THECR NETWORK

Are you Getting Ahead or... Are You the Red Queen?

SNAPSHOT

SPEAKERS
Rachel Happe & Jim Storer (TheCR)

COMPETENCIES
Strategy, Leadership

MATURITY PHASES

CMM1, CMM2, CMM3

TOP THREE TAKEAWAYS

Rachel used the presentation outlined below as the basis of her keynote address at an E20 Event.

1. **The presentation is based on The Red Queen Hypothesis.** It is used to describe the current social media frenzy in relation to Lewis Carroll's *"Through the Looking Glass"* quote. That quote is: *"It takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!"* The message is that it is imperative that an organization create a thoughtful social media strategy (vs. running hard and staying in the same place) in order to gain a competitive advantage.

2. **Humans are losing ground against technology.** Comparing the accelerated pace of change to human evolution (which has occurred over millions of years), humans are losing ground against technology. From this perspective, people truly are an organization's weakest link. However, technology is relatively inexpensive and plentiful. Plus, it changes so much faster than individuals can change and certainly faster than organizational cultures can change. Given this theory and critical path analysis it is important, then, to focus on the weakest link as a way to create a competitive differentiator. Therefore, it makes sense to invest in an organization's people as they will either accelerate or hold back the organization's performance.

3. **Think about your relationships.** Hopefully, this will spur people to do a gap analysis with their relationships to see if they are engaging in the proper manner. For Rachel, that is what drives a community and an engagement strategy. It also determines the amount of time that should be devoted to it.

BEST PRACTICES

1. **Red Queen Hypothesis:** The crux of The Red Queen Hypothesis in relation to social media today is that there are many technologies available and people are running from one to the next. It results in the feeling of spending a great deal of time engaging in short, transactional conversations, but not getting anywhere. Everyone is just trying to keep up with everyone else.

2. **We are at a Crossroad:** Rachel believes that we are at a crossroad based on what she is seeing in the market. There are people who use social tools and methods to gain incremental value. However, the returns are decreasing because there are more and more people flooding the market with the same intentions. That being said, Rachel does believe that there is a possibility for increasing returns if companies adopt a well-planned strategy for constructing the value chain and how they are participating in their market and creating and delivering value.
   a. Putting this in perspective, Rachel stated that today she has more power in her iPhone than most companies had 40 years ago. What that means is that humans are losing ground against technology. Humans are the weakest link because it is impossible to try and keep pace with technological change. In critical path analysis, it is important to focus on the weakest link because that then becomes the competitive differentiator. An organization's people are what will accelerate or hold back its performance. Therefore, it makes sense to invest in an organization's people.

3. **Soft Values Win.** A business model that incorporates meaning, flexibility and connection with the wants and needs of their people (the soft values that motivate people), will be the organization that wins over a purely transactional model of doing business. This is difficult for businesses to understand because a business is not capable of paying for meaning. That has to come from relationships. Again, it reinforces that people are the things that are going to provide the competitive advantage for businesses in the future.

4. **Set Expectations:** Communities do not have a direct investment correlation. Therefore, it is imperative to set expectations about how long it will take and the scale expected at certain junctures because the investment is not linear (i.e. invest 1X and get 2X as a return). In fact, part of the problem with people acting as Red Queens is that they can start running faster and faster and use more technologies only to spike activity that will eventually die off because the engagement is not rich; it does not take the relationship to the next level. It is still primarily a transaction-based engagement vs. a richer, relationship-based dialogue engagement.

BEST PRACTICES, CONT.

    a. One participant asked Rachel to elaborate a little further on the idea of measurable, but not direct. Rachel used an email marketing example. It comes down to benchmarking and not having enough historical data. Communities create ripples that change people's behavior, but that happens over time. Furthermore, it happens differently for everybody. In other words, it does not offer that same predictable model unless there is mass of scale. Others agreed that mass of scale is a valid point. Therefore, it is very important to set the performance expectation for social media with the company right from the very beginning.

    b. Rachel also added that perhaps direct is not the right word to use in this instance. The fact that it is not immediate is a better description for the point she is trying to get across. Others agreed.

5. **Community Maturity Model.** Rachel discussed TheCR's Community Maturity Model at this point in the discussion, which gives organizations a relationship roadmap, i.e. how to do this on an enterprise-wide scale. It outlines the competencies needed to define what the relationship and engagement path needs to be, as well as the value to be derived from it.

THECR
NETWORK

LESSONS LEARNED

- In respect to the relationship-building points of Rachel's presentation, one participant shared that in general sales training there are two types of approaches for customer acquisition, either a direct approach or a relationship-building approach. This participant believes that the relationship-building approach leads to better long-term customers and better revenue. He was reminded of that analogy as Rachel was mentioning the amount of time needed to invest in building relationships. This participant believes that you can make those parallels for why businesses or organizations spend resources on these types of activities.
  - This also reminded this participant of another social media analogy regarding the cocktail party. You do not walk up to somebody and start selling to them. If you do that with enough people you will sell something, but you will have a much more robust contribution to your business if you talk to people as people and invest in the relationship before trying to sell to that person.
  - Rachel added that technology has made people forget proper business etiquette. She feels that part of what she does is remind people to exercise those skills that they already have, just in a different context.

- Rachel asked how others on the call felt with respect to the balance shift between infrastructure investment and human capital investment, as was referenced in her presentation. In general, the Human Resources Department knows that they need to evolve their role to that of a strategic business partner, but the rest of the organization is slow to adopt that way of thinking.

- Along the lines of the above, Rachel asked if those on the call see social media making that transition to a strategic business arm of the business or if organizations are still just tacking it onto the marketing function. For the most part, it is a little of both. Certainly with small companies it is not as developed as it is with larger organizations. Rachel's view is that not all organizations need it. If the organization's core value is production or scale efficiency or a very unique product and either or those elements are the company's core margin differentiator, it will not be a necessity and that is perfectly fine.

ADDITIONAL INSIGHTS

Rachel asked participants how they feel about their own personal use of social technologies, particularly whether or not they feel it is too much or too little:

- Many on the call are so focused on their professional use of social technologies that their personal use has drifted by the wayside somewhat.
- Along the lines of the above, a few participants (including Rachel and Jim) feel as though Facebook and Twitter have grown so much that it is impossible to be able to interact in the same way that they did when the platforms were just starting out.
- Another portion of the participants are trying to trim down their use of all the various technologies and concentrate on a selected few.
- Google+ was mentioned a few times. Participants on this call do not necessarily see it as a platform of choice compared to the other platforms.
- Another common thread among the participants is that they are trying to create a balance with their use of social media. It is overwhelming to try and keep up with all that is available, so they are selective in where they concentrate their efforts.
- Rachel found this discussion to be interesting because it is the root of her argument in the presentation that she is delivering to the E20 Event. She also feels that Twitter has become so massive that she does not engage and converse as much as she used to because the feeling of small and intimate conversation is missing. She is feeling lost as to where to have the more engaging types of conversations in the personal/professional world. Rachel stated that she has always treated most of her social media activity, except for Facebook, as a semi-personal/semi-professional endeavor.