

Social Media for Business White Paper

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What is Social Media? What is Social Networking?

It's rare that I speak to an organization who believes they "got in the game" too early when discussing their Internet initiatives. Most often, after seeing the impact the Internet has had on commerce, companies look at history and see missed opportunities to grow faster, and edge out their competition.

Do you ever wish your organization was a little quicker to embrace the power of the Internet as a customer service and marketing tool? Ever feel like your company was behind the curve? The next generation of tools are creating new opportunities, just as having a traditional Internet presence did for businesses a decade ago.

It's truly not possible to speak of a comprehensive web strategy in 2009 without discussing social media and social networking. The Internet is evolving and these new technologies are undoubtedly changing consumer behavior. This changing behavior impacts how people shop and make buying decisions. Organizations that embrace these new tools early on can gain a competitive advantage.

The social web is exactly as the word describes it – social. So throughout this paper, I will use examples comparing online social interactions to offline social interactions to help demonstrate how the behaviors parallel one another.

Social Media and Social Networking are the primary technologies that have been changing the face of the Internet into what is popularly described as "Web 2.0". The Internet as we know it has grown so much; sometimes it's hard to believe we're only a Web 2.0. So, what's so special about now?

Until recently, the majority of the Internet was a very one-way conversation. Like traditional books, just in

electronic format, the Internet was speaking *at* its readers. There were limited opportunities for the visitors to these websites to have an immediate impact on the message. There were opportunities to share something noteworthy with your friends through the “email this” links, or even emailing a page to someone. However, consider that these conversations occurred in a tunnel. Emails you send go straight from you to the recipient(s). No other visitor to that website will receive the benefit of your insight or your witty joke.

Web 1.0 : You’re at a party with lots of people, but you’re only able to mingle with your friends. You know they’re more people at the party, but you can’t hear or see them, you don’t know who they are, if they’re enjoying themselves, or if they have anything interesting to share.

Web 2.0 : The same party, but now you can see and hear everyone who wants to be seen. You’re able to talk to people you’ve not met before the party, introduce yourself, and even join in conversations with these new acquaintances. Because you can now hear everyone, if someone says something noteworthy as you pass by them on the way to the bar, you can hear it - and learn from it.

You had two choices to share your voice in Web 1.0 – You could have your own website or you could send emails to those you thought may want to hear what you had to say. While more than possible, it’s not quite practical for everyone to learn to build websites, or to hire a web designer to build one for them. Email is a great tool, but what if an old contact changed their email address? And it’s a bit awkward to fill your friends Inboxes with everything on the Internet you find interesting, no?

The social web is creating a space that enables every person with even the most limited understanding of basic computer functions to become a publisher. Waves of new tools have given every Internet user a microphone if they so chose to use it. Social networking tools enable their users to stay connected, without email, to share as much or as little as they want, and enable each users’ contacts to hear as much or as little from them as they choose.

Imagine being able to turn down the volume of your friend's voice without telling them. Not that you never want to hear them, but maybe just not everything they say. Today's social tools allow you to do just that.

The newest generations of web tools enable every user to communicate well beyond their immediate social circle, opening their story, advice, or anything else they want to share to anyone interested in listening. Web 1.0 had a few early examples of this kind of empowerment. One of the first popular instances was the addition of user ratings and comments on Amazon.com. Anyone with an email address can leave a review of a product for the whole world to read.

Another example of early two-way website based communications would be forums. Mainly utilized by the niche groups and typically the more technologically inclined, these "bulletin boards" have allowed two way conversations to occur on websites for all to read for many years. Their interfaces were a bit too cold and their topics were just a bit too focused for them to make a larger impact without additional tools to compliment their use.

An early example of social networking tools is Classmates.com. This site allows users to connect with past school classmates and share contact info, some photos, and post messages for other classmates to read. Classmates.com charges a monthly fee to be an active member of the community and has had a walled garden approach to their information – meaning it does not integrate with other services. The most popular social networking alternative in the U.S. today is Facebook, which invites other services to integrate, is full of fun features, and is free. These two models will be compared more in the section on Social Networking.

The social web has been making huge strides because there are a host of tools that are working together, using standardized formats. These standardized formats allow all of these tools to integrate, **making the impact of the whole greater than the sum of the parts.**





Why do you Care?

Why should your company have a social media strategy?

Make it EASY for people to talk about you.

We all know that the easier you make things for someone, the more likely they are to take advantage of it. I'm convinced that half the secret to creating a successful business is making it easy for people to do business with you. That being said, it's easier to post an interesting article to Facebook and share it with 500 friends, than it is to call 500 people and tell them how much you loved the new model home you toured this morning.

Social technologies provide amplified connections between individuals. They speed information gathering and sharing. They enable the progressions toward true real-time information. Web 2.0 opens the Internet to a new level of communication, creating opportunities for businesses that are prepared to join the party.

With Web 1.0, the Internet wasn't much of a party. As the previous examples described it more like a stack of information tunnels. Web 2.0 is a party. Everyone who attends is free to socialize. Facebook's latest reports claim 300 million users. That's a big party. Not having a presence in the social space is like not being accessible at the big party. No one can talk to you if you're not there. And if they can't find you, they'll probably just talk to someone else. Do you want them talking to a competitor?

I think the day is not far off where not having a Facebook, or some other form of social technology, presence will be considered similar to not having a website. It's kind of hard to imagine a company actively seeking new business without the assistance of a website. So, what are some of the major business reasons to use social technology?

1. **This is where your customers are spending their time online.** It's no longer enough to just target people searching for your product. Most businesses would agree - there just aren't enough people searching for their product. You need to reach outside that circle and grab those individuals who are not actively looking, but could be enticed to look if the right relationship is formed and the right opportunity comes along.
2. **Online PR.** A nutshell way to describe a lot of social technology efforts is "online PR." The goal of some strategies is to create buzz around what your company is doing - Getting people to talk about you and getting them to share what you're doing with their friends. This sharing offers the potential to reach people several "degrees of separation" away from you, increasing the chance it will reach a potential buyer.
3. **Search Engine Optimization (SEO) Benefits** – Search engines love content on social platforms. User generated content (UGC) is a term given to the content that's created by the users of social platforms – product reviews, website descriptions and tags, blog posts, etc. UGC is highly valued by search engines because of the likelihood that it's current and that it was created by individuals, as opposed to the less authentic content of a corporate website that was likely written and reviewed by committee.

One way search engines determine how a website should rank in search results is by a measure of credibility. The more instances of links to your website elsewhere on the Internet, the more "credibility" your site is perceived to have. This logic makes the assumption that a lot of links to a worthless website would not exist, and the more valuable a website's content, the more other sites will link to it.

Having a presence in these social spaces will result in an increased number of links back to your company website. The increased number of incoming links to your website can do a lot for your organic [free] search rankings, resulting in a higher amount of no-cost traffic directly to your website.



What forms of social technology are there and how are they used?

It is difficult to categorize social technology tools into completely independent silos, just as it's not possible to easily categorize offline social interactions. There is a bit of crossover in all of these categories, but these summaries will offer an overview of the main types.

BLOGGING

A blog, short for web **log**, is a simple website format that allows anyone with basic Internet skills to publish content to a website. Some blog authors use the tool to share their daily experiences with their family and the world. Some bloggers write about a particular topic of interest like politics, crafts, or dogs. Many companies use the blog format to maintain a “news and events” section to the website. They have a familiar reverse-chronological format that makes them simple to follow.

So why are blogs considered part of the social technology space?

1. They're the early enablers of user-generated content. They give everyone who wants to speak, an opportunity to share their voice.
2. Blogs are VERY sharing friendly.
 - a. Almost all blogs publish a file called a “feed” in addition to the content you see on the website. This “feed” allows readers who are interested to subscribe to future updates of the blog – sometimes via email and sometimes using a lesser know tool called an RSS reader [RSS = Really Simple Syndication]. This syndication ability also allows the reuse of a blog's content in ways too numerous to list. If the goal of PR is to get people to talk about you and share your information, and we know that making it easy for people

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to share your content is half the battle, it doesn't get any easier than a blog.

b. Most all blogs will have a simple functionality enabled that allows visitors to post content they find valuable to other social technology services like Facebook or Digg, further increasing its exposure.

3. Blogs enable visitors to comment on the content. Typically each blog entry will have a form that enables a visitor to share their own point of view on the author's topic. On more popular blogs (major news sites are good for this also) it's not uncommon to see hundreds of comments after a post. The commenting becomes a conversation in itself. It's published on the blog for the world to see, and anyone to join in if they so choose.

What are some examples of blog tools?

Ideally a business's blog is contained within its own website, but there are other options that allow those interested to blog for free, without the integration costs.



Wordpress: The most popular platform - offered in both a format to be hosted on your website, <http://www.wordpress.org>, or hosted on their site, <http://www.wordpress.com>.



Blogger: Operated by Google, a free platform similar to the hosted Wordpress version above. <http://www.blogger.com>



Movable Type: Offered in both hosted and integrated versions - <http://www.movabletype.com>

SOCIAL BOOKMARKING SERVICES

Almost all Internet users "bookmark" or add websites to their "favorites" using their browser. This saves keystrokes the next time you want to login to your banking website, and helps you keep track of those unique pages you don't want to forget.

Social bookmarking services also enable users to "bookmark" or "favorite" content they've seen on the web. These platforms are social because the users' friends and connections are able to see what new bookmarks have been added. Similar to learning what books your friends are reading, your online friends in a social bookmark network filter more of the Internet than you could on your own, only listing the best, theoretically the most



relevant content, you need to see.

The more popular services also aggregate all users' suggestions into categories, allowing you to see the most popular articles in a variety of topics, as voted on by the entire community. The benefit to the users of these services is that they're exposed to relevant content that they may have never found alone. Using the efforts of many online to find the best content and ensure its read - crowdsourcing the wisdom of your connections.

What are some examples of social bookmarking services?



Delicious: Now owned by Yahoo, one of the more pure examples of social bookmarking, and quite popular.



Digg: Most recognized for the catchy buttons you may see on blogs that invite you to "Digg This."



StumbleUpon: A bookmarking service that focuses a lot on ratings and reviews of the bookmarked pages. It also offers its users a browser toolbar that, with a single click, will randomly send them to a new website that the service believes the user will enjoy.

VIDEO & PHOTO SHARING SERVICES

Social bookmarking services are built around the sharing of any content found online. There are also networks built around sharing particular forms of media online. The largest of those kind are YouTube for video and Flickr for photos. These services enable simplified sharing of their content.

The services also increase the photos' or videos' exposure by making it more accessible to those searching for it. If tasked with looking for a video on new homes in Virginia, most people would head to a site like YouTube. Most experienced YouTube users know they can find the videos they're looking for quicker there than they could using traditional search tools, like Google or Yahoo.

Tools like this make your videos and photos portable. Social technologies enable users to share interesting content with their connections. When things are easy, people are more likely to do it. YouTube and Flickr make it easy for everyone to share your content.



In November 2008 YouTube reported more searches than Yahoo, effectively making it the #2 search engine after Google. In January 2009, YouTube surpassed 100 million viewers for the month. - ComScore

What are the uses for tools like these?



YouTube

What goes there?

Any video content can be shared via YouTube - video tours of products, educational footage, employee and customer events, industry news, product reviews, etc.

Why?

1. Find your mavens - YouTube users can subscribe to your “channel” so they’re notified when you upload new videos.
2. Syndication - YouTube enables easy “posting” of your videos to other services, like Facebook or MySpace, and also makes it simple for anyone interested to embed your video in their blog or website.
3. Conversation - If you choose to allow it, YouTube enables viewers of your videos to post comments about them. What better place for a customer endorsement than right below a video of the product?



Flickr

What goes there?

Product photos, staff photos, customer event photos, company party photos.

Why?

1. Engage your mavens – Flickr gives anyone interested access to high resolution photos. Give your mavens more detail with better photography.
2. Personality – Social technologies are about being social. Photos of employees and events can help communicate the personality of your organization to your consumers. When people feel connected, there’s a better chance they’ll become your evangelist.

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3. Conversation – If you choose to allow it, Flickr enables viewers of your photos to post comments about them. What better place for a customer endorsement than right below a photo of the product?
4. Syndication – Flickr integrates nicely with Facebook. There are several tools available to make your Flickr photos available on your blog, or on anyone else's blog for that matter.

It was recently reported by Mashable.com that Facebook is now the largest host of photos, with over 10 billion photos in its system. It's easy to get information into Facebook, but not easy to get it out. For that reason, Flickr still enables better integration with other platforms.

SOCIAL NETWORKS

Social networks enable their users to maintain connections with the people they chose. Each service varies a bit in its format, but the purpose of all of them is to keep people connected by sharing updates made by their connections. Updates for business connections, like those on LinkedIn could be “Sally Smith is now the Sales Manager for Acme Manufacturing” or something more trivial like those on Facebook – “Dennis is playing Candy Land.” All social technologies are about connecting people. Other social technologies, like social bookmarking, are built around the content. Social network platforms are focused on the connection first, and the content second.

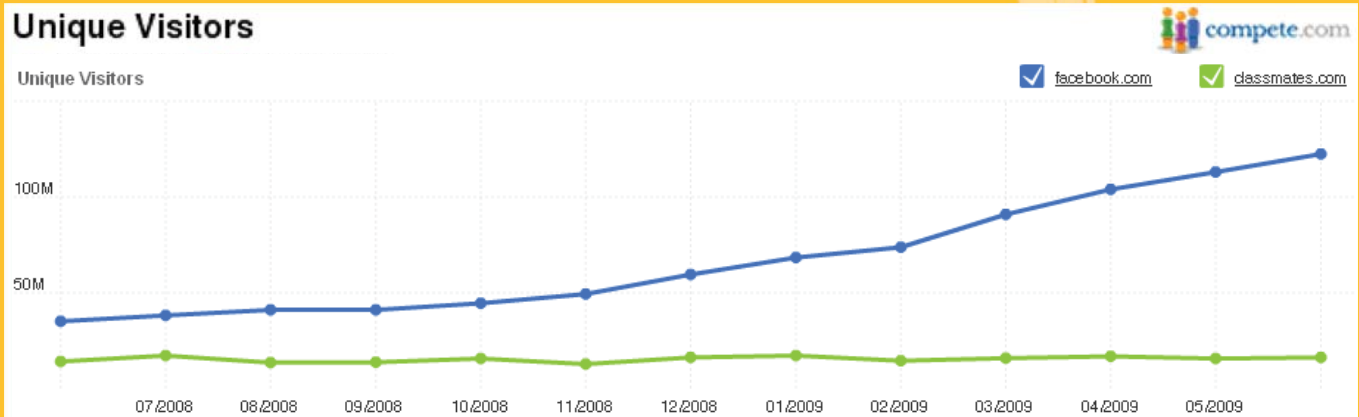
The CEO of LinkedIn described LinkedIn as the office, Facebook as the bar, and Twitter as happy hour. I'll add to that and describe MySpace as high school.

The most popular social networks in the U.S. – LinkedIn, Facebook, & MySpace – enable their connected users to share lots of content. Photos, videos, news articles, blogs, music, and more can be shared with your network through these platforms.



Each network enables users to create groups based on any particular interest. These groups can act as a content sharing forum on their own, but also an opportunity for users to meet new people online, not just converse with their offline social circle.

Classmates.com is an early example of a social network. Classmates charges members a monthly fee to go to their party. Facebook's party is free. According to Compete.com data, most people are just unwilling to pay a cover charge.



[Click here for an updated comparison chart.](#)
Source: Compete.com

What does all of this have to do with business?

In an effort to focus on the most relevant information, the examples will deal mostly with Facebook. Not because it's the only opportunity in social networking, but because it's the biggest for most consumer focused businesses. If you could only choose one network to be a part of, 90% of the time the right choice is Facebook.

Facebook says it has over 300,000,000 registered users and of those, 47,000,000 U.S. users login EVERY DAY. Facebook says it's adding about 700,000 new users every day. Another statistic estimates that the average Facebook user spends 40 minutes on the site per visit.

Facebook is a party with 47,000,000 U.S. users there everyday. What business can afford NOT to be at that party?

This is where a huge percentage of conversation is happening. This is where more and more people are spending their time online. They chat with friends, they get recommendations for interesting things, and they get invitations to parties.

Facebook users know the rules on Facebook. They're comfortable communicating within that environment, and may be more likely to engage you when you're willing to speak on their terms – within Facebook.

Not a ton of business happens on Facebook, just like you're probably not going to close a sale at a bar where people are there to socialize. It's about being accessible – making yourself easy to find, making it easy for your mavens to endorse you. A Facebook presence is relatively easy to establish, and when setup properly, it can collect all of your other social technology activities to act as an online hub of your activity, just as it does for individual users.

What are some examples of the more relevant social networks?



Facebook: The fastest growing network in the U.S. and the most likely to be a fit for consumer targeted product marketing.



LinkedIn: A social networking tool for business connections. This is an excellent tool for recruiters and I believe it has lots of untapped potential for business-to-business marketing.



MySpace: Little business occurs here, but it's a viable place for musicians and other popular culture products like sodas, food, and movies.

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Social networks take the power of Word of Mouth marketing, good and bad, and put it in high gear, with a Red Bull chaser.

MICRO-BLOGGING

Micro-blogging is exactly what the name implies. It's a web log built consisting of very small entries. The most popular microblogging service, Twitter, limits entries to 140 characters. This seemingly trivial ability to send mass short messages to anyone who's interested in listening has made a tremendous impact over the last 24 months. A recent investment in Twitter values it at over \$1 Billion.

The idea was conceived originally to help groups communicate with one another – sort of a mass instant message service that can be sent via SMS (text message) to a cell phone. However, even the founders of Twitter admit that many popular uses for the service were one's that hadn't been expected – like the Red Cross using it to communicate with team members, or trade conferences using it as a forum for visitors to ask questions.

It is pretty informal, and the closest thing to real-time conversation currently available on the Internet. If organizations want to know what's being said about them right now, they should go to Twitter and find out.

How can I use Twitter?

Because Twitter is an opt-in service, meaning those who receive your messages (your “followers”) must specifically request to receive them, your messages are going to interested people. Just like all social technologies, you want to reach out to as many people as possible, but mostly you want to engage the Malcolm Gladwell [author of The Tipping Point] “mavens” of your product. They want your information, and they're eager to share it with others when they have it. Twitter enables your mavens, and everyone else, to receive the latest information you want to share.

Businesses use Twitter to handle customer service requests, announce sales, share relevant product information, share industry or product related news, and anything else helpful to its followers.

Where to Microblog?



Twitter: The only microblogging service currently worth mentioning here is Twitter, although there are a few others. <http://www.twitter.com>

It's perfectly acceptable, actually expected, to follow those you've never met using Twitter.
 "Facebook is where you follow people you used to know. Twitter is where you follow people you want to know" – Anonymous Smart Person

AGGREGATORS

So how is one expected to keep track of all this?

This is an issue that undoubtedly will need to be solved for more of these services to become more mainstream. Most likely, some of the more obscure specialty services will get swallowed up by the larger providers (or their functionality duplicated), and the remaining services will be funneled into some sort of aggregating service by their users.

Aggregating services combine the incoming news from all of your available services and put it together in one convenient stream. The most popular pure aggregating service at this time is FriendFeed (<http://www.friendfeed.com>). FriendFeed was recently purchased by Facebook, indicating that it is also heading in the direction of offering full-scale aggregating services. Movable Type and AOL have been separately working on a personal aggregating time line (life-stream) service. Both tools "stream" all of a users' online activity from participating services back to a central profile page or blog – a sort of online activity diary.

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What now?

Don't sell. Help them buy. All of the tools outlined here can be helpful to your prospective buyers. Photos could help them learn about your product. Blog posts and videos can help them learn about your company culture or personality. A tweet [a Twitter post] or a Digg can help them find that third party source they needed to feel comfortable enough to make a buying decision.

If you love your information, set it free. Enable all possible methods of sharing your information. Let visitors subscribe to your blog via email, RSS, or Twitter. Have “share this” and “post to Facebook” options all over your site. Upload your videos to YouTube, even if it's just duplicated content from your website. Make it easy for people to talk about you.

Pay it forward and think long term. Social media is not something you jump into when you need a quick boost in sales. Social media is just like traditional offline networking. Occasionally you make a profitable connection quickly, but lasting value is gained by a long-term commitment and multiple intersecting relationships.

Thank you for requesting this document. While all of the technologies discussed in this program are universal, the most effective approaches are typically personalized to an organizations' goals and capabilities. For a free, no obligations, telephone consultation, please call Dennis O'Neil - 410-343-9090.

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ABOUT THE AUTHOR

Marketing via the Internet since the 1990's, Dennis O'Neil is uniquely qualified to speak on the subject of selling products and services to the online consumer. His diverse professional experience affords him an uncommon combination of skill sets.

With over a decade of experience, Dennis has been a successful salesperson, general sales manager, and interactive marketing manager in the automotive and home building industries. Dennis has received awards and industry attention in each of these positions; most notable were the numerous awards for the innovative use of technology.

Complimenting this experience, Dennis has a tremendous technical background through his work as a web designer, programmer, graphic designer, and video production professional.

The uncommon mixture of real-life in-the-field sales, marketing, and sales management experience, combined with a tremendous depth of technical knowledge, gives Dennis unique insights to understand how shoppers interact with technology and how businesses can use it to find more buyers.

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