



## **Social Media Marketing benefits for businesses**

*Why and how should every  
business create and develop  
its Social Media Sites?*

*This 2012 Master Thesis report will highlight the main  
business benefits of Social Media Marketing and  
present the various techniques available to market  
businesses on the different Social Media channels.*

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## Executive Summary

The scope of this report is to analyse the business benefits of Social Media Marketing and to provide some solutions towards the complex choice of Social Media channels. Social Media is a revolution. Personal, professional, and commercial are combined seamlessly, and in a blink of an eye. It promotes extreme cross-communication and interaction. Unlike traditional media channels, which offer a one-way experience, social media is based on a two-way interactive experience between the consumer and the company.

First, the report proposes a definition of Social Media, a presentation of its relation with the marketing domain, and the model of Social Feedback Cycle. As a result, this section underlines the basic information related to Social Media Marketing needed for the detailed analysis of the project.

Secondly, the methodology which will be used through the whole project is determined, while presenting the research process, introducing the paradigm study of research traditions, distinguishing the qualitative and quantitative research of the study design, and defining the structure of the project.

Then, the report presents the theoretical considerations based on which the business benefits of Social Media Marketing can be defined. Therefore, brand exposure, targeted traffic, leads generation, market research, customer interaction, marketing effectiveness, public relations and human resources are studied in terms of benefits for businesses implementing Social Media Marketing strategies.

Based on these theoretical considerations, the empirical analysis of the report will then be developed in order to describe the Social Media channels available to businesses aiming at increasing their Social Media presence. Social Networks, Blogs and Microblogs, Media Sharing sites, Wikis, Social Bookmarking, Forums, and Social Events will be defined with examples and will be analysed in terms of strengths and weaknesses for businesses.

Finally, the limitations and risks possibly encountered during a Social Media Marketing strategy will be presented, resulting in final conclusions on the current state of Social Media Marketing and its possible future evolution.

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## 1. Introduction

### 1.1. Problem Statement

In the current modern societies, Social Media channels are commonly used in order to connect people together throughout the world using the Internet. Whether it is through social networks, forums, blogs or media sharing websites, people can now have a conversation online, also called interactive dialogue, with anybody and on any subject, permitting them to share their experiences and valuable information.

Looking on a business perspective, it goes without saying that Social Media Marketing has offered a large variety of new opportunities for companies to promote their brand, products and services. Thanks to the personal autonomy and freedom that Internet offers, people are actively connecting with each other and talking about their experiences, sharing their opinions about products and services they have tested or even just heard about. However, it seems still unclear which real benefits Social Media Marketing has brought to businesses and which particular techniques were used to achieve this success.

Therefore, in this Master thesis report, we will aim at improving the understanding of the business benefits of Social Media Marketing. In order to determine our problem statement, we will define the basic assumptions by answering the five 'Ws'.

- **What** are the benefits of Social Media Marketing? – We will analyze in details the benefits of Social Media Marketing for businesses and the main techniques used to achieve these benefits.
- **Who** are the main actors when looking at the business benefits of Social Media Marketing? – Obviously, the main actors are the businesses, mostly SMEs, but it is also relevant to take into account their customers and audience.
- **Where** is Social Media Marketing taking place? – Social Media Marketing belongs to the World Wide Web. Consequently, Social Media are part of the global marketing.
- **When** is Social Media Marketing taking place? – Social Media Marketing has been developing itself since the Internet was launched. However, Social Media Marketing is a relatively recent notion, especially when focusing on the business perspective.

- **Why** is Social Media Marketing important for businesses? – Social Media Marketing has become a powerful marketing technique for businesses, thanks to its cheap costs and high promotional effects.

An in-depth analysis of the Social Media Marketing benefits and techniques for businesses will help us in the understanding of the power of each Social Media channels and their particular use for businesses. As a consequence, the problem statement of this report will be defined as following:

**Social Media Marketing benefits for businesses: Why and how should every business create and develop its Social Media Sites?**

In order to provide understandings and answers to this issue, the report will start by presenting the notion and concepts of Social Media and its relation to Marketing, defining the terms and their features. Then, on the one hand, the theoretical analysis will use a wide literature review to discuss the main business benefits of Social Media Marketing, explaining why every business should create their Social Media sites and maintain their presence on them regularly. On the other hand, the empirical analysis will examine the main marketing techniques used by companies on the Social Media channels, analyzing how businesses should develop their Social Media Sites. Besides, the limitations and risks encountered by businesses implementing Social Media Marketing strategies will also be presented in order to show the negative aspects as well. Finally, the report will end with general conclusions and recommendations for businesses using Social Media Marketing.

## 1.2. Methodological approach

In order to analyze and resolve this problem formulation, the methodological approach chosen in this report will focus on understanding the business benefits of Social Media Marketing. Before answering our problem formulation, we will study meta-theories and thus analyze the basic assumptions of our research, which will affect the research process and theories used in this project. The justification of these theories used in the project will be the subject of discussion. We will criticize the sources used, and we will discuss the limitations that we have encountered in the theoretical approach.

The methodology part will include further explanations in regards to the Research Process looking at the three phases of exploratory, constructive and empirical research. Then, the methodology will introduce the paradigm study of research traditions, but also focus on distinguishing the qualitative and quantitative research of the study design. Finally, the structure of the project will be presented and illustrated in a general figure.

### **1.3. Theoretical and empirical considerations**

This report will start with a short section defining the notion of Social Media and the concepts of Social Media Marketing. Also, the different types of Social Media channels will be listed with examples.

Then, the report will analyze the different benefits encountered by businesses while implementing Social Media Marketing strategies. The main benefits presented and described in this theoretical analysis will be brand exposure, targeted traffic, leads generation, but also, market insights, including market research and competitor monitoring. Furthermore, the customer interaction, which takes into account customer service and their feedbacks, as well as the costless nature of Social Media Marketing, will be detailed as important benefits of this marketing domain.

Moreover, the report will implement an empirical analysis of the Social Media Channels, presenting each of the different types of Social Media platforms, their principal actors and their main features, looking at the advantages for businesses. Therefore, the section will take a closer look at social networking sites such as Facebook, LinkedIn and Google+, before focusing on blogging and micro blogging platforms like WordPress and Twitter. In addition, we will define the features of media sharing sites such as Flickr or YouTube. Also, we will look at Social Bookmarking sites such as Digg and Delicious, Wikis platforms and Forums. Finally, we will also analyze the Social Events sites like Upcoming or Eventful for their great event organization features.

#### 1.4. Limitations

In contrast with the large variety of significant benefits which will have been developed in the theoretical section, the limitations and risks of Social Media Marketing will also be listed in order to keep a complete and objective opinion of this new marketing technique. Indeed, we will take a closer look into the possible disadvantages or negative secondary effects of Social Media Marketing in the business perspective. First, Social Media Marketing for businesses is extremely time-consuming, as it might require a complete team to work on it daily in order to produce regular content and be reactive at responding to customers' feedbacks and complaints. Besides, Social Media Marketing does also present some legal, reputational and operational risks for the business, which need to be taken into account and manage during the planning of the Social Media strategy.

## **2. Social Media Marketing – Notion & concepts**

Social Media started in 1978 when the first Bulletin Board Systems exchanged data over phone lines with other users (Appendix 1). According to Evans (2008):

‘When the Internet really started to take off, consumers started to tune out those carefully crafted messages and take more control over how they voiced their experiences with products and services. From websites to blogs, to forums and message boards, conversations started to spring up around products, brands, and companies. These conversations have had more influence on what others buy, subscribe to, and believe is valuable than any marketing message could manage.’

Nowadays, Social Media Marketing and more particularly Social Networks are becoming increasingly important in consumers’ purchasing decisions, mainly because they amplify word-of-mouth. They may even become more important than advertising as a trusted source of information. However, it is important to stress the fact that, in Social Media Marketing, marketers have less control over messaging and positioning. In this next section focussing on the notion of Social Media Marketing, we will define the notion of Social Media, the different concepts of Social Media Marketing, and its power on customers and global benefits for businesses.

### **2.1. Definition of Social Media**

According to Evans (2008), Social Media relates to a self-generated, authentic conversation between people about a particular subject of mutual interest, built on the thoughts and experiences of the participants. Therefore, Social Media is definitely all about sharing and aiming at a collective vision, often intending to offer a more-appropriated or informed choice at the end. Furthermore, Social Media changes over time as it allows people to generate the content in a participative way whenever they want to add any additional piece of information. Social Media are also evolving constantly as they are part of internet high technologies, which are modified regularly with additional or replacing features.

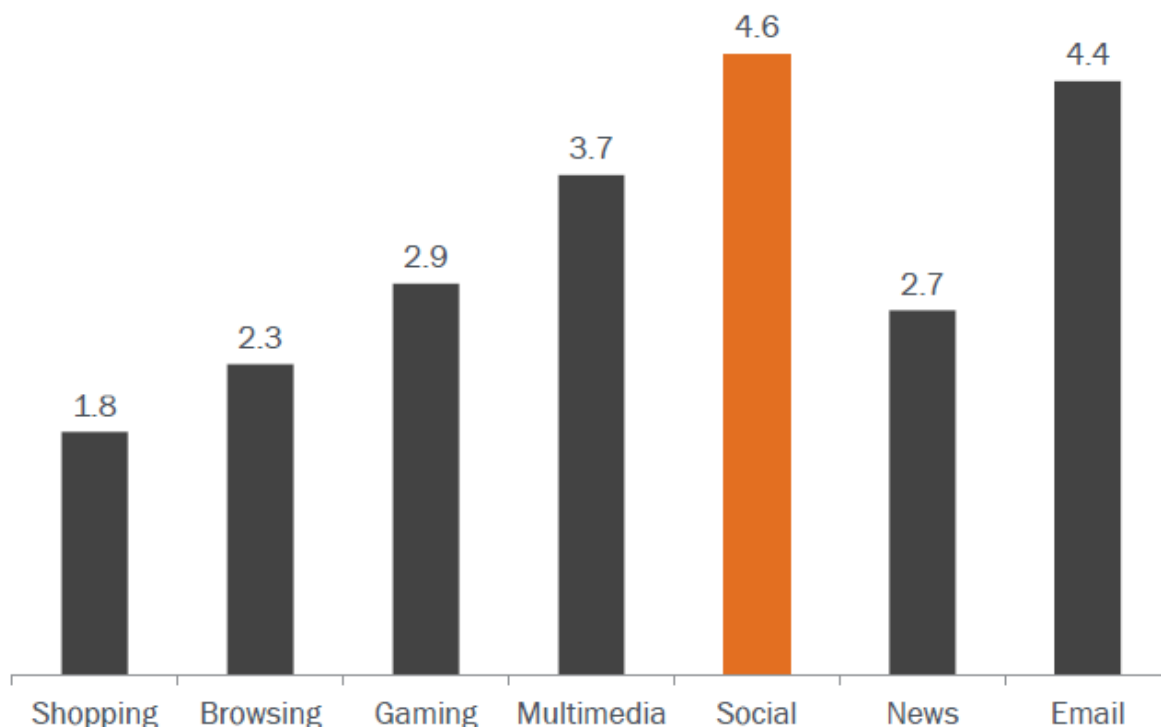
Social Media covers a wide variety of “online and mobile, word-of-mouth forums including social networking websites, blogs, company sponsored discussion boards and chat rooms, consumer-to-consumer email, consumer product or service ratings websites and

forums, Internet discussion boards and forums, and sites containing digital audio, images, movies, or photographs, to name a few” (Hollensen, 2011).

Social Networks, or Social Media Sites, which are the main actors in the Social Media medium, can be defined as online communities of people who typically share a common interest or activity, providing a variety of ways for users to interact and having the ability to facilitate communication.

Social Media is growing every day. Even if 90% of the 18-24 internet users use social network via any device at least once per month, social media affects every age group with much higher increase rates for the age groups over 35 (Hubspot, 2012). Also, when looking at the average hours per week spent on online activities, we can definitely see that the world is becoming more social, with an average of 4.6 hours per week spend on Social Media Sites worldwide (Figure 1).

*Figure 1: Average hours/week spent on online activities worldwide*



Source: Hubspot, 2012.

## 2.2. Social Media and Marketing

Social Media Marketing is marketing that focuses on people, not products (Diamond, 2008). The products can be presented by the company with as many qualitative features and promotional tools as possible, but what really matters is the comments and appreciations left by the customers. People provide the content, and this is the reason why Social Media Marketing is so scary and challenging for marketers. They do not control the marketing content anymore. Negative word-of-mouth can be spread worldwide in a couple of minutes only. With the explosion of Internet-based messages transmitted through the Social Media, they are now a main factor in influencing many aspects of consumer behaviour, such as awareness, consideration, information gathering, opinions, attitudes, purchasing decisions and post-purchase evaluation. International marketers need to recognize the power and critical nature of the conversations being held by consumers using Social Media. Consequently, the ability of influencing the crowd effectively is the main quality needed by the marketing team (Evans, 2008).

Also, what is important about Social Media Marketing is that marketer can listen, track and measure what is shared on the Social Media Sites in order to improve the offered message and adapt it more to the customers' needs. Thanks to the Social Media analytics and metrics available, the impact of Social Media on a company's marketing strategy can be measured and evaluated relatively easily.

## 2.3. Social Media Marketing impacts on customers – Social Feedback Cycle

Nowadays, for any more or less important purchase, it has almost become vital to learn about the brand, product or service, and compare it with the equivalent of competing brands before considering purchasing it. While potential consumer do so, they interact with friends, google the products, search on Twitter and read experiences of those who have used the brand, product or service earlier. This section will analyze the Social Feedback Cycle, taking into account the effects of Social Media on consumers' buying behaviors, comparing it to the classic purchase funnel for traditional media.

The internet has now become the most common tool that consumers use to find information on products and services that they are considering buying. Besides opinions of friends and family, people use the internet as first source of information when making a

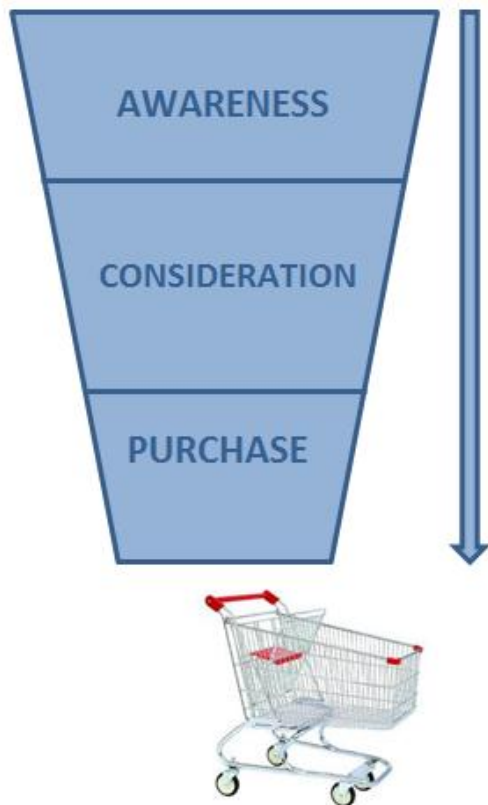
major purchase decision. Whether they like it or not, people are holding conversations on the internet about the products and services they have used, sharing both good and bad experiences and feedbacks. Actually, almost two out of every three conversations online refers to a brand, product or service (Hubspot, 2012). These opinions have far more weight and value, and are considered more trustworthy, than any information provided by marketers. Indeed, word-of-mouth is considered to be the most trusted source of information. Therefore, Social Media largely affects customers' purchase decisions, because consumers usually seek other opinions and recommendations. Indeed, 78% of global consumers declare that they trust and believe other customers' recommendations for products and services more than any other medium. This is mainly due to the fact that consumers are seen as more objective than the companies' own marketing message.

Regarding the purchase funnel, the effects of Social Media are really important as a social feedback loop is created through the use of Social Media and will highly influence the consideration stage of the purchase channel. For the past fifty years, media was largely concentrating on awareness, because awareness drives demand, and on point-of-sale, affirming pending purchases or shifting them to a competing brand. The consideration process through which consumers evaluate purchase options has been under-utilized by too many marketers.

On the one hand, when looking at the traditional media perspective (Figure 2), we can recognize the basic three stages of the purchase funnel. Many more stages can be added, but those three are the basics one. First, the audience becomes aware of the brand, product or service. Then, he considers it as an eventual future purchase. And finally, he takes the purchase decision. With the traditional media, marketers were able to buy market share through awareness-focussed media (Evans, 2010). Therefore, marketers had a high power on influencing the awareness of the brand, product and service. The goal of the marketing messages was to make the consumer aware of the product or service and what it has to offer. The more aware the consumers are of the product, the more likely they are to choose it when making their purchase decision.



Figure 2: The classic purchase funnel for traditional media

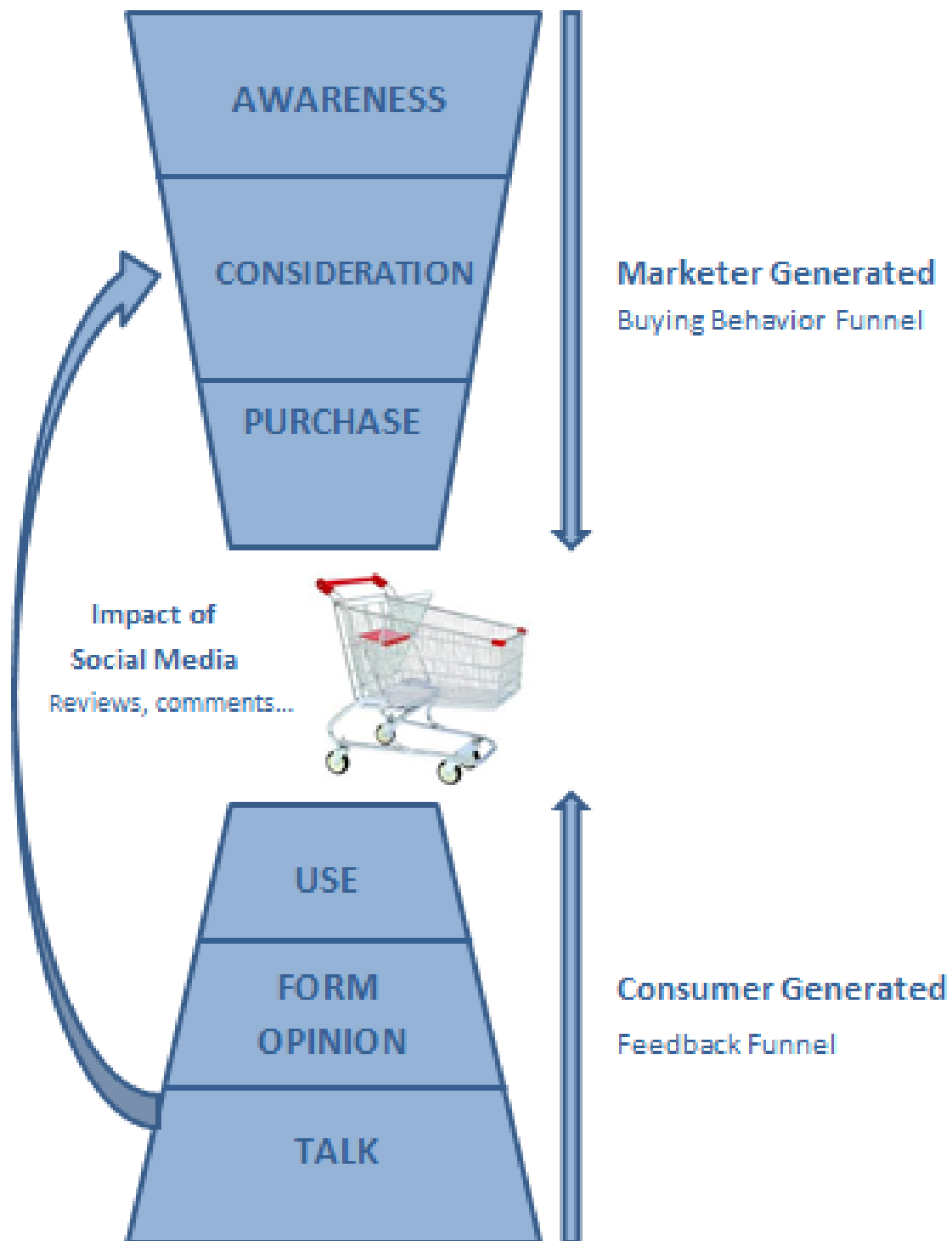


Source: Own Creation, 2012.

On the other hand, the contemporary version of the purchase funnel (Figure 3) incorporates the Social Media by showing how the user-generated media in the post-purchase experiences can have impacts on the basic stage of consideration which is usually only part of the marketer-generated content. On the business perspective, user-generated content are based on the degree to which the experience matches the expectations set. Indeed, with the Social Media, once a customer has purchased the brand, product or service, he will use it, experience its advantages and disadvantages and form its personal opinion. He will then obviously talk about its personal experience with this brand, product and service on the Internet, and more particularly the Social Media platforms. He might leave a comment on the company's website or the company's Social Media Sites, but also on more general forums that the company's marketers might never see. This conversation that the customer is holding on the Social Media channels will be seen by other people already aware of the brand, product or service. These people will be in the second stage of consideration in the purchase channel. They will look for information about the brand, product or service on the Internet, and will quickly and easily find the content generated by the customer who has

experienced it. As an objective source of information, they will certainly trust the appreciation of the previous customers and base their purchase decision on this user-generated content. If it is recommended, they will consider buying it. If the feedback is negative, they will certainly decide not to buy the product and will look for an alternative.

Figure 3: The Social Feedback Cycle



Source: Own Creation, 2012.

The consideration phase turns out to be the central link between the Social Web and Marketing. This is the Operations connection of social media based marketing, where conversations between consumers based on experiences carry further and with greater trust than traditional media. The Social Feedback Cycle is created by a post-purchase feedback and conversational loop which is based on the results between the expectations set and the satisfaction of the performance. This feedback engendered word-of-mouth on Social Media platforms, and ultimately gets back into the purchase funnel in the consideration stage. Consequently, Social Media play an important role in the current purchase channel, as they connect the experiences of previous customers back to the purchase channel through the Social Feedback Cycle. While the consideration phase of the purchase channel is an area that has always been almost inaccessible for marketers, it is now extremely influenced by the content shared on the Social Media platforms. This is why listening and responding to the customers is becoming more important than ever before. Spending more time on getting the Operations and Marketing relationship right along with the Social Feedback Cycle and the effective use of Social Media is the best challenging option for marketers. On the whole, the Social Feedback Cycle developed and maintained over time, is a key planning tool that marketers need to take into account when developing their Social Media plan.

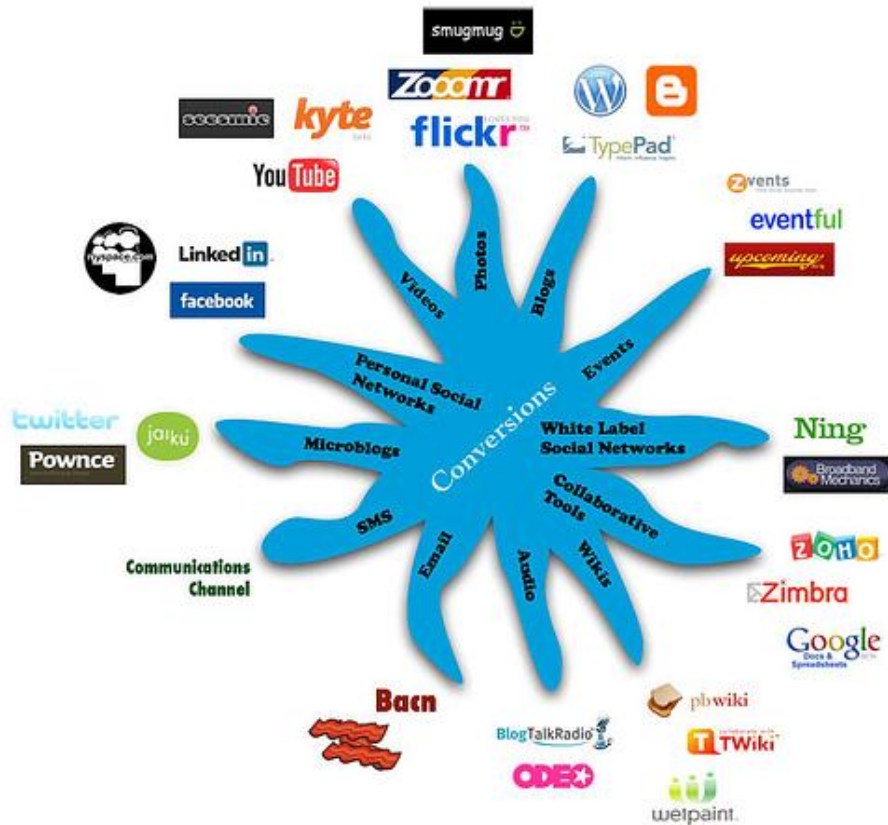
#### 2.4. The types of Social Media channels

The Social Media domain is a huge medium that can be divided in many different types of channels. Every marketer has his own way of distinguishing one Social Media from another. Therefore, in this section, we will present the two most famous models showing the different types of Social Media channels. First, we will analyze the Social Media Starfish of Robert Scoble, before taking a closer look into the Social Media Landscape by Fred Cavazza. Finally, we will provide our own list of Social Media channels and illustrate them all in our model of Social Media channels. A third model, the Conversation Prism by Brian Solis (Appendix 2) could also have been discussed as it connects the conversations between people, communities and networks through the Social Media.

According to Robert Scoble, the Social Media Starfish (Figure 4) illustrates the different Social Media channels that people are using to interact on the Internet. It shows the evolving Social Media landscape. Although this model is very famous in the Social Media Marketing domain, it was developed in 2007 and is thus far out of date. Indeed, Robert

Scoble put Conversions into the center of his starfish, which is nowadays completely irrelevant, as it has been proven again and again that Social Media Marketing is based on the People, and nothing else. Also, the examples chosen are very limited and missing the latest Social Media sites that have been launched and has developed themselves lately, such as Pinterest or Google+ for instance.

Figure 4: The Social Media Starfish, by Robert Scoble



Source: Scobleizer, 2007.

Besides, Fred Cavazza, a French web business consultant, has become famous with his blog posts presenting his vision of the Social Media Landscapes every year (Figure 5-6-7). He started in 2008, dividing the Social Media channels into ten main groups: publish, share, discuss, social networks, microblog, lifestream, livecast, virtual worlds, social games and MMO. Through the years, he has been updating his model with the changes in Social Media Marketing. In 2009, he started to put the social platforms in the center of the Social Media Landscape, with four main groups around: Expressing, Networking, Sharing and Gaming. Then, in 2011, Cavazza gave the central position of his model to Facebook and Google, which

are both connected to the seven main areas of Social Media: Publish, Share, Discuss, Commerce, Location, Network and Games.

Figure 5: The Social Media Landscape 2008, by Fred Cavazza



Source: Cavazza, 2012.

Figure 6: The Social Media Landscape 2009, by Fred Cavazza



Source: Cavazza, 2012.



- **Sharing:** dedicated online services for videos (YouTube, Dailymotion, Vimeo...), pictures (Flickr, Instagram...), links (Delicious, Digg...), products (Pinterest), music (Spotify...) and documents (Slideshare, Scribd...)
- **Playing:** major editors (Zynga, Playdompcap...), dedicated platforms (Hi5...) and smaller but innovative editors (Digital Chocolate, Kobojo...)
- **Networking:** professional (LinkedIn, Viadeo...), personal (MySpace, Badoo...) or for former acquaintances (MyYearBook, Classmates...)
- **Buying:** customer intelligence platforms (Bazaarvoice, PowerReviews...), purchase sharing (Polyvore), recommendation (Hunch) or social commerce offerings (Boosket)
- **Localization:** mobile applications (Foursquare, Path...), socialized city guides (Yelp, DisMoisOu...) or upcoming events or venues (Plancast).

Figure 8: The Social Media Landscape 2012, by Fred Cavazza



Source: Cavazza, 2012.

As this report is focusing on the benefits of Social Media Marketing for businesses, we will only analyze the Social Media channels that have any utility or effects on businesses.

Therefore, the report will not be examining the group of 'Buying' and its customer reviews, and the group of 'Playing', which includes Virtual Game and Social Worlds, such as the famous sites World of Warcraft and Second Life. Also, from Cavazza's 'Localization' group, we will only be studying the Social Events channels. However, the additional groups will be added. Blogs & Microblogs are separated from Wikis, and from Social Bookmarking and News Sites as well. Besides, the discussion forums are distinguished. Our seven types of Social Media channels affecting businesses will be the following:

- **Social Networks:** e.g. Facebook, MySpace, LinkedIn, Google+...
- **Blogs and Microblogs:** e.g. WordPress Blogger, Twitter...
- **Content Communities or Media Sharing Sites** (Video/Audio/Photo/Presentations): e.g. Flickr, YouTube, Dailymotion, Vimeo, Picasa, Pinterest, Slideshare...
- **Wikis or User Generated Content** (UGC): e.g. Wikipedia, WikiTravel, World66...
- **Social Bookmarking & News Sites:** e.g. Digg, Reddit, Diigo, Delicious, Google Reader...
- **Discussion Forums and Message Boards:** e.g. Phorum, Yahoo Groups, PHPbb...
- **Social Events:** e.g. Eventful, Meetup...

Blogs and microblogs will be regrouped in a same section, as well as Social Bookmarking and Social News Sites. The following Figure 9 illustrates the Social Media Universe, while focusing on the Social Media channels appropriated to businesses and their brands. A few examples for each type of Social Media channel are shown through their logos.



Figure 9: Social Media Universe for businesses



Source: Own Creation, 2012.

For every business using Social Media Marketing, the challenge is to find on which Social Media channels its audience and customers spend their time and hold conversations (Evans, 2010). Also, people usually visit several Social Media Sites instead of sticking to only one; this is called cross-pollinating. By reading, listening and analyzing their target audience's activities, marketers will be able to determine where, when, who and how the consumers are interacting in the Social Media Universe. It will also help marketers to define who the influencers are and which role they play in the online community: whether they are networkers, everyday users, trendsetters, reporters or opinion leaders.

### **3. Methodology**

Research methods are used to determine, discover, interpret, and formulate facts. The concept of research represents a thorough investigation. Through investigation and discovery processes, research methods help to advance many different fields. In this methodology chapter, the action research methodology which intends to be used in this report will be presented, as well as the other forms of research that will be explored.

The main sources of information used throughout this master thesis were issued from Internet articles and online blogs on Social Media Marketing, in order to always read up-to-dated information. Indeed, the main issue related to the use of books on Social Media Marketing was that they always needed to be the last editions, as the domain of Social Media Marketing is evolving so rapidly. Also, these approaches to knowledge acquisition were chosen because of the new aspect of the Social Media Marketing, still lacking many proven results of analysis. The creation and submission of a survey directly to businesses was considered as an alternative option, but it was decided that the results would have been complex to evaluate, and certainly less efficient than the surveys' results already implemented and published online. On the whole, the methodological approach chosen for this report was aiming at providing study results as a synthesis of the literature review in a more structured and academic perspective.

In this following methodology section, we will be looking at the research process of the report, presenting the three stages of exploratory, constructive and empirical research. Then, the paradigm study will be defined, distinguishing the use of positivism and interpretivism research traditions. Besides, qualitative and quantitative research used throughout the project will be detailed in relation to the study design. And finally, the structure of the project will be explained, with an illustration of the project's table of contents.

#### **3.1. The Research Process**

The research process takes three main forms. First, the exploratory research is really important to research methods because it structures and identifies new problems. This exploratory research corresponds to the Problem Formulation & Statement section, where issues are high lightened in the company, in order to emphasize on a specific subject that

can then be studied throughout the report. This research has required the analysis of the notion of Social Media, its relation with Marketing and with the purchase funnel, thanks to the Social Feedback Cycle theory. Through that exploratory research, the understanding of the business benefits of Social Media Marketing and the available Social Media channels to achieve these benefits were underlined as the main issues to be examined in the report.

Secondly, the constructive research is looking at developing solutions to the problem, while focussing on the theories that could be the most appropriated to the issue and that would need to be studied in order to understand the benefits of Social Media Marketing. This research will be presented in the section on theoretical considerations, where seven main marketing concepts have been chosen to be explored as answers to the questionings high lightened in the exploratory research. This problem statement, looking at the business benefits of Social Media Marketing, will find its available theories in the concepts of brand exposure, targeted traffic, leads generation, market research, customer interaction, marketing effectiveness, public relations and human resources.

Finally, the empirical research will explain the tools available to achieve these benefits developed in the constructive research, using a detailed analysis of the types of Social Media channels. The theories will encourage observations and analysis based upon reality. Throughout this empirical approach, the Social Media channels which will be analysed are Social Networks, Blogs and Microblogs, Social Media Sharing sites, Wikis, Social Bookmarking sites, Forums, and Social Events sites.

### 3.2. Paradigm study

Research philosophy is the decision of which method is best suitable to gather, analyze and use data on a particular concept. The two main research traditions are Positivism and Interpretivism, each having different vision on the objectives of research. Therefore, they also have different methods for collection of data.

Positivism, also known as scientific research, looks at society under scientific laws and analysis the facts, believing that reality is generally stable, observable and can be described from an objective point of view (Roberts 2005). This form of research favors quantitative methods to measure phenomenon, also isolating individual factors and manipulating reality to identify dependent and independent variables. Positivists use predictions made on the

basis of the previously observed and explained realities and their inter-relationships. Although this method has proved successful in physical and natural sciences, there is much debate on its effectiveness in social sciences, because of its objectivity and generalizing nature.

In this respect, the majority of our paper uses Interpretivistic research methods where social phenomenon are looked at on an individual micro scale, exploring the meanings and motives behind people's behaviors and interactions. Due to the lack of quantitative figures relative to our subject, and the inherent biases and errors associated with questionnaires and interviews, interpretive methods were chosen. These methods allow for the interpretation of observed and researched data, where critical theory is examined and assumptions about its use in practice are broken down. Then, the relations and use in our subject is suitable for predictions and analysis. In this report, the interpretive use of Social Media Marketing theories for research has been used.

In contrast, we also have used some Positivistic research methods when dealing with statistics. Indeed, some quantitative market facts and figures have been used to analyze and strengthen the results and use of Social Media Marketing techniques. These facts and figures are used to formulate the current marketing state of the various Social Media channels.

In general, we have chosen to use a pluralistic paradigm of study, where both positivism and interpretivism are used to obtain the richest form of research method, and analysis of market strategies.

### 3.2. Study design

The general design of our study uses qualitative research based on market research, to uncover to the best of our resources. Qualitative assumptions have been made where quantitative methods would be unsuitable and undesired. The qualitative approaches are suitable for interpreting the reasons why Social Media Marketing offers these significant benefits for businesses, while quantitative research with facts and figures assists in relating the benefits with the use of the different Social Media channels. This report hopes to explore the main theories of Social Media Marketing in order to formulate some recommendations for a new qualitative opinion and analysis of how Red Bull and Slow Cow will proceed operations in the future with respect to their marketing strategies and positions.

### 3.3. Methodological limitations

Limitations of our research include the low academic resources on Social Media Marketing as it is a relatively new domain of marketing and it is still evolving continuously. Interviews and questionnaires on the business benefits of Social Media Marketing are also very limited in response and valuable knowledge as most companies implementing Social Media Marketing strategy have not been able to measure their complete success yet.

Besides, most books relating to Social Media Marketing have chosen between two aspects of studies. Most of them have been written as manuals or guides for marketers to create their Social Media sites, explaining what to do and how to do it, but not really analyzing the consequences, whether they are positive or negative to the business. In contrast, the few books found as valuable tools for the study of Social Media Marketing business benefits were usually lacking an academic structure of thoughts.

Finally, it was difficult to convert the research and analysis on the business benefits of Social Media Marketing into a problem formulation that allowed for an analysis including enough theories to explore, and thus limiting the depth of our analysis.

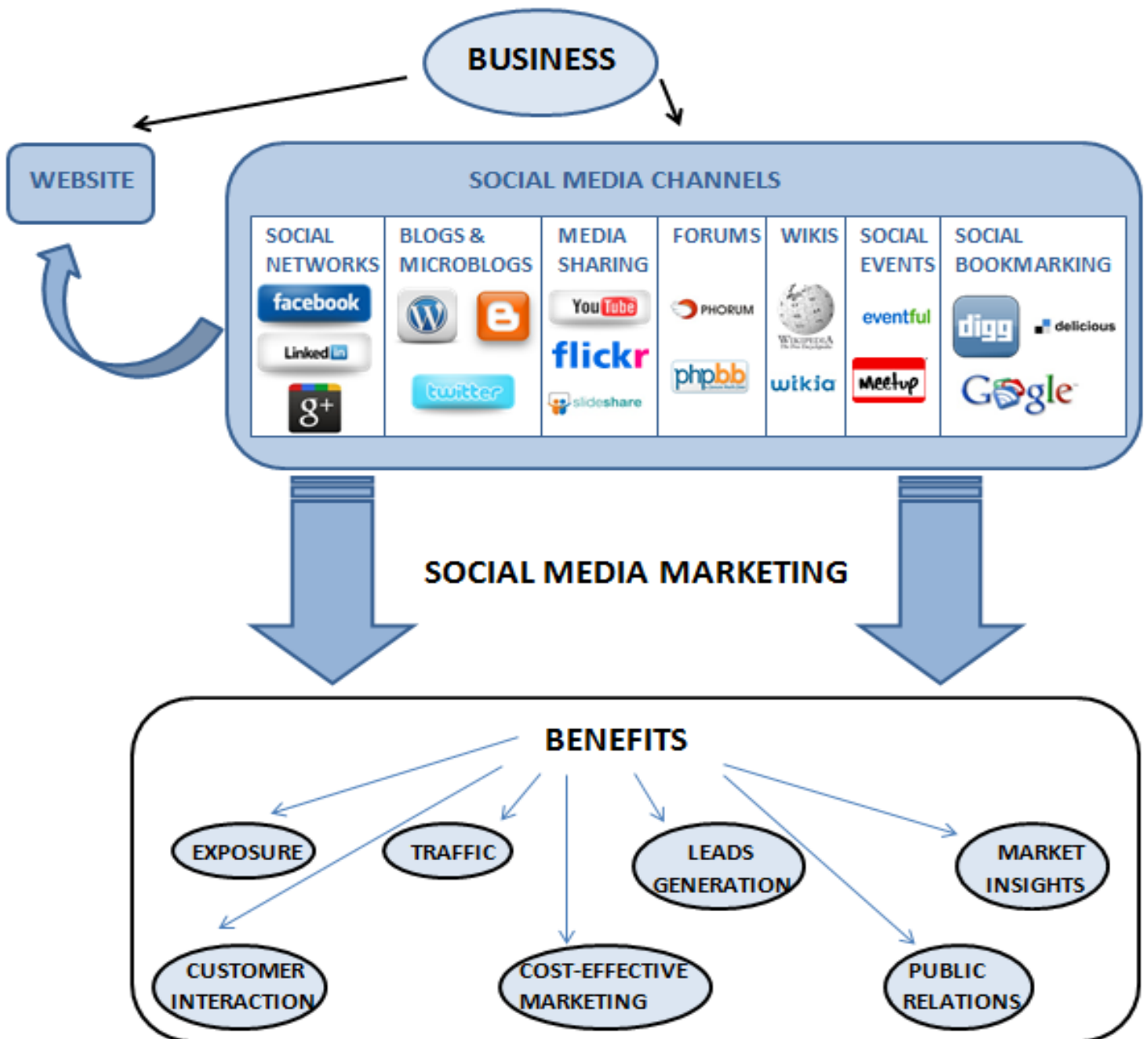
### 3.4. Structure of the report

Research Design explains how the problem statement can be turned into a project. It corresponds to the master plan of the research which will be dealing with at least four problems: what questions to study, what data are relevant, what data to collect, and how to analyze the results. The research needs a methodology, which is structured before the data is collected or analyzed. This methodology represents the basic structure of the report which can be described through the following Figure 10. The main research of this report is divided into two parts of theoretical and empirical considerations. The first part focusses on the different benefits of Social Media Marketing for businesses, explaining how they can be the most beneficial. The second part presents the different types of Social Media channels, listing some examples and explaining their main characteristics.

There are five phases in this project, and each phase is a complementary part to one or another. The first phase is describing the overall domain of study of this project, which is the notion of Social Media Marketing, while the structure of other parts aims to answer to each of asked questions within the problem statement. The relation between each part is

creating an overall understanding about the questioned areas. As a result, the reader is able to follow the project from the opening phase to the end, which is the concluding phase.

Figure 10: Structure of the report



Source: Own Creation, 2012.

#### **4. Theoretical analysis: the Benefits of Social Media Marketing**

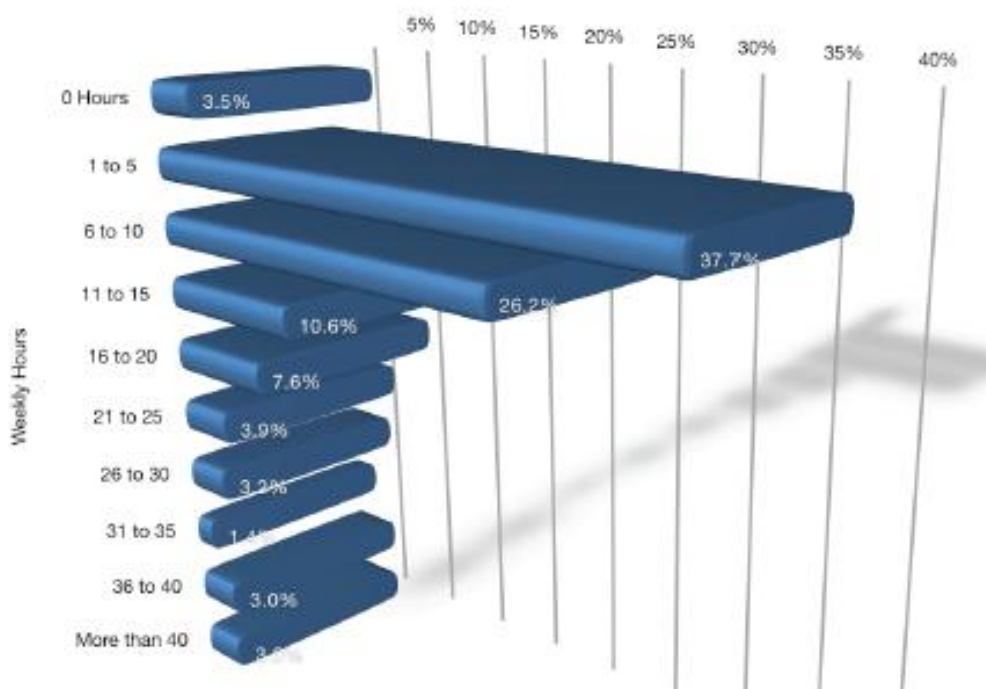
Nowadays, Social Media Marketing is widely used by businesses because it represents a cost-effective marketing solution. The Social Media Marketing weapons can be used largely for free and very easily, in comparison with other promotional tools (Levinson, J.C. & Gibson, S., 2010). The main purposes of using Social Media Marketing are the amplification of word-of-mouth marketing, market research, general marketing, idea generation and new product development, co-innovation, customer service, public relations, employee communications and reputation management. Indeed, social networks can increase product and brand awareness, web traffic, customer loyalty, but also improve the company's Search Engine Optimization, and even increase the success of new product launches.

Social Media Marketing can be using unconventional means to achieve conventional goals, through the use of creativity, community, and relationships instead of big budgets to achieve marketing objectives. These methods are powerful guerrilla marketing strategies. Every marketer is now armed with highly effective online communications tools that enable him to garner the same level of influence that many large corporations have. Therefore, Social Media Marketing is a great change in the world of marketing.

According to Hubspot (2012), 57% of SMBs say social media is beneficial to their business. Whether it is concerning large multinationals or small and medium-sized enterprises, Social Media Marketing presents many significant benefits for the companies' success. Social Media platforms foster communication around brands and products, enhancing positive as well as negative word-of-mouth around a business and its products and services. Any message or piece of information shared on the Social Media channels can be seen by thousands of people in an extremely short period of time.

Furthermore, 94% of marketers affirm that they are employing Social Media for marketing purposes (Stelzner, 2012). 83% of them said that Social Media is important to their businesses and 59% of marketers are using Social Media for 6 hours or more weekly, and 33% for 11 or more hours (Figure 11).

Figure 11: Weekly Time commitment for Social Media Marketing



Source : Stelzner, 2012.

In the following section, we will analyze in more depth the benefits of Social Media Marketing for businesses. The main benefits that we have chosen to study are increased brand exposure, increased targeted traffic, leads generation, market insights, customer interaction and marketing effectiveness. Finally, we will briefly discuss the other additional benefits for Social Media Marketing, such as marketing effectiveness and public relations advantages.

#### 4.1. Brand exposure and awareness

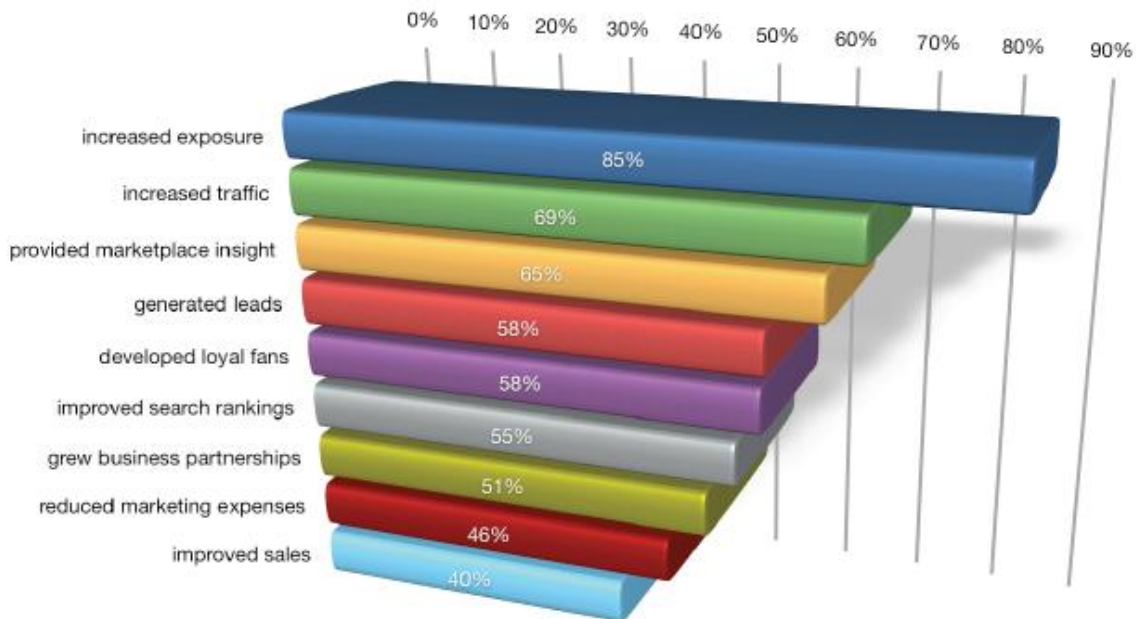
The main benefit acquired by businesses implementing Social Media strategies represents the increase in brand exposure. Brand exposure occurs when the customer becomes aware of a product, service or advertisement through at least one of their five senses, whether or not they paid attention to it. Thanks to the Social Media platforms, new brands can establish themselves and foster awareness. For existing brands, Social Media platforms also raise awareness. The brands' visibility is increased thanks to their presence on the large variety of Social Media channels, but also thanks to the word of mouth that is automatically expanded around the brand. Companies can heavily use Social



Media Marketing to build their brand's reputation and enhance their popularity. This is also called online reputation management.

According to Stelzner (2012), increased exposure is the major benefit from Social Media Marketing (Figure 12).

Figure 12: Benefits of Social Media Marketing



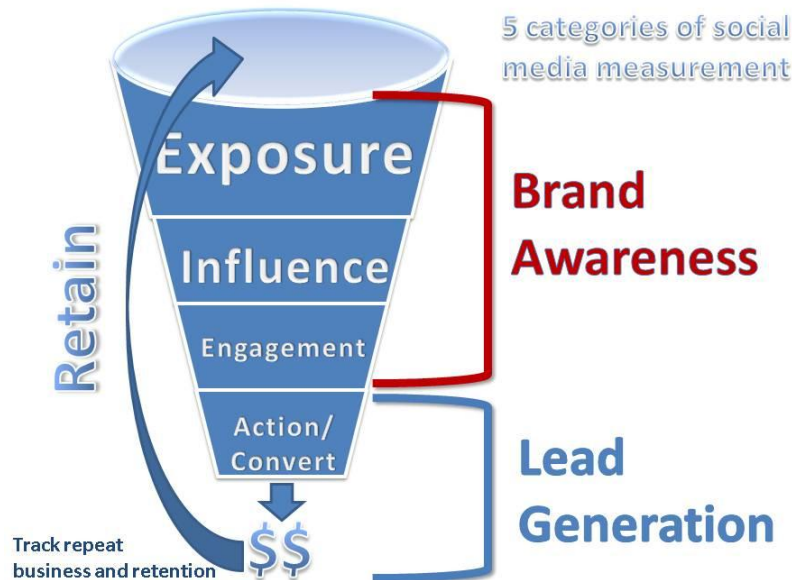
Source: Stelzner, 2012.

Indeed, setting up pages and profiles on Social Media channels offers many opportunities to the brand to be seen and reached by its audience. Exposure is the first step for new brands. Without any exposure, the company will just fail its launch. Moreover, the marketer can use Social Media channels to promote their products and services. The brand's Social Media pages provide the opportunity to present the products and services in a more interactive way. Consumers will have the choice of reading or not products' description, watch photos and videos, and read reviews and comments about these products.

Social Media Marketing increases brand awareness by extending the online presence of the products and brand (Red Bridge Marketing, 2008). When Social Media platforms are widely used by a business, it becomes extremely important to measure the impacts of Social Media Marketing on brand awareness. This can be done with social media metrics. According to Nichole K. (2010) on the Social Media Examiner website, there are three main areas to take into account when evaluating brand awareness measurement into the context

of the sales funnel. These social media metrics are social media exposure, influence and engagement. The lead generation funnel (Figure 13) represents the traditional return on investment from the created brand awareness.

Figure 13: The lead generation funnel and its Social Media metrics for brand awareness



Source: Nichole K., 2010.

- **Measuring Social Media Exposure** – Social Media Exposure metrics show how many people can be reached with a message or attracted to the brand through social media. They include the number of visits, views, followers, fans, subscribers or brand mentions. The efforts to track these metrics might be complex though, because it often has to be done manually and because it is hard to isolate the unique users and avoid duplication.
- **Measuring Influence** – The Influence metrics are basically looking at the effects of the engagement metrics. They are more subjective and depend on the company's perspective of positive, neutral or negative impacts. They represent the share of voice, sentiment and the top influencers report. Some automated tools can be used in that area, but manual check must still be done.
- **Measuring Engagement** – These metrics represent how many people cared about the message and did something with it. They incorporate the number of clicks,

retweets, shares, @ replies, wall posts and comments. A variety of tools can be used to measure the engagement.

Also, brand exposure, or brand awareness, is the initial stage of the customer relationship. In this first stage, the customer goes from knowing nothing about the brand to their first exposure. Social Media Marketing is an excellent way to take this first step. Being exposed to a brand for the first time by reading a post on Social Media channels will let the consumer know that the brand is active online and provides them with a non-confrontational and valuable way to take a step closer towards the brand, product or service. Exposure can then lead to consideration and purchase (following the purchase funnel presented in the previous section). Consequently, customers can become loyal and regular purchaser, and can even reach the stage of brand evangelist.

Building an optimized social media presence to increase the brands' online awareness has become an absolute must for digital marketing. Besides, Social Media signals are beginning to play an important role with organic rankings. With Social Media Optimization (SMO), businesses can get a hefty boost in Search Engine Optimization (SEO) initiatives. Therefore, it goes without saying that making sure that brands receive the proper exposure is important to companies. There are many Social Media sites out there where marketers and their brand can receive the proper exposure in order to build brand awareness.

#### **4.2. Targeted traffic**

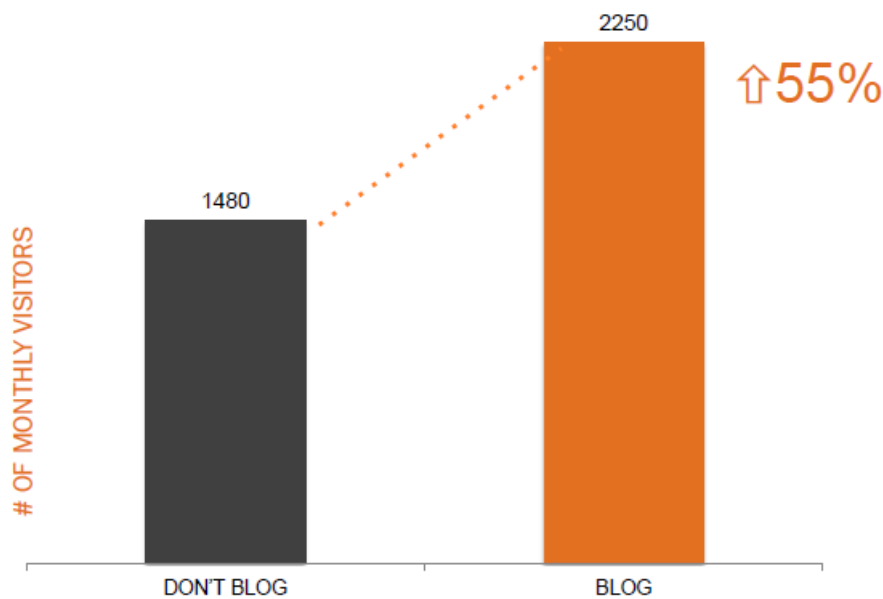
With millions of users, Social Media Sites makes a convenient target base for people who are trying to market products or services to people online. Actually, Social Media Marketing has become a very effective way to drive targeted traffic to companies' website or blogs. Search Engine Optimization (SEO) still plays a significant role in the website traffic, but Social Media has opened many new doors, generated an extremely high amount of online traffic. Indeed, Social Media channels are now providing a huge avenue for business owners, as they have millions of members and make the scope of the reach unlimited. Social Media Sites will drive targeted visitors back to the company's website. The more channels the company is using, the more backlinks and interested referrals will point back to the website.

In order to define targeted traffic, we should provide a definition of traffic first. Traffic occurs whenever a person visits a website. There are lots of techniques for getting traffic to websites and they can easily get thousands of visitors every day. However, unless this traffic is targeted, the visitors will probably not be interested and purchase the product or service. In contrast, targeted traffic is traffic that reached a website thanks to an interest in the product or service offered. Targeted traffic is when the audience reads an ad for a product or service that a brand is promoting on its website and they are actually interested in purchasing that product, and so they click this link to go to the company's website.

One of the biggest advantages that advertising through Social Media can offer marketers is the ability to specifically target customers based on a variety of different factors. Social Media sites are storing all kinds of data on their users, such as age, gender, geographical location, interests, and many other pieces of information. Consequently, these data can be used to reach the company's target audience. Therefore, marketers can deliver marketing messages directly to the people who are the most likely to notice them and click on them.

Besides, search engines love Social Media. Most top search engines are paying significant amounts of attention to Social Media channels because they are interactive and provide real-time data. When one Social Media page or profile, such as a company's blog, gets the number one spot on Google, it will boost the traffic to the company's website. Social Media can generate high quality incoming links back to the websites just because trusted Social Media channels tend to get fast listings. Blogs for instance are really important for boosting traffic on the websites. According to Hubspot (2012), companies that blog have 55% more website visitors, as Figure 14 illustrates.

Figure 14: Influence of blogs on the number of website visitors for companies



Source: Hubspot, 2012.

All the traffic generated from Social Media channels can improve the consumer's perception of the brand. People trusts company more when they are being referred from people they know. Social Media is all about building trustworthy relationships. Businesses can get traffic straight from the content they publish on their Social Media pages and from the people who have read the content, like it, share it and talked about it online.

### 4.3. Leads generation

61% of US marketers have admitted that the main reason why their company has implemented a Social Media strategy is to increase lead generation (Hubspot, 2012). Leads are defined as potential customers or sales prospects. With the millions of users connecting everyday on the different Social Media sites, every business is bound to have some prospective customers somewhere on these sites. But how are businesses supposed to find these potential customers? It is quite simple. Every person who likes the Facebook page of the company, or follow the Twitter profile is a potential customer. Therefore, by gaining more and more followers online, brands can raise their chances of generating new customers. The challenge is to encourage people to visit the companies' Social Media sites and once they are there, companies need to create enough value for them to hang around. In order to make the visitors hang around, the company's Social Media Sites need to present the company efficiently and to make some connections with the users, sharing valuable

content, offering useful information and answering any requests or critics. Also, the personality of the brand needs to expressively high lightened on the Social Media sites. Once the visitors feel interested by the brand, then only, they will become valuable leads.

Again, blogs seem like an extremely appropriated tool to generate leads. Indeed, companies can post blog entries offering valuable information to the visitors and thus, foster their interest in the brand's products and services. According to Hubspot (2012), B2C companies that blog generate 88% more leads per month than those who do not, and B2B companies generate 67% more. Therefore, there is no doubt that any business implementing a Social Media Marketing strategy will benefit of leads generation.

#### **4.4. Market Insights - Research and competitor monitoring**

Besides, Internet and Social Media has completely transformed the way market research and competitor monitoring is being accomplished. Thanks to the amount of data left in the archive of the Social Media channels, information about the target audience and the competitors is easily accessible. Therefore, Social Media highly facilitates market insights.

On the one hand, Social Media channels offer the opportunity to spy on competition. Any brand can watch and read closely what is taking place on its competitors' website, blogs, and Social Media sites. Competitive benchmarking is an important part of any Social Media strategy. Each brand has its own strategies, goals, and execution tactics. However, brands and their competitors are usually striving to reach and engage with the same consumer database. Many tools exist to help marketers analyze what their competitors are doing. First, it is worth examining how active the competitors are on their Social Media sites every day: how many sites they have created, how many sites they are updating, how they are posting, how often, and more importantly, how the people are reacting to their posts. On LinkedIn for instance, it is possible to see how many employees a company has, how many followers they have, which products and services they are offering, and even through which networks both companies are linked together. Then, marketers can set up Google Alerts in order to get a message every time a specific word is being used on the Internet. This free service provided by Google, helps monitoring the competitors by allowing marketers to see what their competitors are appreciated for, and what they receive complaints for. Also, this

technique is a perfect way of discovering where the audience is and which Social Media strategies are working. Marketers get valuable information from setting up keywords such as the competitors' products, executives, brand name variations... Alerts will provide insights into programs, tactics and strategies. It will help the brand to differentiate itself and stay ahead from the competitors. Many other tools are available for marketers such as Hyper alerts, Twitter Search or Social Mention. The use of Social Media to research competitors provides valuable information for any business looking to implement a smart Social Media Marketing strategy. Understanding the competitors' activities offers insight into which strategies are successful and which strategies are not, and thus helps driving decision making without the expense and risk of trying them first. Additionally, finding out how consumers feel about a brand, its product and services when compared to its competitors that are offering similar products and services help the business to strengthen the features that customers like, and make alterations where they feel that the company is lacking, when compared to the competition.

On the other hand, the data available on the Social Media channels also directly concerns the target audience. Indeed, analyzing the data of the people interaction on the Social Media channels provide marketers with demographics and behavior characteristics of their consumers. Although marketers may not have the ability to control what goes on with Social Media, they can definitely learn from it. They can study what is taking place and learn from it. Social Media can thus be compared to one big ongoing focus group that provides constant insight into consumer perceptions on brands. It helps understanding the target audience, its characteristics, and its needs and expectations. This information influences the Social Media marketing strategy of the company, helping to improve it. Marketers will use the best marketing techniques and design the most adequate marketing message to reach directly their target market. Finally, Social Media channels offer the opportunity to test the marketing campaigns and gather feedbacks before spending the money on trying to reach the target market as a whole. This will help the company getting a better understanding of what will reach the target audience more effectively. In summary, Social Media Marketing does clearly offer many opportunities to businesses in regards to their market research, whether it is aiming at competition monitoring, marketing strategies testing or target market understanding.

#### 4.5. Customer interaction – Customer service and feedbacks

Likewise, Social Media channels represent a wide interactive dialogue between brands and their current and prospective customers. Through the Social Media Sites, consumers are able to leave feedbacks and share their opinions, but they can also request help and support. The communication is valorized and often foster relationships between companies and their customers. Marketers can have a direct conversation with precisely the individuals who are purchasing their products or services, or who are currently looking for what they have to offer.

On the companies' blogs, pages and profiles, customers can leave feedbacks, expressing their true thoughts and feelings about a company and its products and services. Thanks to this communication, marketers get the opportunity to answer these thoughts, but also to educate the customers. These opinions help brands to improve their customers' experience. Feedbacks may include general opinions of the brand, experiences trying the products and services, convenience with the buying process, and even the way that consumers feel about the look and usability of the company's website. Through these feedbacks, marketers can find out if the company is meeting or exceeding the expectations of its customers.

Of course consumers can leave negative opinions. Negative word-of-mouth can expand really quickly with the Social Media channels. However, if the business has a real Social Media Marketing strategy, then it will see it as an ability to monitor public perception of its brand, products and services in real time. If a negative opinion goes viral through Social Media's worldwide interconnected platforms, marketers have the opportunity and responsibility to provide a quick and effective response. The aim is to listen, discover and resolve problems rapidly before they spin out of control.

By offering such a quick, efficient and personalized customer service, consumers will appreciate it and feel different. Strengthening the customer service online is also a way of presenting the brand, products and services in a more human, interactive way. It offers a human face in the form of a social spokesperson, with person-to-person conversations which build trust in the company's authenticity and professionalism. Therefore, a personalized experience through the solvation of an issue will foster customer engagement, loyalty and



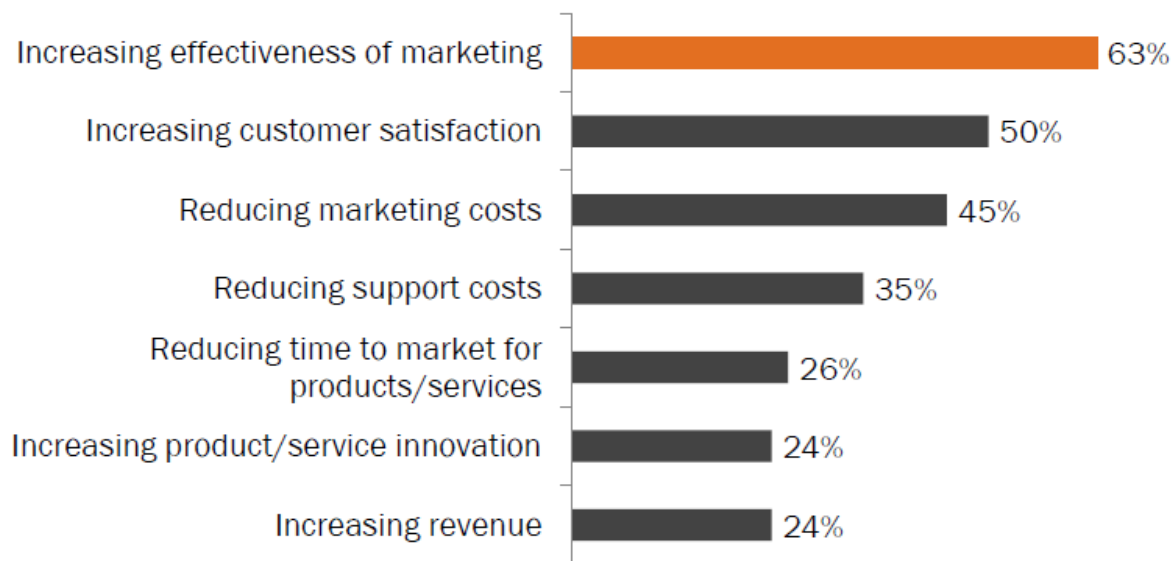
trust. Finally, this customer interaction on the Social Media platforms is also indirectly reducing costs, as the online community might as well help answering the problems, and the cost per interaction in customer support is definitely cheaper through the Social Media sites than using telephone or email support.

#### 4.6. Cost-effective Marketing Technique

Social Media Marketing is a promotional tool that does not need high advertising costs or an extremely high amount of time. It is a strategy of doing good and costless business marketing. If a company is aware of where its target audience is interaction in the Social Media landscape, a small investment is enough to get a Social Media strategy started and the returns can be amazing.

Actually, Hubspot's report (2012) explains that 63% of companies using social media say it has increased marketing effectiveness among other benefits (Figure 15).

Figure 15: Benefits of using Social Media for companies



Source: McKinsey Global Institute, 2010; in Hubspot, 2012.

Besides, when looking at Inbound Marketing in general, which includes Search Engine Optimization as well, the costs are reduced by 61% (Figure 16) per lead compared to outbound marketing (direct mail, telemarketing and tradeshow).

Figure 16: Cost of Inbound Marketing vs. Outbound Marketing

OUTBOUND:  
AVG COST/LEAD: \$346



INBOUND:  
AVG COST/LEAD: \$135



Source: Hubspot, 2012.

Social Media Marketing guarantees relatively low costs, effectiveness and measurability. Besides, Social Media encourages short-term success when looking at increasing exposure and targeted traffic for instance. However, Social Media optimization will also offer long-term results such as building trusted relationships with the customers.

#### 4.7. Public Relations and Human Resources

Finally, another important benefit for businesses implementing a Social Media strategy is concerning the domains of Public Relations and Human Resources. Public Relations specialists were some of the first people to embrace the power of Social Media. They use it every single day to get the word out about clients, to communicate with customers and to respond to questions or problems. Anybody can now connect with people in their industry, impress them with their professionalism, and gather information that can directly help them in their professional career.

Using the social network LinkedIn for example is a valuable asset for businesses aiming at building a professional network. Business-to-business companies might easily find prospective customers, while any type of business can use LinkedIn to look for employees, posting job alerts and connecting with future potential employees. Other examples of professional Social Networks are Viadeo, Ryze, Meettheboss or Focus.com.

Social Media supports the recruitment system in many ways. It helps searching for new candidates, keeping in contact with them, advertising specific jobs, advertising to build company profile, building talent pools, building employer brand, graduate recruitment, but also providing an online application process for selection. Therefore, the new term Social Recruiting has been developed in order to define the process of recruiting candidates through the use of Social Media platforms as promotional and advertising channels by employers.

Public relations and social media are both about creating and fostering relationships. Professional networking has been made exponentially easier with social media. Nowadays networking represents the ability to tap into hundreds of relevant connections with just the click of a button.

#### **4.8. Summary of the Social Media Marketing benefits for businesses.**

As a brief summary of this section, Table 1 provides a structured summary of the main Social Media Marketing benefits for businesses organizing them into the main functional areas of businesses, which are marketing, customer support, research and development, finance, public relations and human resources.

Table 1: Summary of the benefits of Social Media Marketing for businesses

FUNCTIONAL AREA	BENEFITS
<b>MARKETING</b>	<ul style="list-style-type: none"> <li>• Increased brand exposure</li> <li>• Build awareness</li> <li>• Brand reputation management</li> <li>• Increased targeted traffic</li> <li>• Improved Search Engine Optimization</li> <li>• Leads generation</li> <li>• Reduced marketing costs</li> </ul>
<b>CUSTOMER SUPPORT</b>	<ul style="list-style-type: none"> <li>• Customer interaction &gt; Feedbacks</li> <li>• Real-time and personalized support</li> <li>• Improved customer experience</li> <li>• Increased customer retention and loyalty</li> <li>• Reduced support costs</li> </ul>
<b>RESEARCH &amp; DEVELOPMENT</b>	<ul style="list-style-type: none"> <li>• Market insights on target audience</li> <li>• Competitor monitoring</li> <li>• New ideas captured from community</li> </ul>
<b>FINANCE</b>	<ul style="list-style-type: none"> <li>• Cost effective</li> <li>• Reduce costs in marketing, customer service and recruitment</li> </ul>
<b>PUBLIC RELATIONS</b>	<ul style="list-style-type: none"> <li>• Communication in real-time</li> <li>• Increased brand exposure</li> </ul>
<b>HUMAN RESOURCES</b>	<ul style="list-style-type: none"> <li>• Business networking</li> <li>• Facilitated recruitment</li> <li>• Reduce recruitment costs</li> </ul>

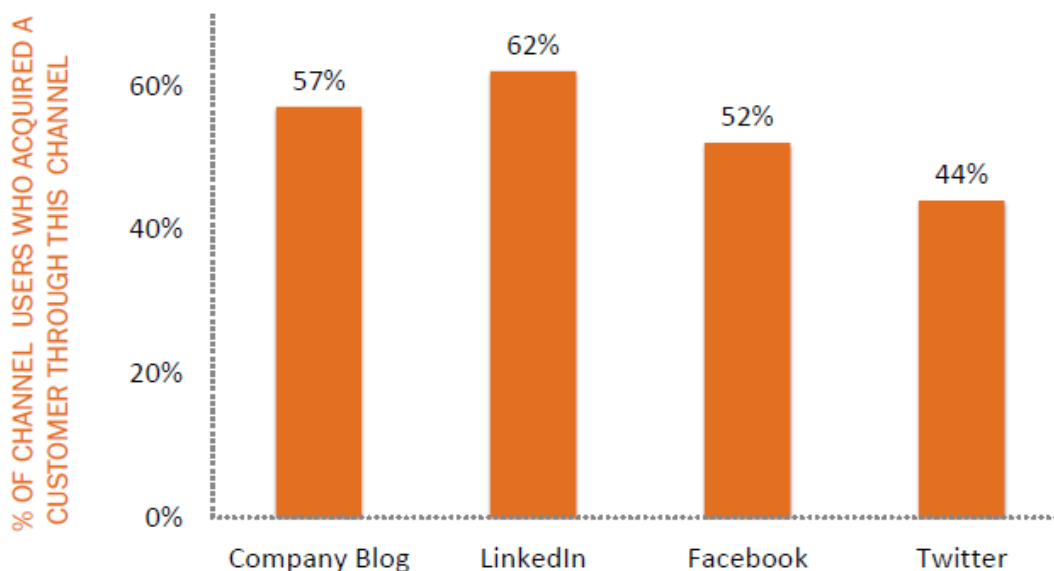
Source: Own Creation, 2012.

## 5. Empirical analysis: Social Media Marketing channels

Social Media Marketing is not always easy, quick or cheap. As Evans L.L. underlines it in her book (2010), Social Media Marketing involves research, strategy, implementation, team's implication, networking, conversing and measuring. For any type of business, it exist at least one or several appropriated Social Media channels to use.

In general, Social Media networks and blogs are the Social Media channels the most effective at generating real customers (Figure 17).

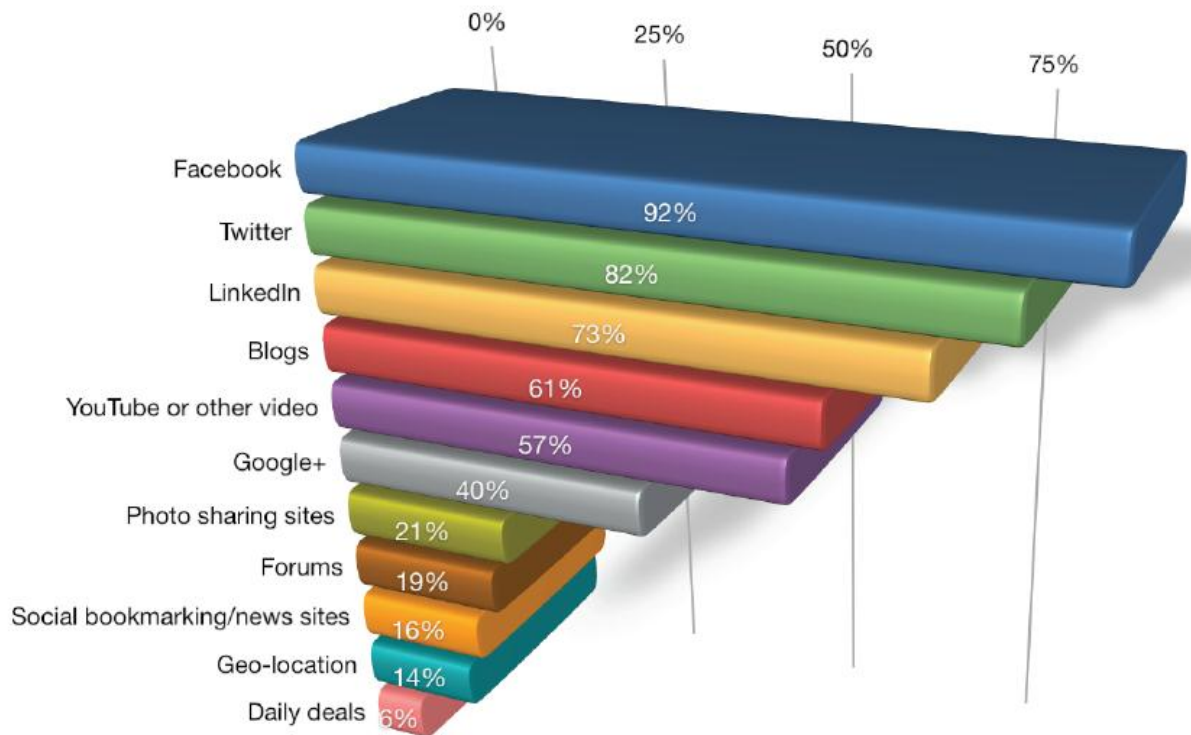
*Figure 17: Percentage of channel users who acquired a customer through Social Media channels*



Source: Hubspot, 2012.

However, as we have seen in our section presenting the concepts of Social Media Marketing, many different types of Social Media channels exist. Figure 18 shows the most commonly used Social Media tools (Hubspot, 2012). Each of them has its own characteristics, its own advantages and disadvantages, and its own powerful results for businesses. In the upcoming section, we will study each type of Social Media channels: the Social Networks, the Blogs and Microblogs, the Media Sharing platforms, the Wikis, the Social Bookmarking Sites, the Forums, and finally, the Social Events.

Figure 18: The most commonly used Social Media tools



Source: Hubspot, 2012.

## 5.1. Social Networking

Social networking is the grouping of individuals into specific group online. When it comes to online social networking, the websites commonly used are called Social Sites. They work like an online community of internet users, regrouped depending on their shared common interests in hobbies, religion, politics and alternative lifestyles. Social Networks foster collaboration, can replace intranets and corporate directories, and can promote non-email conversation channel, creating thus a forum where conversation flourishes based in part on experiences with the products and services that businesses sell. Also, they amass like-minded people around shared interests with little external force, no organizational center, and a group sense of what is important and what comes next. Online communities spread globally, while managing to retain regional culture and behaviors. Social Networks contain lots of information about prospective new hires, customers and competitors. Actually, they are a valuable source of prospecting and lead-generation information for sales and marketing. They can be whether Personal-oriented, like Facebook and Google+, or Professionally-oriented, like LinkedIn.

### 5.1.1. Facebook Pages

Facebook was founded in 2004 by Mark Zuckerberg, with the mission “to give people the power to share and make the world more open and connected”. With more than 845 million monthly users at the end of December 2011 and more than 50% of the active users logging on to Facebook any given day (Facebook, 2012), Facebook recently overtook Google as the most visited site in the world, with one out of every seven minutes online spent on Facebook. It has definitely acquired a massive and highly engaged audience. The site is available in more than 70 languages and more than 75% of users are outside of the United States. In the United States, 93% of adult Internet users are on Facebook (Hubspot, 2012). The average Facebook user spends approximately seven hours per month on Facebook. Regarding the online activity, more than 2 billion posts are liked and commented on per day. After eight years of existence, Facebook has undoubtedly proven its power to help people communicate more efficiently and has become a powerhouse of marketing activity due to the wide number of engaged users on the site and the simplicity of connecting them directly.

On a business perspective, Facebook can be extremely useful in finding new customers, building online communities of fans, and digging into gold mines of demographic information, through the use of Facebook Pages (Image 1). Indeed, thanks to its wide range of applications available (Appendix 3), Facebook pages have many various benefits for SMEs, including increasing brand exposure, targeted traffic and customer interaction. Facebook Pages represent the public face of a brand.

Image 1: Facebook's Facebook Page



Source: Facebook, 2012.

### 'About' Tab:

With the new Facebook Timeline, Facebook Pages can now illustrate wide marketing opportunities thanks to amazing visual displays such as the cover photo. Then, the 'About' tab needs to include a complete description of the company and the best Search Engine Optimization. The most important element of the 'About' tab on Facebook Pages is the 'About' section, because it appears not only in the tab itself, but also on the main Facebook Page just underneath the cover photo. Moreover, this 'About' section is the part that Google and most over search engines looks at first, and thus, it defines how well the Facebook Page will be ranked on the Search Engine. Therefore, it is really important to include directly a link to the company's website in this section, as well as all the main keywords best used to describe the company, its products and services, and its branded message. Another



important tool for a better Search Engine Optimization is to put links to the company's website in each section where it is possible. Also, it is highly recommended to fill out as many sections as possible in order to provide as much information on the company as possible. The following Table 2 shows a list of all the sections available in the 'About' tab of any company page on Facebook, with a short summary of what should be included under each section.

*Table 2: Recommendations for company's 'About' tab on Facebook pages*

<b>Name of the section</b>	<b>What to include</b>
Category	Choose one from the list provided
Community Page	Link to any existing Facebook community page related to the Page
Sub-categories	Choose up to 3 sub-categories to better describe the business
Username	URL to create after having at least 25 likes - Important for SEO
Address/City/Postcode	Provide correct information to be linked automatically with Google map
Name	Name of the Facebook page – less than 75 characters
Creation	Date of creation of the company
About	Link to website + text with keywords for SEO
Description	Overview of the company
Mission	Company's mission and objectives + links to website
Rewards	List of any recognized rewards received by the company
Products	List of the products and services offered by the company + links to website
Website	Links to website and any other Social Media Sites
Email	Email to contact your company for any further information

Source: Adapted from 'Facebook Social Media Package: The Steps', own creation, 2011.

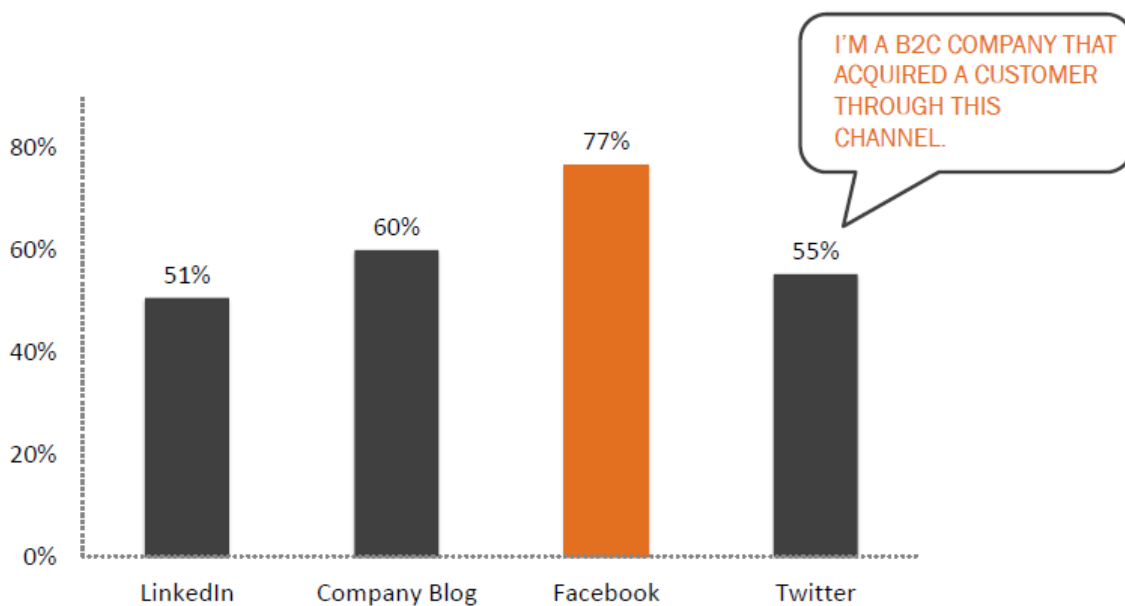
### Applications

After acquiring the appropriated pictures and 'About' tab, a Facebook page should definitely take advantage of the powerful marketing tools offered by the applications that Facebook developers and external developers have created for the businesses' benefit. Major used applications include direct links to websites, contact forms, newsletters subscription forms, YouTube channel application, Tweets to Pages application, blog syndication, and Static iFrame applications, which can contain any text of images like basic internet pages.

In essence, Facebook is the brand's window, a mixture of an online fan club and a publicity department, working together to showcase and engage with their prospective and existing customers. Facebook Pages are easily found by both new and existing customers. A Facebook Page can have unlimited fans and will get picked up by search engines easily, creating even greater brand visibility. To sum up, brands are embracing Facebook because of its effectiveness in creating a sense of community, and its ability to consistently reach the fans.

Regarding Business-to-Customer companies, Facebook drives them the most conversions (Figure 19) (Hubspot, 2012). Also, with the new Facebook Timeline, brands get a 46% increase in user engagement and a 65% increase in interactive content. The ratio of sharing on Facebook is really good as any news feed which is viewed by 9 persons, will be shared once.

Figure 19: Which Social Media channel do B2C companies acquire customer on?



Source: Hubspot, 2012.

With the help of notifications, the convenient and simple Facebook platform allows the ease and swiftness of communication. Besides, accessing Facebook with mobiles has become an increasing phenomenon. Users can share opinions, join groups, hold events and participate in contests conveniently. Regarding brand exposure, users might be exposed to a Facebook Page by their friends, and thus get easily connected. Also, the advertising platform on Facebook can be extremely useful at increasing brand awareness significantly while

targeting directly the audience concerned. On the whole, 51% of US B2B marketers agree that Facebook is an effective marketing tool (Hubspot, 2012). Social Media exposure and engagement can be measured by tracking the total number of fans that “like” the company’s Facebook Page. Also, with the Facebook Insights section, Facebook offers many tools to analyse the interaction and growth of the fan base. Facebook company pages are often even better ranked on search engines than the companies’ websites.

For companies intending to create a professional online portfolio for networking purposes and to attract future employers, Facebook will definitely be a useful channel, if the content published is managed properly. Besides, for advertising purpose, Facebook can help spreading the word as advertisements would appear only to the target audiences that have indicated their interest in the Facebook Page.

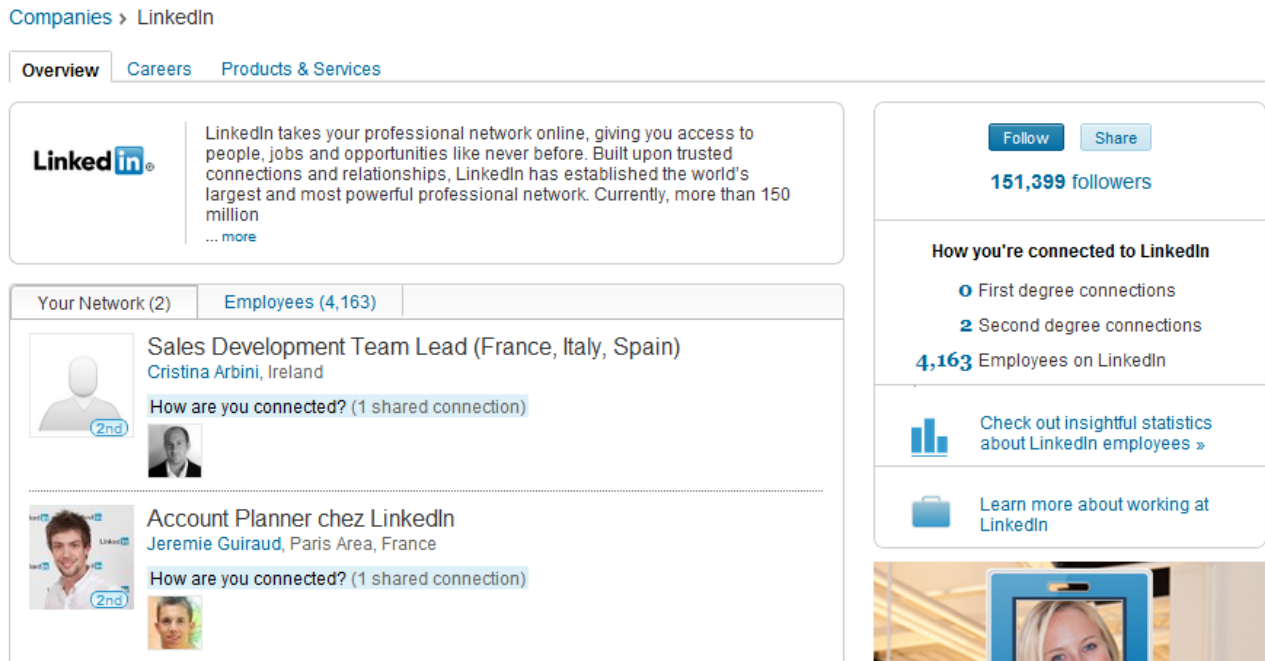
Finally, utilizing Facebook within a marketing strategy, companies will have the opportunity to build relationships with their prospective and existing customers. Facebook also encourages traffic back to websites and provides the valuable opportunity to get found by prospects that might not otherwise have learned about the company in other more traditional methods. At last but not least, nothing draws a crowd like a crowd. And, Facebook is definitely the crowd.

### 5.1.2. LinkedIn

LinkedIn was founded in 2003 by Reid Hoffman as a social networking site for professionals (Gratton & Gratton, 2012). As of February 2012, LinkedIn has over 150 million professionals connected around the world (LinkedIn, 2012). Also, more than 2 million companies have created LinkedIn Company Pages (Image 2) in order to increase their brand awareness. LinkedIn’s slogan is “Relationships Matter”, which is very appropriate to the network. Believing that people relationships is a valuable asset, LinkedIn serves to help individuals and companies to build and maintain them. The main purpose of LinkedIn is to allow registered users to maintain a list of contact details of people they know and trust in business, creating a professional relational network. People included in a LinkedIn network are called connections (Gratton & Gratton, 2012). Connections are useful to expand previous professional connections (called second-degree or third-degree connections), to find professional opportunities recommended by the connections, to list jobs and opportunities

of a company and seek career opportunities, to search for companies, products and services transparently, and to share news about a company.

Image 2: LinkedIn's Company Page on LinkedIn

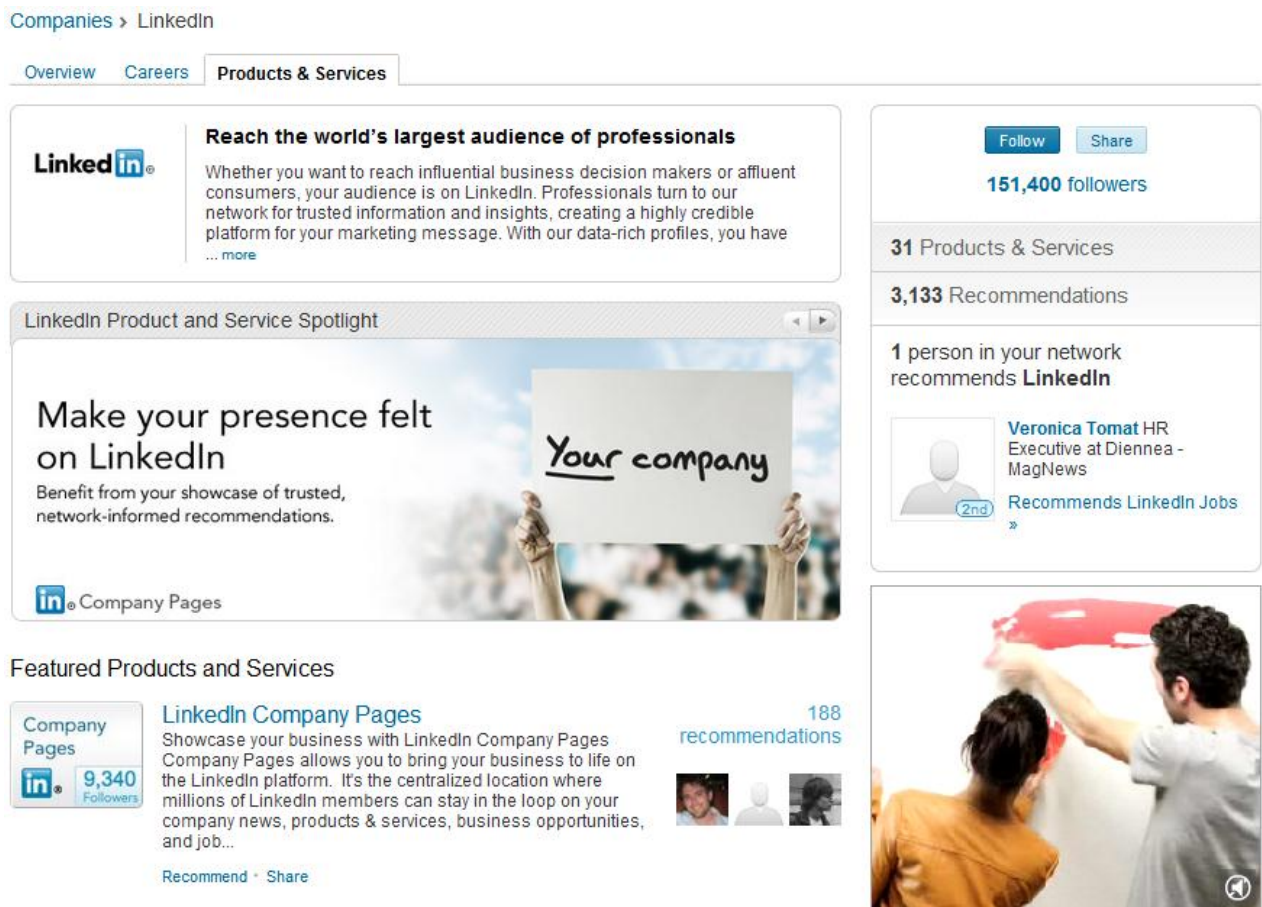


Source: LinkedIn, 2012.

### Company Pages Features

In the overview tab, the logo of the company is usually added as profile picture. Also, a description of the business is introduced and additional information is provided in the required fields, including the type of company, number of employees, link to the website, industry area, foundation year and headquarters address. Also, the network of employees can be fulfilled with the employees connected on LinkedIn. Then, the Products & Services tab (Image 3) can be completed with a global presentation of the services provided by the company and a more detailed presentation of each of the main areas of products and services. Each of these chosen areas has its own page which includes a product overview, a disclaimer, any recommendations added directly by customers, links to the website and to contact the employees about the product. Finally, the greatest part is definitely the possibility to add three banners, each one with a direct external link.

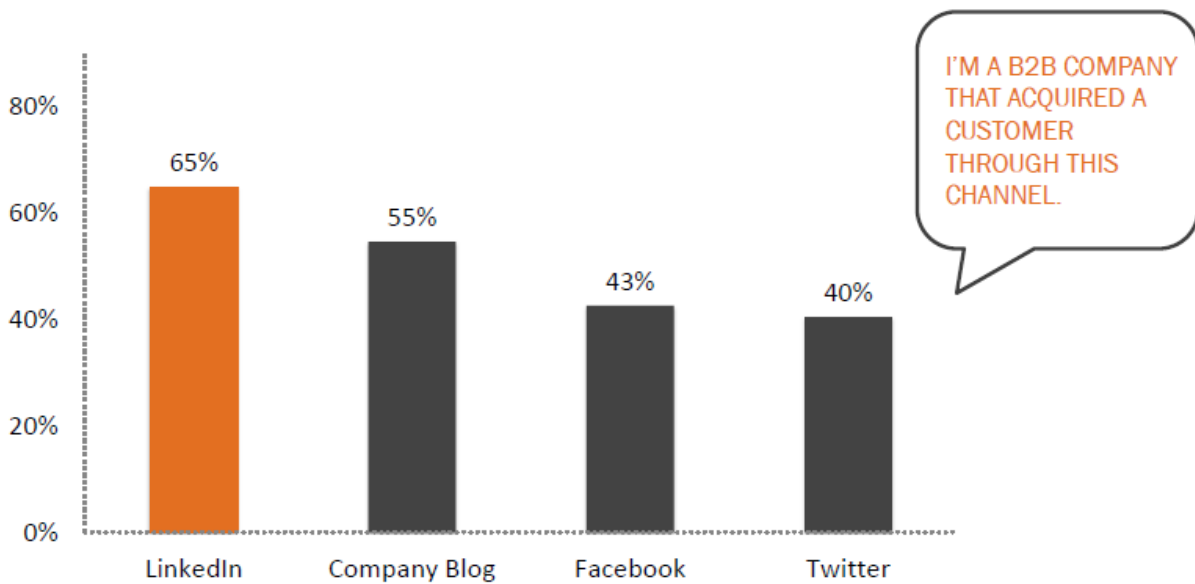
Image 3: The Products & Services Tab of LinkedIn's Company Page on LinkedIn



Source: LinkedIn, 2012.

LinkedIn seems like the best social networking site to market business-to-business products and services. Indeed, Hubspot's analysis shows that (2012), LinkedIn drives the most customers to business-to-business companies (Figure 20).

Figure 20: Which Social Media channel do B2B companies acquire customer on?



Source: Hubspot, 2012.

A free feature called Answers exists on LinkedIn. Similar to a forum where users can post questions and contribute their related opinions or solutions, companies, showing their brand identity, can use it to answer enquiries related to their industry and to demonstrate their expertise. Also, LinkedIn Groups is a searchable feature that enables users to make new business relationships by joining alumni, industry, professional, or other relevant groups. They can be created in any subject and by any member of LinkedIn regrouping people with similar expertise and interests connect, share information, and collaborate on projects.

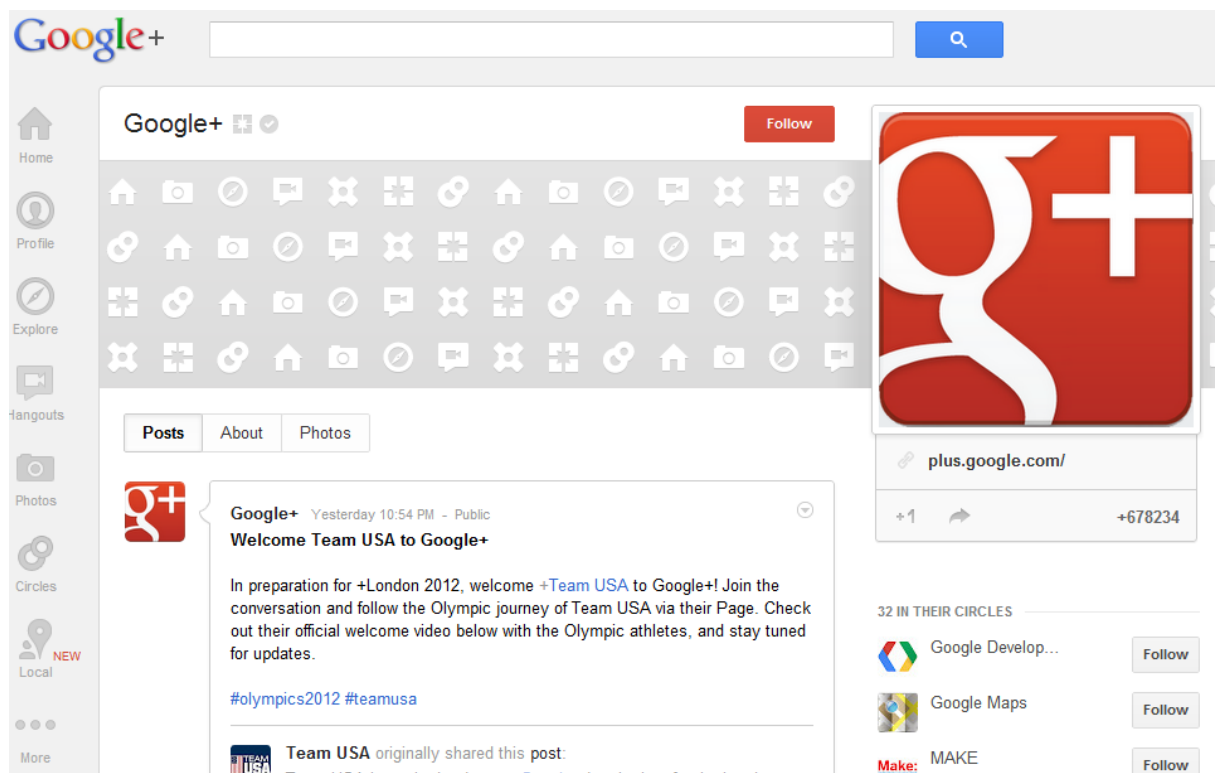
Finally, we can affirm that LinkedIn is definitely a social network when implementing a Social Media Marketing strategy. LinkedIn is particularly useful for business-to-business companies because it enables them to develop and maintain an extensive professional network. Also, LinkedIn is an extremely advantageous tool for the Human Resources department of any company, offering job recruiters a platform to seek for passive yet qualified job candidates and to match them to the right job or profession. On the whole, Social Media marketers often overlook the powerful resources that LinkedIn has to offer. LinkedIn can be very valuable without needing constant activity. Once the Company page is created, it remains a strong professional presence, representing the business effectively with minimal input. LinkedIn Company Pages offer detailed overview of the companies with great branding possibilities, careers opportunities, products and services detailed descriptions,

and pages' analytics, providing great sources of marketing tools for any company to promote its brand, its products and services, and its message.

### 5.1.3. Google+

As Google's new baby, Google+ is a new social network connecting people together in the same way that Facebook does. Google+ was created in 2011 and is therefore still difficult to evaluate. However, Google+ Pages (Image 4), closely similar to Facebook pages, have already been launched and must be part of every small business' marketing strategy, as it obviously provides extremely good ranking on the Google search engine.

Image 4: Google+'s Page on Google+



Source: Google+, 2012.

Although Google+ Pages currently offer an 'About' section as well as photos albums, posts features and a valuable recommended links, they are still not open to external developers and thus, do not offer the variety of applications that Facebook does and the powerful marketing tools that every small business is looking for. The opportunities offered on the brand new Google+ pages being extremely limited, the main steps that any business should undertake are: uploading of profile picture and additional pictures linking to other

Social Media sites, and entering an overview of the company, contact details and recommended links going directly to the company's website.

However, Google+ seems not to have the success expected. Indeed, in January 2012, the average user spent only three minutes per month on Google+, compared to 405 minutes on Facebook (Hubspot, 2012). Google+ has been around for several months now, but most companies are not using the social network to its full potential. So, why should businesses use Google+?

First, as mentioned previously, Google+ is indexed by Google. Therefore, it can help customers to find a business faster and easier, and thus to increase the brand's visibility. Then, Google+ offers a very clean experience. Indeed, sharing posts and ranking people's posts and comments is very easy. Also, personalized circles offer the opportunity to choose who to follow and who not to follow. Furthermore, Google+ only has over 90 million members, but it is growing rapidly and more than  $\frac{3}{4}$  of them engage on a weekly basis. Finally, as every social network, Google+ offers the opportunity to educate followers, to engage in customer service, to build a community and to share media and valuable information

## 5.2. Blogging & Micro Blogging

### 5.2.1. Blogging

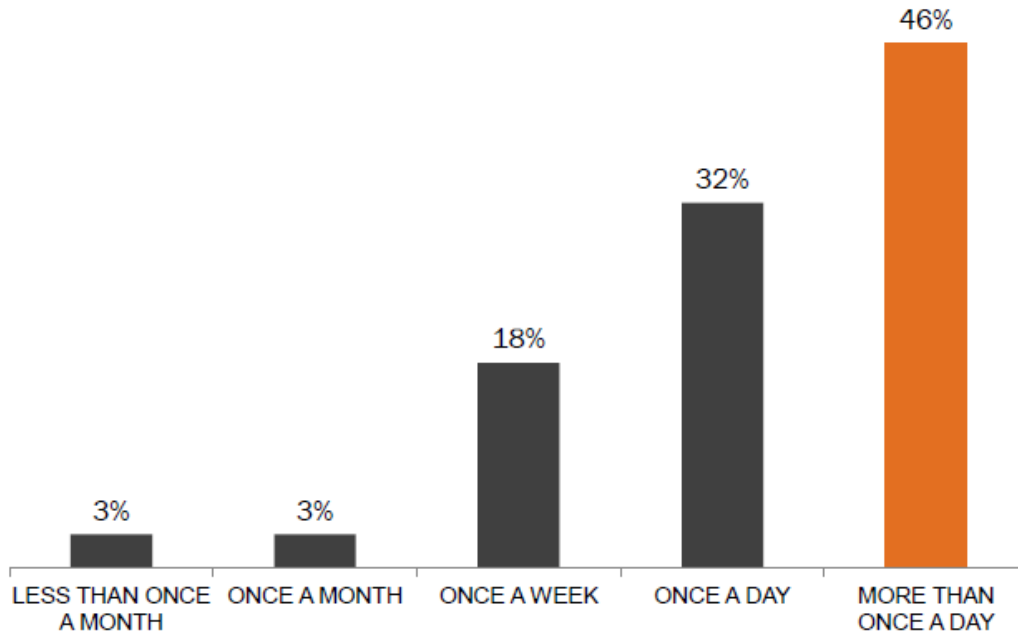
Blogs are journal published online consisting of entries, called posts, usually displayed in reverse chronological order so that the most recent post appears first. For businesses, the blogs used for marketing, branding, promotion or public relations purposes are called external corporate blogs. Corporate blogs may be written primarily for consumers or primarily for other businesses. These blogs are typically aiming the same goals as press releases, even if they can be less formal. They can announce the launch of new products and services, explain policies, or offer valuable information about the company's industry.

Through the years, blogs keep growing in terms of volume and value as well. Hubspot (2012) has estimated that there are 152 million blogs on the Internet. Also, the number of blogger has increased of over 31% in only three years. The most famous blog platforms are Blogger, TypePad, Tumblr and WordPress. Besides that, the global population of blog



readers continues to grow, with 55% of daily internet users reading blogs at least monthly, compared to 45% in 2008. Most people reads blogs more than once per day (Figure 21).

Figure 21: Percentage of people reading blogs



Source: Hubspot, 2012.

Blogs allow chronological organization of thoughts, status and ideas. They foster conversation, sharing and creating and allow bloggers to speak their mind and share their thought processes with the rest of the world. Usually, blog readers are able to comment and share the blog posts, but this feature can be disabled by the bloggers to avoid negative comments, in case they cannot react immediately. Marketers might find product evangelists or influencers among the audience of their external corporate blog. If they do, they may treat them particularly, offering them some exclusive service, but also asking them for feedback on previews, product testing, marketing plans...

Blogs are personal, interactive, multimedia, and usually free and easy to use, which make them a great and accessible asset for any businesses. Besides, they bring credibility to a company's basic website, interaction with the target audience in a more personal way. However, maintaining a popular blog is definitely a full-time job. Creating the content to be published regularly in the posts, respecting every political situation, but also managing the comments and offering quick and effective reactivity to the readers' requests, can be extremely time-consuming. Nevertheless, it is worth trying. Blogs provide interactive

content, which is the best way to attract the search engines and get the best rankings for Search Engine Optimization. Consequently, being ranked well on the search engines will enhance the traffic to the company's website, and thus the brand awareness. Also, if a blog is active on Facebook, Twitter and Google+, then the website will surely get improved ranking as well, especially with Google+, which has become the major influential social site for better ranking in search engine, thanks to its appurtenance to Google.

Moreover, it is important to test the effectiveness of the posts and how they reach the target audience in order to know which type of posts are the most appropriated, when they are more read and how regularly they should be published because the blog frequency impacts the customer acquisition. Indeed, the more a business blogs, the more customers will be acquired through the blogs. Also, morning is the most popular time to read blogs, share links and comment on blogs. Blog articles directly influence purchases.

### 5.2.3. Micro Blogging – Twitter

The traditional blog features posts by its author that are typically between 400 and 1000 words long, while the typical microblog entry or posting is much shorter. The most frequented microblog platforms are Twitter and Facebook's status updates feature, but there are more than 111 microblogs worldwide, according to Wikipedia. As Twitter is largely dominating this Social Media channel, the following section will focus on its characteristics and benefits.

Twitter was created by Jack Dorsey in 2006 with the idea to develop a short message service online (Appendix 4). It has become the most popular microblogging system that enables users to send messages of 140 characters or less. Initially there was no standard way on Twitter to reply or to track interesting conversations on a given topic. The @ reply and the # hash tag were created by the Twitter community itself, which meant that conversation threads developed and communities evolved along similar interests. It first started as a means to communicate within friends, family and co-workers and has evolved into a powerful social medium as a great and extremely fast way to disseminate information.

Everyone has heard of Twitter, but not everyone is using it yet. The average Twitter user has 27 followers (Hubspot, 2012). 25% of Twitter accounts have no followers, and 40% have never sent a single tweet. Twitter users are young, smart, affluent and tech-savvy. They

spend more time online, have higher incomes than the general population, are more educated and tend to be early adopters. More than one third of monthly Twitter users are 25-34 years old. However, more than one out of two active Twitter users follows companies, brands or products on social networks.

According to Hubspot (2012), 44% of marketers affirmed that they have acquired customers from Twitter, while only 57% of all companies that use social media for business use Twitter. Many businesses are capitalizing on the real-time news feed by using it as a news broadcasting, customer service and information tool.

For businesses, Twitter Profiles (Image 5) can include an overview of the company, contact details and links to the website, but they can also have personalized backgrounds which are powerful branding tools. Also, tweets can be used to share blog entries or any information, and can include direct links to the company's website.

Image 5: Twitter's Profile on Twitter



Source: Twitter, 2012.

As a real-time information network with an average number of 50 million tweets sent per day, Twitter connects businesses to customers in real time, offering companies an easy way to share information with their target audience, gather market feedbacks and build relationships with customers, partners and influencers (Twitter, 2012). The amount of followers and how often the tweets are retweeted can be checked easily by the marketers. Twitter aims at a niche market which can be positive, but can also be seen as an access to a limited audience only. Also, Twitter can be time-consuming.

As a business, Twitter can be used to quickly share information, gather market intelligence and insights, and build relationships with people who care about your company. Besides, Twitter allows spontaneous interaction in real time, and thus Twitter clients on mobiles are getting popular and enables quick and easy communication. Marketers are able to track what people are saying about the company or its related business competitors. Furthermore, Twitter allows engagement with people in a viral way. Loyal and satisfied customers are regularly re-tweeting messages in order to share them with their friends and recommend them. Therefore, it will increase the brand exposure and generate some more leads. In addition, a good way to increase the traffic to the company's website is to tweet on the company's Twitter's profile the title and the link to every new blog posts. Twitter's powerful real-time search capabilities make it extremely attractive to a conventional search engine such as Google. On the whole, Hubspot (2012) lists the main reasons to use Twitter on a business perspective like following:

- Develop and promote a brand
- Interact with the target audience and customers
- Track what is being said about the company, its products and services
- Create a buzz around business events
- Encourage employees to act as a link between the company and its audience
- Promote any piece of content generated by the business (webinars, blog posts, and media sharing...)
- Develop relationships with bloggers for potential public relations placement

To conclude, getting started on Twitter is really simple. However, make it work in terms of measurable benefits for a business takes a bit more time and work. If a business

offers useful catchy and intelligent information for its target audience and customers, they will start following the business. Another way to attract Twitter users is to follow the people from the company's industry in order to reach the appropriated network. Twitter offers marketing, public relations and customer services opportunities for any business getting active on its Social Media platform.

### 5.3. Social Media Sharing Sites

As the famous expression says, 'a picture is worth a thousand words'. Adding a visual experience transforms the message into a quicker and more intimate relationship. Social Media sharing sites allow people to upload media such as photos, videos, audio or slide presentations to a website that can be accessed from anywhere in the world. Then, the content can be shared with the world or just a select group of friends. Besides, most media sharing sites also offer you the possibility to post it on other Social Media sites by embedding. Most Social Media Sharing sites have additional social features such as profiles, commenting and playlists.

Often, marketers use Social Media Sharing sites because it brings a huge emotional or practical value to sharing the companies' message with picture or video. Also, creating videos is usually quicker than writing a whole text. Besides, most Social Media Sharing sites get a big amount of traffic. Therefore, getting involved and building a following is a great way to attract potential customers.

Regarding businesses, there are three types of media that needs to be taken into account. First, photo sharing sites such as Flickr can be very useful for a brand. Also, video sharing sites like the famous and successful YouTube can be very convenient to post products and services' ads or customer support tutorials. Finally, regarding the slides sharing sites, Slideshare is a great asset for businesses having any presentations slides to share with their audience.

#### 5.3.1. Photo Sharing – Flickr

Photo sharing sites allow users to upload images in high quality and offer an online platform where they can be viewed by other people. On these sites, users are often allowed to license out their photos under certain common usage licenses. In other words, they can let other people use their images if they attribute it back to the owner and respect several

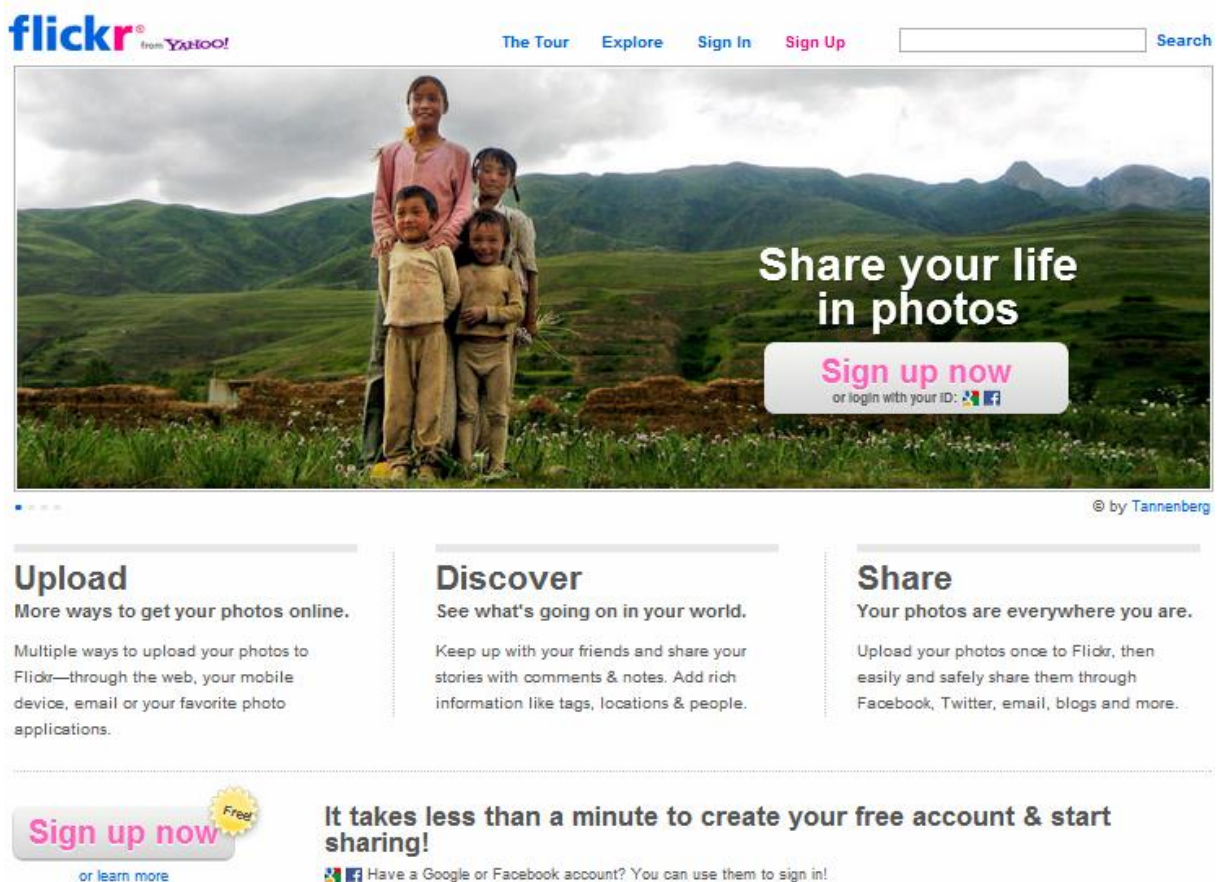
content restrictions. Some of the most popular photo sharing sites includes Flickr, ImageShack and Pinterest.

Flickr.com was created by Ludicorp in 2004 and purchased by Yahoo! in 2005. Nowadays, it seems like the best online photo management and sharing platform existing worldwide, with over 50 million registered members and 6 billion images hosted online. Users can upload photos of almost any file type, and Flickr will automatically convert them to the appropriate type and size for showing on the web. Descriptions can also be added and other additional information once the photos are uploaded. Also, photos can be arranged into albums. Besides, on Flickr, it is also possible to upload videos. Photos and videos can be accessed without being registered to the website. However, a Flickr account must be created in order to upload content, create a profile and connect with other Flickr members. Flickr (2012) affirms having two main purposes:

- Help people making their photos available to their friends and relatives
- Enable new ways of organizing photos and videos

For businesses, Flickr Accounts (Image 6) offer the opportunity to share content in real time. For instance, when a marketer is at a particular business event, he can upload directly some images of the event. The quicker the photos of an event can be uploaded, the more likely it is that people will use them to refer to, share with others and drive traffic back. Moreover, tagging properly is very important on Flickr. Indeed, tags help people find the images, so it seems very relevant to add the appropriated description keywords. Most people are searching for photos with particular tags. Besides, Flickr offer the ability to use the Flickr images for other websites and blogs. Members receive invitations for permission to reuse their photos and thus, it increases the brand exposure.

Image 6: Flickr Home Page



Source: Flickr, 2012.

Regarding the content itself, marketers can upload graphics relevant to their business for instance. Also, marketers should search for groups on Flickr that are related to the business industry and comment on other photos relating to that industry. As most Social Media channels, the most successful tactic is just to make contributions, sharing valuable media and connecting with the appropriated network. The credibility of businesses is gained through high quality non-marketing photos.

### 5.3.2. Video Sharing – YouTube

The most popular form of social media sharing sites is video sites. Social Video Sharing sites allow members to upload videos usually for free that can then be viewed by anyone on the website or embedded on another website or blog. Many of these sites have options for private sharing and other publication options. The most famous Video Sharing sites are Ustream, Video, Dailymotion, Veoh, Blip.tv and of course YouTube.

YouTube was launched in 2005 in California by three former PayPal employees (Gratton & Gratton, 2012). The Site showcases user-generated video content online. In 2006, YouTube was bought by Google for \$1.6 billion and has thus become a subsidiary of Google. Since 2005, YouTube offers billions of people the possibility of discovering, watching and sharing originally-created videos (YouTube, 2012). With over 3 billion videos viewed every day and 800 million unique users each month, YouTube has become the world's largest video-source platform.

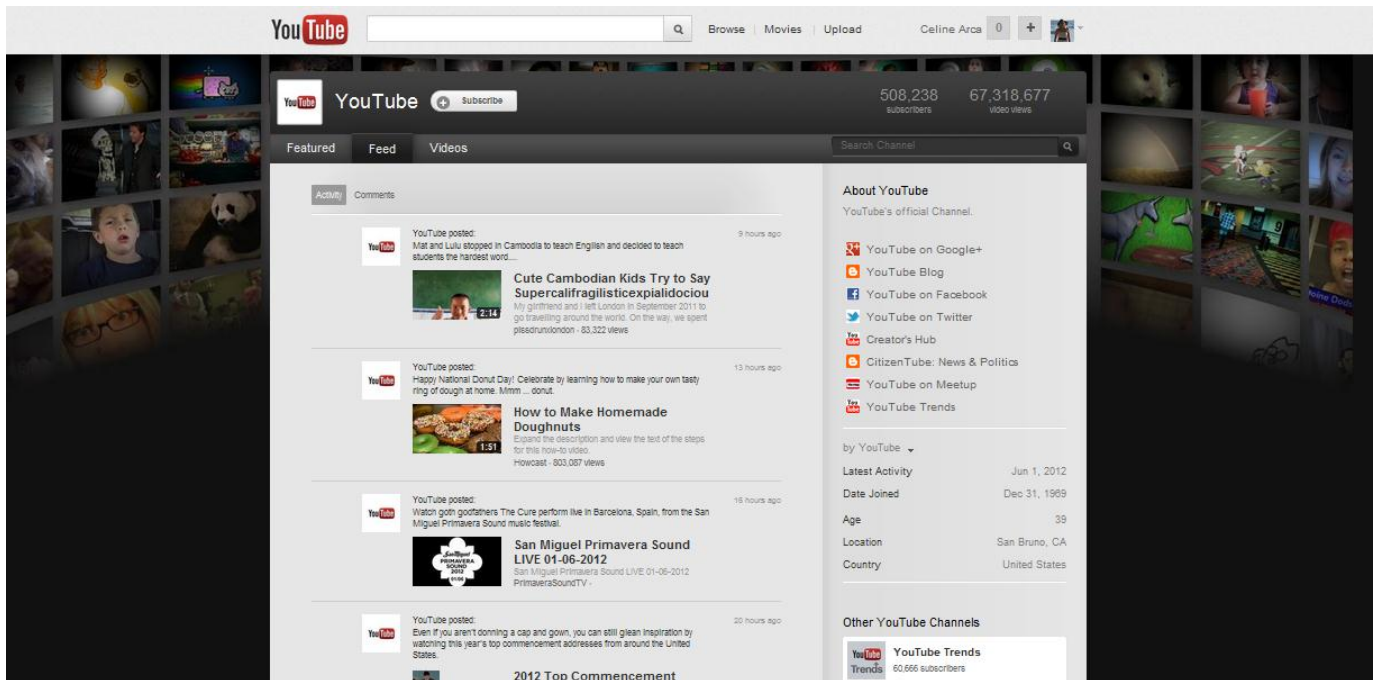
On Youtube.com, users may upload video files from their computer to their YouTube Account, called channel. The files uploaded can be of almost any type: .mov, .avi, .mp4, .wmv, .3gp, and many others. YouTube will automatically convert the file uploaded to the most convenient type for playing back on the Internet. It will also compress it to make it immediately playable without a long downloading time. Users can upload videos directly from their mobile phone for example, and they can use video editing software such as iMovie or Windows Movie Maker to add titles and do editing.

YouTube has such a massive audience that people have actually become worldwide stars after posted their videos on the website. Some of these Internet celebrities have weekly shows, often just involving them talking to the camera, which regularly get 500,000 views or more. Companies are also using YouTube as a way to create 'buzz' about their company by making a viral video that people share with all their friends.

For businesses, YouTube channels (Image 7) can be created in order to integrate the company's overview and contact details, including links to the website. They can also be personalized with backgrounds. Moreover, companies' brand awareness is increased through the upload of relevant videos such as presentations, products descriptions or advertisings, tutorials or even any "tips and tricks" useful videos. Data on views and subscribers can be tracked in order to measure the success of a video campaign. Also, it is important to stress the fact that YouTube is owned by Google and thus, any YouTube channel will be ranked very well on the Google search engine. Therefore, YouTube is a very powerful marketing tool for small businesses' SEO.



Image 7: YouTube's channel on YouTube



Source: YouTube, 2012.

YouTube enables marketers to connect with an audience like never before and without the huge budgets needed to support television-oriented efforts. Now businesses can freely share their expertise and knowledge using brains over budget to market and showcase products and services. The main strengths of YouTube are its youth audience, its rapid viral impacts, the fact that it is very easy to use and embed videos, the ability to share a business' creativity, and the general control over the message. Regarding disadvantages, the production costs of advertising videos can be relatively high, online videos are aiming mostly a young audience, and the market of online videos can already appear oversaturated.

On a business perspective, customers can now have access to valuable videos tutorials, explaining them how to use the products and services, or how to solve any issue. Therefore, it can be a huge gain of type for the customer service department of any business. Besides, thanks to its appurtenance to Google, the main benefit of YouTube is that YouTube videos are obviously ranking very well on search engines, especially on Google's search engine. In order to get the best results in Search Engine Optimization, marketers have to use the appropriated keywords and tags when adding information to their channel and to their videos. Furthermore, YouTube videos can receive feedbacks, comments and subscriptions, which are enhancing customer relationships. Finally, YouTube also enables

marketers to upload event presentations in a video format, so that people who did not attend an event can still watch the slides. A local event can thus have a global impact.

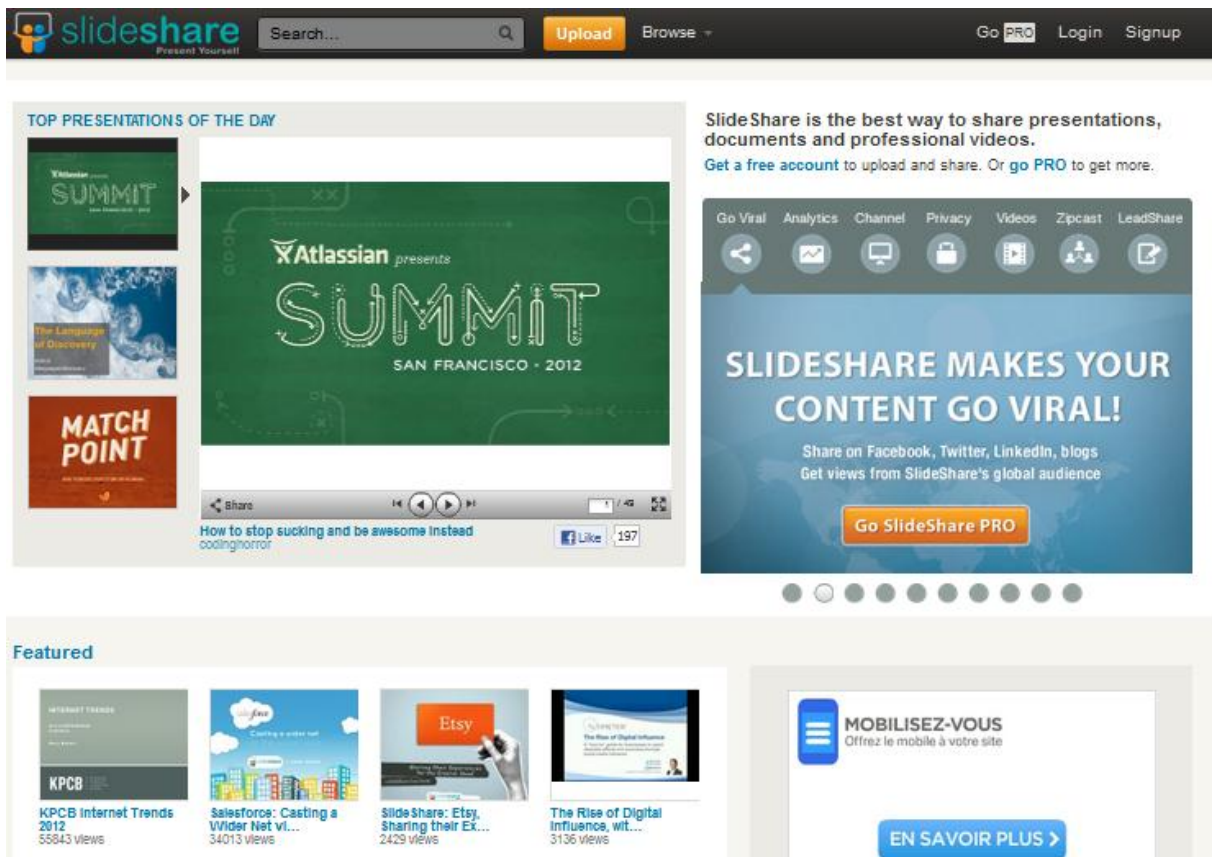
### 5.3.3. Presentation Sharing – SlideShare

Another type of media which can be shared online thanks to Media Sharing Sites is slides presentations. With over 60 million visitors a month (SlideShare, 2012), SlideShare.com is the World's largest community for sharing presentations, enabling marketers to upload PowerPoint files to their account. 50 000 slideshows are uploaded every week. SlideShare has five times more traffic from business owners than any other popular Social Media site. Indeed, demographics analysis shows that SlideShare users are mainly middle-aged and graduated of post-graduated males. Moreover, LinkedIn's acquisition of SlideShare offers for a unique integration of the two networks. Consequently, LinkedIn's professional network has become a special distribution channel for SlideShare content.

Content can be uploaded under various forms: PowerPoint, OpenOffice, Keynote files, PDFs, Word and Pages documents; which will be converted to a format that is directly usable to anyone on the web. YouTube videos can be integrated in the presentations, and the final presentations can be embedded on blogs, websites, LinkedIn and Facebook. It is also possible to upload a sound file and synchronize it to the slides in order to create a webinar.

On a business perspective, marketers can create Slideshows (Image 8) for their presentations, case studies or products and services brochures. Also, it has developed two fee-applicable powerful marketing tools. First, LeadShare helps marketers to connect with their customers through the content uploaded, leading to a two-way interaction dialogue. Secondly, AdShare helps promoting the content next to related content in order to encourage targeted views.

Image 8: SlideShare Home Page



Source: SlideShare. 2012.

SlideShare offers many benefits for businesses. Indeed, it is a valuable asset for Search Engine Optimization. Most of the traffic of SlideShare comes from search engine results after some research on business or technology related topics. Similar to how YouTube videos and Google+ Pages often make page one on Google searches, keyword-optimized presentations on SlideShare often appear at the top of results pages. Engaging with the SlideShare community by commenting other users' content or subscribing to their profile will increase people's trust, drive them back to the profile and thus enhance the brand exposure. The social functions of SlideShare are offering companies the potential to connect with customers and clients in new ways, generating new business and raising their online image. Finally, SlideShare integrates very well with any other Social Media Sites, as presentations can be easily shared on any other platform. As a consequence, content can go viral very rapidly and encourage awareness and traffic to the company's blogs, websites and Social Media sites.

## 5.5. Social Collaborative Sites - Wikis

Wiki is a Hawaiian word for “fast”. Wikis (Appendix 5) have been developed a long time ago, but businesses are just starting to use them. Indeed, the first Wiki software was launched by Ward Cunningham in 1995. Nowadays, they represent a collaborative website that enables the creation of content by any number of interested people in an open environment, offering a well-researched, well-written and highly regarded source of information. Wikis encourage conversing, sharing, creating. They are a great way for people to share their knowledge and expertise on any subject, fostering a quick information exchange. Examples of Social Collaborative sites are Wikipedia, Wetpaint, company intranets, and community sites. Indeed, more and more companies are launching their own Wikis related to their business’ industry, as it can set the business as an expert in its domain and thus drive more traffic and interest to the brand and its products and services.

Unless they are directly owned, Wikis are hard to measure as they do not include ratings, comments or voting (Evans, 2008). Metrics that can be used for Wikis are: mentioning in wiki pages, links to the website coming from wiki pages, traffic from wiki pages, number of bookmarks mentioning a company on wiki pages, and positive and negative sentiment shared in wikis.

For businesses, Wikis are perfect at enabling teamwork and collaboration in a company, facilitating document management during project management work. Wikis offer internal efficiency, crowdsourcing and transparency, but they can be expensive and very time-consuming, as every information need to be controlled and verified. Business wikis can create synergy in the communication. A global Wiki provides the process for teams with members in different locations to work together seamlessly and share information on a project. Besides, business wikis are also used to replace the website section called Frequently Asked Questions (FAQ), enabling employees to create and distribute information to the customers.

## 5.6. Social Bookmarking – Digg, StumbleUpon and Delicious

Maintaining a browser-based Favorites list is having a personal list which does not benefit to friends or relatives. All of the work done in building the list, creating value by compiling resources and references, is off limits to everyone else. Social Bookmarking means

that entire groups can learn of these lists of new articles, tools, and other online properties instead of leaving them all on one machine, one browser, for one human.

Social bookmarking sites like Delicious, Digg, Reddit, Diigo and StumbleUpon are communities hosting fanatical collectors pleased to share great websites with their friends, relatives and the whole community (Evans, 2008). Bookmarking Sites allow Internet users to store, organize, and share links to websites that are useful according to them. These pages may relate to any number of user interests and are public. Bookmarks are transferable between computers and locations. Besides, users sharing the same interests can find these bookmarked sites easily and when members bookmark the same websites, the website's popularity increases and it might even appear on the front page of the bookmarking site.

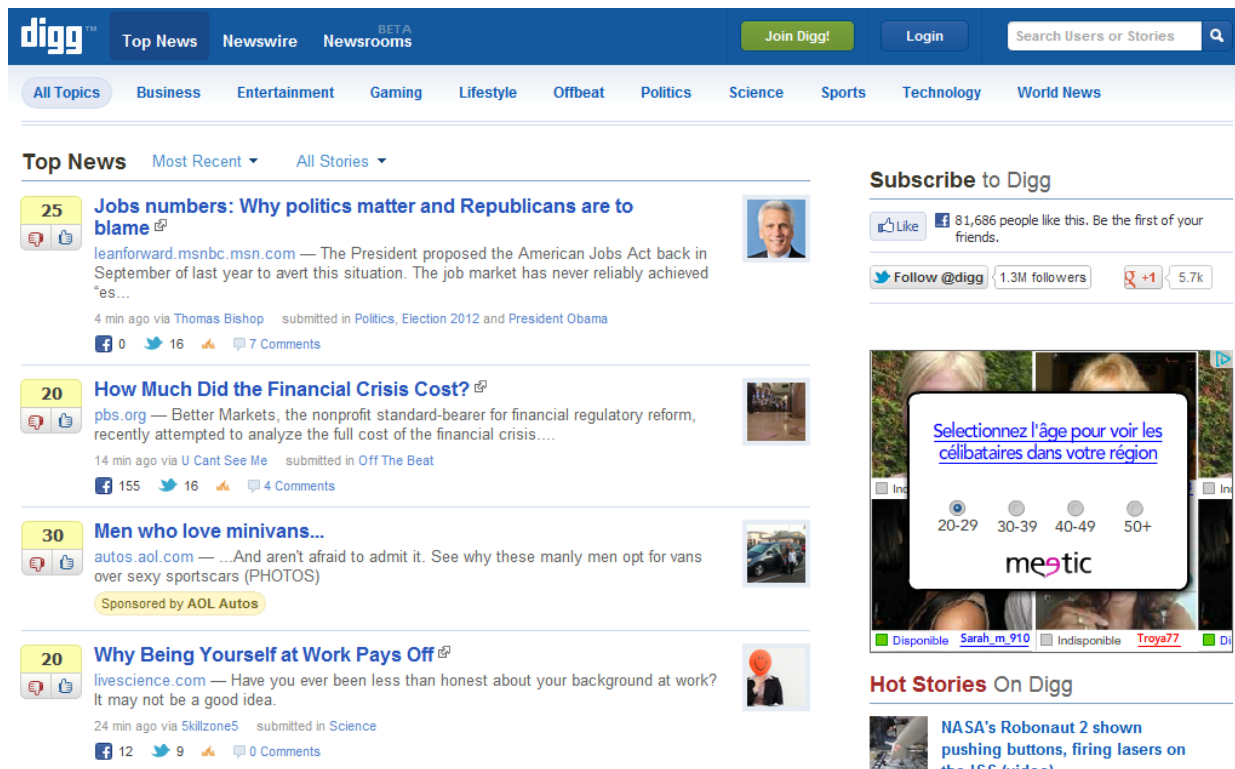
Social Bookmarking sites are known for helping to save time and energy to stay ahead of the competitors and to strengthen business relationships. However, they are also known for growing brand recognition and driving targeted and efficient traffic to websites. Indeed, curating information, sharing testimonials, tracking projects and competitors activities, are many different ways to utilize Social Bookmarking Sites in order to obtain information about the competition and to establish the company's expertise. Sharing content through bookmarks will help the business to be seen as a leader of the industry.

Some metrics can be implemented in order to value this traffic (Evans, 2008): number of bookmarks added per media submitted, number of tags per media submitted, number of unique tags, number of times a particular tag has been used, time visitors stay on the website, number of pages visited from initial referral from Social Bookmarking sites...

### Digg

Playfully named as Digg, Digg (Image 9) is indeed a platform to dig for specific documents and release breaking news, which was launched in 2004 by Kevin Rose, Owen Byrne, Ron Gorodetzky and Jay Adelson. Digg is all about discovering and sharing websites. This content can include anything from technology to sports. Subsequently, Digg has become a system allowing the online audience to drive the type of quality of information on the Internet, but also to vote each piece of content in order to make it more popular or even more unknown.

Image 9: Digg Home Page



Source: Digg, 2012.

Although communication might not be the primary means in Digg, readers are able to comment on the Digg platform. Marketers are able to leverage on the Digg website and build brand exposure. In order to receive the best brand exposure, titles of articles must not sound too much like advertisements, and provide sufficient information to get readers attracted and interested. Also, Digg definitely drives traffic to websites as interested readers would click on the title that links directly to the website.

For marketers, Digg can be a great resource for market research by watching out for trends and headlines or content that foster users' interest and votes. Digg also serves as a valuable tool to keep track of news on the competition. Press releases about business competitors can be found and become tools for Public Relations monitoring.

### StumbleUpon

Founded in 2001 by Garrett Camp, Geoff Smith, Justin LaFrance and Eric Boyd, StumbleUpon (Image 10) defines itself as 'a discovery engine to find the best of the web'. It is a self-billed intelligent search engine, as it is listing the news based on users' community and interests. Users are able to select a main category when adding an article to the

StumbleUpon database and to add additional tags along with a review. StumbleUpon also provides a free toolbar, which can be integrated to the web browser. StumbleUpon takes basic tagging and bookmarking one step further, as it combines a basic recommendation system with a website index. Users find a site they have an opinion about and rate it. The other users having the same interests will then benefit from the recommendations when they look at similar sites.

Image 10: StumbleUpon Home Page



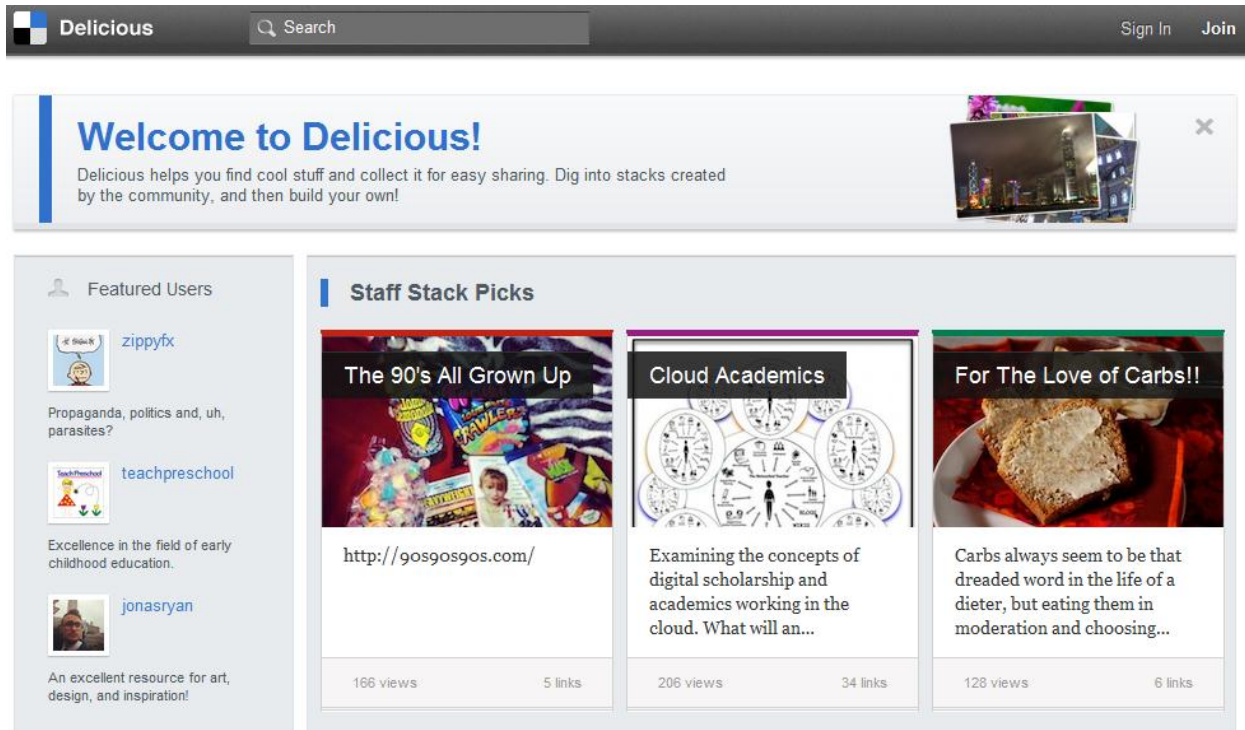
Source: StumbleUpon, 2012.

## Delicious

Delicious, which was founded by Joshua Schachter in 2003 and acquired by Yahoo! in 2005 (Image 11) seems to be the World's leading Social Bookmarking platform. The interface is really easy to use and has a strong community. Topics are unlimited, but have to be regrouped in the fourteen listed categories. Once five links have been bookmarked, users can create libraries of information, called Stacks, which can be shared with friends and

communities. RSS feeds for web syndication are also available for each user and stack followed.

Image 11: Delicious Home Page



Source: Delicious, 2012.

## 5.6. Forums

Forums are online discussion sites where members are holding interactive conversations by posting messages. A discussion Forum is hierarchical and can contain a number of sub-forums, each of which may have several subjects. Within a sub-forum, each new discussion started is called a thread, and can be replied to by anyone. Depending on the forum's settings, users can be anonymous or have to register within the forum in order to post messages. However, on most forums, users do not have to log in to read existing messages.

Forums have been the initial actors of Social Media marketing. They have existed since Internet was made popular and even before the term Social Media marketing was introduced. At the beginning, they were used by programmers to post information about bugs and fixes used through the programming of their applications. As Internet became popular, more and more people were posting on Forums, sharing, conversing and commenting on any type of subject of interest.



Forums and message boards can foster targeted traffic to specific information, products or media, and can enhance conversations around a brand, its products and services. Metrics used to evaluate this increase in traffic are: number of community members, number of new threads started, number of replies, links to forum posts, participation in forums, number of friends acquires, positive and negative sentiment, traffic brought from forums to websites, number of profile reviews...

## 5.7. Social Events

Social Events sites are a great option for companies wanting to get some word-of-mouth around a public event (Evans, 2008). Sites such as Eventful, Upcoming, Meetup or even Facebook, LinkedIn and Twitter are the best platforms to promote events.

While Meetup charges a user fee, the other sites are free. As Upcoming (Image 12) is part of the Yahoo! group, it has the benefit to integrate photos from Flickr into the event's description, but also to allow bookmarks and tags from Delicious. Moreover, Upcoming informs its users about popular events in their area, by adding feeds to their home profile.

Image 12: Upcoming Home Page

The screenshot shows the Upcoming website interface for Paris. At the top, there's a navigation bar with 'Welcome, Guest', 'Sign In | Sign Up | Help', and a 'Web Search' box. Below this is a red banner with the 'upcoming' logo and 'EVENTS & THINGS TO DO'. A search bar contains 'search for jazz, Lakers, etc...' and 'Paris'. Navigation links include 'HOME', 'MY EVENTS', 'FRIENDS', 'MORE', and '+ ADD AN EVENT'. The main content area is titled 'Local Event Guide For Paris' with a 'change location' link. On the left, there's a 'Browse Events' sidebar with categories like All, Comedy, Commercial, etc. The main event featured is 'Stanley Clarke & Stewart Copeland' at 'Le Bataclan'. To the right, there are promotional boxes for finding concerts from favorite bands (ITUNES, last.fm, PANDORA) and a 'Welcome to Upcoming' sign-in prompt. At the bottom, there's a 'Find Local Events' calendar for June 2012, showing the 4th as the selected date.

Source: Upcoming, 2012.

Besides, Eventful is mainly used by large companies and event promotion companies. An innovative element on Eventful is the “Demand It” feature which allows users to demand their favorite artist or event in their city and publicize the most popular happening on the front page. For public events or gatherings, Facebook is a great way to send out invitations. Invited people are also able to invite their friends to the event, depending on the privacy level that you select (Public, Friends or Invite Only). Facebook is able to promote events in a successful way, as an average user is invited to three of the 3.5 million events created each month. Also, Twitter can be used to promote events, called Tweet-ups. When a company holds an event, fundraiser or open house, an event sign-up page can be sent directly to users through tweets.

Usually, it is relatively simple to measure the success of an event published on Social Events platforms. Many data can highlight the results of the campaign: number of views of the event, number of people coming, number of people who actually show up to the event, number of additional guests, traffic to an event page, number of photos or videos added to the event, number of comments and tags, number of links to the event on Social Events sharing sites...

### **5.8. Summary of the Social Media channels and their main characteristics.**

The following Table 3 will list the seven types of Social Media Marketing channels presented previously, summarizing their basic principle, providing a few examples, and analyzing the strengths and weaknesses of each channel.

Table 3: The Social Media channels and their business characteristics

<i>Types of Social Media Channels</i>	<i>Principle</i>	<i>Examples</i>	<i>Strengths</i>	<i>Weaknesses</i>
<b>Social Networks</b>	<ul style="list-style-type: none"> <li>- Interaction platform</li> <li>- Social online presence</li> </ul>	Facebook, LinkedIn, Google+...	<ul style="list-style-type: none"> <li>- Very personal</li> <li>- Advertiser's dream</li> </ul>	<ul style="list-style-type: none"> <li>- Risks related to the content of the posts</li> </ul>
<b>Blogs &amp; Microblogs</b>	<ul style="list-style-type: none"> <li>- Corporate blogging</li> </ul>	WordPress, Blogger, TypePad...	<ul style="list-style-type: none"> <li>- Personal</li> <li>- Interactive &amp; multimedia</li> <li>- Easy to use</li> </ul>	<ul style="list-style-type: none"> <li>- Time-consuming</li> <li>- Possible bad comments to handle</li> </ul>
<b>Media Sharing Sites</b>	<ul style="list-style-type: none"> <li>- Common interest</li> <li>- Products &amp; services' use</li> </ul>	Flickr, Pinterest, YouTube, Vimeo, SlideShare...	<ul style="list-style-type: none"> <li>- "Better than words"</li> <li>- Easy to share &amp; Viral</li> <li>- Relatively young audience</li> <li>- Creativity &amp; control</li> </ul>	<ul style="list-style-type: none"> <li>- Copyright issues</li> <li>- Production costs</li> <li>- Young audience mainly</li> <li>- Oversaturation</li> </ul>
<b>Wikis</b>	<ul style="list-style-type: none"> <li>- Collaborative development</li> </ul>	Wikipedia, Wetpaint...	<ul style="list-style-type: none"> <li>- Crowdsourcing &amp; transparency</li> <li>- Teamwork Synergy</li> </ul>	<ul style="list-style-type: none"> <li>- Vigorous controls needed</li> <li>- Time-consuming</li> </ul>
<b>Social Bookmarking</b>	<ul style="list-style-type: none"> <li>- Information &amp; learning</li> <li>- Entertainment</li> </ul>	Digg, StumbleUpon, Delicious...	<ul style="list-style-type: none"> <li>- Business relationships</li> <li>- Leader positioning</li> </ul>	<ul style="list-style-type: none"> <li>-</li> </ul>
<b>Forums</b>	<ul style="list-style-type: none"> <li>- Interactive dialogue</li> </ul>	Phorum, PHPbb...	<ul style="list-style-type: none"> <li>- Interactive conversation</li> <li>- Niche markets</li> </ul>	<ul style="list-style-type: none"> <li>- Less popular these days</li> <li>- Hard to get involved</li> </ul>
<b>Social Events</b>	<ul style="list-style-type: none"> <li>- Event organization</li> <li>- Event promotion</li> </ul>	Upcoming, Eventful, Meetup...	<ul style="list-style-type: none"> <li>- Real-time organization</li> <li>- Reduced costs</li> </ul>	<ul style="list-style-type: none"> <li>- Possible failure</li> </ul>

Source: Own Creation, 2012.

## **6. Limitations and risks of Social Media Marketing**

As we have studied in the previous sections of this report, Social Media Marketing offers to businesses a large variety of resources in terms of Social Media channels available, and a large variety of benefits, such as brand exposure, targeted traffic and leads generation. However, Social Media Marketing for businesses also demands efforts and hard work, and has its own limitations and risks before achieving notable success.

Indeed, Social Media Marketing is not always easy, quick or cheap. In some cases, depending on the business type, size and age, hard efforts need to be made in various areas. First, companies need to commit human and time resources to managing their Social Media presence. An employee, and sometimes even a complete Social Media team, needs to be able to respond to customers' feedbacks and complaints at least every day. The Social Media staff needs to be extremely trained and qualified in order to have answers to every questions and to be able to react when negative comments are made before they get too viral and uncontrollable. Also, this team has to produce new content regularly in order to posts at least a few times a week for small businesses, and at least once a day for big multinationals. It is extremely important to always stay active on the Social Media sites in order to create a continuous conversation with the audience, encourage their engagement and foster long-term relationships.

Besides, the results of the Social Media Marketing strategy need to be controlled and measured regularly in order to understand what is working and what is not. Some Social Media channels might be more efficient than others for a business, and some might too time-consuming comparing to its benefits. Specific campaigns need to be measure as well, and the impacts of each post need to be analyzed. However, it is usually quite difficult to measure the return on investment, or should we say the return on conversation, of such a strategy. Measuring social media return on investment is not impossible, but it can be very complex because many of the pieces that need to be evaluated are difficult to track. Having specific goals and concrete baselines is crucial to calculating the business' return on investment. Therefore, companies must have defined clear goals and evaluated the baselines before measuring the results. Then only, metrics tools can be considered. Quantifying the value of one channel over another can be hard to evaluate, as the

measurement and analytics tools available for free are often different from one Social Media channel to another. However, some metrics for measuring web traffic have become valuable tools, such as Google Analytics, TweetMeme Analytics or HootSuite. Also, sentiment analysis using Viral Heat, Tweet Feel or Sentiment Metrics for instance, can be relevant when positive and negative comments cannot be distinguished.

We have seen that, while implementing their Social Media Marketing strategy, businesses might encounter marketing limitations affecting the final success of their strategy. Furthermore, businesses are also confronted to major risks in domains such as reputational, legal and operational.

One of the main risks for businesses using Social Media Marketing will be to damage their reputation by using their Social Media sites ineffectively. Too much advertising, presenting products and services in a commercial way and pushing for sales without really engaging with the audience are often very badly seen by the audience, which might decide to turn their back on the business and its Social Media presence. Moreover, employees can harm a company's image really quickly and easily, by showing bad behaviors on Social Media channels or posting embarrassing information. Therefore, reputational risks can easily equal or exceed the reputational benefits of Social Media Marketing.

Secondly, Social Media makes a whole new world of privacy, security, intellectual property, employment practices, and other legal risks possible. The Social Media team needs to understand information technology law before creating a social media legal strategy. Monitoring future or existing employees using Social Media sites has legal dangers. A business can get problems from rejecting candidates to a job based on information found online, or by monitoring their employees' activities when using company computers. Security and operational risks are also high, as security breaches might occur when malware, viruses or spyware are downloaded involuntary by the employees through the Social Media sites. Also, there are some intellectual property and media risks concerning the protection of third-parties or the publication of fake positive reviews. The privacy of the audience needs always to be protected.

Therefore, it is definitely very important for every business to understand the downside that exists of using Social Media for a variety of business aims. Recommendations in regards to these risks will be listed as follow:

- a broad assessment of general social media activities needs to be conducted;
- key players responsible for developing, executing and monitoring the social media strategy needs to be defined;
- a social media policy or set of guidelines needs to be drafted;
- the risks of social media participation needs to be shared with the employees; and
- a social media agreement that employees can review and sign annually needs to be created.

On the whole, Social Media Marketing is an extremely powerful marketing tool that not every business knows how to use properly yet. It is still very new and it needs to be implemented through a real and concretely defined strategy. The few limitations and risks related to Social Media Marketing can seem scary and challenging, but they are only precautions to be taken on time in order to achieve complete notable success in the Social Media strategy.

## **7. Conclusions**

Through this report, we have been closely analyzing the Social Media Marketing domain, detailing the main business benefits and defining the different types of Social Media channels and their role. Indeed, whether a business is developing its Social Media presence on every channel or only on a couple of them, the business benefits can vary in terms of value and volume. However, the main benefits encountered usually are increased brand exposure and reputation management, increased targeted traffic and Search Engine Optimization, word-of-mouth and leads generation, market insights related to target audience and competition, public relations facilities and recruiting. In addition, while Social Media Marketing is also an extremely cost-effective solution, it mostly depends on which type of Social Media channels is used. Social Networks, Blogs and Microblogs, Social Media Sharing sites, Wikis, Social Bookmarking sites, Forums, and Social Events sites are all considered as Social Media channels, and can all be significantly beneficial for businesses in their own way.

Regarding the eventual possibility of outsourcing a Social Media Marketing team, it is strongly believed that a small-scale internal social presence is much more profitable than a large-scale outsourced one. Also, Social media return on investment is definitely about experience and insights, rather than about fans number.

Most businesses have already started using Social Media Marketing, testing various strategies and measuring results, but their Social Media presence is usually just starting to mature. While 2011 was about building fans database and networks, 2012 is certainly aiming more at customer engagement, building customer relationships and encouraging customer loyalty. Success of Social Media strategies cannot really be concluded yet. Time is bringing new opportunities every day in the Social Media universe. Each channel is evolving regularly, offering more and more valuable marketing features for businesses. Also, new Social Media channels are being launched every month, offering new business possibilities and new areas of marketing research.

Furthermore, Mobile Marketing is starting to change the future of Social Media Marketing. In the United States only, there are already 271 million mobile subscribers (Hubspot, 2012). 90% of text messages are read within three minutes of being delivered.

Also, now that internet is available on all the smartphones, people can access their emails anytime, anywhere. And that is the reason why people actually get to open more of their emails than before. Indeed, during the second half of 2011, 27% of emails were opened on a mobile device. Therefore, email marketing will get a second birth thanks to the mobile networks. By 2014, the investments in email marketing are estimated to grow from \$1.3 billion in 2010 to \$2 billion. The question is: how will businesses combine Social Media Marketing, Mobile Marketing and Email Marketing together?



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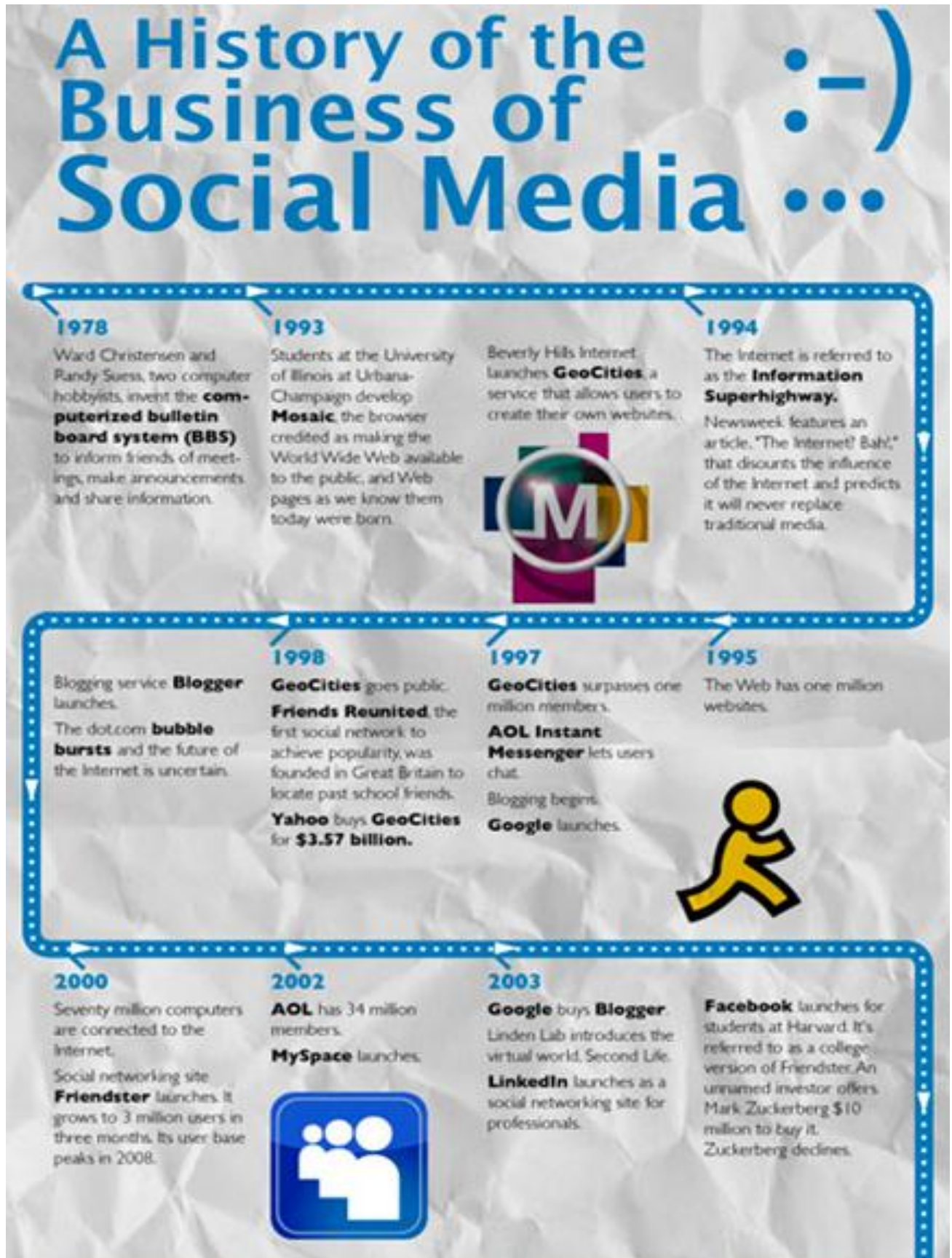
Wikipedia 2012, viewed 10<sup>th</sup> May, <<https://www.wikipedia.com/>>

YouTube 2012, viewed 10<sup>th</sup> May, <<https://www.youtube.com/>>

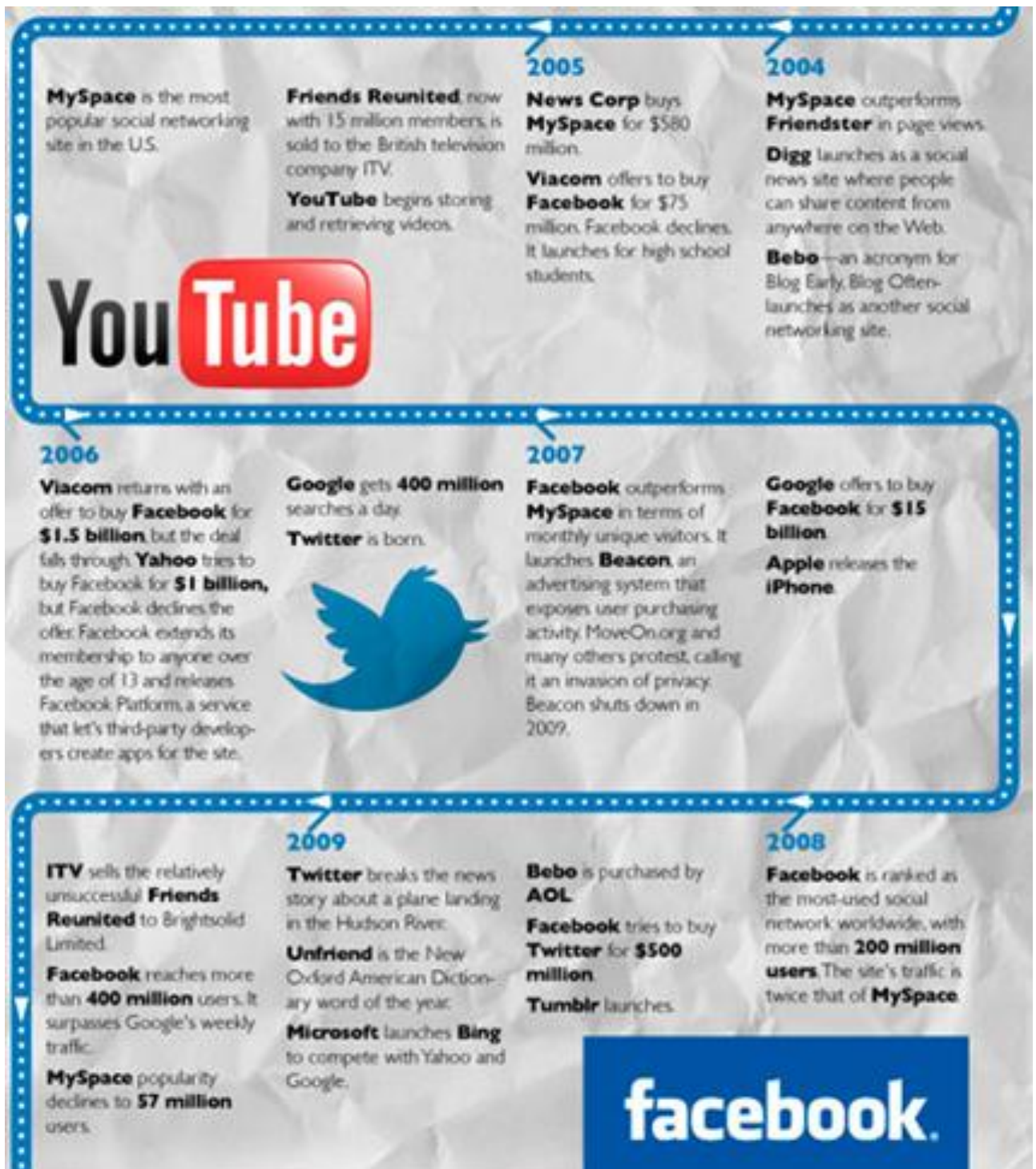
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## Appendix 1: The History of Social Media (1/3)



## Appendix 1: The History of Social Media (2/3)




## Appendix 1: The History of Social Media (3/3)

**2010**

To compete with Facebook and Twitter, **Google** launches **Buzz**, a social networking site integrated with Gmail. In its first week, millions of Gmail users created 9 million posts.

**AOL** sells **Bebo** to Criterion Capital Partners.

**Apple** releases the **iPad**



The **population of Internet** is estimated at **1.97 billion users**, nearly **30 percent of the global population**.

The **Internet surpasses newspapers** as a primary way for Americans to get news. It's the third most popular news platform, with many users using social media and personalized feeds to gather news.

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**2011**

**MySpace** and **Bebo** are redesigned and updated to compete with the far more successful Facebook and Twitter.

**Facebook** reaches an annual revenue of **\$3.7 billion**.

**Apple** introduces a music-based social network called **Ping**

**News Corp.** sells **MySpace** to digital media firm **Specific Media** for **\$35 million**.

There are more than **550 million people** on **Facebook**, **65 million tweets** sent through **Twitter** each day, and **2 billion video views** per day on **YouTube**. **LinkedIn** has **90 million professional users** and goes public.

**Tumblr** hits **1 billion page views per month**, **2 million posts per day** and plans to start generating some revenue.


**Pinterest** launches as a content curation site.

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**2012**

**LinkedIn** is the second most popular social media site in the U.S., with **33.9 million monthly unique visitors**.

**Twitter** delivers **33 billion Tweets per day**.




**Google+** launches.

**Pinterest** drives more traffic to retailers than LinkedIn, YouTube and Google+, reaching **10 million monthly unique visitors** faster than any other standalone site—ever. It secures \$27 million in funding from Andreessen Horowitz.

Pinterest competitor **Snip.it** launches.

**Facebook** files for an **IPO** and plans to raise **\$10 billion** by the time it begins selling shares this spring, valuing the company between **\$75 billion** and **100 billion**—a stock-market record.



**Twitter** reaches **12,233 Tweets per second** during the **Super Bowl**.

SOURCES: UNCR, MEDIABISTRO, FACEBOOK, TECHCRUNCH, MASHABLE, WSJ, BBS DOCUMENTARY, FINANCIAL TIMES  
DESIGN: DAVID FOSTER



### **Appendix 3: List of the main Facebook Applications**

- Photos (included automatically)
- Video (included automatically)
- Links (included automatically)
- Events (included automatically)
- Notes (included automatically)
- FAQ Page
- YouTube
- Twitter with Tweets To Pages
- Add a link!
- Contact Form
- Newsletters
- Promotion Gallery
- Blogs using NetworkedBlogs
- Welcome / landing page
  - Wildfire's iFrames for Pages
  - Static IFRAME Tab
  - Static HTML: iframe tabs
- Fan of the Week
- Survey
- Scribd for Pages
- VendorShop Shopping Cart
- Work for us

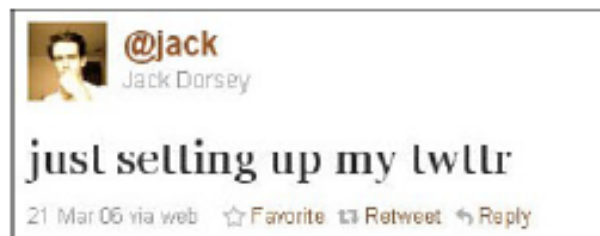
*In order to add an App to your page, click on the link appropriated. Then, click on "Add to My Page" in the bottom left menu. Once added to your Page, you can edit the information through the new tab that has been added directly on the Facebook Page.*

Source: Own Creation, 2012.



## Appendix 4: Twitter History

Twitter started as a brainstorming session in 2006 when a group of board members at the podcasting company Odeo gathered with Mexican take-out in a children's park. The team involved included Jack Dorsey, who, over his burrito, came up with the idea of developing a *texting* or *Short Message Service (SMS)*-like system for communication between small groups of people. The idea seemed exciting—short bursts of content that fit in with the maximum number of characters permitted by SMS (most commonly 160). The team agreed on 140 characters to leave room for a username and a colon in front of the message. Although it was difficult at that time to explain the value, the team knew that they were on to something huge. Figure 3-1 shows the very first Twitter message, sent by Jack Dorsey (@jack).



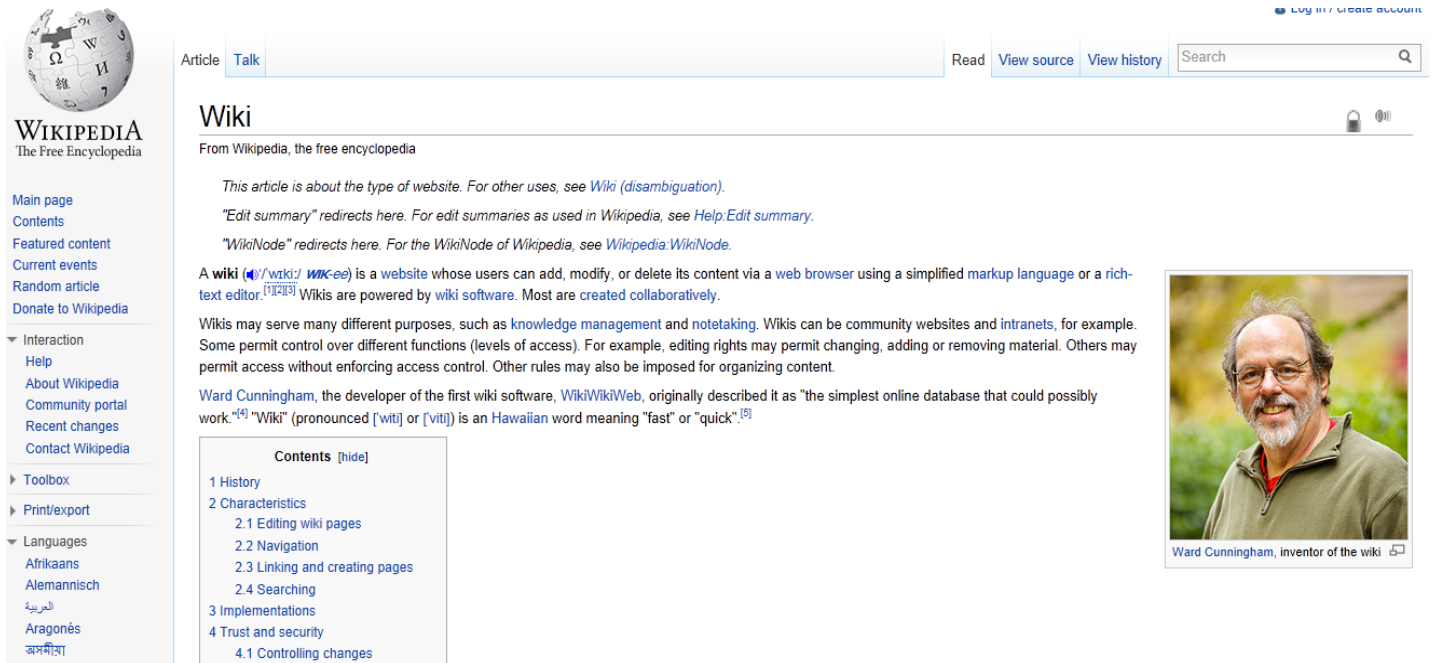
(Source: *Twitter.com*)

**Figure 3-1** The first ever Twitter message, sent by Jack Dorsey in March 2006.

What's been described as the *boom* moment for Twitter occurred during the *South by Southwest (SXSW)* festival in 2007. During the event, Twitter was showcased extensively via clever placement of two 60-inch plasma screens, which continually streamed Twitter messages (or *tweets* as they are now known). Suddenly, people got it! Hundreds of conference goers began keeping tabs on each other's whereabouts via the tweets being broadcast. It was the beginning of an exciting and addictive new world of communication and was quickly lauded by visitors, speakers, and every kind of blogger in attendance. The event culminated in the Twitter developers accepting the festival's award with the words, "We'd like to thank you in 140 characters or less. And we just did!"

Source: Gratton & Gratton, 2012.

## Appendix 5: Wikipedia's wiki on Wikis



The screenshot shows the Wikipedia article for "Wiki" as of 2012. The page layout includes a top navigation bar with "Article" and "Talk" tabs, and a search box. The main content area is titled "Wiki" and includes a sub-header "From Wikipedia, the free encyclopedia". The text explains that a wiki is a website where users can add, modify, or delete content using a simplified markup language or a rich-text editor. It mentions that wikis are powered by wiki software and are often created collaboratively. A section titled "Ward Cunningham, the developer of the first wiki software, WikiWikiWeb, originally described it as 'the simplest online database that could possibly work.'" is followed by a photograph of Ward Cunningham with the caption "Ward Cunningham, inventor of the wiki". A table of contents is also visible, listing sections such as "History", "Characteristics", "Implementations", and "Trust and security".

WIKIPEDIA  
The Free Encyclopedia

Article Talk

Read View source View history Search

### Wiki

From Wikipedia, the free encyclopedia

*This article is about the type of website. For other uses, see [Wiki \(disambiguation\)](#).*

*"Edit summary" redirects here. For edit summaries as used in Wikipedia, see [Help:Edit summary](#).*


*"WikiNode" redirects here. For the WikiNode of Wikipedia, see [Wikipedia:WikiNode](#).*

A **wiki** (<sup>i</sup><sup>WIKI</sup>/<sup>WIKI</sup><sup>WIKI</sup>-ee) is a website whose users can add, modify, or delete its content via a web browser using a simplified markup language or a rich-text editor.<sup>[1][2][3]</sup> Wikis are powered by wiki software. Most are created collaboratively.

Wikis may serve many different purposes, such as knowledge management and notetaking. Wikis can be community websites and intranets, for example. Some permit control over different functions (levels of access). For example, editing rights may permit changing, adding or removing material. Others may permit access without enforcing access control. Other rules may also be imposed for organizing content.

Ward Cunningham, the developer of the first wiki software, WikiWikiWeb, originally described it as "the simplest online database that could possibly work."<sup>[4]</sup> "Wiki" (pronounced [<sup>w</sup>iti] or [<sup>v</sup>iti]) is an Hawaiian word meaning "fast" or "quick".<sup>[5]</sup>

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4.1 Controlling changes



Ward Cunningham, inventor of the wiki

Source: Wikipedia, 2012.