Hermund Kildahl said, were not that different from B2C customers: "Approachability and personality are our social media

146

keywords. While we are a B2B company, our customers are people who just like in B2C also would like to interact with us."²⁰

Maersk Line's approach to social media was unique, according to Wichmann: "One thing we've been very conscious about right from the beginning is the widespread tendency to think of social media as the sum of a number of digital platforms...and for companies to consider these platforms as ways to push their products and news to the consumers. Social media is about communication, not marketing. It's about engaging, not pushing." ²¹

When Wichmann started, he put together a social media proposal for the Maersk management team that focused on recruiting followers and focusing on customer insight. He had the support of two key people on the management team and his plans were approved within a week.

Wichmann wanted to avoid what he felt other large companies tended to do on social media—use a much more "top-down" approach where they "build up a business case, get it signed off by management, outsource the actual work to agencies, plan their posts weeks ahead, and get them approved by legal, et cetera." Instead, he wanted a spontaneous and flexible approach that allowed him to engage authentically with his audience. He explained his approach: "We did the opposite. Management trusted me to handle social media. We've taken a more explorative approach and focused on getting the culture and the organization onboard." Wichmann also received flexibility from the legal department.

At the beginning, from October 2011 to January 2013, Wichmann focused on communication and building a presence on the various social media platforms, as well as beginning work on a social media study that included a budget for 2014. From January 2013 on, the team focused on communications, customer service, sales, and internal usage.

Launching on Facebook

Telling Stories from the Inside

A natural choice for B2C marketers is to first establish their social media presence on Facebook. But B2B is different and the typical route is to focus on blogs, and to reach professionals on LinkedIn or sometimes on Google+. However, Wichmann decided to start with Facebook: "We had a big impact on Facebook early on and that's where we got all the attention," he said. ²³ Initially, he posted a few "boring posts" but then he discovered Maersk Line's digital archive with 14,000 photos of ships, seascapes, and ports, which no one had been using. "I knew that I could share them and add stories to them," he said. "That rich history was something I could share that was unique to Maersk."

Beginning in September 2011, Wichmann began putting these photos online on Facebook under different categories. For example, on September 17, 2011, he put 42 photos in a post simply called, "Vessels". People started liking the photos with comments like "Amazing" or "Big Blue Beuts". He posted other photos under the titles "Containers", "Terminals", and "History" (black and white photos).

Such photos were interspersed with other posts like, "Maersk Line surge ahead with a best ever on- time reliability percentage of 82.9% in Q3, according

to newly released Drewry report on schedule reliability." And other posts like "Production on 'Maersk Alabama' starring Tom Hanks will begin 13 February and continue through May, according to state film officials." Between such posts, more photos were added under headers like "Management", which included photos of the management team in all types of settings. Wichmann continued to focus on history with photos of the prior CEO, Eivind Kolding.

Often these early Maersk Line posts were professional, but had a whimsical touch such as one post with a photo of a giraffe on a containership and the text: "A giraffe on a containership... Read the story of Karaka the giraffe and her journey from Melbourne to Auckland onboard Maersk Aberdeen: http://on.fb.me/uJmHDy."

Early on, Wichmann leveraged the public and users who loved to take photos of Maersk ships around the world. As one example, Wichmann posted a photo of a Maersk ship in San Francisco along with the commentary: "A Maersk Line vessel passing under the Golden Gate Bridge just recently. Thank you to John Sessions who was so kind to email the photo to us!" On such "container spotters", Kavs Valskov, Director of Communications said: "They love Maersk containers. They take photos of them and upload them on the internet. We knew this phenomenon existed...so we thought, 'why don't we do it ourselves?'"²⁵

Once in a while, posts were polls about the users themselves with an early poll in December 2011 that asked users to pick a category (e.g., "I'm a Maersk Line customer", "I'm not a Maersk Line customer, yet", "I'm a shipping professional", and "I'm a shipping enthusiast"). At that point, according to the poll, most of the followers were customers, but there were a fair amount of shipping enthusiasts and many in the "Other" category.

In the first 11 months, Maersk Line attracted more than 400,000 people to their Facebook page. Many of the "Likes" were from employees. This was part of Wichmann's strategy to onboard the company's 25,000 employees so that they could be leveraged to help achieve virality to their own friends. Valskov said: "Seven thousand of Maersk Line's 25,000 employees are seafarers and Facebook has become an important channel for them to connect with colleagues, people at home, and follow what the company is up to. They are proud to be sailing on our big blue ships and love to tell people about it. They publish tons of pictures from their everyday work including pirates coming close in the Bay of Aden or dramatic pictures from the bridge in heavy weather at deep sea."

Users and fans on Maersk Line's Facebook page included NGOs, Maersk Line employees and potential employees, competition, suppliers, regulatory bodies, and shipping enthusiasts and fans. Valskov said that Maersk Line's Facebook page had a "surprisingly large crowd of shipping nerds and enthusiasts." Around 15 to 17 percent of Facebook's fans were estimated to be customers. 28

Wichmann said of lessons from these early days: "Don't manufacture stories from the inside but just tell the stories of who you are." He also said: "We learned that at least in our case, companies sometimes don't even realize who they are, or who they aren't—for years we thought we were boring, so we helped convey to the world the idea that we are boring. But we're not." His social media strategy focused on the end user: "So the focus for companies in social media has to be on

the end user. 'Will they find this interesting? Will they even share it?' If not, we shouldn't share it.... Of course, that's not the truth entirely. It also has to be relevant for us. For a company to share something it has to be about the company—or at least related to the company somehow. It has to be relevant to both parties."³¹

Telling All Stories, Even Negative Ones

But telling stories didn't mean just telling the positive ones. On June 8, 2012, Maersk Line posted on Facebook: "Maersk Norwich Whale Strike" and explained how one of Maersk's ships had inadvertently struck a whale: "Maersk Line does everything it can to avoid creating a negative impact on the marine environment. Despite these efforts, on Wednesday June 6, we saw images of a 12 meter long whale caught on the bulbous bow of the Maersk Norwich. This image, of a noble and elegant creature accidentally struck down by a Maersk Line vessel deeply affected us all."

The response from posters was mostly positive and this post's "Like" to "Share" ratio was 1:1 versus the more typical 1:10 in social media. "Usually in this industry when something happens like that, people try to hide it," said Wichmann. 32 Maersk Line's post included a Q&A of questions they asked themselves after the occurrence. Some of the questions were, "What happened after the whale arrived in port" (a zoologist was called in to examine the whale and determined that the whale was likely dead before the ship hit it); "What do we do in general to avoid striking whales?"; and others. Wichmann also created a board on Pinterest called "In Memory of the Maersk Norwich Whale."

Wichmann felt strongly about authenticity: "It is about not making false pictures of who you are. That is where the crises occur, when suddenly there is a hole in the image you have created. Then you see the ugly reality." He added: "We are already broadcasters in our own right. And in the bigger scheme of things: we've gained influence and control by losing it (as some would term it), through social media." ³⁴

Wichmann continued to tell moving stories on Facebook too. On September 3, 2012, Maersk Line published a story of Clara Maersk and the rescue at sea of 3,628 Vietnamese fugitives in 1975 with a newly rediscovered and edited video with footage from the vessel's arrival in Hong Kong and an interview with Captain Anton Olsen. Stories like these continued to generate great interest from Facebook fans and the story was accessed over 839 times, liked by 2,289 fans, shared 34 times, and received 123 comments.³⁵

The story also received emails and responses from the fugitives themselves such as the son of the captain of the sinking Truong Xuan ship: "It was a great pleasure for me to hear Captain Olsen's voice. I wish that I had had an opportunity to meet Captain Olsen to express my thanks for saving my family and the people on the Truong Xuan ship. Now seeing him and hearing his voice through this video, tears rolling down my cheeks, I feel like my wish has been fulfilled."³⁶

Different Platforms, Different Strategies

While actively posting on Facebook, Wichmann began launching Maersk Line on other social media platforms such as LinkedIn and Twitter. By the fall of 2013,

Maersk Line was live on 10 different social media platforms (Facebook, Twitter, Google+, LinkedIn, Instagram, Vimeo, Flickr, Pinterest, Tumblr, and Instagram).

In general, the company used Facebook to engage with followers in a very visual and conversational way. Twitter as a news outlet (initially), and LinkedIn as a platform to reach its customers. Wichmann ranked their social media channels from least to most "corporate" and segmented them into four quadrants (fans, customers, employees, and experts).

The company also had its own social media hub called Maersk Line Social in order to have a place to post more extensive stories, a place they could call their own, and a site where they would have more control over social media. On Maersk Line Social, followers were more hardcore and comments were very specific. The medium also allowed the company to post instantaneous information and news.

In 2012, Wichmann conducted a survey with Maersk Line's customers and non-customers to better understand how they wanted to interact with Maersk's different social media platforms. "We want to have a very different approach to each and every one," said Wichmann. "There are often very different people on different platforms. On LinkedIn, we learned that this is where customers want to interact with us. They want industry news, service updates (but that's a local thing which we're not doing right now), and they want to have discussions with us and even co-create products with us."

In 2013, Wichmann said: "We're still on Facebook at the same levels but moving more towards Twitter and LinkedIn. In many ways, the audiences are closer to our main target group as a business (LinkedIn). Instagram has been a story of success for us because it's a very visual company. Google+ we're still struggling with how to use it and the same for Pinterest."³⁹

Twitter

Maersk Line's Twitter page had over 81,000 followers by the fall of 2013, and only followed around 370 users. The Twitter posts were a mix of more serious news than the Facebook page (retweets from Maersk employees, photos, and other bits) and were posted three to five times per day on average.

According to the company: "The main purpose of our presence on Twitter is to share our news with—and thereby influence—the industry, to humanize the brand, and to interact publicly with our various stakeholders. Also, we plan to use it for support, and it is an important tool in our ambition to position selected employees as thought leaders." ⁴⁰

Initially, Maersk Line's Twitter use was for more corporate messages, but after "rediscovering" Google+ and LinkedIn for the most corporate messages, the team planned to have a "more human approach on Twitter, where we share a variety of content, from hardcore shipping news to photos of sea lions resting on the bulbous bow."

Maersk Line's Twitter audience included the trade press, shipping professionals, customers, and employees and "mostly people from the U.S. and U.K., whose average income is twice as high as [Maersk Line's audience] on Facebook." Maersk Line viewed Twitter as a more "influential network", citing that the Twitter user is 10 times more influential than an average Facebook user.

Tweeters included a panel of 10 employees such as the chief commercial officer, a captain, head of anti-piracy, and several business managers. According to Valskov, initially, these 10 people were given advice on whom to follow, how often to tweet, and how to make tweets sound "interesting and less corporate."

LinkedIn

Maersk Line viewed its LinkedIn account as its most corporate platform and "it's also the platform that our customers have told us that they would like to follow us the most," according to the 2012 survey mentioned above. 44

By 2013, the company had 48,000 followers on LinkedIn, of which most were customers. The company cited data such as LinkedIn users earned twice as much as Twitter users, and four times as much as Facebook users.⁴⁵

The company used its LinkedIn account to share business-related news and to interact with customers in its groups or forums. Although LinkedIn users could also be Maersk Line's employees or potential employees, the company consciously targeted customers as a natural extension of its brand.

Examples of specific content included a post from CNN related to the industry or an article about the company's expansion, as well as local content from Facebook posts or local Twitter accounts. The tone of voice was "more corporate, but still not robotic." The LinkedIn page also had several tabs, of which one easily accessible one was "Products & Services".

The main purpose of Maersk Line's LinkedIn presence was to "tie our customers closer to us. To ensure that they know what we have to offer and understand our reasoning for e.g. hiking the rates. But also to listen to them and discuss with them. Not just to seem like we're listening, but also in order to improve our products and services," according to Wichmann.⁴⁷

Eventually, Wichmann created groups to engage with customers such as The Shipping Circle group in January 2012 and The Reefer Circle Group in August 2012 where users required approval to join. The groups were shipping experts around the world who debated industry challenges and opportunities.

On the Daily Maersk Group that shipped cargo from Asia to Europe, Valskov said: "We know which customers are using that, we have their email addresses. We have invited them to be part of this group because we want to be able to monitor what they say and spot trends. A vibrant conversation with our customers can tell us much more than a survey."

Instagram and Flickr

Instagram was a key piece of Maersk's social media puzzle. Originally, Wichmann and Maersk started using Instagram because it was a "fun app" and they had a lot of photos they wanted to share while using the retro filters available on Instagram to make the photos look older or classic. "Later on, we realized that there was more to it than that—by inspiring people around the world to take photos of our hardware (i.e. vessels and containers) using the #maersk hashtag, we tapped into the most publicly visible side of the company," said Wichmann. 49 By the fall of 2013, the company

had 24,000 followers on Instagram and Maersk Line was one of the strongest brands on the photo platform.

On Instagram container spotters, Wichmann said: "It's quite interesting how many people are interested in things like these. We just started using #maersk, and it just happened naturally, [people would say] we saw one of your containers and they would send in photos of a specific container with a photo with a filter and sometimes those photos are really good." ⁵⁰

Wichmann also said: "But does that translate into more containers being booked? No, not necessarily. And certainly not right here and now. Instead, it gives us brand recognition and engagement. It's a way to keep our products and services both top-of-mind and talk of the town. And achieving that will undoubtedly affect the bottom line positively—at some point in the future." ⁵¹

In terms of Flickr, Maersk Line used it for its functionalities versus building a community. The company uploaded hi-res photos and grouped them into different categories. For example, they sent external press requests for photos of the CEO directly to a link on Flickr.

Google+

The company used Google+, a latecomer to the social media world, as a way to interact openly and directly with customers, shipping professionals, and experts. Google+ was used for business news and for showing Maersk Line's leadership in the industry. By the fall of 2013, Maersk Line had 1,266 followers on its Google+ page.

The main purpose of Google+ for Maersk Line was to "get ideas and other forms of valuable input, and to get them in a quick and vivid fashion not possible elsewhere." Maersk Line learned from its Google+ users that they liked the candid discussions around topics like innovation. On the difference between Google+ and LinkedIn, the company stated: "Broadly speaking, whereas LinkedIn is for customer communication and collaboration, Google+ is about innovation, leadership, and business."

Maersk also used the Google+ Hangouts feature to hold smaller press briefings with a small group of journalists when launching new initiatives.

Vimeo and YouTube

Vimeo was Maersk Line's primary video channel where the company uploaded all of its videos for internal (with restrictions) and external viewing and was superior to the company's own technical abilities to broadcast videos. According to Wichmann: "The community on Vimeo is not particularly important for us at this point in time.... But the functionalities sure are [relevant]." ⁵⁴ In essence, Vimeo was used as the company's video hosting solution.

The company had one YouTube channel, the Maersk Channel where all the business units and the A.P. Moller-Maersk Group had their own albums. The goal was to consolidate everything on one platform for synergies across business units.

Pinterest

Maersk had 702 followers on Pinterest by the fall of 2013. The company pinned images on specific boards like "Engine Room" or "Dolphins on the Bow",

152 UNIVERSITY OF CALIFORNIA, BERKELEY VOL. 56, NO. 3 SPRING 2014 CMR.BERKELEY.EDU

as well as various boards from different parts of the world. Wichmann said: "We should also note that it *is* interesting for us to have a large audience on Pinterest (even though that's not the primary focus). Because with a large audience you can for instance engage your Pinterest followers in your blog posts, by pinning an interesting photo in that post." ⁵⁵

Tumblr

Initially, Maersk Line used blog site Tumblr to display its own Instagram photos. But after Instagram launched profile pages on instagram.com, the company shifted its approach: "What Tumblr is really good at is sharing stories. It's an easy-to-use blog site with extensive social capabilities. As such, it gives us the opportunity to do an employee blog where selected employees can post their stories or articles. And from where they—and we—can share them." ⁵⁶

Measuring Results

Social media expert Thomas Bigum summarized Maersk's social media efforts by mid-2013: "First of all, their courage has been attracting attention. The courage of an organization that, from the outside, can seem very conservative. Second, they've managed to tap into some of the vast potential found in the storytelling possessed by Maersk. And finally, a big part of it comes from being first mover on social media, as Jonathan [Wichmann] and Maersk managed to be." 57

In terms of budget, Wichmann and his team "hardly spent any money." In year one, they spent \$100,000 U.S. dollars and had 600,000 Facebook fans and 20,000 Twitter fans (**Exhibit 2**). To calculate the ROI, Wichmann had to rely on various studies that tried to put a dollar sign to certain social media metrics. "For instance, the average value of a Facebook 'like' for a B2B brand was \$3.60 per year in earned media alone, according to a 2010 study made by Virtue." Given that Maersk engagement was four times higher than the average B2B brand, Wichmann argued that the actual number may be higher. On the flipside, only around 22 percent of the Facebook fans were actual customers requiring a downward adjustment. The resulting ROI of 1,500 percent was an impressive accomplishment for Wichmann.

That said, Wichmann felt that focusing on metrics such as followers and fans shouldn't be the main focus: "I never thought we would get to 850,000 Facebook followers [at the time of the interview] for a container company and I would have been satisfied with 150,000 followers. It's not just about the numbers, even though

EXHIBIT 2. Maersk Line Facebook Spend 2012

External vendor:	\$15,000	
Facebook ads:	\$45,000	
Internal time spent:	\$30,000	
Vitrue publishing tool:	\$10,000	
Total:	\$100,000	

Source: "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 13.

CALIFORNIA MANAGEMENT REVIEW VOL. 56, NO. 3 SPRING 2014 CMR.BERKELEY.EDU

they are nice. I would rather just focus on keeping it real and creating bottom value instead of this vanity game of numbers. You don't want to count on the numbers because they could be a lot of casual fans." He said: "How can you quantify a value that isn't just about customers and sales, but about employee engagement, customer insights, innovation—we've gotten ideas from shipping experts and what's the value of that insight that will influence a management decision?"

Wichmann cited some qualitative aspects to Maersk's social media efforts that were not easily quantifiable: "During the first year of social media in Maersk Line, we've received numerous emails from colleagues around the world, writing to us about how amazing they think it is that Maersk Line now has such a prominent social media presence. They've written that they now feel more proud of the company they work for, and that their friends and family now know what it is they do." 62

Internally, Maersk's Q4 2012 study, "The Next Step: How to Unlock the Full Potential of Social Media" showed that of the surveyed customers and non-customers (followers and non-followers), 67.1 percent of respondents said that Maersk's social media presence had improved their perception of the company.⁶³

Wichmann also measured engagement on Facebook by inventing a formula where they first took a sample of their latest 10 posts, added up the likes, number of comments (multiplied by two due to more weight), and shares (multiplied by four due to even more weight of shares). This number would be compared to other similar data they culled from other multinational brands like Lego (48), Maersk Line (37), Disney (34.2), GE (32.9), Shell (19.1), Ford (17.2), and McDonald's (10.2).

It was also important to have supporters of social media in senior management, such as Valskov who believed that constant monitoring and measurement were important elements for getting and maintaining support from management: "I update our leadership every quarter on what we are doing with our channels. They can see that I am keeping an eye on them and making them efficient."

Maersk Line's social media efforts also saved the company money in terms of customer service, according to Wichmann, due to social media fans being able to answer customer service issues before the customer care team needed to intervene.

Finally, social media has also had cultural effects on Maersk. According to the study: "Apart from adding transparency and empowering some of our employees,... to use it to position themselves as thought leaders, it has also shown the direction for the cultural journey that our leaders are about to present: that we should move towards a culture of sharing, rather than protecting knowledge. That we should think more about 'we' than 'I'. And that we should begin to focus less on job titles, and more on the job itself."

The Future

As Skyum-Nielson looked forward, she wondered whether the proposed plan of expanding the use of social media at Maersk Line was the right one at this stage. Wichmann's proposal recommended the development of a dedicated cross-functional social media team with 1 Social Media Lead, 1 Community Manager, 1 Social Media Manager, .5 CCM Manager (customer communications manager), and .5 Social

Collaboration Agent (industry Ph.D.). Up until then, the team had followed a "lean is fun" mantra with the goal of keeping expenses down in order to "avoid interference from various skeptics," according to Wichmann.

The proposal also called for a \$250,000 budget achieved by decreasing print advertising, web banner advertising, and sponsorships. The budget would be used for advertising on Facebook, Twitter, LinkedIn, and Google, as well as expenses to manage and monitor tools (such as Vitrue Publisher and Radian6).⁶⁷

Skyum-Nielson also wondered what else could Maersk do next to unleash the power of social media in the company. Although she was nervous about her job ahead, she was excited to see what she and Maersk Line could accomplish.

Notes

- 1. <sterlingklor.com/b2b-case-study-maersk-gets-social-media-right/>.
- Maersk Group had 1.5 million fans on Facebook and around 10,000 followers on Twitter by 2013. Unlike Maersk Line, a large portion of their social media efforts have been outsourced to a digital agency.
- 3. As a point of comparison, GE spent around \$15 million per year on social media alone with a similar number of Facebook (900,000) and Twitter (130,000) users.
- 4. <www.fruitnet.com/asiafruit/article/15424/social-media-win-for-maersk-line>.
- 5. < www.maersk.com/Aboutus/Pages/The Maersk Group.aspx>.
- Forest L. Reinhardt, Ramon Casadesus-Masanell, and Frederick Nellemann, "Maersk Line and the Future of Container Shipping," Harvard Business School Case Study, 9-712-449, June 1, 2012, p. 8.
- 7. Ibid., p. 9.
- https://www.nielsen.com/us/en/reports/2012/state-of-the-media-the-social-media-report-2012.
- www.fastcompany.com/3009993/bottom-line/why-b2b-marketers-still-dont-get-social-media-and-7-steps-for-fixing-that.
- <www.marketingcharts.com/wp/interactive/how-b2b-decision-makers-are-using-social-media-35181/>.
- 11. Ibid.
- <www.marketingcharts.com/wp/interactive/how-b2b-decision-makers-are-using-social-media-35181/>.
- 13. < www.fastcompany.com/3009993/bottom-line/why-b2b-marketers-still-dont-get-social-media-and-7-steps-for-fixing-that>.
- 15 Ibid
- 16. In June 2013, the social team had 1.5 FTE (Wichmann at 100 percent and 50 percent of Sara Bathsolm's time). By July 2013, the social team had 2.5 FTEs with the addition of Nina Skyum-Nielsen at 100 percent time.
- 17. Bob Evans, "1 Million Facebook Fans Prove Maersk Line's Remarkable B2B Social Smarts," OracleVoice, August 19, 2013.
- 18. linkhumans.com/case-study/maersk-line>.
- <www.mckinsey.com/insights/marketing_sales/being_b2b_social_a_conversation_with_maersk_ lines_head_of_social_media>.
- $20. \quad < j boye.com/blogpost/maersk-line-uses-social-media-to-interact-with-customers/>.$
- 21. <maersklinesocial.com/why-social-media/>.
- 22. <www.mckinsey.com/insights/marketing_sales/being_b2b_social_a_conversation_with_maersk_lines_head_of_social_media>.
- 23. linkhumans.com/case-study/maersk-line>.
- <www.mckinsey.com/insights/marketing_sales/being_b2b_social_a_conversation_with_maersk_ lines_head_of_social_media>.
- 25. Silvia Cambie, "Maersk Line Sets B2B Social Media Example," Simply-Communicate.com.
- 26. Ibid.
- 27. Ibid.

For the exclusive use of S. Fodor, 2017.

Maersk Line: B2B Social Media—"It's Communication, Not Marketing"

- 28. <www.business2community.com/social-media/can-learn-maersk-lines-social-media-presence-0634290>.
- 29. linkhumans.com/case-study/maersk-line>.
- 30. Evans, op. cit.
- 31. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 19.
- 32. khumans.com/case-study/maersk-line>.
- 33. Anders Moller, "Telling the Story of Maersk Line," Grasp, February 19, 2013.
- 34. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 24.
- 35. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 14.
- 36. Ibid., p. 15.
- 37. Laurence Hebberd, "How Maersk Line Use Social Media," LinkHumans.
- 38. linkhumans.com/case-study/maersk-line>.
- 39. Ibid.
- 40. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 35.
- 41. Ibid.
- 42 Ibid
- 43. Cambie, op. cit.
- 44. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 36.
- 45. <socialmediatoday.com/jordanv/2012901/14-stats-inform-your-2014-social-marketing-strategy>
- 46. Ibid.
- 47. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 36.
- 48. Cambie, op. cit.
- 49. <maersklinesocial.com/the-wall-of-maersk/>.
- 50. slinkhumans.com/case-study/maersk-line>.
- 51. <maersklinesocial.com/the-wall-of-maersk/>.
- 52. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 41.
- 53. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 41.
- 54. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 41.
- 55. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 47.
- 56. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 49.
- 57. Jorgen Rudbeck, "Maersk through with the Hard Part of Social Media," Shipping Watch, April 9, 2013.
- 58. slinkhumans.com/case-study/maersk-line>.
- 59. <modernandmaterialthings.tumblr.com/post/521698047/facebook-value>.
- 60. 60. linkhumans.com/case-study/maersk-line>.
- 61. Ibid
- 62. "The Next Step: How to Unlock the Full Potential of Social Media," Maersk Line, p. 12.
- 63. Ibid., p. 3.
- 64. 64. linkhumans.com/case-study/maersk-line>.
- 65. Cambie, op. cit.
- $66. \ \ \hbox{``The Next Step: How to Unlock the Full Potential of Social Media,'' Maersk Line, p. 3.}$
- 67. Ibid., pp. 70–73.

California Management Review, Vol. 56, No. 3, pp. 142–156. ISSN 0008-1256, eISSN 2162-8564. © 2014 by The Regents of the University of California. All rights reserved. Request permission to photocopy or reproduce article content at the University of California Press's Rights and Permissions website at http://www.ucpressjournals.com/reprintinfo.asp. DOI: 10.1525/cmr.2014.56.3.142.

UNIVERSITY OF CALIFORNIA, BERKELEY VOL. 56, NO. 3 SPRING 2014 CMR.BERKELEY.EDU