Agenda

- Introduction
- Policy & Guidelines
- Application @ Nestlé
Nestlé’s mission

Our objective is to be the recognised leader in Nutrition, Health & Wellness and the industry reference for financial performance.
The Nestlé story

1867
1938
1960
1980s
2000s

1866
1929
1947
1970s
1990s
2010

Henri Nestlé

Nestlé
Nestlé at a glance

- CHF 83.6 billion in sales in 2011
- 328,000 employees
- 461 factories
- 10,000 brands
- 1 billion Nestlé products sold every day

Constant interaction with our consumers...!
Our 10 Business Principles
- the Foundation of all we Do -

Learn
Knowing & Understanding the Principles

Apply
Putting the Principles into Practice

Share
Inspiring through Examples

Verify
Following up on our Commitments
Nestlé’s Social Media Meltdown
A Case Study

- Pressure from Greenpeace and like minded individuals over Nestlé’s policy of buying palm oil
- Greenpeace accuses Nestlé of supporting deforestation and threatening the Orangutan monkeys with extinction.
- Greenpeace created a video which likened eating a Kit Kat bar to killing an Orang-Utan.

Mistakes:
1. Nestlé moved to have the video removed, which angered the Greenpeace members.
2. Nestlé then moved to protect their Facebook page by removing critical comments
3. Continuing to do something and expecting the results to change
4. Lack of transparency and apparent unconcern

Finally, Nestlé began a traditional slow speed counter movement making several environmental statements and announcing initiatives.
Social media communication Evolution – Kit Kat 2010

Graph of last 7 days of twitter usage of "nestle"

Kit Kat Mentions – Jan to July 2010

Social media lessons from Nestle’s reputation crisis
Crisis management

- Do not compromise on COMPLIANCE:
  - Internal controls, food safety, management principles and procedures

- Be prepared:
  - Timely preparation of measures and contingency plans

- Be open:
  - Transparent & proactive communication

- Be decisive and flexible to cope with unforeseen events

Keep in mind, the way we managed crisis does reinforce employees, customers, suppliers and other stakeholders confidence in Nestlé…!
Policy

- Social platforms as both catalyst and amplifier
- Manage issues, incidents and crises online and in social media is key
- Maintain consumer trust and protect company’s reputation
Guidelines

- Protect Nestlé and its brands

- Isolated consumer complaint can gather momentum and spread internationally within hours.

- Even when communicating in tense crisis situations, stay true to brand personality:
  - Caring and responsible
  - Open and empathetic
  - Transparent and honest
Guidance in the following areas

- Laying groundwork before a crisis
- Social and digital media crisis prevention, readiness and radar
- Understanding a social media issue/crisis
- Responding to a crisis
- Reviewing a social media issue/crisis
What is a crisis?

- Ongoing debate (often spread by media/social media):
  - “Spiking” issues can become a crisis

- Threatens health and safety of consumers and employees

- Threatens image and value of brands and company

- Left unmanaged, an incident can turn into a crisis

- Never underestimate crisis potential of an issue or incident
How do we act?

- Building positive digital sentiment through best practice engagement
- Knowing conversational landscape relevant to our brands / markets
- Investing in our brand’s social media presence
- Being strategic about how we approach social media
- Showing consumers that we care and are listening to them
Which issues should we look out for?

- Social media crisis situation threatens company in different areas
- Crucial to immediately assess and escalate threat to appropriate internal contacts
- Specific Nestlé “hot topics”:
  - Crises not confined to fixed list of topics
  - Widespread consumer concern
  - Organised attacks.
How to manage consumer complaints?

- Sensitive consumer complaints can indicate a serious issue
- Reaction can undermine Nestlé’s reputation and trigger a crisis:
  - Urgency?
  - Threat?
  - Surprise?
  - Consumers’ health at stake?
- Monitoring and listening (The Listening Company)
- Learn what consumers really feel – before we get told by someone else!
Monitoring – DO / DON’T ?

DO
- Monitoring with keywords
- Monitor daily (or more)
- Perform manual searches (e.g. Google Blogs, Twitter, YouTube)
- Search Facebook (e.g. fan pages, group walls)
- Set up Alerts as back-up
- Analyse samples if data volume becomes overwhelming
- Engage partners (internal & external)
- Establish automated workflow to notify crisis committee

DON’T
- Forget to adjust keyword
- Use volumes as key metric (influence and context also important)
- Ignore competitors and retailers
- Report only charts and verbatims (insights are crucial !)
- Assign monitoring to someone too junior or with little knowledge of business
Impact of crisis communication

Risk level

Time
Key Learning

• **Anticipate** as much as possible

• **Timely reaction** is essential

• **Be flexible** to cope with unforeseen events
Let’s have a break, let’s have a...