

Social Media and Social Networking Sites

In this chapter you will learn about:

- ⦿ What social media is
- ⦿ How and why social media grew to play such an important role in the Web
- ⦿ The demographic breakdown of social media users and how their use of various applications differs
- ⦿ Various types of social networks, how social networking sites function, and how marketers use these sites to build an audience

After the stock market dropped in 2000, the rapid influx of new e-commerce sites that gave rise to the dot-com bubble subsided. Large-scale, investment-backed Web sites that defined the 1990s and brought the Web so much publicity during its early commercial growth were all but gone. In fact, according to a February 2006 article in *USA Today*, in the five years from 2001 to 2006, only 31 Internet companies issued an IPO—393 fewer than launched in just 1999 and 2000.¹ Businesses continued to launch B2B sites, and the Web continued to grow, but investors, stung from their earlier losses, were wary of getting involved with Internet stocks again. Even profits were not enough to lure investors back. In 2005, 48 companies in *USA Today*'s “Internet 50” (the 50 most important Internet stocks), generated profits quadrupled what they had posted in 2000, but the average stock price for these companies gained only 1% compared to the S&P 500's 3% gain. Take Google's stock price out of the picture and the paltry 1% gain for the Internet 50 suddenly becomes an 8.2% loss—for a group of companies that were almost all seeing profits.²

With the bursting of the dot-com bubble still fresh in people's minds, it would take more than profits to re-energize the Web—it would take an almost complete make-over. So, after only a relatively short life span as a communication tool, media outlet, information resource, storefront, and general window to the world, the Web evolved and added one more title to its résumé: social media resource.

An Overview of Social Media and Social Networking Sites

Social media is the umbrella term for the wide variety of tools and applications that give the Web its social capabilities—capabilities that allow a community to come together, communicate, and build upon each other's opinions and ideas. Social media applications and tools are numerous and include:

- E-mail
- Instant Messaging
- Blogs and **Vlogs** (video blogs)
- Internet forums and message boards
- File sharing (music, pictures, videos, games, etc.)
- **Wikis** (online content created and edited by ongoing user collaboration)
- Social networking sites and applications

- **Virtual worlds** (computer-generated simulated environments in which users can engage each other through the use of avatars)
- **RSS feeds** (subscription to sites that alert Web users when new content has been uploaded)
- Product and service reviews
- **Mashups** (the combination of two or more social media tools into one application)

A **social networking site** is one that uses these social media tools for the primary purpose of promoting connectivity and interaction—to facilitate people communicating with other people. Social networking sites include generalist social networking sites, online dating sites, and **social bookmarking** sites, which allow users to remember and organize Web sites and pages to return to later. These bookmarks are usually made public and available on social bookmarking sites for other Web users to review. Not all sites that include social media tools are considered social networking sites. An e-commerce site that only allows users to purchase products is simply an e-commerce site. An e-commerce site that allows users to purchase products *and* read and publish product reviews on the site is an e-commerce site with social media functionality. It might have social networking capabilities; however, its primary purpose is not social networking. For the purpose of categorizing types of sites, the categorization of a site is typically based upon its primary purpose. (The Famzam.com Web site that was profiled in Chapter 2, for example, allows users to make purchases on the site, but it is not categorized as an e-commerce site. Rather, it's a social networking site with e-commerce functionality.)

Social media tools rely on the collaborative and continuous interaction of people in order to have relevance. This ongoing interaction also means that social media Web sites are in a constant flux. A Web site often layers on additional social media applications as it expands and attracts new audiences. A social networking site, for example, might decide to provide video-sharing capabilities. Web sites that utilize social media applications are also beginning to integrate with each other, further expanding the global conversation and offering more benefits for businesses.

The Rise and Dominance of Social Media

The question of when social media began to take its modern form will forever be a source of debate. E-mail and instant messaging are generally considered to be two of the earliest examples of social media applications. These tools allowed for direct interaction between multiple people over the Internet, although the communal capabilities of

those applications were somewhat limited. Newsgroups and listservs were early precursors of today's social networking sites. **Newsgroups** facilitated discussions among numerous users via a series of posted message threads. **Listservs** functioned in a similar fashion but communicated users' comments to other list members via e-mail. More widely known was the 1990s incarnation of AOL, which at the time served as a means for users to access the Internet (it has since reincarnated itself as an online media outlet). Among other services, the AOL application provided access to popular chat rooms (see Figure 3-1) where users regularly congregated. These chat rooms, organized by topic and chat room name, allowed AOL members to join in a group conversation, or break away for private, one-on-one discussions. While these chat rooms represented the Web's early attempts at social integration, the experience was finite: once the room was empty, the conversation was finished, and no record of the exchange of ideas existed.



Figure 3-1 The old AOL chat rooms offered a sneak peak at how popular the social aspects of the Web could be.

While the masses were meeting in faceless AOL chat rooms and investors were focused on funding the first wave of e-commerce sites, a small but steadily growing movement was going on behind the scenes. Personal online diaries were being written by users wanting to record and share their day-to-day thoughts and activities. In 1997, Jorn Barger, an early adopter of this technology and editor of the often controversial site *Robot Wisdom*, coined the term *Weblog*, to describe the process of logging these diary entries on personal and public Web sites.³ The term was later shortened to *blog*.

Also gaining momentum were a few Web sites that were laying the bedrock for future social networking sites. Classmates.com, which helps users locate and keep in touch with friends and acquaintances from kindergarten through college, and Craigslist, which features online classified advertising and discussion forums, both launched in 1995. For the first time, sites whose primary focus was socialization were being developed, although it would be years before this type of site would explode in popularity. (According to Web tracking site Alexa.com, in 2008, Craigslist was ranked as the 65th most popular site in terms of traffic. Classmates was ranked as the 1,697th most popular—an impressive ranking for a social network that requires a paid subscription to enjoy most features.)⁴

After the turn of the new century, blogs continued to gain traction and other social media sites began to appear. Friendster.com (a social networking site designed to help people make friends), Wikipedia, and others began to dot the landscape. However, it wasn't until MySpace became populated with users that the media really started paying attention, and the new age of socialization on the Web truly began.

Social media tools and Web sites have become so popular because the practical, social, and psychological benefits are numerous:

- Blogs, online forums, and other applications give people the ability to express their opinions or beliefs in an open and safe public setting.
- Online reviews by consumers put shoppers in a power position, allowing them to hold businesses accountable for the products and services they sell.
- Social media gives people the ability to stay in touch with many friends and loved ones.
- Social media helps individuals meet people they might not otherwise have. Some networking sites give users the ability to take ownership of their own page and use their creativity to express themselves through the design of their page.
- Through video sharing, popular blogs, or social networking sites, people seeking fame can leapfrog to center stage with content that captures widespread attention. With social media applications, anybody can be a movie star, director, artist, songwriter, journalist, or storyteller.
- Social media allows people to easily gather news and information from a wide range of sources.
- People who have inquiries about everything ranging from a simple programming problem to the mysteries of the universe can pose

their questions via social media applications and receive answers and opinions from people across the globe.

- News that comes from a social feed or videos that have been viewed and rated highly by others provide users with a comfort zone. Because the community in general has already blessed these articles and files with a seal of approval, people are more likely to view them.
- Probably the biggest reason that social media has captured people's imagination is because it's fun to be out there, see what else is going on, and be part of the world without having to leave the comfort of home.

Another reason for the rise of social media is the increased emphasis placed by marketers on Web marketing, which can be segmented into two distinct methods outside of standard banner and video advertising: social media optimization and social media marketing.

Social Media Optimization

Social media optimization is a marketing strategy that encourages people, companies, and organizations to get their content distributed as widely as possible throughout the social media universe. This strategy is based on the idea that marketing is more effective when seen by more people; therefore, marketers and content developers work to spread their messages through a multitude of social media networks. To accomplish this, developers optimize their Web sites to include the ability to share text and video content, or provide links back to their site through popular social media networks. Figures 3-2 through 3-4 provide examples.

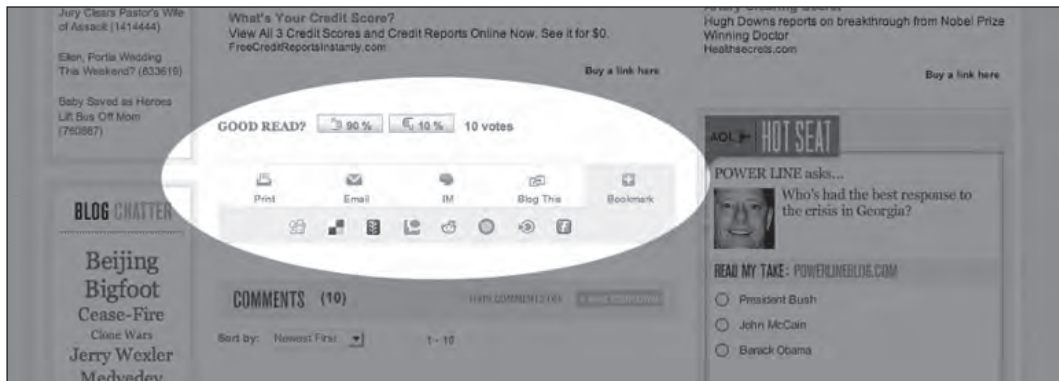


Figure 3-2 AOL readers can vote on the value of a news story and repost the article on a variety of social media news and bookmark Web sites.

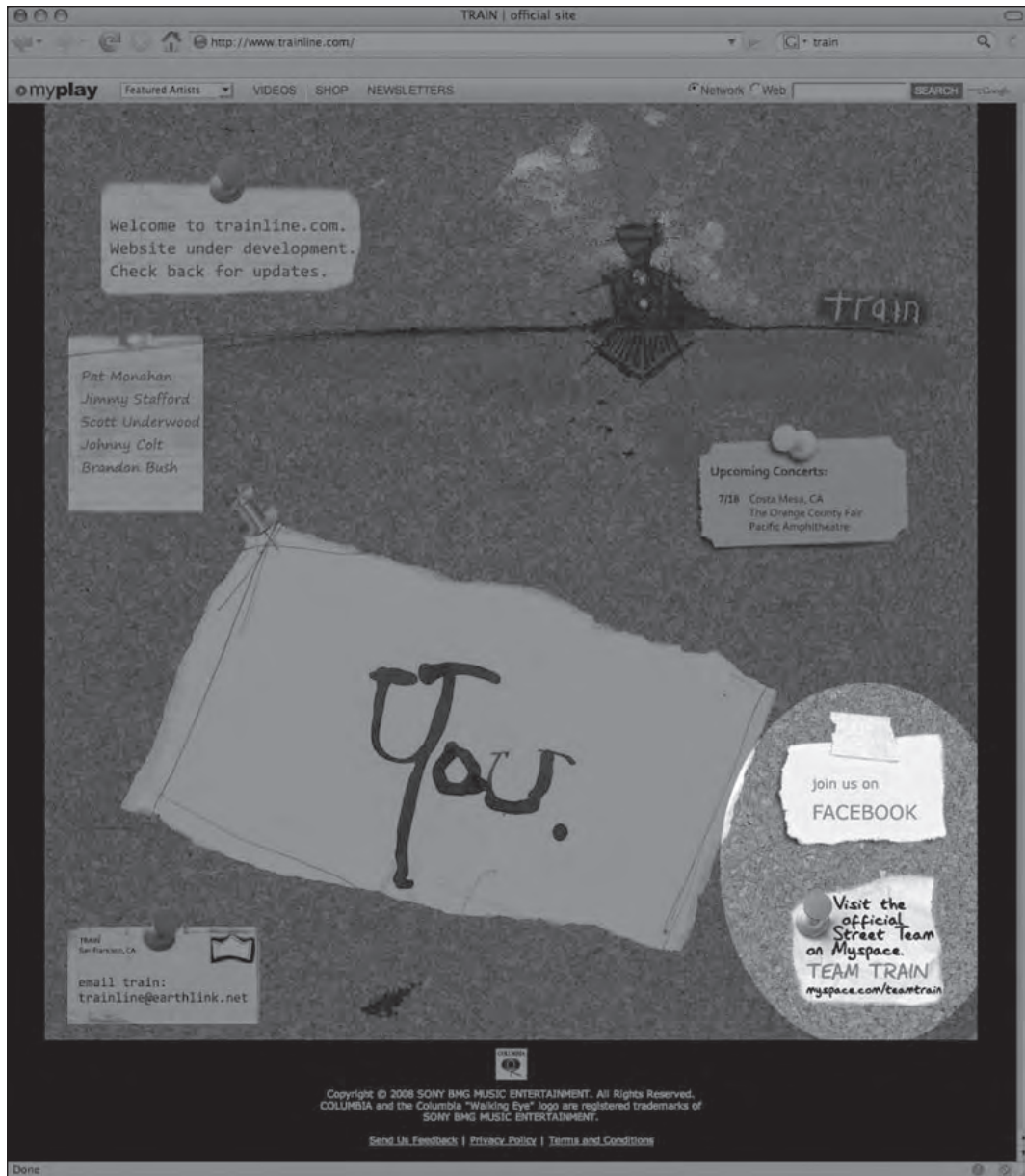


Figure 3-3 The Web site for the band Train includes direct links to the band's MySpace and Facebook pages.

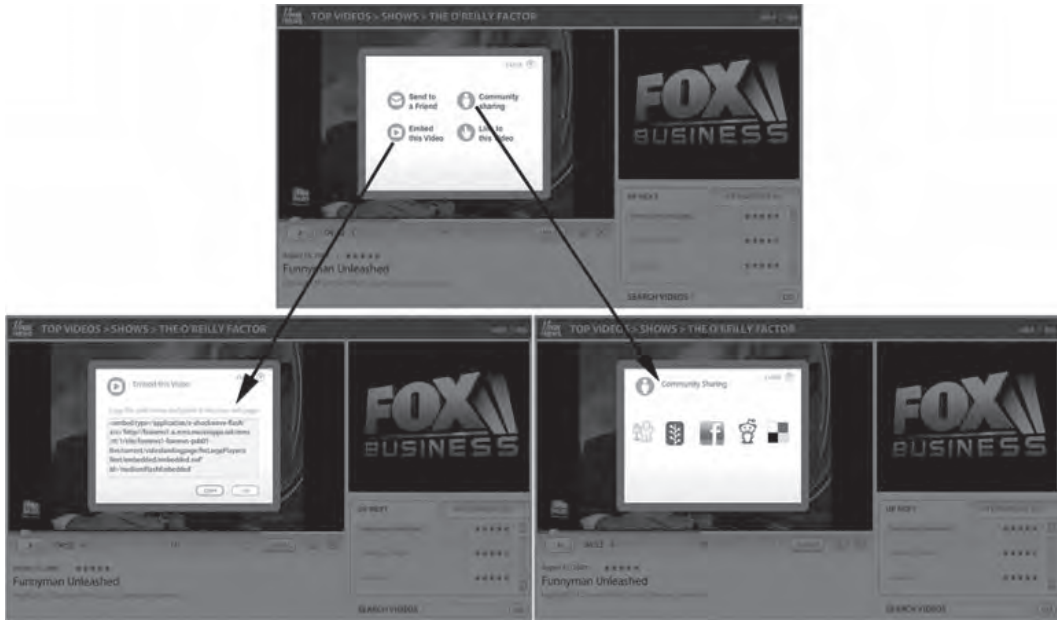


Figure 3-4 After watching a video on the FOX News Web site (top), users are given the option to e-mail, link to, or embed the video on their own Web site.

Social Media Marketing

Before the popularization of social media, reaching an audience through the Web was fairly straightforward. While marketers had options, the most prominent means of communicating a message was through banner and display ads placed in key areas of Web sites. Today, while banner ads are still a highly viable means of Web marketing, social media has created numerous other opportunities for marketers to identify and reach their audience. However, because the social media universe can be so rich and complex, setting the best, most effective marketing strategy can be a daunting task. **Social media marketing** is the utilization of social media specifically as a marketing vehicle, and typically falls into one of three categories:

PUBLIC RELATIONS: As more news is generated by users and traditional news is increasingly spread through online communities, public relations professionals are looking to social media to get their message to their target audience. To do this, news must be trustworthy and valuable to the reader, or it risks getting lost or ignored in the crowded social media universe.

MARKETING CONTENT GENERATION: Blogs, videos, and other content created for a marketing purpose need to be crafted in such a way that they will be relevant to the desired audience. Although not

necessarily as news-oriented as the information distributed via traditional public relations methods, brand-generated content must still be compelling in order to capture readers' attention via social media networks.

VIRAL MESSAGING: Viral messaging campaigns are typically shocking or unusually entertaining videos (or sometimes, text) that pique such a high level of interest in an audience that people feel compelled to pass the file or information on through e-mail, social media networks, or other means. In instances where the content is particularly engaging or entertaining, viral messages can make their way to millions of people in an extraordinarily short period of time.

Social media tools and the power they yield in bringing communities together have been a boon for marketers. By adding these tools to their own Web sites and by marketing their brands through social media networks using site optimization techniques and the direct inclusion of new content, marketers have contributed to the rise of social media and have been able to expand the reach of their message.

Some of the many significant benefits that social media brings to marketers are:

- **Cost efficiency:** Social media tools allow marketers without large advertising budgets to reach a target audience. If a message is crafted correctly, marketers can often rely on the audience to spread the word for them, sparing marketers the high cost of ad placement.
- **Broad visibility:** If desired, marketers can reach a broad and general audience through social media.
- **Narrow visibility:** Similarly, marketers can reach more narrowly defined audiences through vertical or niche outlets that reach a specific market demographic.
- **Pulse of the market:** By paying attention to the blogosphere (the blogging community as a whole), social media trends, and user opinions, marketers can track how users feel about their brands. Marketers can take that information and develop their business and marketing plans to respond effectively.
- **Increased trust:** By allowing consumers to express public opinions—both positive and negative—about their brands through social media, marketers can gain the trust of their audience, who want to believe that the brands they buy will be responsive to their needs.
- **Self-made community:** Brands can use social media applications to create their own online communities. Marketers build strong connections to their brands by giving people news, product updates, information, and the ability to express themselves.

- **Increased revenue:** Ultimately, the increased visibility and interaction with consumers should lead to increased sales and revenue.
- Social media allows audiences and marketers to interact in ways that they have never been able to before, leading not only to more effective marketing, but also to better service and an improved understanding about what each has to offer the other.

CASE STUDY: Full Metal Jackie

Full Metal Jackie is the host of Chaos—a metal music radio show that is syndicated throughout the U.S. Named “Metal Host of the Year” two years in a row by FMQB (a music industry publication), Jackie has built up a nationwide audience through hard work, perseverance, and a focus on spreading her name through social networking.

Jackie started Chaos on the Los Angeles radio station Indie 103.1 in 2004. The only all-metal music show in the Los Angeles area, Chaos quickly built a following. However, with the show limited to two hours a week (the 10:00 PM to midnight time slot), Jackie knew that the exposure Chaos would have was limited.

To expand her audience, Jackie turned to the Internet. Her first step was to use Internet radio as a tool to broaden her market. After obtaining the rights to distribute past shows, Jackie struck a deal with popular Internet radio station KNAC, allowing them to replay previous shows. While that gave new fans access to her show, it didn't solve the marketing problem she faced—Jackie still needed to let metal fans know her show was out there.

“My MySpace page (shown in Figure 3-5) played a big part in building a nationwide fan base,” Jackie explains. “I was able to use it to reach out to people—what I call the Chaos Army. Once kids linked into my page as a ‘friend’ of the show, they helped spread the word to other people. It gave them a real taste of what my show is like. I post clips and pictures from band interviews I’ve done. I play some of the music I feature on my show and really make the page into a full metal experience. Plus, I’m constantly updating the page with new links to different metal bands, which gives my listeners access to new music that I think they’ll go for. I also give them dates for upcoming metal concerts and appearances, and tell them where they can listen to my show. I get a lot of really positive feedback and suggestions about which songs I should play on my show. The comments that people leave on my page give me more of an insight into what bands and interviews my fans will respond to. That kind of interaction makes me more accessible, which is what my listeners want. I also stay in touch by sending out new bulletins on upcoming guests to the show, or concerts I’ll be going to—anything to stay in touch with the audience.

“On my MySpace page, I have a Chaos banner, and I have provided the code so fans can copy it and use it on their own MySpace pages. So when their friends visit their sites, they see the banner, click on it, and come right to my page.”

“My MySpace page links to my external site, fullmetaljackie.com, as well as to my online video shows at Hollywoodmusic.tv and Metal Edge Magazine’s Web site, where I have another weekly video program. Each of these sites relies on the other to build an audience, and the social networking that I’m doing keeps that audience growing. I also spend time on the metal blogs out there, replying to posts and keeping my name in the mix. It’s all pretty viral, and it’s growing pretty fast.”

In fact, Full Metal Jackie’s popularity has grown so fast that in 2007 she hosted the first ever metal music concert on MySpace, appearing before over a million listeners. Thanks largely to her active presence in the social networking universe, Chaos continues to pick up steam and is becoming nationally syndicated.

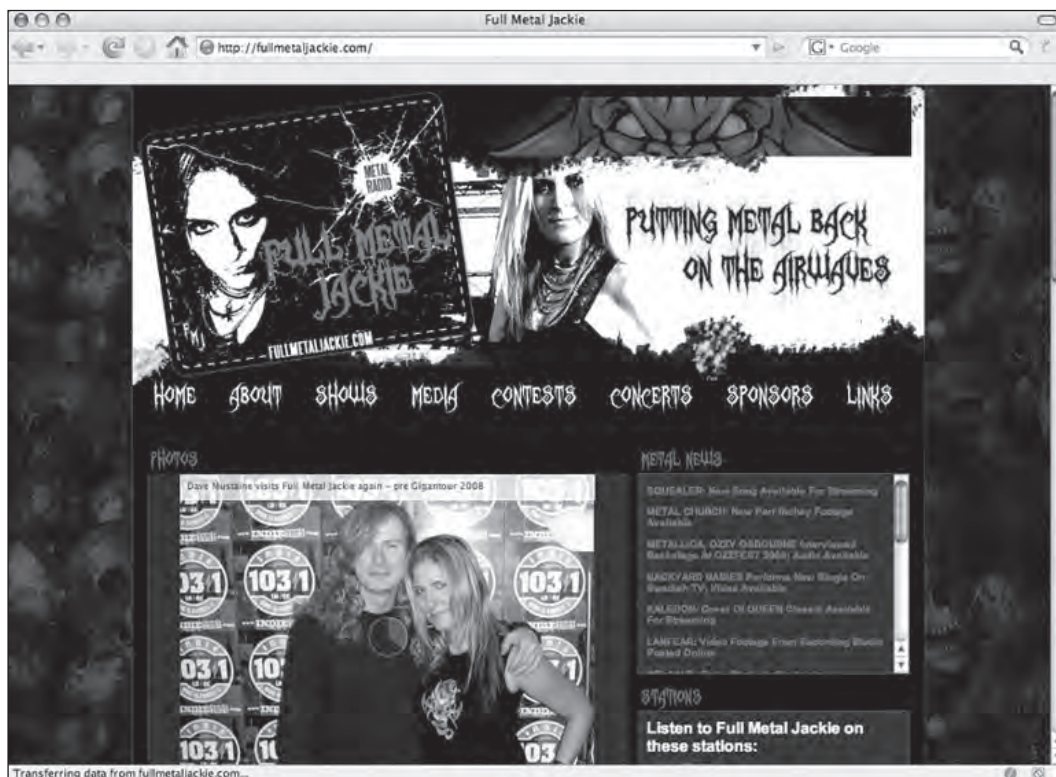


Figure 3-5 Full Metal Jackie’s MySpace site provides links to bands’ Web sites, video and audio clips of interviews, updates on concerts and appearances, and code that allows people to place the Chaos radio show banner on their own page.

Who Is Using Social Media and How?

While social media use reaches across demographic age groups, there is no question that its growth has been fueled primarily by teens and young adults. In fact, content development is inversely proportional to the age of the user. Figure 3-6 is a graph that shows the percentage of Internet users in different age groups who have created social media content, such as blog postings, online reviews, bulletins, and artwork. As that figure shows, 12–17 year olds account for the greatest portion of social media usage.⁵ Table 3-1 provides a laundry list of social media functionality and the popularity of each for each age group, according to the research organization Pew Internet & American Life Foundation in a December 2007 report on teens and social media.

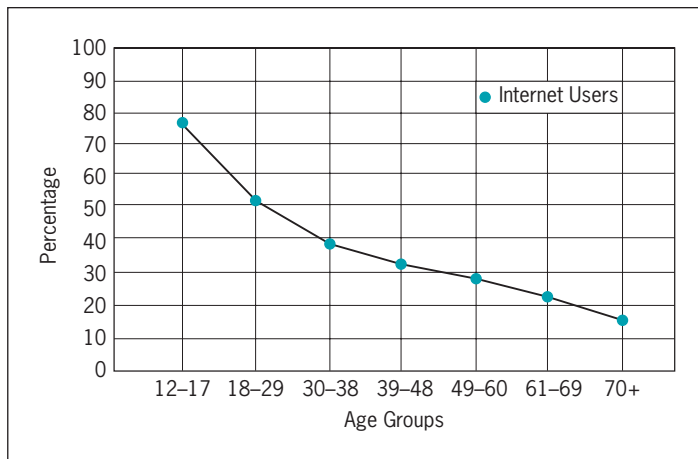


Figure 3-6 Nearly all teens on the Internet (which includes nearly all teens in the U.S.) create content via social media. Content creation decreases as age increases. SOURCE: Lenhart, Amanda, et al. “Teens and Social Media.” Pew Internet & American Life Project, 19 Dec. 2007.

Social Media Application	Young Adults 12-29	Adults 30 +
Read Blogs	54%	36%
Download Podcasts	14%	12%
Write an Online Review for a Product or Service	37%	32%
Upload Photos	51%	37%
Upload Their Own Artwork, Stories, or Videos	39%	22%
Have and Post to their Own Blog	33%	12%
Create an Avatar that Interacts with Others	19%	9%

Table 3-1 A breakdown of various social media applications and the percentage of Internet users in each age group who have made use of each application at least once. SOURCE: Lenhart, Amanda, et al. “Teens and Social Media.” Pew Internet & American Life Project, 19 Dec. 2007.

By reviewing this data, marketers can begin to understand the audiences they are likely to reach via a specific social media tool. Because marketers rarely benefit from reaching all age groups, understanding who uses what, when, and how helps marketers effectively hone their strategies.

Social media, therefore, is not only used by individuals. Where the individuals go, so go the marketers looking to turn them into loyal customers. In fact, over 54% of all major U.S. corporations (those with over 500 employees) use social media technology, as do 74% of companies with less than 500 employees.⁶ Blogs are particularly popular among corporations because they are inexpensive to create, give a company the freedom to steer the conversation in a beneficial direction, and allow the blog editor to eliminate potentially damaging user comments. In addition, because reading blog postings ranks among the highest of all social media activities for both younger and older adults, marketers have the best chance of capturing audience attention by blogging.

Companies that deploy social media applications are doing so externally but are also using these tools within their organizations, as a means of improving internal operations. Internally, social media programs provide valuable benefits, including:

- Enriched employee communication and collaboration
- Identification of experts and individuals with key information within the company
- Improved knowledge management

Companies that utilize these tools report that the biggest hurdle in pursuing social media strategies is the lack of internal resources—most notably, developers that can implement these tools in a way that demonstrates a clear understanding of the audience.

Social Networking Sites: Types and Audiences

Just as in real life, where communities of people form around similar interests, demographics, or lifestyles, there are many different social networking sites. Social networking sites can be divided into three distinct categories: generalist, niche, and bookmarking.

Generalist Social Networking

Generalist social networking sites have something for everyone, and attract audiences regardless of age, race, gender, or interest. They seek to build the most broad-based communities. These sites are mostly used for staying in touch with large groups of friends, meeting new people, expressing artistic creativity, and other entertainment-based activities. It is not surprising, therefore, that younger adults make up the largest portion of the population on these sites.

The advantage of social networking sites is that developers of these sites do not have to generate any significant amount of content. Instead, they can concentrate on developing applications for interactive communication. They rely on their users to generate content through blogs, message and bulletin board postings, file uploads (such as videos, pictures, art, and music), comments on those files, and online group discussions. The formula for success is relatively simple: encourage users to generate a lot of interesting content, which will entice more people to come to the site. If the content is compelling enough, these new visitors will then invite their friends and family to come to the site, as well.

Generalist social networking sites provide users with their own unique page, or profile, which they can customize by adding their picture, headline, and personal information (age, gender, town and state, school, occupation, etc.). Some sites allow users to personalize their profile further by changing the page design, and by adding background colors, wallpaper, custom buttons, and highlights. Site users can upload photographs, artwork, or favorite songs and videos, post results of personality and trivia quizzes, and create personal blogs. Users can build their personal social networks by finding people on the site (usually a variety of search mechanisms are available) that they want to link up with or by inviting people who are not already site members to join and be part of their network. Once they have established a network, site users can use their profiles to communicate with people within that network through private e-mail or public bulletins. Users can also visit each other's profile, leaving comments on the items a user has posted.

While generalist social networks offer a number of profile personalization and communication options, not all of these are used equally. Figure 3-7 shows a sample page from Facebook, a large social networking site, and a breakdown of how people use some of the more popular features, such as sending public or private messages, sending a group message, or winking at, poking, or nudging someone (basically a quick way of saying "Hello").

Send bulletin or group message to everyone in network: 61%

Send private messages to someone in network: 82%

Wink, poke, or nudge someone in network: 33%

Status update: 76%

Post messages to someone's wall or profile: 84%



Figure 3-7 A breakdown of a typical Facebook profile and the percentage of users that use some of the more popular features.

As Figure 3-7 shows, people who create profiles on generalist social networking sites are active in creating public communications with the people in their networks. This results in a tremendous amount of content being generated, as well as an increasing amount of time being spent by users online. Therefore, successful sites can point not only to a growing number of members and visits per member but also to a relatively high amount of time spent on the site (over 20 minutes per visit)—all key measurements for online advertisers.

However, unlike most industries, which have room for multiple competitors—sometimes hundreds in a given category—the generalist social networking sector has little tolerance for too many players. Because success relies on large groups of people visiting often and because there are only so many hours in a day for these people to maintain their network profiles, generalist social networking tends to be an “all or nothing” kind of business. This is underscored by the June 2008 market share snapshot of the social networking industry as reported by Hitwise, a research and data analysis company. MySpace dominates the field with the lion’s share of the entire market, followed by the increasingly popular Facebook. All of the other top five most popular social networking sites held only a relatively tiny market share (myYearbook, which is profiled

later in this chapter, is ranked number 3 and led the entire category in market share growth, with an astounding 40% increase over the previous year).⁷ The dominance of the top two players is a testament to the reality of the social network business model: while small sites can prove profitable, this is not an industry where many large sites can compete for dominance. Table 3-2 provides a table of the top five most popular social networking sites as of June 2008 and their growth over last year.

Rank	Site	June 2008	June 2007	% Change
1	MySpace	71.92%	77.42%	- 6%
2	Facebook	16.91%	11.60%	40%
3	myYearbook	1.54%	0.33%	318%
4	Tagged	1.08%	0.69%	45%
5	Bebo	1.05%	1.52%	- 41%

Table 3-2 The top five social networking sites as of June 2008, compared with their market share from one year earlier. The dominance of MySpace and, to a lesser extent, Facebook, demonstrates that there is little room for multiple generalist social networking sites to gain massive audiences. SOURCE: “Summer SocialNetwork Traffic Still Sizzling, but Down from ’07.” Hitwise <www.hitwise.com> Jun. 2008.

INTERVIEW WITH...

CATHERINE COOK, FOUNDER OF MYYEARBOOK.COM

So what does a 15-year-old do when she looks at her high school yearbook and decides it's not very good? If that 15-year-old is Catherine Cook, the answer is simple: team up with her 16-year-old brother, Dave, and build a Web site—one that can be everything your printed yearbook can't.

In 2005, over spring break, armed with an idea, a fax machine, and some early funding from their older brother, Geoff, they set out to build a social networking site marketed toward high school teens. Founder Catherine Cook took some time out of her busy day at Georgetown University to sit down with me and talk to me about how myYearbook.com got started (shown in Figure 3-8).

JASON: How did you get myYearbook.com started? Did you raise a lot of money at the outset?

CATHERINE: Actually my oldest brother, Geoff, invested \$250,000 into our idea at the onset. We used that money to outsource the



Figure 3-8 The main profile page of myYearbook.com.

programming to India. Though \$250,000 is not a lot in the tech world, we made it last for over a year. In November 2006, we decided to reach out to some venture capitalist and raised \$4.1 million in our Series A round. We used this funding to further grow the site and hire an ad sales team, and did not make our Series B of \$13 million dollars until July 2008. Other networks have raised ten times as much funding as we have, but are still only half our size.

Programming began in March 2005. In order to launch by April, it would have been impossible to find a firm that could do it that quickly in the U.S. It was just much faster and much easier to go overseas. Right after we launched, though, we brought it all in-house.

JASON: Was it hard to manage a phased roll-out with the programmers overseas?

CATHERINE: Not really. We hand-wrote hundreds of pages and drew up the idea of what the site would look like, page-by-page, in exact detail, so that there really wasn't that much room for interpretation,

and we faxed them all over. Of course, there were always some modifications to deal with later, but my brother Dave and I would work from midnight to around 3:00 a.m. each night going through all the pages, working and reworking everything.

Being in school during the day didn't help. But we got everything done in phases, which helped. The first stage, which was just the profile page, the group page, and classes, took about a month. The first phase of the site looked nothing like how it does now. It's completely different in all aspects except for the color scheme.

Phase two of the site came after the launch of phase one, and included applications that allowed users to upload music files, and features like "flirting," "admiring," and "high-five" and "forward a message" based on what we thought the site needed. We had our public launch in August 2005. Nine months later, we hit the million user mark.

JASON: How did you get so many people to the site so quickly?

CATHERINE: Word of mouth, mostly. The first thing we did was to get people from my high school to join. My brother Dave and I wore the same type of t-shirt to school every day for over two weeks. It had the myYearbook name and logo on it, and a funny quote on the back. Eventually people got curious and interested. Within a week of our launch a lot of the kids in my high school were signed up. After that, kids from other schools in our area started to join and the site was generating a lot of buzz.

Even though it was growing on its own, we knew we couldn't depend on buzz alone; word of the site might not spread in the same way from school to school. So we decided to send free T-shirts to users who referred five people—because they're cheap and easy to deliver, and everyone wants them. We ended up sending out hundreds in the first two months and only stopped sending them out in late 2007 because we started offering our members our virtual currency, Lunch Money, for referring friends instead.

Another thing we've done is use other social networking sites to market our own. At the time that we launched, Facebook hadn't really hit the high schools yet, but MySpace was widely used as were many blogging sites. We decided to engineer virality by making all of our features into widgets that could be posted and shared on other sites. For example, a user could post their quiz results on Xanga, and their friends could click the results and be directed to myYearbook.

JASON: Let's talk about MySpace and Facebook. From a marketing perspective, how do you deal with competitive pressures from those sites? Will users take the time to be part of multiple social media sites, or will they just choose a favorite and stick with that?

CATHERINE: I think everyone has their favorite, but they'll use all of them. I mean, myYearbook is my favorite, obviously, but I also have a Facebook page because I'm enrolled at Georgetown University and it just helps with college. They all have their own audience. Facebook and MySpace are a little more mass market, myYearbook is basically for teenagers, LinkedIn is for professionals, and so on.

JASON: The teenage market that you reach tends to be very fickle. How do you keep the site fresh so that users don't get bored and go somewhere else?

CATHERINE: We try to add a new feature every two weeks, or improve an existing one. The site is always changing. You'll always be able to log in and find a note from the founders saying, 'Oh, by the way here's a new feature,' or 'You can use your lunch money (our site currency) to get different things on the site.' With a social media site, you have to keep the site constantly changing and growing.

Also, I am always aware of what our users are doing and how they are using the site. I have to keep my finger on the pulse of the audience. I'm always on the analytics page and comparing the traffic and usage week-to-week.

It's also important to understand your users. The reason why the features are so dead-on is because I'm also young, so I know what my audience wants. And I listen to them—I get around 3,000 messages a day, many of them from kids telling me what features they want. We decide which ones make sense for the site. For instance, a "battle," which is our most popular feature, was a member's idea. He wanted to write a different way of doing superlatives. You have to listen to your market if you want them to stay loyal.

JASON: How do brands benefit from advertising on your site?

CATHERINE: We give them access to a highly targeted and valuable teen audience. We found our niche—we started the site out as a high school site, and we've kept it that way. We know our audiences, so we know what features are going to appeal to them. For advertisers, it's a very focused group. If they're looking to promote a product to clear acne, for example, they know they're going to be reaching their target market on our site.

Also, we believe we are successful with these advertisers because we allow our users to engage with advertisers by choice. Through a series of specially designed applications, our partners are able to truly connect with the teen audience. Featured gifts average over 20,000 gifts given and the average campaign profile generates over 50,000 friends, illustrating the success of these applications to appeal to teens. Our campaigns have been successful because of the level of engagement we offer our users with the brand.

JASON: How do you see myYearbook evolving?

CATHERINE: We expect to see a continued rise in user-generated content. We already have the largest teen magazine on the Web, and it's completely user-run. It's popular because the articles and issues come from them. That's the way the Web is moving, in general.

JASON: What do you think is the most important skill graduating programming students need in order to succeed in a Web business?

CATHERINE: Marketing. You have to know how to capture a user's attention and market to them in a way that will actually be helpful to them. Programming knowledge is fine, but what good is it if you don't know who you're programming for?

Because generalist social networking draws in a large young adult audience, advertisers who cater to this market are particularly drawn to these sites as vehicles for growing their brands. According to an October 2007 report by the research firm comScore, Inc., "heavy" social media users (defined as the top 20%, based on time spent on social networking sites) were more likely than the overall population of Internet users to visit online retail stores. (95% of heavy social media users reported visiting online stores versus 80% of all Internet users.)⁸ Leisure-oriented retail sites such as those selling music, books, movies, event tickets, fashion, and technology products ranked high among active social networking audiences. Table 3-3 shows a breakdown of some of the more popular online retail categories visited by this market, according to the comScore report.

Retail Site Category	Total Unique Visitors (000)	Heavy Social Networkers (000)	Heavy Social Networkers as a % of Site Visitors
Music	23,985	6,825	28.5
Luxury Goods	17,125	4,531	26.5
Apparel	61,184	15,157	24.8
Tickets	42,893	10,520	24.5
Consumer Electronics	49,110	11,714	23.9
Sports/Outdoor	29,208	6,965	23.8
Software	24,132	5,716	23.7
Books	62,276	14,700	23.6
Movies	27,043	6,316	23.4
Hardware	67,449	15,288	22.7

Table 3-3 This table shows the most popular retail site categories as visited by heavy social network users. SOURCE: "Social Networking Sites Represent an Attractive Venue for Advertising Apparel Products." *comScore* <www.comscore.com> 15 Oct. 2007.

Typically, marketers reach out to social networking audiences through online banner and display ads, as well as sponsorships of network-run events, such as online concerts or movie previews. Because generalist social networks draw such a broad crowd, advertisers take advantage of site specific tools to segment the audience and display their ads to the most appropriate users—the ones most likely to be interested in and purchase their products. Figures 3-9 through 3-12 show the four-step process that Facebook uses to help advertisers drive more traffic to their sites. Facebook lets marketers control both the delivery of their advertisements (which member segments will see their ads) and their advertising expenditures (how much they want to spend per click).

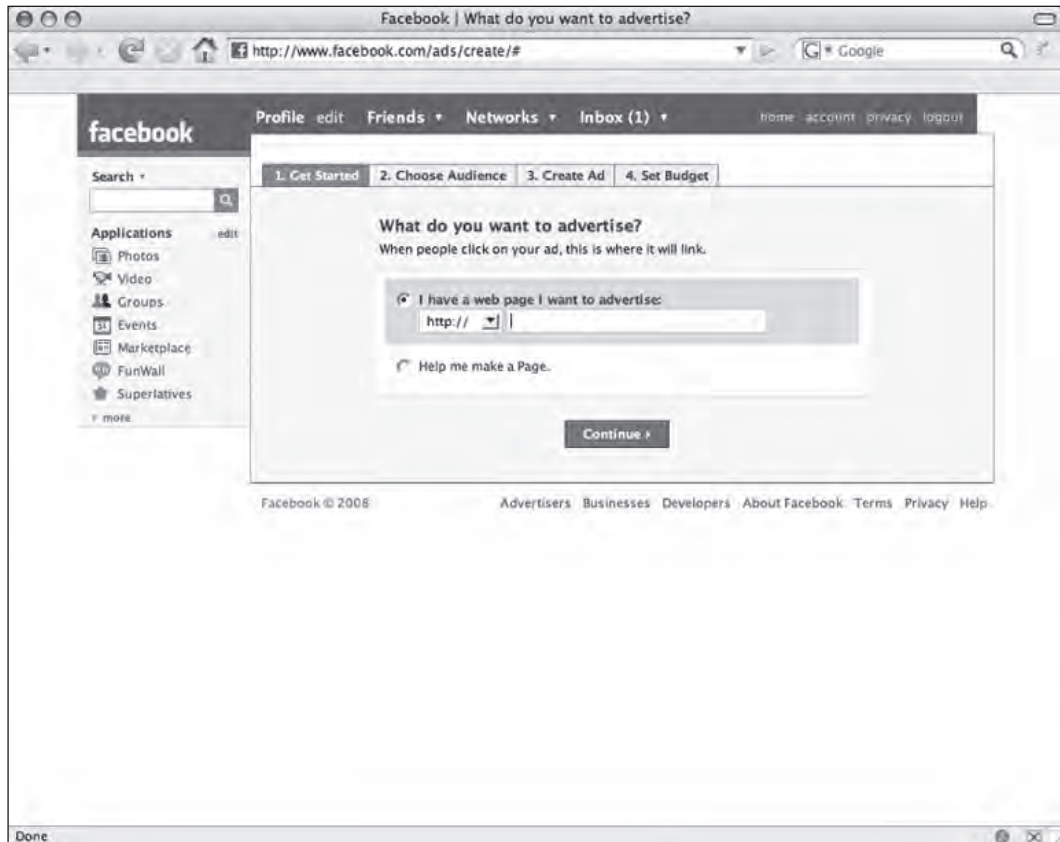


Figure 3-9 In Step 1, Facebook asks the advertiser to specify the Web address to which they would like their ad to link.

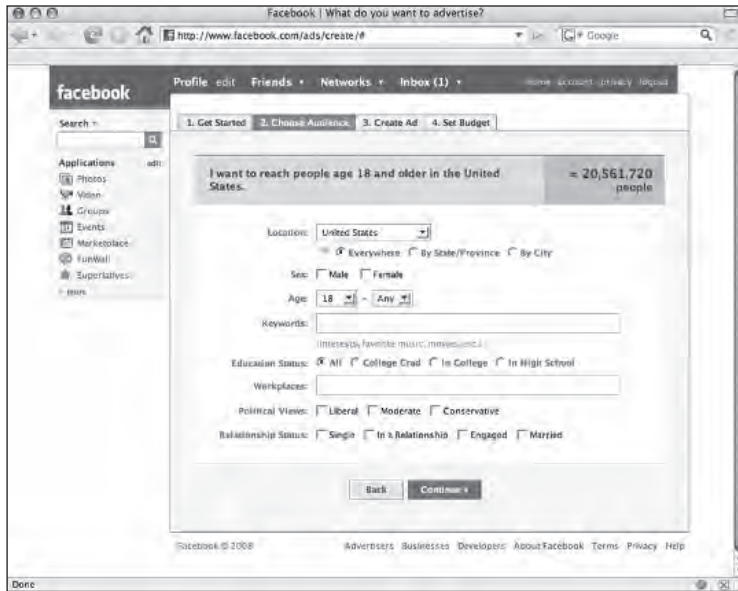


Figure 3-10 In Step 2, the advertiser gets to narrow down who their ads will reach by demographic metrics including geography, sex, age range, education, political views, relationship status, or keywords. Facebook calculates the audience size as each selection is made.

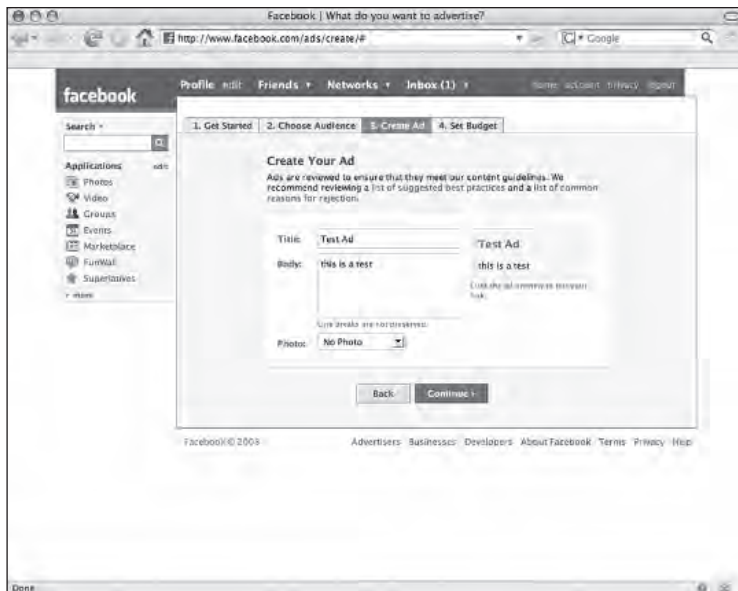


Figure 3-11 In Step 3, the advertiser can write the title and body copy for their ad and include a picture or graphic to go along with it.

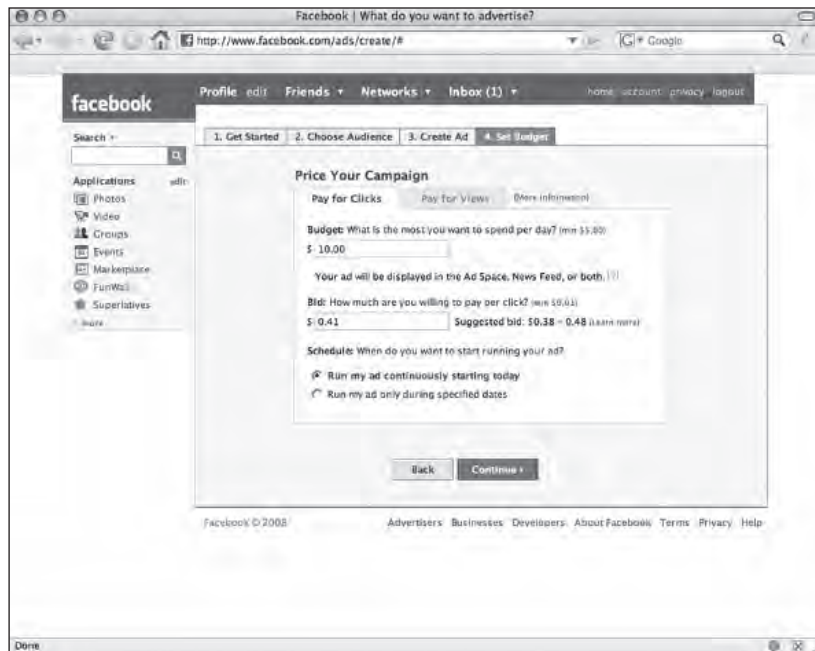


Figure 3-12 In Step 4, marketers can set their daily budget, and how much they are willing to pay each time a user clicks through to their site (higher bids get better exposure).

Of course, larger-scale ad projects with more significant budgets are typically worked out through a negotiated deal between the advertiser and the specific social network site. These larger deals include not only wide-scale display advertising but also the development of brand-specific profiles that have greater flexibility in terms of page layout. Companies pay a fee to create a brand profile, which they can use to build a brand-specific community. These profiles, which are often created for new movie or album releases, often show video and audio clips and are used to announce release dates. As communities grow, brand-specific profiles work to move the audience to official, off-network sites where the companies can sell products, establish mailing lists, and provide further product information. Figure 3-13 shows the MySpace page that was set up for the May 2008 release of the new Indiana Jones movie (the fourth in the popular movie franchise). Along with promoting the movie's well-known colors, title, and imagery, this MySpace page shows advance video clips of the movie, offers downloadable Indiana Jones-themed wallpaper and icons, provides a link to the official movie site, and presents products for purchase. Their "friends" network includes characters from the movie, each of whom has their own MySpace profile page with bios, downloadable icons, and their own "friends" network.



Figure 3-13 The MySpace page for the most recent Indiana Jones movie (released May 2008) is a paid profile that the studio used to build excitement for the movie.

Niche Market Social Networking

Niche market social networking sites are social networks based on a specific interest or topic, or geared toward reaching a specific demographic. These sites are less interested in reaching a broad range of users than in building a community of users based on a commonality of interests or needs. Because they are segmented, these communities tend to be smaller than generalist social networks but they are extremely beneficial to marketers who need to reach audiences with specific characteristics.

Because each niche site deals with different audiences and topics, the methods and applications that they offer their communities often vary considerably. For convenience, niche networking sites can be broken down into five broad categories:

- Interest and hobby
- Business
- Dating

- Shopping networking
- Family and lifestyle

Interest and Hobby Networking Sites

Social networking sites have been created for practically every interest a person can have. Naturally, the content of each site reflects the subject matter at hand, and often, the social media applications provided are geared toward promoting interest in that subject. Users of these sites tend to be so passionate about their particular hobby or interest that building online relationships with like-minded people is important enough to warrant signing up for and playing an active role in the online community.

Examples of social networking sites centered on specific interests and hobbies include SkiSpace.com and BaseballNooz.com, shown in Figures 3-14 and 3-15, respectively. SkiSpace.com, a social network created by world champion skier, Bode Miller, brings skiers from around the world and of all skill levels together in one place to share stories, give tips on techniques, post pictures and videos, review resorts and mountains, and post blog entries about recent ski excursions. The site also provides forums where the community can discuss everything from conditions on particular mountains to which equipment provides the best value. SkiSpace.com also allows users to make travel arrangement for upcoming ski trips directly from the site.



Figure 3-14 The SkiSpace.com Web site puts member skiers in touch with each other, while providing valuable information on resorts, equipment, and techniques.



Figure 3-15 BaseballNooz.com is a social network for baseball fans looking to connect with like-minded fans, debate current baseball events, take polls, and post their opinions.

BaseballNooz.com plays heavily on the blogging aspect of social networking, bringing user opinion on all things related to baseball to the forefront. By placing the most recent baseball-related blog postings from across the Web directly on the BaseballNooz home page, the site encourages more people to reply to each blog. Personal profiles allow users to write about their favorite teams and players, share photos of games, and interact with other fans who share their passion. Other social applications on the site include baseball-related polls and fantasy leagues, as well as a listing of popular tags—keywords most often used by site members in their profiles.

Business Networking Sites

Business networking sites allow professionals to expand their business connections online. Recommendations and referrals are of significant value in business, particularly when looking for new clients, vendors, or employees. Online business networks create a more efficient means of expanding contacts. Personal profiles allow users to update online resumes and reach out to the community regarding business-specific issues.

INTERVIEW WITH...

KONSTANTIN GUERICKE, CO-FOUNDER OF LINKEDIN AND CEO OF JAXTR

Konstantin Guericke is a true innovator who has helped move the social media tide forward significantly. In 2002, he co-founded LinkedIn, one of the largest social networking sites and the predominant business-focused social networking site on the Web. Ranked the 217th most visited site by Alexa.com as of March 2008, LinkedIn has tens of millions of users and averages over 8.7 million visitors per month.⁹ On LinkedIn, users have the ability to expand their business networks, making new connections with potential clients, vendors, employers, and job seekers through introductions and recommendations made by friends and colleagues. Figure 3-16 and Figure 3-17 show some of the key features of LinkedIn.

In December of 2006, Konstantin left his post as Vice President of Marketing for LinkedIn (staying on in an advisory role for the site), and took on the role of CEO for jaxtr. jaxtr bridges the gap between online social networking and voice communication by allowing users on jaxtr and other social networks to connect with other users via cell phone without having to post their private numbers online. jaxtr

was one of the top 3,000 most visited sites as of August 2008,¹⁰ but because its application can be used on any site, it is also one of the fastest growing communication tools on the Web. Figure 3-18 shows the jaxtr site.

Konstantin spoke with me about both sites and offered his insights on marketing and building online communities.

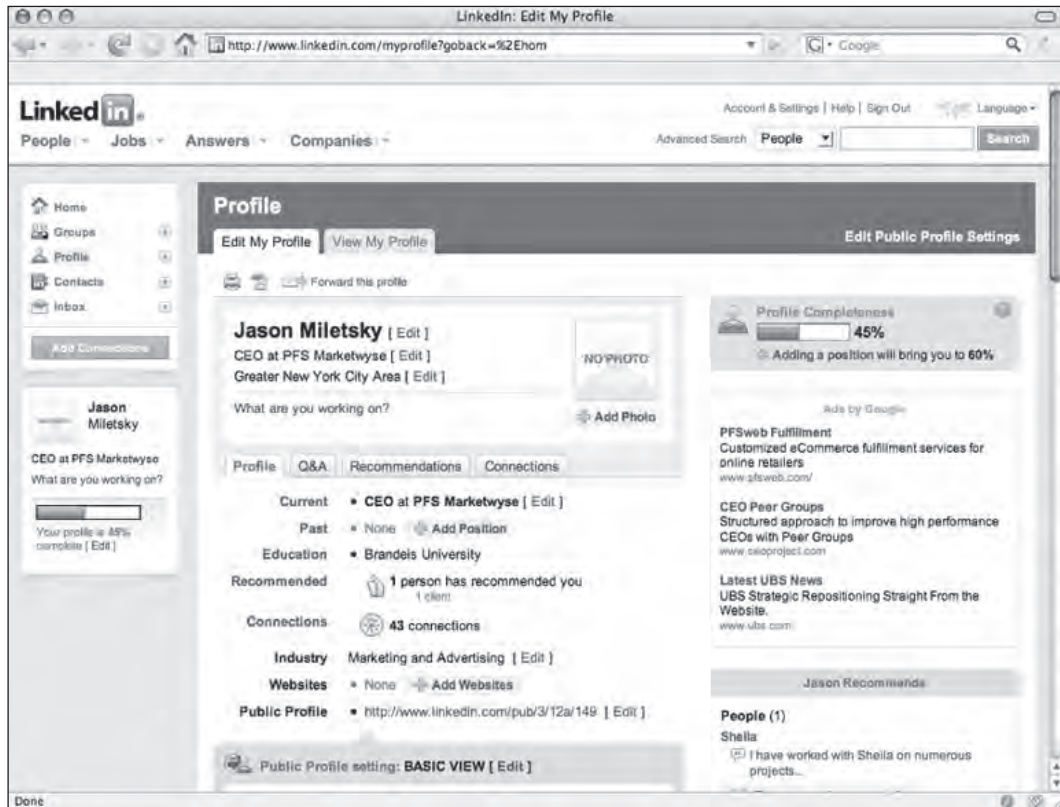


Figure 3-16 The LinkedIn Profile page shows who is in your network, how many people each of those people is connected to, and the most recent online activities of people in your network. Users fill in their profiles with details on their experience, skills, places of employment, and latest business dealings.

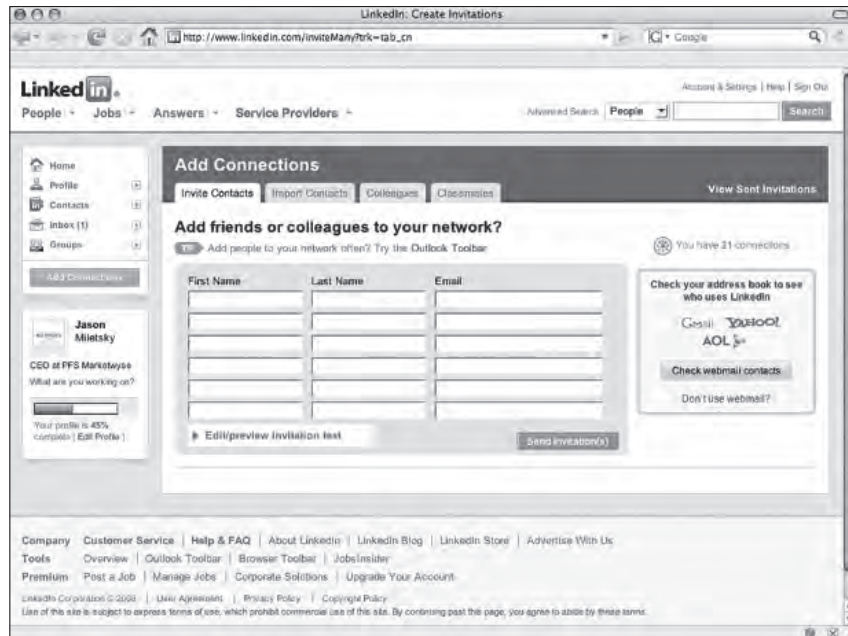


Figure 3-17 As with many social networking sites, LinkedIn relies on members to do the marketing for them by inviting friends and colleagues to join their network.

JASON: Let's start with LinkedIn. What gave you the idea for the site? How did it come about?

KONSTANTIN: LinkedIn was co-founded by five of us who shared the notion that we could build a successful Internet business where we could enroll users—not just users of our product, but people who would also become actual content traders who make as well as market the product. We figured if we could do that, then we'd have a very efficient business, because we wouldn't be paying for content creation or marketing. At the same time, we decided the focus of the site should be on building business connections, where users wouldn't join for fun and curiosity but would get a real benefit from it.

My role as vice president of marketing was to figure out how we could encourage people to contribute content to LinkedIn and encourage them to promote the site to people that they know. When the marketing comes from the users, the message is much more credible, because the users have first-hand knowledge of the site, and each person knows their friends and family and what they'll respond to.

JASON: How did you begin to build the community?

KONSTANTIN: We didn't do any traditional marketing. Each of the five of us invited 50 to 100 people. The idea was to focus on user-generated marketing from the beginning and encourage new interactions. The

benefit of LinkedIn isn't really in reconnecting with people you already know; that's a nice thing, but the true value for people is the ability to tap into the network of their connections. That's really how business gets done. If you want to hire somebody, you usually go and get referrals from your employees or from people you know and trust. That gives you a much better flow of candidates than by just putting out a job listing.

If you're looking for the best information, it's not found on Google. The best information is in the heads of people. A random person isn't going to take the time to sit down with you and give you the best information. Why should they? But, if it's a friend of a friend, and your friend makes the introduction, you have a much better chance.

LinkedIn really comes down to the competitive advantages that users get from joining. Whether you want recommendations on new hires, to pursue new clients, or to access information that your competitors don't have, you need to tap into the network of contacts. Before LinkedIn, the only way to do that was to call people you know or meet up for lunch and ask them who they know, which is inefficient and labor-intensive. LinkedIn streamlines all of that. As people saw the benefits, they were encouraged to invite others to join.

JASON: How fast was the initial ramp-up of users after launch, and how fast has LinkedIn been growing since?

KONSTANTIN: In the first six months, we basically doubled every six weeks. Then growth gradually slowed down, and now we're doubling every year. Of course doubling from 10 million to 20 million is a lot more than doubling in six weeks from 40,000 to 80,000.

JASON: More recently you've gotten involved with jaxtr. Tell me a little bit about that.

KONSTANTIN: jaxtr is a communications product, and communications is one of the key parts of social networking. Social activities like dating and creating new business contacts—these exist outside of the Web, too. We're all connected by more than just the Internet. Mobile phones have been a great tool for keeping in touch and making contacts, but until jaxtr, nobody was able to bring the two worlds together. jaxtr is about linking your mobile phone with online social networks.

I went to jaxtr because I saw an opportunity to build something that could grow even faster than LinkedIn. Within the first year we expanded to ten million users, so jaxtr has grown several times faster than LinkedIn. The reason for the growth is that we've penetrated the existing social networks and reached people who already have a profile. If they want to call a friend or they want to be called through their social networking profile, then they simply add the jaxtr link to their profile. It lets people call them without them having to publicly post their real numbers online, and brings the two worlds together.



Figure 3-18 Jaxtr bridges the gap between social networking on the Web and cell phone usage by allowing people to move their online conversations to their phones without having to disclose their private numbers.

JASON: You seem to have a Midas touch when it comes to marketing. Do you have any personal marketing philosophies?

KONSTANTIN: I think on the Internet there are two ways to go, and both of them really involve a more analytical and quantitative approach to marketing than has been generally done. The first is to take more of a traditional e-marketing approach, where a company communicates directly with prospects through e-mail or online advertising. The Internet provides more precise targeting opportunities, so marketers can put the right ads in front of the right people

and acquire customers for less money. It's about precise targeting—finding the right sites that can provide you with the audience you're looking for and then very quickly acting on the results of the ads because you have a lot more data and can track things all the way to the product purchase.

The second approach, and the one we use at LinkedIn and Jaxtr, is to really focus on getting your users to do the marketing for you. I would say that you generally get about a ten-fold improvement in terms of cost and speed over traditional marketing. It's not something that you can do for just any product. "Word of mouth" marketing is fundamentally different from "viral" marketing. Word of mouth marketing means simply, "Hey, I bought a product, I like it; I'm telling other people about the product." That's nice, but it's not a tremendous benefit for the person who bought the product. They get some benefits by positioning themselves as the expert so that other people appreciate their input, but it's a pretty weak benefit.

With viral marketing there are very clear benefits to the person promoting a product to their friends because the product gets better as more people join. LinkedIn and Jaxtr are both more useful the more of your friends are on it.

Where most viral marketers fail is that they don't look at their product from the user's point of view. You have to ask yourself what people will gain by recommending your product. Does it really improve the product? If it's not improving the product, then you haven't figured out viral marketing. Telling someone else how much I like the new brand of shirt I've bought doesn't make the shirt any better. There has to be a direct link, and it has to be realistic. There has to be a benefit to the consumer, and it can't be that they're getting paid a commission for marketing a product—that's just multilevel marketing and doesn't have the same endorsement value.

JASON: How important is it for programmers to understand marketing?

KONSTANTIN: It really depends on what kind of methodology you use. In certain situations, it's fine to just provide programmers with very detailed specs and then just give them the space they need to develop quickly and with as few errors as possible.

On the other hand, in many environments, there just isn't time to do detailed specs, and marketers just tell developers what needs to get done. Then you're leaving a lot of decisions up to the programmer, so they had better really understand the reason behind the site and what it's trying to accomplish.

JASON: What do you see in the future for social networking and for the Web, in general?

KONSTANTIN: All the applications that were created for the Internet, like shopping, online communities, e-mail, yellow pages, job boards—all of those things will become much more integrated with the relationship information provided by social networking. The current yellow pages on the Internet, for example, are the digital equivalent of the printed ones—they give you standard information. If you want a plumber, the yellow pages gives you names, numbers, and addresses. But people want recommendations—they want to know who their friends have used and liked. Social media has started the integration of that information, but I think in the future we’re going to see this expand to even greater lengths.

Dating Sites

Online dating has emerged from the shadows, when users would meet online but were too embarrassed to admit it, and has become an accepted way for singles to meet potential mates. Online dating allows users to set up personal profiles, upload pictures, publish bios, and describe the type of person they would like to meet.

Where most dating sites tend to differ from other social networking sites is in the development of a personal “friends” network. Because dating is a one-on-one activity, and the object of joining is to eventually meet someone and remove oneself from the site, building large communities of friends that can interact with one another doesn’t work for this model. Instead, users build private lists of favorites—profiles of people with whom they want to connect. Users of most dating sites can also join chat room discussions, leave relationship and dating-related posts, and send e-mails and instant messages to other users on the site.

These sites do receive revenue from advertising, although, for most, the primary revenue model is based on subscription fees for those who join. Advertisers on dating sites are usually targeting a younger, single audience with offers relating to everything from fashion and travel to services that help people create better online profiles.

Competition in this category is fierce, with a considerable number of sites offering services to singles. Match.com and eHarmony.com are two of the more popular dating sites, with tens of thousands of users. Less well known is Plentyoffish.com, shown in Figure 3-19, which takes on more of the traditional social networking properties. Besides being one of the few dating sites that is completely free (the site derives all of its revenue from extensive advertising on the site), Plentyoffish lets people publicly rate other users’ pictures and leave comments as to why a particular individual would be a good person to date.

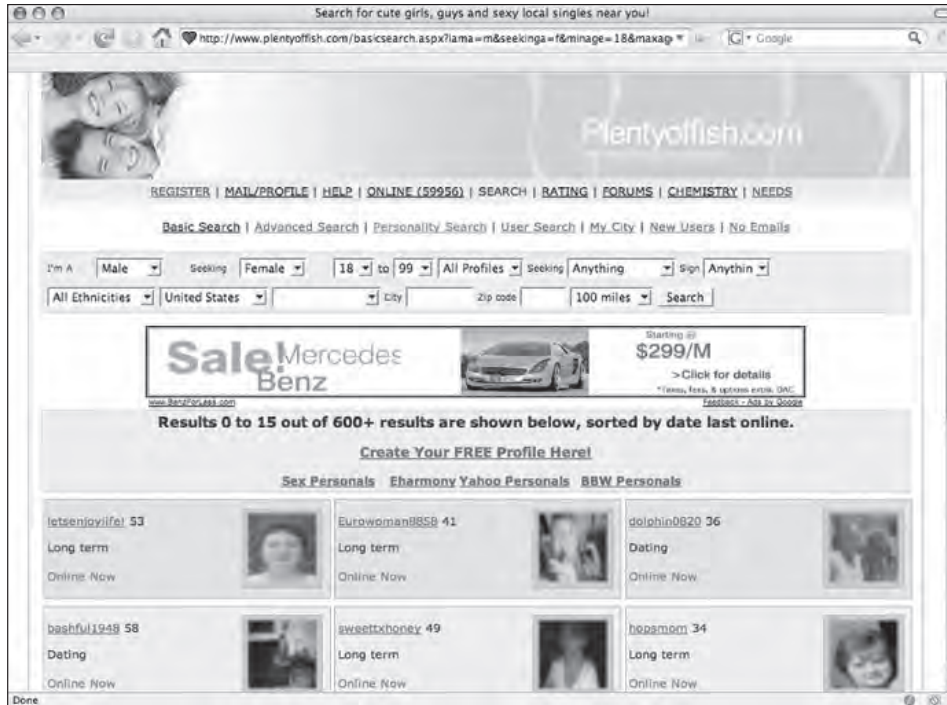


Figure 3-19 Plentyoffish.com takes on more of the traditional social networking methodologies than other dating sites.

Shopping Networking Sites

Social shopping sites have been on the rise, playing off of the increase in consumer product reviews and e-commerce. On these sites, users create profiles for themselves, post information on products they have purchased, make product recommendations, and invite friends into their network. Discussion forums cover topics ranging from design and fashion to the locations of the best sales. The social aspect of the site allows people to discuss various products and to immediately see which products are most popular and most-discussed.

Advertisers on these sites are typically retailers and consumer product marketers seeking to reach a community of people who take their shopping seriously and who are always on the lookout for the best products and deals. Display advertising is a primary tool for reaching users, as is the sponsorship of sections that feature specific products and promote upcoming sales.

Kaboodle.com, shown in Figure 3-20, is an example of a social shopping site. This site includes links to popular items, new member profiles, blog postings, and gift ideas; Kaboodle also allows users to post public polls, asking the community for help in deciding which products to buy.



Figure 3-20 The Kaboodle.com home page shows hot products, lists of individual users' favorite brands, active groups for members to join, and user-generated polls on what specific product a member should purchase.

Family and Lifestyle Sites

While making new friends and keeping in touch with old friends is the point of most generalist social networking sites, smaller social networks help people stay in touch with their family, or form a community based on common lifestyles.

Sites like Famzam.com, Famiva, and Famster bring families together and help distant relatives keep up with the events in each other's life. Like other networking sites, these sites typically allow picture and video sharing as well as blog postings. In addition, family sites often incorporate shared calendars, so that family members can stay on top of birthdays, anniversaries, reunions, weddings, graduations, etc. Other applications include recipe sharing and the development of a family tree showing how the members in a user's network are related to each other.

Other sites, such as BrandNewDad.com, shown in Figure 3-21, provide resources and community networking. This particular site transforms the community aspect into a virtual support system; expectant fathers can reach out to each other for advice, share pictures and stories, and get recommendations on the best products for the new baby, the new mom, and for dad, himself.

As with other niche social networking sites, advertisers can use family and lifestyle sites to reach a very specific audience through page sponsorships and display advertising. For many advertisers, reaching a precisely targeted audience is more valuable than reaching a mass of users through a generalist social site.



Figure 3-21 BrandNewDad.com is an example of one of the many social networking sites that focuses on family and lifestyle issues.

Social Bookmarking

Social bookmarking sites allow users to store, organize, and share bookmarks of Web pages that they find interesting and to which they may want to return. These bookmarks act much the same as the bookmark features of most popular browsers, except that the saved bookmarks are made public. Users who engage in social bookmarking can open their list of favorite pages to the community at large or to their private network. Another difference between social and browser-based bookmarking is that while browser bookmarks are organized in folders, most social bookmarking sites encourage users to save bookmarks with **tags** (keywords associated with the page in question), so that other users can easily find them through search engines.

Users flock to social bookmarking sites such as Digg.com and del.icio.us (see Figures 3-22 and 3-23, respectively) because these sites give users the opportunity to see what information is relevant to other readers, as well as share information they feel is important. Social bookmarking sites have also begun to include other social networking applications including user profiles, RSS subscription feeds, and the ability to comment and vote on the relevance of each new posting.



Figure 3-22 Digg.com is a popular social bookmarking site that allows people to post and comment on Web pages and online news articles.

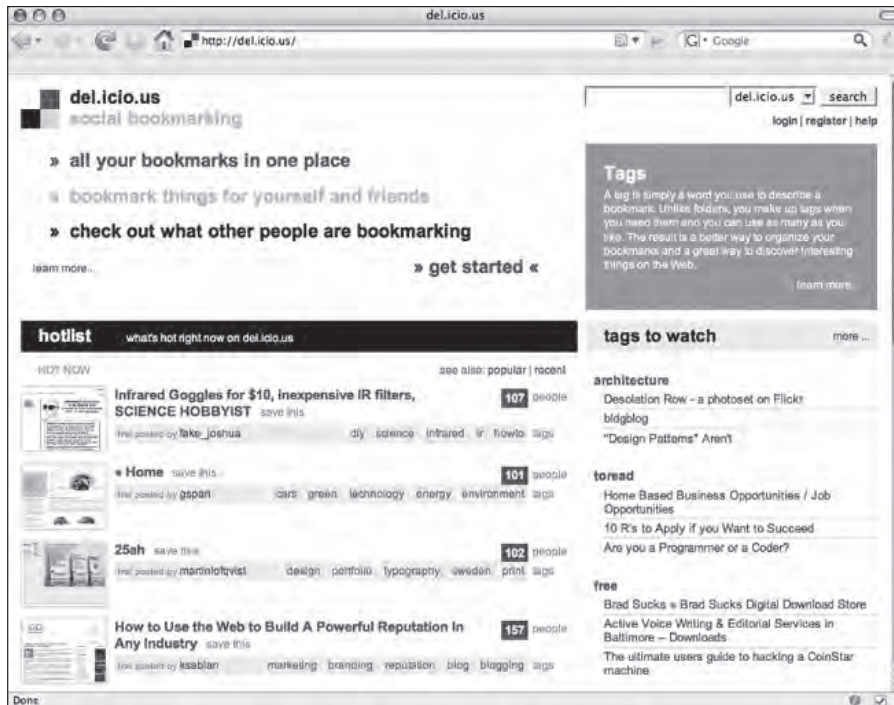


Figure 3-23 del.icio.us was the first social bookmarking Web site and coined the term “social bookmarking.”

Marketers use these sites to reach an expanding, active, and information-hungry audience through display ads. However, these sites can also put a spotlight on a company’s mistakes and missteps; even a small negative news story regarding a brand can be transformed into something much larger through social bookmarking.

Chapter Summary

- Social media is the umbrella term for the wide variety of applications that are used to bring online communities together. These tools include blogs, RSS feeds, forums, Wikis, bookmarking, and more. Social media tools rely on the collaborative and continuous interaction of people in order to have relevance. Social networking sites use these social media tools for the primary purpose of promoting connectivity and interaction.
- Social media rose to dominance as new sites and applications were introduced. Social media applications allowed users to connect with others, while expressing their thoughts, opinions, and

experiences. Marketers saw social networks as a means of reaching large-scale audiences cost effectively.

- Although more age groups are joining the social media revolution, social media use is still dominated by young adults—a group that advertisers find particularly attractive. Social content development continues to be inversely proportional to the age of the user.
- There are many types of social networks: generalist social networks encourage people to communicate with each other on a wide scale basis, and tend to have the largest reach. Niche social sites focus on bringing people together who share interests or lifestyles. Social bookmarking sites let users share, organize, and comment on Web pages and online news.

Key Terms

generalist social networking site—A social networking site that attracts audiences regardless of age, race, gender, or interest.

listserv—An application that facilitated discussions by communicating users' comments to other list members via e-mail.

mashups—The combination of two or more social media tools into one application.

newsgroup—A site that facilitates discussions among numerous users via a series of posted message threads.

niche market social networking site—A social networking site based on a specific interest or topic, or geared toward reaching a specific demographic.

RSS feeds—Subscription to sites that alert Web users when new content has been uploaded.

social bookmarking site—A site that allow users to remember and organize Web sites and pages to return to later. These bookmarks are usually made public and available on social bookmarking sites for other Web users to review.

social media marketing—The utilization of social media specifically as a marketing vehicle.

social media optimization—A marketing strategy focused on getting content distributed as widely as possible throughout the social media universe.

social networking site—A site that uses social media tools for the primary purpose of facilitating people communicating with other people.

tags—Keywords used to describe a page or file so that other users can find it easily through search engines.

virtual worlds—Computer-generated simulated environments in which users can engage each other through the use of avatars.

vlogs—Video blogs.

wikis—Files and content that are created and edited by ongoing user collaboration.

Review Questions

1. Which of the following would not be a good example of social media?
 - a. A blog on an automotive site about new environmentally friendly fuel options
 - b. A B2B site that give users the ability to download company brochures
 - c. An e-commerce site that gives users the ability to publicly review products after they purchase them
 - d. A news site that allows users to post stories to their own Web pages
2. Social media optimization refers to:
 - a. A social network user getting the maximum number of friends to their profile
 - b. Marketers posting display advertising on niche networking sites
 - c. Adding at least five new blog comments per day
 - d. Marketers taking the steps to ensure that their content is as widely distributed over the social media sites as possible
3. Social bookmarking can be thought of as the social equivalent of:
 - a. Browser-based bookmarking
 - b. Using Google to search for information
 - c. Setting up a private Web page
 - d. Sending e-mail to a friend

4. One benefit that niche sites give to marketers is:
 - a. Because they are smaller, they have to have lower ad costs
 - b. They are easier to work with
 - c. They provide a targeted audience
 - d. Niche networking sites don't really provide additional benefits
5. Which site is not a good example of a niche social networking site?
 - a. Facebook
 - b. Famzam
 - c. Digg
 - d. Skispace
6. How long did it take myYearbook.com to reach one million users?
 - a. 3 months
 - b. 6 months
 - c. 9 months
 - d. 12 months
7. The most popular feature on social networking sites is:
 - a. Commenting on a blog
 - b. Sending private messages
 - c. Send group messages and bulletins
 - d. Post messages to someone's wall or profile
8. Pages that users create about themselves on a typical social networking site are usually referred to as:
 - a. Blogs
 - b. Profiles
 - c. Tags
 - d. Bulletins

9. One of the benefits that developers of social networks have is:
 - a. Immediate revenue
 - b. Little need for significant content generation
 - c. Instant user popularity
 - d. Simple to program
10. Companies often use social media applications for internal communications. True or False?
11. What percentage of companies with less than 500 employees use social media technology as part of their marketing strategy?
 - a. 45%
 - b. 54%
 - c. 67%
 - d. 74%
12. Which social media application is most popular among adults over age 30?
 - a. Uploading photos
 - b. Reading blogs
 - c. Posting blog entries
 - d. Writing product or service reviews
13. In which of the following age groups are over 30 percent of online users creating social media applications?
 - a. 12-17
 - b. 18-29
 - c. 30-38
 - d. 39-48
 - e. All of the above
14. Which of the following is unlikely to be a reason why social media has gained popularity among marketers?
 - a. Ability to sell products at a higher price
 - b. Increased consumer trust

- c. Broad visibility
 - d. Narrow Visibility
15. Which of the following is unlikely to be a reason why social media has gained popularity among users?
- a. Artistic expression
 - b. Consumer power
 - c. Improved e-mail capabilities
 - d. Networking with others
16. Which of the following types of social networking sites is most likely to be “all or nothing” in terms of large-scale success?
- a. Generalist social networks
 - b. Niche social networks
 - c. Business social networks
 - d. Social bookmarking sites
17. Which of the following types of social networking sites is most likely to have the largest number of members?
- a. Generalist social networks
 - b. Niche social networks
 - c. Business social networks
 - d. Social bookmarking sites
18. The original term for “blog” was:
- a. Weblog
 - b. Blogination
 - c. Interblog
 - d. Blogosphere
19. Three ways that brands engage in social media marketing are:
- a. Public Relations
 - b. Adding profiles of the key management
 - c. Carefully crafted marketing-related content
 - d. Viral messaging

20. The primary purpose of LinkedIn is to:
 - a. Help keep family members connected
 - b. Help business people expand their professional connections
 - c. Help users make new friends
 - d. Help users create and upload new blogs

Projects

1. Find a niche social networking site that was not already discussed in Chapter 2 or 3. In a paper no longer than five pages, discuss the target audience, and detail the social media applications that are included on the site.
2. From a programming standpoint, what would be the most complex to build from scratch: a blog, social network, or file sharing site? Defend your selection and discuss which languages would most likely be used in development.
3. Pick three social networks other than MySpace or Facebook. On Alexa.com, determine the ranking of each. In a three-page paper, explain why you think one is more popular than the others, and what, in your opinion, the others could do to gain market share.
4. Social networking sites require significant marketing and programming capabilities. As a programmer, how valuable do you think it is to understand the marketing behind the sites you build? Explain your opinion in a paper no longer than 3 pages.
5. If you don't have a MySpace or Facebook profile, build one. Over the next two weeks, keep a log of the activities you engage in when you are on the site. Break down the amount of time you spend with each application (blogging, posting comments, posting photos, etc.). Explain why you think you spend as much time with each application.

Endnotes

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4. "Alexa." <www.alexa.com> 16 Aug. 2008.
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6. "Trends in Adopting Web 2.0 for the Enterprise in 2007." *Awareness* <www.awarenessnetworks.com/resources/AN_WP_Web2.0.pdf> Dec. 2007.
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