

WORD-OF-MOUTH GOES WORLDWIDE

HOW SOCIAL MEDIA IS CHANGING THE RELOCATION INDUSTRY

The world now has a new way to communicate – social media. Corporations – and their employees – are using social networking platforms to interact with other organizations, individuals, and brands. Social media has the power to revolutionize the way information is disseminated and absorbed, and the implications for how business is conducted could be changed forever.

THE SOCIAL NETWORK EXPLODES EXPONENTIALLY

The adoption rate for social media is skyrocketing. In 2009, Facebook surpassed 350 million users worldwide, and Twitter ended the year with 19.9 million.¹ However, individuals are not the only ones embracing social media. Corporations are seeing firsthand how valuable social networking can be in maintaining a dialogue with their customers. Just last year, 91-percent of firms on the Inc. 500 used at least one social media tool.²

Social media provides a means for people to connect with each other – both in good times and in bad. While the most common use of social networking is sharing personal achievements, family memories and general conversation, the applications do not end there. Social networking

provides a fast and simple way to disseminate important information. For instance, in the days and weeks immediately following the 2010 Haiti earthquake, posts on Twitter served as the leading source of discussion, with online videos, blogs, and discussion boards following close behind.³

HELPING TO MAKE – OR BREAK – DECISIONS

Businesses need to realize the influence that social networking has on their target audiences. Now more than ever, word-of-mouth is critical to brand and company reputations. Bad news can spread like wildfire throughout the social networking landscape, and businesses cannot afford to ignore what their customers are saying. Instead companies must be willing to accept blame and demonstrate their willingness to rectify issues and avoid them in the future. A swift and appropriate response is necessary to effectively address any issues presented. Social media is available 24/7, and that means the longer a company takes to respond, the more susceptible it is to long-term damage.

Additionally, companies should understand that their customers are using social networking, and therefore, these sites provide an incredible opportunity to educate their customers. From announcing new products, to issuing important announcements, to creating brand ambassadors, companies should include social media as a prominent part of their communications strategy.

People are growing increasingly reliant on word-of-mouth, using what they find through social media outlets to aid their decision-making process. While recommendations from personal acquaintances



remain the most trusted source of information, consumer opinions posted online also affect how opinions on businesses are formed.⁴ The chart on page two, “Trust in Advertising,” highlights how much more believable word-of-mouth is over other forms of advertising.

However, social media is not strictly used by consumers. Professionals are also using social networking to validate their business decisions and to shape their networks and relationships.⁵

Social media is also affecting how people select moving companies and real estate services.

In a 2009 survey, market research company Ad-ology Research reported, “nearly one in eight higher income consumers said social media influenced their choice of real estate services, the highest of all media types.”⁶

¹ Doug Gross. “Has Twitter Peaked?” CNN.com, January 26, 2010.

² “Social Media Marketers Declare Success.” eMarketer Digital Intelligence. December 2, 2009.

³ Paul Brent. “Social Networking Used to Respond to Major Events.” CTV Ottawa, January 28, 2010.

⁴ The Nielsen Company. “Global Advertising: Consumers Trust Real Friends and Virtual Strangers the Most.” Nielsenwire, July 7, 2009.

⁵ Vanessa DiMauro and Don Bulmer. “The New Symbiosis of Professional Networks: Social Media’s Impact on Business and Decision Making.” Society for New Communications Research, November 18, 2009.

⁶ Michelle O’Brien. “Real Estate Survey: Social Media Influences Real Estate Services Choice for Higher-Income Consumers.” MarketingForecast.com.

While people may locate moving companies through a variety of resources, they probably will not hire a company until they have read reviews on the service.⁷ Relocating employees want to know how moving companies have treated other customers and their colleagues. Did they receive timely service, accurate and thorough in-home estimates, and prompt claim resolution if one occurred? Most importantly, transferees are looking for moving companies who are actively involved with their customers – a company that responds to reviews with gratitude, explanations, or even apologies, if necessary.

MAKING RELOCATIONS MORE PERSONAL

Relocation has always had a high-touch and personal nature, and now, social media is making it even more so. Through the use of social media tools, transferees are able to get to know the individuals and companies involved with their relocation.⁸ This increased level of connectivity helps build the transferees' confidence in the

company and services, as well as enables prompt and effective sharing of information. By enabling transferees to "meet" the people on the other end of the phone, social media helps build a face-to-face relationship, even if the parties are spread throughout the country or around the globe.

Relocation service providers can help transferees learn more about their potential destinations by providing online interactive tools. Graebel led the industry in this approach with the introduction of its password-protected client transferee portal, globalCONNECT.SM Through this portal, transferees can access information relevant to their specific policy entitlements, as well as:

- > Profiles of destination cities and countries, including area school information
- > Comprehensive cost of living analysis for the destination city or country
- > Mortgage calculators
- > Home values

- > Move planners
- > Real-time access to relocation-related data, including schedules
- > A move center, which features games, interactive stories, and links that are geared toward helping younger children understand the move

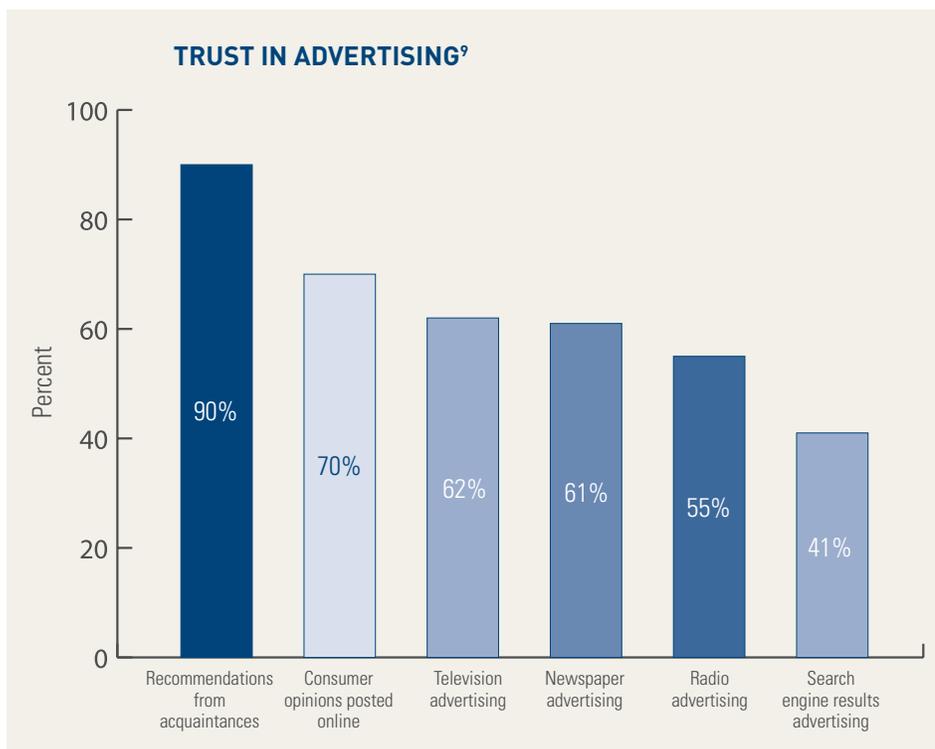
Relocation companies are not the only organizations using social media to help relocatees adapt to new assignments. The U.S. Department of Defense created Military Avenue Answers to help address the challenges resulting from constant relocations.¹⁰ The platform is geared toward younger families, who have grown up with the Internet and are reliant upon community forums for exchanging information. Using a Q&A platform, Military Avenue Answers enables the military community to tap into others' individual knowledge and experiences concerning companies, base communities, and military relocation programs.

THE NEW WELCOME WAGON

With the aid of social networking, transferring employees and their families are able to settle into their new communities much faster. Social sites provide valuable resources that can help people:

- > Learn about their new community
- > Use the experiences of others to find doctors, restaurants, stores, and much more
- > Locate local activities to participate in and find people with similar interests
- > Identify potential sources of employment for trailing spouses
- > Stay connected with their friends and family regardless of where in the world they are located

For those individuals who are on temporary or international assignments, staying in touch with what is going on in their hometowns can be extremely helpful with relieving stress. Sometimes,



⁷ Tim Johnson. "Dial Back on Facebook, Twitter: Focus Social Media Efforts on Reviews." Relocation.com, October 12, 2009.

⁸ "Social Media: A New Connector for the Relocation Industry." DallasReloBlog, October 12, 2009.

⁹ The Nielsen Company. "Global Advertising: Consumers Trust Real Friends and Virtual Strangers the Most." Nielsenwire, July 7, 2009.

¹⁰ Jamie Findlater. "New Social Media Platform Helps Military Members with Relocation." American Forces Press Service, December 3, 2008.

people need only a simple picture to alleviate some of the homesickness – and social networking provides the ideal medium for this task.

As author Peter T. Kilborn described in his book, *Next Step, Reloville: Life Inside America's New Rootless Professional Class*, and also during the Graebel University Fourth Annual International Relocation Policy in February 2010, corporate relocating employees and career transferees experience significant isolation and stress each time they relocate. These individuals, also known as relos, "trade a home in one place for a job that could be anyplace... they have little in the way of community ties." With their next move looming in the near future, relos likely don't want to take extensive steps to getting actively involved in their new towns. Social networking could prove to be highly beneficial in helping them become more acquainted with their communities in a simple way, as well as provide them with the means to stay connected with friends, family, and communities that are likely scattered throughout the country.

SELLING HOMES, THE SOCIAL WAY

Real estate agents who are actively engaged with social media may prove to be more successful at selling homes. Not only are these agents able to generate extensive exposure for their listings, but they also have the capability of reaching people beyond their local markets.

Social media agents are not afraid to promote their listings in different ways and on many different sites – from Twitter, to Craigslist, to

Facebook. Even YouTube provides an avenue to promote the features of a home, showcase the lifestyle and unique attributes of a community, and much more.¹¹

According to the National Association of REALTORS[®], nearly half of the Realtors in the U.S. are either using, or are considering using, social networking sites as part of their promotional activities.¹²

For real estate agents, relationships and reputations (both online and offline) are critical to their success. Social media provides a method for establishing name recognition, building credibility, and developing relationships in the marketplace.¹³

While there are benefits to finding social media savvy real estate agents, this qualification should not be the sole reason why an agent is selected. Graebel recommends qualifying real estate agents by their marketing knowledge, home marketing capabilities and plans, and their records of success. One way to determine an agent's knowledge of the marketplace is to look for blogs he or she has written. Blogging helps build regional and national credibility, as well as provides valuable information for homebuyers, sellers, and fellow agents.¹⁴

SOCIAL MEDIA'S LONG-TERM EFFECTS

Social media, and how it will alter the way the world communicates long term, is a dynamic topic. However it seems as though social media

will continue to increase in popularity. A 2009 survey showed that in a single month, 65-percent of the worldwide Internet audience visited at least one social networking site.¹⁵

Mike Read, senior vice president and managing director for comScore Europe, a preferred source for digital marketing intelligence, summed up the worldwide impact of social media on communication, "Social networking has become a popular online pastime not only in mature Internet markets, but also in developing high-growth Internet markets such as Russia."¹⁶

As worldwide adoption continues to increase, people will find new uses for social media – and these discoveries will likely affect companies, their employees, and the relocation industry.



TO LEARN MORE ABOUT TRENDS IN WORLDWIDE RELOCATION, CONTACT GRAEBEL:

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¹¹ Peyman Aleagha. "How to Build Your Real Estate Business Using Social Networking Sites." RISMedia, January 5, 2009.

¹² Christian Toto. "Real Estate Agents Find Tweet Success." The Denver Post, October 25, 2009.

¹³ Michelle O'Brien. "Real Estate Survey: Social Media Influences Real Estate Services Choice for Higher-Income Consumers." MarketingForecast.com.

¹⁴ Melissa Dittmann Tracey. "Getting Real Results from Social Networking." REALTOR[®] Magazine, May 13, 2009.

¹⁵ "Russia Has World's Most Engaged Social Networking Audience." comScore, July 2, 2009.

¹⁶ Ibid.