

Social Networks and Microblogging; The Emerging Marketing Trends & Tools of the Twenty-first Century

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Abstract. Internet marketing has always been a hot topic for researchers in the marketing field due to the ubiquity of the internet in the new economy and especially because of its increasing roles in various markets and industries. Recently, a number of social networking websites such as Facebook & Twitter have been a center of attraction for regular internet users. In this paper we have tried to explain how this new trend of people joining social networks in large numbers have forced the marketing forces to understand the potential future marketing trends and the evolution of social networking and microblogging and form strategies accordingly.

Keywords: Social Networks, Microblogging, Online Marketing Trends.

1. Introduction

The Internet has radically brought the media to a global audience and it has changed the way people think, behave, react, earn and do their businesses. The methods of marketing have changed and improved gradually over the past years. In today's world, marketing has become much more sophisticated and has entered into the world of technology.

Traditionally, businesses and firms launched marketing and advertising campaigns through printed media and audio-visuals targeted at the individuals. The effectiveness of this strategy is difficult to measure and could also prove costly. However, in today's consumer-conscious economy, small and medium sized businesses are searching for effective and savvy-cost effective ways to market their products and services and build a relationship with the consumers.

In recent years the Internet has emerged with surprisingly new possibilities for Marketers to sell their goods. The creation of social networking and microblogging sites such as MySpace, Facebook and Twitter, which allow social interaction and creation of virtual communities and hence generate a wider audience for targeting specific customer segments is one of the newest innovations in the use of the Internet and web technologies [17].

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Initial researches on social marketing and microblogging suggest that the internet is also being used by consumers to quickly spread word of mouth on events and products and therefore adds a great deal to the marketing effectiveness. Nowadays, users spend a huge amount of time surfing over the social networks [12]. A survey done by Jay Meattle in 2006 that ranks websites based on average time spent by a user's, shows MySpace and Facebook among the top 10 websites [12]. In 2010, the number of social networking websites has increased and consequently the number of users that visit these websites has tremendously increased.

2. Overview Of The Social Networks

Social networks are the actually virtual communities that are generally found over the web where members of common purposes or interest share an unlimited and unrestricted amount of information [4] [24]. These social networks have become increasingly popular over the past few years, providing a more efficient and user-friendly way to maintain social connections and share information in different forms and mediums, such as microblogging, status, mobile text alerts, blogs, instant messaging, and forums [2]. While we hear the people around us all the time buzzing about Facebook, Twitter, MySpace, LinkedIn, there's a world of social networking tools beyond these most popular sites. StumbleUpon, Digg, and YouTube are gaining attraction among marketers looking to spread the message about their brands and provide useful content to loyal followers; and communities such as discussion forums are proving to be a great way to link with other professionals and even potential and current clients.

Out of the hundreds of available options today, one of the most popular social networking sites in the United States is Facebook with over 500 million users as of July 2010 [28]. Founded in February 2004, it claims its members spend around 700 billion and more minutes every month on its website, and share more than 30 billion photographs, videos links to other websites, and articles. Another popular social networking site is MySpace, founded in August 2003, at present entertains 130 million registered users [25]. The demographic profile for MySpace is younger and less affluent than Facebook [25]. However, Twitter, founded in July 2006, is a microblogging website where every day users post millions of tweets, and it has approximately 75 million registered users [10]. Similarly there are a number of other similar social networking websites that offer similar services such as Orkut, Friendster, Flickr, Digg and LinkedIn. However, LinkedIn has been specifically designed for finding and maintaining business connections. This type of social network is aimed much more at developing business links, finding employment and consultancy opportunities [2]. Similar to other social networking sites, Youtube is also a video sharing website where users upload, download and comment on the video data shared every day by millions of other users [17].

As reported by Dutta and Fraser [8], Facebook has recently seen an increase in the registrations of people in their mid careers. It has been suggested that with the downturn in the global economy, people turn to Facebook in search of business contacts and safer employment prospects. The same thing is applied for other social networking sites as well. Similar to the Facebook, their user friendly nature allows them to serve nicely to the various marketing strategies.

3. What Is This Microblogging?

Generally Microblogging is assumed as the practice of posting small pieces of digital content which could be in the form of text, pictures, links, short videos, or any other form of media over the web [14]. Since its introduction in the early 2000's, Microblogging has become very popular among groups of friends and professional colleagues who follow each other's posts and frequently update their content. Similar to the other social networking websites they also aim at creating a sense of online community [21]. This type of blogging is assumed to be more informational and accurate for the marketers since they are very short and easily analyzable.

Microblogging is offered by several services including Twitter, Jaiku and the latest being Pownce. These platforms allow a light-weight, easy form of communication that enables users to share information about their life, activities, opinions and status. One of the most popular microblogging platforms is Twitter [13]. ComScore stated that within eight months of its launch, Twitter had about 94,000 users as of April, 2007 [5]. On Twitter, tweets or posts are made by describing one's current status within a limit of 140 characters.

Topics are widely ranged, from news stories to routine activities, current happenings, and other interests [14]. Microblogging tools facilitate easily sharing status messages either publicly or within a social network [14]. In a survey of bloggers, Nardi et al.[1] describe different motivations for “why we blog”. Their findings indicate that blogs are used as a tool to share daily experiences, opinions and commentary.

Marketers follow posts on microblogging sites to track trends and mine data about the success of products, performances, or services. With the use of Twitter to push information about news and updates comes the marketing of Twitter for business use [9]. As posted in the “About us” section of the Twitter website, “Twitter can be used to quickly share information with people interested in your company and build relationships with customers, partners and other people who care about your business” [9]. Microblogging when compared to regular blogging satisfies a need for an even faster and prompt mode of communication. By restricting the users to post limited character posts, it shortens the users’ time requirements and thought investment for content generation enabling them to post prompt messages [16]. It also tempts the users to frequently update and follow other microbloggers posts unlike a prolific and creative blogger who may update his blog once every few days [16]. The amount of data generated in these microblogging websites is therefore huge and makes them a potential target of the companies to reform their marketing techniques and strategies by generating leads and understanding the latest trends followed by the microbloggers.

4. Marketing In The Twenty-first Century

Marketing in the twenty-first century is completely dependent upon how the market changes and innovates. Change in this century is not only dependent upon the big ideas of giant companies and their competitors but it is now, more or less, also driven by customer demands [3]. The information about how good or bad the product is, what its weaknesses are, and how it can be further enhanced to please the customers which used to take months or years to become general knowledge is now analyzed within days and weeks now[3]. Today, new products are often discussed and dissected based upon their one-shot prototypes before they are even released. The nature of marketing has changed drastically over the past few years with the development of web technologies. The distance between the business and the customer, both physically and emotionally, has been shortened due to radical changes caused with the development of web technologies [3].

Today, the complete scenario of the marketing and business world seems a lot different than it was 20 years ago. According to Pires, Stanton and Rita [23] and Constantinides[6] the market power which was traditionally held by the companies has migrated towards the customers[29]. With the emergence of new communication channels over the Internet, new ways by which marketing promotions and attacks can be launched and initiated are observed [20]. As a U.S. presidential candidate, Barack Obama started following similar, “viral marketing” techniques early during his campaign for the 2008 elections through extensive use of Internet social networking which led to his success later on in the elections.[27].

Social networking websites like MySpace, Facebook, and Orkut helps us to determine who is related with whom, what their interests are, their likes, dislikes and how frequently do the people interact online etc.[12]. Primarily these networking channels were developed and were used for interaction among the common people and friends. Marketing forces couldn’t utilize the potential of these communities earlier when they were introduced [22]. This was largely due to lack of data: the networks available for experimental study were too less, and consisted of only minimal information about each node. Fortunately, the rise of the Internet has changed this drastically. Huge amount of data on the same social networks are now available from the blogs and social networking sites, newsgroups, chat rooms, etc. Gathering & filtering of all this information and then forming them into models of the larger network will provides us an unprecedented level of detail in social network analysis, with the corresponding potential for new understanding, useful predictions, and their productive use in decision-making[7].

Another particularly dominant marketing feature on the Internet is the use of word of mouth. One can call it the worlds most effective, yet least understood marketing strategy [18]. Because the traditional forms of communication seem to be losing their actual effectiveness, marketers are now showing their interest in understanding the best use of this technique [19]. They have started mining the social networking and microblogging websites where hundreds and thousands of people are connected to each other to spread their

words. Today, promotions of companies are tweeted and posted frequently on these social networks, which are later shared with others of the same interests [26]. This is surely an effective way to create a buzz about the product and let the people do the marketing work by themselves. The general idea of such marketing techniques according to Rayport[30] is to "let the behaviors of the target community carry the message."

5. Discussion

A literature review of the internet marketing literature and the social networking literature reveals that new trends are emerging in the field of online marketing, and social networks are seen as the latest tools by the marketing forces to form their strategies. This paper throws light on the basic concepts of a virtual world running over the web in the form of social networking & microblogging websites and how the marketing scenario has evolved due to the presence of this virtual world in the present century. Also it is observed that the nature of social networking sites such as Facebook, Twitter, MySpace, and YouTube allow them to serve nicely to the various marketing purposes and strategies. Firstly they offer cost effective means of sharing information and marketing through word of mouth and secondly they generate a large amount of data shared by millions of members everyday which is later scrutinized by the marketing forces to target their customers and improve their products and services. Also, it can be observed throughout the reading of this paper that how the internet and the web technologies has empowered the consumer and created a shift from a market where once the seller had the power, to a global market; where the consumer has the power to accept, reject, praise, criticize and the spread the news through his own actions in the form of posts and tweets. Most of the social networking sites are typically free to join and only require a few minutes to register and create an account. This makes them important value adding, cost-reducing marketing tools [15], particularly in enabling small and medium sized companies or startups to more effectively compete in the global online market [4][11]. The huge amount of data generated over these networks is deeply analyzed to generate leads, understand the market trends and the customer needs and then provide them with what they really want and are looking for. Marketing forces also feel that the multifunctional media components of these sites provides potential customers the opportunity to virtually explore a business, encourages them to visit, and then easily facilitates the sharing of their experiences with their unlimited virtual friends.

6. Conclusion

New trends are emerging in the field of marketing every year with the development of technology. People are increasingly using the Internet to communicate with others, elicit information, find recommendations, interact with associates etc. Social marketing i.e. marketing over the social networks via the Internet may prove to be a cost-effective new tool for any business; small or big, seeking to build a loyal customer base by understanding the needs of the customers. These networks are freely available to everyone and they generate huge amount of data everyday, which is of the interest to the marketers. By carefully understanding the behavior of the people, it allows companies to target specific customer segments and enhance their servicing capabilities. These sites are fast becoming important value adding, cost-reducing marketing tools, particularly in enabling small and medium size start-ups to more effectively compete in the global online market. It will be interesting to see how the online marketing world is affected as Facebook and Twitter continue to add many business-friendly applications, virtual marketplaces, and direct-purchase features of products and services.

7. References

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