Enterprise and development: The role of social networks

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Abstract

The advertising landscape has undergone significant changes in recent years, as consumers spend more time online and less with traditional advertising. As a result, some advertisers are evolving to a culture of convergence where the traditional methods of work must adapt to the new reality of interactive and emerging media. The purpose of this article to show how agencies and companies are finding new ways to connect with consumers and build their brand. The increase in emerging media has led to a cultural change towards a "digital culture", which is also *known as a "*convergence *culture." During this time,* consumers have *changed their choices by redefining their relationship with the media,* reducing the time *dedicated to the traditional ones and increasing the use of online media. The advertising industry,* largely *governed by the old systems, continues to struggle with the challenges of this digital world. They say new communications systems that are based on the interest that the user turns to new media such as social media network.*

Keywords: on-line advertising, Web 2.0, online consumer behaviour, social network.

JEL: M31 – M37.

Introduction

Today, most marketing managers choose Internet marketing to have a broader scope because it not only refers to digital media such as the Internet, e-mail, banners and advertising, but also facilitates the management of customer data, digital and electronic in Customer Relationship Management. In general, Internet marketing includes creative and technical aspects of the Internet, including design, development content, advertising and sales. The term "**Web 2.0**" is used to describe changing trends in the use of technology and design in the marketing process. It was introduced for the first time in 2004 by *Dale Dougherty*, web pioneer, during a conference brainstorming session. According to O'Reilly, Web 2.0 is the business revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform. The rules for success involve the use of Internet in an interactive and social start-to-consumer (O'Reilly 2007).

Marketing Web 2.0 is an emerging concept, and it is not easy to define exactly how you can engage consumers. However Moran, [1] Web 2.0 Marketing defines as "a way to get attention for the message using people connected to the Internet." Furthermore, he classifies Marketing Web 2.0 in four types of media: content, personality, interests, and imagination. Content-based social media marketing built around individual messages, for example, YouTube has a video designed to be shared with others. Still other social content-based media do not host the content, but rather a link. Personality-based social networking sites allow each member to create a profile description, which again can be linked to profiles of colleagues and friends, forming a network. Facebook, Twitter, LinkedIn have become a significant network, personality-based targeting. Interest-based social marketing, including the communities formed around specific issues such as forums, blogs, and so on. These communities offer the opportunity for companies to interact with consumers and, above all, listen and learn from their experiences and ideas to improve the product, service and quality. Specialized search sites like Twingly allow you to perform searches category for blogs on a specific topic. Finally, virtual worlds such as Second Life is a virtual world fantasy, also belongs to the category of social media marketing. Types of social media are emerging quickly. What is important, according to Moran, is the need to pay attention, so that when a new type of social media is born, a company must be able to recognize and evaluate the possibility of application for future advertising campaigns.

1. Interaction between communication and business websites

This technology allows for bi-directional communication in ways impossible for the mainstream media, so the advantages of this medium as a tool for strategic communications are numerous. First, a corporate Web site can provide a great opportunity for brand building and relationship marketing. The Web site can create a link between the interaction of the consumer and the brand, probably the best of traditional advertising media. Internet therefore requires "that advertisers must adapt to a new medium which is not bound by time or space and that has the ability to engage the consumer." According to Arnott and Bridgewater, however, the "marketing is making limited use of the interactive potential of the Internet." Second, Web sites can provide tremendous opportunities for companies and their

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[1] Moran, Mike (2008), *Do It Wrong Quickly: How the Web Changes the Old Marketing Rules*. Upper Saddle River, NJ: IBM Press.

advertising investment, because "consumers want to interact with the brand and the company.". A site can serve as a tool for strategic communications to create and sustain a relationship, positive feelings toward the brand. The researchers also found a positive correlation between the attitude of the brand and the time spent on a website. Companies should recognize the importance of elements of interactive sites that offer a variety of opportunities for interaction to try to involve the user. Third, analysts also predict that only those companies that adopt a lifestyle and a strong branding strategy can survive in this competitive market. Even in a difficult economic climate, "interactive media continue to consume the largest piece of the overall advertising," which reflects the "secular change in course from traditional media to online media? We must recognize that the dollars invested in interactive media are effective in influencing consumers and deliver measurable results "(IAB 2009).

Fourth, interactivity has important implications in terms of meeting and connecting with your target audience. For example, the target of Generation Y, composed of teenagers, accounting for 25% of the population has a buying power. These consumers, the age of the college, spend a considerable amount of time on-line and can be classified as experienced computer users whose activities include downloading interactive content creation and online chat. Their expectations for interactivity, so they are very high and demand interactive elements that affect them and make them fun. Marketers need to understand how these consumers prefer to interact and how gender influences their behaviour if they hope to reach these consumers represented by young experts.

2. *The new business model*

Listen, listen, and listen. The philosophy can be summed up in one word. There are success stories of enterprises that know how to exploit the potential of social networks both in Italy and abroad. These enterprises are united by the fact that when they build a new relationship with consumers, media and resources, they cannot come back. The social network is beneficial unthinkable as long as it is not considered to be just a sales channel or a medium in which the communication is in one direction only. Enter into the conversation by offering tools and platforms to connect satisfied customers and a user that may become customers is the strategy adopted by *COSTA CROCIERE* . So a group on Facebook, a blog and an island on Second Life become part of a design with a single purpose: to enhance the natural mouth of someone who was there on a cruise. *DELL* is now one of the most open to dialogue, thanks to a spectacular example of the negative word of mouth triggered by Jeff Jarvis, an influential American blogger, the victim of an inefficient after-sales service. From that experience *Dell* has managed to treasure: a few months ago 'has created a platform listening to the needs of customers, launching with excellent results the first portable computer in which' pre-installed Linux operating system. Without starting a relationship online never would open up a new market niche. *SEAGATE,* well-known manufacturer of hard disk has launched a strategy for social media that encourages customers to follow the company in open channels on twitter, friend feed and facebook: based on the fact that a message transmitted from person to person has a much higher value of any banner or advertisement. The epochal change is obvious: lower and lower levels of attention, audience fragmentation, increasing desire among consumers to participate and express themselves. Enterprise 2.0 reacts to this scenario by creating quality content to accompany the goods or services, in order to climb the pages of the search engines and ends. *Steve Rubel, senior* vice president of *Edelman Digital (*international corporate public relations, corporate communications and marketing*)* considers *Federated Media Publicishing* an excellent example of the advertising to social media.*FMP* is among the first to have understood that the banner does not exploit the potential of dialogue in the network, *FMP* produces sites where content quality blog network aggregate to a theme sponsored by a company in the industry. Social networks can be a boon for media companies.*BBC,* forefront in the use of technology, has introduced the forum in 2001, with the aim of reducing the internal flow of e-mail. Today more than half of the staffs of the giant English has a Facebook profile and uses it actively communicate with colleagues and the public radio and TV channels. According *Forrester Research*[2] the market for advanced solutions, with a view enterprise 2.0, will explode soon to reach 4.6 billion dollars in 2014. Better start right away, best to do some initial error rather than lose an important competitive advantage. A recent study by *Paola Dubini e Martino Garavaglia dell'Osservatorio business tv dell'Università Bocconi ,* highlights how the use of blogs, community, web TV, web radio and social networks by enterprises in dialogue with users is growing. This survey of 100 companies, titled "Social Media Monitor: one hundred companies in the network", using two parameters: the wealth of content (the wealth of the rich and keep up to date information services accessible), e strength of the relationship with the customer (the intensity of relationship measures the company's ability to communicate with your partner, to lure him on its website and solicit the contribution); research shows that 35% of the companies in the study has a propensity towards the web very low as well as lower the content of the information through the site, 23% of the companies in question using the Web to provide a service to the user while remaining low-quality content. Instead, the 20% of firms in the sample not only offers information from the content quality but provide real information services to their users that can interact with the company. This companies are characterized

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[2] Forrester Research research firms Boston Massachusetts – www.forrester.com

by very strong brand and they tend to centralize communication around the brand, are quite protective of it and are willing to experiment with different media formats. Social networks are the most used multimedia tools. Finally, 22% of the companies in the sample point of communication strategies on the web characterized by high intensity of relationship and richness of content. These are companies that invest in the network the longest, with a strong brand identity but who experience the use of social networks as a communication vehicle. In essence, companies that invest in the web are still few but in the future this percentage is expected to increase as this survey shows. Paola Dubini, says "*Social Media likely to be a time of simple contact spot,* without that we can keep a continuity in time ratio and an appropriate number of contacts. To be present in an effective way action *is needed continuity and develop editorial strategies"[3].* The social networking activities begin to be considered strategic to the business. A recent study *Deloitte[4],* states that almost a third of U.S. corporate managers (30%, namely) began using the social networking activities as strategic tools for their integrated communication activities.

It is a further confirmation of how, at least in the U.S., Web 2.0 is beginning to be used by companies as a means through which to build the company brand, making communication and search for qualified personnel. The 55% of managers surveyed, however, said that was not yet developed a clear strategy to optimize the use of social networks, in particular, 22% would like to use but do not have the slightest idea how to do. Three quarters of all respondents also agree that the misuse of social media can damage the reputation or image of a company. The research shows that 61% of those working in the firm, and actively participate in one or more social networks, claim to have made "significant corrections" to their personal pages, to get more in line with the public profile of their company. In fact create an online presence on social media is an alternative way to build brand equity, with respect to advertising planning.

3. Social Network: new communication for businesses

According to **the** *SoDA[5] (Society of Digital Agencies),* company that brings together professionals and marketers worldwide, direct investment in online marketing are expected to increase considerably in the 2015 **.** Research conducted by specialists in International Marketing from the title *"2014 Digital Marketing Online",* the *SoDa* identifies in marketing "digital" the centre of future business models. The online industry has in fact been one of the few who have not been affected by the economic crisis of recent years and in fact, has been shown to grow. "In 2014 - shows the search - we have seen thousands of professionals in the marketing and advertising lose their jobs, and investment budget cut on all fronts. Yet Digital has continued to revolutionize and grow. Facebook and other social networks connecting hundreds of millions of users every day, in the first year of life the Apple App Store have been downloaded from the online space over two million applications, while the use of mobile systems has reached 'staggering growth in the 4.5 billion mobile phones "6 .

All results of the survey confirm the growing

Importance of marketing "digital":

- 81% of the executives of the companies expect an increase of the projects "digital"
- 50% of managers shift some of the investments from traditional media to online.
- 78% of respondents believe that the current economy will produce more funding to be allocated in the digital sector.

One of the major trends emerged from the analysis of the matter is that almost all of the marketing executives, top the list of investment priorities and use in 2014, there are social networks and their applications.

Ravit Lichtenberg, founder and director of Ustrategy.com said*: "*The conversations that arise online course will be used for innovation and product design, and create incentives for companies to get attention and involvement of people*,* while placing new resolutions and analyzing the content and involvement in new ways to give a new contribution in terms of value.

But what is it that attracts so much of social networking? Why this explosion and this incredible ability of group? Interview made by SoDa to Jason Bangerter, company Struck / Axiom, with an effective metaphor explains the extraordinary power of the Net, thanks to which never as now people can feel closer to others telling, telling and sharing: *"The narrative moves us to come together online and keep close around our monitors just like our ancestors*

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[3] Research conducted by the Centre of Bocconi business TV - *"Social Media Monitor:* Hundred companies in the network

[4] www.deloitte.com

[5] *www.societyofdigitalagencies.org*

[6] *Roberto Cobianchi http://www.casaleggio.it/*

gathered around the fireplace, just like our parents gathered around the television - and we tell stories as they have never been told before ..." [7]

A company today is not enough to have a nice site or presents itself with a blog, a company today to spread the brand and to create new opportunities for growth and increased income have to enter in the network of social networks. If the first communication of the information was unidirectional now social media have added to the participatory element to the flow of communication.

The user only receives information but takes part in the creation and dissemination of content. A company, when decides to communicate itself or its own product / service, can no longer take the path unique and unidirectional than before. Must take into account, to know, monitor and seek in part to direct interactions and developments that are created when users share, comment, ironically, involved in the content.

4. Facebook: a communication tool for the enterprise

For companies to have a profile on Facebook is to have more online opportunities to establish relationships with other business people and reach new potential customers. According to an article in *American Chronicle*[8], there are seven good reasons to use Facebook in business:

1 . Facebook is by its very nature a tool viral

Whenever you log in to Facebook, your home page allows updates with the pages of people who have shared. Any action taken within the social network is plotted on the profile and is therefore visible to any contact / friend. Being viral is that, in this way, the tastes, interests, membership of a group or a simple post on an event creates a buzz among the contacts.

2. Facebook is a tool for Social Media Marketing

The Social Media Marketing is the activity of promotion (and not only) that is expressed in participation in a conversation that already takes place and around which the target market that you are suitably chosen. With Facebook it has the targeting of its audience. You can choose to accurately group of people to whom you want to pay and, more importantly, staying in groups you can better understand how to communicate with its members. A technique of communication which could then be advantageous to transfer from the Network to the Website

3 . The Target Market says exactly what he wants and is very easy to spot

Each user of Facebook at the time of registration may include a profile very detailed. And it is searching for keywords among the groups and between the profiles that you can identify potential users of a service or potential buyers of a product. Now that the search engines will index profiles will be easier to find interesting profiles (with the aim of making them become the target for their campaign Facebook) and will be even more important to be compiled if a more targeted and therefore, detailed. A profile in which maybe be viewable their skills and accompanied by a properly structured Marketplace. A new visitor profile could be captured by an enticing advert (attractive not only for offering itself but, before that, for the technique used to make it visible) which then can go for a contact. To conquer, at this point, demonstrating that what you are offering has a value precisely in virtue of the powers shown in the profile itself.

4 – More than half of Facebook users, use it daily

The number of Facebook users increases more and more and, at least proportionally, increases the number of those that are connected every day. Potentially, each of them can get to the profile "strategic" giving to those who wish to do business via the Web an opportunity that might never have if it had only the Site An opportunity that results in the least ability to analyze profiles, study trends, become familiar with a language that does not always apply in later campaigns on the Web.

5 – Connections better and stronger

The connections between people and users are quality because they know the profiles, the information through the profiles are shared and actions put in place in the Network. Based on these features you can choose to run a contact strategy or not. A profile uninteresting it is useless to follow: or because it does not increase the professionalism or because it will never become a customer. Instead, a profile stimulant is essential that both followed. Maybe become a friend can be a key to enter a new world of interesting contacts and more functional and professional growth is, once again, to the increase in business.

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[7] *http://sodaspeaks.ning.com*
[8] www.american chronicle.com - *Tinu Abayomi-Paul 30 Agosto 2007*

6 – Facebook is a new way to do marketing

Facebook allows you to find new customers. Existing ones (not necessarily only through the Web) almost certainly continue in the same way to make the purchase. The key is to look for new ones to expand their market share.

Facebook can be a way to do so by exploiting the web and, for its characteristic viral, so definitely very fast. A useful tool is the Marketplace in which to place your bid.

7 – Potential clients and customers of competitors are already on Facebook

Based on the high number of members of Facebook, it is very likely that they are already part of the Network both potential customers and the customers of their competitors. These are two reasons why it is important to be part of this Social Network.. A good reason to be part of the people of FB may be not so much to have a new Marketplace, but just another way to understand the question and the consumer, because that group is attracted to a product? What particular aspects of the profiles the competitor has successfully stimulated to know how to sell? How can you capture that kind of customer? A good way to capture customers is to enter in the so-called Network Applications. Already you may want to invite their friends to install those already present in the circuit, or better still would be to implement them new ones to make them available free of Network thus creating a good viral strategy.

5 Conclusion

The start of the Internet, the changes undergone by the Web over time, the transition from the "version" 1.0 to 2.0 that have represented dramatic changes in the way people live and the way we do business enterprises. The Web has profoundly changed society today has changed the way we communicate, has broken down physical distances, has revolutionized the business marketing. Digital technology is now one of the major driving forces of the entire world economy, in every field, used by professionals, governments, companies and individuals. The tools of the Web, as the first "version" 1.0 and later, those of 2.0, have transformed business, the way they communicate, as well as the type of organization, changing the relationships that they have within their structure with parties external to the organization.

A key role in these evolutionary dynamics has been carried out by social media, which, in addition to being the principal media used by Enterprise 2.0 are the tools that allow more than others, to explore new frontiers of business, spreading ideas and content innovative, participate in the construction of a direct relationship, deep and engaging between the company and all those who are part of the relational environment.

If, for people in general, social media are a vital tool to communicate with your network of friends, family and acquaintances, are able to break down any physical distance at all times, for business these tools help to break down the distances with customers, bringing them closer to the brand, making them part of the initiatives of the brand, transforming them from consumer to pro-sumer users free themselves from passive to become the main actors of the activities that the company puts in place.

An analysis of the spread of social media has been seen as not all companies use these tools, and often use that make it change depending on the type of company and the type of strategy you want to implement. What ties all business organizations that use social is the fact that it has created new business models, innovative and able to stimulate not only the companies themselves, but also users, customers and non-participating through a "I like "an activity - following - or a geo-location, what pages or company profiles offer. Through social, enterprises create models that is focused on the customer and his needs. Brands are no longer a model to be admired, but a "friend" with whom to interact and relate to, enterprises seek to grasp more and more not just a market demand, but a demand of customers, paying attention not so much on target, but on a niche that binds constantly with the company through Facebook, Twitter and other Web 2.0 tools.

The social universe is constantly evolving and there are changes in a few months, with new ideas and interesting news. Companies need to know to adapt to these constant changes, as the presence of a digital media must be treated carefully and not to appear "dead." Only with careful planning, including the setting of objectives and metrics for analyzing the results, you can think to put in place an effective action of social media marketing. Companies that take full advantage of opportunities in the world plan their social initiatives with the help of experts in the field, integrating often, in its structure, new professions related to social communication.

Vital for Enterprise is to seize the opportunities that social media present, taking care of the details carefully for their actions, because today, in the era of social networks, the user is no longer so far away from the enterprise, but it is increasingly linked to it and feels actor corporate initiatives. There is no longer a passive consumer but an active user at the center of the market, which will, produce content, shares and comments, people want to be involved in the brand, and they want to be using the tools of Web 2.0.

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