



MARKETING & SALES PRACTICE

The power of storytelling:

What nonprofits can teach the private sector about social media

*Learn how to harness the power of social media in this case study excerpted from *The Dragonfly Effect*, by Jennifer Aaker and Andy Smith. Then hear more from the authors in a conversation with McKinsey's Dan Singer.*

Companies are spending countless hours and millions of dollars trying to master social media. Is this a revolutionary platform that can drive everything from customer relationships to product development—or just another form of marketing? In a new book titled *The Dragonfly Effect*, Stanford University marketing professor Jennifer Aaker and marketing strategist Andy Smith seek to answer these questions by examining numerous examples of social media at work, distilling a framework for inspiring infectious action.

One of the four “dragonfly wings” that comprise the authors’ framework and give the book its name is *engagement*, which they define as “truly making people feel emotionally connected to helping you achieve your goals” through storytelling, authenticity, and establishing a personal connection. Presented here is an excerpt adapted from the book, followed by a discussion between the authors and Dan Singer, a director in McKinsey’s New York office. The conversation focused on lessons useful for leaders seeking to boost their organizations’ marketing effectiveness by engaging customers through social media. The bottom line: using social media to capture people’s attention is different from traditional advertising, and companies that measure the effectiveness of these new channels by simply counting Facebook fans should rethink their approach.

Social-media engagement: A case study from *The Dragonfly Effect*

Scott Harrison was at the top of his world. The 28-year-old New York-based nightclub and fashion promoter excelled at bringing models and hedge-fund kings together and selling them \$500 bottles of vodka. He had money and power. Yet his lifestyle brought something else: emptiness. Harrison felt spiritually bankrupt.

So he walked away, volunteering to serve on a floating hospital offering free medical care in the world's poorest nations. Serving as the ship's photo-journalist, Harrison was quickly immersed in a very different world. Thousands would flock to the ship looking for solutions to debilitating problems: enormous tumors, cleft lips and palates, flesh eaten by bacteria from waterborne diseases. Harrison's camera lens brought into focus astonishing poverty and pain, and he began documenting the struggles of these people and their courage.

After eight months, he moved back to New York, but not to his former life. Aware that many of the diseases and medical problems he witnessed stemmed from inadequate access to clean drinking water, he decided to do something about it. In 2006, he founded charity: water, a nonprofit designed to bring clean and safe drinking water to people in developing nations.

Harrison launched the organization on his 31st birthday by asking friends to donate \$31 instead of giving him a gift. It was a success—the birthday generated \$15,000 and helped build charity: water's first few wells in Uganda. In the three years that followed, Harrison's simple birthday wish snowballed into donations that today total more than \$20 million, translating into almost 3,000 water projects spanning everything from hand-dug wells and deep wells to protection for springs to rainwater harvesting. The organization has now provided clean water to more than 1.4 million people spanning 17 countries. Its success can be explained through four design principles for generating engagement with a brand through social media.



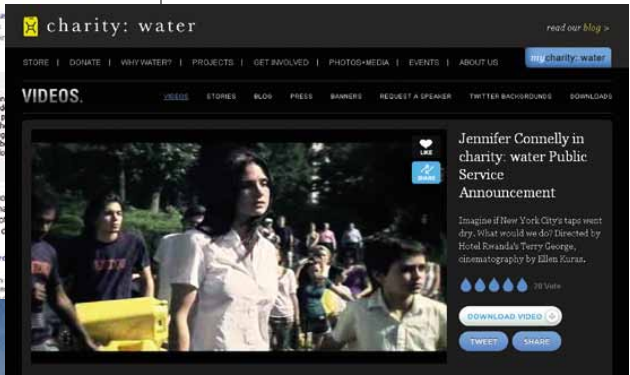
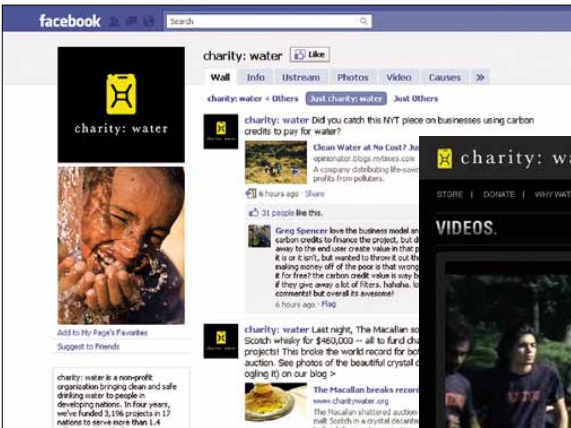
This case study is adapted from Jennifer Aaker and Andy Smith's *The Dragonfly Effect* (Jossey-Bass, September 2010).

Tell a story. Harrison's personal journey—evoking themes of redemption, change, and hope—engaged others on an emotional level. By candidly discussing in media interviews and YouTube videos why and how he started charity: water, the thoughtful, accessible, and youthful Harrison helped viewers fall in love with him and his cause.

Empathize with your audience. Let people engage with your brand to learn what's important to them and how it relates to your campaign. charity: water evoked empathy through the use of photographs and videos that revealed the urgency of the water problem in the developing world. Instead of relying just on statistics, the organization promoted compelling stories that forced people to think about what it would be like to live without access to clean water.

Emphasize authenticity. True passion is contagious, and the more authenticity you convey, the more easily others can connect with you and your cause. Because of charity: water’s commitment to transparency, donors not only understand the history that gave rise to the organization but also know exactly where their money goes. Reports and updates on the charity’s Web site connect donors directly to the results of their generosity.

Match the media with the message. How and where you say something can be as important as what you say. charity: water has a staff member dedicated to updating various social-media platforms and creating distinctive messages for Twitter and Facebook fan pages. The organization also relies heavily on video. One of charity: water’s most effective video projects involved convincing Terry George, the director of the film *Hotel Rwanda*, to make a 60-second public-service announcement in which movie star Jennifer Connelly took a container to New York City’s Central Park, filled it with dirty water from the lagoon, and brought it home to serve to her two children. The producers of the reality TV show *American Idol* agreed to broadcast the spot during the program, ensuring that more than 25 million viewers saw it.



Viral-video campaigns and a focus on social media help charity: water spread the word.



Applying the lessons beyond the social sector: McKinsey's Dan Singer talks with the authors of *The Dragonfly Effect*

Dan Singer: *If you look at powerful social-media campaigns or initiatives, what's the essence of good storytelling?*

Jennifer Aaker: Good stories have three components: a strong beginning, a strong end, and a point of tension. Most people confuse stories with situations. They'll tell about a situation: X happened, Y happened, Z happened. But a good story takes Y, the middle part of the story, and creates tension or conflict where the reader or the audience is drawn into the story, what's going to happen next.

Treating stories as assets is an underrealized idea right now. Stories serve as glue to unify communities. Stories spread from employee to employee, from consumer to consumer, and, in some cases, from employee to consumer or consumer to employee. Stories are much more memorable than statistics or simple anecdotes and are a mechanism that allows communities to grow. Strong stories can be told and retold. They become infectious.



Jennifer Aaker is the General Atlantic Professor of Marketing at Stanford University's Graduate School of Business.

There are at least four important stories that all companies should have in their portfolio. The first is the "who am I?" story—you know, how did we get started? The second is the "vision" story, the "where are we going in the future?" This may or may not be connected to the "who are we?" story. A third is the "apology and recovery" story. In any long-term relationship, there is inevitably going to be transgression. But it is remarkable to see how few companies have thought through what a transgression is for them and how they might respond to it. The final type of story that becomes really important for corporations to have in their bank is the "personal" story: what are the personal stories that are being incubated and cultivated within the organization? This is a very different type of story. This shines a light on *people* rather than the organization.

Dan Singer: *Is it the story that resonates? Or is it the storyteller?*

Andy Smith: The story is the most important thing. You don't have to be famous to tell a good story. Where it really does come back to the storyteller is authenticity. People have to believe you. And you have to believe in the story yourself in order to be effective.



Andy Smith is a marketing strategist and principal at Vonavona Ventures.

Jennifer Aaker: The reason authenticity becomes important in social media is that as you think about customers or employees stepping toward a cause, it's oftentimes done when they trust the entity. When they step away from an organization, cause, or goal, it's often because they feel it's overly manufactured, overly professional, something to potentially distrust.

Dan Singer: *What can businesses learn from folks in the social sector who use social networks and social media?*

Jennifer Aaker: All four “wings” of the dragonfly act in concert. The first wing is focus: what is your single small, concrete goal? That goal should be measurable over time so you see how close you’re getting to it. The second wing is grabbing attention, making people look. That is very similar to more traditional means of marketing. The third wing is engagement, telling the story, which also has been important in the past. But how do you enable action on the part of employees and customers? That is very new to the social-media world. When you execute on these four wings—when four small acts are taken in concert—that’s when you get amplification or infectious action.

Dan Singer: *So how do you assess companies’ efforts to date against the dragonfly framework? Are we in the early days?*

Andy Smith: It’s not exactly the earliest day. There’s this hangover effect from traditional media. You can call it “campaign thinking.” Companies are pretty slow to take ownership of the ongoing back and forth with consumers that’s required to build a relationship. As public companies, they have whole departments devoted to nurture relationships with, say, financial analysts. They need to apply the same kind of approach to their social-media constituents. The platform itself is relatively straightforward. The mind-set needs to come with it.

Dan Singer: *How do you think companies should measure their success in deploying social media or engaging with customers? You’ll hear companies talk about the number of Twitter followers or the number of Facebook fans they have. Are those the right measures?*

Andy Smith: It reminds me of the early days, when people counted hits on your Web site. With each new media comes different meaningless statistics. It goes back to wing one: before you deploy an effort, you need to be thinking about your goal. That’s been a challenge for brand builders. Setting those goals and actions and measuring yourself against them is the way that companies configure the clearest path forward.

Dan Singer: *An unstated assumption is that the medium through which the communication happens is electronic—Facebook, e-mail, Twitter. As those platforms become mature and probably fairly cluttered, will people get social fatigue?*

Andy Smith: Oh, I think people have already started to show plenty of fatigue. It seems like the more things change, the shorter the life span between early adopters and people burning out. How many Twitter people can you follow?

Jennifer Aaker: There’s one study that we’re running right now that looks at the degree to which a subject gets asked to contribute some money or time to

a cause. The number of people who delete something like this immediately from their inbox is somewhere around 95 percent. So you're already seeing people feeling inundated by "asks," especially in the social-good realm. Then there's another big group of people who feel that social media is overhyped and has gotten too much attention.

Dan Singer: *This is eerily reminiscent of traditional forms of advertising. In television, there's so much clutter that what differentiates the effective from the rest is the quality of the story and the resources of the advertiser. Would you say the same is true here? What's going to differentiate the 5 percent that get read from the 95 percent that get deleted?*

Andy Smith: For advertisers, [it will be] creativity and the depth to which they really apply the principles of understanding what's going to make people go. You literally just can't throw a switch and write a check and buy it. But you can certainly get more airplay and more attention if you nurture your community and build your followers, build your fan base, build the things that matter, and then activate them.

Jennifer Aaker: It's about the people driving the technology. You have to be cognizant of where the true power of social technology lies. It's not in the technology—it's in the people using it. ◉

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