Report: 2012 Fortune 500 Social CEO Index

Executive Summary

The 2012 Fortune 500 Social CEO Index was created to evaluate the extent to which top business leaders are embracing social media.

Findings from this research reveal that with the exception of LinkedIn, CEOs are participating in social channels significantly less than the general public, as well as smaller, more agile competitors.

Introduction

Social media has become a transformative force for hundreds of millions of individuals over the past decade. Thanks to services like Twitter, Facebook and Wikipedia, digital content is now permeating the globe. This new level of connection has transformed how individuals and businesses communicate.

With an increasing number of companies embracing the social world, CEO.com asked the question, "What about the chief executive officers?"

Methodology

To find out how many CEOs were actually using social media, and what kind of influence they had, we turned to the Fortune 500 list[1]. From May 7 to May 21, 2012, we searched for every CEO on each of the major social networks.

Early on, it became clear that we would need to verify the legitimacy of these accounts. Our criteria for verification included the following:

- Profile descriptions must be accurate
- Content of posts must be relevant and believable
- Quality (or number) of followers taken into consideration
    - Facebook and Google Plus profiles with less than five friends were not counted
    - The number of LinkedIn connections was not included in this criteria since spam/phony accounts are less common on this network.
- Account maintained by or on behalf of the CEO (not by fans)
    - "Public Figure" Facebook profiles were not included
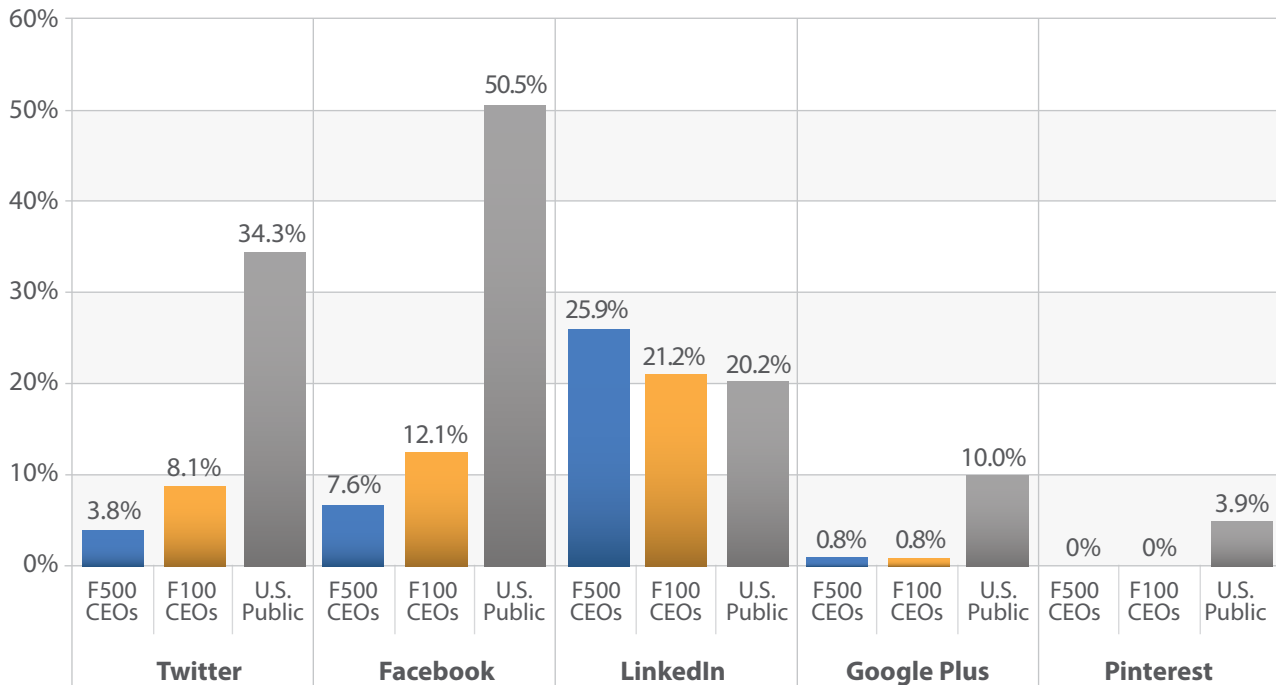
While somewhat subjective in nature, this procedure was the most logical approach given the large number of phony accounts within social networks.

Searches for Wikipedia entries and blogs were conducted via Google search and corporate websites.

There are only 99 CEOs in the Fortune 100, and 498 CEOs in the Fortune 500. George Paz is CEO of both Medco Health Solutions (36) and Express Scripts Holdings (60). Christopher Crane is CEO of Constellation Energy (199) and Exelon (145).

Percentages in the findings were rounded to the nearest tenth.

Findings

Chart showing social media usage percentages across F500 CEOs, F100 CEOs, and U.S. Public for each platform:

	Twitter			Facebook			LinkedIn			Google Plus			Pinterest		
	F500 CEOs	F100 CEOs	U.S. Public	F500 CEOs	F100 CEOs	U.S. Public	F500 CEOs	F100 CEOs	U.S. Public	F500 CEOs	F100 CEOs	U.S. Public	F500 CEOs	F100 CEOs	U.S. Public
	3.8%	8.1%	34.3%	7.6%	12.1%	50.5%	25.9%	21.2%	20.2%	0.8%	0.8%	10.0%	0%	0%	3.9%

Twitter and F500 CEOs

Profiles

- 19 CEOs (3.8%) have registered for Twitter
  - 107 million Americans (34.3% of US population) have registered for Twitter[2]
  - 17% of the Inc. 500 CEOs are also on Twitter[3]
- 4 CEOs (less than 1%) have Twitter-verified accounts
- 3 CEOs have joined Twitter in the last year (Rupert Murdoch, Rory Read & Best Buy Interim CEO Mike Mikan)

Usage

- 5 of the 19 CEOs who signed up for Twitter have never tweeted
- 9 F500 CEOs (1.8%) are active on their Twitter accounts
  - To be labeled "active" in the study, users must have tweeted within the last 100 days
- The average amount of followers for CEOs with Twitter accounts is 33,250
- Twitter usage increased from 3.4% to 3.8% for CEOs from 2011 to 2012

Notable CEOs

- Rupert Murdoch (News Corp.)
  - 237,000 followers and will soon surpass Meg Whitman as the most-followed CEO (see Updates section below)
  - Most active tweeter, averaging more than 2 tweets per day
- Jack Salzwedel (AFI)
  - Most total tweets with 1550
- Meg Whitman (HP)
  - Longest tenured CEO tweeter by 7 days (Feb 13, 2009)
- Warren Buffett (Berkshire Hathaway)
  - Second-longest tenured CEO tweeter
  - Least active CEO, with an average of .00085 tweets per day (Buffett has tweeted once)

Facebook and F500 CEOs

Profiles
- 38 CEOs (7.6%) are on Facebook
  - 157,348,340 Americans (50.5% of US population) are on Facebook[4]

Usage
- 25 CEOs (65.8% of CEOs on Facebook) have less than 100 friends
- 11 CEOs (28.9% of CEOs on Facebook) have between 100-500 friends
- 2 CEOs (5.3% of CEOs on Facebook) have more than 500 friends
  - Numbers do not add up to 33 because profiles with a blocked number of friends were included

Notable CEOs
- Michael Rapino (Live Nation) has the most Facebook friends of any CEO with 1,723 friends

LinkedIn and F500 CEOs

Profiles
- 129 CEOs (25.9%) have LinkedIn Profiles
- 62,790,000 Americans (20.2% of US population) have LinkedIn Profiles[5]

Usage
- 32 CEOs (24.8% of CEOs on LinkedIn) are not updated with current company or title
- 76 CEOs (58.9% of CEOs on LinkedIn) have more than 10 connections
  - 10 CEOs (7.8% of CEOs on LinkedIn) have more than 500 connections
- 53 CEOs (41.1% of CEOs on LinkedIn) have 10 connections or less
  - 36 CEOs (27.9% of CEOs on LinkedIn) have 1 or 0 connections

Google Plus and F500 CEOs

Profiles
- 4 CEOs (.8% of CEOs) are on Google+
  - Estimated 10% of US Population[6]

Notable CEOs
- Larry Page (Google) comes out on top, included in more than 2 million circles

Pinterest and F500 CEOs

Profiles
- No CEOs are on Pinterest
  - Approximately 12,000,000 Americans (3.9% of US population) have a Pinterest account[7]

Wikipedia and F500 CEOs

Profiles
- 183 CEOs (36.7%) have their own profile written on Wikipedia

Blog and F500 CEOs

Usage
- 6 CEOs (1.2% of CEOs) contribute to blogs

Notable CEOs
- 1 CEO, John Mackey (Whole Foods), has and maintains his own blog

Overall Social Influence of F500 CEOs

Profiles
- 148 CEOs (29.7%) have at least one profile on social networks
  - 70.3% have no presence on social networks
- 285 CEOs (57.2%) have a profile on a social network, contribute to a blog, or have their own entry on Wikipedia
  - 42.8% have no social presence at all

Notable CEOs
- Rupert Murdoch has the highest Klout score of 74
- Michael Dell has the second highest with 67
- Warren Buffett comes in third with 62

Conclusion

After analyzing the data we found — with the exception of LinkedIn — F500 CEOs lagged far behind the general population in terms of social media participation.

After searching Twitter, Facebook, LinkedIn, Google Plus and Pinterest we concluded 70% of F500 CEOs have no presence at all on social networks.

Why should CEOs be interested in social media? According to a recent survey of employees by Brandfog:
- 77% believe a social CEO will increase business purchases
- 78% want to work for a social CEO
- 81% believe social CEOs are better leaders
- 82% believe social CEOs are more trustworthy
- 93% believe social CEOs are better equipped for crisis management
- 94% believe social CEOs will enhance the company's brand

A separate study conducted by IBM suggests 16% of all CEOs in the U.S. are using social media to communicate with customers. That number should balloon to 57% within 3-5 years.

So while the majority of Fortune 500 CEOs have yet to pick up the pace in their personal social media efforts, it seems those who do will be better equipped to successfully grow their companies. And with both employees and consumers clamoring for connection and clarity, CEOs who commit themselves to social media are more likely to be rewarded with better engagement and loyalty at every level.

Notes

[1] "Fortune 500," http://money.cnn.com/magazines/fortune/fortune500/2012/full_list/.

[2] "The US Has the Most Twitter Users, But The Netherlands Is More Active," Accessed June 8, 2012, http://www.mediabistro.com/alltwitter/the-us-has-the-most-twitter-users-but-the-netherlands-is-more-active-stats_b18172.

[3] "Socially Savvy CEOs are One Step Ahead of Their Peers," Accessed June 11, 2012, http://www.scgpr.com/41-stories/savvy-ceos.

[4] "Facebook Statistics by Country," Accessed June 1, 2012, http://www.socialbakers.com/facebook-statistics/.

[5] "About Us," Accessed June 8, 2012, http://press.linkedin.com/about.

[6] "Whoa, Google Plus Has 54M Daily Users? Not Quite," Accessed June 8, 2012, http://www.forbes.com/sites/jeffbercovici/2012/01/19/whoa-google-plus-has-54m-daily-users-not-quite/.

[7] "Pinterest: USA vs UK," Accessed June 8, 2012, http://visual.ly/pinterest-usa-vs-uk.

Updates

Since this report is a snapshot in time these numbers do not include Larry Ellison (Oracle), who joined Twitter in June. Similarly, the report does not include the latest number of Twitter followers for Rupert Murdoch who has now surpassed Meg Whitman as the most-followed CEO on Twitter.