

Social media and authentic customer engagement

MBA 563

Week 1

SOCIAL MEDIA – HISTORY AND CONTEXT

Pre-web social media - 70s & 80s online life



Then came the web – March, 1989

- The First Generation Web (1989 – 2003-ish)
 - Publishing medium; predominantly one-way / asymmetrical
- The Next Generation: Web 2.0 – [What is Web 2.0?](#) (Tim O’Reilly)
- Web 2.0 ... The Machine is Us/ing Us - the classic [viral video by Mike Wesch](#) from 2007
 - The participative web
 - Publishing tools in the hands of users – communication now 2-way
 - User-generated content
 - Media becomes “social”

The first “modern” social media

Six Degrees
- first social
network
with user
profiles
(closed in
2001)

Napster
(eventually
merged
with
Rhapsody
in 2011)

Epinions
(killed off
in 2014 by
owner
eBay)

Friendster
(died 2009)

1997

1999

1999

1999

1999

2001

2002

2003

LiveJournal
(still alive
and living
in Russia)

Blogger
(acquired
by Google
in 2003)

Wikipedia

MySpace
(sold by
NewsCorp
in 2011.
Relaunched
2013)

Social media as a marketing channel

1. It is expensive and difficult to demonstrate ROI – Only 48% of marketers said they see a return on investment using social media

The all-important question: is it generating ROI?

How much do you agree with the following statement?

"I see a return on investment using organic social media"



"I see a return on investment using social media"



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

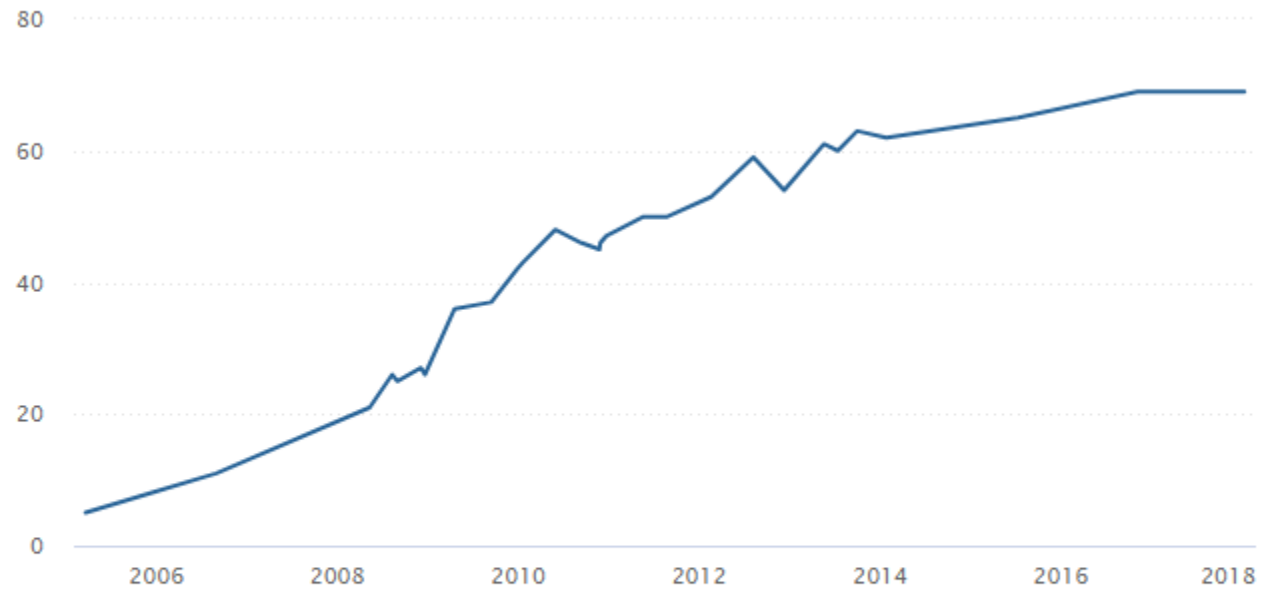
Strongly Disagree Disagree Neither Agree nor Disagree Agree Strongly Agree

2. Results take time and a lot of effort
3. Increasingly it is all about “pay-to-play”
4. Increasing lack of trust in social media
5. Social media marketing should be seen as just one marketing channel that must be integrated with others

SOCIAL MEDIA DEMOGRAPHICS

Social media use over time (USA)

% of U.S. adults who use at least one social media site



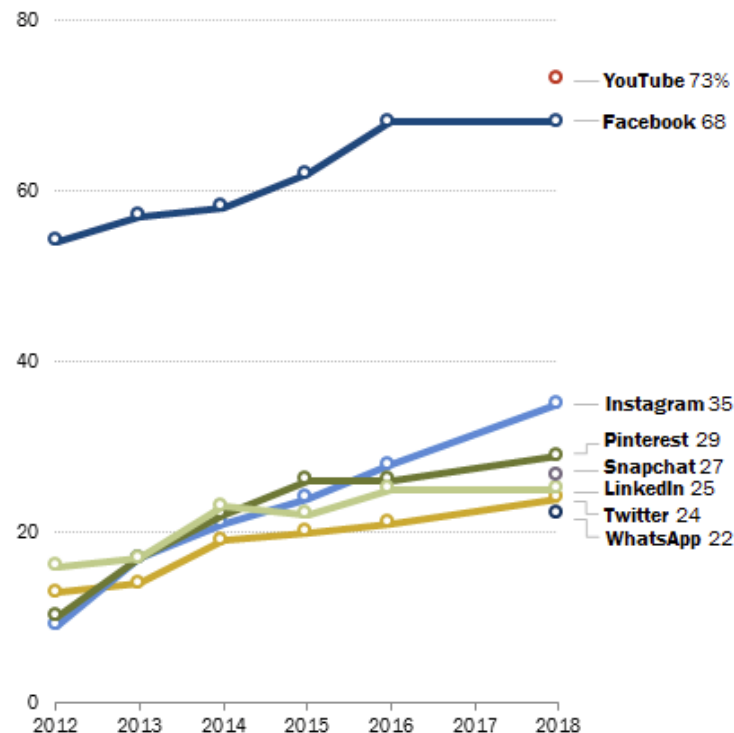
Source: Surveys conducted 2005-2018.

PEW RESEARCH CENTER

Comparison of major services

Majority of Americans now use Facebook, YouTube

% of U.S. adults who say they use the following social media sites online or on their cellphone



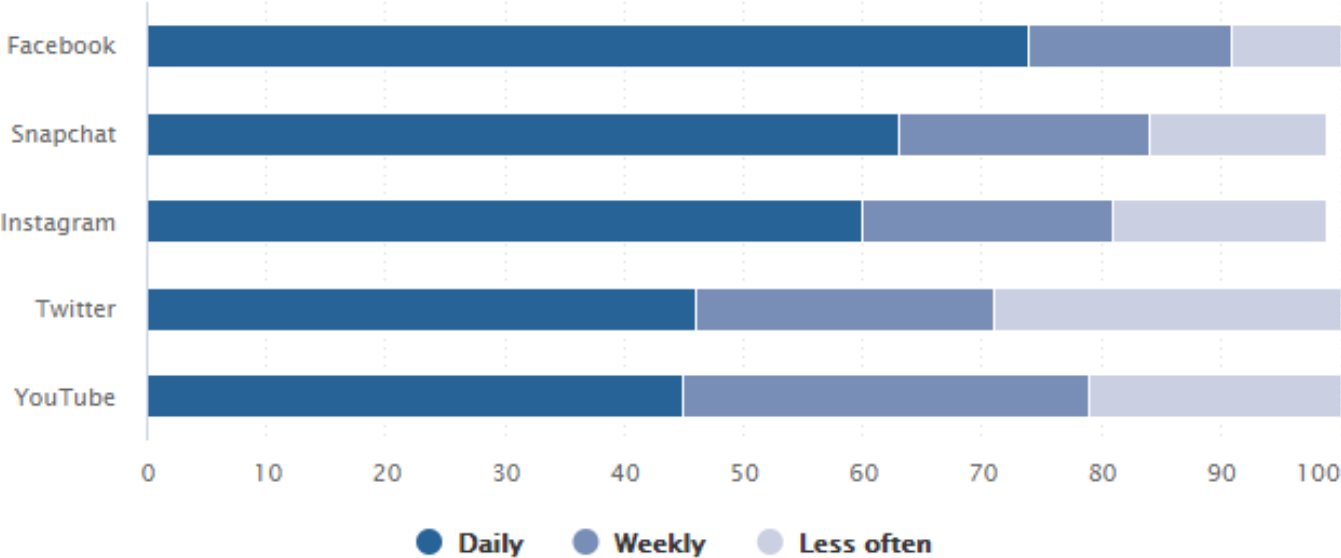
Note: Pre-2018 telephone poll data is not available for YouTube, Snapchat or WhatsApp.
Source: Survey conducted Jan. 3-10, 2018. Trend data from previous Pew Research Center surveys.

"Social Media Use in 2018"

PEW RESEARCH CENTER

Frequency of social media site use

Among the users of each social media site, the % who use that site with the following frequencies



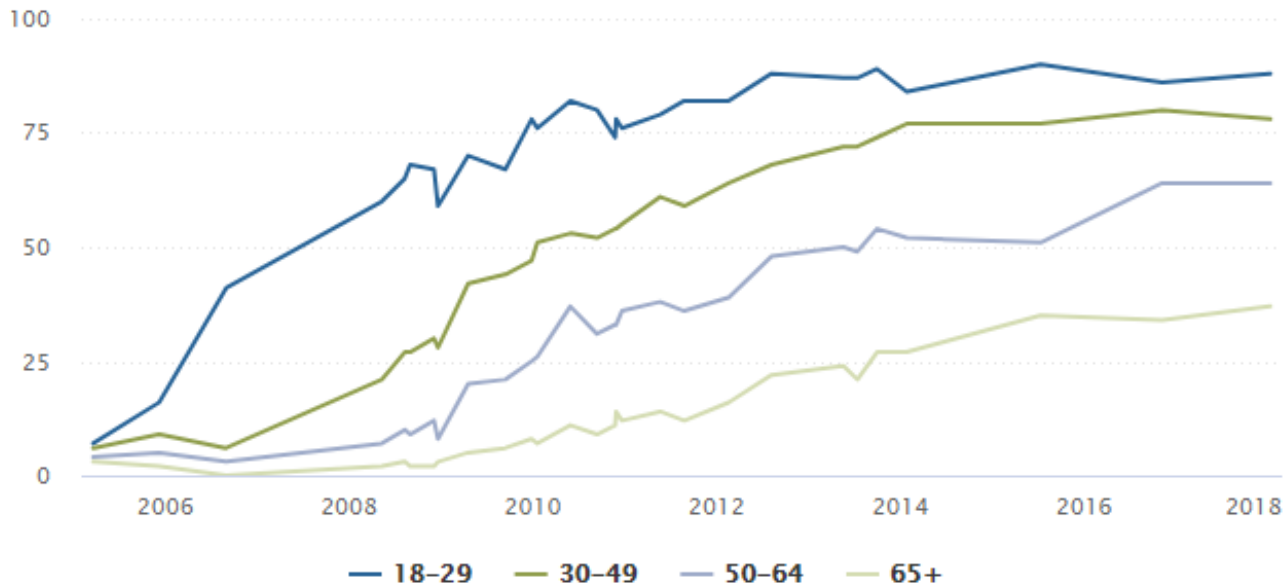
Note: Numbers may not add to 100 due to rounding.

Source: Survey conducted Jan. 3-10, 2018.

PEW RESEARCH CENTER

Social media usage by age

% of U.S. adults who use at least one social media site, by age

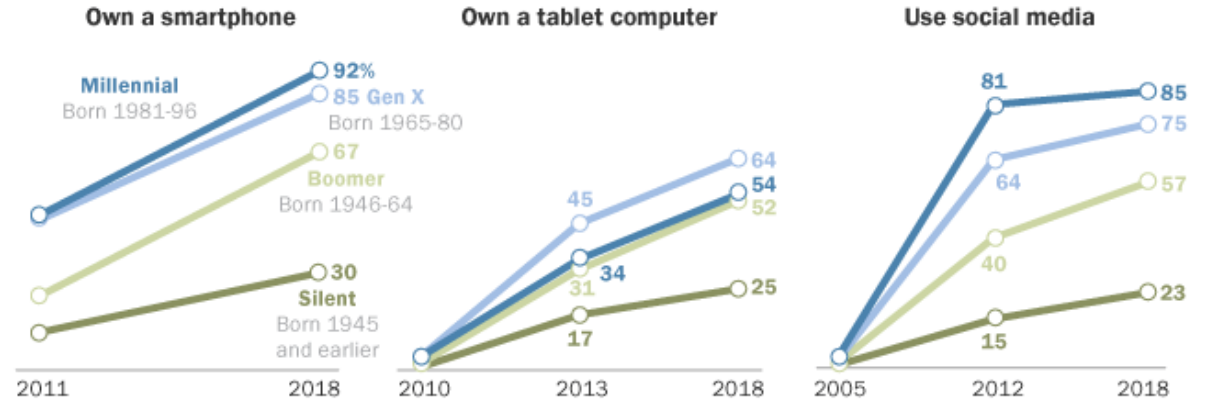


Source: Surveys conducted 2005-2018.

PEW RESEARCH CENTER

Millennials lead on some technology adoption measures, but Boomers and Gen Xers are also heavy adopters

% of U.S. adults in each generation who say they ...

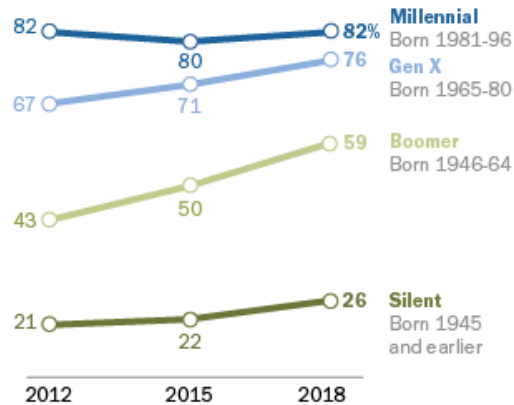


Source: Survey conducted Jan. 3-10, 2018. Trend data are from previous Pew Research Center surveys.

PEW RESEARCH CENTER

Similar shares of Gen Xers and Millennials now use Facebook; Boomers growing fast

% of all adults in each generation who say they use Facebook



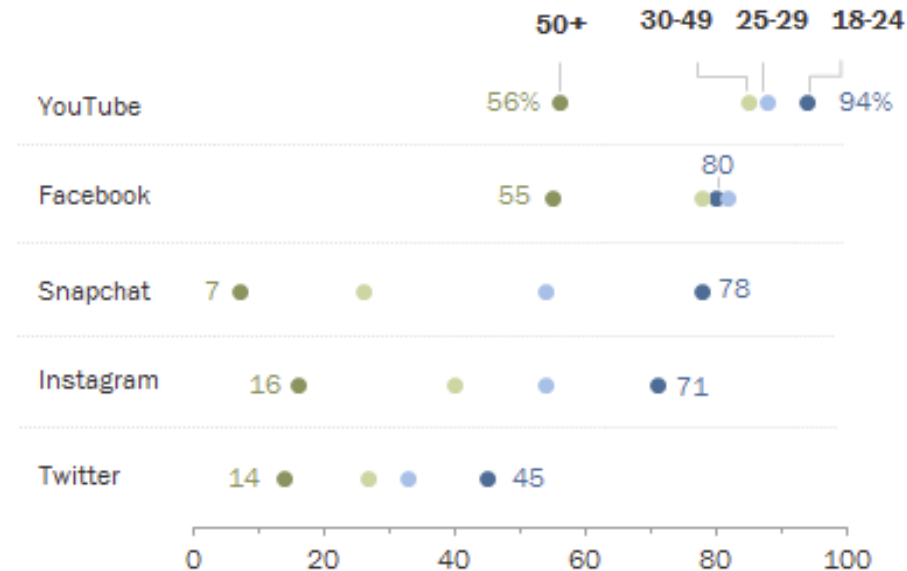
Source: Survey conducted Jan. 3-10, 2018.

PEW RESEARCH CENTER

Age is a factor for use of different platforms

Social platforms like Snapchat and Instagram are especially popular among those ages 18 to 24

% of U.S. adults in each age group who say they use ...



Source: Survey conducted Jan. 3-10, 2018.
"Social Media Use in 2018"

PEW RESEARCH CENTER

<http://www.pewinternet.org/2018/03/01/social-media-use-in-2018/>

GETTING FOUND ON SOCIAL MEDIA – USERNAMES

Claim consistent username for all social media services

- Ideally it should be the same as your website domain name (if you have made a good choice there)
- Same rules apply as selecting a domain (short, memorable, descriptive)
- Use knowem.com to check for availability
- Register your username for every social media service you can think of (including those you know you will never use)
- Stops other people from taking them
- Keeps a consistent identity across all of your web presence
- This may be very difficult to achieve (but try!)

Get a Vanity URL for sites without unique usernames

- Many sites require unique usernames – usually the URL includes the username (eg. `twitter.com/versoe`)
- The ones that don't require a unique username are the ones that require a real personal or organization name (Facebook, LinkedIn)
 - These offer a personalized URL or Vanity URL that is UNIQUE (so claim it as soon as possible)
 - [How to claim your vanity URL for your Facebook page](#)
 - [Customizing your Public Profile URL on LinkedIn](#)

Getting a username verified

- Facebook verification

- blue badge only for celebrities, public figures, sports teams, media and entertainment – Facebook doesn't say what you have to do to qualify other than you have to be "notable"
- Grey badge for business and organizations – materials to authenticate must be supplied

- Twitter verification – "an account may be verified if it is determined to be an account of public interest. Typically this includes accounts maintained by users in music, acting, fashion, government, politics, religion, journalism, media, sports, business, and other key interest areas."

- The account "must be connected to a company domain email address".
- The account "must be actively tweeting and have a complete profile, including the user's real name, bio, photo and a URL link"

- Policy on other services varies (Instagram has verification but it can't be requested; Snapchat has emojis for "Official Stories")

Username and trademarks

- Just as with a domain name there is no clear legal “right” to trademark protection in a username – the question that is asked relates to whether or not there could be “confusion”
- Username squatting and “brand jacking” are common (with the objective of selling the name to the copyright holder)
- [Twitter policy](#) on trademark violation
- [Facebook statement](#) on trademark violation
- A local example is [@BCFerrys](#) and [@BCFerries](#) where the parody account was [suspended by twitter](#)

GETTING FOUND ON SOCIAL MEDIA: PROFILES AND METADATA

Get the right type of account and profile

- Some services have special accounts for businesses, some do not
- Get the right type of account for your business or organization
- Often business accounts offer different profile options / verifications than personal accounts
- Facebook, Instagram, Pinterest – all have business accounts
- Twitter, Snapchat – one account type for every user

Fill out ALL aspects of the profile

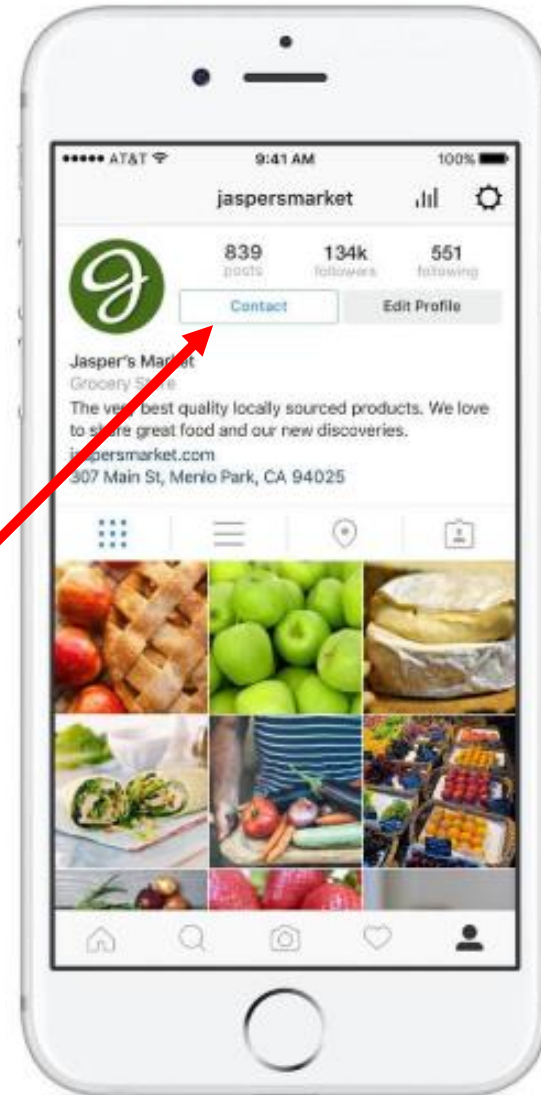
- As a business, your objective is to be found – including being found by people *who don't know you exist*
- Search engine optimization: use your most important keywords – those that will be used by people searching for your product or service on social media sites themselves
- Metadata: the data points on your profile – used in search

Facebook Business Page Profile

- Read the rules and follow them – for example some tips on [profile Cover Photos](#)
- Customize!
 - [How to create custom tags for your Facebook business page](#)

Instagram Business Profile

- Switch to a business profile and you can add contact information (phone number, email address, physical address)
- Instagram adds a Contact button to the profile



Twitter profile

- Business profiles are the same as personal profiles so you need to “look like a business”
 - [Create a profile for your business](#)
- Display name character limit increased from 20 to 50 (this is not the same as your user name)
 - Use the additional characters to include some business keywords



Brian Fanzo 🤔 Millennial Speaker 🌐 @iSocialFanz

- Important to use key words in your profile description (bio) to get found – 160 characters
- Use a “pinned tweet” for extra space to say something about you
- Look authentic! Twitter has a very different culture than Facebook

**GETTING FOUND ON SOCIAL
MEDIA: #HASHTAGS**

What's a hashtag?

- Hashtags are hyperlinked words that form a way to indicate a topic so that posts can be followed and connected – via link, search, trends, lists etc
- Started on twitter in 2007 and have been adopted by some other social networks
 - Support for hashtags varies on different networks
 - [How Hashtags work on Twitter, Instagram, Google Plus, Pinterest, Facebook, Tumblr, and Flickr](#) (Ann Smarty. Moz. 2015)
- Hashtags must have #nospaces (otherwise they will not be made into a link)

Two main hashtag strategies

- 1. Branded hashtags:** create your own hashtag – short is best as they use up characters (remember no spaces!)
 - Great for conferences, events, and twitter chats
 - Check other uses of the hashtag – nobody owns it
 - Useful tool for checking hashtag usage - [Hashtagify](#)
 - 2. Piggyback** on other relevant hashtags as a way to get found
 - You can use a hashtag in (for example) a tweet to add to a conversation – maybe your tweet will be seen by people following the more popular hashtag
 - DO THIS ONLY IF YOUR TWEET IS RELEVANT TO THE HASHTAG
- The culture of the use of hashtags differs across networks – for example it is common to use multiple hashtags on Instagram (not so much on Twitter)

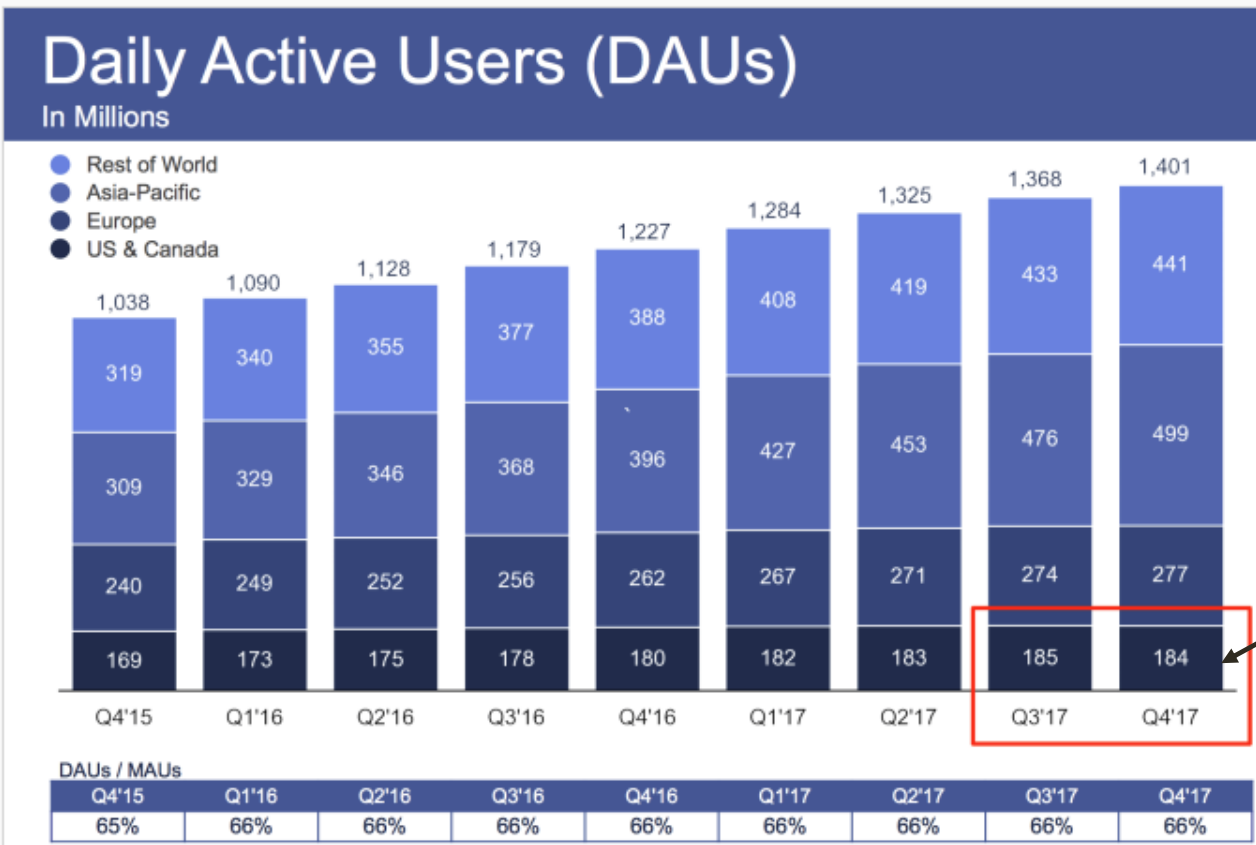
CURRENT USE OF SOCIAL MEDIA FOR MARKETING – FACEBOOK, TWITTER, SNAPCHAT

FACEBOOK - OVERVIEW

Facebook



- 14 years old (founded 2004) – became a public company in 2012
- At the end of 2017 it had 2.13 billion Monthly Active Users (MAU)



Little growth in DAUs, but users still loyal

<https://techcrunch.com/2018/01/31/facebook-q4-2017-earnings/>

Why do marketers focus on Facebook?

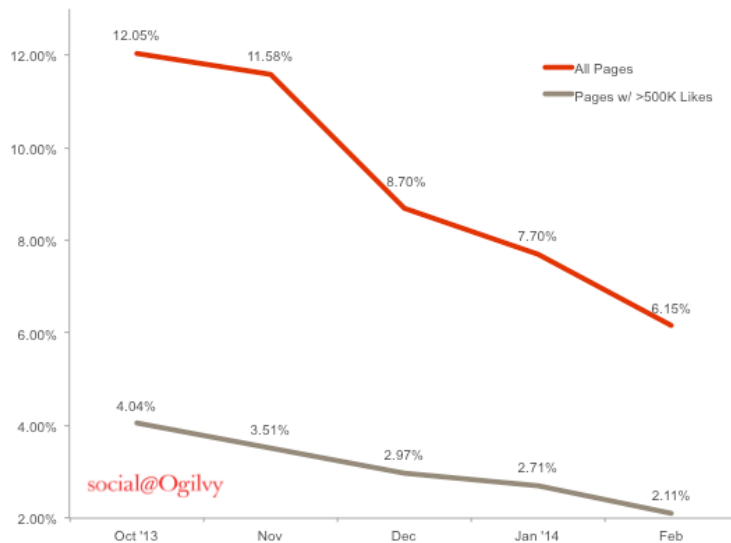
- Marketers use Facebook for owned, earned, and paid media because....
- “Familiarity breeds acceptance.” Vaynerchuck
- “Hard to dismiss a platform as skewing too young, or too experimental, or too trendy, when your niece, your brother, your seventy-two-year-old dad...are on it” Vaynerchuck
- Revenue for 2017 was \$39,942 billion – almost all from advertising

Biggest challenge for marketers is the steep decline in organic reach

- Facebook uses a very sophisticated algorithm (called EdgeRank) to manipulate what appears in a user's Newsfeed
- With the potentially massive amount of content streaming into a user's Newsfeed, it is almost impossible to get and keep attention without paying for it - organic reach approaches zero.

The Edgerank algorithm tweaked to reduce organic reach

Average Organic Reach of Content Published on Brand Facebook Pages



Analysis of 100+ Facebook Brand Pages around the world with more than 48 million total fans conducted by Social@Ogilvy in February 2014. Please see our report, "Facebook Zero" at <http://social.ogilvy.com> for details.

- Analysis of more than 100 brand pages - organic reach was around 6 percent, a decline of 49 percent from October 2013
- For large pages with more than 500,000 Likes, organic reach hit 2 percent in February 2014
- “Organic reach of the content brands publish in Facebook is destined to hit zero. It’s only a matter of time.”
- Marketers being pushed to paid media

2018: the most far-reaching impact for marketers in the Newsfeed Algorithm

- Page posts from brands and publishers will be scored differently from posts from friends - posts from publisher pages will be suppressed, as much as 5x (before this update, average reach was 2 - 5%)
- Engagement will drop even further - estimates say by as much as 80%
 - “by making these changes, I expect the time people spend on Facebook and some measures of engagement will go down.” Facebook CEO
- Cost of advertising will rise
- Publishers that resort to engagement-baiting will be punished (so no more incentives for liking a page)

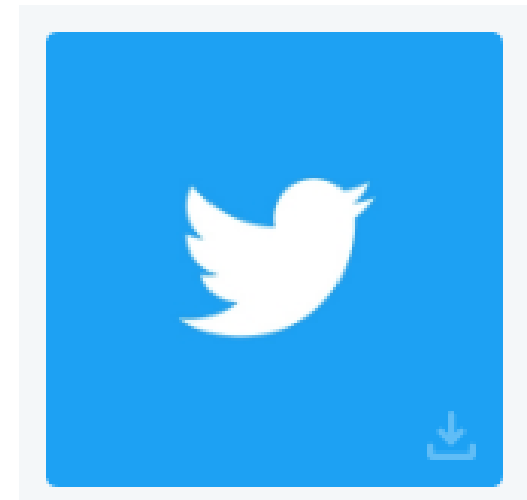
Facebook is now pay-to-play. Paid marketing products

- Facebook for business
- Facebook advertising products
- Newsfeed Ads / Sponsored Posts
- Boosted posts – Friends, friends of friends plus audience targeting
- Promoted Posts – uses the FB Ads Manager for additional targeting and bidding options

TWITTER - OVERVIEW

Twitter background

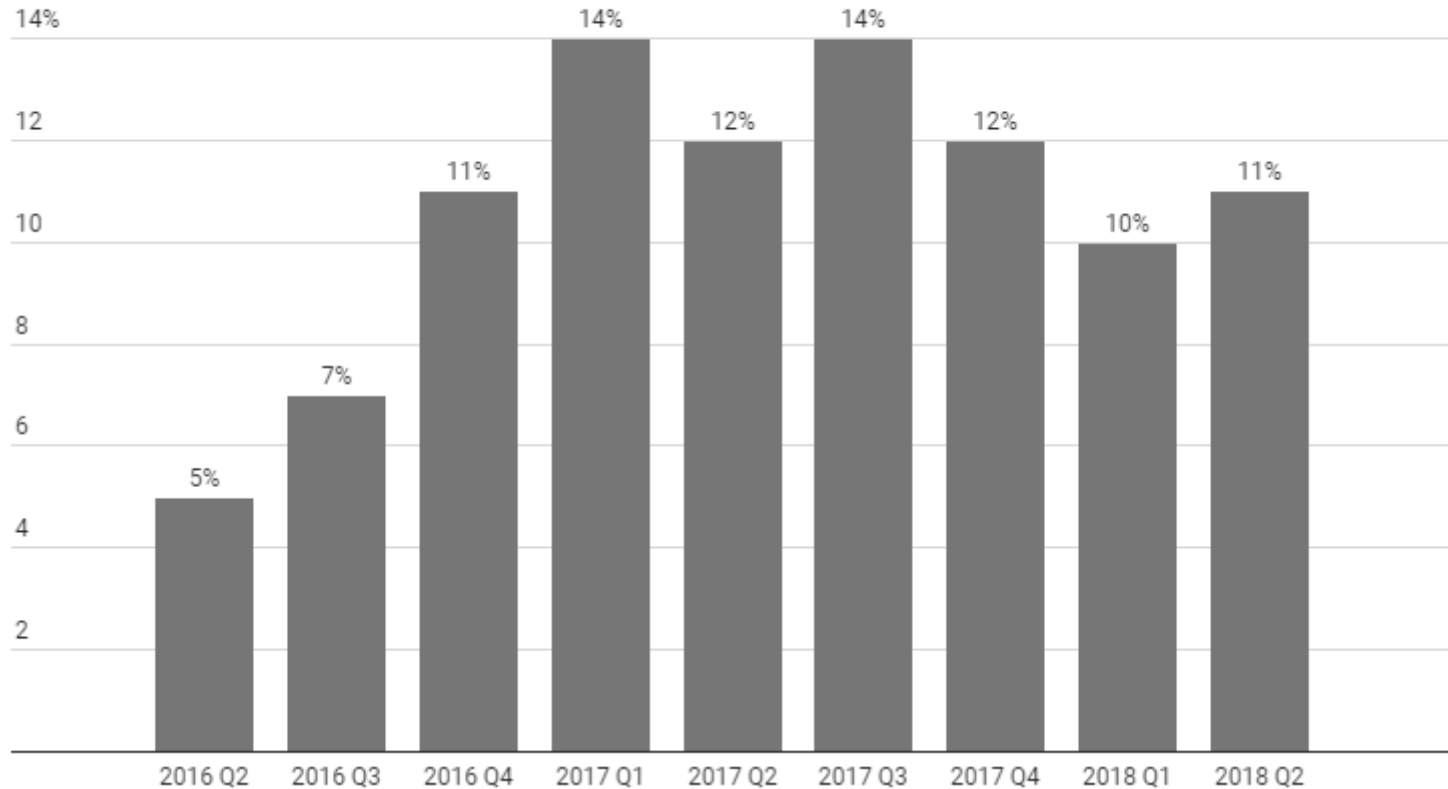
- Demographic very similar to Instagram
- 2017 revenue US\$2.4 billion
- Very important and influential for news and sports
 - Donald Trump
 - Superbowl etc
- Some problems with user growth



Number of daily active Twitter users worldwide

Twitter daily active users

Year-over-year growth



Twitter is a distinctive real-time platform

- A tweet can be no more than 280 characters (doubled from 140 characters in 2017)
- A tweet can include a hyperlink (usually shortened), images, gifs, or video (no longer included in the character limit)
- Tweets are PUBLIC by default and practice. ANYONE can view all of your tweets by going to your profile or by using Search
- In 2016 the default timeline began to “show the best tweets first” – in other words it uses an algorithm to manipulate what is shown in the main feed

Direct messages

- DMs are private messages (individual or group), viewable only by the sender and the receiver
- You can send DMs by default *only* to users who follow you
- BUT you can opt-in to allow anyone to DM you (useful for customer service)
- The character limit does NOT apply to DMs

Owned, earned, and paid media on Twitter

- Owned – an organization's own twitter account or accounts
- Earned – follows, retweets, favourites, lists, mentions
- Paid – Twitter for Business:
 - Advertising
 - Promoted accounts
 - Promoted tweets
 - Promoted trends

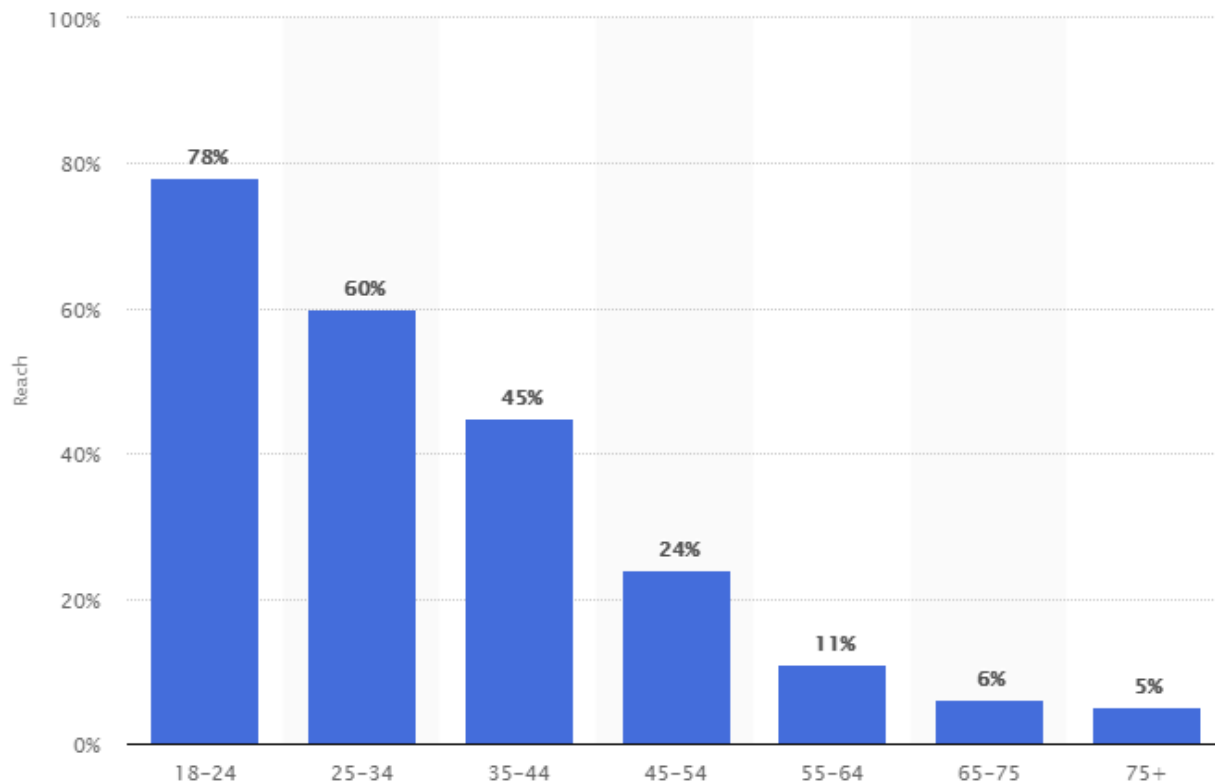
SNAPCHAT - OVERVIEW

Snapchat background

- Launched in September 2011
- September 2016 – Rebrands parent company to Snap Inc and launches first hardware product Spectacles
- 2017 – IPO
- Major interface redesign rolled out November 2017 (it was not popular..)
- Revenue for 2017: \$825 million
- Loss in 2017: -\$720 million



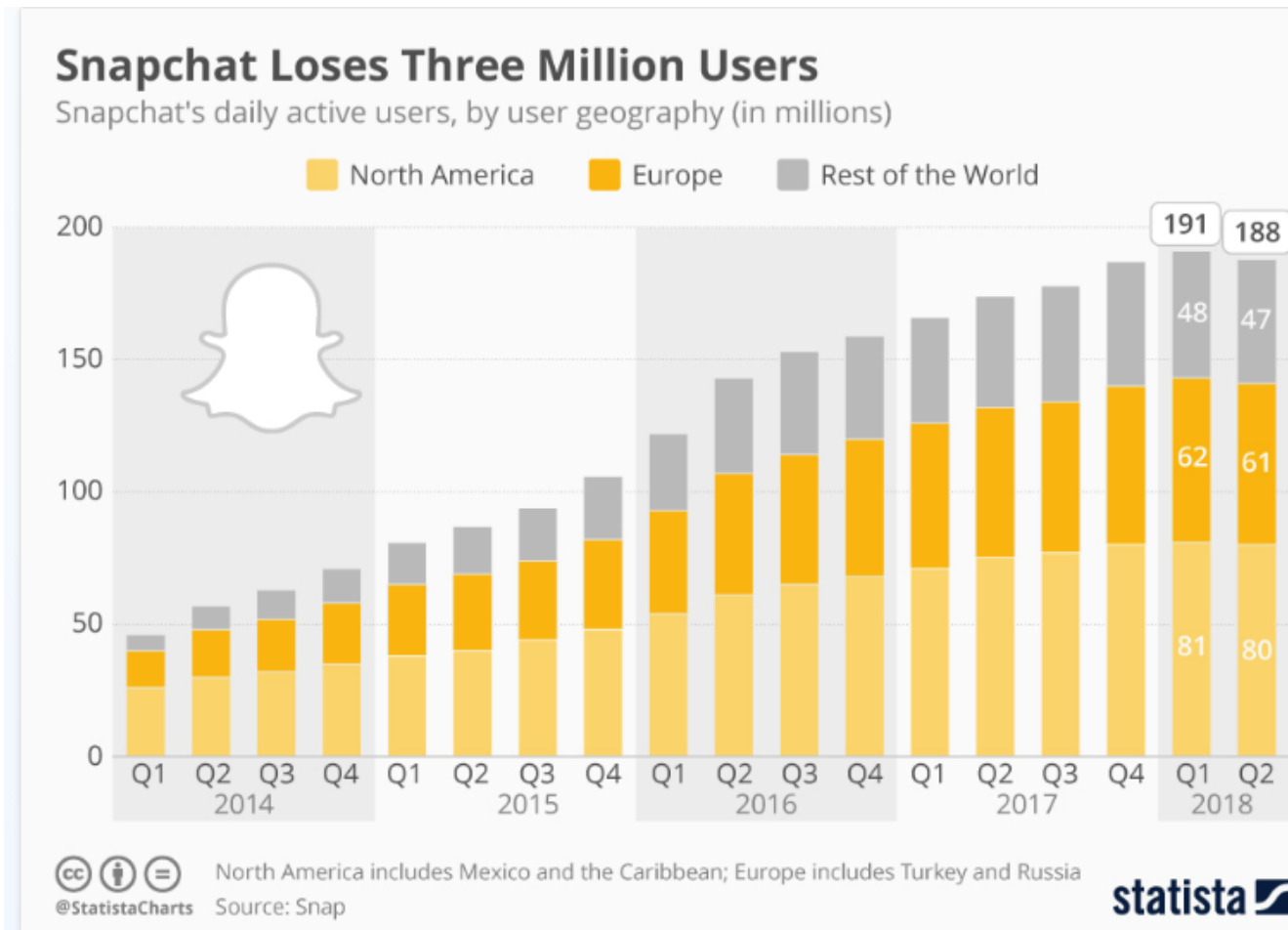
Demographics – focus on Gen Z and younger Millennials



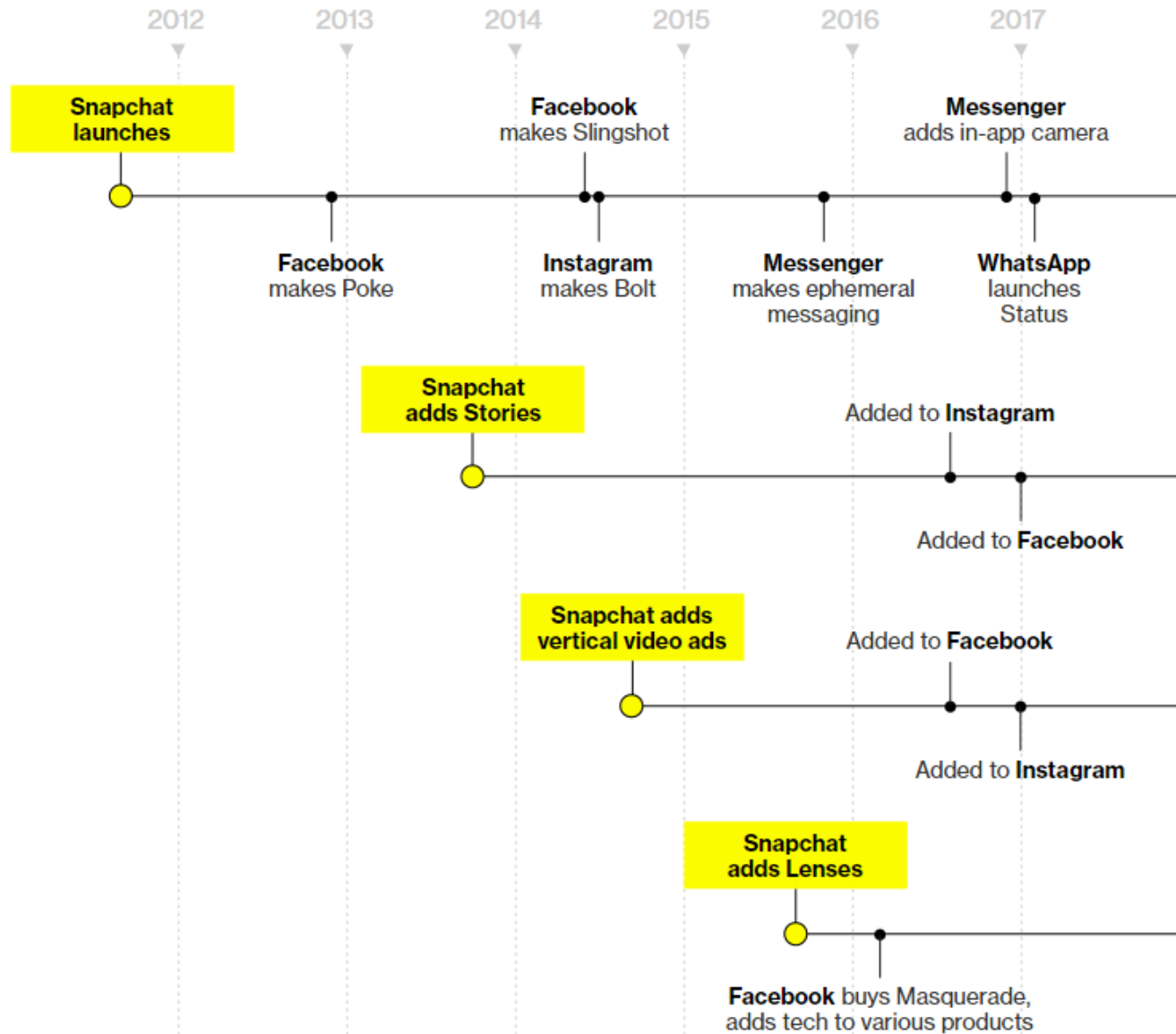
© Statista 2018

Percentage of U.S. internet users who use Snapchat as of January 2018, by age group

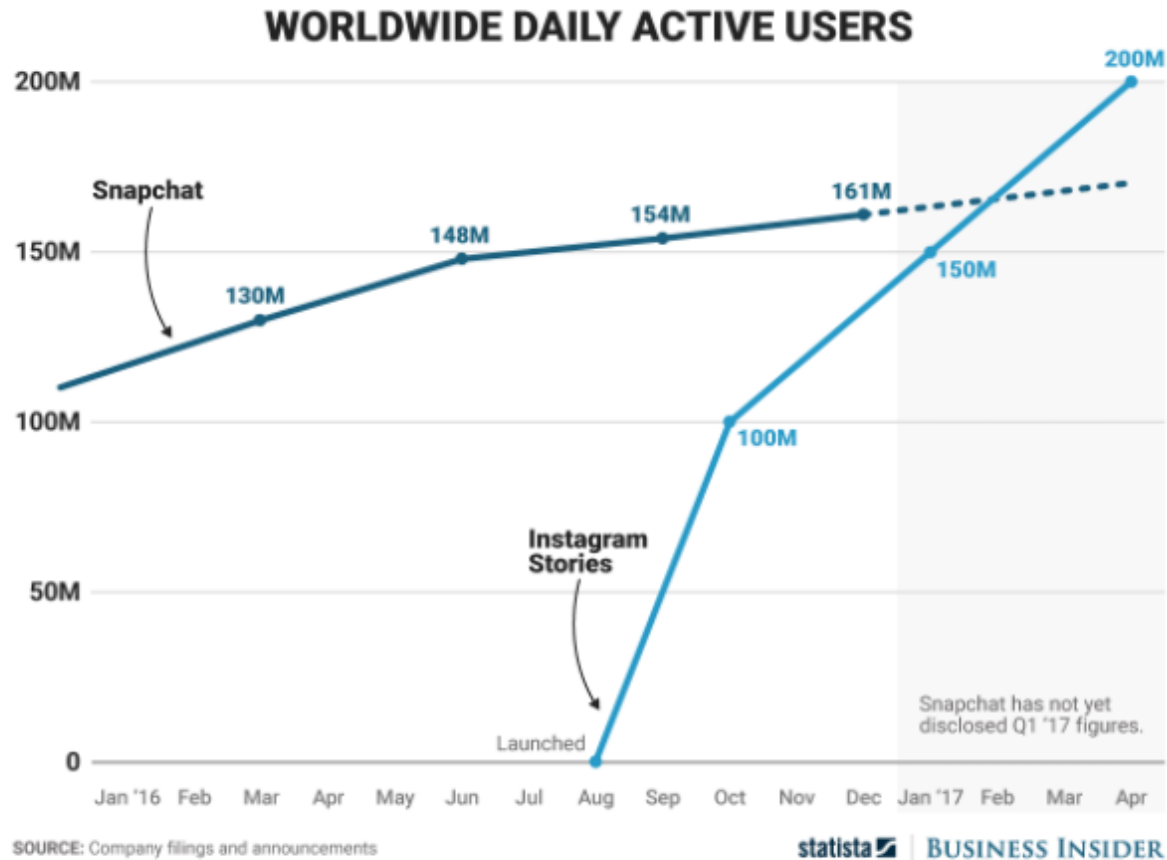
User growth is a problem for Snapchat



Main problem – very easy to copy Facebook clones Snapchat



Instagram Stories versus Snapchat



Mike Nudelman/Business Insider/Statista

Paid media on Snapchat



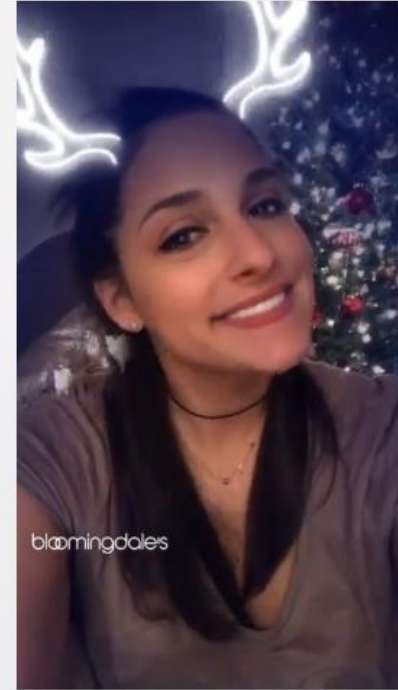
Snap Ads

Captivate your audience with full-screen Snap Ads.



Filters

Own a place or event with location-based Filters.



Lenses

Invite customers to play and share with Lenses.

<https://forbusiness.snapchat.com/ad-products>