# Digital & Social Media Marketing

Session 13: Social Product

Why social network platform?

Facebook - popularity
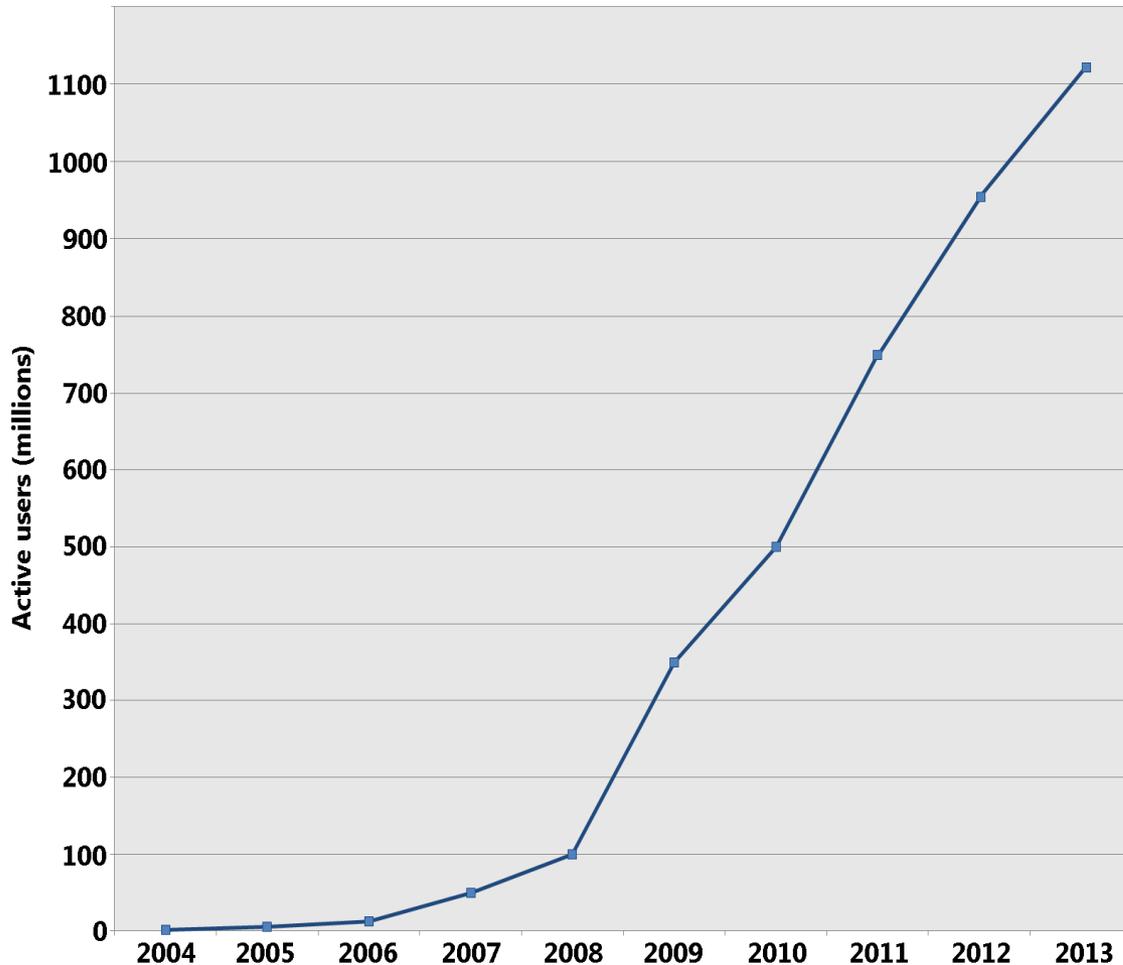
19% OF MARRIED COUPLES **MEET ONLINE**

Social Failure

- Social failures are social interactions that do not occur, but would make two or more people better off if they did.
  - Meet failure
  - Friend failure
  - Which is important for you?
- Factors
  - Non-social
  - Social norms

...I struggle to make friends.

It requires that both parties want to interact, but unable to do so.

Social Failure: Breadth

- Breadth failure: when people do not meet each other and establish a relationship (or maintain a relationship) because they do not operate in the same social circles.
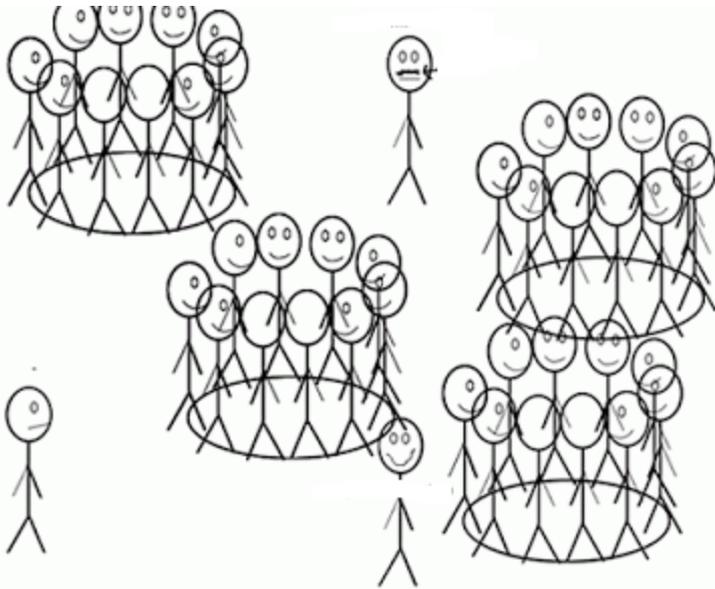
Social Failure: Display

- Display failure: it prevents people from establishing a relationship because they do not convey enough information to each other.
  - Economic reasons center around the difficulty of conveying information to others when those others are not available to see it.
  - Social reasons stems from a norm that proscribes interactions that directly benefits one person at another's expense, e.g., norms stops us from boasting…

Social Failure: Search

- Search failure: it arise when people operate in the same social circle, but there is no easy of accessing their information.

  - Social norms stop us from asking too many personal questions of others. People might refrain from asking for the fear of coming off as inappropriately nosey.
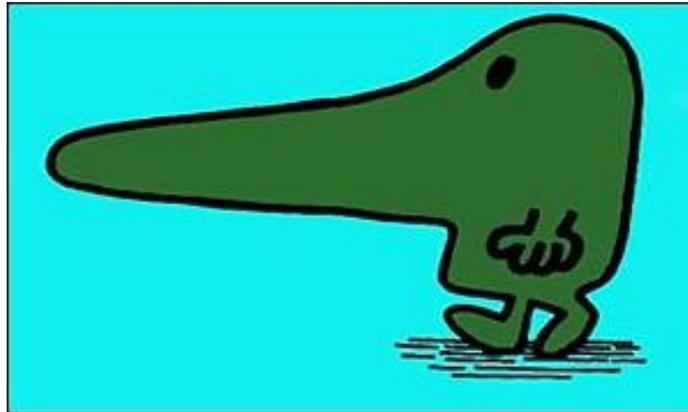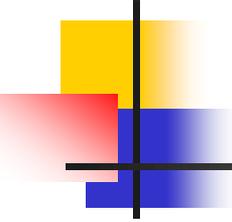
Social Failure: Interaction

- Interaction failure:
    - it is most likely to arise when two strangers do not have an excuse to start an interaction, or when they are afraid that the interaction will derail, or when there are strong normative restrictions preventing an interaction.
    - We may have multiple types of interactions with the same people. People may believe that certain existing types of mutually beneficial interaction will be undermined if they began to interact in a new way with someone.

Establish New Relationship Process

- ## Activity-based processes
  - entail establishing relationships through participation in common activities, such as work, school, or a hobby club.

- ## Market-based processes
  - entail going to mixers, bars or any other gathering where people come for the sole purpose of meeting others.

- ## Broker-based processes
  - involves having friends, parent or a specialized third party suggest that two people establish a relationship and facilitate its development.
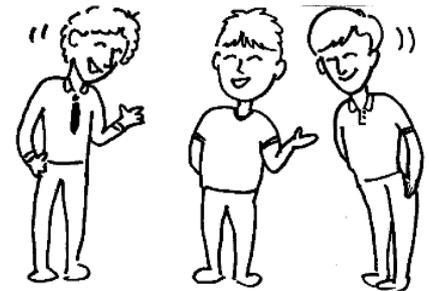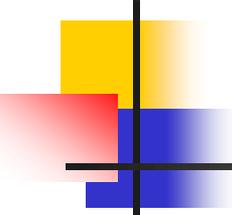
Activity-based processes

- Breadth
  - exposed to a limited number of people
- Display information
  - can display personal information without signaling that he/she is looking for a relationship
- Search
  - help to discover compatible friends or partners
- Interaction
  - easy to initiate and continue a conversation
  - the matched might not be interesting in forming a relationship
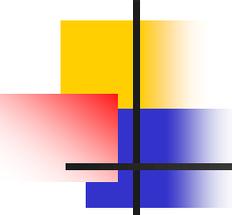
Market-based Process

- Breadth
    - increase the number and variety of people
- Display information
    - false information
- Search
    - offer limited data about compatibility
- Interaction
    - initiation of interaction has a risk of rejection and misinterpretation and embarrassment
    - people are interested in forming a relationship
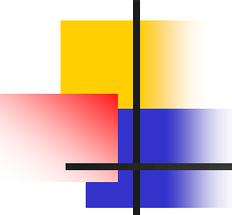
Broker-based processes

- Breadth
    - better than activity-based processes but more limiting than market-based processes
- Display and search information
    - brokers don't have complete information
    - incentive to provide the best match
- Interaction
    - harder to start than activity-based processes
    - broker screen and intervene
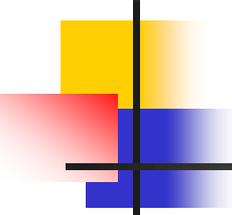
Social solutions

- Social solutions are essentially functionalities that alleviate the underlying economic and social causes of social failures.
  - E-mail, instant messaging, public status updates, or viewing other people's public profiles
  - Facebook status updates, how?
    - efficiency of information distribution
    - awkwardness of conveying certain messages
  - Mixi and Facebook

eHarmony: dating site

- Breadth: spends more than 40% of its revenue to acquire new users.

- Display: requires people to fill out a very lengthy questionnaire about themselves.

- Search: allows users to identify matches with a sophisticated match making system

- Interaction: provides a structured three-step interaction process

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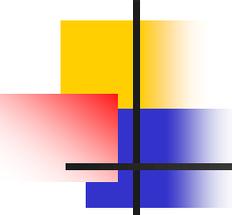
Social Strategy

- Social Strategies seek to increase a company's competitive advantage by getting people to undertake tasks in return for improving their relationships.

    - does the social strategy meaningfully help the business to reduce cost or improve consumers' willingness to pay over the long term?

    - does the social strategy enable an important social interaction for a meaningful set of people who cannot engage in that social interaction on their own.

    - do the tasks that help the company reach its competitive goals provide the most effective and unique way of enabling social interactions?