

# SOCIAL NETWORKING FACT SHEET

## STATISTICS AND DEVELOPMENTS INDICATING THE NECESSITY OF PARTICIPATION IN SOCIAL NETWORKS FOR BUSINESS AND MARKETING

Provided by SEO Marketing Mavens

Since the summer of 2006, we have seen several key indications that business executives and investors were taking keen notice of social networks and their potential impact on the online advertising and marketing arena.

Many popular bookmarking and social networking sites have been acquired by larger corporations – the most famous of which was of course Google's acquisition of social video network, YouTube.

However, what is more interesting to business owners and C-level executives are the large investments now being made into advertising models and programs within social networks.

Interpublic Group announced it would be developing marketing programs on FaceBook for its agency clients to the tune of \$10 million worth of ad space.

WPP Group invested \$2 million into corporate social network, LiveWorld. This unique joint venture will help WPP's agency clients, such as the skincare company Dove, deploy their own social networks.

We find it fascinating, as a company that participates in both the social networking and search optimization spaces, that Fortune 1000 companies and large advertising agencies are recognising the importance and profitability of social networks far faster than they recognised the benefits of search marketing.

It is to the advantage of the small business or medium-sized company that these big corporations will take time to implement their large-scale campaigns allowing their smaller counterparts to move quickly and acquire their own piece of the social networking pie.

### **BUT JUST HOW LARGE IS THE SOCIAL NETWORKING SPACE?**

Several social networks like MySpace, Facebook, and Bolt have seen growth percentages in the triple-digits over the last 2 years.

According to Nielsen/NetRatings, the top 10 social networks (MySpace, ClassMates.com, Flickr, FaceBook, YouTube, etc.) are reaching 45% of all active web users.

That means that nearly 50% of all internet traffic now runs through one or more social networks.

Some Key Findings from comScore:

- 1 2 out of every 3 people online visit a social network
- 2 Social Networking sites are now close to eclipsing traffic to search giants like Yahoo! and Google
- 3 MySpace received 66 million visitors in June 2006 which had increased to 114 million by June 2007.

For those of us who participate in the global markets, it's interesting to note that Bebo overtook MySpace as the top social network in the UK during 2006 and 2007.

## WILL THE SOCIAL NETWORKING FAD LAST?

Jon Gibs, senior director of Nielsen/NetRatings, said social networking sites are the "reality television of the Internet."

"The content is relatively inexpensive for publishers to produce, and social networking is not a fad that will disappear," Gibs points out. "If anything, it will become more ingrained in mainstream sites, just as reality TV programming has become ubiquitous in network programming."

This means immense opportunity for any business owner or executive. First of all, online advertising is far more affordable than television or traditional media advertising. But more importantly, there are ways to market yourself in the various social networks *without* spending money on advertising.

These strategies include maintaining your own blog, creating profiles for your company on MySpace and other networks to interact directly with your audience (without spamming, as we've seen recently occurring on MySpace), producing engaging and buzz-worthy content that gets circulated among bookmarking websites (as well as Technorati), and producing media content for networks like YouTube and BlogTalkRadio.

The key to success in marketing with social networks is to understand that there's no middle man here. No marketing hoopla. And no wall of corporate messaging to hide behind.

Social networks are transparent and to effectively engage their audiences you have to be willing to be transparent as well. Then all you need are some creative strategies for communicating with your audience – which we are happy to provide you.

Contact us for a free consultation to discuss.

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