Social Media Trends in Today’s Global Arena: Analysis of State Taxing Agencies’ Social Media Use and the Pennsylvania Department of Revenue

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Pennsylvania Department of Revenue
More Americans are connecting to the Internet, and for longer periods of time. Nielsen’s 2012 State of Social Media report noted Americans spent nearly 520.1 billion minutes engaged in social media:

- 129.4 billion minutes on mobile applications;
- 28.1 billion minutes on mobile web; and
- 362.7 billion minutes on PCs
Why We Were Interested

With the rapid growth of social media, private and public sector organizations alike are exploring new and unique ways of reaching larger, more diverse audiences. These web-based platforms are helping to inform:

- Consumer spending habits;
- Opinions; and
- Transforming the way business is conducted, in general.

Image courtesy of Digitas LBI
Founded in February 2004, Facebook is a free social networking site that provides a platform for individuals, organizations and businesses to stay connected. This website allows member-users to create unique personal profiles, create personal content to share with a network of friends, upload and share videos and picture, comment on others’ posts and send messages.
Despite the ever growing social networking arena, Facebook continues to dominate the social networking platform.

- 1.28 billion users
- 63 percent of those users visit the site on any given day
- In 2012-13, approximately 71 percent of adults online were Facebook users
- Facebook’s business model is to grow and analyze an audience it then sells to advertisers for profit.

### Facebook users
Among online adults, the % who use Facebook

<table>
<thead>
<tr>
<th>Category</th>
<th>Use Facebook</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Internet users (n= 1,445)</td>
<td>71%</td>
</tr>
<tr>
<td>a Men (n= 734)</td>
<td>66%</td>
</tr>
<tr>
<td>b Women (n= 711)</td>
<td>70%</td>
</tr>
<tr>
<td>a White, Non-Hispanic (n= 1,025)</td>
<td>71%</td>
</tr>
<tr>
<td>b Black, Non-Hispanic (n= 138)</td>
<td>76%</td>
</tr>
<tr>
<td>c Hispanic (n= 169)</td>
<td>73%</td>
</tr>
<tr>
<td>a 18-29 (n= 267)</td>
<td>84%</td>
</tr>
<tr>
<td>b 30-49 (n= 473)</td>
<td>79%</td>
</tr>
<tr>
<td>c 50-64 (n= 401)</td>
<td>60%</td>
</tr>
<tr>
<td>d 65+ (n= 278)</td>
<td>45%</td>
</tr>
<tr>
<td>a High school grad or less (n= 385)</td>
<td>71%</td>
</tr>
<tr>
<td>b Some college (n= 433)</td>
<td>75%</td>
</tr>
<tr>
<td>c College (n= 619)</td>
<td>68%</td>
</tr>
<tr>
<td>a Less than $30,000/yr (n= 328)</td>
<td>76%</td>
</tr>
<tr>
<td>b $30,000-$49,999 (n= 259)</td>
<td>76%</td>
</tr>
<tr>
<td>c $50,000-$74,999 (n= 187)</td>
<td>68%</td>
</tr>
<tr>
<td>d $75,000+ (n= 486)</td>
<td>69%</td>
</tr>
<tr>
<td>a Urban (n= 479)</td>
<td>75%</td>
</tr>
<tr>
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<td>69%</td>
</tr>
<tr>
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Pew Research Center’s Internet Project August Tracking Survey, August 07 – September 16, 2013. N=1,445 internet users ages 18+. Interviews were conducted in English and Spanish and on landline and cell phones. The margin of error for results based on all internet users is +/- 2.9 percentage points.

Note: Percentages marked with a superscript letter (e.g., a) indicate a statistically significant difference between that row and the row designated by that superscript letter, among categories of each demographic characteristic (e.g., age).
Incorporated in 2007, Twitter is a free microblogging service that allows its 241 million registered monthly active users to broadcast short posts called tweets.

Twitter thrives on simplicity, real-time content sharing and a public forum platform. Businesses and organizations use Twitter to share information about their services, gather real-time market intelligence and build relationship with consumers, partners and influencers.
• Twitter attempts to connect businesses with customer to drive meaningful conversations, which attracts new customer and drives business to a company’s website.

• Strives to empower an organization’s message and requires companies to constantly connect with audiences to maintain interest.

• Features a chronological platform where users “follow” persons or organizations, thereby inviting content from those sources to appear sequentially in feeds.

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**Twitter users**

*Among online adults, the % who use Twitter*

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<td>All internet users (n=1,445)</td>
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</tr>
<tr>
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</tr>
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<td>a 18-29 (n=267)</td>
<td>31bcd</td>
</tr>
<tr>
<td>b 30-49 (n=473)</td>
<td>19cd</td>
</tr>
<tr>
<td>c 50-64 (n=401)</td>
<td>9</td>
</tr>
<tr>
<td>d 65+ (n=278)</td>
<td>5</td>
</tr>
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RSS stands for “really simple syndication” or “rich site summary” and is a newsfeed subscription technology that alerts users any time a favorite website has updated content. A user subscribes to the sites that interest them, and updates to those sites are provided in a single, centralized location, thereby eliminating the need for a user to visit various websites for the updates they seek.
The Basics

YouTube

Founded in February 2005, YouTube allows billions of people to watch and share originally-created videos.

- YouTube reaches more U.S. adults ages 18-34 than any cable network.
- YouTube has a viewership of more than 1 billion unique users each month with over 6 billion hours of videos watched each month.
- Works to build a community of followers based on content streamed through video.
Social media usage by state taxing authorities has grown significantly in the past three years and is quickly becoming the newest wave of e-government.

According to our research earlier this year, approximately 68 percent of state taxing authorities use Twitter, Facebook, YouTube and/or RSS.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>States with tax authority social media presence</td>
<td>34</td>
<td>13</td>
</tr>
<tr>
<td>State taxing authorities with a Facebook page</td>
<td>21</td>
<td>6</td>
</tr>
<tr>
<td>State taxing authorities with a Twitter account</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td>State taxing authorities with a YouTube channel</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>State taxing authorities with RSS</td>
<td>10</td>
<td>?</td>
</tr>
</tbody>
</table>

Twitter is the most popular social media platform for state taxing agencies, with 25 participating states. Facebook pages were identified for 21 tax agencies, and 16 state tax agencies have established YouTube channels.
Goal: Determine if use of social media as part of a future communications plan would effectively address specific need(s) or goal(s) of the Pennsylvania Department of Revenue.

- How are other taxing authorities using social media?
- How effective is social media as a unique communication tool for brands, businesses and government agencies?
- What are the commonwealth parameters and requirements with regard to agency social media platforms?
- Do we have adequate expertise/personnel to support social media?
- Do we anticipate return on investment from social media that would outweigh risks and justify resource dedication?
In March, the Revenue Press Office administered a short social media survey was sent to state tax administrators via the FTA’s Public Information and Taxpayer Assistance (PITA) listserv. The objective of the survey was to complement a February 2014 quantitative snapshot of tax agencies social media use with qualitative insights.

Fourteen of 50 states responded offering their perspectives on social media, **ten** of which participate in one or more social media platforms.

<table>
<thead>
<tr>
<th>California</th>
<th>Hawaii</th>
<th>North Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connecticut</td>
<td>Idaho</td>
<td>Oregon</td>
</tr>
<tr>
<td>Delaware</td>
<td>Maine</td>
<td>Wisconsin</td>
</tr>
<tr>
<td>Florida</td>
<td>Minnesota</td>
<td>Washington</td>
</tr>
<tr>
<td>Georgia</td>
<td>New York</td>
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</tbody>
</table>

Since responses focused primarily on Facebook and Twitter, so does our analysis.
Agencies indicated their Facebook and Twitter audiences were made up primarily of government employees, reporters and tax practitioners, although a few reported that their Facebook audiences include a number of individual taxpayers.
The Department of Revenue found that agencies generally take one of two approaches to social media:

1. Use Facebook and/or Twitter as one more avenue to drive users to the agency website and sporadically promote news releases, tax deadline reminders and program updates.

   • Like most government organization, many of the state taxing authorities tend focus only on outbound messaging; discouraging or prohibiting two-way engagement on social media.

   • Frequency of posts for agencies adopting the “push approach ranges from once every two months (DE) to once or twice a week (ID, FL and NC).
The Department of Revenue found that agencies generally take one of two approaches to social media:

2. *Leverage modern media channels to engage and interact with audiences as a collaborative effort*

California:

- “Humanized” its Facebook page by providing a balance of serious and lighthearted posts. California has developed regular “light” and “fresh” content to appeal to taxpayers and build their audience base.

- Post to Facebook and Twitter twice daily, and business content like tax tips and links to news releases is balanced by quirky, entertainment-based posts like “throwback Thursday” photos and promotion of non-tax news.
Wisconsin:

- By posting almost daily on Twitter, Wisconsin hopes to provide a convenient channel for customers to receive timely tips, information and resources.

- Embraces two-way communication via social media, re-tweeting positive comments about department service and responding directly to users who ask questions. “We try to make sure we are just as responsive with Twitter as we would be with emails and phone calls our customer service area receives.”

Connecticut:

- Embraces the opportunities Twitter and Facebook provide to put a human face on the agency and not only inform, but also engage and interact with stakeholders
Two-way communication is much harder to achieve for state taxing agencies – often because of information security, reputation management and effective reach – but it is the essence of effective social media marketing.

While there have always been risks of improper disclosure and/or misuse of government information, social media presents a new manifestation of current security and privacy issues.

Delaware: *We chose not to have a Facebook presence at this time because we are concerned people are more apt to share their personal information on a wall or inbox (i.e., Where’s my refund? My SSN is...”), and we cannot guarantee secure communications on this site.*
Other states have experienced how the vast reach of social media can work against an agency when the platform, particularly Facebook, becomes a viral vehicle for criticism:

- “The surprise has been how quickly negative comments draw more negative comments [in a] a pile on effect,” ~CT.
- “Invariably, Facebook becomes a blank canvas for taxpayer anger.” ~NC
- “No amount of info[rmation] or phone numbers will satisfy ... people who simply want to vent. ~MN
- “Another state agency had to remove its Facebook account after discussion over a controversial issue got out of hand.” ~ID

In the Pennsylvania Lottery’s experience, posts relating to state government draw criticism and vocal opposition in social media; the social audience here could be unfriendly to the tax agency.
While Facebook debuted as a simple chronological listing of status updates and in past years past organizations could maximize exposure and message reach by strategizing engagement favorable to the older algorithms, content organization has become increasingly sophisticated as the site has grown in popularity and profitability.

Facebook’s business model is to grow and analyze an audience – dedicating significant resources and technology into algorithms that predict and prioritize the content you want to see – then selling that captive audience to advertisers for profit.

In recent years and months Facebook has made it increasingly difficult for organizations to effectively reach their audiences without paying to promote their content.
Even if a person “likes” a company or organization on the social network, he is unlikely to organically see the content from that organization in his news feed because Facebook algorithms screen about 1,500 possible posts to provide the top 300 “high quality content” posts Facebook thinks that person wants to see.

Facebook defines high-quality content not by the merit or value of the content, but rather that which is most appealing to each user. *They want to show you what you want to see in your news feed, otherwise they risk losing your engagement.*

An Ogilvy & Mather study of more than 100 brand pages found that companies’ posts dropped from reaching 12 percent of followers in October 2013 to just 6 percent by February 2014.
• Tech blog Valleywag reported that Facebook is planning to dial reach down to 1 percent to 2 percent of followers eventually.

• Returning to the numbers from an earlier slide, this means that despite California and Connecticut’s dedicated efforts to engage taxpayers on their Facebook pages, eventually their organic content will reach less than 22 and 3 of their followers, respectively. And who knows how many reached will actually look at the content.

So the question for Pennsylvania becomes: 

*Is the juice worth the squeeze?*
“Social media marketing, regardless of the platform, requires investment. Not only in producing content native to the specific platform but also to attract and sustain an audience either through earned or paid media.”

Robin Grant, global managing director at We Are Social.

Social media is not free; it requires staff and strategy (and sometimes third-party vendors) for each of the following:

- Establishing a social media policy, voice, roles and responsibilities
- Continuous content creation, management, scheduling and monitoring
- Engagement protocols
- Crisis communication protocols
Social Media Staffing

- In our review, states with two to three Revenue staff dedicated primarily to social media outreach, continuous content management and frequent post were able to better engage audiences than those state with limited resources.

- The Pennsylvania Lottery has three full-time Lottery employees dedicated to social media interaction and relies on the expertise of its advertising services vendor and social media subcontractors for 24/7 social media monitoring and support.

- The Pennsylvania Department of Community and Economic Development outsources social media operations for both economic development and tourism to advertising vendor Tierney, as does the Pennsylvania Liquor Control Board.

- The Pennsylvania Department of Transportation supports its social media presence largely in house, assigning full-time responsibility for engagement to one employee and supporting that effort with part-time assistance from two other individuals and a media buying vendor.
Management Directive 205.42

• Clearly outlines and establishes policy, responsibilities and procedures for agencies seeking approval from the Governor’s Office to implement social media in furtherance of specific communications goals.

• Requires an agency develop a social media implementation plan that identifies how the agency plans to utilize social media to communicate an approved message, what personnel within will be charged with updating these platforms and how the agency will respond to or address comments by users.

• This policy further requires editorial calendars that must include at least one post per channel per weekday, with a minimum of six updates per week.
Given that:

• Pennsylvania policy for social media engagement requires a dedicated commitment to developing a brand that will resonate among consumers and facilitate constant engagement;

• We don’t currently have the personnel and expertise necessary to establish and build these platforms for the department of Revenue;

• Doubt remains as to whether the department has enough timely, relevant content to satisfy the frequency of posting requirements established by commonwealth policy and attract and engage taxpayer audiences; and

• Social media’s effectiveness or return on investment in the realm of state tax agencies is unclear …
Conclusion

…the Pennsylvania Department of Revenue has determined that a more effective strategy at this time in reaching our increasingly technology savvy taxpayer bases is to refocus efforts on our website, so that it becomes the go-to place for department information and news when taxpayers need it.

- Modern, progressive and visually appealing design
- More intuitive navigation
- Enhanced search capabilities
- Responsive design that makes the site more accessible and easy-to-use from mobile devices.

Consideration of a YouTube as a way to distribute videos internally for training purposes and externally to provide support to Pennsylvania taxpayers is ongoing.
Welcome to the Pennsylvania Department of Revenue!

The department’s mission is to fairly, efficiently and accurately administer the tax laws and other revenue programs of the commonwealth to fund necessary government services.

Whether you are an individual, business owner or tax professional, our Web site features information to make filing and paying state taxes as easy as possible. And if you still have questions, use the “contact us” link to get the answer. We look forward to helping you.

Email us your tax question

How are we doing? Please take a moment to complete our Revenue Website Feedback questionnaire.

Online Services

- Where's My Refund? - find the status of your Personal Income Tax Refund
- Where's My Refund? - find the status of your Property Tax/Rent Rebate Claim
- 1099-G Information and Access

Online Customer Service Center - search for frequently asked questions or get assistance from an agent

Revenue eServices Center - access all of the department’s electronic filing and payment services

Customer Service Feedback - take a moment to provide us feedback so that we may better serve you

Additional online services are available for:

- Individuals
- Businesses
- Tax Professionals
- Software Developers/Transmitters
- Financial Institutions
- County Governments
- Customer Service

Looking to log in to your fillable form return? Access Free File Fillable Forms
Debuting Later This Year:

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NEWS RELEASES

- Revenue Department Releases Fiscal Year 2013-2014 Collections
- $223 Million in 2013 Property Tax/Rent Rebates to be Distributed Starting July 1...
Debuting Later This Year:

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