What Is Facebook?

2

So what is this Facebook thing all about anyway? In Chapter 1, we talked about what social media means at a high level and how consumers are changing behavior to share life's details online. In this chapter, we'll break down the different social networks and talk about how the individual parts of Facebook come together for a user.

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Social Networking and Social Media Defined

Before we discuss the other websites that I want to call to your attention, it is important that you understand some nuances and some issues in the vocabulary that I will be using when uncovering these topics. In particular, I want discuss a few terms: *social media*, *social networks*, and the *social graph*. Figure 2.1 is an illustration of how all of these fit together.

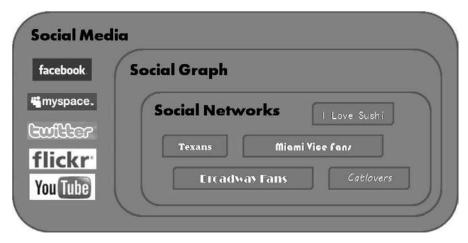


Figure 2.1 Social media, social graph, and social networks

The term *social media* refers to the collection of technologies that capture communication, content, and so on across individuals, their friends, and their social networks. Examples of social media include social networking sites like Facebook and Twitter, blogging technologies like TypePad and WordPress, crowdsourcing products like Wikipedia, photo and video sharing sites like Flickr and YouTube, and others. These technologies help users easily create content on the Internet and share it with others. Social media is the infrastructure that helps users become publishers of content that is interesting to them and their friends.

Social networks are groups of people, or communities, who share a common interest, perspective, or background. As much as we like to talk about social networks in the context of popular online services such as Facebook, these networks exist offline just as much as they do online. So whether you are talking about Pink Floyd fans, people who attended the University of Texas in 2004, people who enjoy fly-fishing, or Brazilians, these networks exist regardless of whether or not the individuals in them share information and life experiences on social media.

The *social graph* is the broad collection of people, places, and interests that makes us individuals. It's how and why we're connected to other people. Think about it—a

lot of who we are is defined by who we know, the associations we have made over the years, the schools we've attended, the interests that captivate us, and so on. Before social media, information about our social graph was largely difficult to find, lost when we moved to a new place, lost touch with old friends, or stopped participating. Social media keeps us connected to our interests, our past, and our old friends. For this reason, many experts believe that Facebook may emerge into a "next generation social operating system" similar to Windows and the Web. Logging into Facebook and other social networks is the first thing a lot of people do every day, and it will only get more important as it attracts more users, more friends, and more data on the social graph of individual users. Facebook CEO Mark Zuckerberg popularized the term *social graph* in 2007 when first describing why the company was able to grow so rapidly.

For example, I am an entrepreneur, so I'm part of the social network of entrepreneurs. But because I worked at Microsoft for three and a half years, I'm also a member of the social network of Microsoft alumni. I am a member of hundreds of networks from various associations in my life to date, and I'll likely join others in the future. The collection of my networks is my social graph, and it is as unique to me as my own fingerprint. All of the information across my social graph, including the social networks to which I've subscribed, is captured in social media sites such as Facebook and Twitter. These sites collect, organize, and disseminate that information to me and other users in consumable ways.

Social Network Landscape

So what other social networks compete with Facebook? And how are all of them used? It can be very confusing to navigate the world of social media, especially if you are not an active user or if you've just been tasked with becoming an expert in your company. What's the difference between Flickr and Facebook Photos? What are the differences between each social network? Which social networks are in decline and which are growing? When building a campaign, how much can (and should) you depend on Facebook? And do certain types of campaigns lend themselves to one social networking strategy over another?

The answers are going to depend entirely on the business metrics you are trying to drive and the demographics you seek. There are no hard-and-fast rules that dictate what you should do. Worse yet, social media preferences and usage changes so fast that there's a good chance that anything I say in this book will be out-of-date by the time you read it! While qualified consultants can probably help you learn quickly, this isn't an argument for going that route at all. I think you can educate yourself on social media in a few hours a week, otherwise I wouldn't write this book!

Facebook Is Not Forever

In 2009, this statement seems ridiculous. But in 2007, there was no question that MySpace was the king of the social networks. Additionally, few people saw Twitter as the future of social media when it made its debut. However, Twitter has experienced a growth of almost 1,200 percent growth year over year as compared to 250 percent for Facebook, according to Compete. com (http://siteanalytics.compete.com/Facebook+bebo.com+hi5.com+orkut.com+Twitter).

Considering Twitter's growth, Facebook must be looking in its rearview mirror at Twitter coming up fast from behind. For these reasons, I always recommend to those who ask that they pick a least a couple if not several different social networks as targets for their marketing campaigns, so they don't get caught spending all their time on yesterday's social network before they realize it.

First, let's quickly discuss the differences between the different social networks so you know how they differ and how they may evolve in the next few years.

While many social networks appear to be independent, most are run or influenced by major media or technology companies. Google, Microsoft, Yahoo!, AOL, and other large companies have a stake in the game as they either own the major social networks or work with them officially or unofficially. Maybe you are thinking that this doesn't matter, but if you are going to create a social media competency in your business, you'll want to pay attention. Why?

Each of the major players has distinct advantages and disadvantages in the marketplace, all of which will also play out in social media.

Microsoft Microsoft, for instance, operates a number of Web properties, such as Windows Live Messenger, that are used by millions of people. Data from Windows Live Messenger is used in its social network, Windows Live Spaces. Windows Live Messenger also pulls data from other social networks to make the user experience richer. Figure 2.2 is an example of how Windows Live Messenger pulls in status updates from another social network in the What's New area.

Google Google has millions of users of their applications, Google Mail, and YouTube. Google uses login data for these users to enable the quick creation of profiles on other Google properties, an important fact given that many industry experts believe that Google will need to diversify beyond search advertising revenue soon.

Yahoo! Although Yahoo! is currently second place in search, perhaps more importantly it owns a network of sites that are used by over 500 million people worldwide. Yahoo! representatives have stated many times that they want to integrate more social features into Yahoo! Mail to make it a de facto social network.

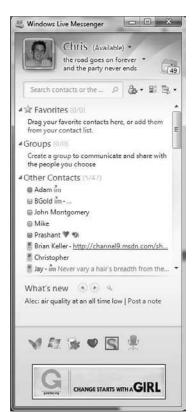


Figure 2.2 Windows Live Messenger displays status updates from a social network.

It's important to understand the major technology companies because their sites and properties are visited by millions of people and they are as interested in marketing and advertising as you are. Some of these social networks are frequented by the same people, so to reach more people, you may need to do things in more than just one place. New opportunities will emerge to market your products and services effectively. You will want to know what is on the horizon to better plan your marketing strategy and budget.

Three Types of Social Networks

There are three types of social media sites: the one size fits all, the one-trick pony, and the hybrid.

One Size Fits All

The one-size-fits-all social network provides the user with one-stop shopping for all of their online community, entertainment, communication, and social media needs. These websites not only let you connect with friends, they let you upload photos from

your family's vacation and videos of your daughter's second birthday party. They let you update your "status" so the world knows that you woke up feeling grumpy or that you are thankful for a new day. They let you join groups associated with your political affiliation, hobbies, or career. In short, these websites want to be your everything online.

MySpace, although in its decline, is Facebook's nearest competitor in the United States. Other sites in this category include QQ.com, Bebo.com, Hi5.com, Friendster. com, and Orkut, among others.

The One-Trick Pony

These types of social media sites try to do one thing only and to do it well. They may focus on helping you communicate to other people in a narrowly defined way. They might be widgets, or small applications, that live on other websites. They perform a single task, such as telling you what movies are playing within a certain zip code. Others might be a repository for photographs that you've taken from a mobile phone that can be used elsewhere.

Twitter is the poster child for the one-trick pony social networking website. From its inception, Twitter set out to do one thing and one thing only: to allow individuals using Short Message Service (SMS) or text messaging to communicate with the world broadly via followers and the Twitter search. These conversations are displayed on the Twitter website and viewable by anyone so long as the user who is sending outbound messages has their account's privacy setting configured as "public."

Over time, Facebook has evolved its platform so that the home page of a user's profile displays information in a micro-blogging or Twitter-like fashion. Updates from users' social stream on Facebook are published on the web page much like one would see on Twitter. While many developers have written programs that utilize the Twitter application programming interface (API), these programs don't have a direct impact on the user interface of Twitter. These programs are pulling data from Twitter to create their own user experience outside of the social network itself.

With short messages being the primary functionality provided by Twitter, it is easy to see the differences between Twitter and Facebook. The difference is everything else.

Twitter does not allow users to upload photos. Third-party applications must be used to send messages via a user's Twitter account. These third-party-instigated messages insert links to the user's photographs. When this occurs, the user's photographs reside on a different website, apart from Twitter. Twitter does not allow you to upload videos, but a user can put a link inside a Twitter message that points to their YouTube video or to a video on another video sharing site.

A task performed by a user on Twitter that involves sharing anything more than a message containing more than 140 characters must be done outside the Twitter site. This could be a hyperlink inside a tweet (a message sent or received on Twitter) that

points to more content. It could also be created from a third-party application that the user has to install or interact with separately from the Twitter website.

With Facebook, all the user needs to do is upload their photo, post their video, or send the message to another user and all the technology required to fulfill the request is incorporated within the Facebook.com website itself.

Hybrids

Hybrid social media websites tend to focus on one primary piece of functionality but also wrap other social networking features into their platform. In many cases, the site started off as a one-trick pony and evolved into a hybrid due to market pressures, user requests, or other forces.

Flickr provides photo and video sharing capabilities to its users and would be considered by most as a social media website. If you look closely though, you'll see that Flickr provides many of the same types of features that are found in all social networking sites. In fact, the most basic features of a social networking site can be found on Flickr, including the ability to add friends to your network, communicate with different people or groups via messages, join groups, vote on or mark pieces of content as favorites, and more.

YouTube, the world's most popular video sharing site, also provides basic functionality found in any social network. Users can upload their own videos so others can view their creations. As is the case with Flickr, YouTube's functionality extends much further than simply sharing videos with other individuals. YouTube allows users to communicate with others directly and indirectly, join groups of like-minded people, vote on content, and create and manage their profiles.

While these sites include basic social networking features, they are built around specific actions. Namely, Flickr is primarily a photo sharing site. YouTube is built to allow people to share and view videos. Because of this, the community-building aspect of these platforms is lacking. Facebook provides a much richer environment for socializing online than any of these hybrid social media sites. However, these other sites certainly have their place in your overall marketing campaign. We'll discuss those situations throughout the book.

A Quick Summary of the Major Social Networks

If you're in any way the person responsible for social media marketing in your company, you are going to need to understand the difference between the different social media networks. Not all of them serve international markets adequately. Some are particularly good in certain countries. Some are better than others in the key demographics you need to reach your target audience. All of them make changes rapidly to adapt to needs in the marketplace. Table 2.1 provides a handy summary of the important points for each social network.

► Table 2.1 Social network landscape as of August, 2009

Social Network	Туре	Data	Partner
Facebook	One size fits all	13.8 billion total user minutes in April 2009	Microsoft
MySpace	One size fits all	4.9 billion total user minutes in April 2009	News Corporation
Twitter	One-trick pony	299 million total user minutes in April 2009	n/a
LinkedIn	Hybrid, business professionals	202 million total user minutes in April 2009	n/a
Flickr	Hybrid, photos and video	3.5 billion photos total in May 2009	Yahoo!
YouTube	Hybrid, photos, videos	Delivered 5.5 billion video streams in April 2009	Google
Orkut	One size fits all	65% traffic from Brazil and India	Google
Hi5	One size fits all	Claimed in January 2009 to have 60 million users	n/a
Bebo	One size fits all	Integrated with AIM, the world's #1 instant messaging network	AOL
Windows Live Spaces	One size fits all	Tightly integrated with Live Messenger service and its 330 million users	n/a

Source: comScore, company reports, and press releases

You'll need to supplement this summary with online research to get a feel for how things change. Tech blogs such as Mashable (www.mashable.com) do a great job of reporting monthly usage numbers and demographics for social media usage. You can also visit the web site companion to this book at (www.facebookmarketinganhouraday .com) where we'll keep you up-to-date on the latest happenings in social media.

Below is more information on the leading social media platforms available to consumers today.

Facebook No social network can match Facebook's current momentum or broad international customer adoption. It hosts a range of social applications and has been the market leader in social media since April 2008. While Facebook does not disclose specific financial information, the company earns money from sponsored advertising, self-serve advertising, and virtual gifts. Microsoft took a 1.6 percent stake in Facebook for \$240 million in late 2007, and the two companies continue to work together on syndicated advertising opportunities through Microsoft adCenter. A healthy developer ecosystem has been created around Facebook, although the third-party developer craze was lessened somewhat by a series of restrictions placed on developers after early

applications propagated too many messages through user profiles and news feeds. More on that in Chapter 8.

MySpace Similar to Facebook, MySpace has an interface for allowing users to update their status, set their "mood," write blog posts, and quickly create a personalized presence on the Internet. One main difference from Facebook, however, is treatment of the MySpace home page once a user logs in. MySpace uses the real estate for sections such as Featured Content, Videos, Music, and Celebrity Updates and for sponsored advertising from its partner, Google. This "half-step" provides MySpace with a number of additional places to insert interesting content and advertising.

Popularity of MySpace has waned since its two-year reign as market leader from 2006 to 2008. Despite the drop-off, eMarketer estimates that MySpace will generate almost \$500 million in mostly advertising revenue in 2009. In the future, MySpace is expected to focus on advantages in user creativity, music, and video and compete more aggressively in social gaming. Visit http://pulse2.com/2009/05/30/myspace-ceo-owen-van-natta-talks-about-myspaces-strengths-and-weaknesses/ for an interesting interview with MySpace executives regarding the company's future prospects and competition.

Twitter While Facebook and MySpace quietly satisfy the needs of millions of people, Twitter has gotten all the press lately thanks to use by celebrities such as Oprah Winfrey and Ashton Kutcher. Twitter is a much more limited social network, however. It is simply infrastructure that allows users to share 140-character messages with other Twitter users. A user can follow other Twitter users to get real-time updates from them. Most things shared on Twitter are mundane events in peoples' lives, updates, and so on. Users can also share photos and Web links with other Twitter users via shortened URLs. Despite its simplicity, Twitter has experienced stratospheric growth as the product has gone beyond early adopters and to the mainstream. Facebook and other social networks have begun to adopt "Twitter-like" functionality in their products where possible to combat the perceived threat from this new upstart.

LinkedIn In many ways, LinkedIn ushered forth the modern social networking movement. Launched in May 2003, it has collected resume data and business networks of over 40 million users. It has become the largest and most prominent social network for business in the world. However, the LinkedIn experience is significantly more controlled than that of other social networks. The user interface and all profile data is largely predetermined, as it is in Facebook, but LinkedIn takes it all another step further by strictly regulating applications built on the site by third-party developers, startups, and major corporations. The site is most often used for qualified, surgical introductions to individual business contacts as well as for background checking and research on individuals in the business world.

YouTube YouTube quickly became the world's most popular video sharing and viewing destination in the world after being acquired by Google in 2006. According to

comScore, 107.1 million people viewed 6.8 billion videos on YouTube in April 2009, which dwarfed the statistics of all other sources of online video. As on any other social network, users establish profiles on YouTube to upload video, establish their own channels, or tag videos as Favorites. These profiles are now integrated with the Google login and password, so users of iGoogle, Gmail, or Google Docs can get started quickly with YouTube. Companies can also establish a free YouTube channel for how-to videos, commercials, and other types of content.

Flickr Flickr is another specialized social network, focused primarily on sharing photos with friends. The site has all the upload, storage, and album features of digital photo printing companies like Snapfish and Kodak Gallery but includes tags and tag clouds from the blogging world that help users find exactly what they need. Although it is certainly the most fully functional photo sharing social network, many people instead opt to share photos on Facebook or MySpace. Flickr was acquired by Yahoo! in 2005, and its functionality has been gradually integrated with other Yahoo! services since. Flickr introduced video sharing features in 2008 and high-definition video options in 2009. It is expected that Flickr will become an increasingly important part of Yahoo!'s social media strategy in the future.

A number of other social networking sites and platforms have emerged, but many are in decline as a result of the mainstream adoption of Facebook. Sites such as Bebo, Hi5, Orkut, Friendster, Classmates.com, and others are now struggling to compete with Facebook. Usage data for all of these is either flat or declining in the United States and most other markets, although there are exceptions. When planning an international social media campaign, you'll need to consider where you are launching and how you can be most effective with social media in that country. For more information, check out a map of social media usage by country at www.vincos.it/world-map-of-social-networks/.

Finally, a series of location-based social networks such as Loopt, Brightkite, Whrrl, foursquare, and Gowalla have emerged over the last several years to help people find friends and connect in person. These applications generally require a web-connected smartphone that can detect a user's location and make that information available to friends and/or nearby merchants. The idea behind these products is that people want to know where their friends are and what they are doing and an application with these features is a better alternative than picking up the phone or setting a status on another social network. It remains to be seen if any of these applications are going to become popular; none of them have a significant enough user base to consider for a broad-reaching social media campaign. Location-based services may, however, bring about the next generation of proximity marketing—the ability for companies to market products and services specifically to nearby consumers. However, such experiments are in their earliest stages at this time. Look for major technology and media companies to align with location-based networks over time as they aligned with social networks.

Seven Truths of Social Networks

While mainstream use of social networks is only a few years old, we already know a lot about how consumers use them. Besides, a few years is a generation in Internet parlance anyway. Here are seven truths of social networks that you can rely upon. If you are going to bookmark one page of this book, bookmark this page because these truths should guide your thinking regardless of what you do with social media:

- **1.** Social media is the preferred way for people in younger demographics to communicate with each other. Nothing else comes close.
- 2. Social media is based on the concept of friends, but that term today is very loosely applied. Similarly, profiles are loosely defined and can be used in a variety of ways by people, companies, brands, and so on.
- **3.** The more active a consumer is on the Internet, the more likely they participate in multiple social networks. Oftentimes, these people are influencers within a circle of friends and have a tremendous impact on the opinions of others.
- 4. Once information is shared on a social network, it is out there and can't easily be contained. Everything is out in the open and largely visible for other people to see.
- **5.** Social media is best applied in addition to existing Internet marketing programs and alongside other Web assets. When building a strategy, you must think comprehensively.
- **6.** The rules are still being made. Social media "etiquette" is still relatively immature. Tread carefully.

And the seventh and final truth involves the factors that contribute to social media usage. Everyone on social networks is motivated by some combination of the following human needs:

Love Finding love, keeping up with loved ones, and so forth

Self-expression/emotion Sharing life's details with friends

Sharing opinions/influencing friends Using social media as a platform for influencing opinions, usually about politics, religion, or other things we don't typically debate in person

Showing off Sharing life's successes and/or achievements with others

Fun/escapism/humor Using social media to get a good laugh

Memories and nostalgia Catching up with old friends and sharing old stories

Making money Using social networks primarily to support professional pursuits

As you can probably tell, the motivation for using Facebook varies significantly depending on your customer. Most companies with mature marketing departments spend a lot of time on customer personas to understand who customers are and how

they behave. While this can, at times, trap a business into oversimplifying its customer base, this is one case where I think developing personas can be especially effective even for a smaller business.

Let's think of this in practical terms. For instance, single people will typically be far more interested in finding a love interest than a happily married person in their 40s. The happily married person may want to use Facebook to keep up with relatives and loved ones. A grandmother will be more interested in sharing pictures and stories about loved ones than her grandchildren will be. If you are going to create a successful marketing campaign, you're going to have to identify the people you are trying to reach and exactly how you can reach them more effectively. Figure out who your customer(s) are and what their motivation is for using Facebook. That exercise will help you craft a much better campaign for your target market, and it will also inform your ad copy and/or creative. We'll talk more about building the right social media campaign for your target audience later in this chapter.

What You Want: Viral Marketing

Execution of an effective viral marketing concept is the dream of many marketers today. We all dream of taking a great idea, a few hundred bucks, and a camcorder and turning that into an Internet sensation with a huge return on investment. Some people call it viral marketing, others call it word-of-mouth marketing. Whatever you call it, social media is the infrastructure that makes all of it far more possible today than ever before. With the codified relationships in social media and the canvas available for viewing interesting things, it isn't out of the question that you can reach a lot of people as long as you catch lightning in a bottle and create the right thing. One person's experience or recommendation can easily be entertainment for hundreds if not thousands of people. This is a cycle you obviously want working for you, not against you.

We've all seen things spread like wildfire over the Internet—jokes, chain letters, you name it. I remember in particular the dancing baby (www.cnn.com/TECH/9801/19/dancing.baby/index.html) from the early days of the Internet in 1996. We all felt the new technology taking the world by storm, but there was just something about that three-dimensional dancing baby that made us want to send it around to friends through e-mail. Today, most of us don't send jokes and such to friends on e-mail unless the content is really interesting, really funny, or relevant to someone's work or social life. Social media is far less restrictive, and it gives everyone a loudspeaker. Therein lies the opportunity for marketers. Anything you do or say, as well as anything your consumers do or say about you, has the potential to spread uncontrollably. People have the power to comment on your brand, product, or company and get the word out to a great number of people much more efficiently through social networks.

Burger King's Subservient Chicken campaign for the launch of the Tendercrisp Chicken Sandwich in 2004–2005 was an example of an effective, albeit well funded,

viral marketing campaign. Burger King launched a commercial with a guy on his couch, directing another person in a chicken suit to act in various ways. It simultaneously launched a website at www.subservientchicken.com with a video of a man in a chicken suit (Figure 2.3). The chicken could be controlled by visitors, who would enter in a text box commands such as sit, fly, lay egg, even "march like a German soldier." The site and marketing effort created significant buzz. People hit the site repeatedly to figure out what commands they could give to the chicken. *Adweek* later reported that the site received over 14 million unique visitors through March 2005. Why? The campaign was creative, fun, and innovative yet it required visitors to participate and discover new things. Most importantly, it resulted in a successful launch of the Tendercrisp Chicken Sandwich, increased store traffic, and increased revenue for Burger King.



Figure 2.3 Subservient Chicken does the YMCA

Negative publicity can also spread like wildfire. United Airlines had a public relations disaster on their hands with the "United Breaks Guitars" video of July 2009. A disgruntled musician whose guitar was broken on a flight posted a video on YouTube (www.youtube.com/watch?v=5YGc4z0qozo) that got over 3 million views in the first two weeks. It was terrible publicity for United Airlines but great for the musician. On a smaller scale, you'll often see that disgruntled customers are willing to share negative experiences they've had with companies on the blogosphere, Twitter, and Facebook. Empowered customers, especially active users of social media, know the power of complaining in public, and they're starting to use social media to get what they want.

None of this is exactly new. We have been exposed to new ideas and new business opportunities for years. Our grandmothers attended Tupperware parties. We've all seen the pink Cadillacs from Mary Kay. Maybe you attended a college swarming with Amway representatives. Perhaps your first experience with multilevel marketing was Burke's "Confederated Products" pitch over dinner in the movie *Go*. While these pitches can, at times, be uncomfortable, multilevel marketing companies have done a fantastic job over the years of preaching their marketing message in an efficient

manner. Now I'm not suggesting that you should turn your company into a multilevel marketing business, nor am I saying that you should annoy social media users into becoming evangelists for your company or product. But I do think that we have a lot of history that we can reference when considering how to be effective on social media.

What is new today is that all the interpersonal relationships are exposed online. We can keep up with friends, new products, companies, and brands in real time. We can share the experiences we have, good and bad, more efficiently than before. More of our lives than ever before —our choices, our problems, our successes—are recorded, communicated, and shared. In that sense, it challenges all of us as marketers to use social networks as a channel for customer engagement and for being more understanding, more human, and arguably more subtle.

Other Opportunities in Social Networking

Aside from viral marketing campaigns, social media affords you other opportunities to engage with customers. Some of these are regarded as traditional marketing functions while others may be in a different part of your company managed by other people. This is why later we'll discuss organizational dynamics and why it's to your long-term career benefit to become a social media evangelist inside your company. But for now, what types of things can your company and/or brand manage more effectively with social media?

Complaints It's becoming more and more common for people to use their loudspeaker to complain about bad customer service and/or bad experiences with products and services. You can't stop people from saying whatever they'd like, but you can aggressively work to remedy the situation to turn the unsatisfied customer into a satisfied one.

Praise It's rare for your customers to praise you, but in the case of especially good service or experiences, it does occasionally happen. This is a great opportunity for you to reinforce your attention to detail and customer service, as long as you tell people the good things about what you are marketing.

Lead generation/business development Social media is "the great democratizer"—that is, people are far more accessible than they were 10 years ago. They are blogging, commenting on different social networks, and making their thoughts and feelings known. As a salesperson or business developer, you have access to all the information you need on sales and business development targets. This is one of my favorite applications of social media.

Recommendations While Amazon.com was one of the first pioneers in this area, it has become common for companies to adopt their own recommendation strategy for products and services. Think *Consumer Reports* but in the form of individual testimonials. Some companies are more active than others in "managing" feedback.

Outbound communications/updates/mailing lists Skeptics say that social media is just a modern day mailing list. That would be true except for the fact that social media provides ample opportunity for people to share and comment on things they receive. It raises the bar for effective marketing communications. If you want people to talk about you positively in social media, you have to say something pretty compelling.

Fan clubs Your most passionate supporters will likely be willing to identify with your brand. In the past, clubs have been created to allow marketers to communicate regularly with fans. Now, using social media, costs are reduced to the amount of money it takes to produce your content. It's time to get creative.

Don't be ashamed to reach out to businesspeople on Twitter and the blogosphere. Social media is a perfect ice-breaker for conversations with prospective clients, customers, or partners. Just be sure to start a conversation, and don't sell until you've established some common ground.



Some of these things may be better executed inside existing social networks. Some may require you to add social features to existing websites. Others may require recalibration of your team to respond and engage with customers proactively. You'll have to consider all of these things when putting together a comprehensive social media campaign that gets people to act. Let's take some time to go through the universe of social networking as it stands today so you have a better grasp on the possibilities.

Campaign Ideas

Now that you have an idea of the basics of the different social networks, it's time to consider how you can use these services to improve your business. Opportunities are not just in the marketing arena. Social media technologies help people with similar interests or behaviors find and meet each other and share problems and solutions. You can use social media to improve efficiency in any customer or internal corporate communication. While these technologies are applicable to a variety of areas of your business, you are likely to make the biggest and most immediate impact by launching something in the marketing arena.

The key to success with social media marketing is mapping your business goals to the social networks that can make you most successful. How do you assess this? Ask yourself a few key questions when putting the plan together:

- Are there enough people in your target demographic on the social network?
- Is it common for people on the social network to say good things about your company or brand?

- Are there other ways for people on the social network to approve of your company or brand?
- Does your product fit the needs of your target demographic?
- Can you turn positives or negatives about your product into a viral marketing success?

But perhaps the most important question in any major corporation is about risk. Is your company willing to take a chance on social media marketing? I'm not talking necessarily about dollars and cents or coping with success. Is your company a cultural fit for the experimentation necessary to make social media work? For reasons outlined before in this book, social media is both hot and new. Facebook, Twitter, and other social media properties have been covered extensively in business magazines and other publications. Management at your company may see this as a huge opportunity or a potential for embarrassing failure. Like other examples on the Web, those who experiment ultimately win.

What types of things can you do with social media from a marketing perspective? I like to think of any new social media marketing project in terms of the sales funnel. After all, as marketers we are making sales easier, right? You'll need to figure out where your priorities lie in the sales funnel. Identify what is broken and fix it.

Prospecting How do we find people with a stated or latent need? How do we introduce them to our product or service for the first time? Or if they've heard of us already, how do we remind them about how great we are?

Customer list building They are as good as gold—lists of qualified customers who want to hear from us. Where can we find more people willing to listen to things we have to say? Can we get clever with social media to expand our reach?

Communicating with qualified customers Now that we have customers, how does social media make it easier for us to reinforce our message with them regularly? Are you able to produce the types of content that work best in social media?

Lead generation and e-commerce Do our efforts reinforce the sales process either by generating leads or by facilitating e-commerce purchases? If this is our main priority, are we able to measure the outcome and ROI (return on investment), and have we elegantly integrated it in a way that doesn't anger our customers?

Customer relationship management Social media affords opportunities to make your company or brand considerably more personable than the old ways of communicating via an 800 customer service phone line and postal mail. It's also a "Pandora's Box" of complaints that people are probably sharing via social media today.

Where Facebook Isn't Quite Enough: China

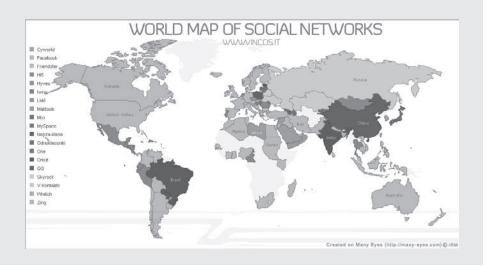
While Facebook enjoys being the largest social network in the United States, such is not the case throughout the rest of the world. The most glaring geographic example of Facebook not being "the only" place to be in social networking is in China.

If your company or organization is interested in doing business internationally, your marketing efforts must follow. You must also be keenly aware of what is happening in other countries.

Take, for instance, an April 2009 report on TechCrunch.com on the top social networks in China: (www.techcrunch.com/2009/04/05/chinese-social-networks-virtually-out-earn-Facebook-and-myspace-a-market-analysis/).

The study reveals that the top social networking sites in the United States, like Facebook, MySpace, LinkedIn, Twitter, don't even register in the top 10 social networking sites in the world's most populous country. This is particularly important when you consider that there are more Chinese people on the Internet than there are Americans. You could put together the best marketing campaign the world has ever seen, but if it runs only on Facebook, you won't make a dent in Chinese mindshare.

The following map shows the most popular social network by country. You can visit www.vincos.it/world-map-of-social-networks to see this map as it changes over time.



Most of these things require good social media campaign execution, but in all likelihood doing some of them well will also require cooperation from colleagues who manage your website, e-mail mailing lists, advertising budgets, or customer service department. This probably isn't a big deal for those of you in smaller companies. But in larger companies, each of these is often run separately by managers with different interests and goals for their teams. I've seen it happen too many times already—the lucky person who manages social media for their company is often the "object of everyone's affection," meaning that they will take a lot of negative feedback even in the best of circumstances. Only you will know if you should upset the apple cart or move things forward incrementally as you go.

Social media is the ultimate cross-functional discipline for a company. While it is most closely identified with marketing, it is truly more of a shift in information flow. If harnessed appropriately, social media can become a competitive differentiator for your business. If not, it will attract enemies and fail. You need to take charge of the situation to ensure that you get the most out of Facebook and other social media properties for your business. In the next chapter, we'll discuss exactly how you can do that. Let's now turn our attention to the basics of how Facebook works, from setup to friending and news feeds.

Facebook Basics

In the following sections, we'll go over some of the basic features of Facebook, including setting up an account, accumulating "friends," and the News Feed.

Account Setup

The entire setup process at www.facebook.com is designed to be as simple and intuitive as possible for the user. With more than 400 million accounts, you get a lot of data about streamlining the process and making things as easy as possible. On the home page, Facebook asks users for the basic information necessary to create an account/profile: first name, last name, e-mail address, password, gender, and full date of birth. (Note: we recommend once your profile is set up, you then go in and edit your personal information to only show your month and day of birth in your profile for security purposes.)

For the sake of creating examples in this book, we'll use this as an opportunity to create an account for Frank W. Furter (Figure 2.4).

After the user creates a profile, Facebook walks them through a process that is designed to make their experience richer and more interesting. First, the user is prompted to enter their e-mail login credentials. This allows Facebook to scan the

user's Inbox to see if any friends already have a Facebook account. This is mostly self-serving for Facebook; it is a way to help people invite new people to Facebook more than it is a tool to help a user immediately find friends already on the social network.

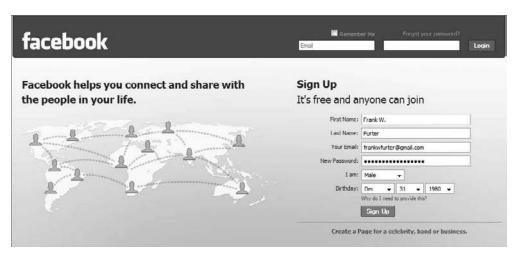


Figure 2.4 Facebook home page and account setup

Second, the user is asked to enter information on schools they attended or the company where they work. It's handy for a few reasons: Most of our personal connections are made in either school or the workplace. For Facebook purposes, it's especially handy because it is used as a way to help people find old friends or colleagues. And remember, one key to Facebook's success is the ability of people to discover something interesting or new there every day. So for Frank W. Furter, I'm going to enter my high school, Northwest Rankin, and the year I graduated, 1992. But here's where it gets interesting. After I enter my information, Facebook presents me with a list of people from my graduating class! I can now choose friends from the list and make them part of my "circle" on Facebook. We'll talk more about what that means later. You wrap up by adding a profile picture or importing one from a web cam.

That's it. It took about 5 minutes to go through the process of establishing a Facebook account and profile. The rest of the profile includes ways to enter additional information and expose it only to certain types of Facebook users. We'll go into more detail on that later too. For now, what are the main takeaways for a marketer?

- It's a simple process that takes only a few minutes. Just about anyone with basic computer literacy can become a Facebook user.
- Everything in the setup process is geared to helping users find friends on Facebook and build their network.

- An extraordinary amount of personal information is collected in the setup process, but it really is just the beginning. Users can provide a lot more information about themselves through Facebook after the profile is created. (And, keep in mind, you can choose how much or how little your Facebook friends can read about you via Facebook's granular privacy settings.)
- It's also stunningly easy to set up a fake profile. With simplicity and ease of use comes the ability for people to misrepresent themselves. Now there are some cases where this is valid, not to mention maybe even the right thing to do even though it is against Facebook's Terms of Use to maintain multiple accounts. More on that later. The takeaway here is to remember that it is very easy for people to set up a Facebook profile with any persona they would like.

Friending

The News Feed is an aggregate of your friends' activity you'll see every time you log in. Facebook uses algorithms to choose what they deem as most popular. Profiles, friends, and the News Feed are the key components to understanding how Facebook works and how information is shared across Facebook users. Friends are people who have the right to see information about you as well as anything you post.

You can probably tell how much someone uses Facebook by the number of friends they have. It isn't because Facebook is a tool for popular or outgoing people. But the more friends you have, the more active you'll be on Facebook and the more time you'll spend. It's a cycle that Facebook has perfected. Today, Facebook is the most popular destination on the Internet measured by time spent on the site. Eighty-seven million Americans spent an average of 4 hours and 39 minutes on Facebook in June 2009 according to Nielsen Online (http://mashable.com/2009/07/14/facebook-ultimate-time-waster/).

Building an active network of friends is the key to becoming someone who uses Facebook every day. But why exactly is that the case? What interactions does Facebook simplify or make more convenient?

Keeping up with old friends and acquaintances passively There is no more efficient way to keep up with people who aren't in your life on a regular basis. Facebook gives you the opportunity to know what is happening with old friends and acquaintances without having to call them, send a letter or e-mail message, or chat on an instant messaging service. This can be one tremendous benefit, especially if you are a social butterfly and are on good terms with a lot of people.

Learning things you didn't know about friends Profile data, status updates, and vocal support for other people, groups, or entities on Facebook can tell you a lot about people. Sometimes you find out good things and commonalities. Sometimes you learn things

that result in disappointment. Either way, some people just really like knowing as much as they can about the people around them. Facebook makes it easy to communicate and snoop around to see what friends are saying and doing,

Commenting on friends' opinions, shared links, and random thoughts Facebook gives users the opportunity to share links, status updates, and random thoughts with friends. More importantly, any friend can comment on things that are exposed by another friend on Facebook. These are conversations that, in the physical world, often take place over lunch, a happy hour, or dinner with friends. While users can't necessarily have a good deep conversation on Facebook as they can in person, they can interact with basic off-the-cuff reactions to things they read and see.

Socializing through photos, events, playing games, and social applications Sometimes the basic features of Facebook don't allow for specific types of social interactions that people would like to engage in with their friends. Third-party applications have filled the void in many of these cases, while Facebook has also built additional features into the platform to make these social interactions possible.

None of these kinds of interactions, viewed on their own, are particularly significant. But collectively, they represent the value proposition of Facebook for an individual user. Nowhere else on the Internet can a person find more old friends and former colleagues in one convenient place. Friend someone, and they are in your circle. In the end, you'll be able to keep up with that friend as much as you'd like. If you're as busy as I am, you probably need this to appropriately manage your social life and prioritize your time.

The News Feed

The News Feed has emerged as probably the most important part of Facebook. It's the first thing users see upon login—a running list of the latest updates across the user's unique social graph. But it includes far more than updates from friends. The News Feed also includes updates from fan pages and third-party applications installed by the user. Items in the News Feed can include status updates, photos, events, and links to other sites or articles on the Internet. Friends or other fans can comment on any of these things or choose to "Like" them, so it is possible to see how people you don't even know react to updates.

So why is the News Feed so critically important to mastering Facebook? We spoke earlier in this chapter about Facebook becoming a "social" operating system of sorts. Traditionally, we've used operating systems to help us start our work day, write a paper, build a financial model, or pursue some other productive activity. But as computers and social networking get more intertwined in our lives, it is possible that we'll start our day not with work, but rather with casual social interaction with friends on

Facebook. The jumping-off point for us won't be the traditional "desktop" but rather the Internet browser running Facebook.

This is especially possible as the News Feed becomes more and more useful. Today it contains primarily updates on friends, but it could very easily become a filter through which we get content that interests us from all over the Web, from companies, businesses, or brands that interest us as well as from our friends and business colleagues. As it includes more and more information, it becomes more and more useful, especially if controls for filtering content get better over time. As you can tell from the screen shot of my News Feed in Figure 2.5, there is a lot here that can keep someone busy!

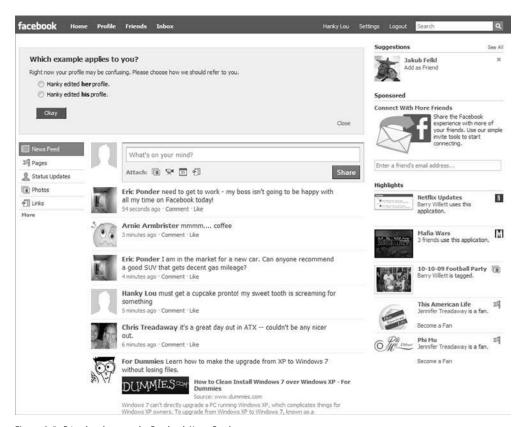


Figure 2.5 Friend updates on the Facebook News Feed

A significant and increasing number of people are beginning to use Facebook in this manner, especially in younger demographic groups. That's why being in the News Feed is so important. Breaking into the News Feed is currently the easiest and most important consideration for brands and companies looking to establish a presence and identity on Facebook. Your biggest fans, not to mention future customers, are

on Facebook every day. If you aren't in the consciousness of prospective customers on Facebook, odds are your competitors are or will be. The one thing all of them see is the News Feed.

We are currently in a period of time when a lot of companies and brands have recognized that they need to have a presence on Facebook. Most of the time, this is in the form of a fan page, Facebook's preferred type of landing page/presence for companies, organizations, and nonprofits. More and more, brands engage with customers on another form of media (TV/radio commercial, e-mail campaign, Twitter, etc.) and ask them to become a fan. I've always found the nomenclature a little clunky when it comes to some brands or products. It makes more sense to me if you're talking about Willie Nelson, my favorite college football team, or Reese's Peanut Butter Cups. But that said, a lot of people are scrambling to establish a minimal presence not knowing entirely where things are headed.

Today, the News Feed is both an important and underutilized part of Facebook. When I consult businesses on how to use Facebook, I make sure they say something every day just to remind fans and supporters of their company or brand. This "something" has to be useful; you shouldn't be selling your products every time you say something on a social network. We'll have more on tactics and best practices when we discuss fan pages in more detail in Chapter 5.