

Chapter 50

Using Web 2.0 Features on Social Networks for Word-of-Mouth Effects

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ABSTRACT

Over the last few years, social networking has established itself to be a significant trend on the Internet. Together with the existence of social networking, Web 2.0 tools have gained much popularity. Internet users around the world are catching the social networking and Web 2.0 bug. According to a study in the UK, 20 percent of online users were regularly logging onto social networking websites like Facebook, MySpace, Orkut, and Friendster. With the growth in the popularity of social networking and Web 2.0 tools, it is only a matter of time before people and businesses become receptive to the commercial possibilities offered by them. We look at one of the popular social networking website, Facebook, and see how these Web 2.0 tools can actually aid in the advertising and promotion aspects through Word-of-Mouth effects.

INTRODUCTION

Business firms today aim to be prominent and noticeable in the global marketplace to advertise their products and services to the consumers. Promotion is an integral part of marketing which includes advertising, sales promotion, personal selling and publicity. In pre-Web 2.0 days, busi-

ness firms have to use media promotion through television, radio and Internet as well as sales promotions, marketing campaigns and face-to-face marketing. With the presence of Web 1.0 approach from a decade ago, companies raced to capitalise on Internet advertisements for getting their product information across to the users. However, one critique of Web 1.0 is that it com-

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prises static webpage which allows only one way information flow to the user or consumer where the user can find information. In other words, Web 1.0 is constrained by the usage of read-only materials on the website.

Impact of Web 2.0

With the advent of Web 2.0 phenomenon, it is feasible for businesses to enhance their promotion by leveraging social networking sites, video sharing sites, wikis and blogs. Web 2.0 offers rich user experience and it is a two-way information flow between the content creator and users in which the users become the producers of information as well as being the traditional consumers. According to O'Reilly Media, Web 2.0 is the new generation comprising of a spectrum of web-based services that appear to change the way of using the World Wide Web. (O'Reilly, 2005) Web 2.0 facilitates community-oriented sharing, collaboration and interactivity between consumers that allows them to generate, create, organize and share the contents online. The fundamental principle of Web 2.0 is the offering of control to the consumers to generate content. Consumers are able to create content using social networking sites or blogs and post the content as well as distribute them to other websites via syndication such as RSS (Really Simple Syndication). One major advantage to businesses is that companies will benefit from consumer input about their products in the Web 2.0 websites contributing to increase in consumer base.

Role of Social Networking

Social Networking sites such as Facebook, MySpace, Friendster and even YouTube are becoming iconic with the users interacting on Web 2.0 platforms. Social networks allow users connection in order to share each other's contents via social media as well as applying user participation. Hence businesses are able to promote their products by fuelling social media with promotional

content and also creating campaigns within the online social network. Social media boast many upsides to businesses. The first benefit is that it permits the marketers to engage the consumer directly in the creative process which might entail engagement and loyalty of the consumers. Another distinct advantage is that it facilitates viral marketing underpinned by the forces of word of mouth. It is the means of how people convey information about a product on the social networking site. Hence social media in social network brings about efficient market promotion.

The objective of this chapter is to understand how Web 2.0 tools in Social networks brings about or enhances Interactive Digital Media (IDM) promotions. We will use Facebook as a case study to explore the usage of Web 2.0 tools in Facebook for IDM promotion.

Case Study of Facebook

Facebook was launched on Feb 4, 2004. Facebook contains all the information; photos and textual details, about an individual that friends and people in the network can view. Facebook's features include real time news feeds, groups, events, notes, posted items and videos. There are a number of reasons why we use Facebook as a case study:

- It is the leading social networking site based on monthly unique visitors according to comScore.
- Facebook has experienced tremendous commercial interest as well as being a trusted community.
- Marketers are able to build communities in Facebook.
- It serves as form of Customer Relationship Management (CRM) tool for companies selling product and service where communities can be formed around product, service or media.
- Most importantly, there is no subscription fee involved for profile registration.

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