

# The 2011 Fortune 500 and Social Media Adoption: Have America's Largest Companies Reached a Social Media Plateau?

Conducted By:  
Nora Ganim Barnes, Ph.D. and Justina Andonian  
Center for Marketing Research  
Charlton College of Business  
University of Massachusetts Dartmouth

## Introduction

Fortune Magazine annually compiles a list of America's largest corporations, aptly named the "Fortune 500" given their size and wealth. Due to the hugely influential role that these companies play in the business world, studying their usage of new technological tools like social media offers important insights into the future of commerce. While these companies may not always be the first to innovate, they do provide a look at emergent trends among America's most successful companies.

In 2008, the Center for Marketing Research at the University of Massachusetts Dartmouth released one of the first studies of the Fortune 500 (F500) adoption and repeated that study every year since. The study has been expanded to include the usage of the fastest growing social media tools – Facebook and Twitter.

For the first time, this latest iteration includes information on the number of Facebook fans a company has as well as the number of Twitter followers.

This research also builds on the Center's work since 2007 examining social media in a variety of organizations including the Inc. 500, US colleges and universities and the Forbes list of the 200 largest charities (<http://www.umassd.edu/cmr>).

Each May the list of the top 500 companies is released in a special issue of Fortune Magazine. The Fortune 500 (F500) list includes publicly and privately held companies for which revenues are publicly available. For more information on the F500, please visit <http://money.cnn.com/magazines/fortune/fortune500/>.

## Methodology

For purposes of this research, the following definition was used to locate 2011 F500 companies with blogs: A company was counted as having a blog if they had *a public-facing corporate blog from the primary corporation with posts in the past 12 months*. This is the same definition used in the 2008, 2009, and 2010 studies.

Due to the complexity of corporate legal structures in this group and no clear methodology on how subsidiaries have been located or analyzed by others, the research presented here continues to focus on the primary/listed corporation. While we acknowledge that mergers and acquisitions

along with expansions have resulted in segments or subsidiaries with blogs, our focus has consistently been at the corporate level.

In addition, it is worth noting that there is evidence of usage of social media such as blogs inside of large companies like the F500. This research did not look at that subject, but instead focused on public-facing corporate blogs as a barometer of social media usage to engage the public.

All companies were analyzed using multiple steps. First, working from the published 2011 F500 list, all corporate home pages were examined for links to, or mention of, corporate blogs. If none were found, a search on the company's site was conducted using the key word "blog." Any links resulting from that search were followed and evaluated using the established criteria.

If no blogs were located on the home page or through a site search, other search engines were used. Both Google and Technorati (a leading blog-focused search engine) were employed to check for corporate blogs using key words that included the primary/listed company name and the word "blog." This proved to be an effective method since additional blogs were located. A search of other sites gathering information on the F500 was also reviewed for any mention of blogs in that group.

Similarly, all companies were analyzed through multiple steps to locate corporate Twitter accounts. First, working from the 2011 F500 list, all corporate home pages were examined for links to, or mention of, a corporate Twitter account. If none were found, a search on the company's website was conducted using the keyword "Twitter." Any links resulting from that search were followed and evaluated using the established criteria.

If no Twitter accounts were located on the home page or through a site search, Google was used to search for Twitter accounts using keywords that included the primary/listed company name and the word "Twitter." If no Twitter accounts were found this way, a search on the Twitter website was conducted using the primary/listed company name. These additional approaches proved to be effective as some Twitter accounts were located using this method. The same methodology was used to locate Facebook profiles for each company in the 2011 F500 using multiple searches on multiple platforms.

In addition to this year's study, the number of followers and fans was recorded if a company was found to have a corporate Twitter and/or Facebook account. The above search methods for locating these accounts were used in order to locate these figures.

All 500 companies on the 2011 list were researched using this process. This is the only known attempt to examine the entire F500 list for use of public-facing blogs, Twitter and the popular social networking platform Facebook.

### **1. Blogs in the 2011 F500**

One hundred and fourteen (23%) of the primary corporations listed on the 2011 F500

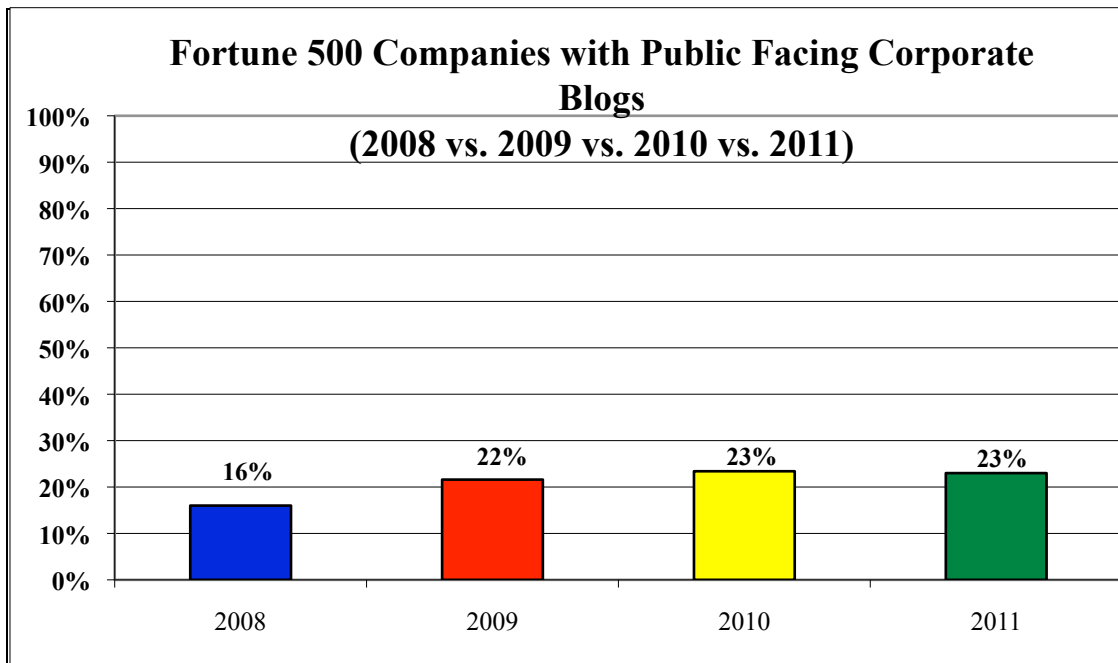
have a public-facing corporate blog with a post in the past 12 months. These include two of the

	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>
--	---	---	---	---

top five corporations (Wal-Mart and Exxon). Three companies in the top 5 in 2011 without a public-facing blog are: Chevron, Conoco Philips, and Fannie Mae.

In this year’s study, Conoco Philips has moved from its 6<sup>th</sup> position in 2010 to 4<sup>th</sup> position in 2011, but has remained without a public-facing blog. Fannie Mae made a substantial jump in ranks after being 81<sup>st</sup>, but now secures its rank as the fifth company in this year’s F500 list. See Appendix 1.

In our 2008 study of F500 blogs, 81 companies (16%) had blogs that met the criteria for this study. In 2009, 108 F500 companies (22%) had blogs. In both years, 3 of the top 5 ranked companies had blogs. Exxon and Conoco Philips were the exceptions. In 2010, 116 companies (23%) have blogs meeting our criteria for an increase of just 1% from 2009 (Exxon added a corporate blog in 2010). In 2011, 114 companies (23%) have blogs meeting our criteria. While the percentage remains constant in 2010 and 2011, there are two less companies with public-facing corporate blogs in 2011. This may signal a plateau for this mature tool among the F500.



## 2. Blogs by Industry

The 114 companies with blogs come from a cross section of industries. A partial list is presented below showing those industries with the greatest presence in the blogosphere. Blogging varied by industry type. As might be expected, companies Computer Software, Peripherals and Office Equipment (Dell, Xerox) have had the most blogs in all three years of our study. In 2011, they have lost their position with 8 blogs, while Specialty Retailers lead with 9 blogs. Companies in this category include TJX, Dollar Tree, and Bed Bath & Beyond.

	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>	<b>F500 Companies With a Blog</b>
--	---	---	---	---

Specialty Retail	9	8	7	4
Computer Software, Peripherals, Office Equipment	8	11	11	8
Food Production, Services and Drug Stores	7	9	6	5
Telecommunications	7	7	6	5
Commercial Banks	5	6	5	4
Semiconductors	5	6	5	4
Motor Vehicle	4	6	4	4
Insurance	4	3	5	4
Information Technology	2	3	4	3

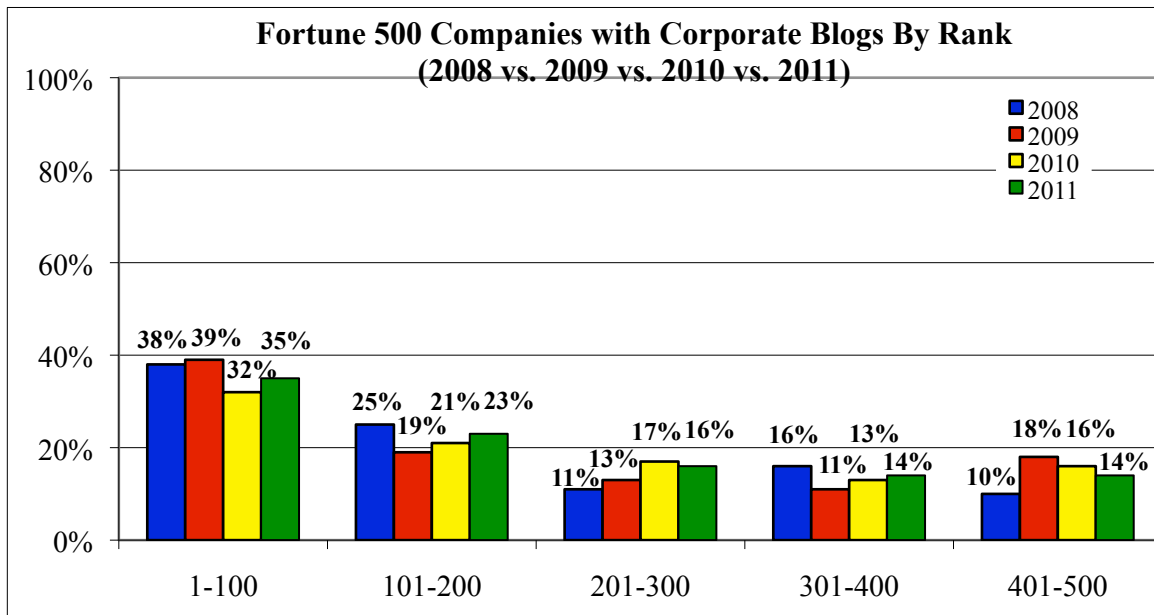
The Specialty Retail industry saw an increase in the number of companies blogging (such as Home Depot, Office Depot, Best Buy, Toys “R” Us and BJ’s Wholesale) from 4 companies on the 2008 list to 7 from the 2009 list to 8 in 2010 and 9 in 2011. The Telecommunications industry represented by companies such as AT&T, Verizon, Sprint and Comcast remained at 7 blogs for this year. Food-related companies like CVS Caremark, McDonald’s, Tyson, General Mills, Whole Foods Market and Hershey had 7 blogs, down from 9 in 2010.

Two industries had 5 blogs in 2011. They include Commercial Banks (JP Morgan Chase) and Semiconductors (Intel, Texas Instruments). The Information Technology industry (IBM, SAIC, Computer Sciences, etc.) has dropped to 2 blogs in 2011.

### 3. Blogs by Rank

In 2008, 38% of the total number of blogs came from the top 100 followed by 39% of the blogs in the 2009 F500. Rank continued to influence the adoption of blogging by the F500 but in 2010 that number drops to 32%. In 2011, 35% of the top 100 companies have a blog. With over one third of all F500 blogs coming from the top 100 companies, rank continues to be a factor in the use of this tool.

In 2011 the top 200 companies account for 58% of corporate blogs and the bottom 200 ranked companies (those listed 301-500) make up 28% of the total number of blogs. These figures are consistent with those from 2008, 2009, and 2010. It is interesting to note that adoption remains lower in the bottom 200 than in the top 200 for the 4<sup>th</sup> year in a row with no significant change in the numbers.



#### 4. Level of Interaction on the Blogs

All 114 blogs were examined to determine the level of interactivity the blog allowed. This was done by looking at the blog to see if comments were accepted, if RSS feeds or email subscriptions were available and checking the date of the last post to determine how current it was. In 2011, 91% of the F500 blogs take comments, have RSS feeds and take subscriptions which is an increase of 1% since 2009 and 2010.

These blogs are kept current with frequent posts on a range of topics. It appears that those companies that have made the decision to “blog” have utilized the tool well. There is frequent posting, on-going discussion and the ability to follow the conversation easily through RSS or email subscriptions.

#### 5. Comparison with the Inc. 500

The F500 companies are blogging at a lower rate than other business groups, specifically the Inc. 500. The Inc. 500 list is composed of the fastest-growing, private companies in the US, while the F500 is based on total revenue (not growth) and may include public and private companies. That list is published in a special issue of Inc. Magazine published in September of each year.

Data available on blogging for the 2010 Inc. 500 shows that 50% have a corporate blog which is an increase of 5% from 2009. With 23% of the F500 companies hosting corporate blogs in 2011, that gap is likely to continue. It is possible that the difference is related to size of the company, internal structure, or corporate philosophy regarding open communication with its stakeholders. Regardless of the motivation, the F500 companies have been less likely to adopt this social media tool than their smaller, fast-growing counterparts.

#### 6. Corporate Twitter Accounts

For purposes of this research, the following definition was used to locate 2011 F500 companies with Twitter accounts. A company was considered a user of Twitter *if they had an official corporate account with posts (a.k.a. a “tweet”) made within the past thirty days.*

Three hundred eight (62%) of the 2011 F500 have corporate Twitter accounts with a tweet in the past thirty days. This represents a 2% increase since last year. Of these companies, the top 10 corporations (Wal-Mart, Exxon, Chevron, Conoco Philips, Fannie Mae, General Electric, Berkshire Hathaway, General Motors, Bank of America Corp. and Ford Motors) consistently post on their Twitter accounts.

Four 2010 companies in the Medical or Healthcare industries had Twitter accounts with no activity on them (Humana Health Care, Boston Scientific, United Health Group and Cardinal Health Care). In 2011, searches revealed no corporate Twitter accounts for these companies. This was also true for the food chain Winn-Dixie, who remains without a public-facing blog or Twitter account. Freddie Mac, however, has adopted both blogging and a corporate Twitter account in 2011. The 308 F500 companies from the 2011 list that met our criteria, and their Twitter accounts, are listed in Appendix 2.

#### **6A. Twitter Accounts by Industry**

The 308 companies with Twitter accounts come from a cross section of industries. A partial list is presented below showing those industries with the greatest presence on Twitter.

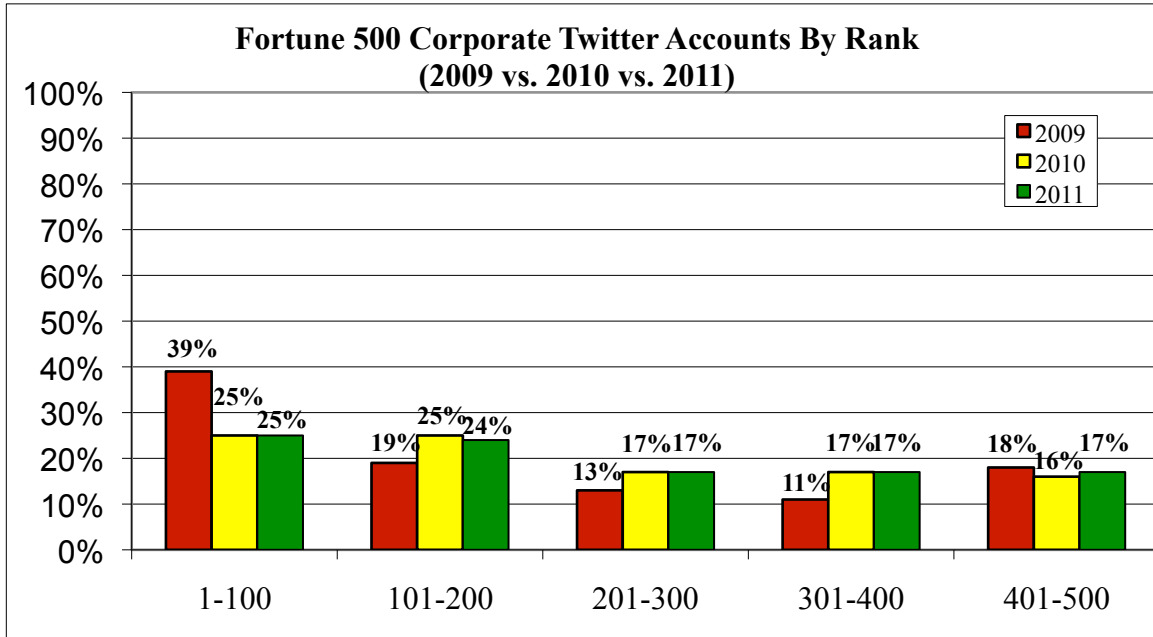
<b>Industry</b>	<b>Number of 2011 F500 Companies with a Twitter Account</b>	<b>Number of 2010 F500 Companies with a Twitter Account</b>
Specialty Retail	25	23
Food Production, Services, Drug Stores and Consumer Products	23	22
Insurance	21	20
Utilities	16	16
Computer Software, Peripherals, Office Equipment	10	14
Telecommunications	11	12

Tweeting differed by industry type with specialty retail (Home Depot, Lowe's) having the most Twitter accounts (25), taking over first place from the Food industry. The Food-related industry represented by companies like Kroger, Walgreen and McDonald's with 23. Insurance companies also increased their use of this tool moving from 20 corporate Twitter accounts to 21, while the utilities industry remained at 16 Twitter accounts in 2011. Both the Computer Software and Telecommunications industries have fewer active Twitter accounts in 2011 than in 2010.

#### **6B. Twitter Accounts by Rank**

Three hundred eight (62%) of the 2011 F500 companies now have corporate Twitter accounts meeting the criteria of this study. Rank appears to influence the use of Twitter by the F500. All the top 10 companies have corporate Twitter accounts. Forty-nine percent of the Twitter accounts belong to the companies in the top 200 on the list, while 34% come from those ranked

in the bottom 200. Similar to the adoption of blogs, those ranked higher in the 2011 F500 are more likely to adopt Twitter than their counterparts ranked lower.



**6C. Twitter Followers in the 2011 F500**

The 308 companies with Twitter accounts have a substantial number of followers. This is the first year the number of followers was included in this study.

Company Name	Company Rank	Number of 2011 F500 Twitter Followers
Google	92	3,328,282
Whole Foods Market	273	1,992,873
Starbucks	229	1,580,033
Southwest Airlines	205	1,153,279
Washington Post	470	587,595
Coca-Cola	70	344,461
Verizon Communications	16	231,304
Best Buy	47	218,431

Google has the highest number of followers on Twitter among the 2011 F500 followed by Whole Foods Market, Starbucks, and Southwest Airlines. The Washington Post has quickly grown to almost 600,000 in just over a year.

## 7. Corporate Facebook Pages

Two hundred eighty-nine (58%) of the 2011 F500 are now on Facebook. This is the second year Facebook was included in this study, and the second time any systematic review of the entire Fortune 500 has been conducted on this tool. Facebook pages among the 2011 F500 follow the same pattern of adoption by rank as blogs and Twitter. Forty-eight percent of the top 200 have a corporate Facebook page while 35% of the bottom 200 use this tool. One hundred fifty-six companies (31%) have neither a Twitter account nor a Facebook presence.

Companies in the Insurance industry are most likely to be on Facebook, followed by companies in Specialty Retail and Food, Drug and Consumer Products. Utilities companies are the least likely to have corporate Facebook pages.

<b>Industry</b>	<b>Number of 2011 F500 Companies with a Facebook Account</b>	<b>Number of 2010 F500 Companies with a Facebook Account</b>
Insurance	27	28
Specialty Retail	24	26
Food Production, Services, Drug Stores and Consumer Products	24	21
Commercial Banks	13	11
Telecommunications	11	12
Computer Software, Peripherals, Office Equipment	10	12
General Merchandisers	10	10
Utilities	8	11

In 2011, the top three industries (Insurance, Specialty Retail, and Food) with a Facebook account decreased since 2010. Commercial Banks increase by 2 accounts since last year, while General Merchandisers remained the same with 10 Facebook accounts.

### 7A. Facebook Fans in the 2011 F500

The following chart lists some of the 289 F500 companies with their fans. This is the first year the number of Facebook fans was included in this study, and the first time any systematic results can be used to show how each company is doing in terms of their fans.



Company Name	Company Rank	Number of 2011F500 Facebook Fans
Coca-Cola	70	32,303,342
Starbucks	229	24,102,790
McDonald's	111	9,426,335
Wal-Mart	1	7,105,159
Levi Strauss	496	6,841,938
Kohl's	142	5,290,702
Target	33	4,919,647
Nike	135	4,757,335

Coca-Cola dominates with 32,303,342 fans which is the highest recorded number of the 2011 F500's 289 companies with a Facebook account. Starbucks pulls into 2<sup>nd</sup> place with 24,102,790 fans. Target and Nike both have more than 4.5 million fans.

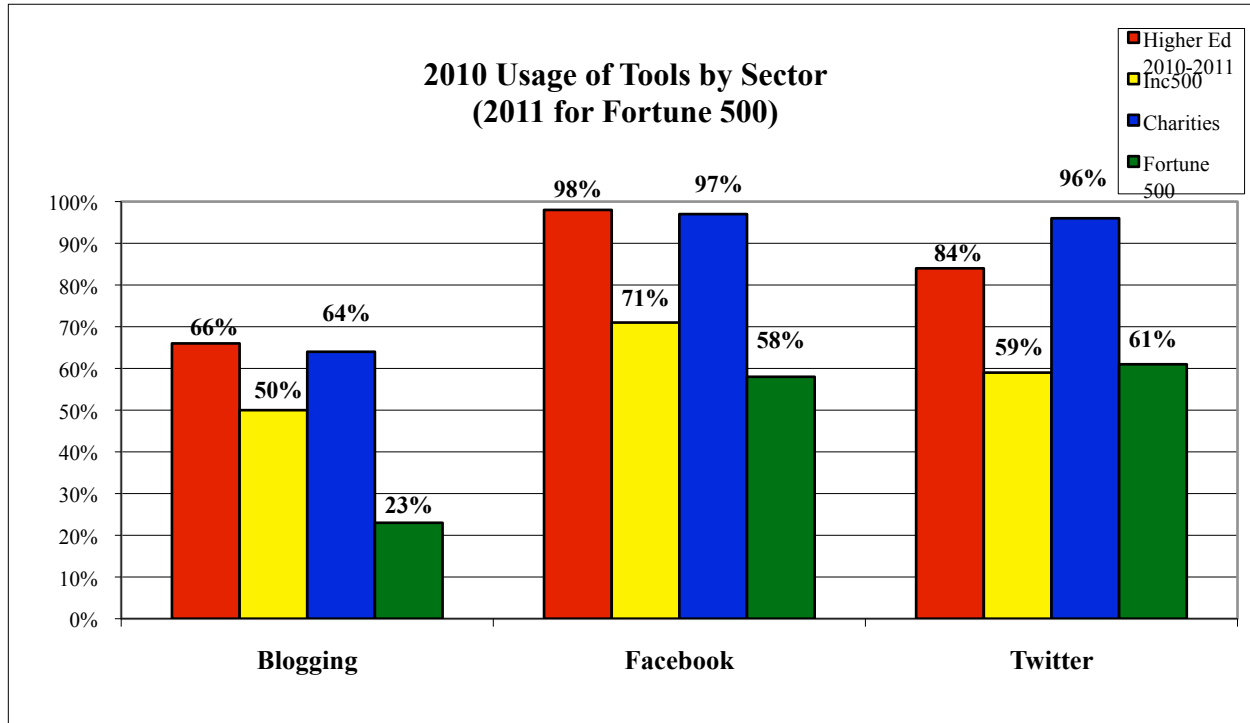
#### 8. New 2011 F500 Companies

Every year new companies may join the F500 listing, while some will find themselves off the list due to changes in the company's revenue. The table below lists companies with substantial changes in rank from 2010 to 2011.

Industry	Company Name	Company Rank in 2010	Company Rank in 2011	Change in Rank
Mining, Crude-Oil Production	Cliffs Natural Resources	750	477	+273
Apparel	Phillips-Van Heusen	739	479	+260
Home Equipment, Furnishing	Stanley Black & Decker	543	288	+255
Metals	AK Steel Holdings	510	383	+127
Transportation and Logistics	Expeditors International of Washington	507	384	+123
Diversified Financials	Fannie Mae	81	5	+76

## 9. Comparison with the Inc. 500, Charities, and Higher Ed

The University of Massachusetts Dartmouth Center for Marketing Research has conducted longitudinal studies on four major sectors of the US economy: Fortune 500, Inc. 500, charities, and higher education. In every one of the past 4 years, the F500 has lagged behind the others in adoption of social media.



## Conclusion

The adoption of blogs, Twitter and Facebook in the 2011 F500 appears to have leveled off with no significant change in the past year. Twenty-three percent (114) of the 2011 F500 have corporate public-facing blogs. There has been a slight increase in both Twitter use (60% in 2010, 62% in 2011) and use of Facebook (56% in 2010, 58% in 2011).

These results may signal a leveling off and possibly retrenchment when it comes to the adoption of social media among the 2011 F500. There is also evidence of change in the adoption of these tools by industry and a clear sign from some companies that these are not part of their communications strategy. Given that the F500 are the titans of American business, we may be seeing the slowdown in business adoption of social media. At the very least, this group appears to have slowed or stopped its adoption of the three most prominent tools – Blogging, Facebook and Twitter.

## **Bios**

### **Nora Ganim Barnes, Ph. D.**

Nora Ganim Barnes is a Chancellor Professor of Marketing and Director of the Center for Marketing Research at the University of Massachusetts Dartmouth.

Nora has worked as a consultant for many national and international firms. Working closely with businesses in the Northeast US, Nora and her students have provided marketing research assistance to hundreds of small businesses.

She has published articles in academic and professional journals and proceedings, has contributed chapters to books, and has been awarded numerous research grants. Her work has been covered online and in print by Business Week, the NY Times, Washington Post, CNN, Reuters, Wall Street Journal, Fox News and Computer World among others. She has been named a Senior Research Fellow by the Society for New Communications Research. Nora can be reached at **[nbarnes@umassd.edu](mailto:nbarnes@umassd.edu)**.

### **Justina Andonian**

Justina Andonian is an undergraduate student at the University of Massachusetts Dartmouth.

She has worked for the Center for Marketing Research for the past 3 years as a Data Collection Assistant and Social Media Manager. Justina received recognition by Masters In Advertising, a blogging site, after UMass Dartmouth Center for Marketing Research Blog was ranked #29 on their top 50 up and coming branding blogs.

Justina has worked on several studies that involved social media usage of the Inc. 500, higher education, and top charities. She can be reached at **[jandonian@umassd.edu](mailto:jandonian@umassd.edu)**.