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Chapter 8

Social Media

8.1 Introduction

Blogs, wikis, social bookmarks, and tag clouds: these are new words for new things and new ways to use words. You may be living in the world of social media, but to many it's a jumbled jungle with no clear structure.

The many facets of social media are also called Web 2.0, consumer-generated media (CGM), participatory media, and new media. In fact, comparing social media to traditional media is probably the most useful way of defining what exactly this means.

Most simply put, social media are media (from written to visual to audio to audiovisual) that are designed to be shared. Sharing means that it is easy to comment on, that it is easy to send, and that there are no high costs associated with viewing the media. Because of the connected nature of the Internet, it means that sharing, commenting, and viewing can all be tracked and measured.

Figure 8.1 *The Differences between Traditional and Social Media*

Traditional Media	Social Media
Fixed, unchangeable	Instantly updatable
Commentary limited and not real time	Unlimited real-time commentary
Limited, time-delayed bestseller list	Instant popularity gauge
Archives poorly accessible	Archives accessible
Limited media mix	All media can be mixed
Committee publishers	Individual publishers
Finite	Infinite
Sharing not encouraged	Sharing and participation encouraged
Control	Freedom

The Internet, and the software developed to run on it, has made it simple for anyone to publish and distribute content. It has also made it simple for anyone to access that content.

The realm of social media is about collaborating, generating content, sharing, and most of all, connecting.

History

Blogs are probably the best-known example of social media. One of the earliest online journals recorded was <http://www.links.net>, Justin Hall's online diary, which he kept for eleven years from 1994. Reyhan Harmanci, "Time to Get a Life—Pioneer Blogger Justin Hall Bows Out at 31," *San Francisco Chronicle*, February 5, 2005, <http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2005/02/20/MNGBKBEJO01.DTL> (accessed May 27, 2008). From the very first days of the Internet, early adopters used it to create personal content.

These online diaries were referred to as "Weblogs," for "Web" and "log," but in April or May of 1999, Peter Merholz unwittingly coined the term "blog" by adding the following to the sidebar of his Web site peterme.com: "For What It's Worth I've decided to pronounce the word 'weblog' as wee'-blog. Or "blog" for short." Peter Merholz, "Play with Your Words," peterme.com, May 17, 2002, <http://www.peterme.com/archives/00000205.html> (accessed May 27, 2008).

Developers began creating tools that made it easier for anyone to start a blog. Blogger, a popular blogging platform, was launched in August 1999 and acquired by Google in 2003. In 2001, Wikipedia, probably the most well-known wiki, was created. (A wiki is a simple Web site that can be edited in real time by a number of users.)

Technorati, which tracks blogs and tagged social media, was launched in 2002. As of April 2008, Technorati was tracking 112.8 million blogs and noted in 2007 that 1.4 new blogs were being created every second.

Social media are not just about blogging, though, and several platforms that made sharing other kinds of content easier have come to the fore. Flickr, the online photo-sharing tool, was launched in February 2004 and bought by Yahoo! in June 2005.

By this stage, the social media buzzwords and neologisms were being picked up by the mainstream press, and in 2004, the Merriam-Webster dictionary chose "blog" as the word of the year.

YouTube (<http://www.youtube.com>), the online video-sharing Web site, was previewed in May 2005 and launched six months later. It was acquired by Google in November 2006 for \$1.65 billion. Twitter, which allows for users to share 140-character “tweets,” was launched in October 2006.

In 2006, *Time* magazine named “You” as the Person of the Year for “the growth and influence of user-generated content on the Internet.” Lev Grossman, “Time’s Person of the Year: You,” *Time*, December 13, 2006, <http://www.time.com/time/magazine/article/0,9171,1569514,00.html> (accessed June 20, 2010). In 2009, Google started including tweets in search results—something they call “real-time search”—indicating the importance of social media in terms of relevant content.

8.2 How It Works

LEARNING OBJECTIVE

1. Understand the fundamental concepts behind social media.

Social media have changed the world we market in and can be used as an integral part of an online marketing campaign. Social media are all about the ways that we create, connect, and share online.

Bookmarking and Aggregating: Sharing Things You Like

If there are Web sites that you visit often or that you would like to keep as a reference to come back to, it is easy to use your browser to “bookmark” them. This means that you store the URL (uniform resource locator) so that you can locate it again easily. It also gives you a personal library of Web sites that you can store on your computer.

Social **bookmarking**¹ sites, however, allow you to store these links online, use **tags**² to describe them, and share these lists with other users. Some of these sites let you submit URLs that other users vote on, while others allow you to use the saved tags to browse through the lists and libraries that have been generated.

Web sites that want to encourage users to submit content to bookmarking and aggregating sites use “**chicklets**³.” These are buttons placed around the content that make it easier to submit and share the article.

These services allow you to see what the community of Web users finds useful, interesting, or humorous. You are able to find other users with similar interests to yours and explore Web sites that they have found that you might not have come across yet.

Social bookmarking allows like-minded people to share interesting and relevant content with one another easily. It can also be an excellent tool for members of a company or organization to earmark relevant Web sites and articles. Content submitted to a social bookmarking or aggregating site can dramatically increase traffic to a Web site and expose the site to many new eyeballs.

1. Saving the address of a Web page or Web site so that it may be easily referred back to. Bookmarks can be managed with a browser or with an online tool.
2. Labels describing what content is about in social media.
3. Little buttons that make it easy to share or save information using social media services.

One such site, Delicious (<http://delicious.com>), was created in 2003 by Joshua SchacterMichael Arrington, “Exclusive: Screen Shots and Feature Overview of Delicious 2.0 Preview,” TechCrunch, September 6, 2007, <http://www.techcrunch.com/2007/09/06/exclusive-screen-shots-and-feature-overview-of-delicious-20-preview> (accessed April 2, 2008). and today boasts over five million users. *Wikipedia*, s.v. “Delicious (website),” http://en.wikipedia.org/wiki/Delicious_%28website%29 (accessed June 22, 2010). It was designed to be a site that would help Internet users organize online media in a quick, easy-to-access, and user-friendly format. Now owned by Yahoo! the primary function of Delicious is to allow users to store all their bookmarks online and then to access those bookmarks from any computer anywhere in the world. Compared to other social bookmarking sites, Delicious is more of a community-based tool, as it allows others to see your bookmarks. Essentially it lets you identify other people whose interests and concerns parallel yours and grants you access to all of their bookmarks as well.

Check out <http://delicious.com/quirkemarketingtextbook> to see some of the URLs we think are relevant to your eMarketing studies and career.

Note

Alexa is a service that ranks the popularity of Web sites. It is based on the Internet habits of users of the Alexa toolbar as well as the Quirk SearchStatus Firefox extension, so these rankings are based on a percentage of the global Internet population.

Digg (<http://www.digg.com>), Muti (<http://www.muti.co.za>), and Reddit (<http://www.reddit.com>) are sites where users submit content that other users can then vote on. Popularity, based on votes, moves the submitted content up and down lists that are available on these sites. Submitting and voting requires registration, but there are many people who visit these sites to get an overview of content that is “hot.” In fact, in late 2009, Digg was at 102 in the Alexa rankings. Although its traffic is said to be declining, it is still generating plenty of traffic each day.

Appearing on the top of these lists generates a huge increase in traffic for content sites, so much so that servers can crash if the leap in visitors is unexpected. Getting into the top listings is a prize eyed by many a marketer, but any attempt to manipulate listings usually backfires and can generate plenty of community backlash.

The communities around these sites differ demographically, and this is reflected in the content. For example, Digg is technology focused, while Reddit tends to have more general news.

StumbleUpon (<http://www.stumbleupon.com>) lets you explore the Web through your interests, based on how other Web users tag content. Users select categories of interest and bookmark URLs in those categories. You can then choose to “stumble” through the Web using the category of your choice. The service will randomly show you a Web site that has been submitted to that category.

Note

Some Internet commentators refer to this **taxonomy**⁴—the categorization of Web content based on labels and tags supplied by Web users—as a **folksonomy**⁵—a way of categorizing content that the community creates, as opposed to hierarchical categorization by a central body.

StumbleUpon allows users to explore the Web based on the taxonomy applied by other users. Instead of looking to search engines for relevance, users are instead appealing to the knowledge of a community.

Technorati (<http://www.technorati.com>) started life as a real-time **blog**⁶ search engine but has since evolved to incorporate other forms of user-generated content, including images and videos. According to Technorati’s Web site, Technorati tracked over 112 million blogs and 250 million pieces of tagged social media as of early 2008. *Wikipedia*, s.v. “Technorati,” <http://en.wikipedia.org/wiki/Technorati> (accessed June 22, 2010). Internationally it is *the* blog aggregator and an essential tool for anyone who operates online.

Technorati’s core is a tag-based index that allows users to conduct searches on topics that interest them. Contributors are able to tag their individual posts, and the better a post is tagged, the better its chance of being picked up by a relevant search. Instead of contributors being separated into categories, the content of each individual post is indexed. Technorati not only searches the blogs of subscribed members but also operates as a normal search engine.

Technorati can also be used to keep tabs on Internet buzz, both to monitor online reputation and to see what trends are emerging.

4. Classification and division into ordered categories, usually hierarchical. In social media, taxonomy can refer to the categorization of content on the Internet.

5. Categorization or taxonomy based on social media tags.

6. A type of Web site that allows users (bloggers) to post entries on different topics and often allows readers to comment on these posts.

Bookmarking and Aggregating as Marketing Tools

Seeing how users categorize your content will give you an idea of how your Web site and company are perceived by your audience. It might be remarkably different from how you think they see you. Look at other Web sites that are tagged like yours. You might find new competitors and new ideas.

You can also use these services to share what other URLs your company finds interesting. This can be a useful resource to add to an online press room as well as a utility that fanatics of your company would get really excited about.

To create **link love**⁷ and traffic, investigate what sort of content your target audience loves voting for and create that content. A word of warning: never submit content and then vote yourself. It's one surefire way to incur the wrath of these communities.

Organic growth is the only way to succeed here. It might take time as you build your reputation and worth among the community, but the end result can be very worthwhile. As a content provider, make sure you have the appropriate chicklets added to your content to make it easier to share.

Figure 8.2



Chicklets can be standard, like on <http://www.gottaquirk.com> on the left, or adapted, as <http://www.timesonline.co.uk> has done on the right.

KEY TAKEAWAYS

- Bookmarking sites can allow users to share content with others.
- Other sites allow users to share content with others who will then vote on it.
- Chicklets make it easy for users to submit and share an article.
- Marketers can evaluate tagged pages to see who is saving your content. You may be surprised to learn who is interested in you!

7. Posting a link to sites or blogs, usually unsolicited, that you enjoy, admire, or find useful.

EXERCISES

1. Visit <http://www.timesonline.co.uk>. List the ways that this print publication is embracing social media.
2. Visit Digg or Reddit. Search for information on one of your favorite brands. See what has been tagged. What did you find? Were you surprised at what you found?

8.3 Content Sharing: Create and Share

LEARNING OBJECTIVE

1. Learn how creating content and sharing content work together.

YouTube (<http://www.youtube.com>) may be the first content-sharing site that comes to mind, but users share images, audio, and information as well as video. If it can be created, then it can be shared. There are many sites that facilitate free sharing of videos, images, and audio, and they are exceptionally popular. From Flickr to YouTube, they have all tapped into the fact that we love to create content for others to view.

The key word here is “free”: there are no fees for joining, whether you are uploading content or viewing content (although premium paid-for memberships can allow access to further features). This means that these sites attract an enormous audience. In fact, according to Alexa rankings, YouTube is the fourth most visited site in the world!

Many of these services also encourage distribution of their content. YouTube allows videos to be embedded easily into other Web sites, and Flickr has generated a number of applications and widgets that allows the images to be shown all over the Web (and even printed onto cards and stickers via <http://www.moo.com>).

Most of these Web sites rely on advertising to support the free services they offer, and some have a premium paid-for membership version, which is without advertisements.

Video Sharing

YouTube (<http://www.youtube.com>) is essentially a Web site that, by using Flash technology, allows users to upload, view, and share videos with the rest of the connected world. These videos can range from music, movie, and television clips to homemade amateur videos and **vlogs**⁸, or video blogs.

8. A video-based blog, also called a video blog.

YouTube has 60 percent of all online video viewers with over one hundred million viewers in an evening and over twenty hours of video uploaded every minute. “YouTube Traffic Exceeds 100 Million Unique Visitors for First Time in

January 2009,” LawyerCasting, March 20, 2009, <http://www.lawycasting.com/2009/03/youtube-gets-100-million-unique-visitors-in-january.html> (accessed May 10, 2010). This makes it both the premier online video site and social video-sharing site. This implies that most video consumption on the Web is already based on social media and that there are over 130 million online viewers of videos overall. “March Video Streaming Soars Nearly 40% Compared to Last Year,” NielsenWire, April 13, 2009, http://blog.nielsen.com/nielsenwire/online_mobile/march-video-streaming-soars-nearly-40-compared-to-last-year (accessed June 22, 2010). YouTube was acquired by Google in 2006 for \$1.65 billion. In fact, according to comScore data, the number of searches on YouTube makes it the second largest search engine. “YouTube.com Accounted for 1 Out of Every 3 U.S. Online Videos Viewed in January,” press release, comScore, March 14, 2008, <http://www.comscore.com/press/release.asp?press=2111> (accessed May 27, 2008).

YouTube is a complex site offering numerous features, yet it is simple to use. While it is possible for unregistered users to watch most of the publicly available videos, a quick, straightforward registration process allows members to upload an unlimited number of clips, comment on and add video responses to them, and subscribe to content feeds that catch their attention and interest. Frequently enhanced functionality and clever features on YouTube continually push this site to deliver bigger and better services to its ever-increasing user base.

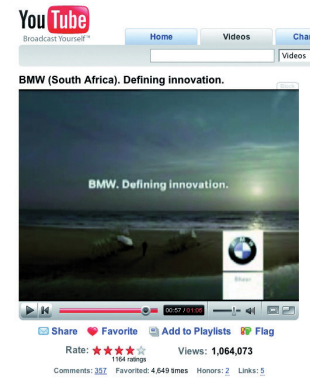
Many marketers have adopted the opportunities afforded by YouTube. There are two aspects of marketing through YouTube: self-promotion of people and products, such as music videos, movie previews, interviews, video advertisements, and sponsored advertisements, supplied by Google AdWords.

YouTube has changed the way we view video advertisements. Marketers such as BMW have shown that if an advertisement is good enough, then many people will choose to watch it. BMW has created a BMW South Africa channel on YouTube and has uploaded many of their advertisements. One of them (<http://www.youtube.com/user/BMWSouthAfrica#p/a/u/6/a7Ny5BYc-Fs>) has been viewed over 1.6 million times since August 2006.

These people have chosen to watch this advertisement at a media cost of zero. Other advertisers have realized that longer advertisements can be created and uploaded. As long as the content is good, there will be viewers. Time constraints are not the same as they are for television networks.

Savvy marketers also realize the potential of watching for organic mentions of their brand and then capitalizing on this. An unknown teenage girl, with the YouTube account name Bowiechick, made a seventy-five-second video clip about her breakup with a boyfriend. While making the clip, she played with some of the effects on her new Webcam, like putting ears on her head and a moustache on her face with its facial tracking software. Three days after uploading the video, 178,000 people had seen this video and 900 had commented on it. The comments had nothing to do with the breakup but with the Logitech Webcam she had used in the video. Following this, the camera broke into Amazon's Top 100 best-selling-products list. Logitech were obviously listening and made the most of the opportunity by becoming YouTube's official partner. Greg Sandoval, "YouTube's 'Bowiechick' and the Spiders from Marketing," ZDNet, April 4, 2006, <http://www.zdnet.com/news/youtubes-bowiechick-and-the-spiders-from-marketing/147526> (accessed May 27, 2008).

Figure 8.3 BMW South Africa's YouTube Success



Source: Used by permission from BMW South Africa.

The medium of online video sharing also means that conferences are able to generate a far larger audience than ever before. The companies that sponsor or run these conferences are able to engage with a larger audience by making freely available videos of the various sessions held. TED (Technology, Entertainment, Design; <http://www.ted.com>) and Nokia's Nokia World are excellent examples of organizations that increase interest by making their remarkable presentations available for free.

Knowledge Sharing: The Wiki

Howard G. "Ward" Cunningham, pioneer of the **wiki**⁹, began programming the WikiWikiWeb software in 1994 and installed it on the Web site of his software consultancy in 1995. Back then he described a wiki as "the simplest online database that could possibly work." "What Is Wiki," Wiki, June 27, 2002, <http://wiki.org/wiki.cgi?WhatIsWiki> (accessed June 23, 2010). Thirteen years later, this is probably still the most accurate description.

9. A simple Web site that can be edited in real time by a number of users.

Note

“Wiki wiki” means “rapidly” in the Hawaiian language.

Essentially, a wiki is a piece of software that users can create and edit online, using simple markup language via a Web browser. They support hyperlinks and have a simple text syntax for creating new pages and links between internal pages. In its most basic form, a wiki is a Web site that supports user collaboration through a variety of functions.

There are numerous types of wiki software available that share the following characteristics:

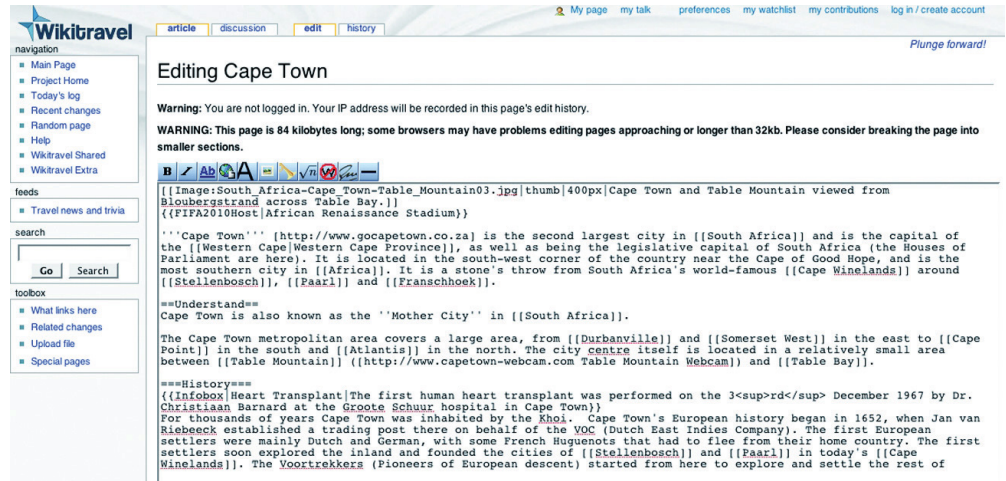
- **Create and update documents.** Wiki users have the ability to create and update documents easily.
- **Review versions.** Most wikis store each version of a document. This functionality makes it easy for users to view the various modifications that a document has undergone over time.
- **Build community-oriented tools.** Most wikis provide users with an ability to engage in some form of discussion about the documents on which they are collaborating.

Wikis can be open to all, such as Wikipedia (<http://www.wikipedia.org>) and Wikitravel (<http://www.wikitravel.org>); they can be open to or aimed at certain communities only, such as Geek Dinner attendees (<http://geekdinner.pbwiki.com>); or they can be private and open only to individuals within an organization. Internal wikis are exceptionally useful for creating knowledge bases within organizations and companies.

Note

If you'd like to try out setting up your own wiki, <http://www.pbwiki.com> provides free wikis and has a host of features.

Figure 8.4



A wiki can be edited by anyone who can access it.

Wikipedia: The Most Famous Wiki of All

Wikipedia (<http://www.wikipedia.org>) is a free, Web-based encyclopedia that is rated one of the top-ten most visited sites in the world. Originally created in 2001 by James Wales and Larry Sanger, this online encyclopedia has received both praise and criticism. Roughly fifteen times the size of *Encyclopaedia Britannica*, with more than 14 million articles in over 262 languages, this encyclopedia is increasing in size at an exponential level. Wikipedia, s.v. “Wikipedia: About,” <http://en.wikipedia.org/wiki/Wikipedia:About> (accessed June 20, 2010). However, with the increased adoption of this tool, criticism has also increased as to the validity of the definitions.

All definitions seen on Wikipedia are written by a collaborative team of volunteers from around the world. Anyone can submit a definition, and these can then be edited by anyone who has access to the Internet. This combination of contributors leads to a democratic way of including the most up-to-date information. Since definitions are reviewed frequently, it should decrease the amount of bias and inaccuracy while building a unique **social network**¹⁰, with people of similar interests contributing.

All Wikipedia definitions should also be referenced externally. Although anyone can contribute to Wikipedia, there is a permission ranking system that has been instituted to maintain the level of credibility that is associated with Wikipedia.

10. In the online sense, this refers to a type of Web-site model where individual members become part of a broader virtual community.

Further measures include a discussion tab on most articles where academics can question the validity of the sources and its content.

Wikipedia articles tend to rank highly in the search engine results pages (SERPs), so the allure of a link to your Web site from a relevant article is tempting indeed. Wikipedia has instituted a policy that all external links are “nofollow” links so as to combat spam.

Note

“Nofollow” means that Wikipedia is indicating to the search engines that these links do not necessarily endorse the Web sites being linked to.

Wikipedia is a useful research tool. With so much information on the Internet, many users are starting to look at a human-edited (as opposed to search-engine-algorithm-distilled) way to embark on research. For a company to be reachable via a link from this research base can be very traffic and reputation worthy.

Companies should also take note of what is being written about them on Wikipedia and make transparent efforts to correct information.

Content Creation and Sharing as Marketing Tools

Content-sharing sites, from video to photos to music to knowledge, provide marketers with a snapshot of how users interact with and perceive their brand. Most of the sites have really simple syndication (RSS) feeds available, where marketers can keep a tab on mentions of their brand.

These sites and services allow marketers the opportunity to capitalize on the creativity of their consumers to further amplify their brand. By making content easily available and removing restrictions on use of that content, companies can nurture creative interactions that are likely to spread.

Wikis can be used when creating an event with a network. Encouraging users to interact allows them greater connection and ownership of the outcome and provides a means for ongoing communication.

KEY TAKEAWAYS

- Marketers place their ads on YouTube knowing that if it is good, users will choose to watch it.
- Wikipedia can be a useful research tool for brands. It can also be a way for a company to be reachable because a link from a research Web site can be very traffic and reputation worthy.
- Companies should know what is being said about them on Wikipedia. If it is negative, they should make transparent efforts to correct the information.
- Content-sharing sites of all types provide marketers with a snapshot of how users interact with and perceive their brand.

EXERCISES

1. Visit <http://www.wikipedia.com>. Check to see if one of your favorite brands has a presence on the site. What observations can you make about the entry or entries?
2. Visit one of your favorite content-creating and -sharing sites. Try to identify how a brand uses that site. Give some examples.

8.4 Crowdsourcing: Unleashing the Power of the Online Community

LEARNING OBJECTIVES

1. Learn how to use the online community in eMarketing efforts.
2. Learn when it is appropriate for marketers to use crowdsourcing.

A term first used in *Wired* magazine back in 2006, **crowdsourcing**¹¹ has become a powerful and cost-effective method of achieving business goals through the use of the masses. Simply put, business and corporations invite the public to submit ideas and innovations for new and existing products in exchange for a one-off or a small percentage of future royalties.

Social media have spurred on this innovation and have allowed the business world to tap into the consumer psyche with little financial outlay.

Idea Bounty (<http://www.ideabounty.com>) is a perfect example of crowdsourcing in action, utilizing a potentially massive online global think tank in order to come up with innovative ideas according to briefs submitted by brands that register on the site.

Connecting: Social Networking

Social networking refers to the forming and substantiating of online social networks for communities of people. The communities are people who share interests and activities or are interested in exploring the interests and activities of others. The building of these social networks requires the use of software. Social networking is all about using the tools of the Internet to connect and build relationships with others. Social networking sites such as Facebook (<http://www.facebook.com>), MySpace (<http://www.myspace.com>), and LinkedIn (<http://www.linkedin.com>) allow users to create personal profiles and then interact with their connections through sharing media, sending messages, and blogging. Social networking sites not only allow you to interact with the members of your own virtual Rolodex but also allow you to extend beyond your personal network.

11. Harnessing the skills, talents, and ideas of a broader community, usually through social media.

Social networks have created new meaning for the term “friend,” as many connections exist solely online. In the realm of social networking, it is unnecessary to have met someone in order to connect with them. Personal profile pages remove much of the anonymity of the Internet. Users of social networks reveal a great deal of information about themselves, from basic demographics such as age, gender, and location, to nuanced and detailed lists of likes and dislikes. Although explicitly made known to a user’s connections, users are also divulging this information to the networks, and hence to the networks’ advertisers. Users tend not to be aware of the data that are amassing regarding their online profiles, and it takes features such as Facebook’s Beacon to reveal just how much information users are making available.

In 2007, Facebook launched Beacon, a service that shared a person’s online-purchase activities on select Web sites with their list of Facebook friends and with Facebook. This caused an outcry, as Facebook users did not want to have freely available the list of purchases that they had made. Facebook quickly amended the way Beacon works, but the fact remains that it is able to collect these data about its users.

Social networks can be general, such as Facebook, or niche, such as LinkedIn (<http://www.linkedin.com>) or Dopplr (<http://www.dopplr.com>). LinkedIn is a network for professionals. Members connect to others that they know professionally and are able to recommend members that they have worked with. Dopplr is a social network for frequent travelers. Members can share their trips and make plans to meet up when schedules overlap.

How is someone’s Facebook profile likely to differ from his or her LinkedIn profile?

Many social networks, including Facebook, Orkut (<http://www.orkut.com>), and MySpace, have opened up their platform to outside developers, allowing the development of applications for the members of the social networks. Generally, use of an application requires a member to allow the application developer access to their personal information.

Social Networking as a Marketing Tool

Social networks, free for their members, tend to rely on advertising for their revenue. Because of demographic information collected by the social networks, advertisers are able to target their advertisements to a particular audience.

Just because it is a social network does not mean it is the right place for every company to be marketing in. First, determine if your target market is using the social network, and then determine if it is the right place to be marketing to them.

Applications are another way to market products. Creating a useful application that is relevant to a product can expose a whole new audience to a company's offering as well as allow the company to collect detailed information on their users. However, although Facebook applications were the big marketing story of 2007, there are few success stories to emerge from the buzz. It is very much a developing market.

Profiles are not limited to people. Bands, for example, have found immense success creating MySpace profiles and using the profiles as a means of connecting with their current and potential fan base.

Facebook pages provide a venue for an online presence for groups, organizations, and small businesses. Quirk eMarketing has a page at <http://www.facebook.com/Quirk-eMarketing>.

Marketers can also use social networks to identify how users are perceiving or interacting with their brand and open up new avenues of communication with them. For example, if you are marketing a bar, look to see how many people are using a social network to organize events at your bar. Find a way of rewarding those who are bringing you extra customers.

Social networks are also an avenue for members to voice frustrations and annoyances, and these should be closely watched by marketers to gauge sentiment.

KEY TAKEAWAYS

- Social media have allowed the business world to tap into the consumer psyche with little financial outlay.
- Social networking sites allow users to not only create personal profiles and then interact with those they already know but also extend beyond their personal network.

EXERCISES

1. Find an example of how a brand uses a social networking page, such as Facebook or MySpace. Compare it to an individual user's profile. What comparisons can you make?
2. Think of how these different types of companies may use social networking: A nonprofit? A restaurant? An automaker?

8.5 Creating Content and Opinion: Blogging and Podcasting

LEARNING OBJECTIVE

1. Understand how content creation and opinion are important to social media.

Everyone has an opinion, and the Internet allows for everyone to share their opinion. Blogs and podcasts have emerged as social media that are being embraced across the Internet population.

Blogging

A blog is a Web site where entries (blog posts) are typically displayed in reverse chronological order. Technorati, a blog and social media-tracking engine, defines a blog as a “regularly updated journal published on the web.” Thad McIlroy, “The Future of Blogs,” *The Future of Publishing*, June 24, 2008, http://www.thefutureofpublishing.com/industries/the_future_of_blogs.html (accessed June 23, 2010). Blogs usually allow for comments on blog posts. A typical blog will feature text, images, and links to other blogs and Web sites related to the topic of the blog. Blogs range from the personal to the political and everything in between. They can be written by one person or by a group of people. Some are aimed at the blogger’s immediate family and friends, and others rival leading newspapers in terms of reach and readership. Blogs are mostly textual but can be composed solely of images, videos, audio, or any combination of these.

According to Technorati data, there are over 175,000 new blogs created and over 1.6 million posts updated every day (over eighteen updates a second). That’s a lot.

The power of blogs is that they allow anyone to publish and share ideas, and anyone can read and respond to these. They have given consumers and companies a voice, and blogging has opened up a world of information-sharing possibilities.

The basic elements of a blog post are the following:

12. A unique URL that points to the permanent location of a single blog post and its associated comments and TrackBacks.

- **Author.** The person who wrote the blog post.
- **Blog-post title.** The title of the blog post, which is usually used to create a unique URL, or **permalink**¹², for the blog post.

- **Tag.** The categories used to describe the blog post and aid services such as Technorati in categorizing blog posts.
- **Comment.** Comments left by readers of the blog that are shown with the blog post.
- **TrackBack.** A notification of other blogs linking to a post, often displayed below the blog post.

Some other elements of a blog include the following:

- **RSS feed.** A way for readers to subscribe easily to the blog.
- **Categories.** Blog posts can be grouped into categories by their topic.
- **Blogroll.** A collection of links to other blogs or Web sites commonly read or used by the blogger.
- **Archives.** Previous posts that remain available for visitors to search through. Archives are usually categorized by date.

RSS readers can be integrated with an e-mail client, can work offline, or can be online only. Some are free, and some are not. Look at your e-mail client to see if you can set one up there, or try <http://www.bloglines.com>, <http://www.google.com/reader>, or <http://www.feedException.com>. Find the one with the features that suit your needs.

Note

RSS stands for “really simple syndication” and allows for information to be syndicated. This means that instead of you visiting various Web sites for updates and information, information is packaged and sent to your RSS reader. Information is supplied by Web sites in a standard feed format, and your RSS reader knows how to turn that into something that makes sense to you. As soon as an RSS feed is updated, that is, new information is added, it appears in your RSS reader.

RSS readers are a useful way to keep up to date with blogs, as most supply an RSS feed of their posts. Still confused? Take a look at http://commoncraft.com/rss_plain_english.

Whether blogging as an individual or a company, plenty can be gained from the process. You can do the following:

- Create an online identity
- Create a voice for yourself or your company
- Promote engagement with your audience
- Create a community

Blogging and SEO

Search engines value regular, fresh content, and by blogging you can create just that. The more you post, the more often search engines will spider your site looking for additional, relevant content. Basing your blog on your keyword strategy created in the search engine optimization (SEO) process can also aid your Web site in ranking for those key phrases. Blogs, by their social nature, can also increase the incoming links to your Web site. Using a blog platform that has been designed to be search engine friendly is crucial to harnessing the SEO power of blogging. Some features of SEO-friendly blogging software include the following:

- Each blog post should be assigned a unique page that can be easily accessed and indexed by the search engines. This is called a permalink.
- Pages should be able to be tagged with keywords relevant to your SEO strategy.
- Each post should be able to have its own unique metadata (title, description, and key phrases).
- Social-bookmarking functionality should be built in.

Corporate Blogging

Blogs can be very successful marketing tools. They are an excellent way to communicate with staff, investors, industry members, journalists, and prospective customers. Blogging also helps to foster a community around a brand and provides an opportunity to garner immediate feedback on developments. This is an audience made up of players key to the success of a company: that makes it important to get blogging right.

Generally the tasks that a blogger undertakes include:

- Writing posts
- Replying to comments from readers
- Monitoring other blogs within the industry
- Keeping up to date with the latest industry news
- Building relationships with other bloggers in the community
- Commenting on other blogs

For corporate blogs, it is important to outline a strategy and establish guidelines before starting the blog, especially as there will most likely be a number of contributors. Transparency and honesty are important, but companies also need to be aware of sensitive information being blogged. If there are “no go” areas, they need to be clearly defined to the parties involved. While certain topics can be restricted, ultimately the bloggers should be granted the freedom to express both negative and positive points of view about the approved topics.

Positive claims are more believable if the blogger is able to express negative views as well. For example, Robert Scoble in his popular blog <http://www.scobleizer.com> admitted that the Firefox browser was better than Microsoft’s Internet Explorer. Robert Scoble was an employee of Microsoft at the time. This honesty gave him a credible voice, and so his positive views on Microsoft are respected by the community.

Corporate blog content should be:

- Industry relevant
- Appealing to your target market
- Transparent and honest
- Personal and entertaining
- Related to what’s going on in the **blogosphere**¹³
- Posted regularly

Promoting Blogs

While Technorati may be tracking 112.8 million blogs, it doesn’t mean that all of these blogs will still be active by the end of the year—in fact, only 55 percent of blogs make it past the first three months. David Sifry, “State of the Blogosphere, April 2006, Part 1: On Blogosphere Growth,” Sifry’s Alerts, April 17, 2006, <http://www.sifry.com/alerts/archives/000432.html> (accessed May 27, 2008). Longevity rests in the hands of the blogger, but here are some tips to raise the profile of a blog:

- List the blog in blog directories. While they are not as popular as search engines, many Internet users do in fact visit them while looking for information. Examples include Google’s Directory (<http://www.google.com/dirhp>) and BlogCatalog (<http://www.blogcatalog.com>).
- **Ping**¹⁴ Web services with updated content. Sites like Ping-o-Matic (<http://pingomatic.com>) and Feed Shark (<http://feedshark.brainbliss.com>) offer a service whereby they ping

13. The world of blogs, bloggers, and blog posts.

14. Packet Internet groper; a utility that verifies a link or a connection to the Internet.

multiple Web services, blog directories, and search engines to let them know that a blog has fresh content.

- Use TrackBacks. If a blogger writes a new entry commenting on, or referring to, an entry on your blog, and both blogging tools support the **TrackBack**¹⁵ protocol, then the commenting blogger can notify your blog with a “TrackBack ping”; the receiving blog will typically display summaries of, and links to, all the commenting entries below the original entry. This allows for conversations spanning several blogs that readers can easily follow.
- Participate in the blogosphere. You cannot expect anyone to engage on your blog if you are not engaging on theirs. It is all about fostering a sense of community.
- Make use of aggregators. Examples of aggregators include Technorati, Amatomu, and Afrigator.
- Use traffic-generating tools like MyBlogLog. The MyBlogLog (<http://www.mybloglog.com>) widget allows you to see who in the MyBlogLog community has visited your site and they can see if you have visited their site in return. Bloggers will more often than not click through to your site from this widget, as they are interested in learning more about who is reading their blog. If they like what they see when they get there, they may become regular readers.

Microblogging

Microblogging¹⁶ is a form of blogging that allows a user to publish short text updates, usually limited to two hundred characters that can be viewed by anyone or restricted to a specified community as specified by the microblogger. This can be accomplished using various communication tools such as instant messaging (IM) via the Web, text messaging on your mobile phone, and even a Facebook application. Microblogging can also refer to the publishing of short posts using a limited number of images, audio, or video files. Currently, the most popular text microblogging service is called Twitter (<http://www.twitter.com>), which was launched in July 2006. Other similar sites include the likes of Jaiku (<http://www.jaiku.com>), Identi.ca (<http://www.identi.ca>), as well as Yammer (<http://www.yammer.com>). Examples of rich media-based microblogs include Tumblr (<http://www.tumblr.com>), Strem (<http://www.strem.us>), and Soup (<http://www.soup.io>). On Twitter, posts are called tweets and are limited to 140 characters. Despite frequent disruptions to Twitter’s service, its users are fiercely loyal. These posts are usually short thoughts or URLs to interesting articles.

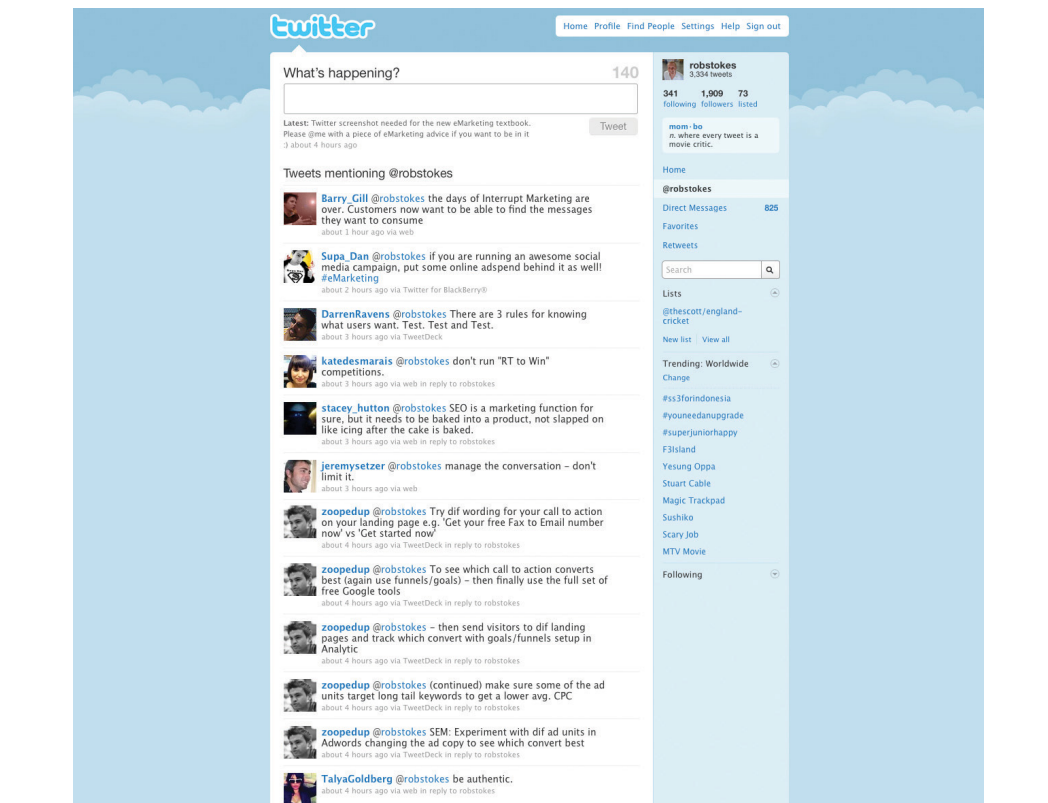
Twitter has also become massively popular due to the nature of its immediacy. Major news events such as the Mumbai attacks in November 2008 were extensively covered by Twitterers, and breaking news can also regularly be found here first. A

15. A mechanism used in a blog that shows a list of entries in other blogs that refer to a post on the first blog.

16. The practice of sending brief text updates (usually, 140–200 characters), images, as well as audio clips and publishing them online, either to be viewed by anyone or by a restricted group that can be chosen by the user.

year-on-year study from February 2008 to February 2009 saw Twitter's monthly unique visitors increase by 1,382 percent. Michelle McGiboney, "Twitter's Tweet Smell of Success," NielsenWire, March 18, 2009, http://blog.nielsen.com/nielsenwire/online_mobile/twitters-tweet-smell-of-success (accessed June 20, 2010). Twitter has entered the mainstream, with public figures such as Barack Obama (<http://www.twitter.com/barackobama>) and Britney Spears (<http://www.twitter.com/britneyspears>) having set up accounts.

Figure 8.5 A Twitter Feed Appearing at <http://www.twitter.com/robstokes>



Blogs as a Marketing Tool: Listen and Engage

Blogs are powerful because of their reach, their archives (information is seldom deleted and is thus available long after it has been posted), and the trust that other consumers place in them. For a marketer, they present opportunities to learn how others perceive your brand and to engage with your audience. Some brands get this right; some get it wrong.

Above are some guidelines for corporate blogging, but marketers do not need to be bloggers to use this tool. As with all other social media, blogs provide a snapshot of

audience sentiment regarding a brand. Marketers can also listen to blog activity around competitors in order to gain market insights.

Although blogging is the best way to respond to and engage with bloggers, companies can also interact with bloggers by commenting on relevant posts. Demonstrating the capacity to listen to bloggers, and then respond using the same medium, can reap tremendous benefits with this community.

Podcasting

A podcast is a digital radio (or video) program downloadable from the Internet. Podcasting started to take off around 2004, and it zoomed from “geekdom” to mainstream so quickly that “podcast” was voted 2005 Word of the Year by the editors of the *New Oxford American Dictionary*. Lamat Rezaul Hasan, “Lingowise: Top Word of the Year 2005,” *Hindustan Times*, February 4, 2006, <http://www.hindustantimes.com/LINGOWISE-Top-word-of-the-year-2005/Article-59368.aspx> (accessed June 20, 2010); “Podcast’ Is the Word of the Year,” Oxford University Press, 2005, http://www.oup.com/us/brochure/NOAD_podcast/?view=usa (accessed June 24, 2010). Podcasts started as audio blogs. People then figured out a way of distributing them using the same RSS feeds that were being used to distribute blog post information. It was then possible to subscribe to a podcast as one would a blog. Suddenly you could listen to a whole range of programs and voices whenever and wherever you wanted. It was radio without a station telling what you could hear and when. Just as blogs have allowed people to become writers without having to deal with a media channel controlled by someone else, podcasting has allowed anyone who fancies it to become a broadcaster.

With the right kind of “podcatching” software on your computer, the latest edition of any podcast you subscribe to is automatically downloaded every time you log on. Most people use iTunes. Go to <http://www.apple.com/itunes/store> for more information on podcasting and a huge list of available podcasts. You can listen on your computer or transfer the file to an iPod or any other kind of MP3 player. You don’t have to have an iPod to listen; the name came from the fact that the iPod was taking off at the same time and the “pod” (play on demand) part fitted this new medium. Podcasts are usually free.

Creating a Podcast

Podcasts are usually recorded and edited using home equipment and done for the love of it. There is specialized podcasting software available like Apple’s Garage Band or QuickTime Pro. These packages make it quite simple to record, mix, and

format the audio files correctly. Just like bloggers, though, many podcasters are trying to figure out ways of making money from their podcasts and turning listeners into revenue.

Note

Go and have a look at Paul Colligan's site (<http://www.paulcolligan.com>). He's one person who says he knows how you can make money via podcasting.

Many people are producing music podcasts. This has meant a huge move to circumvent traditional rights issues about downloading music from the Internet. There is now a large body of music that is classified "podsafe." This has either been composed especially for podcasts (as jingles, etc.) or the artist has specifically decided that they want their music to be available via the Net for all who want to hear it.

Radio stations have realized that they have a whole new way of using their content. They began packaging their output so that fans could listen to their favorite shows whenever they wanted to (without the music). The British Broadcasting Corporation (BBC) is awash with podcasts (<http://www.bbc.co.uk/podcast>). In South Africa, 5FM (<http://www.5fm.co.za>) was the first station to use them. Now nearly every radio station offers them—have a look at radio stations such as Classic FM (<http://www.classicfm.co.za>), Talk Radio 702 (<http://www.702.co.za>), and East Coast Radio (<http://www.ecr.co.za>).

Note

In 2005, the BBC's award-winning *Naked Scientists* program became the first example of a BBC local radio program to enter the podcast arena. *Naked Scientists* has since gone on to become one of the most downloaded science podcasts internationally, returning a larger audience via podcast than the live aired program (<http://www.thenakedscientists.com>).

Educators and teaching institutions have latched onto podcasting as a way of sharing content and providing tuition for learners who cannot be present at

lectures or tutorials. The corporate world is also realizing that podcasting can add huge value to communications mixes. The term “podcast” is increasingly being used to cover any audio or video that is embedded in an organization’s Web site.

Podcasts as Marketing Tools

Podcasts offer an incredible opportunity for marketers. The bottom line is that you now have a way of getting content to your target markets without having to persuade a media channel to carry it or to pay huge advertising rates.

Podcasts have the following traits:

- **Targetable.** You can create highly relevant, niche content and then promote it to a specific target market.
- **Measurable.** You can see exactly how many downloads and subscribers you have.
- **Controllable.** It’s your content.
- **Responsive.** Set up a blog alongside your podcast, alter content according to the comments, and you are actually having a conversation with your market.
- **Boundary free.** It’s the Internet.
- **Relatively inexpensive.** They don’t cost a lot to maintain.

However, the content must have the following traits:

- **Excellent quality.** Like anything on the Internet, it is just as easy to unsubscribe as it is to subscribe. Quality content is what keeps listeners coming back.
- **Real.** While there is value in having product or service information embedded in a Web site, there is no point at all in producing an audio version of a company brochure as a regular podcast. Consumers are losing faith in the content of traditional media. Even if editorial is not actually paid for, much of the time it has been influenced in some way by advertisers. Although there are podcasts that carry advertisements, people can fast-forward straight past them, and the chance of real success lies in branded content.

This is not about advertising or even just product information. It is about coming up with ideas for real programs that, through informing or entertaining, enhance your customers’ experiences of your brand.

KEY TAKEAWAYS

- The Internet allows for everyone to share their opinion.
- Blogs are powerful because they allow anyone to publish and share ideas. Anyone can read and respond to these ideas. As a result, both consumers and companies have a voice.
- There are several elements of a blog. The basic ones include the author, the blog-post title, tags, comments, and TrackBack. Other elements include RSS feeds, categories, blogrolls, and archives.
- Blogs can increase the incoming links to your Web site. Using a blog platform that has been designed to be search engine friendly is crucial to getting the full benefits of SEO.
- Corporate blogs can connect staff, investors, industry members, journalists, and prospective customers.
- It is important for corporate blogs to outline a strategy and establish guidelines before starting to blog.
- It is important to promote blogs, and there are many useful tools to do so.
- Microblogging is a powerful way for brands to engage with consumers using short posts.
- Podcasting is a way to distribute a brand's message via audio. There are many benefits; however, the podcast must be of excellent quality.

EXERCISES

1. Why is transparency so important to marketing using social media? Has this halted or accelerated the use of social media for marketing?
2. Give an example of how a brand can use a podcast to market itself. How it can use microblogging?
3. Identify a corporate blog. Who authors the blog?

8.6 Social Media and Marketing: Rules of Engagement

LEARNING OBJECTIVE

1. Learn the rules of engagement in social media and what the benefits are.

Social media imply a democratization of information and require authenticity and openness from those who would deliberately use them for marketing. Relying on the Internet, this means that good stories as well as bad stories spread and stick around. Jeff Jarvis may have had problems with Dell in 2005, but you can easily find all relevant communication with a quick Google search.

Although they are engaging publicly with a wide audience, marketers need to remember that they are communicating with individuals. While marketers should engage in the conversation and can lead it, they cannot control it.

Marketing to Content Creators

The influence of bloggers means that they should form a part of any public relations (PR) strategy (see [Chapter 12 "Web Public Relations"](#) for further details).

Supply content creators with the tools and resources they need so that they can easily talk about your product.

Marketing to Content Consumers

Social media allow anyone to have a say, and the same tools that are available to individuals are available to companies. Company blogs allow a brand to build a personality and to interact with its target market. Entertainment created and spread via social media increases brand touch points. Using the same channels that are available to your consumer aids in understanding the consumer and evens the plane of conversation.

When using social media to reach out to content consumers, go to where your consumers are. The media used are dictated by your users.

For example, a nightclub for students can create a Facebook group to advertise its weekly specials and interact with fans, while Land Rover enthusiasts would probably be more comfortable with a forum.

With all interactions, marketing messages need to be labeled as marketing messages, with a disclaimer added if necessary. Trying to hide them as something else will only decrease authenticity.

Marketing to Content Sharers

Content sharers are content consumers who also pass your message on, whether by using chat or e-mail, by sharing a link on a blog, or by submitting your content to a bookmarking or aggregating service. They are a crucial link in the chain that passes your message around. Make it as easy as possible for sharers to share by using chicklets and unique and easy-to-read URLs.

Advertising on Social Media Platforms

While marketers can use the tools of social media to convey their message, the user characteristics that define a social media Web site are also important. Social media allow users to express themselves, and this means that demographic information can be compiled to allow for more useful and targeted advertising. This presents many opportunities for targeting advertising and for finding creative ways to reach an advertisement-fatigued demographic.

The Benefits of Social Media to Marketers

There are many benefits to companies and marketers for taking advantage of the services that social media sites offer. The following are just some of these benefits:

- People are finding it easier to switch off or ignore traditional advertising, particularly through traditional media environments such as television or radio. Social media give brands the opportunity to interact with customers through targeted communications that customers can choose to engage with on their terms. For example, a consumer may visit a branded YouTube channel as opposed to deliberately ignoring advertisement breaks on television.
- Social media's potential to go viral is one of its greatest benefits; if users like the content, then they will share it with their communities.
- Social media allow you to create an online community for your brand and its supporters.

- Social media can tie in nicely with any of your other online marketing tactics; a holistic e-marketing strategy is always the best strategy.
- Social media allow you to engage with an online community and allow you to connect your brand to the appropriate audience.
- Social media have created a forum for brand evangelists. Companies should embrace as well as monitor this, as users with negative opinions of your brand have access to the same forum.
- The various platforms allow you to access a community with similar interests to your own, that is, networking without borders.
- The numerous interactions allow you to garner feedback from your communities.
- Feedback from social media sites helps drive both future business as well as marketing strategies.
- The range of media enables you to learn more about your audience's likes, dislikes, behavior, and so on. Never before has this much information been available to marketers; market research just got a whole lot cheaper.
- Niche targeting just got a whole lot easier.

There are huge risks as well as opportunities. Social media facilitate a two-way conversation between customer and company. This necessitates that the company shifts approach from “deploy and watch” to one of constant involvement with the audience.

Social Media and the Changing Media Landscape

To keep up with their audiences, traditional media have had to adapt. This has changed the way that they publish, both online and off, as well as how they can sell advertising.

For example, many newspapers now publish their content online as well as in their print publications. Online, they can allow for instant commentary on their articles. It allows an instant snapshot of what their readers think, which can then be used to make editorial decisions. Print stories can be supplemented online with video, and this has been embraced by many news organizations. Visit <http://www.thetimes.co.za> to see how one newspaper is using video online.

As mentioned, television advertisements can be placed online for free via channels such as YouTube. This opens advertisements to a new audience and allows for advertisements that can be created without the restrictions of television. Advertisements can be extended, and now additional footage can become as

important as the original. Quality advertisements are voluntarily and deliberately viewed, as opposed to deliberately ignored.

Tools of the Trade

As a creator of content, there is a plethora of platforms for the budding social media enthusiast. Throughout the chapter, we have listed the URLs for some of the most popular services, most of which are free. Instead of going back through the chapter, visit <http://delicious.com/quirkemarketingtextbook>. Use the tags to navigate to the social media tools you need to get started.

Pros and Cons

Social media allow marketers insights into their demographic and the chance to engage with their audience in a channel selected, and preferred, by the audience.

They allow marketers to capitalize on the creativity of their consumers to spread their message further, often at very low costs.

Lastly, social media provide avenues for establishing direct, personal contact on a level not available to traditional marketing campaigns.

However, companies also need to be aware that bad messages spread as well as good ones, and the connectedness that can prove so useful can also be a conduit for the distribution of negative messages.

This new landscape is one in which the customer really is king, and any attempt to dethrone the king can have dire consequences. Efforts to control the conversation in social media are soon found out and can backfire horribly.

Any company embarking on a social media strategy needs to be sure to monitor its reputation online. It is crucial to know what is being said in order to be able to respond and communicate in the social media sphere.

Social media are also known as consumer-generated media (CGM); this refers to the creation and sharing of content by consumers on the Internet. It has allowed a democratization of the Internet, where all Internet users now also have the opportunity to be creators as well as consumers of content.

Social media refer to the online technology platforms that allow users to do the following:

- Bookmark and aggregate content
- Create and share content
- Use other Internet users' preferences to find content

Most social media services are free to all participants and rely on advertising for revenue. Social media provide targeted demographic information to advertisers looking to direct their advertising.

The Bigger Picture: How It All Fits Together

Social media can have SEO benefits for a Web site, particularly when a company engages in the various social media. By using the services of social media, either to create or share content, Web sites can attract links, all helping enhance search engine rankings. Companies can also use their SEO keyword strategy to focus their social media efforts.

Social media can provide a targeted network for online advertising, allowing detailed demographic information to play a role in media planning and buying. Companies can also make use of the increased engagement of consumers to create engaging advertising for these mediums, such as advertising within videos and social-network applications, or merely making use of increased time-on-page metrics to create more intricate advertising.

Affiliates often use the new opportunities presented by social media to find new avenues for targeted traffic, resulting in revenue growth for the company being marketed.

Social media play a crucial role in viral marketing, due to the large, connected audience; in online reputation management (ORM), due to the way that users talk about brands; and in WebPR. Social media are used to express opinions and so are the bedrock of ORM. Any company or brand that is hoping to communicate to this connected audience needs to learn to use social media. ORM is all about the tools of listening and using social media to guide the conversation.

Viral marketing, online reputation management, and WebPR are expanded on in the following chapters.

KEY TAKEAWAYS

- Social media allow anyone to have a say.
- Brands need to go where their customers are. Media selection is dictated by the users.
- Marketing messages should be dictated by the users and where they are.
- Marketers should make it easy for content sharers to pass on content by using chicklets and easy-to-read URLs.
- Demographic information can be compiled to allow for more useful and targeted advertising.
- There are many benefits of social media to marketers. However, there are also huge risks.
- Social media have changed how traditional media operate.

EXERCISES

1. What is the difference between advertising using social media and marketing using social media?
2. What are the benefits of social media to each, and what are the challenges?

8.7 Case Study: FNB and Idea Bounty

FirstRand Bank Limited is one of South Africa's largest listed companies. It features on the Johannesburg Stock Exchange's Top 100 index, with First National Bank (FNB) as its retail and commercial banking brand. FNB employs twenty-five thousand people in South Africa and serves over six million customers.

The nature of banking in South Africa is rapidly changing, though, and FNB is striving to remain at the forefront of social developments with progressive marketing and advertising strategies. One of the early adopters of holistic eMarketing in the finance sector, FNB is a proponent of social media as a way to reach its consumers and engage with them. FNB uses Facebook as a way to communicate with its community of clients and fans, and it maintains pages that promote FNB-sponsored events such as the FNB Whiskey Live Festival. These groups inform consumers about promotions, events, and happenings within the financial-services industry, allowing two-way communication and a high level of consumer engagement.

Figure 8.6



Source: Used by permission from First National Bank.

In October 2008, a segment of FNB, FNB Premier Banking, took its commitment to social media one step further: the bank committed itself to a rapidly growing social media tactic known as crowdsourcing through the newly launched social think tank Idea Bounty (<http://www.ideabounty.com>). In contrast to the traditional agency model in which creative output is paid for in accordance with the amount of resources assigned to the project, Idea Bounty opens up advertising briefs to the global community, allowing anyone, anywhere, to come up with the most creative solution. Brands then pay for the idea that they like the best, though if no idea is up to scratch, they don't pay at all.

In the case of FNB, a \$2,500 bounty was offered for the best idea to promote the use of online banking to its Premier Banking clients. The campaign was promoted through a number of on- and offline channels, with a heavy emphasis on social media. This holistic approach meant that FNB promoted its involvement through discussions on its fan page and through channels such as Twitter, with the support of the Idea Bounty team,

Figure 8.7



who used their blog, Facebook, and Twitter to drive conversation around this creative strategy.

Source: Used by permission from Idea Bounty.

While FNB's involvement in this project was brave, it was also very enlightened. The response was phenomenal. While the FNB brief was live, over eight hundred creative individuals registered on the Idea Bounty site. Out of these, 130 ideas were submitted in response to the brief. During the campaign, the site was visited over seven thousand times, and the online community was kept very busy, talking about FNB, proving that word of mouth spreads fast and social media engagement is contagious and has the potential to amass great creativity.

In the case of FNB, crowdsourcing, supported by social media, resulted in substantial PR value and an excess of ideas from which to choose, as well as the successful integration of consumers into the company. The use of Idea Bounty allowed for the growth of brand awareness and close relationships with a large prospective client base.

For more information, visit First National Bank (<http://www.fnb.co.za>) and Idea Bounty (<http://www.ideabounty.com>).

CASE STUDY QUESTIONS

1. How do you think institutions such as banks can make use of social media? How would they measure success?
2. What do you think some of the challenges are for banks when it comes to the social media channel?
3. What are the benefits of crowdsourcing to an organization such as FNB?

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