

ISSUES RELATED TO SOCIAL NETWORK ADVERTISING

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Abstract: *The promotional activity is currently marked by major transformations due to the coming out and extremely fast development of certain new media of promotion much more suitable for the interaction with consumers, much more appropriate in developing long term relationships with them as compared to classic media. The most edifying example is the Internet with all that it provides, becoming an important part of everyone's everyday life. Within the Internet, the social networking is constantly developing, becoming increasingly important.*

Key words: *internet users, social network, online promotions, Facebook.*

1. Introduction

In 2011 the world's total number of Internet users was of 2.1 billion, the experts estimating that the usage will reach 3.4 billion in 2015 [1, p.49]. The numbers provided for 2011 concerning the Internet use show the companies' interest in it: there are 3.14 billion of e-mail accounts, 555 million of existing websites, 95 million of pages ending in ".com" [3].

The Internet is a communication environment increasingly present in our everyday activities. In June 30th, 2011 the worldwide Internet penetration was of 30.5%, a 6.2 percent increase over the 2008 records, Europe representing 58.3%, with 476,278,755 Internet users, data showing a growth of 10 percent as compared to the situation of 2008 [4].

Between 2000 and 2011 the total number of Internet users has grown by 528.1% around the world and by 376.4% in Europe [5].

Considering those premises, this paper aims to bring forward the social networking, its evolution in time and its

increasingly intense use within the companies' promotional policies.

2. Literature review

Advertising through social networks supplements both the classic and online advertising. It is considered that online promotion, on social networks, shall be integrated within any company media plan. The major advantage is that it intermediates the direct and personal communication with potential consumers of the brand (whether that is material goods, services or persons), providing a direct link with the users, this representing a trend among the companies' promotional activities, opting for customized promotion instead of the mass one, with well defined groups of consumers or even with every individual consumer.

Online social networks [1, p. 167] represent virtual communities where people socialize or exchange information and opinions. The social communities present several forms of manifestation,

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from blogs to social networks such as Facebook, GooglePlus, Badoo, MySpace, YouTube and to virtual worlds as Second Life (Second Life is a free 3D virtual world where users can socialize, connect and create using free voice and text chat). Those who work in marketing have understood that they need to use the force of such continuously growing communication media in order to promote their products (whether that is material goods, services, ideas or individuals) and to create long term relationships with their consumers.

Social media [2, p. 238] – internet based-platforms that facilitate and encourage social interaction among users.

Due to the fact that the Internet has become an indispensable part of the lives of people, the companies currently realize that, instead of wasting important funds on one way messages (on monologues), they better try to interact with their consumers, getting actively involved within their conversations and finally within their lives.

The companies can participate within the virtual communities in two different ways: by getting actively involved in the already existing communities or by creating their own virtual communities. [1, pp. 537-539]

The first option seems to be the easiest and most preferred by the companies: most of them have created their own profiles and pages on the existent social networks (the most widely used being Facebook). Currently, even the participation to the existent social networks gets challenging as the results in sales volume are quite difficult to measure (the companies continuing their promotional activities on the classic ways as well), the majority of companies still testing the way to use such networks as effectively as possible.

A trend in this field is the occurrence of niche social networking. It comes to meet the needs of smaller communities that share the same values, helping this way the

companies to communicate with well segmented target groups. Thus, Coca Cola created Sprite Yard cell phone network – available to Web-ready phones – where members can meet new friends, set up their profiles and post pictures. Similarly, Nike created a virtual community called Nike Plus Web, where sportsmen may compare their performances. It has 200.000 members and half of them visit it at least 4 times a week, Nike intending to attract in this community at least 15% out of the 100 million of the brand users [1, 537-539].

3. Some data concerning the worldwide Facebook usage

Lately, many international companies have realized that they would have saved important amounts in the advertising budget if they had transferred the promotional messages from the classic sphere towards less traditional environments, such as digital social media. Robert McDonald, CEO of Procter & Gamble, stated that, following their analysis, they considered that the feedback of promotional activity in such environments was much more significant than in the classic ones (radio, TV). Procter & Gamble Group is one of the most important producers of non alimentary mass-market goods and in the same time one of the largest investors in the promotional activity in the world (whose promotional budget reaches \$10 billion per year and which increased its marketing budget by 24% in the last 2 years, although during the same period the company's turnover increased with less than 6 percent) [7]. It seems that the decision related to the transfer of promotional activities in the online environment was based on the company's success with the Old Spice product, which collected 1.8 million comments on Facebook [8].

The most commonly worldwide used social websites are [9]:

- Facebook – reaching in 2011 over 800 million users (350 million Facebook users logging in with mobile phones). Only in 2011 around 200 million individuals have created their own Facebook accounts. Facebook was founded in 2004 by Mark Zuckerberg in order to provide the opportunity to contact both close and unknown yet persons. Initially, it was created at Harvard University, USA, and it represented a closed circuit social network for the students of this university; subsequently, it opened also for other American universities. At the beginning, the university membership check was performed through the student's email address; the network has been opened up for everyone since September 2006. The network immediately became very popular and controversial, in some countries being forbidden. Last year (2011) Facebook reported a net profit of 668 million US dollars, a higher rate as compared to 372 million US dollars reached in 2010. Facebook market value is estimated between 75 and 100 billion US dollars. [10]

The creation of Facebook social network made its creator - Mark Zuckerberg – present in the Forbes top (17.5 billion US dollars, an increase by 4 billion US dollars as compared to the previous year), together with him in the same top being other 6 billionaires who also invested in Facebook) [10].

- Twitter is half a website half a social network; it is an online environment where users are able to create a profile with information and also a group of people which they want to "watch" called following and a group of people with right to access their postings, so called followers. It is a social network preferred by celebrities, such as Lady Gaga who holds the record in terms of people who

follow her, their number reaching 18.1 million individuals. In 2011 on Twitter there were 225 million accounts (out of which 100 million created in 2011) [3];

- LinkedIn – it is considered the most professional social network, with over 35 million users. The users' profiles focus on the professional expertise and skills held by a member.

There are also other widely used social networks such as Youtube, Google plus, Hi5, MySpace, bebo, blogger, cyworld, fotolog, friendster, livejournal, skyblog, their variety consisting in different features, grouping people on different criteria from common interests to religion, ethnicity, nationality, etc. For instance, Flickr is a global network for image and photo type information, YouTube – for video clip type information, Pinterest – for photo distribution, being one of the social networks with the highest rates of traffic growth which could become a "Facebook for women" [11].

In 2011 there were 2.4 billion accounts created on all social networks [3]. The fact that more and more people become users of those social networks is proven by the fact that, in top of application software desired as preinstalled on mobile phones, on the second place, after maps and navigation systems, are the social networks.

The major advantage provided by the advertising on Facebook is the direct communication to the targeted public. This social network offers the possibility to divide very well the market, from the geographic segmentation to the ones depending on education, age and sex, or on other less common criteria such as date of birth, social status or place of work.

The users may use Facebook in two different ways, by creating an account or a page, the difference consisting in the fact that such account is related to the user and

the page is related to a business or a public person [12].

Taking into consideration the fact that also in Europe the rate of social networks use increased by 35% and it is expected that it will grow by more than 100%, reaching 107.4 million users in 2012 (according to the European Comision official press release), the European Union member states entered (in February 2012) an European agreement intended to improve the safety of minors communicating via web based social networks. This agreement will allow teenagers to handle certain potential risks in the online environment such as cybernetic harassment or disclosure of personal information. The parties undertake to limit such risks by:

- making available an “abuse signaling” button to the users, easy to use and accessible, in order to allow them to report any inappropriate contact or behavior of another user, with one button touch;
- making sure that all profiles and online contact lists of users registered as minors have automatically enabled the “confidential” feature;
- making sure that confidential profiles of users under 18 cannot be found on websites or by search engines;
- warranting that privacy options are obvious and reachable at any time, so that users easily realize if everyone or only their friends are able to see the content posted online by them;
- preventing the minors to use their services: if a network social website is designed for teenagers over 13, it should be difficult for persons under such age to log in [13].

Beside the obvious advantages provided by Facebook for companies, there are also disadvantages in terms that it is possible to come out fake profiles and pages that may lead to confusions, consumers' loss of

trust, image degradation or even decrease of sales. Thus, in order to prevent such situations, the companies shall monitor the occurrence of other suspect pages under their names, they having the possibility to immediately report them to Facebook as fakes [14]. Subsequently, they will be closed. Another noticed disadvantage is related to intimacy and even the excessive commercialization.

The biggest companies around the world have created pages on social websites, getting more and more fans and people virtually talking about them, those two representing classification criteria.

According to data provided by statistics regarding the activity on Facebook, out of the 1,811,866 pages on Facebook, around 13,750 belong to renowned brands classified in tops depending on fans and people which talk about (PTA). According to the statistics, in top of brands present on Facebook is CC with over 4 million fans and over 500.000 PTA, followed by Starbucks, Red Bull, Oreo, Converse, etc. [8].

In 2012, Facebook launched three new products, namely [15]:

- brand's page: starting from March 31st, 2012 the new page format for companies will include a cover type photo, pinned posts, messages, events and other;
- reach generator, which provides additional opportunities for companies in order to be sure that the fans will see the posted content. Currently, a brand can reach 16% out of its fans throughout the posts. In this case, reach generator will help companies to reach a much higher percent of its fans, around 50% weekly and an average of 75% monthly. Reach generator should be considered an integral part of a brand strategy, not only for the fact that it will help brand to estimate its reach level, but it will provide it also with all

necessary information throughout which it may create the strategy of interaction and communication with fans.

- premium advertising, the procedure with the biggest impact in content distribution within Facebook. Premium advertising ensures exposure through Ad in the right side of the Home Page, through News Feeds on desktop, News Feeds on mobiles or, optionally, through a log out type experience, for messages with a large impact.

On a worldwide basis, the specialists consider that in two years the incomes from social networks advertising will double, being estimated for 2013 to 10 billion US dollars, the companies allocating more and more money from the advertising budget for the social networking (reaching up to 10%).

4. Conclusions

Given the information presented and the existent statistics, we may conclude that the Internet will continue to develop in the future, becoming one of the most important communication environments between people in general and between companies and their target audience in particular. As the data show, the social networking has spectacularly spread, people allocating it more and more time. In such circumstances, it is more than natural that companies, in order to achieve an effective dialog with the target markets, direct towards it.

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