

Building a typology of social media

Owned, earned, and paid media

MARK 360 Week 1

Topics for today's class

- Evaluating social media services for marketing
- Building a typology of social media
- Social media services: development stages
- The role of owned, earned, and paid media in social media marketing campaigns

EVALUATING SOCIAL MEDIA SERVICES FOR MARKETING

Building a typology of social media

- General social networks
- Business / professional networking
- Blogs and microblogs
- Social Q & A
- Social marketplaces
- News sharing & publishing
- Social curation / bookmarking
- Video / live-streaming publishing & sharing
- Photo / image publishing & sharing
- Music communities
- Virtual worlds / social gaming communities
- Subject specialist / niche communities
- Document creation / sharing
- Product / service / brand communities
- Geo-location services
- Quantified self
- Enterprise social media
- Reviews and ratings services
- Messaging
- Dating
- Social music / radio
- Sports communities
- Kid's sites
- Education

Your task is to find as many examples as you can for each category

- Work in small groups
- Brainstorm, research
- [Add to this Google Docs spreadsheet](#)
(social content creation in action...)
- Some services may appear in more than one category (that's ok...)

Categorizing social media companies as either first-, second-, third- or fourth-generation

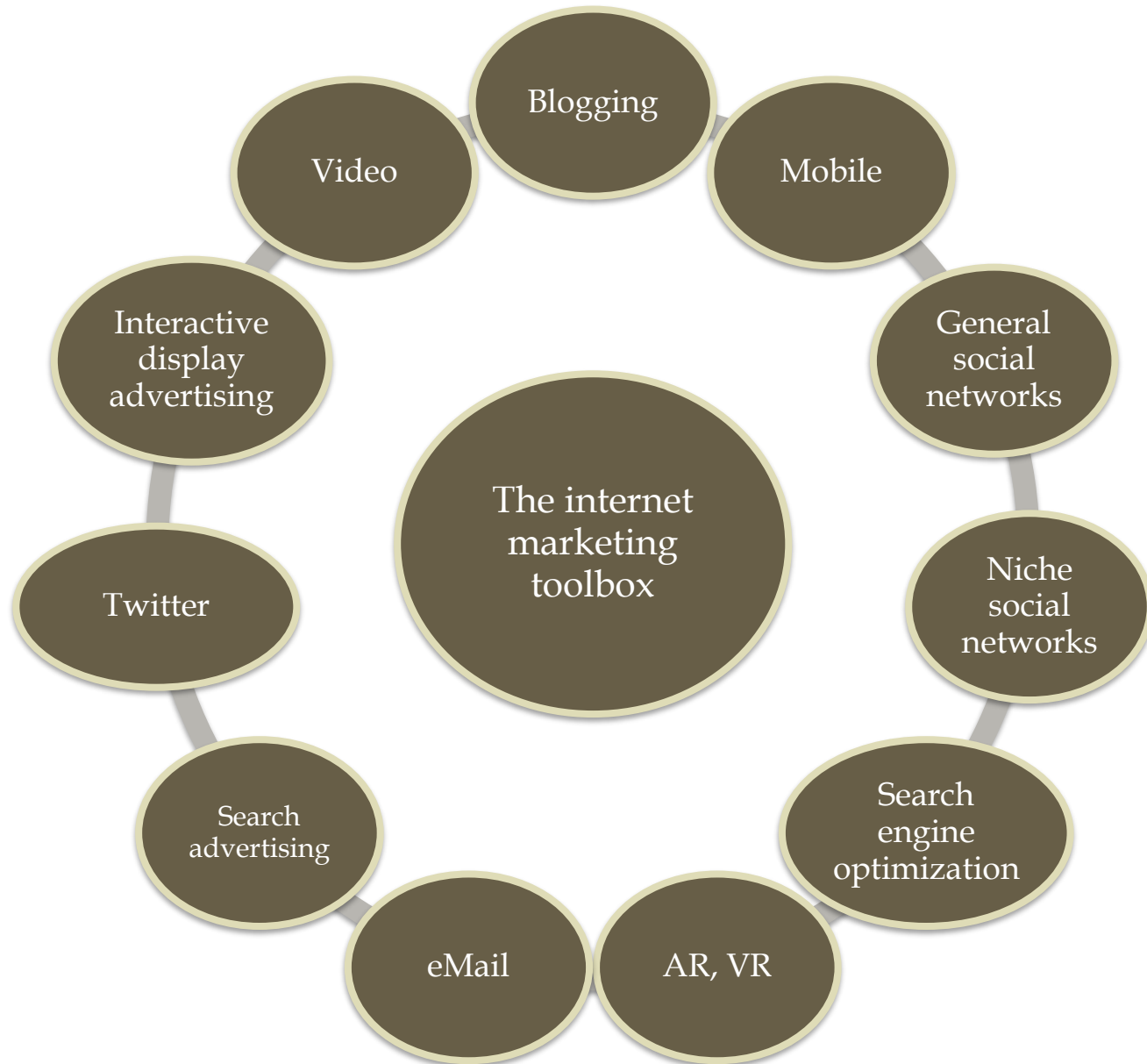
- First-generation companies are startups, many of which don't make it.
- Second-generation companies often get through an initial public offering and then confront the challenge of trying to stabilize.
- Third-generation companies are stable, with proven market appeal, often in a niche area.
- Fourth-generation companies are long-standing, often approaching a saturated market

Evaluating social media services for marketing

- Assignment 1 instructions (see course website for details)

SOCIAL NETWORKS: OWNED, EARNED, AND PAID MEDIA

Where does social media fit in the online marketing toolbox?

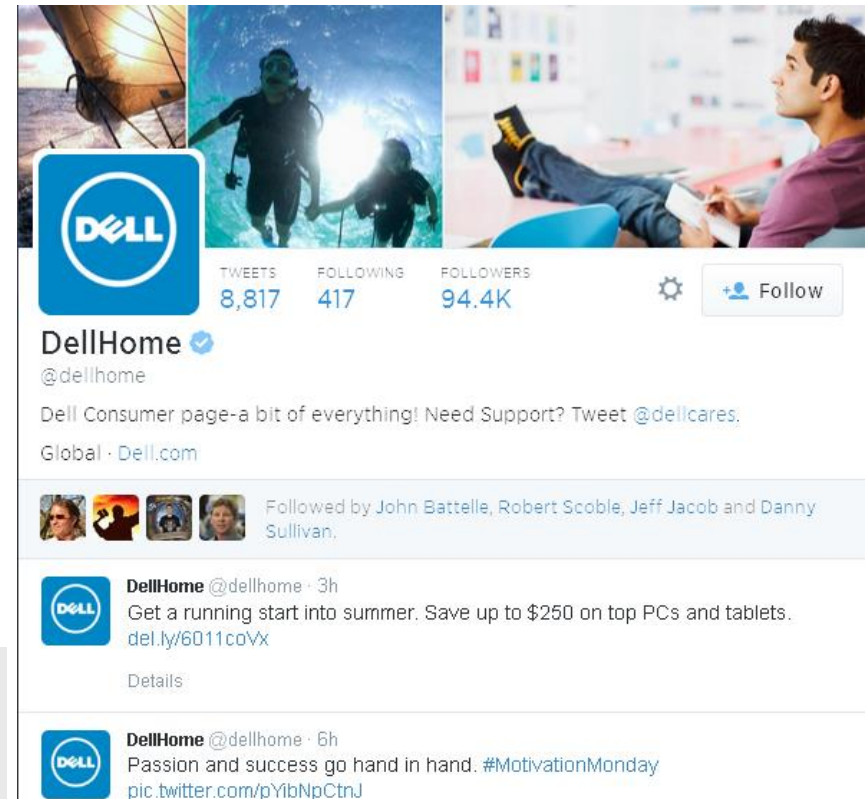


The importance of distinguishing between owned, earned, and paid media

- When analyzing the use of social media in marketing, we have to look for three distinct aspects or tactics
- Different return on investment for each

“Owned” media

- Owned media: “media owned by the brand. Online this includes a company’s own websites, blogs, mobile apps or their social presence on Facebook, LinkedIn or Twitter [etc]” [Dave Chaffey](#)



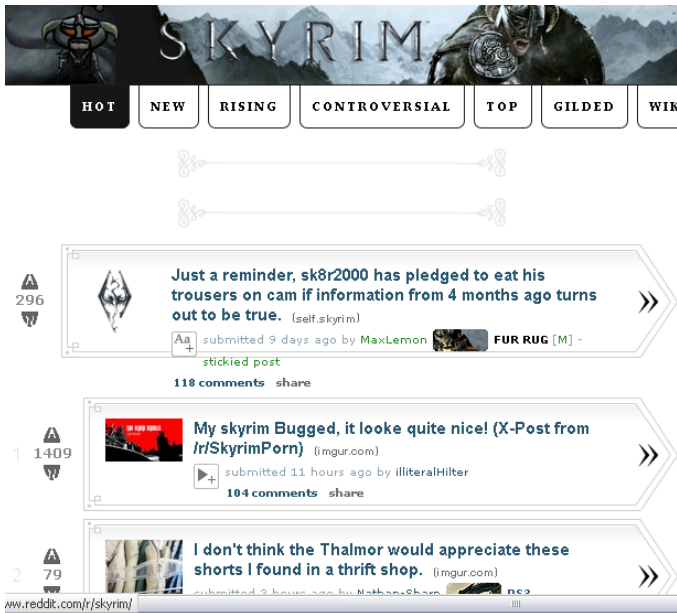
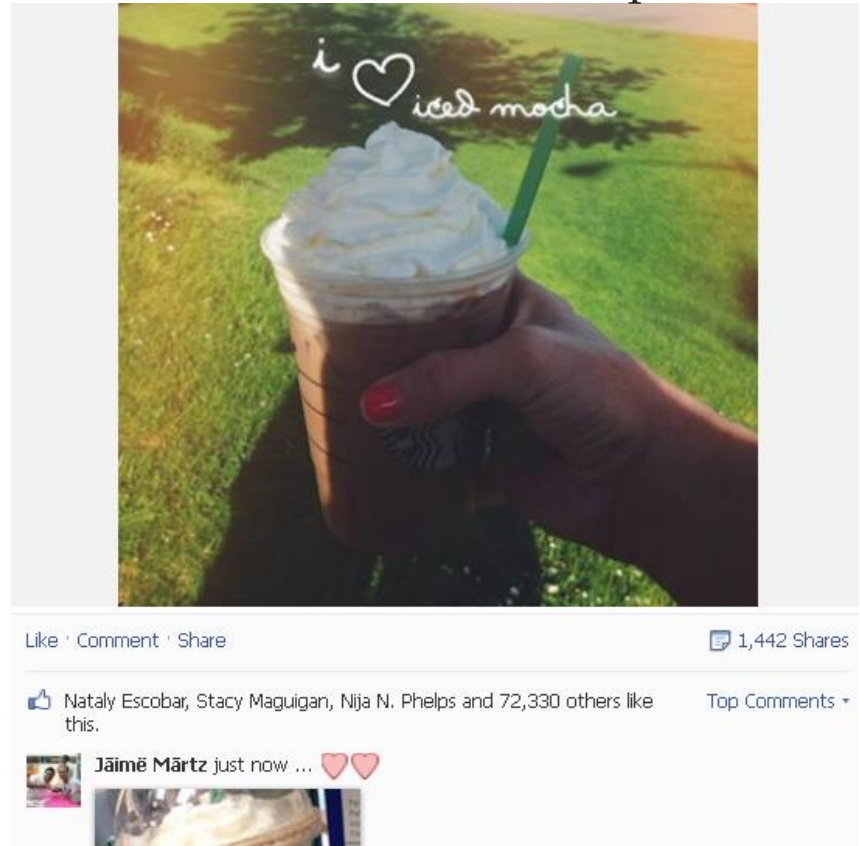
One of Dell’s twitter accounts

Starbucks on Pinterest

“Earned” media

- Earned media: “Earned media also includes word-of-mouth that can be stimulated through viral and social media marketing and includes conversations in social networks, blogs and other communities.” [Dave Chaffey](#)

Liking, sharing, and commenting on a Starbucks’ Facebook post



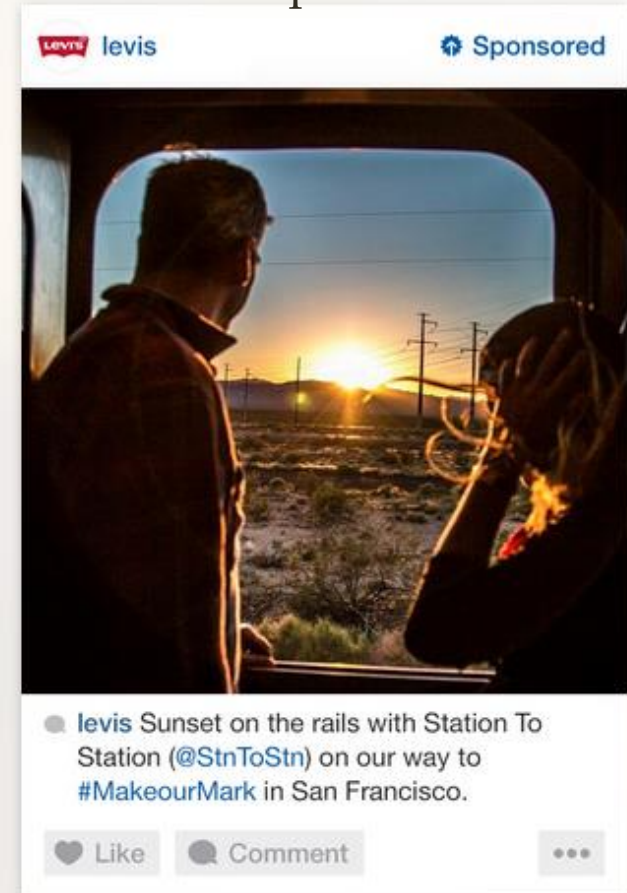
Comments posted to the Skyrim Reddit pages (not owned by Bethesda)

“Paid” media

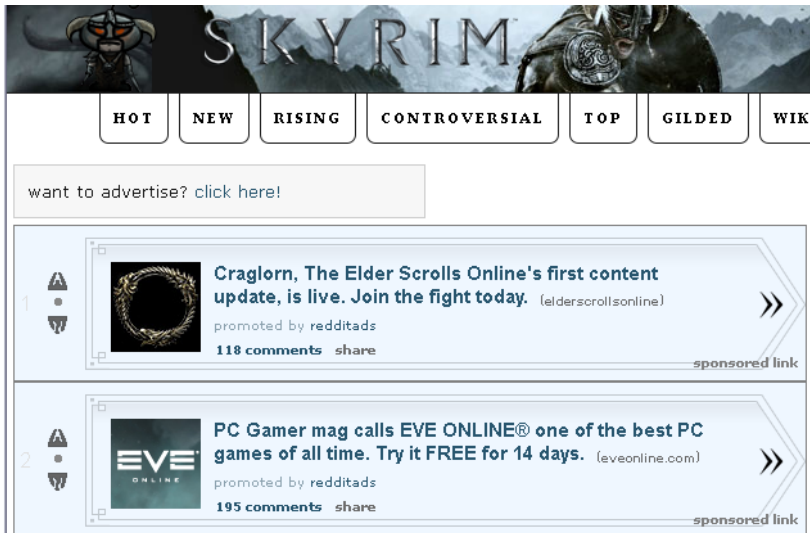
- Paid media: “media where there is investment to pay for visitors, reach or conversions” [Dave Chaffey](#)



Twitter promoted account



Instagram sponsored post

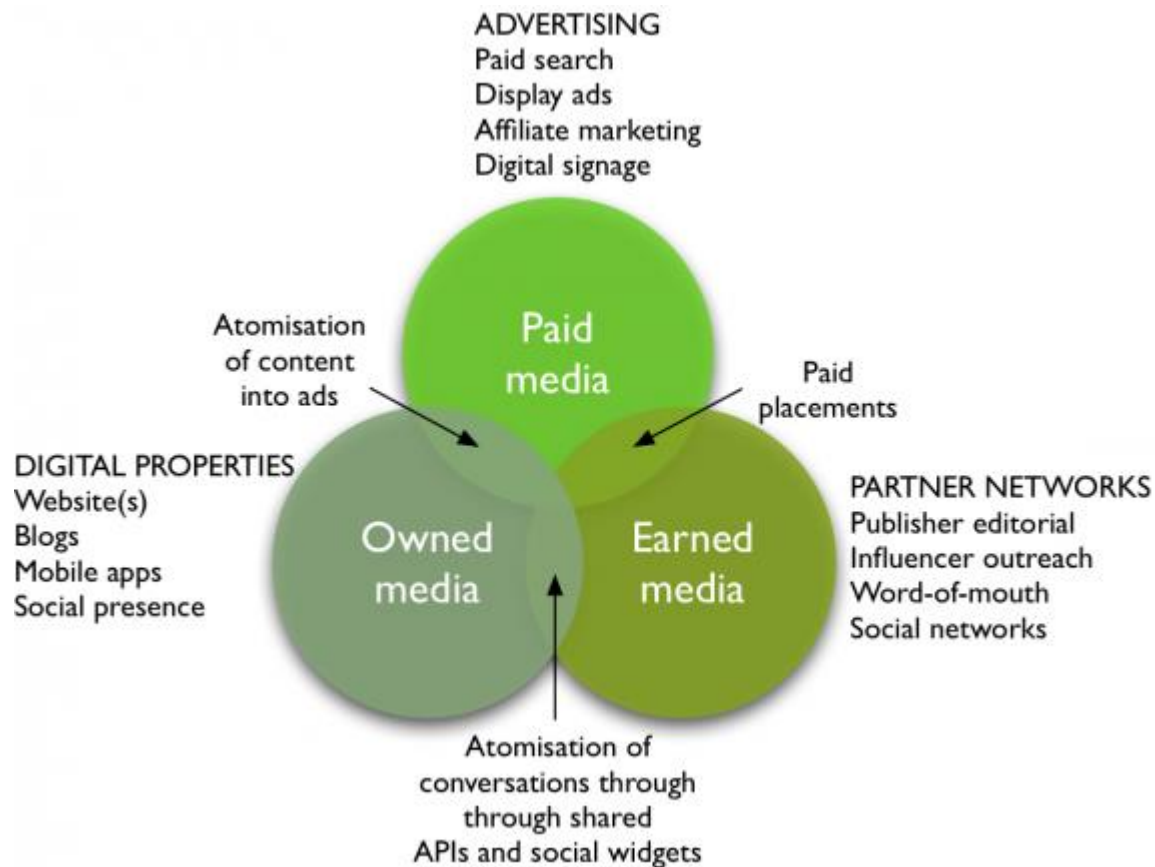


Advertising on Reddit

Owned, earned and paid media: role, benefits & challenges

Media type	Definition	Examples	The role	Benefits	Challenges
Owned media	Channel a brand controls	<ul style="list-style-type: none"> • Web site • Mobile site • Blog • Twitter account 	Build for longer-term relationships with existing potential customers and earn media	<ul style="list-style-type: none"> • Control • Cost efficiency • Longevity • Versatility • Niche audiences 	<ul style="list-style-type: none"> • No guarantees • Company communication not trusted • Takes time to scale
Paid media	Brand pays to leverage a channel	<ul style="list-style-type: none"> • Display ads • Paid search • Sponsorships 	Shift from foundation to a catalyst that feeds owned and creates earned media	<ul style="list-style-type: none"> • In demand • Immediacy • Scale • Control 	<ul style="list-style-type: none"> • Clutter • Declining response rates • Poor credibility
Earned media	When customers become the channel	<ul style="list-style-type: none"> • WOM • Buzz • "Viral" 	Listen and respond — earned media is often the result of well-executed and well-coordinated owned and paid media	<ul style="list-style-type: none"> • Most credible • Key role in most sales • Transparent and lives on 	<ul style="list-style-type: none"> • No control • Can be negative • Scale • Hard to measure

Owned, earned & paid media – the overlaps



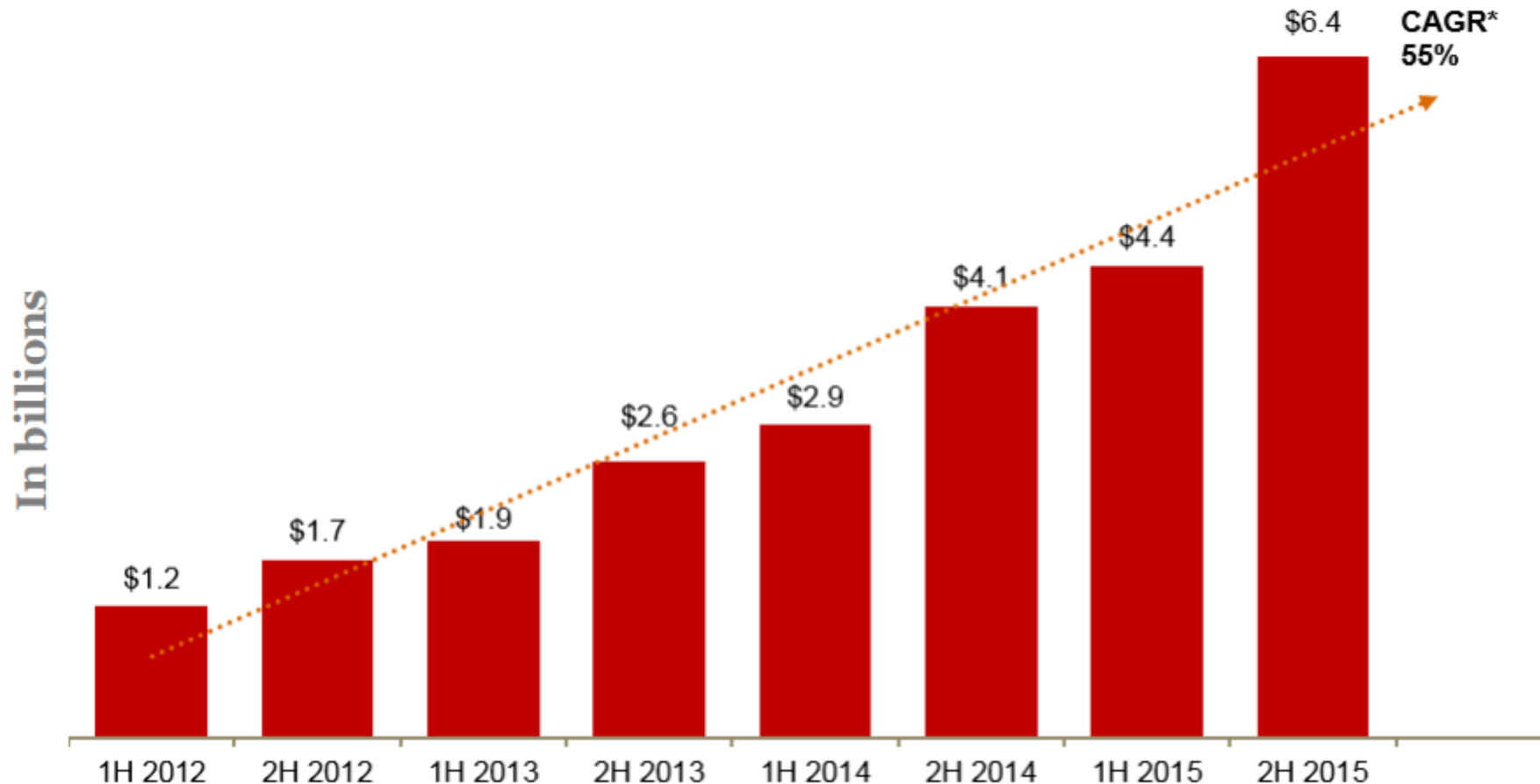
PAID MEDIA ON SOCIAL

Social media services – revenue from advertising / paid media

- For the majority of social media services, advertising is the major source of revenue
- We are seeing more and more advertising on Facebook, Instagram, Twitter, Snapchat and Pinterest
- Remember who the customer is for these social media services
 - They are buying our attention via very sophisticated targeting using the personal data that we provide
- Social media is now Pay-to-Play

Social media demonstrated continued growth

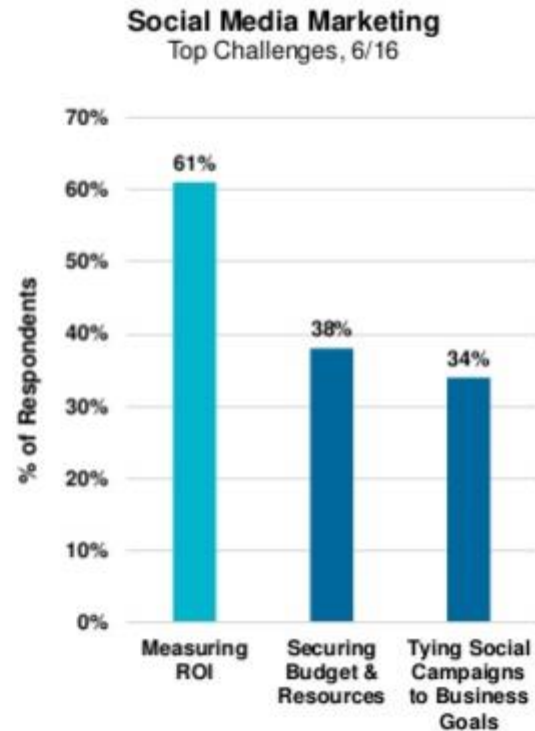
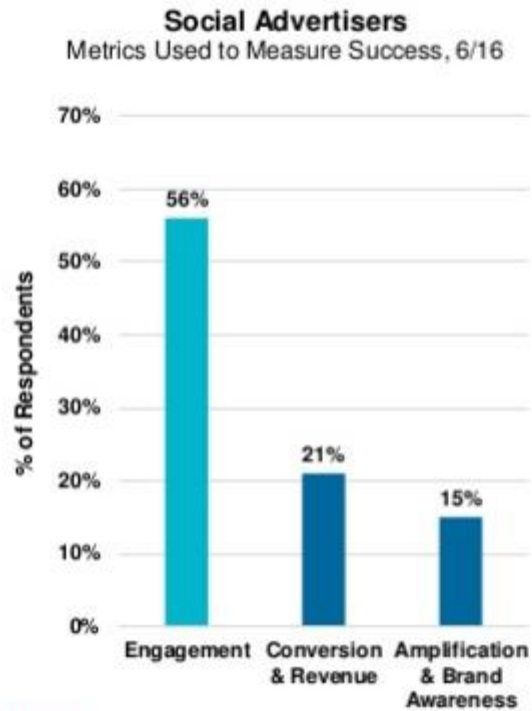
Social media ad revenues, 2012 –2015



* CAGR: *Compound Annual Growth Rate*
Source: IAB Internet Advertising Revenue Report, FY 2015

Challenges of advertising on social

Advertisers = Like Measurable *Engagement* Metrics But...
Some Find Measuring *ROI* Challenging (as with Offline)



KLEINER PERKINS

Source: SimplyMeasured State of Social Marketing Annual Report (6/16)
Note: Based on a survey of social media advertisers, n=350.

IP INTERNET TRENDS 2017 | PAGE 17

Typically, social media ads are geared to specific objectives, such as:

- App engagement
- App installs
- Brand awareness
- Clicks to website
- Event responses
- Lead generation
- Local awareness
- Offer claims
- Page Likes
- Page post engagement
- Video views
- Website conversions

Exercise on owned, earned & paid media

- Download from course website