

What is Social Media?

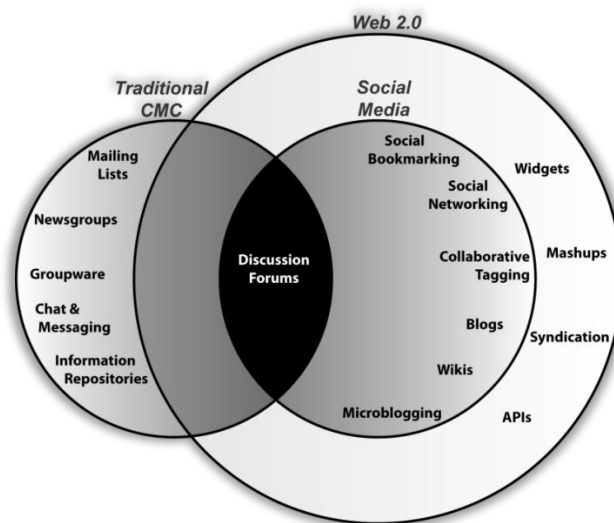
- ▣ **Social Media is a group of Internet-based applications that build on the *ideological and technological foundations of Web 2.0*, and that allow the creation and exchange of User Generated Content.**
(Kaplan & Haenlein, 2010)
- ▣ **Types of Social Media:**
 - ▣ **Social Networks:**
 - Facebook, LinkedIn, Friendster
 - ▣ **Blogs:**
 - Blogger, Wordpress, Tumblr
 - ▣ **Microblogs:**
 - Twitter, Jaiku, FriendFeed
 - ▣ **Discussion Forums:**
 - OffTopic.com, IGN Boards
 - ▣ **Multimedia Sharing:**
 - Youtube, Slideshare
 - ▣ **Content Aggregators:**
 - Digg, Reddit
 - ▣ **Social/Collaborative Bookmarking & Tagging:** allows you to “index” information
 - StumbleUpon, Diigo

What is the Web 2.0?

- ❑ *“The internet viewed as a medium in which interactive experience, in the form of blogs, wikis, forums, etc., plays a more important role than simply accessing information”¹*
- ❑ The Web 2.0 allows you to contain your data and information online.
- ❑ In the future, people will possibly no longer need an operating system (ex: Windows Vista...) because the web will become the platform that contains everything (your files, Microsoft Word...)
- ❑ Social media builds on Web 2.0

SOCIAL MEDIA ≠ WEB 2.0

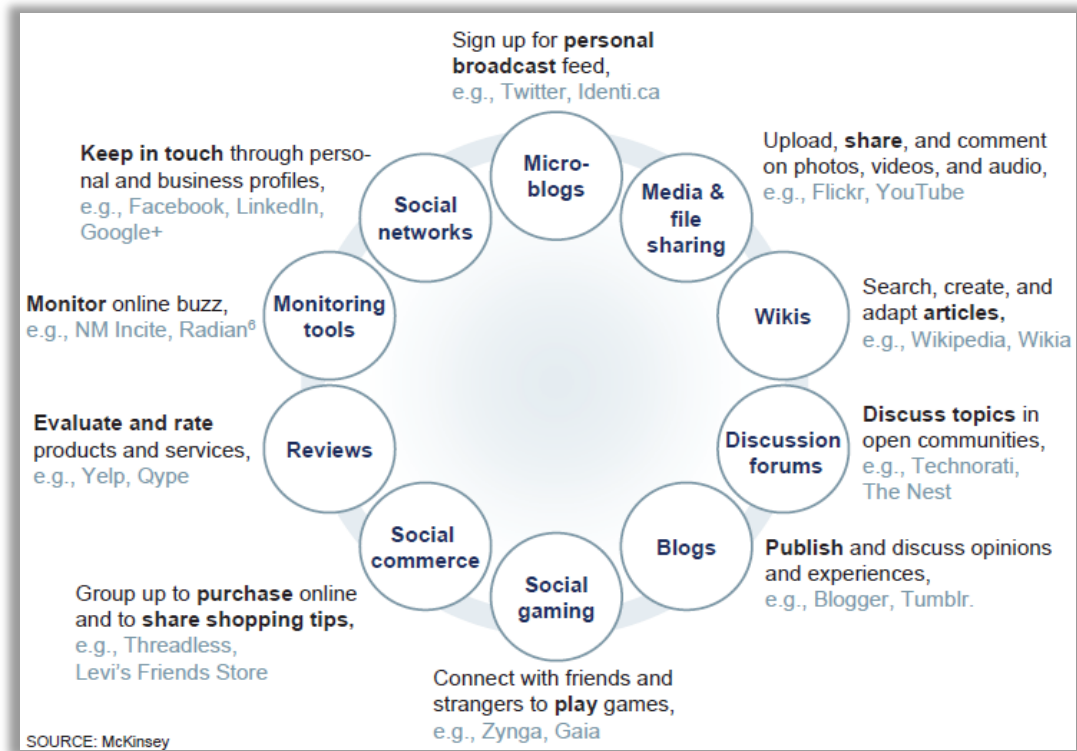
Social media is a component of WEB 2.0



CMC: Computer Mediated Communication: Traditional means of communication

¹ <http://dictionary.reference.com/browse/web+2.0>

Social Media Outlets



▣ Examples:

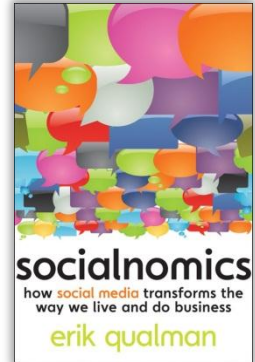
- ▣ **Twitter:** allows businesses/ organizations to talk to customers, answer their questions, to find out what they are saying about a company's products, about the competitors' products...
- ▣ **Blogs:** allow companies to show upcoming releases, what projects they are working on – give the organization/ business more transparency
- ▣ **Facebook:** good means to promote a company/ brand/ product

Business Uses of Social Media

- ▣ **Social Media is used in many workplaces which is why it is important to get familiar with it.**
- ▣ **Examples of uses of social media in business:**
 - ▣ **Marketing & Sales**
 - Social media allows business to create a “buzz” around your products and services
 - ▣ **Public Relations**
 - Allow you to find out what people are saying about your company’s or a competitor’s products and services
 - ▣ **Research & Development**
 - ▣ **Human Resources**
 - Facebook allows businesses to find out more about people before hiring them
 - Human Resource could view a person’s skills and experience through LinkedIn to find out if a person qualifies for a certain job
 - ▣ **etc.**

Socialnomics: Chapter 1

“Socialnomics: How Social Media Transforms the way we live and do business”
by Erik Qualman.



▣ What this book is about:

- impact of social media on businesses and consumers.
- implications for business & suggestions to improve performance in various business functional areas.

▣ Definition: World of Mouth

- an advancement of Word of Mouth:
 - it disseminates the information quickly and globally;
 - its digital aspect allows the original integrity of the message to remain intact; and
 - it is traceable to an original source:
 - *Who said what? Did the company say it? Or was it a customer? Or maybe a competitor...*

▣ Spending time on social media makes you more “productive” – debatable statement

- How? Personal & Professional Examples?
- Does it make businesses more productive?

▣ Implications of social media on business:

- Business models need to shift.
- Industry Examples?

▣ Social media also drives activity in the offline world:

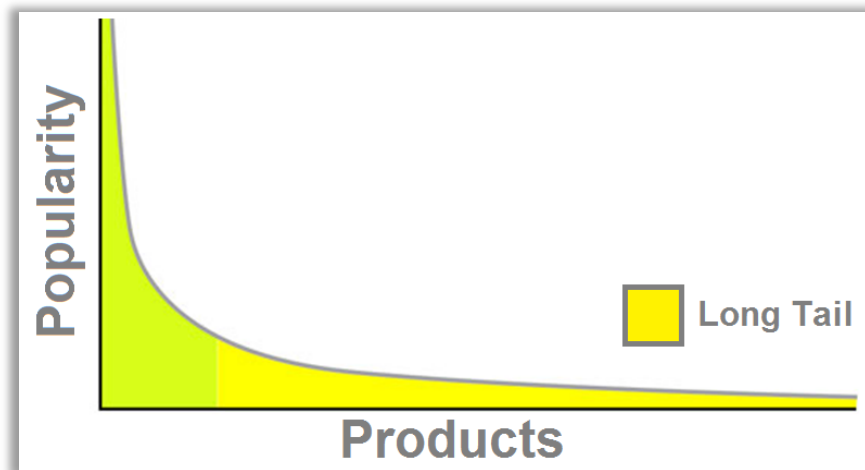
▣ Social media is an “and” thing rather than an “or” thing:

- In a marketing context, for example, you should not only rely on social media nor should you only rely on traditional campaigns. Have a Facebook page for your product AND a television commercial.

Long Tail and Social Media

“The Long Tail: Why the Future of Business Is Selling Less of More”
by Chris Anderson

- ▣ Chris Anderson’s theory is applicable to online businesses:
 - distribution and inventory costs of businesses successfully applying this strategy allow them to realize significant profit out of selling small volumes of hard-to-find items to many customers instead of only selling large volumes of a reduced number of popular items. The total sales of this large number of “non-hit items” is called “the long tail”.



- It is possible that 80% of your revenue comes from 20% of your customers. It is also possible that only a very small proportion of your products is very popular.
 - Example: Chapters: only restocks the most popular products. The “long tail” products will be offered but not restocked.

■ **The Long Tail phenomenon can be used to explain fundamental differences between mainstream communication media (head) and social media (tail):**

□ **Eye-balls versus Interactions**

- Some networks (media channels) attract more attention than others. If you want more “eye-balls” – more people to view your content, go to the bigger media channels (for example: NBC)
- If you are more interested in making interactions with people – use “long tail” media channels such as blogs.

□ **Monetary investments versus Time investments**

□ **Transactions versus Relationships**

□ **Corporate-control versus Crowd-control**

- Do you want to create your own message and broadcast it? (Corporate control over the message) OR
- Do you want to discuss your message with others? (Crowd Control)

□ **Broadcasting versus Listening**

