

SOCIAL MEDIA MARKETING

Tracy L. Tuten

4th
EDITION

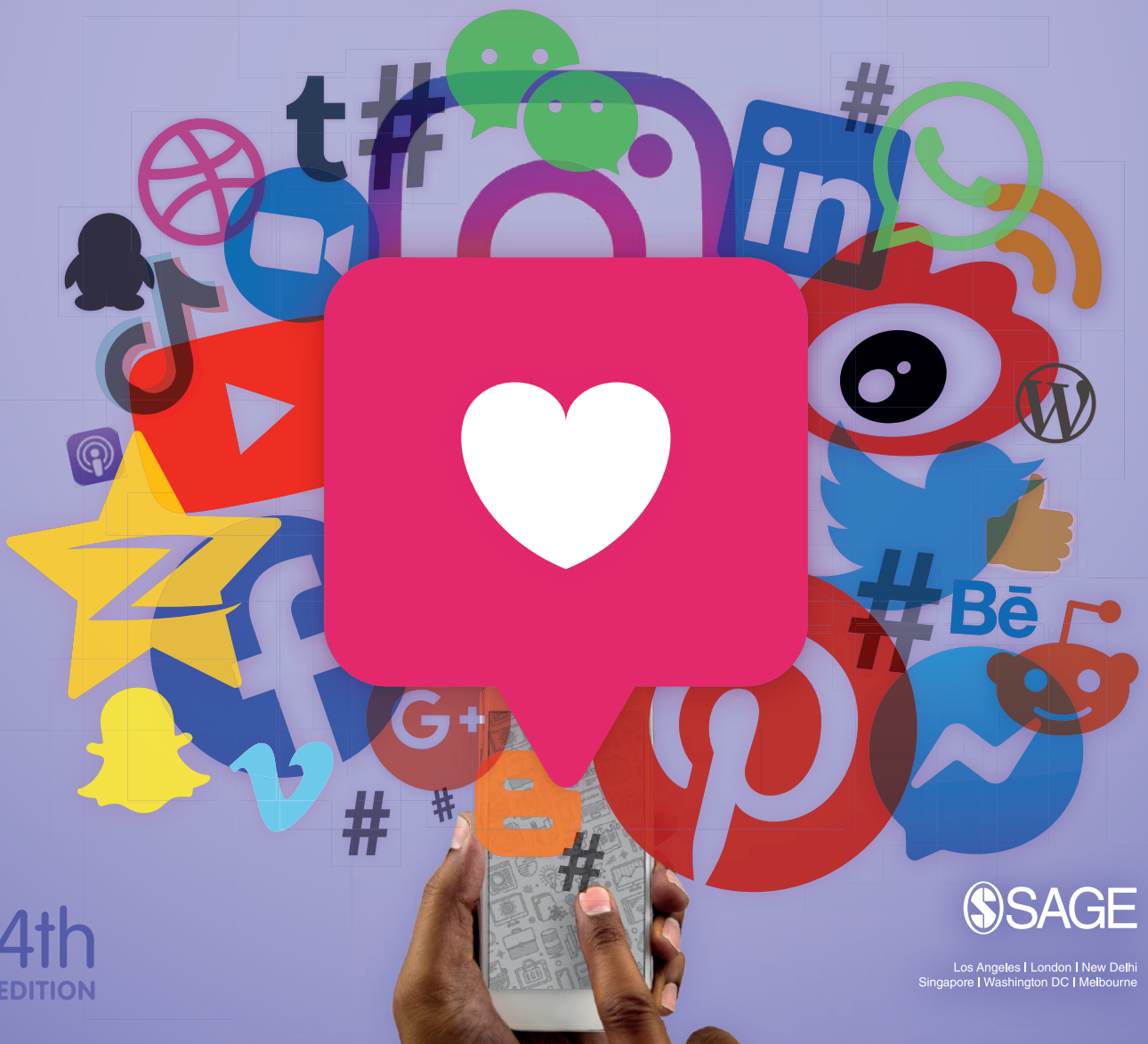
online resources 



SOCIAL MEDIA MARKETING

SOCIAL MEDIA MARKETING

Tracy L. Tuten



4th
EDITION



Los Angeles | London | New Delhi
Singapore | Washington DC | Melbourne



Los Angeles | London | New Delhi
Singapore | Washington DC | Melbourne

SAGE Publications Ltd
1 Oliver's Yard
55 City Road
London EC1Y 1SP

SAGE Publications Inc.
2455 Teller Road
Thousand Oaks, California 91320

SAGE Publications India Pvt Ltd
B 1/I 1 Mohan Cooperative Industrial Area
Mathura Road
New Delhi 110 044

SAGE Publications Asia-Pacific Pte Ltd
3 Church Street
#10-04 Samsung Hub
Singapore 049483

Editor: Matthew Waters
Development editor: Nina Smith
Assistant editor: Jasleen Kaur
Associate content development editor: Sunita Patel
Production editor: Nicola Carrier
Copyeditor: Gemma Marren
Proofreader: Leigh C. Smithson
Indexer: Silvia Benvenuto
Marketing manager: Alison Borg
Cover design: Francis Kenney
Typeset by: C&M Digitals (P) Ltd, Chennai, India
Printed in the UK

© Tracy L. Tuten 2021

Tracy L. Tuten & Michael R. Solomon © 2012
Tracy L. Tuten & Michael R. Solomon © 2015
Tracy L. Tuten & Michael R. Solomon © 2018

First edition published by Pearson Education, Inc. 2012.
Second edition published by SAGE Publications Ltd 2015.
Reprinted 2015 (twice), 2016 (three times) and 2017
(three times). Third edition published 2018. Reprinted
2018 (five times), 2019 (five times) and 2020 (once). This
edition published 2021.

Apart from any fair dealing for the purposes of research
or private study, or criticism or review, as permitted
under the Copyright, Designs and Patents Act, 1988, this
publication may be reproduced, stored or transmitted in
any form, or by any means, only with the prior permission
in writing of the publishers, or in the case of reprographic
reproduction, in accordance with the terms of licences
issued by the Copyright Licensing Agency. Enquiries
concerning reproduction outside those terms should be
sent to the publishers.

Library of Congress Control Number: 2020935728

British Library Cataloguing in Publication data

A catalogue record for this book is available from
the British Library

ISBN 978-1-5297-3199-6
ISBN 978-1-5297-3198-9 (pbk)

At SAGE we take sustainability seriously. Most of our products are printed in the UK using responsibly sourced papers and boards. When we print overseas we ensure sustainable papers are used as measured by the PREPS grading system. We undertake an annual audit to monitor our sustainability.

CONTENTS

<i>LIST OF FIGURES AND TABLES</i>	X
<i>ABOUT THE AUTHOR</i>	XIV
<i>ACKNOWLEDGMENTS</i>	XV
<i>ONLINE RESOURCES</i>	XVI

PART I: Foundations of Social Media Marketing 1

CHAPTER 1	THE SOCIAL MEDIA ENVIRONMENT	3
CHAPTER 2	SOCIAL CONSUMERS	39
CHAPTER 3	NETWORK STRUCTURE AND GROUP INFLUENCES IN SOCIAL MEDIA	75

PART II: Social Media Marketing Strategy and Planning 107

CHAPTER 4	SOCIAL MEDIA MARKETING STRATEGY	109
CHAPTER 5	TACTICAL PLANNING AND EXECUTION	157

PART III: The Four Zones of Social Media 193

CHAPTER 6	SOCIAL COMMUNITY	195
CHAPTER 7	SOCIAL PUBLISHING	233
CHAPTER 8	SOCIAL ENTERTAINMENT	269
CHAPTER 9	SOCIAL COMMERCE	301

PART IV: Social Media Data Management and Measurement 333

CHAPTER 10	SOCIAL MEDIA ANALYTICS	335
CHAPTER 11	SOCIAL MEDIA METRICS	365

PART V: Social Media Marketing in Practice 401

CHAPTER 12	THE CASE ZONE	403
------------	---------------	-----

<i>REFERENCES</i>	426
<i>INDEX</i>	458

SUMMARY OF CONTENTS

LIST OF FIGURES AND TABLESX

ABOUT THE AUTHOR.....XIV

ACKNOWLEDGMENTS.....XV

ONLINE RESOURCESXVI

PART I: Foundations of Social Media Marketing

1

THE SOCIAL MEDIA ENVIRONMENT

It's a Social World4
The Infrastructure of Social
Media.....8
Channels: The Zones of
Social Media.....12
Monetization and Social Media17

Social Media Marketing.....19
Careers in Social Media.....30

2

SOCIAL CONSUMERS

Segmentation and Targeting for Social
Media Marketing.....40
Pulling It All Together.....47
Social Identity.....48
Motives and Attitudes Influencing
Social Media Activities.....55
Social Media Segments.....61

3

NETWORK STRUCTURE AND GROUP INFLUENCES IN SOCIAL MEDIA

Community Structure76
Flow: How Ideas Travel Online79
The Characteristics of Online
Communities.....85
The Rise of Influencers94

PART II: Social Media Marketing Strategy and Planning

4

SOCIAL MEDIA MARKETING STRATEGY

Strategic Planning and Social Media Marketing.....	110
Social Media Campaigns: The Strategic Planning Process	119
Managing Social Media Marketing in the Organization.....	135

5

TACTICAL PLANNING AND EXECUTION

Tactical Planning for Social Media Marketing.....	158
Why: Value-Driven Social Media Marketing	158
Who: Understanding and Honoring the Target Audience.....	158
Where: The Channel Plan	161
What: Designing the Experience	166
How: Producing and Scheduling Content Posting and Promotion.....	176

PART III: The Four Zones of Social Media

6

SOCIAL COMMUNITY

The Social Community Zone	196
Marketing Applications in the Social Community Zone	201

7

SOCIAL PUBLISHING

The Social Publishing Zone	234
Publishing Content	234
Developing Effective Branded Content	244
Distributing and Promoting Content	248

8

SOCIAL ENTERTAINMENT

The Social Entertainment Zone	270
Social Games	272

Alternate Reality Games: A
Transmedia Genre285

Original Digital Video (ODV) and
Branded Video.....289

Social TV.....292

Social Music294



SOCIAL COMMERCE

The Zone of Social Commerce.....302

Social Commerce: The Social
Shopping Experience.....304

Social Commerce Strategies316

Psychology of Influence321

Benefits of Social Commerce326

PART IV:
Social Media Data
Management
and Measurement

10

SOCIAL MEDIA ANALYTICS

The Role of Social Media in Research336

Social Media Listening: The Research
Process339

Caution! Research Errors
and Biases344

Social Intelligence.....350

Primary Social Media Research354

11

SOCIAL MEDIA METRICS

What Matters Is Measured.....368

The Evaluation and Measurement
Process: DATA373

PART V:
Social Media
Marketing in Practice

12

THE CASE ZONE

Viceroy Hotel Brand Wants Influencers
for Good.....404

ABLEnow406

Wendy’s Brand Voice Gets Unapologetic
on Twitter.....408

Stonyfield® Kids Campaign409

Michelin’s Use of a Social Media
Management Platform411

Lego’s Social Entertainment
Strategy413

PUMA's #DoYou Movement.....	414
Nespresso.....	416
Chipotle's TikTok Campaign.....	420
Cabarrus County Tourism Makes Print Come Alive in Social media	422
Arizona Turns a Negative into a Positive with Social Media	424

REFERENCES	426
------------------	-----

INDEX	458
-------------	-----

INSTRUCTORS

The textbook is supported by a comprehensive set of online resources, including PowerPoint slides, an instructor's manual, and a testbank of multiple choice questions to help support your teaching in the classroom or via your online learning platform.

online
resources 

Visit <https://study.sagepub.com/smm4> to set yourself up or use your existing SAGE instructor login to access.

LIST OF FIGURES AND TABLES

FIGURES

1.1	Fun Facts about Social Media's Most Popular Sites	6
1.2	The Social Media Value Chain.....	8
1.3	The Zones of Social Media	13
1.4	Social Media Zones and Exemplar Vehicles.....	17
1.5	The Evolution of Marketing Communications	21
1.6	The PESO Model.....	23
1.7	Marketing Applications Across the Social Media Zones	25
2.1	Dimensions of Social Currency.....	46
2.2	Buyer Persona	47
2.3	A Day in the Social Life of Anne.....	50
2.4	A Framework for Understanding Social Sharing Boundaries	59
2.5	Forrester's Social Technographics Model.....	63
2.6	The Social Consumption/Creation Matrix.....	64
2.7	A Typology of Social Utility	66
2.8	221BC's Buyer Persona	68
3.1	A LinkedIn Network Map Visualization	78
3.2	An Influence Network	81
3.3	Archetypes of Social Media Influencers.....	97
4.1	Social Media Audit Template.....	121
4.2	Social Media Competitive Analysis Template	121
4.3	Top Objectives Marketers Pursue Using Social Media	123
4.4	GT's Zones of Social Media Marketing	127
4.5	A Series of Images on Organization Structures for Social Media Marketing Management	139
4.6	Strategic Social Media Marketing Framework.....	141
5.1	Persona Template for Planning Social Media Tactics	160
5.2	Channel Usage for B2B and B2C Marketers	165
5.3	Marketer Use of Paid Media in SNS.....	165
5.4	Content Marketing Matrix: Mapping Content Type to Target Audience Interests and Needs.....	168

5.5	A Sample Content Strategy Framework.....	174
5.6	Summary of Annual Content Calendar.....	178
5.7	Weekly Content Calendar for Blog and SNS.....	180
5.8	Different Content Calendar Time Spans Facilitate Implementation.....	181
5.9	A Day in the Life of a Social Media Manager.....	185
5.10	221BC's Monthly Social Media Calendar.....	189
6.1	Social Community Zone.....	196
6.2	Why People Follow Brands on Social Media.....	205
6.3	Why People Unfollow Brands on Social Media.....	206
6.4	What People Want to See from Brand Social Media Engagement.....	207
6.5	What People Want Brands to Converse About on Social Media.....	212
6.6	Understanding Organic Reach in SNS.....	216
6.7	Elements of Facebook Ad Design.....	220
6.8	The Relationship Among Owned, Paid, and Earned Media.....	223
6.9	221BC's Facebook Profile.....	224
6.10	221BC Engages in Conversation.....	225
6.11	Brand Post Featuring Product Attributes.....	226
6.12	Post Promoting Discount to Drive Product Sales.....	226
6.13	221BC Engages with Brand Fans.....	227
6.14	221BC Encourages Post Engagement with a Contest.....	227
6.15	221BC's Facebook Video Ad.....	228
7.1	The Social Publishing Zone.....	235
7.2	A Content Value Ladder.....	245
7.3	SOS Linkwheel Structure.....	257
7.4	A Template for a Social Media Press Release.....	261
8.1	The Social Entertainment Zone.....	270
8.2	The Top YouTube Categories with Brand-Sponsored Content.....	290
9.1	The Social Commerce Zone.....	303
9.2	Social Commerce and the Customer Decision-Making Process.....	306
9.3	221BC's Social Commerce Goals.....	327
10.1	Infegy's Audience Analysis for Healthy Lifestyles.....	357
10.2	Kombucha Sentiment and Keyword Analysis by Infegy.....	358
10.3	Kombucha Posts by Audience Segment, Infegy.....	358
10.4	Infegy's Geographic Analysis of Social Media Conversations about 221BC.....	359

10.5	Infegy's Volume and Sentiment Analysis of Social Media Conversations about 221BC	359
10.6	Infegy's Sentiment Analysis of Social Media Conversations about 221BC	359
11.1	Strategic Options for Social Media Measurement.....	370
11.2	Mapping KPIs to the Marketing Funnel and Customer Journey.....	371
11.3	The Engagement Food Chain.....	372
11.4	Social Media ROI Pyramid	375
11.5	CTA Use in Facebook Advertising.....	384
11.6	Cost Per Lead Performance by CTA.....	385
11.7	Social Media Performance Dashboard.....	388
11.8	A Baseline Graphic	391
11.9	221BC's Social Media Metrics	393
11.10	221BC's Ratio of Engagement to Number of Posts.....	393
11.11	221BC's Ratio of "Likes" to Number of Posts	394
11.12	221BC's Top Posts by Engagements.....	394
11.13	221BC's Top Hashtags by Engagement	395

TABLES

1.1	Mind-Boggling Social Media Stats	5
1.2	Top Priorities for Businesses Using Social Media Marketing	22
1.3	Types of Media	24
1.4	Jobs in Social Media	30
2.1	Segmentation Bases and Variables by Market Type.....	41
4.1	The Structure of a Typical Marketing Plan.....	110
4.2	A Social Media Marketing Plan Outline	113
4.3	GT's Social Media SWOT Analysis	122
4.4	Guidelines for Social Media Disclosures.....	137
5.1	Mapping Objectives for Strategies and Tactics.....	159
5.2	Channel Characteristics of Major SNS	162
5.3	A Channel Plan Example	164
5.4	Characteristics of Effective Social Media Tactics	166
5.5	Social Media Marketing Tactics	167
5.6	Evaluation of Content Types for Social Media Marketing	169
5.7	Planning Content for a Social Media Editorial Calendar	172
5.8	A Content Strategy Document Example.....	174

5.9	Mapping 221BC's Objectives for Strategies and Tactics	186
5.10	221BC's Content Strategy Document	187
5.11	221BC's Content Plan Example	188
6.1	Advertising Options for the Major SNS	217
6.2	IAB Native Advertising Evaluative Framework	218
7.1	Content for Social Publication—Form, Channel, and Execution	237
7.2	Marketing Objectives Pursued Using Social Publishing by B2B and B2C Marketers	244
7.3	Types of Content in the Social Publishing Strategies of B2B and B2C Marketers	244
7.4	Types of Pillar Content	247
7.5	Social Publishing Vehicles Used by B2B and B2C Marketers	248
7.6	B2B and B2C Marketers Use Paid Promotions to Activate Social Content	249
7.7	Media Optimization Matrix	250
8.1	The Differences Between Social Games and Core Games	275
8.2	Pros and Cons of Using an ARG as a Social Entertainment Branding Channel	289
9.1	Social Commerce Tools for Purchase Decision Stages	309
9.2	Social Shopping Tools and Sources of Influence	324
10.1	Brand and Consumer Index Spotlight by Industry	338
10.2	Steps to Conduct Sentiment Analysis	342
10.3	Coding Categories for Content Analysis	344
10.4	Word-of-Mouth Conversations Online and Offline	348
11.1	Marketer Use of Social Media Metrics	370
11.2	The Dimensions of Engagement	373
11.3	SMART Objectives and Related Metrics	376
11.4	Commonly Used Social Media Metrics	377
11.5	A Social Media Metrics Framework	379
11.6	Cost-Benefit Analysis of a Corporate Blog	386



ABOUT THE AUTHOR

Tracy L. Tuten, Ph.D., is a professor of marketing and author of several books, including co-author of the award-winning textbook, *Social Media Marketing*. Her first book, *Advertising 2.0: Social Media Marketing in a Web 2.0 World*, was followed by others on using social media and digital marketing for the enterprise, and the book, *Advertisers at Work*, which features interviews with luminaries in the field. Dr Tuten's publications have appeared in such journals as *Journal of Marketing Communications*, *Psychology & Marketing*, and *Journal of Business Research*. A two-time Fulbright Scholar, she frequently speaks around the world on marketing topics. She has been recognized with teaching awards at her respective institutions and with national awards, such as the O'Hara Leadership Award in Direct & Interactive Marketing Education. In 2013, she was inducted into the Incredible Women of ECU series, which highlights female graduates of East Carolina University who have reached exceptional levels of achievement in their respective careers.

ACKNOWLEDGMENTS

The author and SAGE would like to thank all the instructors who reviewed the content of this textbook to ensure it is of the highest value for students and educators:

Parimal Bhagat, Indiana University of Pennsylvania

Vanja Bogicevic, The Ohio State University

Michel van der Borgh, Copenhagen Business School

Andreea Bujac, Aalborg University

Emmelyn Croes, Tilburg University

Helle Haurum, Copenhagen Business School

Alison Joubert, University of Queensland

Sintija Kuipers-Moroza, Aeres University of Applied Science

Naser Pourazad, Flinders University

Andy Shome, University of Idaho

Karen Sutherland, University of the Sunshine Coast

Violetta Wilk, Edith Cowan University



ONLINE RESOURCES

Social Media Marketing 4e is supported by an array of useful online resources for both instructors and students.

<https://study.sagepub.com/smm4>

In order to access the instructor resources you will require a SAGE account which you can set up quickly via the website using your institutional email address (if you don't already have a SAGE login/password).

For instructors (password required):

- Testbanks
- PowerPoint slides
- Instructor's manual
- Additional case studies
- Author-approved YouTube links

- Downloadable figures and tables from the textbook
- LMS/VLE download: upload all the instructor and student resources into your university's online learning platform (e.g. Blackboard, Canvas, Moodle), and customise the content to suit your teaching needs

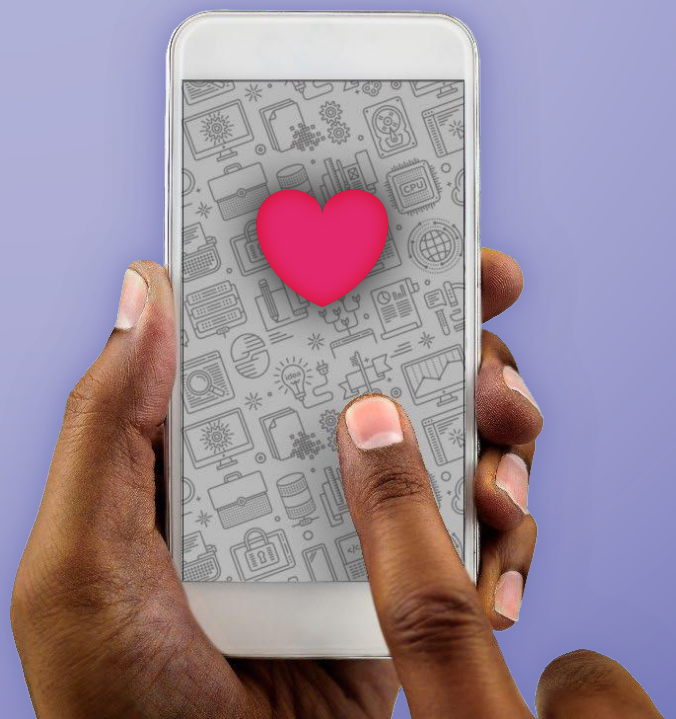
For students (open to all):

- Author videos
- YouTube playlist
- Additional case studies
- Weblinks



PART I

Foundations of Social Media Marketing



CHAPTER 1

THE SOCIAL MEDIA ENVIRONMENT

LEARNING OBJECTIVES

When you finish reading this chapter, you will be able to answer these questions:

- 1** What are social media? How are social media similar to, yet different from, traditional media?
- 2** How does the Social Media Value Chain explain the relationships among the Internet, social media channels, social software, and the Internet-enabled devices we use for access and participation?
- 3** What are the major zones of social media that make up the channels, modes, and vehicles for social media participation?
- 4** What is social media marketing? What marketing objectives can organizations meet when they incorporate social media in their marketing mix?

IT'S A SOCIAL WORLD

When you woke up this morning, what was the first thing you did? Sure, you may have taken a moment to gulp down some juice or coffee, but odds are you also checked your mobile for texts that came in overnight. Maybe you set your Snapchat Story. Perhaps you scrolled through a few tweets or checked WhatsApp. You certainly aren't alone: one survey of people from 31 countries reported 96% of them use their smartphone within an hour of waking up, often *before* they get out of bed (Lee & Calugar-Pop, 2016)

Face it—you're a **digital native**. If you're a typical student, you probably can't recall a time when the Internet was just a static, one-way platform that transmitted text and a few sketchy images. The term *digital native* originated in a 2001 article by Marc Prensky (2001) titled "Digital natives, digital immigrants." He tried to explain a new type of student who was starting to enter educational institutions. These students—students like you—were born in an era in which digital technology has always existed. You and your fellow digital natives grew up "wired" in a highly networked, always-on world. It's an exciting time—but it continues to change so constantly that we need to study it carefully.

Today the Internet is the backbone of our society. Widespread access to connected devices like personal computers, digital video and audio recorders, webcams, smartphones, and wearables like smartwatches ensures that consumers who live in virtually any part of the world can create and share content. Worldwide, there are about 4.38 billion global Internet users today—that's roughly 57% of the world's population (Kemp, 2019). Most Internet users, about 45% of the world's population, are active on at least one social network. That's about 3.5 billion people (We Are Social, 2019). Of course, social media penetration does vary by global region, with the lowest penetration rates reported in Central Asia, Africa, and South Asia. Even these areas are expected to experience growth, at least in part due to Internet access via mobile phone. Mobile penetration is 67% worldwide and 63% of mobile users are active on social media via mobile applications. Curious about social media usage in a specific country? We Are Social, a global social media marketing agency, provides data on every country in the world in its Digital Yearbook. Odds are you already participate in this wired world.

Information doesn't just flow from big companies or governments down to the rest of us; today each of us communicates with huge numbers of people by a click on a keypad, so information flows *across* people as well. This fundamental change in the way we live, work, and play is characterized in part by the prevalence of social media. **Social media** are the online means of communication, conveyance, collaboration, and cultivation among interconnected and interdependent networks of people, communities, and organizations enhanced by technological capabilities and mobility. Does that sound like a complex definition? It is ... because social media exist within a complex and rapidly advancing environment. We'll dive deep into the social media environment, but first let's explore the makings of a social media life—*your* life.

LIVING A SOCIAL (MEDIA) LIFE

The Internet and its related technologies make what we know today as social media possible and prevalent. Every day the influence of social media expands as more people join online communities. The average Internet user has accounts with eight different social media services and spends more than two hours a day on social media. Facebook, a **social utility** that offers synchronous interactions (which occur in real time, such as when you text back and forth with a friend) and asynchronous interactions (which don't require all participants to respond immediately, such as when you email a friend and get an answer the next day), content sharing of images, video, music, games, applications, groups, and more, has at the time of writing more than 2.2 billion active users worldwide (We Are Social, 2019). What's more—more than 1 billion of those users are mobile users. If Facebook were a country, it would be the most populated in the world. Do you wonder why Facebook is called a social utility? A community that got its start as a social network, Facebook offers functionality far beyond basic relationship building. It not only competes with social channels ranging from video and photo sharing to blogs; its Facebook Live, Marketplace, and Campaigns ensure it competes with e-commerce sites, news sources, and other advertising media channels. Facebook also owns the top two social messaging services, WhatsApp and Facebook Messenger, as well as the top photo- and video-sharing network, Instagram.

People aren't just joining social communities. They are contributing, too! Let's take YouTube as an example. YouTube users (YouTube has around 2 billion users) upload more than 300 hours of video every single minute of every day. That's roughly equivalent to 1,500,000 full-length movies uploaded weekly. YouTube hosts local versions in more than 100 countries and users can navigate YouTube in 80 different languages (YouTube, n.d.). It's perhaps not surprising then to learn that YouTube users watch more than a billion hours of video each day (and more than half watch on mobile devices). Google the phrase "social media stats" and you'll see mind-boggling facts and figures about the number of people who use social media, what they're doing (and when) with social media, and their reach and influence. This has been done for you in Table 1.1. And take a look at Figure 1.1, an infographic that highlights fun facts about some of the most popular social sites.

TABLE 1.1 Mind-Boggling Social Media Stats

- | |
|--|
| <ul style="list-style-type: none"> It took radio 38 years to reach 50 million listeners. TV took 13 years to reach 50 million users. The Internet took 4 years to reach 50 million people. In less than 9 months, Facebook added 100 million users (Hird, 2011) |
| <ul style="list-style-type: none"> Just over 13% of Facebook users are in North America; more than a third of users are in the Asia-Pacific region (We Are Social, 2019) |
| <ul style="list-style-type: none"> More than 90% of companies use LinkedIn as their primary recruiting tool (Osman, 2019) |
| <ul style="list-style-type: none"> The top YouTubers, like PewDiePie and Lily Singh, earn millions of dollars each year (Berg, 2016) |

(Continued)

TABLE 1.1 (Continued)

- Generation X (ages 35–49) spend the most time on social media—6 hours and 58 minutes per week. Millennials (ages 18–34) come in second, spending 6 hours and 19 minutes of their time per week on social networks (We Are Social, 2019)
- Two-thirds of Internet users worldwide use social media (Ortiz-Ospina, 2019)
- While Facebook dominates in size and penetration worldwide, Instagram dominates in user engagement. Brands see a median engagement rate of 0.09% per Facebook post, in comparison to a 1.60% median engagement rate per post on Instagram (Jackson, 2019)
- QQ, WeChat, and QZone, social networks with heavy user bases in Asia, are more popular than Tumblr, Instagram, Twitter, and Pinterest (We Are Social, 2019)

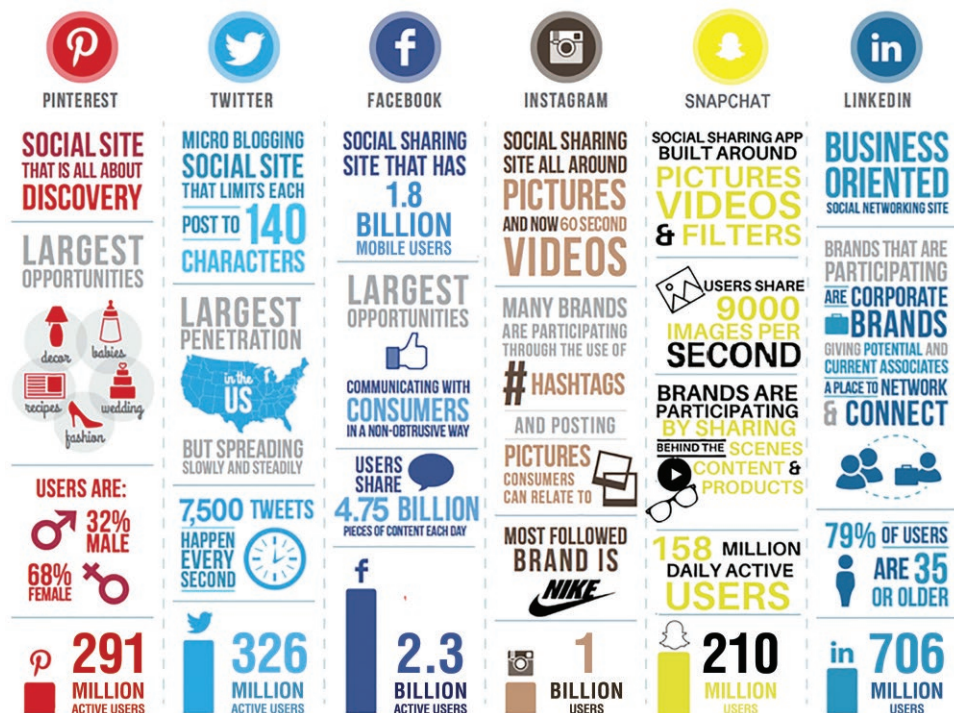


FIGURE 1.1 Fun Facts about Social Media's Most Popular Sites

SOURCE: designed by Mike Doherty

When we introduced the definition of social media earlier, we admitted it's a complicated idea. It's difficult to fully capture the realm of social media because of the expansive nature of sites, services, and behaviors that are a part of this rapidly expanding digital universe. There are simply too many social websites, too many things we can do online, and increasing access using a variety of devices to grasp it all at once.

More generally, however, we can think of social media as the way digital natives live a social life. To sum things up, it's all about a culture of participation; a belief in democracy; the ability to freely interact with other people, companies, and organizations; open access to venues that allow users to share content, from simple comments to reviews, ratings, photos, stories, and more; and the power to build on the content of others from your own unique point of view. Here's just a brief look at some of the things you might do with social media:

- Share and document an event using live video.
- Watch television while discussing the program on social media.
- Create a blog to share your favorite recipes.
- Coordinate a book club meeting and negotiate a group discount on the book's purchase price.
- Mobilize a group of people to protest against an unpopular policy on your campus.
- Instant message or voice chat with friends to carry on a synchronous conversation online.
- Share an infographic with your friends.
- Locate the best vegan restaurant in a city you're visiting for the first time based upon reviews by other vegans.
- Make your own animated video and share it.
- Keep a travel diary of a trip abroad complete with photos, videos, journal entries, and destination ratings.
- Raise money for a charity or even find backers for a startup company who are willing to fund part of your costs.
- Find people you used to know and reconnect with them.
- Entertain yourself and your friends with short social games.

This list could go on and on. Our point? Social media enable active participation in the form of communicating, creating, joining, collaborating, working, sharing, socializing, playing, buying and selling, and learning within interactive and interdependent networks. Thus, social media are interactive and participatory. It's an exciting time to be around!

While social media users have embraced social media, its infrastructure has developed in ways that have made social media pervasive and ubiquitous. Social media intersects with websites, platforms, and media devices. The result is that people today live in what can be thought of as an omnisocial world (Appel et al., 2019).

THE INFRASTRUCTURE OF SOCIAL MEDIA

The environment of social media is like a volcano that suddenly erupts without warning. Within a few short years we've seen an ever-expanding domain of activities, channels, technologies, and devices that are changing how we think about our lives (e.g., in the old days a “friend” was someone you actually knew in person!). As a student of social media marketing, recognizing the parameters of the field and how the pieces of the puzzle fit together will benefit you as you develop skill at devising social media strategies and tactics. The **Social Media Value Chain**, shown in Figure 1.2, organizes this complex environment into its core components.

The value chain illustrates the core activities of social media participants and the components that make those activities possible. As a social media user, you are empowered to participate in any way you'd like, from just “lurking” on a site to scripting, filming, and uploading your own video stories. Those activities are made possible by the underlying *infrastructure* of social media's techno-social system (Shotsberger, 2000). Just as in the physical world where we need infrastructure in the form of roads, railroads, TV transmitters, and trained people to operate and maintain these structures, in digital environments the pieces that make up the social web are crucial. These include the web, the social channels and vehicles, the software that provides the programming we need in order to carry out these activities, the **devices** (iPads, smartphones, computers) we use, and of course the participants—the people and organizations whose contributions provide the content we all access. Let's take a closer look at each of these elements.

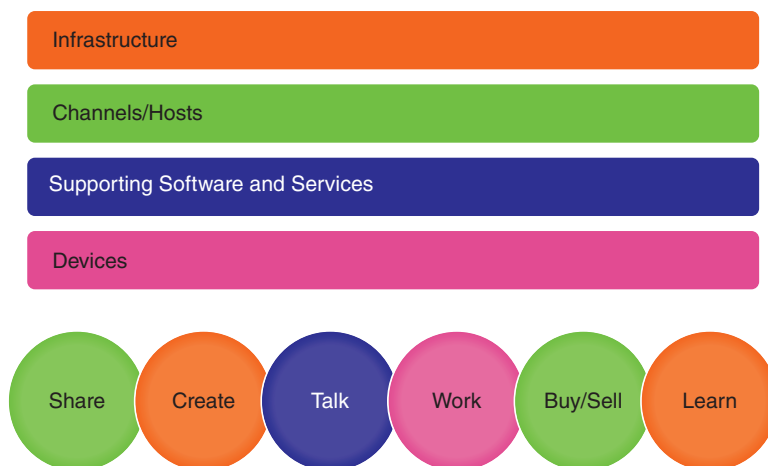


FIGURE 1.2 The Social Media Value Chain

THE WEB AS PLATFORM

Just as the Internet is a foundation for the web, the web is the foundation for social media. Because social media are not possible without this infrastructure, it is the first supporting component we identify in the Social Media Value Chain. To put it simply, the Internet is

a network of connected data servers. Initially, the web (what we now call Web 1.0) was a network of connected information. People browsing the Internet were merely consumers of the Internet's mostly static contents. Web 1.0 was the era of cognition, in which a network of data producers served information to primarily passive consumers. Web 2.0 marked a major shift by connecting *networks of people* in addition to networks of information (Fuchs et al., 2010). Tim O'Reilly (2005), founder of O'Reilly Media and the first to define Web 2.0, explained Web 2.0 as “developments in online technology that enable interactive capabilities in an environment characterized by user control, freedom, and dialogue.” Web 2.0 offered a cost-effective solution that provides access to rich data; the collective wisdom of its users; access to micromarkets; software that operates on multiple platforms (mobile phone, personal digital assistant (PDA), computer) and beyond (cloud computing); and user interfaces that are easy, accessible, and interactive.

From these advances blossomed the “social web” and an era of communication, in which networks of networked communities have members who participate as consumers, creators, and co-creators. Each additional user adds value for all users. Economists refer to this as a **network effect**. Amazon's ability to recommend books to you based upon what other people with similar interests bought in the past gets better as it tracks more and more people who enter search queries and make purchases. When you're visiting a new city and want to find a great restaurant on Yelp, you feel more comfortable with a place that 1,000 diners recommend than one that only ten users rate. You get more value from Facebook as more of your friends also use the network. Network effects enable organizations to leverage the value of **crowdsourcing**, a process that harnesses the collective knowledge of a large group of people to solve problems and complete tasks. Organizations use crowdsourcing to benefit from the collective wisdom of crowds, but the network effect ensures that there is sufficient participation for the crowdsourced solution to be a good one.

Web 3.0, the **Semantic Web**, is the expected next stage. First envisioned by Tim Berners-Lee, this iteration of the web makes it possible for people and machines to collaborate (Shadbolt, Hall, & Berners-Lee, 2006). The web will be a universal medium for data, information, and knowledge exchange. It will mark an era of collaboration—not only of people, but also of people and machines (Pticek, Podobnik, & Jezic, 2016). In other words, devices (yes, machines!) will be contextually, socially, and network aware and be able to dynamically create social connections between each other and connected people in order to offer services to each other and to jointly solve problems. In other words, social media will eventually serve to support **collective intelligence** (O'Reilly & Battelle, 2009). While some elements of Web 3.0 exist—especially the presence of services made possible by social software, the capture of user-generated data, and the mining and processing of big data—it is not yet fully realized. We remain in a stage known as Web 2.x.

SOCIAL CHANNELS

Social channels are the networks and platforms that support social media functionality and connections. We cover these in the section on the Zones of Social Media.

SOCIAL SOFTWARE

So far we've learned that the social media environment supports many activities. But much of our experiences and what we are able to create or do online is due to a host of **social software** applications. These are computer programs that enable users to interact, create, and share data online. For virtually everything you'd like to do online, there is a social software program (or several) that can help you. Interested in planning an event? Use an event planner and invitation service like eVite.com. Want to keep a notebook of wedding ideas that you can share with your bridesmaids? Use Evernote.com, or create a board of hot new wedding gown styles on Pinterest (watch out for those hideous bridesmaids' dresses). Need to keep a news feed of all the latest happenings at your school? Use Paper.li or Google Alerts. Want to create an e-book to share on LinkedIn? Use Designrr. Social software can facilitate interaction, content creation, sharing, syndicating, saving, analyzing, filtering, sorting, and searching data online. Such tools are certainly useful to individuals, communities, entrepreneurs, and businesses. Examples include Mixlr (for producing live radio shows and podcasts), Xtranormal (for video production), and Prezi (for presentations).

You've heard the phrase "There's an app for that!" It's no wonder given that there are currently more than 1.2 billion apps available through digital stores like Google Play. Those **apps**, also known as **widgets** (usually downloadable or embeddable), are types of social software. In addition to apps, social software also encompasses application service sites that we call **social services**. Importantly, social software exists to facilitate *all* social media channels. There are applications for social community activities, publishing, entertainment, and commerce. Importantly, these apps largely enable mobile connectivity to our social spaces and activities. Blurring things further, open application programming interfaces (APIs) and other platform technologies have enabled countless third-party websites to integrate with social network sites. A more recent development is the **chatbot**, an artificial intelligence computer software program that simulates intelligent conversation via written or spoken text using a chat interface, such as Facebook Messenger or WeChat. Chatbots can provide a number of conversational services ranging from functional to fun.

EXHIBIT 1.1

CHATBOTS

The best way to understand chatbots is to try them. Message these bots on Facebook Messenger (say "Hi!") to experience them yourself.



Zapp2Photo/Shutterstock.com

CNN—me/cnn

The Wall Street Journal—me/wsj

Poncho Weather—me/HiPoncho

Sequel Stories—me/storiesonsequel

Social software also operates behind the scenes in ways that affect your social media experience. Social sites use complex mathematical formulas called **algorithms** to personalize the content you see in your news feed, recommend friend connections, and more. Dominique Cardon, author of *What Are Algorithms Dreaming Of?*, likens algorithms to a recipe in that they are a series of instructions that produce a desired result (Cardon, 2015). When you browse nearby restaurants on your phone, view movie recommendations on Netflix, or check YouTube for how-to videos, algorithms likely played a role in the outcome.

DEVICES

Devices are pieces of equipment we use to access the Internet and the range of activities in which we participate online. We utilize connected hardware devices like tablet PCs, smartphones, smartwatches, Internet-connected game consoles, traditional laptops and desktops, and even televisions for social media access. As a consumer, we may focus primarily on connected devices like smartphones and other smart devices, especially those that provide mobile access to social media. Globally, 93.4% of social media users participate using a mobile device (We Are Social, 2019). Today's smart devices also include refrigerators, thermostats, and even cars. **Wearables** are smart devices that can be carried or worn on one's body. They measure and capture data, which can then be stored, shared, and further processed. Fitness wearables like Fitbit, which measure activity levels and share the information with online communities, have experienced the most adoption thus far, but they represent a small portion of wearable devices. For instance, Snapchat Spectators, camera-equipped sunglasses, enable users to take video and upload it to Snapchat with the touch of a button.

Even devices that aren't "smart" on their own can become so by using an **Internet of Things gateway**. The Internet of Things (IoT) refers to a paradigm in which all the objects around us could be connected anytime and anywhere (Pticek et al., 2016). Gateways are devices that can facilitate connection for objects without network capabilities. So far most applications are industrial, but expect to see consumer applications in surprising areas. Absolut, the vodka company, is experimenting with manufacturing its bottles as IoT-enabled objects! Smart devices are a first step in the evolution toward connecting machines as users, alongside people in social media (Morgan, 2016). Ultimately, social connection among machines will transform them from passive data-collecting devices into active members of a thriving digital ecosystem, capable of creating social connections, solving problems, and offering services.

PEOPLE

Social media work only when people participate, create, and share content. Journalists, editors, and publishers still matter in social media, but so do everyday individuals. You see this visualized in Figure 1.2 as a series of activities typical in social media participation. This is why we hear so much about citizen journalists (amateurs who post about newsworthy events) and citizen advertisers (people who share their views about a product or service even though they're not affiliated with the company). Bloggers represent a unique hybrid form of "netizens" in that they may create and share content professionally or personally. Publishing a blog is surely a bigger commitment to sharing content than is posting a status update to your Facebook wall, but both actions generate content and add value to the social media environment. Still, people aren't the only actors in social media. As a techno-social system, other participants include businesses and brands, government organizations, community groups, media companies, content producers, and so on (Fuchs et al., 2010).

Our coverage of the Social Media Value Chain isn't complete without a review of the social channels and related vehicles in and through which social media participation takes place. We address these channels, known as the **zones of social media**, next.

CHANNELS: THE ZONES OF SOCIAL MEDIA

The word **media** has multiple meanings, but for our purposes we'll simply use it to refer to means of communication (The Free Dictionary, n.d.). The media we use range from **mass media** (means of communication that can reach a large number of individuals) such as broadcast, print, and digital channels, to **personal media** (channels capable of two-way communication on a small scale) such as email, surface mail, telephone, and face-to-face conversations. Social media cross the boundaries of mass and personal media, so they enable individuals to communicate with one or a few people as well as to thousands or even millions of others.

Communication travels using a **medium** (or channel) such as word of mouth, television, radio, newspaper, magazine, signage, Internet, direct mail, or telephone. Within each medium, marketers can choose specific **vehicles** to place a message. For instance, within the medium of television, marketers may choose *Stranger Things* as one vehicle to broadcast their message. *Cosmopolitan* and *Fast Company* are vehicles for the magazine medium. Social media are socially enabled online channels, and like other media, there are numerous vehicles within each channel.

Part of the complexity of social media is due to the sheer quantity of channels and vehicles, with new ones coming online all the time. These options are easier to compare and contrast if we group similar channels together. In so doing we can conveniently organize the social media space into a compact space that consists of what we call the four *zones of social media*. Figure 1.3 illustrates the four zones of social media channels, and we've organized the book around these groupings:

- Zone 1 is Social Community.
- Zone 2 is Social Publishing.
- Zone 3 is Social Entertainment.
- Zone 4 is Social Commerce.



FIGURE 1.3 The Zones of Social Media

You'll note, as we discuss various uses of social media for personal and commercial purposes, that some areas overlap two or even more zones. That's the fluid nature of social media. All social media are networked around relationships, technologically enabled, and based on the principles of *shared participation*. The four zones framework isn't set in stone for this reason—but it is a very useful way to cut through the clutter and focus upon the most important functions of each social media platform—including those that haven't been invented yet.

ZONE 1: SOCIAL COMMUNITY

Social communities describe channels of social media that focus upon *relationships* and the common activities people participate in with others who share the same interest or identification. Thus, social communities feature two-way and multi-way communication, conversation, collaboration, and the sharing of experiences and resources. All social media channels are built around networked relationships, but for social communities the interaction

and collaboration for relationship building and maintenance are the *primary* reasons people engage in these activities. Many of the channels in which you already participate likely reside in this first zone. The channels in the social community zone include social network sites, message boards and forums, and wikis. All emphasize individual contributions in the context of a community, communication and conversation, and collaboration.

Social network sites (SNS) are online hosts that enable site members to construct and maintain profiles, identify other members with whom they are connected, and participate by consuming, producing, and/or interacting with content provided by their connections (Boyd & Ellison, 2007). Profiles enhance the ability of members to develop a **social identity** when they add a profile picture or avatar, basic information about themselves, and other customizable options. Members maintain a **social presence** in the community that may indicate their availability, mood, friend list, and status. **Connections**, whom we might call *friends*, *followers*, or *fans*, communicate and share content in a variety of ways, including *direct messages* (akin to email within the social network site), *wall posts* (posts to a profile, visible to others), and *chat* or *instant messaging (IM)* options. Thus, SNS offer both synchronous and asynchronous forms of communication, and the resulting content may be either permanent or temporary. Snapchat's popularity is largely attributed to its disappearing messages. SNS add value to users by offering and/or enabling applications. Facebook offers thousands of apps, ranging from games to dating to weather forecasts to safety check-ins. Though the services provided by app functionalities heighten user engagement, the focus of SNS is on the individual communication and collaboration within the context of connections in the community. We'll delve deeper into these characteristics and uses of SNS and social communities in Chapter 6.

Given the dominance of Facebook and the other major players, it's easy to assume that there are only a small number of social networks. In fact, there are hundreds of SNS vehicles operating at present. You've surely heard of Instagram, Snapchat, LinkedIn, and Pinterest. But are you familiar with Steemit, DriveTribe, Whisper, Houzz, or Thumb? SNS exist to meet the needs of their users and many provide niche communities.

Forums are perhaps the oldest venue of social media. Essentially, they are interactive, online versions of community bulletin boards. They focus entirely on discussions among members. Members establish profiles as they do in SNS and participate by posing content including questions, opinions, news, and photos. Others then respond and extend the conversation as they post responses; this results in a threaded discussion. There are thousands upon thousands of forums active online, most oriented around a common interest. For example, RC Universe (www.rcuniverse.com) is a vibrant community of remote-control hobbyists.

Wikis are collaborative online workspaces that enable community members to contribute to the creation of a useful and shared resource. Wikis can be about anything and everything. A wiki could be created by a family community to share and update family history, or by an appliance manufacturer that is trying to develop the perfect user manual. The software that supports the wiki enables multiple members to collaborate, edit, make comments, and share a variety of content.

ZONE 2: SOCIAL PUBLISHING

Social publishing is the production and issuance of content for distribution via social publishing sites. Social publishing sites aid in the dissemination of content to an audience by hosting content while also enabling audience participation and sharing. While social networks met the need for online communities, social publishing made it possible for people to share their content, user-generated content (UGC), without the barriers and gatekeeping of traditional publishing and broadcast models. It is a key reason we associate social media with democracy in that social publishing democratized content production and dissemination. That said, today, individual users are not the only social publishers. Professional content creators like journalists, traditional media organizations like newspapers, and brands develop content for and publish on social publishing sites. We categorize social publishers into four use groups: 1) individual users, 2) independent professionals, 3) professional contributors associated with organizations such as news media, and 4) brands. Brands use social publishing as a distribution and/or promotion mode in **content marketing** campaigns (Content Marketing Institute, n.d.).

The channels of social publishing that we will feature in Chapter 7 include blogs, microsharing sites, media-sharing sites, and social bookmarking and news sites. Social publishing channels enable participation and sharing, just as social communities do. The distinction between these two zones is in the primary orientation. The orientation of social communities is networking, while that of social publishing is knowledge-sharing (Couldry & van Dijck, 2015).

Blogs are websites that host regularly updated online content; they may include text, graphics, audio, and video. Blogs may be maintained by individuals, journalists, traditional media providers, or organizations, so they feature a wide range of topics. Thus, there are blogs that operate much like an online news source or magazine, a tabloid, or simply as an online personal diary. Blogs are social because they offer social share tools, and they are participatory because they include the option for readers to leave comments that can result in threaded discussions related to specific posts. Several services are available for formatting and hosting, including Blogger, WordPress, Squarespace, and Weebly.

Microsharing sites, also called **microblogging sites**, work much like blogs except that there is a limit to the length of the content you can post. A **microshare** could include a sentence, sentence fragment, embedded video, or link to content residing on another site. Twitter, the most well-known microsharing vehicle, limits posts to 140 characters. Others include Plurk and Parler.

Media-sharing sites, like blogs, host content but also typically feature video, audio (music and podcasts), photos, and presentations and documents rather than text or a mix of media. Media-sharing sites host content searchable by the masses, but within each vehicle are options for following content posted by specific people. Thus, media-sharing sites are also networked. Here are some prominent vehicles within different types of media:

- Blogging: Tumblr, Blogger, Wordpress.
- Video sharing: YouTube, Vimeo, and Vsnap.

- Photo sharing: Flickr, Snapfish, and Instagram.
- Music and audio sharing: Audiofarm and Soundcloud.
- Presentations and documents: Scribd, SlideShare, SplashCast, BrightTalk, and SlideBoom.
- Social bookmarking services (i.e., sharing links to other sites): Diigo and Digg.

ZONE 3: SOCIAL ENTERTAINMENT

The zone of **social entertainment** encompasses events, performances, and activities designed to provide the audience with pleasure and enjoyment, experienced and shared using social media. The distinction between the zones of social publishing and social entertainment is the orientation: knowledge-sharing versus entertainment-sharing. The topic of Chapter 8, these include social games, social music, video and social television. The social media channels supporting this zone include communities dedicated to entertainment like Spotify and TikTok, as well as multi-zone social networks like YouTube and Instagram. At this stage in the development of social media, **social games** constitute by a substantial margin the most advanced channel in the social entertainment zone. These are hosted online and include opportunities for interaction with members of a player's network as well as the ability to **statuscast** (post updates to one's status) activities and gaming accomplishments to online profiles. Examples of social game vehicles include Candy Crush and Mafia Wars.

ZONE 4: SOCIAL COMMERCE

Our fourth zone is **social commerce**. The topic of Chapter 9, social commerce refers to the use of social media in the online shopping, buying, and selling of products and services. Social commerce encompasses social shopping, social marketplaces, and hybrid channels and tools that enable shared participation in a buying decision. Thus, social commerce enables people, both networks of buyers and sellers, to participate actively in the marketing and selling of products and services in online marketplaces and communities (Ralphs, 2011). **Social shopping** is the active participation and influence of others on a consumer's decision-making process, typically in the form of opinions, recommendations, and experiences shared via social media. Channels include reviews and ratings (on review sites like Yelp or branded e-commerce sites), **deal sites** (like Groupon), **deal aggregators** (aggregate deals into personalized deal feeds), **social shopping markets** (online malls featuring user-recommended products, reviews, and the ability to communicate with friends while shopping like Wanelo), **social storefronts** (online retail stores that sometimes operate within a social site like Facebook with social capabilities), community marketplaces (peer-to-peer sites like Etsy), and social networks with sales conversion functionality. In addition, organizations can socially enable aspects of their traditional e-commerce websites by using tools such as **Facebook Connect** (a Facebook tool that allows users to log in to other partnering sites using their Facebook identities) and **share applications** (tools that let users share what they are buying). Figure 1.4 illustrates the four zones of social media along with several vehicles prevalent in each zone at this time.

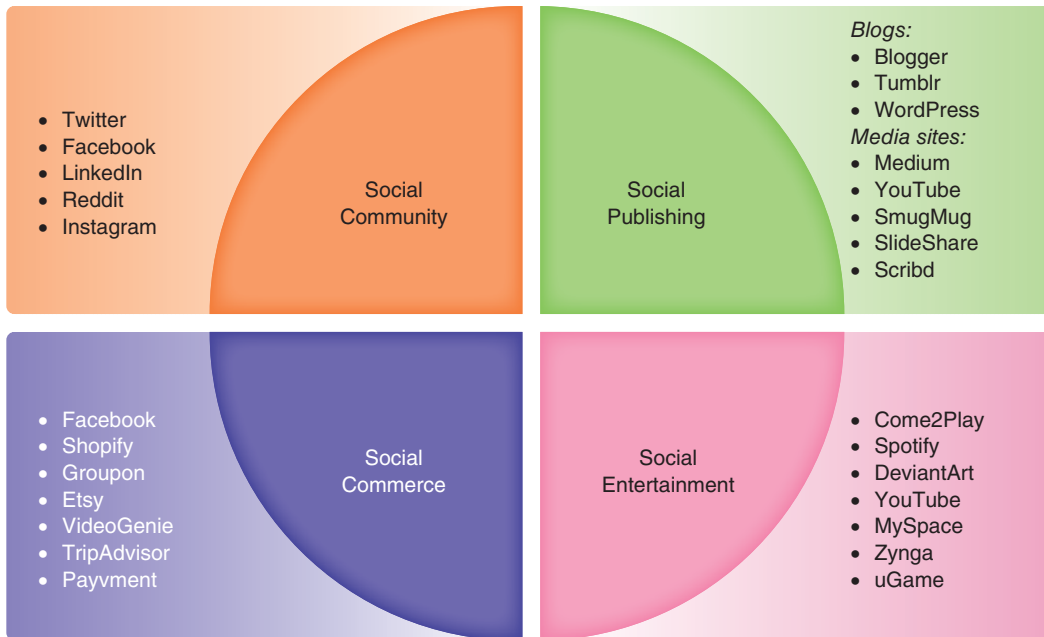


FIGURE 1.4 Social Media Zones and Exemplar Vehicles

MONETIZATION AND SOCIAL MEDIA

As wired individuals, we've come to rely on many of the social sites and services available online. And for marketers, social media have created one of the most exciting and efficient opportunities to reach target audiences. But have you ever thought about how those social sites earn revenues? Most sites still feature free access and a buffet of valuable tools and services. Yet those organizations have invested in potentially extensive development costs and time, hosting costs, and ongoing maintenance. Though it's standard business practice to invest capital to pave the way for future profitability, how do these organizations earn revenue if many of the platforms are free to use?

BUSINESS MODELS AND MONETIZATION

Just like other businesses, social media providers (whether they are social communities, utilities, software providers, or game and app developers) need a **monetization strategy**. **Monetization** refers to how a business earns revenue. It must make money if it is to survive. If a system requires substantial new investment as users adopt it, the break-even point for return on investment (ROI) is delayed even as it appears to be a success. This plan is part of a company's overall **business model**—the strategy and format it follows to earn money and provide value to its stakeholders. For example, Google derives most of the revenue from its widely used search engine (where you “google” a term to locate relevant online links) from the fees it charges advertisers to put their messages on the results pages. In contrast, eBay makes most of its money by taking a cut of the proceeds each time a seller fulfils an order from a buyer

on its merchandise pages. Two different business models; both ways to return value to the sponsoring organization.

For decades now, media providers (e.g., the big networks, ABC, NBC, CBS, and Fox) and media conglomerates (e.g., Disney, Viacom, and Time Warner) have relied heavily on a business model we call the **interruption-disruption model**. The goal is to create programming that is interesting enough to attract people to watch it or listen to it. Then, when they have your attention, they interrupt the programming to bring you a commercial message. They sell ad space to marketers who want to gain the attention of a targeted audience, and the audience allows this to happen in return for access to programming they want. The monetization strategy relies upon attracting as many people as possible to the content; the more who pay attention (or who at least tune in even though they may not be paying attention), the more the programmer can charge for the right to insert messages in that vehicle.

Many social media sites still use this same strategy of earning revenues from selling ad space (Did you notice the text ads delivered alongside your Facebook news feed today?). Though some companies have other **revenue streams** (or source of income), typically through subscriptions to premium versions or fees for data, these are unlikely to replace the model of “ad space as revenue.” Despite the value of services and content found online, the culture of the web is one of open and free access.

Because social media are built on participation, and the more content, the better, people’s contributions also have value. Should you have to pay for online content? Believe it or not, way back in the old days (i.e., before 1999) it never occurred to consumers that they should *not* pay for content. That’s when a college student named Shawn Fanning introduced the Napster site that enabled music lovers to share tracks for free. That party lasted only two years before legalities caught up with the service, but by then the cat was out of the bag. Now, many people (not to point fingers, but especially college students) believe that “information wants to be free,” and they gravitate toward technology that enables them to download songs, newspapers, and yes, even textbooks without cost.

As attractive as that sounds, in the long run an entirely free world probably isn’t feasible. Remember the old expression, “there’s no such thing as a free lunch”? At the end of the day, *someone* has to pay for content and services. Music artists and novelists (and yes, even textbook authors) can’t create and receive nothing in return (for long, anyway). However, the currency that we exchange doesn’t necessarily have to be money. For example, if you post a restaurant review on Yelp you won’t get a check in the mail for your comments. But you may get “paid” by the satisfaction of sharing your foodie opinions with the uneducated masses. You may even receive a rating on some sites that designates you as a star reviewer. These are forms of **psychic income** (perceived value that is not expressed in monetary form) that help to grease the wheels of social media. Also referred to as **social currency**, people and brands need to earn a reputation for providing high value—whether that value comes from information, relevance, and/or entertainment (Ralphs, 2011).

SOCIAL MEDIA MARKETING

Social media are a valuable context for marketing because of their access to people and their functionality. According to the American Marketing Association (n.d.), **marketing** is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. The classic view is that organizations accomplish these goals through a **marketing mix** that includes the so-called Four Ps: Product, Price, Promotion, and Place (or distribution).

As social media marketing techniques continue to sprout around us, today we need to add another P: Participation. It's fair to say that just as social media are changing the way consumers live on a daily basis, so too these new platforms transform how marketers go about their business. Whether our focus is to improve customer service, maintain customer relationships, inform consumers of our benefits, promote a brand or related special offer, develop a new product, or influence brand attitudes, new social media options play a role. **Social media marketing** is the utilization of social media technologies, channels, and software to create, communicate, deliver, and exchange offerings that have value for an organization's stakeholders. We can see this definition play out in emerging trends in social media. While social media marketing initially influenced brands' promotional plans, more recent business applications include social funding (e.g., Kickstarter for funding new business ventures).

MARKETING COMMUNICATION: FROM TOP-DOWN TO BOTTOM-UP

Just as the horizontal revolution changed the way society communicates, the advent and adoption of social media change the way brands and consumers interact. Traditional marketing focuses on **push messaging** (one-way communication delivered to the target audience) using a large dose of broadcast and print media to reach a mass audience. There are minimal opportunities for interaction and feedback between customers and the organization, and **boundary spanners** (employees who interact directly with customers) mediate these dialogues. The brand message is controlled in a top-down manner by brand leadership within the organization.

Even as digital technology developed in the 1990s and beyond, marketers still essentially applied the traditional Four Ps model to reach customers. Over time they embraced the Internet as an environment for promotion and distribution. **E-commerce** began to blossom as an alternative to other forms of promotion such as television or radio. Consumers increasingly began to learn about products online—and to purchase them online as well. E-commerce sites are websites that allow customers to examine (onscreen) different brands and to conduct transactions via credit card.

This explosion in e-commerce activity was a boon to manufacturers, retailers, and non-profit organizations because it offered greater speed, cost efficiencies, and access to micromarkets. A **micromarket** is a group of consumers once considered too small and inaccessible for marketers to pursue. Suddenly it became feasible for even a small company that offered a

limited inventory to reach potential customers around the globe. The Internet enables efficient access to these markets, and in turn allows customers to search for very specialized products (e.g., music tracks by bands that recorded bass line music in Sheffield, England, between 2002 and 2005, or steampunk science fiction novels written by K.W. Jeter). This allows marketers to offer **niche products** that appeal to small, specialized groups of people.

As it became clear that the Internet was not going to go away, marketers flocked to cyberspace. However, most of them still applied the familiar model of the Four Ps to the digital domain. This form of marketing, **tradigital marketing**, is characterized by improvements in interactivity and measurement, but it retains the primarily vertical flow of power in the channels of communication and distribution (Armano, 2009). Digital online messages made it possible for consumers to respond directly to an online **display ad** by clicking through to the e-commerce website. **Search advertising** grew during this time too, making it possible for online advertising to target both mass and niche audiences. Direct marketers widely adopted email marketing as a complement to direct mail and telemarketing.

Despite these developments, modes of communication were still primarily vertical, one-way “mass communication,” largely impersonal, and delivered from one to many. Whether you read the front page of the *New York Times* online at www.nytimes.com, on the *New York Times* app on your phone, or peruse the physical newspaper at your kitchen table, the content from the publisher is delivered vertically through the channel of communication.

Both traditional and tradigital marketing work on the basis of the interruption-disruption model we discussed earlier. This means that the source of a communication delivers messages to audiences whether or not they want to receive them, and regardless of whether these messages are directly relevant to their unique needs. By design, an advertising message interrupts some prior activity: a commercial for L'Oréal mascara suddenly appears during the latest episode of *Real Housewives*, or perhaps a pop-up bubble asks you to click on a link to learn more about low rates on car insurance while you browse a website.

Why would Internet users tolerate these disruptions as they surf the web? For the same reason television viewers and radio listeners have for decades. The ad as interruption that provides a stream of revenue for the media provider also enables this sponsor to provide the content of interest at little or no cost to the audience. Television programming exists to draw audiences, which enables the network to sell space to advertisers who wish to reach that audience. The audience in turn accepts the presence of the advertising in order to consume the desired programming. This “you scratch my back and I’ll scratch yours” relationship also describes traditional Internet advertising: before you can watch a full episode of *The Walking Dead* on your laptop, you might sit through a 15-second ad for Verizon Wireless.

In contrast, social media empower consumers. It isn’t enough to interrupt the consumer experience and steal a few moments of attention. With social media marketing, the ability for consumers to interact and engage with brands is greatly enhanced. Social media channels give consumers unparalleled access. Consumers discuss, contribute, collaborate, and share—with brands and with each other. The culture of marketing has shifted to an

informal one focused on the belief that customers are in control. Marketing guru Peter Drucker once famously said, “The purpose of a business is to create a customer.” With the reach and community influence of social media, we can expand this definition: the purpose of a business is to create customers who create other customers. *That participation in the process is the new fifth P of marketing.*

In the few years of social media’s existence, social media marketing has expanded rapidly, as much for its efficiency given its low absolute costs as for its potential business applications as a tool for garnering customer attention, managing customer relationships, developing new product ideas, promoting brands, driving store (online and offline) traffic, and converting consumers to customers. Social media are not a substitute for traditional marketing communications, but they are more than a complement to traditional methods, as you’ll see throughout this book. This shift from traditional to tradigital to social media is illustrated in Figure 1.5.

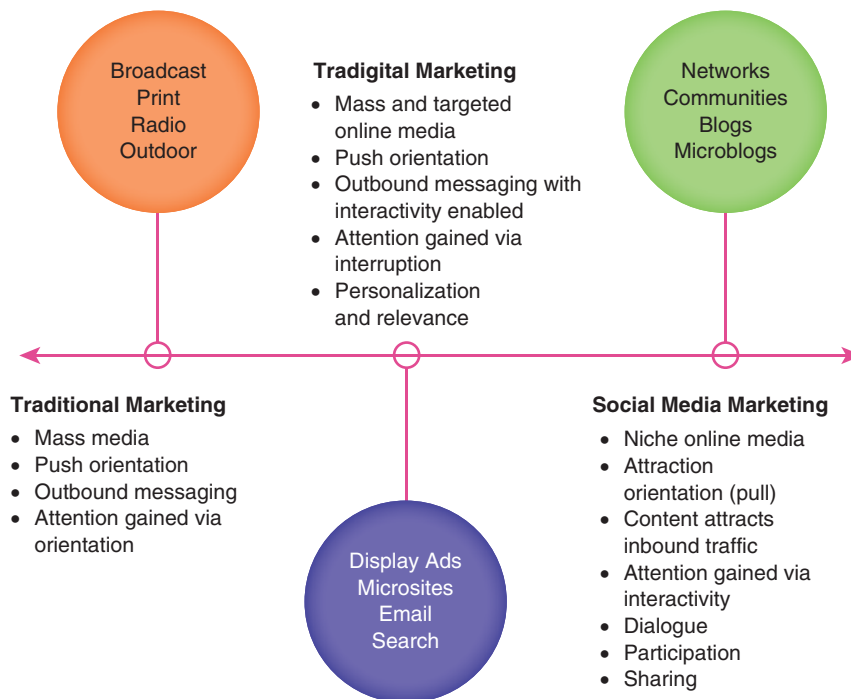


FIGURE 1.5 The Evolution of Marketing Communications

SOCIAL MEDIA ACHIEVES MARKETING OBJECTIVES

As social media marketing has accelerated over the last few years, the objectives organizations can accomplish have also expanded. Table 1.2 shows the percentage of marketers using social media marketing to accomplish objectives across a range of marketing activities that include

promotion and branding, customer service, relationship management, retailing and commerce, and marketing research (Moorman, 2019).

TABLE 1.2 Top Priorities for Businesses Using Social Media Marketing

SOCIAL MEDIA MARKETING PRIORITIES	% COMPANIES USING
Brand awareness and brand building	88.2
New product introduction	64.7
New customer acquisition	60.1
Brand promotions (e.g., sales promotions, contests)	59.2
Customer retention	55.5
Customer service	40.8
Employee engagement	35.3
Market research	33.6
Targeting new markets	25.6
Identifying new product opportunities	17.2

Just as the digital lives of consumers intersect across the four zones of social media, brands reach consumers in those same spaces to build awareness, promote themselves, and encourage users to try them. Let's take a closer look at some of the ways they do this.

PROMOTION AND BRANDING

Marketers have many possible techniques to promote goods, services, ideas, places, or people. Though there are potentially dozens of specific promotion objectives marketers may seek to accomplish, there are two overarching objectives relevant to the use of social media marketing as part of a brand's promotional mix:

- 1 Extend and leverage the brand's media coverage.
- 2 Influence the consumer throughout the decision-making process.

When it comes to acquiring space in media to distribute brand messages, marketers have access to four core types of media: 1) paid, 2) owned, 3) earned, and 4) shared. This is illustrated in the PESO model, shown in Figure 1.6 (Macnamara et al., 2016). Marketers are charged monetary fees for **paid media**, including purchasing space to deliver brand messages and securing endorsements. Paid media are traditionally the purview of **advertising**, defined as the paid placement of promotional messages in channels capable of reaching a mass audience. **Public relations**, the promotional mix component tasked with generating positive publicity and goodwill, may also utilize paid media in the form of sponsorships. Television commercials, radio ads, magazine print ads, newspaper ads, billboards, Internet display ads, and search

engine marketing (SEM) all represent examples of paid media that may be incorporated in a brand's promotional plan. As we'll see in later chapters, other emerging formats include paying for messages in online games like Happy Pets or offering branded virtual goods to inhabitants of virtual worlds. And traditional sales promotions such as coupons and contests get a new life on social media platforms.

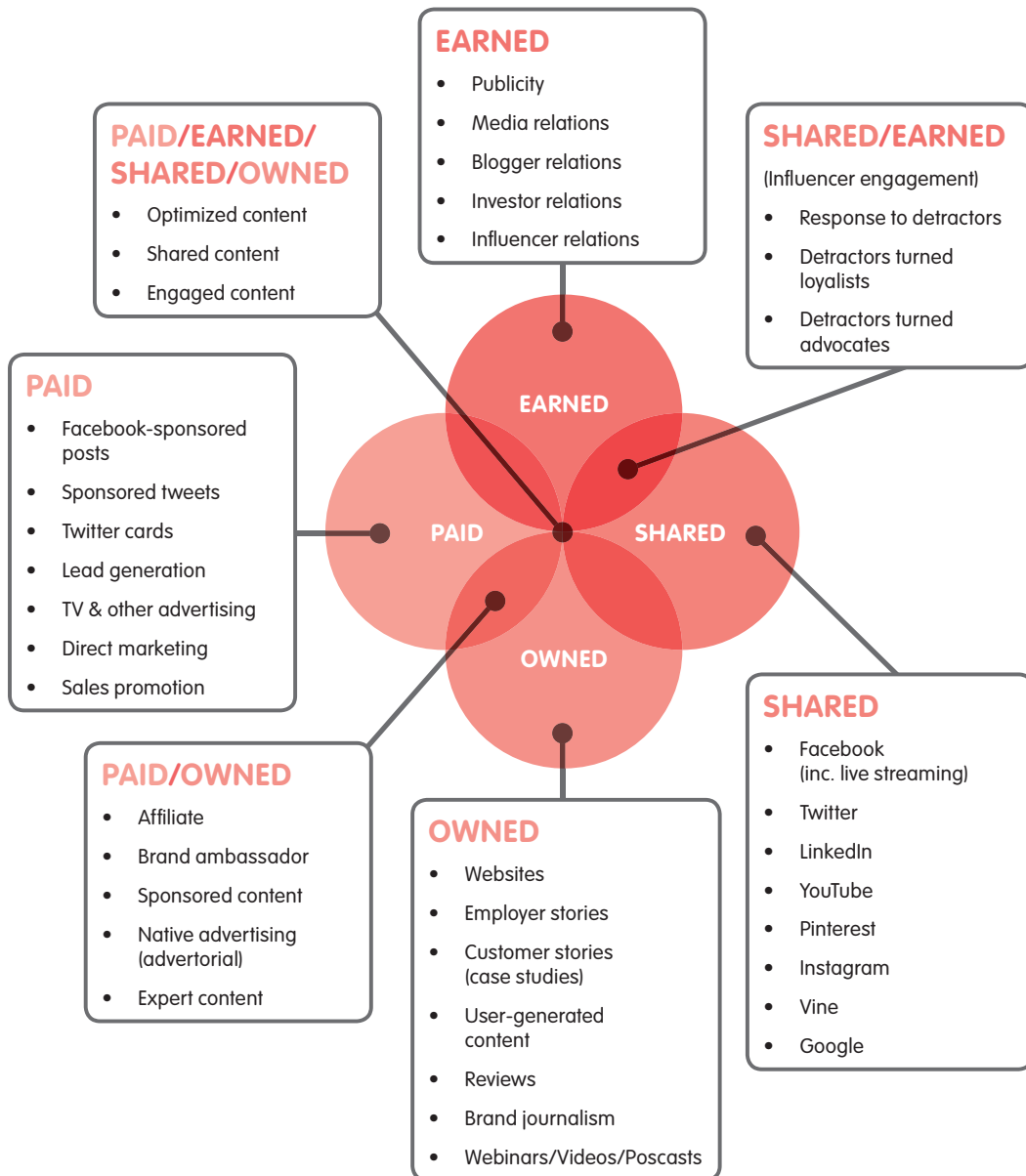


FIGURE 1.6 The PESO Model

SOURCE: LMMC (2016)

Owned media are channels the brand controls. Corporate websites and e-commerce sites, corporate blogs, advergames, and alternate reality games (ARGs) all represent forms of owned media. Just as Zara's brick-and-mortar retail stores are owned and controlled by the organization, so is its website.

Earned media are those messages that are distributed at no direct cost to the company and by methods beyond the control of the company. **Word-of-mouth (WOM) communication** (called **influence impressions** in social media) and publicity are important forms of earned media. Companies release content through press releases and paid channels, participate in community events and causes, create stunts designed to generate media attention and buzz, and offer exceptional service quality, all with the hope that a brand message will spread. Shared media are communication channels in which marketers, people, journalists, and other participants share content (their own and others). Note that there is an overlap such that there are paid, earned, and owned elements of social media. Table 1.3 explains the forms of paid, earned, and owned media possible in each of the shared zones of social media marketing.

TABLE 1.3 Types of Media

ZONE	PAID MEDIA	EARNED MEDIA	OWNED MEDIA
1: Social Communities	<ul style="list-style-type: none"> • Ads • Native ads • Paid influencers 	<ul style="list-style-type: none"> • Conversations in communities • Shared content • Influence impressions • Likes, followers, fans 	<ul style="list-style-type: none"> • Brand-owned social networks
2: Social Publishing	<ul style="list-style-type: none"> • Endorsements • Sponsored content • Branded channels in media-sharing sites 	<ul style="list-style-type: none"> • Embeds • Comments • Shares • Links • Search rankings 	<ul style="list-style-type: none"> • Corporate blogs • Branded content • Brand-controlled media-sharing sites
3: Social Entertainment	<ul style="list-style-type: none"> • Ads in games or on social entertainment sites • Sponsored social entertainment experiences 	<ul style="list-style-type: none"> • In-game interactions • Engagement in social TV 	<ul style="list-style-type: none"> • Advergames • Branded ARGs • Branded entertainment
4: Social Commerce	<ul style="list-style-type: none"> • Sales promotions • Retargeted ads on social sites 	<ul style="list-style-type: none"> • Reviews and ratings • Recommendations and referrals • Group buys • Social shopping interactions 	<ul style="list-style-type: none"> • Social storefronts

A major objective related to using social media marketing for promotional purposes is to assist in moving the consumer through the purchase process. Marketers target various stages of this cycle to increase brand awareness, enhance brand liking and image, build brand equity, incite desire, and move consumers to action. They can influence consumer attitudes and movement through the process with promotional messages targeted throughout the social media channels (Joshi et al., 2013). Figure 1.7 illustrates how marketers can use each zone of social media.

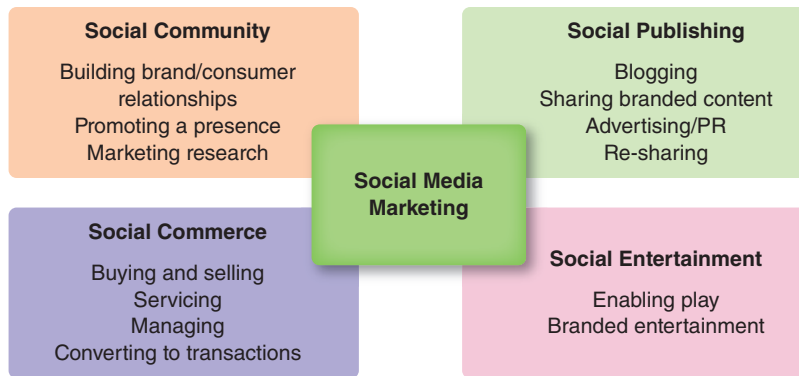


FIGURE 1.7 Marketing Applications Across the Social Media Zones

Let's take a brief look at how social media marketing works at each stage of the purchase process:

- 1 *Increase awareness*: brands can increase awareness with social media marketing by maintaining an active presence in the social spaces where target consumers "live" and by integrating social media into the marketing mix. Unilever brand Knorr's #LoveAtFirstTaste campaign matched singles with similar food preferences, then set them up on dates, where they had to feed each other (and agree to be recorded). The campaign included an interactive flavor-profile quiz, a campaign landing page, and a series of social videos, including a popular YouTube video.
- 2 *Influence desire*: social media promotions can be used much like advertising, catalog marketing, and feature events to persuade consumers to recognize a sense of desire. The fashion brand Lilly Pulitzer posts each new collection on Facebook, Flickr, and YouTube. Visitors can tour pictures of its designs, fresh from each photo shoot. It's like being in the pages of *Vogue*.
- 3 *Encourage trial*: social media can even be used to support sampling and loyalty programs. **Sampling** means to offer a free trial of a product; these are usually mailed to consumers' homes or distributed in stores or on the street. Social media can be used to recruit interested prospects to qualify for samples. Celestial Seasonings used this approach to distribute 25,000 samples of its new tea flavors. Called Share The Magic, Facebook followers were asked to share how tea adds magic to their day and, in return, Celestial Seasonings sent a free sample and a coupon.
- 4 *Facilitate purchase*: social media serve as a distribution channel and venue for many sales promotion incentives, including deals and group offers. Many customers "like" or follow brands in social networks in order to qualify for special deals. The "You Can With a Canon" campaign rewarded those who rented a Canon M50 to claim a discount by posting their finest photography along with the hashtag #rentacanon.

- 5 *Cement brand loyalty*: social media venues offer engaging activities for consumers that can ensure they spend more time with the brand, hopefully resulting in higher levels of brand loyalty. Look no farther than social games that offer rewards for the most loyal visitors. That's just what grocery chain Lidl accomplished in the UK with its ingenious Social Price Drop campaign on Twitter. The campaign was designed to let its social media followers control pricing for select products during the holiday season. The more followers talked about an item on Twitter, such as the "Christmas lobster," the more that item's price dropped.

CUSTOMER RELATIONSHIP MANAGEMENT AND SERVICE RECOVERY

Despite all the hype we hear constantly about social media being the "new advertising," there are in fact other applications where these techniques will play an increasingly important role. For one, customer relationship management, or CRM, also finds a home here. CRM practices focus on what we do with a customer after the first sale; it's far more difficult (and expensive) to attract new customers than to keep old ones. That's why many organizations work hard to maintain contact with their customers and to provide additional products and services to them over time. Often they rely on sophisticated databases that keep an ongoing record of what a person buys and other pertinent information so that he or she will receive customized follow-up messages and offers that are likely to meet unique needs. Salesforce.com is among the leading business solutions for social CRM.

Because of this digital focus, it's not surprising that CRM lends itself to social media applications. **Social CRM** embraces software and processes that include the collective intelligence of a firm's customers to more finely tune the offer and build intimacy between an organization and its customers (Fauscette, 2009). When brands embrace social CRM, they use social media as they were meant to be used. Why do we make this claim? Just as we learned that earned media can result from creative and interactive social messages, companies that do a good job of maintaining strong brand-to-customer relationships will benefit from earned media, as those customers in turn share information and recommendations with their networks.

But this is a sword that cuts both ways. It's ideal when all of our interactions with customers are positive. Unfortunately, things sometimes go wrong. When they do, today's social consumers won't hesitate to share their nasty experiences with others on social platforms. They'll vent their frustrations in the most public of ways. A great example is the sad story of one man's plane trip that resulted in a busted guitar that went viral on YouTube ("United Breaks Guitars" video on YouTube). After he tried unsuccessfully to get United Airlines to repair or replace his guitar, this disgruntled passenger created his own version of the story and set it to music—the video he uploaded about his experience was viewed nearly 10 million times. Obviously, this was not a happy event for the airline. This illustration of the potential negative impact on a firm's image underscores how important it is for organizations to take customers' complaints seriously (especially those who are inclined to post about their experiences). It is

also vital to have a plan in place to initiate **service recovery** when things do go wrong (and they will). This term refers to the actions an organization takes to correct mishaps and win back dissatisfied customers. One helpful set of guidelines that some companies use is known as the **LARA framework** (Ogneva, 2010):

- **Listen** to customer conversations.
- **Analyze** those conversations.
- **Relate** this information to existing information within your enterprise.
- **Act** on those customer conversations.

Service recovery typically has to happen quickly if it's going to have any impact. A firm that can identify a problem in the system (e.g., a product recall, a snowstorm that will ground flights) can nip it in the bud by letting customers know that it is aware of the issue and is taking steps to address it. That's a big reason why social media can play such a big role in CRM: the platforms they can use allow them to communicate quickly and efficiently to large groups of customers or to customize messages to individuals who require follow-up. For example, companies such as Carphone Warehouse, Zappos, Best Buy, and Comcast have turned to Twitter to conduct their social CRM: they can monitor trending topics and pre-empt problems if they find that a lot of people are tweeting about them (in a bad way). If necessary, they can send their own tweets to explain what happened and provide solutions.

MARKETING RESEARCH

Social media open exciting new windows for marketing research. Whether to collect insights for the discovery stage of the creative process or to gather ideas for new product development, social media provide new tools to listen to customers as they discuss their lives, interests, needs, and wants. In fact, this social media marketing activity is called **social listening** (Melin, 2014). Social listening may be used for social CRM, service recovery, competitive analysis, or even ideas for new product development. We'll learn more about conducting research with social media in Chapter 10. Which channels of social media are relevant for social media market research? Potentially all of them, but profile data, activities, and content shared in social communities and content shared via social publishing vehicles are especially valuable for researchers.

RETAILING AND E-COMMERCE

The last major application for social media marketing is that of retailing and e-commerce. We've already shared ways that brands can incentivize trial and purchase using social media promotions. If you are like most consumers, you've used your share of online ratings and reviews before you made a purchase decision. But did you know that you can go shopping in social storefronts or browse on e-commerce sites that enable real-time chat with your

friends? That's right. Groups of friends can shop together even when everyone is online—and not necessarily in the same physical location. When brands use social media marketing as a retailing space, create a venue for and/or encourage consumer reviews and ratings of products, and enable applications that help friends shop together online, we're solidly in the social commerce zone. This will be our focus for Chapter 9.



CRITICAL REFLECTION

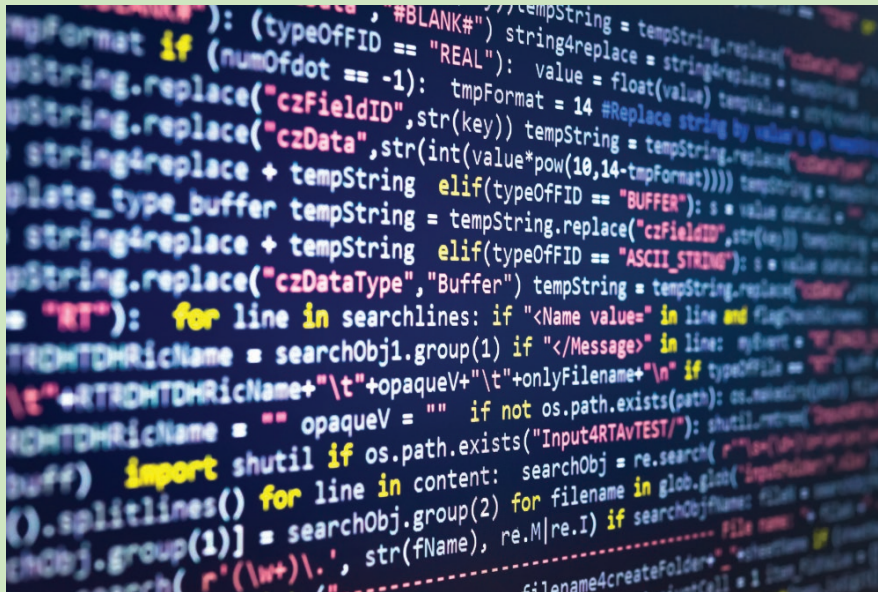
HOW ALGORITHMS INFLUENCE REALITY

Algorithms are instructions for solving a problem or completing a task. Recipes are algorithms, as are math equations. Computer code is algorithmic. The Internet runs on algorithms and all online searching is accomplished through them. The apps on your smartphone are algorithms. Computer and video games are algorithmic storytelling. Anytime you are offered automated suggestions—whether people you may wish to friend on Facebook, programs to watch on Netflix, products to consider on Amazon, possible romantic matches on Tinder, restaurant recommendations on Yelp (we could go on)—algorithms are responsible.

Algorithms help gadgets respond to voice commands, recognize faces, sort photos, and build and drive cars. Algorithms are mostly invisible aids, augmenting human lives with convenient knowledge delivered on demand. However, sometimes the application of algorithms created with good intentions leads to unintended consequences. As you might have guessed, criminals exploit algorithms for hacking and cyber attacks. Algorithms are also blamed for unfortunate issues in the currency and stock markets.

But algorithms are the subject of this critical reflection feature because of the effect they may have on your experience using social media—and ultimately on your life. In fact, some are calling this the Age of Algorithms (Rainie & Anderson, 2017). Algorithms are primarily written (by coders) to optimize efficiency and profitability without much thought about the possible societal impacts of the data modeling and analysis. A study of experts by Pew Research explained that in algorithmic design, humans are viewed simply as an “input” to the process, rather than as real, thinking, feeling, changing beings. This is already problematic, but is likely to become more so as algorithms begin to write the algorithms. At that point, the robots will decide the rules by which the algorithms produce solutions.

Bart Knijnenburg, a professor at Clemson University, explained (cited in Rainie & Anderson, 2017): “Algorithms will capitalize on convenience and profit, thereby discriminating [against] certain populations, but also eroding the experience of everyone else. The goal of algorithms is to fit some of our preferences, but not necessarily all of them: They essentially present a caricature of our tastes and preferences.”



Vintage Tone/Shutterstock.com

He went on to say, “My biggest fear is that ... it will be simply too convenient for people to follow the advice of an algorithm (or, too difficult to go beyond such advice), turning these algorithms into self-fulfilling prophecies, and users into zombies who exclusively consume easy-to-consume items.”

Perhaps zombie is an exaggeration, but the risk of living in a filter bubble is real. What is a filter bubble? Akin to living in a bubble, unable to experience the world, algorithms can limit our exposure to new information and different experiences, while influencing our beliefs and emotions with the content that is served to us (Pariser, 2011). Is this risk real? In fact, it's already happening. Your news feed in Facebook is controlled by an algorithm designed to personalize the content you see based on your preferences and past behavior. There are benefits—it means you see more of the stories you have liked in the past, from people and brands you've interacted with most, with the goal of enhancing your experience. It is this filtered access to our social network that inspired the question “Is social media even social anymore?”

Do you see the flaw? The flow of content you see isn't random or even in real time. It is filtered such that you are increasingly less likely to see stories from people with whom you haven't engaged for a while. You will see more stories from people you agree with and less from people who might have a different opinion. Over time, you could adopt a very distorted view of the world. You also will be limited in new experiences.

(Continued)

The information presented by algorithms will never surprise you with something you never thought you'd do, watch, or see because the solutions are based on your past behavior.

That is, unless the solutions are manipulated. What's that? You trust the information you get online? Not so fast. Facebook scientists collaborated on an experiment called the Contagion Experiment. One sample of Facebook users were served consistently negative stories and another sample saw positive content. Did the content influence the recipients? You bet it did. Those in the negative group began posting content that suggested they were in a bad mood and those who saw positive content posted happier messages. In other words, not only may our experiences be influenced by algorithms, our perception of our experiences may as well.

CAREERS IN SOCIAL MEDIA

Now you've seen how individuals and organizations, including businesses, non-profits, and governments, use social channels. As organizations learn the value of social media for marketing, new jobs come online every day to accommodate the need for skilled social media marketers. Interested? Consider the list of social media jobs in Table 1.4.

TABLE 1.4 Jobs in Social Media

JOB TITLE	JOB DUTIES
Social Media Marketing Manager	<p>Develop and execute plans to engage and acquire superior recommendations/content for services via grassroots recruiting of influencer and social engagement strategies.</p> <p>Ensure timely delivery of superior answers/recommendations to users by working closely with influencers and local experts.</p> <p>Execute the viral marketing plan, engage bloggers and neighborhood leaders, as well as drive word-of-mouth programs.</p> <p>Support the active outreach program to recruit local influencers, local experts, bloggers, and brands to add their recommendations and invite their customers to endorse them on Romio.</p> <p>Select the very best sources of superior best of the best service recommendations.</p>
Social Media Insights Analyst	<p>Listen, monitor, and analyze social media content to create reports that include metrics and insights which help the client to make business decisions and drive strategies.</p> <p>Present reports and measurement frameworks to clients.</p> <p>Create reporting templates based on client requirements. Get sign-off from clients on the templates.</p> <p>Support development and deployment of new social media measurement frameworks and key performance indicators (KPIs).</p> <p>Assist in training and mentoring new team members and client service teams in their understanding of social media measurement/insights.</p> <p>Maintain familiarity with social media tools.</p> <p>Create advanced queries to glean insights for research reports.</p> <p>Add value to the existing deliverables by bringing in new methodologies and processes.</p>

JOB TITLE	JOB DUTIES
Social Media Assistant	<p>Write awesome social media posts.</p> <p>Work closely with and report directly to the Social Media Marketing Manager.</p> <p>Stay current with emerging digital marketing and social media trends and best practices.</p> <p>Report on the team's awesome work with Google Analytics and other tracking tools.</p> <p>Create beautiful Instagram imagery.</p> <p>Brainstorm—contribute thoughtful ideas during team meetings.</p> <p>Assist with other agency projects.</p> <p>Assist with managing vendor relationships.</p> <p>Leverage social media tools to streamline your day.</p> <p>Create and upload content into Wordpress websites.</p>
Social Media Marketing Specialist	<p>Develop social media content for a variety of clients in a wide array of fields.</p> <p>Work with the design and web team to conceptualize and bring to life amazing social media creative campaigns.</p> <p>Work with the web development team to create content for pages.</p> <p>Offer strategic input for campaign execution.</p> <p>Create Facebook and Instagram ad campaigns.</p>

CASE STUDY

MEET 221BC KOMBUCHA

221BC Kombucha is a family-owned business dedicated to promoting healthy lifestyles. Aneta and Eric Lundquist founded the company to inspire people to live their best lives one step at a time. Drinking kombucha, a nutrient-dense beverage with many health benefits, is a gateway habit to a healthy lifestyle.

Kombucha is a bubbly, fermented tea with a host of health benefits. The basic ingredients in kombucha are yeast, sugar, and black tea. SCOBY, which stands for symbiotic culture of bacteria and yeast, is an ingredient used in the production of kombucha. The mix is set aside for a week or more to ferment. Simply put, fermentation is where the activity of friendly bacteria, yeasts, and probiotic enzymes eat the sugar in tea, transforming it into kombucha. The process is similar to how cabbage is preserved as sauerkraut or kimchi, or how milk is turned into yogurt. The tasty end product has B vitamins, probiotics, caffeine, and small amounts of alcohol.

Kombucha has a long history. In fact, the name 221BC highlights the first known reference to the brewing of kombucha in China more than 2,000 years ago! It was known

(Continued)



as the “Tea of Immortality”! Aneta explains, “Kombucha is an ancient drink from Asia. The recipe is over 2,000 years old. That’s where our name came from—221BC stands for ‘221 before Christ.’ We use high-quality organic tea leaves and sugar and ferment that in a culture, then add fresh-pressed, raw, organic unprocessed juices. It creates probiotics, enzymes, B vitamins. There’s a trace amount of alcohol—less than .5 percent—but it’s not considered an alcoholic beverage” (personal communication).

Today, the kombucha market is growing rapidly. Globally, the market is projected to reach nearly \$5 billion by 2025 (MarketWatch, 2019).

Why the rapid growth? It goes beyond the popularity of beverage alternatives to soda. Kombucha purports to have many health benefits, especially benefits for gut health. Advocates say kombucha aids digestion, rids the body of toxins, and boosts energy. It’s also said to boost immunity, support weight loss, ward off high blood pressure and heart disease, and even prevent cancer.

Growing up in Poland, fermenting foods was a regular part of Aneta Lundquist’s life. Every fall, her family harvested food from the garden. Some of that food was stored in underground cellars, while the rest was fermented in jars. Culturally, food was viewed as medicine for common ailments. After coming to the US, Aneta realized that she didn’t feel the energy she once felt. She committed to eating clean foods and using nutrient-dense foods as a core commitment to her family’s health. She began brewing her own kombucha at home, experimenting with ingredients like bee pollen, turmeric, ginger, and matcha to influence the flavor and nutrition of her home brew. As the family transformed their eating habits, their health also improved dramatically, convincing Aneta’s husband, Eric, that clean eating and kombucha should be a way of life.

Today, Aneta defines herself as a fermentarian; fluent in the language of good bacteria, she feels a natural connection to and understanding of the complex world of microbes. She’s become obsessed with nature and the power of food to support a healthy life. With this goal in mind, she and Eric decided to begin 221BC Kombucha. Their mission goes beyond selling kombucha. Kombucha is simply one step that can serve as a gateway to healthy living.

221BC’s product line offers several unique flavor blends, including

- Berry Hibiscus
- Grapefruit Bee Pollen
- Ginger
- Moringa Lavendar
- Orange Turmeric

- Jun Honey Matcha
- Lemon Chlorophyll
- Acai Beet
- Reishi Chai Core
- Yerba Power Green Core
- Yerba Power Berry Core.

221BC is sold throughout Florida and in a few major regional markets throughout the US, as well as abroad. Its channel of distribution is indirect in that it is sold through retailers such as Publix and Whole Foods. It is also sold on tap at health food bars and yoga studios. The company uses a premium pricing strategy with each bottle priced at or around \$3.99 to \$4.29. Competitively, 221BC is a relatively small player in a market overflowing with major brands like GT's Living Foods and Health-Ade as well as regional and niche brands.

The company plans to use social media marketing to facilitate achieving its marketing objectives. Throughout an ongoing case study in this book, we'll walk side by side with Aneta and Eric as 221BC plans its social media marketing strategy. Currently, 221BC is active in the Social Community zone. You can follow 221BC and Aneta:

Instagram: @kombucha221bc and @aneta_lundquist

Facebook: www.facebook.com/kombucha221BC/

Twitter: @kombucha221bc

In Chapter 1, we learned that social media marketing can be used for promotion and branding, market research, service recovery, retailing and e-commerce, and sales. 221BC's specific objectives fall into these categories:

- to increase brand awareness
- to promote the brand's image and position the brand as superior to national brands
- to encourage product trial
- to facilitate purchase
- to reinforce brand loyalty.

(Continued)

DISCUSSION QUESTIONS

- 1 What is 221BC's marketing mix?
- 2 Why might 221BC be interested in using social media marketing as a promotional strategy?
- 3 In which zones of social media marketing is 221BC active? How could the company use the other zones?
- 4 What are 221BC's social media marketing objectives? How can social media facilitate these objectives?

CHAPTER SUMMARY

What are social media? How are social media similar to, yet different from, traditional media?

Social media are the online means of communication, conveyance, collaboration, and cultivation among interconnected and interdependent networks of people, communities, and organizations enhanced by technological capabilities and mobility. Like traditional media, social media include several channels, and within each channel there are specific vehicles. For example, television is a broadcast media and is a vehicle within the medium of television. Social communities are a channel of social media and LinkedIn is a vehicle.

How does the Social Media Value Chain explain the relationships among the Internet, social media channels, social software, and the Internet-enabled devices we use for access and participation?

The Social Media Value Chain explains that social media are made up of core activities and supporting components. The core activities include the things people do with social media such as converse, share, post, tag, upload content, comment, and so on. The support components include the Web 2.0 infrastructure, social media channels, social software, and the devices we use to interact with social media.

What are the major zones associated with social media that make up the channels, modes, and vehicles for social media participation?

The major channels of social media include social communities, social publishing, social entertainment, and social commerce. Each channel incorporates networking, communication functionality, and sharing among connected people, but they each have a different focus. Communities are focused on relationships. Publishing features the sharing and promotion of content. Entertainment channels are geared to fun and shared uses of social media. Commerce addresses the shopping functionality of social media applications.

What is social media marketing?

Social media marketing is the use of social media to facilitate exchanges between consumers and organizations. It is valuable to marketers because it provides inexpensive access to consumers and a variety of ways to interact with and engage consumers at different points in the purchase cycle.

What marketing objectives can organizations meet when they incorporate social media in their marketing mix?

There are several marketing objectives achievable utilizing social media marketing techniques. Branding and promotion, research, and customer service and relationship management objectives are all viable using social media.



REVIEW QUESTIONS

- 1 How do you define social media? Social media marketing?
- 2 What are the supporting components of the Social Media Value Chain?
- 3 What role did Web 2.0 play in the development of social media?
- 4 What is crowdsourcing?
- 5 What is social software? Give two examples.
- 6 How are devices and the Internet of Things (IoT) related?
- 7 What are the four zones of social media? How do social media compare to traditional media?
- 8 Explain the concept of psychic income, also known as social currency.
- 9 How can brands use social media to develop earned media value?
- 10 What is social CRM? How is it different from traditional CRM?



EXERCISES

- 1 What is a monetization strategy? Visit Twitter.com and explain how Twitter monetizes its business. Do the same for Snapchat.
- 2 Should online services like Facebook and Google Docs be free? Poll your classmates and friends (including your social network) to find out what they think should be free. Use the polling features available on Facebook to conduct your poll. What do the results say about the possible monetization strategies available to social media providers?
- 3 Watch the Ted Talk in which Eli Pariser explains the risk of a world lived in a filter bubble. Do you think the convenience of algorithmic solutions warrants the risks to human experience? Is social networking even social anymore? You can find the video on the Ted Talks site at www.ted.com/talks/eli_pariser_beware_online_filter_bubbles?language=en.