
15 QUESTIONS ABOUT SOCIAL MEDIA



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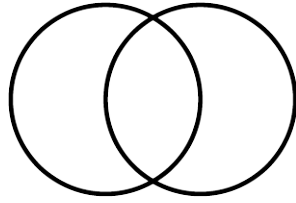
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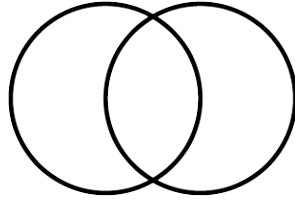


Happy 90th birthday,

Nonna Elena!

- Milano, January, 2016

INTRO



Does all the hype surrounding social media make sense?

Isn't it time that somebody tried to deconstruct all this bullshit?

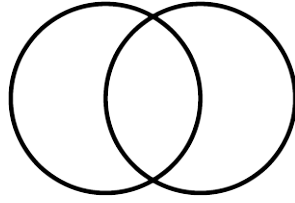
What are social media? Are they the same websites we used to call social networks? Why did we start calling them social media?

What is social media marketing? Are companies doing it right? Does it make sense to send people who visit your website to Twitter and Facebook?

Do people really want to "engage" with brands? Do companies really want to have "conversations" with their customers? Conversations about what?

What is the value of a Facebook "like"? What is "organic reach"? What happens now that the free lunch is over?

1. WHAT ARE SOCIAL NETWORKS?

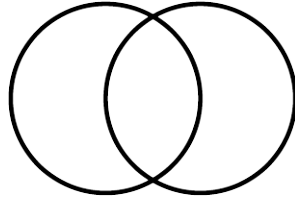


A new type of website.

Or just a new word. "Community" was the word used to describe The WELL and later GeoCities. "Web2.0" – coined by O'Reilly to launch a conference and the idea that the web was back after the Bubble – was used for the first generation of "new" services, like Flickr, del.icio.us and Last.fm. But when Friendster, MySpace and then Facebook and Twitter came along, they were all immediately called "social networks".

The notion of social networks comes from academia. In the 1920s, the idea that the world was "shrinking" due to the ever-increasing connectedness of human beings became popular. The Hungarian Frigyes Karinthy [\[1\]](#) went a step further and said that any two individuals could be connected through at most five acquaintances – hence the famous 6 degrees of separation – starting from their "social network".

2. WHAT ARE SOCIAL MEDIA?



Social media are what social networks start being called the moment investors start thinking about how to recoup the money they invested in these ventures.

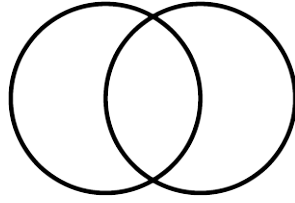
Please bear in mind that the term “media” is not neutral.

First, it implies the idea that everything (“content”, as they call it) is created – even if it were created by users, in which case they call it “user-generated content” (UGC) – so that it will be “monetised”, rather than “just for fun”.

Second, it implies the long-held idea that every place is a place where companies are welcome, even if that were not the case. And it implies ads or, in any case, paying for visibility of some kind.

As we shall see, this is exactly where social media are headed: adland.

3. WHAT IS SOCIAL MEDIA MARKETING?

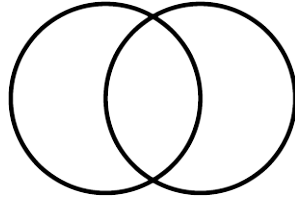


According to Wikipedia [\[2\]](#), social media marketing is: "The process of gaining website traffic or attention through social media sites, with efforts aimed at creating content that attracts interest and encourages readers to share it with their friends across their social networks". That would make a lot of sense, wouldn't it?

Be interesting! Share useful information. Have an original point of view. Don't lie. Admit your faults and your shortcomings. Recognise that there's life beyond whatever your product does. Especially if it's toothpaste or mayonnaise.

Do these things and, if you're lucky, people will talk about you and spread the word. Oh, if only it were that simple! It is, or at least it could be. But look around, and it's clear that there's not a lot of that going on.

4. ARE COMPANIES DOING IT RIGHT?



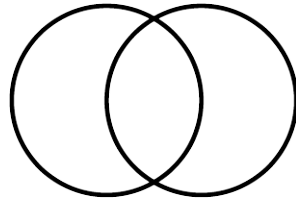
No, they're not. I see exactly the opposite of what Wikipedia calls social media marketing.

Not companies earning traffic to their websites because they do interesting things that eventually get shared on social media, but rather companies that send their customers away from their websites and over to Facebook and Twitter and Instagram and Pinterest and Vimeo and Vine etc.

But obsessively telling people who are visiting your website “We’re on Facebook” or “Follow us on Twitter” must be the dumbest thing of the decade.

They’re already on your website. Why send them away? Does anyone in marketing really think that their big and boring companies will magically look cool and hip on social media?

5. WHY ARE COMPANIES SENDING PEOPLE OVER TO SOCIAL MEDIA?

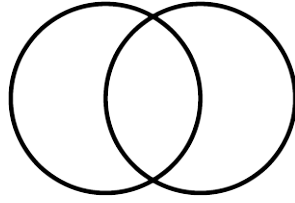


First, because most companies don't like their customers, whom they usually call "consumers", and don't want them bumming around on their web properties, leaving comments or asking questions on their pixel-perfect websites [\[3\]](#).

Second, because most companies are boring and would have a hard time doing social media marketing as described by Wikipedia, i.e. in being interesting and getting their customers to spread the word about them.

Third, because of the hype cycle: they're told that it's a new world, that things will never be the same again, that it's land-grabbing time, and that you need to get in early and make a killing. The same nonsense we heard when the pundits were extolling the wonders of the New Economy, in case you forgot. Which you probably did [\[4\]](#).

6. DOES IT MAKE SENSE?



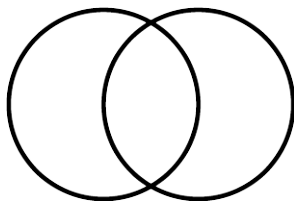
I'm afraid not.

There was no “Twitter Revolution” going on in Iran [\[5\]](#). Dell, which was said to be having a huge success selling on Twitter, was actually doing only about 0.005% of their total sales via Twitter [\[6\]](#).

KLM is doing a bit better: About 0.1% of their revenues via social media [\[7\]](#). But nothing, really, to write home about.

But Zappos is a big social media marketing success, right? Let's listen to what their CEO Tony Hsieh has to say: “Our goal is to build personal, emotional connections with people, whether they are customers, employees, or our vendors/business partners. Twitter (for example) just happens to be one way to do it, but so is the telephone. Nobody cites Zappos as a “telephone success story”, so I think it's a bit strange to cite Zappos as a “social media success story” [\[8\]](#).

7. DO PEOPLE REALLY WANT TO ENGAGE WITH BRANDS?



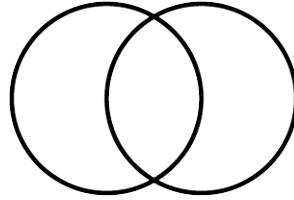
No, they don't.

They want to talk to one another, not to be lectured by some Mr. Marketing man, which is what they have been subjected to their whole lives.

Do *some* customers want to engage with *some* people in a company? Maybe so. But we are almost always talking about small groups of people who are passionate about a product (Hint: usually not dishwasher detergent!) and who would like to speak without any filters (Achtung!) to some people within your company (Hint: usually not to marketers or PR flacks!).

Lego, for example, could tell you that it's a wonderful opportunity [\[9\]](#). But what is for sure is that it's not something for the faint of heart.

8. DO COMPANIES REALLY WANT TO ENGAGE WITH THEIR CUSTOMERS?



Of course not!

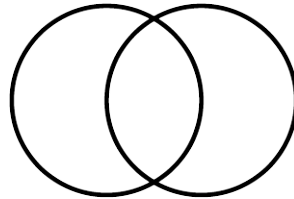
If they did, why on Earth would they call them "consumers"?

The great vast majority of companies have precious little to say except "We're the leaders in..." and "Buy our product". And, as the saying goes: If you got nothing to say, then sing it!

If that's all you have to say, are social media the right tool? Probably not. If "Buy my product" is all you have to say, just stick to TV.

As social media consultant and author Mack Collier says: "Why do rock stars have fans while companies instead have customers? Because everybody gets what they want" [\[10\]](#).

9. ARE SOCIAL MEDIA USEFUL FOR CUSTOMER SERVICE?

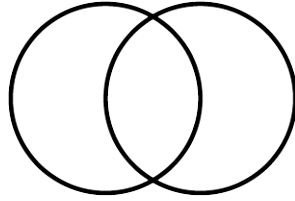


Perhaps so. After all, even soap producers have 1-800 numbers, and apparently somebody is bored enough with life to call in sometimes.

Companies should, of course, answer questions and help out their customers who are having problems using Facebook and Twitter. In fact, do it right and you have most of what you should be doing on social media covered.

What is less clear is why basic customer service on Facebook or Twitter should be considered an improvement over doing it via phone or email. How much does the average corporation spend on CRM software? Is this software integrated with what they're doing on Facebook and Twitter? Do they import the threads, file the data and have access to the people they replied to?

10. WHAT IS THE VALUE OF A FACEBOOK "LIKE"?



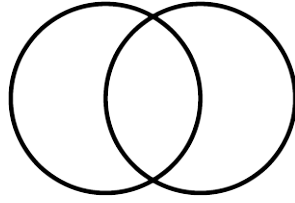
I don't know.

But don't ask the experts, because they seem to have a hard time agreeing. The value is supposedly anywhere between \$214.81 – this would be for non-profits, according to a 2012 study [\[11\]](#), and, well: zero, at least according to Augie Ray at Forrester Research [\[12\]](#).

Who's right? Hard to say. But there's little doubt in my mind that those who talk about the value of a "like" being in the tens or even hundreds of dollars are clearly doing *New Economy* drugs. And what if the value were negative?

In 2010, Pepsi sat out of the Super Bowl and invested in a Social Media project named *Pepsi Refresh* instead. What did they get? A \$350 million drop in sales and 3.5 million "likes" on Facebook. Do the math: Each "like" was worth \$100. To The Coca-Cola Company [\[13\]](#).

11. WHAT DOES "EARNED MEDIA" MEAN?



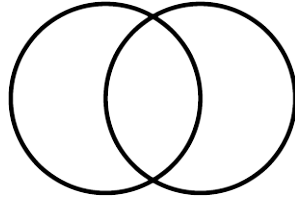
Around 2010, consultants started blathering about “owned media”, “earned media” and “paid media”. Owned media meant a company’s website(s), their blog, Facebook and Twitter presence, catalogue, leaflets etc.

Just like owned media is the new word for “collateral”, earned media is the new word for “publicity”: the mentions a company and their products get for free in the mainstream media or in “new” media, blogs and social media.

Paid media, of course, is advertising.

Most companies and their uninspiring “content” found little free publicity. Unable to get their dumb or manipulative "stories" shared, too often companies used social media as a place where they had "earned" the *right* to force-feed people marketing messages for free forever, until people “unliked” them, or until Facebook stepped in.

12. WHAT IS "ORGANIC REACH"?



"Organic reach" is an expression introduced by Facebook in a 2012 blog post in which they finally admitted to companies that their posts were not being shown to all of the people who had "liked" them.

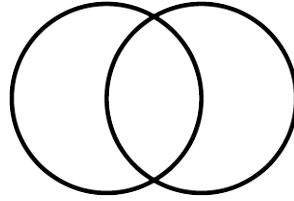
According to Facebook, the percentage of a company's fans who would receive that company's oh-so-important marketing messages was limited to only 16% of their fans on average [\[14\]](#).

Time Magazine disagreed and reported that it was only 6% [\[15\]](#).

Whatever it was, there was little doubt that it would slide further.

What this means is very simple: Want to reach more of your fans? Pay. And guess what? The lower the "natural", or "organic" reach, the better Facebook's stock price started to look [\[16\]](#).

13. IS THE FREE LUNCH OVER?



You bet it is!

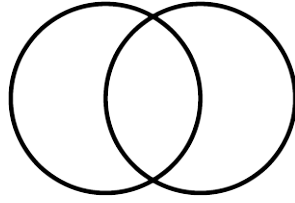
The free lunch is absolutely over. The real value of a Facebook like is close to zero. Want to reach more of your fans? Pay. Pay to give visibility to your posts, or just buy ads.

That's right!

That's what this hyper-hyped social media thing will boil down to: ads. Ads against user-generated bullshit (UGB).

And the same thing is going to happen on every other social network. Pretty soon, your Instagram timeline is going to be choking full of photos of "cool" Ford Mondeos. That's when Instagram will cut back on "organic reach", just like Facebook did, and start charging Ford if they want reach a larger percentage of their followers. And who am I to blame them? It's a brilliant strategy.

14. WHAT HAPPENS NOW?

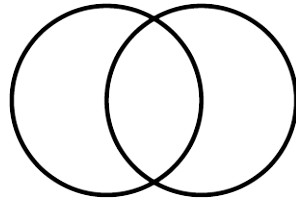


What happens now that companies can't pump their messages to their fans for free anymore? Some say that producing content doesn't make sense anymore.

Some companies decided to hand over responsibility for their Facebook Page from Marketing to PR once they found out that only a small percentage of their fans were seeing their updates.

At Kraft, they see things differently: Julie Fleischer, *Director of Data, Content and Media*, said the obvious but yet unspoken and very welcome truth: Brands shouldn't post content they don't deem worthy of paying to distribute. Content Marketing makes sense only if the content you produce is good enough that you want to pay to distribute it [\[17\]](#).

15. WHAT IS THE DUMBEST SOCIAL MEDIA STUNT EVER?



It's a tough call.

One of my all-time favourites is Président Camembert. I mean, 45 days to come up with the idea to tell people to serve cheese at room temperature? [\[18\]](#)

Coca-Cola encouraged Twitter users to mark (spam?) negative tweets from their friends with the #MakeItHappy hashtag, and then turned those tweets into cute art images using ASCII lettering code. Which was kind of nice, until the blog Gawker created a @MeinCoke Twitter bot that tweeted lines of Mein Kampf at Coca-Cola [\[19\]](#).

But, to me, the winner is the Czech Republic's Tourism Board, which decided to rebrand their country to Czech RepubLIKE. What was wrong with the Czech Republic? Why did they need a rebranding? What did they achieve with this ridiculous dot-com era trick? [\[20\]](#)

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REVIEWS

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<https://www.goodreads.com/book/show/29538263>

- - -

Thanks!

NOTES

[1] Frigyes Karinthy.

http://en.wikipedia.org/wiki/Frigyes_Karinthy

[2] Social media marketing.

https://en.wikipedia.org/wiki/Social_media_marketing

[3] “The dogs have it right”, page 18.

<http://cdn.oreillystatic.com/radar/r1/02-00.pdf>

[4] Please see Chapter 4 of:

What Happened To Advertising? What Would Gossage Do?

[5] Was there a “Twitter Revolution” in Iran?

<http://foreignpolicy.com/2010/06/08/the-twitter-devolution>

[6] Dell earns \$3 Million selling on Twitter.

<http://bits.blogs.nytimes.com/2009/06/12/dell-has-earned-3-million-from-twitter>

[7] KLM: €25m per year from social media.

<https://econsultancy.com/blog/65752-klm-we-make-25m-per-year-from-social-media>

[8] Tony Hsieh, CEO, Zappos, as quoted in:

Mendelson, *Social Media is Bullshit*, page 92.

[9] Lessons from the Lego Group.

<http://sloanreview.mit.edu/article/collaborating-with-customer-communities-lessons-from-the-lego-group/>

[10] Please see the Introduction of:

Collier, Mack, *Think Like a Rock Star*.

[11] What is a Facebook 'Like' worth?

<http://www.businessinsider.com/what-is-a-facebook-like-actually-worth-in-dollars-2013-3>

[12] Is the value of a Facebook Fan zero?

http://blogs.forrester.com/augie_ray/10-07-08-what_value_facebook_fan_zero

[13] Social media's massive failure.

<http://adcontrarian.blogspot.it/2011/03/social-medias-massive-failure.html>

[14] “Organic reach” is about 16%.

<https://www.facebook.com/marketing/posts/10150839503836337>

[15] Time Magazine says it's 6%.

<http://time.com/34025/the-free-marketing-gravy-train-is-over-on-facebook>

[16] Laughing all the way to the bank.

<http://www.convinceandconvert.com/social-media-tools/this-chart-explains-the-reachpocalypse-and-why-facebook-is-laughing-all-the-way-to-the-bank>

[17] How they do content at Kraft.

<http://adage.com/article/best-practices/kraft-content-drive-broader-marketing-effort/294892>

[18] Serve camembert at room temperature.

<http://www.businessinsider.com/huge-social-media-manager-does-all-day-2014-5?IR=T>

[19] Coca-Cola tricked into quoting Hitler.

<http://www.adweek.com/news/advertising-branding/coca-cola-suspends-makeithappy-social-campaign-162775>

[20] Czech Republike?

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