

MARKETING COMMUNICATION PHENOMENON WITHIN SOCIAL NETWORKS AND BLOGS

A Consumer Prospective

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THESIS ABSTRACTS



Master Thesis in MSc General Management

Title: MARKETING COMMUNICATION PHENOMENON WITHIN SOCIAL NETWORKS AND BLOGS-A Consumer Prospective

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Date: 2010-06-15

Subject Terms: Marketing, Marketing Communication, Marketing Management, Blog Marketing, Consumer Behavior Blog Marketing, Social Network Marketing, Viral Marketing, Word of Mouth Marketing.

Abstracts

Background:	During the last years, the boom of the Internet has carried along
	with it new possibilities for communication, in addition, other
	technological developments of society together act to form a new
	reality in which companies have to rethink their means for
	communicating with consumers.
Problem and Purpose:	In a new reality where consumers seem to reap all the benefits of
	the technological changes, how then, should companies adjust to
	the changing environment? The purpose of this thesis is to
	explore how and why consumers use social networking and blogs
	in their decision making process.

Method:

This thesis is somewhat of a quantitative study, which means that it heavily relies on the consumer responses. What they has respond have played a crucial role in my own formulation of guidance. The consumers are approached by conducting survey in different countries for sake of knowing their different psyche with the help of integrated software.

Conclusion:

Marketing was now first and fore-most about knowing the consumer and it is very likely that it is from this time that the term "The Customer is King" was born (Creative Match, 2003). However, up until now marketing have continuously separated between sender and receiver, companies have send their marketing messages, the consumer have received them and acted upon the multitude of messages from different companies. The significance of the consumer being the sender of the marketing message was minimal. Sure, there has always been the impact of word-of-mouth, but its influence was still not powerful enough to generate a great concern for management and I can now surely talk about the consumer as being the king.

ACKNOWLEDGMENTS

Firstly I would like to pass my gratitude to the omnipresent assistant in my life, GOD who is like

highlighter and real aid throughout my life. I would like to thank LUISS Guido Carli University for

the last two years. They have been exciting, fun, adventurous, and grueling at times, but in the

end they have been tremendously rewarding and invaluable to me. I feel that I now leave,

enriched with an advantageously international education with many doors open before me. I

sincerely hope that I maintain and expand this possibility, and I wish you success in becoming

the best business school of Europe.

Afterwards, I should thanks profoundly to respected Professor Michele Quintano, Professor

Stefano Pelle and Professor Luca Pirolo; who took the time from their busy lives and guided me

through the entire process of writing this thesis, you made this thesis possible. Their patience

throughout the research is outstanding and their help proved immensely significant in my

research. I also want to give big hand to my friends spread all over the world for all of our

engaging discussions and the laughs we have shared. I extend a special thanks to Professor

Carlo Fei and Professor Alberto Marcati all respondents who contributed in this piece of

research.

Last but not least; I should thanks to my beloved mother Ms. Shehnaz Asif (Late) and my loving

father Mr. Ghulam Asif Khan who been helpful in highlighting the way, and spiritually supported

me and patiently persuaded me to continue my education. With them I can't able to achieve

anything in my life.

Enjoy your reading! LUISS Guido Carli, 15 June 2010

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UNDERLYING ASSUMPTION

This section is neither theoretical nor empirical, it is rather a combination of the two in which I theoretically support the underlying notions that I myself, empirically, assume. Basically, I believe that all research begins with intrinsic assumptions held by the researcher, thus, I here intend to explain and motivate my own assumptions in regards to the subject of the thesis. However, it is not a matter of loosely formulated notions that I subconsciously suppose, it is rather a well-developed foundation for why I believe that this thesis, along with its research questions, really matter.

CHANGE IS EVIDENT

The current, quite dramatic changes in the marketing communication of brands' products and services are the point of departure of this entire thesis, and I must admit that there is a sense of an underlying assumption that these changes will have a significant and even revolutionizing effect on how businesses communicate in their markets and on how it influence consumer buying behavior as a whole. When putting things in contrast though, this is perhaps not something that one should unconsciously assume. "Consider television", Chakravorti (2003) says; "the most ubiquitous of innovations, which took more than thirty years - from GE's first TV program in 1928 to the 1960s - before becoming a true mass medium." (The Slow Pace of Fast Change, p.1). Big changes in society are indeed not something that occurs overnight, but nonetheless, technology and society inevitably transform and the pace of this change whatever it may be is naturally subject to variation. It took thirty years for Television to become a true mass medium, Chakravorti (2003) states, but he also mentions that radio, on the other hand, experienced a much more rapid spread. Since the Internet has a central role in the changes that are studied in this thesis, let us take a look on how fast and how widespread its usage actually is. Larry Landweber of the Computer Science Department at the University of Wisconsin, Madison, USA, has created some maps that suitably illustrate this matter. This first map shows the differential levels of network connectivity in September 1991:

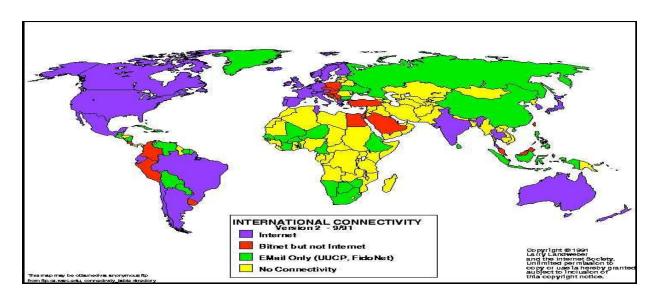


Figure 1.1-Map of International Connectivity, 1991, Scarponi, A. (2005)

The next map is from June 1997 and the vast proliferation after only six years is very evident:

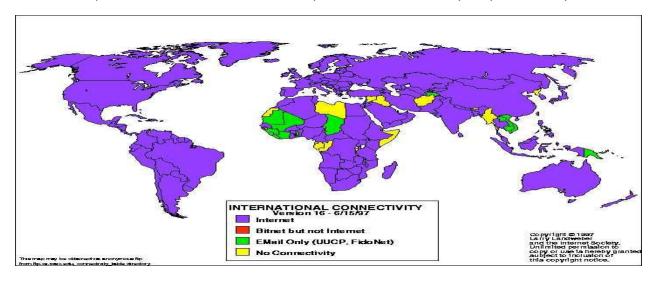


Figure 1.2-Map of International Connectivity, 1997, Scarponi A. (2005)

Even though the last map shows how nearly the entire world is connected, it is still from 1997 and thus quite old. Nowadays the whole world is more or less considered to have Internet access and it is instead the number of Internet users within each country that is studied. Antonio Scarponi (2005) has created an animated map of the world showing the growth of Internet users from 1993 and predicted to 2015, the following map depicts the predicted Internet usage 2015 and uses a cartogram representation where the size of the country is based on the number of Internet users rather than the geographical area.

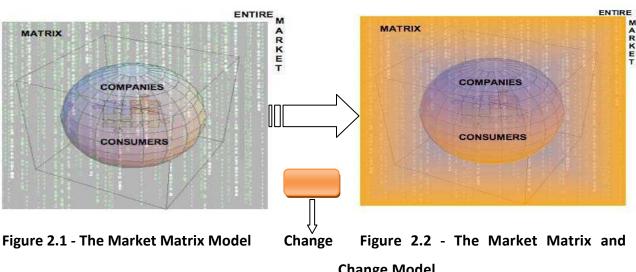


Figure 1.3-Internet Users World Map, 2015, Scarponi, A. (2005)

It is evident that the Internet is extremely widespread, and that its formation was quite rapid, particularly in comparison with that of television which was discussed earlier. The point here is that more internet connectivity means reach to wider audience. Companies can afford to play different games with the minds of consumers by formulating innovative and unique communication strategies to its end consumer. In the same reasoning, I believe that the changes that are explored in this thesis will have a dramatic impact on how companies communicate in their markets, how consumers retrieve information, communicate, buy commodities and receive services in their daily lives. However, it is much more important to realize that the change in communication strategies are actually occurring, and that they are gradually imposing companies to respond as it was made clear in the introduction of the thesis, and it is thus even more important to try to grasp the changes and try to realize what they imply which is exactly why I have dedicated myself to this thesis.

THE MATRIX OF CHANGE

The very notion of change assumes that something is or will undergo transformation, and of course, this something transforms within a certain context, or matrix, if you will. Logically, this also means that there can be all kinds of variation between the change of the actual thing that is changing, and the matrix in which it is changing, as nothing exists by itself. Or to use an analogy; the matrix is the sea in which the business-fish and consumer-fish are swimming. Before continuing, an illustration of this that will be developed further is well situated.



Change Model

As I mentioned earlier in figure 2.2 the orange color reflects to communication change taken place between consumer and companies; now the gap is getting narrower day by day. Let me return to the reasoning in the beginning of this section where the I logically deducted that there can be variation between the change of the actual thing that is changing, and the matrix in which it is changing. Other ways of expressing this more pedagogically would be to say that it could be either the consumers that change, and thus compel a response where the companies also change and which consequently means that the entire matrix changes. It could also reversely be that companies change through for example developing new technology, which would lead to that consumers adapt to this and change, which again, leads to that the entire matrix changes. When I now continue further into the theoretical framework, bear in mind that the changes you will read about are occurring in this matrix in which companies and consumers exist and interact. As it was implied earlier, the important thing is not that the companies approach towards consumers is changing, but that these changes are altering the way consumers behave.

There is one more change is coming in shape of word-of-mouth which spread like a virus and dominate all the traditional channels of communication. In other words; this change totally demolishes the traditional way of reaching towards customers. For clear picture I will show few icons which may strike to readers' mind for the discussed topic:









Buzz Marketing

Customer Collaboration

Social Media

Brand Communities







Social Networks



Referral Programs









Experiential Marketing



Viral Marketing

Figure 3-Different forms of Words-of-Mouth

INTRODUCTION

This section will guide you into the subject and incrementally lead you to a realization of the problem and the purpose of this entire study. You will also be presented with information on the target readers of the study and some clarifications. The main objective is that after reading this section, you will have a clear insight in what this study is about and that you will be prepared, and willing, to read further.

Few industries are under as much pressure as media, thanks to a growing number of delivery channels and format, consumers have virtually unlimited options when it comes to how and when they consume information. While audiences' appetite for information and entertainment is truly staggering, providers are finding they must spread the wealth in a buyer's market now glutted with delivery points. It's not surprising that enterprises from entertainment, broadcasting and cable companies, to publishers and digital media innovators are seeing once predictable revenue structures give way as consumers get used to information available virtually on demand whenever, however and from wherever they choose to absorb it. Now companies began to realize that the old ways of selling were losing their ways. As competition grew stiffer across most industries, organizations started to peek on the consumer side of the transaction as well. What evolved from there was a new philosophy which suggested that in order to increase sales, companies needed also to understand the needs and behavior of their consumers.

In customer prospective "Content is the King" drives consumer to compel towards product. The Internet connects billions of people across continents and people are actively grouping, discussing, reading, inventing, sharing and trading online. In an environment like this, where people are unlimitedly connected with each other, word-of-mouth, or "word-of- mouse" rather, has a completely new meaning. Social Networks and Blogs have on occasions destroyed company images, plummeted sales, and ruined entire organizations. Companies now have all the reasons in the world to worry about what people think about them. Consumers turned to groups they belonged to, so called normative group, or they turned to groups that they did not

belong to, so called comparative groups. These groups influenced the consumer by providing them with knowledge and by giving them positive and negative confirmation on their choice of purchase. However normative groups also persuaded the consumer to buy products in order to belong to the group.

BACKGROUND

The phenomenon of social networks and blogs is growing rapidly and is expected to increase even in a more rapid pace (Technorati, 2006). As Wright (2006) discuss; social networks and blogs provides a new way of communicating with customers, as customers want to be talked with, not to. Companies have newly started to pay attention to this and as a result, the concept of Social Network and Blog Marketing has been born. The little research has been done on Social Network and Blog Marketing; only from a company perspective. However, no or little research has yet considered how consumers use social networks and blogs. In order to use social networks and blogs as a marketing communication tools, it is of huge importance for companies to understand how consumers use social networks and blogs in their decision making. Hence the purpose is; "To explore how and why consumers use social networks and blogs in their decision making process" In order to answer this purpose I conducted an extensive survey comprises of 10 questions relating to consumer buying behavior influenced by social networks and blogs. The sample size of 100 respondents has been chosen within LUISS Guido Carli, Rome, Italy targeting Italian youth. Later on three more questionnaires formulated for sake of further analysis targeting Spanish, Uzbek and Pakistani youth respectively. From the collected data a quantitative analyze was made in which the empirical findings was analyzed with support of the theoretical framework. From the analysis I found that consumers use social networks and blogs throughout their decision making. Within the consumers' decision making, collaborative blogs was mostly used as the consumers could get more input from a larger audience and because this type of social networks and blog tended to cover a specific topic of interest for the consumers. Consumers were found mainly writing in the blogs when they had knowledge to contribute with or when they needed information that they could not otherwise find in the social networks and blogs. Consumers wanted user experiences and thus the vast majority of these individuals they turned to, seemed to be consumers themselves, with

relevant product experiences. The consumers also seem to use heavy social network sites and blogs more with certain individuals, whose opinions were valued more. These individuals often shared the latest information on products.

Lastly I found that consumers seemed to be selective to use social network sites and also when reading blog posts. Most of individuals use one social network on regular basis e.g. Facebook user hardly uses the MySpace. With the fact he/she has signed up on every networking site but limited to one specific social networking site because of his or her preference. Peer- influence, community preference, reference group, circle of friends, no. of members, active participation of youth, university portals can be one of the reasons. For instance; Facebook is more popular in Europe on the contrary MySpace is the most used social network in United States; Twitter is getting common in India.

PROBLEM DEFINITION

Ever since the internet was introduced for the general public during the 1990s, people have used it as a source of information. Recent statistics shows that the majority of the population use internet in order to get information regarding products and services. However most statistics available does not tell how the consumers use the internet and what kind of information they search for. There are many different sources of information online, for example company web pages, communities, blogs etc. The concept of online social networking and blogging is a relatively new phenomenon in today's society and it has not really been explored before. Nevertheless, magazines are today filled with articles on the importance for companies to start marketing communication through social networks and blogging and join the communication of the future, if they do not want to loose ground to their competitors (Lindstedt, 2005, November). The major blog search engine, Technorati, shows some interesting facts on the number of blogs and its growth. In October, 2006, Technorati counted over 60 million blogs and a growth rate of one hundred thousand new blogs per day. This number is expected to keep growing and double every eight month (Technorati, 2006, November 6).

A result of this growth, social network and blog marketing has emerged as a new innovative way to create closer relationship with customers. It has also given the consumers the possibility to discuss amongst each other. Social Networks creates a buzz in marketing like what brands are going to launch; where, how, when and for what. Blog marketing allows not just for marketers to establish closer relationships towards a small segment, but in fact, it can also allow for relationship marketing towards larger segments. This of course only holds if the social networks and blogs have a large audience, but statistics above shows that this is most possibly the case. As I pointed earlier; all research that has been conducted has had the focus on how companies can use social networks and blogs in order to interact with consumers. Something that has not been considered, and has been taken for granted, is the issue of how consumers use these tools in their decision making. Moreover, how consumers consider the information that is being transmitted on the social networks and blogs have not yet been explored. The truth could be that consumers use social networks and blogs in a way that companies have not thought about. The existing use of this type of viral marketing could thus miss its objectives if companies do not know how their audience perceives it.

PROBLEM DISCUSSION

In a new reality where consumers seem to reap all the benefits of the technological changes, how then, should companies adjust to the changing environment? The first step to investigate the modern media environment and find some trends; how it is evolving, and after listening to what some experts within the field think about the future and of what should be done, they themselves endeavored to generate some guidance for companies in this matter. There are several interesting angles to take on the problem discussed above. For example;

- How does the marketing communication process in social networks and blogosphere looks?
- What does the feedback process in communication process look like?
- Which different message contents, structures and format are there in social networking and blogosphere?

I have however chosen to focus on the consumer decision making process and to explore how consumers use social networking sites and blogs in this process. I choose this angle since this area is not very extensively researched. Social networks and blogs provide a new way of communicating with customers, as customers want to be talked with, not to. In order to use these communication tools, it is of big importance for companies to understand how consumers use this new word of mouth communication in their decision making.

There are several views of the theory regarding the consumer decision making process is and how many stages it consist of Blackwell, Miniard, and Engel (2001), define the stages as *need recognition, information search, evaluation of alternatives, purchase and post-purchase*, and this also the model that is adapted for this thesis. The focus on the consumer decision making process in the context of social network and blogs are of importance for several reasons. It is today unclear how and in what stages consumers use these way of communication in their decision making process. An overview of the literature shows that not much research has been done within this subject. Traditional marketing tools such as advertising, sales promotion, Billboards, PR etc have different impact in the different stages of the consumer decision making process. But it is unclear what impact social networking and blogging has in those stages.

By mapping out this information, companies can learn how to use their marketing in a new and innovative way to appeal consumers. One reason is that today there is very little research conducted on social networks and blogs from a consumer perspective. To be successful in social network and blog marketing, I argue that the marketing needs to be shaped in accordance to consumers' social media and blog usage. If companies learn how blogs are used, they can benefit in several ways. For example, they can engage in the viral marketing on the blogs to create knowledge of their products. They can listen on why consumers prefer competitor's products. As social media and blog marketing is a new phenomenon, existing theory on consumer decision making and market communication might not be completely integrated with social networking and blogging. Thus my purpose is to see how blogs affect consumers in their decision making process.

RESEARCH OBJECTIVE AND PURPOSE

In this age of globalization, the world has become too small a place thanks to the electronic media and portals. Communication has become effective as never before thanks to the advent of internet. The social networks and blogs have also played a crucial role in bridging boundaries and crossing the seas and bringing all people at a common platform where they can meet like minded people or find old friends and communicate with them. It has become a potential mean to relation building and staying in touch with all known. Hence the objective that I wanted to achieve through our research is to find out the influence of social networks and blogs the personal and professional life of the people- how it affects their buying behavior, what are its uses for each individual and how have they been influenced by marketing communication from companies.

THEORETICAL FRAMEWORK

In this part of the thesis I discuss the relevant theories used as a framework for the thesis in order to be able to reach the purpose. The theories discussed deal with research within the communication models consumer decision making process and the theories available on social media (social networks and blogs). Also I discuss certain issues regarding communication as well as the concept of word of mouth and viral marketing. This section has as its main purpose to explore, grasp, and clarify the communication changes that are occurring in the media environment right now.

Moving from Mass Production to Customization

- CONVERGENCE AND THE CONVERGING CONSUMER (A TRADITIONAL CONSUMER, THE CYBER CONSUMER, THE CENTAUR)
- Converging to the End Consumer

■ IMPACT OF MEDIA ON THE CONSUMER

- THE CYBER CONSUMER
- Measuring Consumer Activity
- O New Reality of the Global Digital World

Consumer Behavior

- Consumer Decision Making Process
- Stages of Consumer Decision Making Process (Need Recognition, Information Search- The Internal & External Search, Evaluation of Alternatives, Purchase Decision, Post Purchase Behavior)
- Reference Groups (Status)
- THE POWER OF THE REFERENCE GROUP
- Types of Reference Groups (Comparative group, Normative group, Virtual group)

COMMUNICATION

- Types of Communication (One-step flow of communication, Two-step flow of communication, Multiple-step flow of communication)
- CHARACTERS IN COMMUNICATION (OPINION LEADERS, OPINION FORMERS)

Network Value of Customers

FACTORS THAT INFLUENCE NETWORK VALUE

Social Media

- O Types of Social Media Tools (Social Networks, Content Publishing)
- PRIMARY SOCIAL MEDIA PUBLISHING TOOLS (EMAIL / NEWSLETTERS, FORUMS, WIKIS, BLOGS, AUDIO / PODCASTS, VIDEO SHARING, MULTIMEDIA PRESS RELEASES, MICRO BLOGGING)
- SECONDARY SOCIAL MEDIA TOOLS (PHOTO SHARING, LIVE CASTING, VIRTUAL WORLDS, GAMING, SOCIAL BOOK MARKS / AGGREGATORS, RICH SITE SUMMARY-RSS, SEARCH ENGINES, COMMUNICATION-SKYPE & GO TO MEETINGS)

Social Media Monitoring

- Social Networking
- Networks and Network Structure
- Social Bookmarking
- O DIFFERENCE B/W SNS AND SBN

Social Networking Sites

- O HISTORY OF SOCIAL NETWORK SITES -THE FARLY YEARS
- EXPANDING NICHE COMMUNITIES
- O PRINCIPLES OF SOCIAL NETWORKING WEBSITES
 - Basic Economics Effects (The centralization and the independence of the website users, The existence of viral marketing)
 - Network Organization
 - VIRTUAL IDENTITY (FRAGMENTATION, FANTASY, TEMPORALITY)
- FOUR PILLARS OF SOCIAL NETWORKS (DEGREE OF DECENTRALIZATION OF THE NETWORK, Number of Different Types of Interactions Allowed, Type of Identity, Potential Size of the Network)
- FORCES OF SOCIAL NETWORKING SITES (Me-DRIVEN, PEER—DRIVEN, TIME-DRIVEN, CAUSE-DRIVEN)
- O RISE OF SOCIAL NETWORKING SITES

- O TRUSTWORTHINESS WITHIN SOCIAL NETWORKING SITES
- O CUES WITHIN SOCIAL NETWORKING SITES
- Social Context within Social Networking Sites
- Interactions Within Social Networking Sites
- FUNCTIONALITY OF SOCIAL NETWORKING SITES
- Types of Domain Applications (Government Applications, Dating Applications,
 Business Application, Medical Application)
- POPULAR SOCIAL NETWORKING SITES (MYSPACE.COM, TWITTER.COM, ORKUT.COM, HI5.COM, LINKEDIN.COM, FACEBOOK.COM)
- Issues of Concerning Social Networking Sites (Privacy, Risk for Child Safety,
 Scams & Harassment, Time Consuming)

BLOGS

- TERMINOLOGIES (BLOG, COLLABORATIVE BLOG, DIARY BLOG, BLOGGING, BLOG POST, BLOGGERS, BLOGOSPHERE)
- CLARIFICATIONS ON FORUM, BLOGS AND ONLINE COMMUNITY (DISCUSSION FORUMS,
 VIRTUAL COMMUNITIES)
- ORIGIN OF BLOGS
- O DIFFERENT TYPES OF BLOGS (DIARY BLOG, COLLABORATIVE BLOG, COMPANY BLOG)
- FUNCTIONALITY OF BLOGS
- Tools of Blogging (Blogger Directory, Google Analytics and Webmaster Tools,
 SEO-Search Engine Optimization)

■ CURRENT MARKET SCENARIO

- GLOBAL PHENOMENON
- Marketing Communication within Social Networks and Blogs
- COMMUNICATION WITHIN WORD OF MOUTH (ONLINE WORD-OF-MOUTH, WORD-OF-MOUTH)
- Types of Word-of-Mouth (Integrated, Offline, Online)
- O VIRAL MARKETING
- Evolution of Viral (THE CLASSIC HOTMAIL.COM EXAMPLE)

- OPTIMIZATION-SMO AND VIRAL MARKETING)

 OPTIMIZATION-SMO AND VIRAL MARKETING)
- TYPES OF VIRAL MARKETING (PASS-ALONG, INCENTIVIZED VIRAL, UNDERCOVER, USER-MANAGED DATABASE)
- BRIDGING ONLINE AND OFFLINE SOCIAL NETWORKS (CONSUMERS REBEL AGAINST IRRELEVANT PROMOTIONS, CONSUMERS WANT TO BE UNDERSTOOD)

■ INFLUENCE OF THE BLOGOSPHERE

- (POPULARITY OF SOCIAL NETWORKING SITES AND BLOGS-GENERAL, COMPANIES DON'T BLOG; PEOPLE BLOG)
- IMPORTANCE OF BLOGS- SOME PRACTICAL EXAMPLES (DELL MISHAP, APPLE LOST BILLIONS, COMCAST COUCH GUY, AOL – CANCEL MY ACCOUNT, GENERAL MOTORS, JOHNSON & JOHNSON SUES RED CROSS OVER USE OF RED CROSS, GROWING PAINS: FORD)
- O BLOG MARKETING-TOOL FOR POLITICAL FLECTIONS CAMPAIGN
- O BLOGS MARKETING-TOOL FOR HOLLYWOOD/BOLLYWOOD MOVIES PROMOTION (IMDB.com, ROTTENTOMATOES.COM, FLIXSTER.COM, YMDB.com (SHOMPY), SPOUT.COM, FILMCRAVE.COM, YAHOOMOVIES.COM)
- Super 8 & Tron Legacy and Viral Marketing

Business through Social Networking Websites

- (Social Network Marketing-Company Prospective, Using Social Applications In Different Departments)
- Implementation of Blog Marketing (General, Reach, Financial, Search Engine, Charismatic Leadership, Budgeting, PR, Customer Relations, Lead Generation, Intelligence)
- Implementation of WoM Marketing (Innovations Diffusion Theory, The Corporate Website is Becoming Irrelevant, Web Strategy: How To Evolve Your Irrelevant Corporate Website)

■ Social Media Revolution

- Years to reach 50 million Users: Radio (38 Years), TV (13 Years), Internet (4 Years), iPod (3 Years Facebook added 100 million users in less than 9 month; iPhone applications hit 1 billion in 9 months.
- By 2010 Gen Y will outnumber Baby Boomers 96% of them have joined social network.
- Social Media has overtaken porn as the #1 activity on the Web.
- 1 out of 8 couples married in the U.S. last year met via social media.
- If Facebook were a country it would be the world's 3rd largest between the United States and Indonesia.
- Yet, some sources say China's QZone is larger with over 300 million using their services (Facebook's ban in China plays into this).
- comScore indicates that Russia has the most engage social media audience with visitors spending 6.6 hours and viewing 1,307 pages per visitor per month – Vkontakte.ru is the # 1 social network.
- o 80 % of companies using LinkedIn as a primary tool to find employees.
- o The fastest growing segment on Facebook is 55-65 year-old females.
- Ashton Kutcher and Ellen Degeneres (combined) have more Twitter followers than the population of Ireland, Norway, or Panama.
- o 80% of Twitter usage is outside of Twitter...people update anywhere, anytime; imagine what that means for bad customer experiences?
- The #2 largest search engine in the world is YouTube, more than 1 billion upload videos.
- Wikipedia has over 13 million articles; some studies show it's more accurate than
 Encyclopaedia Britannic, 78% of these articles are non-English.
- o There are over 200,000,000 Blogs.
- 54% = Number of bloggers who post content or tweet daily.
- Because of the speed in which social media enables communication, word of mouth now becomes world of mouth.

- If you were paid a \$1 for every time an article was posted on Wikipedia you would earn \$156.23 per hour.
- Facebook USERS translated the site from English to Spanish via a Wiki in less than 4 weeks and cost Facebook \$0.
- 25% of search results for the World's Top 20 largest brands are links to usergenerated content.
- o 34% of bloggers post opinions about products & brands.
- o 78% of consumers trust peer recommendations.
- Only 14% trust advertisements.
- Only 18% of traditional TV campaigns generate a positive ROI.
- o 90% of people that can TiVo ads do.
- 25% of Americans in the past month said they watched a short video...on their phone.
- In the near future we will no longer search for products and services they will find us via social media.
- More than 1.5 million pieces of content (web links, news stories, blog posts, notes, photos, etc.) are shared on Facebook daily.
- Successful companies in social media act more like party planners, aggregators,
 and content providers than traditional advertiser.
- 34% of book sales on Amazon are of kindle; 24 of the 25 Largest Newspapers are
 Experiencing Record Declines in Circulation.

RESEARCH METHODOLOGY

In this section; I discuss a plan for the method of conducting my research. This involves discussion on research approach, collection methods, and method for analyzing the data. You will be shortly presented with relevant theories and I will motivate my choice of how to carry out the study. The aim is that, after reading this section, you will not only know how the data is collected and analyzed but you will also be aware of certain limiting aspects concerning the methodology of this study.

A considerable amount of work has been done in this field and several articles are available on the internet and magazines about the social networks and blogs. So first I carried out a literature survey of the available data for collection of secondary information. I followed it by a descriptive research design in order to understand the problem and carry out the research in a lucid manner.

QUANTITATIVE METHODS

As my purpose is taken from the consumer's perspective, I believe that quantitative method will take me closer to the informant's perspective (Quantitative method used for knowing consumer viewpoint by formulating different questionnaires targeting different nationalities). As I want to explore, I need to get deep into the minds of my respondents. Using a quantitative research method will enable me get this numeric description from the respondents and to understand the phenomena I am studying even better. Thus it will allow me to understand the meaning that the informants' attach to their experiences of social networking and blogging. This approach will allow me to get this non-standardized data as well as locked standardized set of questions. This is because the nature of the questions will need to be flexible and openended for quantitative approach order to explore what emerges during the thesis survey.

DATA COLLECTION METHOD

After secondary data collection through data collection over the internet, a primary research was carried out through a questionnaire. The questionnaire was well structured and the responses were sought from the respondents. The nature of the questions was such that it

avoided ambiguous responses from the respondents and it also helped in quick analysis of the data collected. Two methods of questioning were used for the data collection:

Person Assisted - The responses were collected by personal questioning. The responses were taken from the students in Italy (LUISS Guido Carli, Rome) this form of questioning helped the respondent to understand the questions better and answer accordingly. I chose this method for Italy due to my own physical presence; as I can easily approached to students residing in Rome.

WED ENABLED - The questionnaire was electronically circulated with the help of software (Surveymonkey) to Pakistan (IQRA University, Islamabad), Spain (ESADE, Barcelona) and Uzbekistan (Nationwide). Those who attempt to filled the questionnaire it then automatically saved in the database. A flaw that I realized here was that some of the respondents did not understand the questions and hence could not answer them to the best of their capability, unlike the other method employed where the questions could be explained if required. Like some respondents confused with the concept of buying from social networks and blogs and impact of marketing communication through social networks and blogs to influence the consumer buying behavior. For this purpose; I tried my level best to assist them online in case of any clarification.

SAMPLING

To identify my respondents, I first used a self-selection sampling. This sampling method allows the individual to identify their desire to take part in the research (Saunders 2003). I put up advertise notes in Facebook for 10 different nationalities, however I did only get 4 responses which I included. When I judge that I would get any more responses, I turned to people whom I knew use social networking sites and blogs, and request them to fill the questionnaire. People whom the researchers were familiar with were selected because of the difficulties to identify other members of the population. I discovered that some of my friends, or friends to them social networking sites and blogs, a lot. This thus made me able to get suitable participants who had rich experiences of social networking and blogging. The low number of respondents can be justified by that it allows us to get a richer description of the phenomena that I am studying.

Furthermore, I do not intend to generalize my findings, instead to I want to seek an understanding of my research participants.

SAMPLING DESIGN - The target population for my research was defined as the students who are heavy users of social networks and blogs. This was done to have a better insight into the research as the target population was one which is the most avid user of these sites and could provide good responses. Even the understanding of the questionnaire was easy to them as they were familiar with the social network sites and blogs, and quite clear about the reasons they use it for and the various problems that they face.

SAMPLING FRAME - can be defined as all the users of social networks and blogs in the vicinity of Italy, Pakistan, Uzbekistan and Spain. Once the sampling frame was decided, simple random sampling method was used to select the respondents. In the person assisted survey, almost everyone in the sampling frame had an equal chance of being selected and we got the responses filled through those people who were readily and willingly accepting to fill it. To some extent judgment sampling was also used, especially in the online survey.

EMPIRICAL FINDINGS

Here below I present the empirical findings for this thesis. I will, in this section, underline some findings and reflections that have occurred to me during the research process that is of benefit for companies. Further, I discuss the limitations with my findings and areas with my subject that could be further researched. A total number of two different questionnaires formulated; among those one targeted to Italian youth and other targeted to Spanish, Uzbek and Pakistani youth followed by 2 interviews from marketing experts. The interviews are structured according to the themes that were found during the empirical gathering process, and also in consideration to my research questions.

ANALYSIS AND INTERPRETATION

In this section the empirical findings will be analyzed in the light of the theory and my viewpoint. The disposition of the analysis will follow the research questionnaires targeting psyche of four different nationalities; however, the sections will be named according to the theories used for analyzing. Each survey question will instead, be stated below:

1. SURVEY QUESTIONNAIRE (ITALY)

Do you use any social networking sites? If yes, continue. Otherwise terminate.

TALY: The popularity of the social networking sites is immense, especially amongst the youth. Only 2 respondents out of 125 respondents don't use social network sites. But for sake of authentic research I filter responses based on the complete information of respondents choices. For that purpose I have choose 100 respondents who 100% completed the questionnaire form without skipping any part.

How many social networking sites do the respondents use?

Analysis of the data tells that 58% of the students actively use at least one of the networking sites. Out of the ones who use more than one site, 35% amongst them use two sites and 8% use three sites with an exception of 2% use four and above networking sites. By this I

infer that although these networking sites are getting very popular these days, most of the students use one site with the second majority being of those who use two networking sites.

Select the sites that you use:

Winner in this regard. One major interpretation here is that 58% users who use only one networking sites, 100% of them use Facebook. Considering the overall data, 100% students seem to use Facebook site which makes it the most popular one. The second most popular is MySpace which is used by 20% people followed by a 14% and 5% share by Twitter and Hi5.

How many hours per day do you spend on using these sites?

more the time spent, more probability of these sites being beneficial for companies to communicate with their customers. The majority of the students 40% spend on an average of about 1 to 2 hours every day surfing these networking sites. Amongst those about 32% users spend 1 hour everyday, 20% users spend ranging 3 to 6 hours, 7% users spend 6 to 9 hours followed by 1% exceptional 10-14 hours per day.

What do you use social networking sites for?

Let me see what respondents do use these social networking sites. This shows that the desire to acquire product information along with the need to exchange product experiences is making more and more students use these networking sites. Also 20% tend to follow brand marketing campaign followed by 17% users want to know more about the usage of purchased product. In only rare case, 10% people are looking for good offers about product intend to buy.

Do you feel these networking sites have created positive impact on your buying / purchasing behavior? If yes, then what do you feel can be these impacts?

Now I will examine the positive and negatives impact of using social networking sites on consumers. As per the survey, majority users find that there is no as such negative impact in

their buying behavior. Only few of the sample population feel that there is a negative impact on their buying behavior. The respondents assign 55% weight to Positive impacts and 35% to Negative impacts. From that of 35%, 41% denied the fact that social networking sites have positive impact on their buying/purchasing behavior in context of up-gradation of brand communication; while 39% feels it doesn't help in decision making process for a intended purchase and 37% feels that it is not a medium to save time and to get to know promotions and discounts. Only 15% of the 35% people feel that it not a platform for information search.

Do you plan your purchase?

TALY: Replying to this question; 32% users are agree on the fact of planning on their purchase but majority 56% do purchase spontaneously along with 14% users; who never plan their purchase. Only 2 respondents out of 100 don't respond to this question.

What are the bases of their purchase decision?

TALY: The survey shows that majority relies on the medium of Internet/Mobile advertisement. As; they have technology on their hand and makes easier for them to follow any piece of communication by companies. Most of the mobile companies are offering build in software of social networks as a commanding selling feature for sake of getting connected even away from our laptop. It also highlights the fact as technology is going advance people are tendency to buy fully equipped gadgets which increase their connectivity around the clock. 23% users strongly believe in word-of-mouth and 13%, 11%, 11%, 5% and 0% assigned to Branded entertainment, Newspaper, TV advertisement, Custom publication and Radio respectively; which proves the fact that untraditional marketing have make a marked over traditionally marketing.

At which level respondents prefer word of mouth information while buying or purchasing?

Who strongly prefer word-of-mouth and 2% users never considered it at all. These results

positively reflect the familiarity of consumers' understanding with the communication strategies of companies.

2. SURVEY QUESTIONNAIRE (UZBEKISTAN, SPAIN AND PAKISTAN)

Select the social networking sites that you use: (If No then terminate the questionnaire).

UZBEKISTAN: Facebook stood no. 1 with 90% followed by LinkedIn 22%, Hi5 22%, Twitter 10% and Yahoo 360 10%. In the light of any other social networking sites; majority nominated Russian social network site www.odnoklassniki.ru followed by Moymir.ru. Rest of the SNSs is Scribd, Academia.edu, Vsetut.uz, Tagged, Vkontakte, Bottegaverde.it, Englishtown.com, MyMail and Studiyz.

SPAIN: As seen earlier with context to feedback from Italy Facebook also ranked first in case of Spain 93% along with LinkedIn 21%, Twitter 19% and MySpace 12%. With reference to any other social networking sites; majority nominated Spanish social network site www.tuenti.com. Rests of the SNSs are Flickr and Windows Live Spaces.

PAKISTAN: In case of Pakistan, once again Facebook 90% proven to be famous worldwide; not only surfed in Europe but also in Asia. Other popular sites are Orkut 45%, Twitter 26%, LinkedIn 16% and Yahoo 360 10%. With context to any other social networking sites; only 2% users use *Windows Live Spaces and Dailyboot.com*.

How many social networking sites do the respondents use?

UZBEKISTAN: It shows only 38% of the users actively use at least one of the networking sites which is quite low as compared to Italy and Spain analysis. Here result shows lack of consumer loyalty to these sites; they tend to switch SNS sites based on their peer circle or attractive features of social networking sites.

SPAIN: It shows 70% of the students actively use at least one of the networking sites. Out of the ones who use more than one site, 23% amongst them use two sites and 7% use three sites. But it's quite interesting that users are becoming loyal to the social networking sites they use. **PAKISTAN:** It shows only 47% of the users actively use at least one of the networking sites

which is quite comparable with Italy, Spain and Uzbekistan analysis. Here Pakistani respondents' shows mix response of using 2 sites by 47% users and 34% using only 1.

How many hours per day do you spend on using these sites?

UZBEKISTAN: It illustrates that users heavily spend time on these social online activities especially on weekdays 40% by closely tag along with 34% time spend of 3to 5 hours on weekend. It also notify that Uzbek users have more aptitude to surf social networking sites if compare with Italian and Spanish users which have tendency to spend 2 to 3 hours among weekdays and weekend.

SPAIN: The figures indicate that users have tendency to use social networks and blogs for 2-3 hours but mostly on weekdays which is 51% as compared to weekends 47%. It reflects that users on weekends preferably spend their time for outdoor activities while during working days they tend to use SSNs on regular basis.

PAKISTAN: Pakistani respondents (45%) fond of surfing SNSs in their normal working days but on weekends the situation is quite different. As per chart only 29% people surf it on Saturday and Sunday which gives marketers a clear indication that their marketing communication works better if they target their audience on weekdays-not weekends. Else, their purpose of spreading communication message to consumer would be more likely to be ignored. Respondents prefer to do other stuff (taking care of family, hanging out with friends, finish the pending things to do) rather than surfing online social activities.

What do you use social networking sites for?

UZBEKISTAN: Certain aspects are common in all nationalities like when asked about the social networking sites Facebook stood alone in all above mentioned countries. Same with the purpose of surfing SNSs amazingly is the same which is to communicate with the existing friends (86%). Besides the given choices, among 4% of users 2% respondents use social networking sites to share photos and news followed by 2% users who exchange knowledge through above mentioned SNSs.

SPAIN: Most of the users 91% surf SNSs to communicate with their existing friends. What is it that attracts the students to spend time surfing rather than doing other things. Some said it was because they could make more friends, some said it was easier for them to find old friends 63%, for others it was to interact with people with common interest 23%, for some 14% it's a platform to make new friends or to find someone they can share a relationship with 9%. Besides the given choices, 7% respondents surf social networking sites to flirt, to find jobs and to have promotions & discounts for movies and music concerts.

PARISTAN: When asked about for what purpose you use social networking sites out of the ordinary 53% respondents replied to the same way; as they want to communicate with existing friends, want to find old friends and also want to make new friends. All three choices assigned 53% weight followed by to interact with people with common interests (29%) and to find someone I can share a relationship with (26%). Besides the given choices, respondents also use social networking sites to be updated socially, share stuffs (videos, images, comments etc).

Impact of social networking sites on buying decision?

UZBEKISTAN: With allusion to the positive and negatives impact of using social networking sites reflecting their buying behavior; respondents allocated 83% weight to information search which is also ranked first when asked from Italian and Spanish users, on the other hand 44% don't convince with the fact that SNSs is a tool to save time.

SPAIN: By comparing the positive and negatives impact of using social networking sites on consumers; users assigned 63% to information search considering it as a positive impact on their buying behavior, on the other hand 64% completely disagree that SNSs helps in their decision making process. This shows that the desire to do information search 63% and follow promotions and discounts 61% along with the need to upgrade with the brand communication 58% and for sake of saving time 45% regarding their potential purchase and also to acquire the pre-purchase extensive knowledge 41% of product had created strong impact on their buying behavior.

PAKISTAN: With insinuation to the positive and negatives impact of using social networking sites, 58% users strongly disagree with the choice of having promotions and discounts on SNSs. They are reluctant towards online buying. As they prefer to enquire information but at the same time seeking promotions and discounts themselves by witnessing the physical presence of the desired product. Even in case of Pakistan 83% believes in information search as other countries do.

How has social networking sites and blogs benefited you as a user?

UZBEKISTAN: 79% felt that it's a great way to enjoy specially when they alone followed by 32% who thought it's helpful to acquire product information. As per given choices, among 4% of users 2% respondents found it beneficial to promote his own business while 2% users found it as a fun tool by commenting on photos.

SPAIN: 76% found it equally a great alternative to enjoy specially when they alone; along with 20% who thought it's helpful to acquire product information and at the same time 20% felt that it also helps to link with prospective recruiters and find employment. Besides the given choices, 14% respondents who falls on any other category; found it beneficial as it interesting to look at photos and people preferences, some want to maintain a network of friends and colleagues without great effort, it help them to keep in touch with people hardly ever see-specially people from other countries, to find it obligation to keep in touch with friends and some said SNSs are a great source to be in touch with friends.

PAKISTAN: Amazingly in case of Pakistan also majority 90% felt that it's a great way to enjoy specially when they alone followed by 17% who thinks it's a useful source to linked with prospective recruiters and find employment. Besides the given choices, 8% respondents found it beneficial as it provides them the platform to exchange ideology, also proves to be a useful tool for interactive exploration and nice to be in touch with friends and others for sake of socializing.

Do you plan your purchase; choose appropriate answer according to the type of consumer goods?

UZBEKISTAN: THE RESULTS ARE MORE OR LESS SAME COMPARED TO ITALIAN AND SPANISH RESPONDENTS; 52% OF USERS PLANNED THEIR PURCHASE FOR DURABLE CONSUMER GOODS (KITCHENWARE, consumer electronics) followed by Shopping 42% Consumer Goods (clothing items, home furnishing) and 39% Specialty Consumer Goods (antiques, jewelry, cars) respectively.

SPAIN: The results are quite impressive; it indicates 51% of users planned their purchase when it comes to Durable Consumer Goods (kitchenware, consumer electronics) followed by Shopping 49% Consumer Goods (clothing items, home furnishing) and 46% Specialty Consumer Goods (antiques, jewelry, cars) respectively. As a universal fundament; 17% user hardly gives a thought to Convenience Consumer Goods (fast foods, ice cream) because of its impulse buying.

PAKISTAN: The results are by far stand out as majority of respondents planned for the purchase of Convenience Consumer Goods (fast foods, ice cream)-47% and surprisingly users don't plan their purchase for Durable Consumer Goods (kitchenware, consumer electronics-55%. Marketers should tag this segment for good. Also 31% respond they plan their purchase occasionally for Shopping Consumer Goods (clothing items, home furnishing).

What are the bases of your purchase decision?

UZBEKISTAN: Like Italian consumer market; Uzbekistan market is also rely on prefer Internet/Mobile advertisement (62%) followed by other channels of communication mostly dominated by word-of-mouth marketing (social media, blogs and viral marketing) 42%.

SPAIN: The previous survey showed that the Italian market is mix of many channel but currently popular one is Internet/Mobile advertisement (29%) within masses. This analysis shows us the importance of word-of-mouth marketing (social media, blogs and viral marketing) 56% in Spanish market. It also highlighted the point consumer still has strong likeness for the traditional medium of communication which is TV advertisements (47%). Internet/Mobile advertisement (42%) also seems to be popular channel of communication along with the custom publication 39% and outlets 36% (which is a growing channel in term of buying behavior). It also shows the decline in the popularity of newspapers (17%).

PAKISTAN: The previous survey showed that the Spanish market strong hold word-of-mouth a reliable source of marketing communication; which plays an integral part in their buying decision process. Here the percentage demonstrates that along with Internet/Mobile advertisement (53%), TV advertisement (45%) and outlets (37%) are still considered essential tools of marketing communication in Pakistan. People watch TV programs and advertisement on regular basis, for them it's like part and parcel of their lives. Still there is some room for improvement for word-of-mouth marketing (25%) which is on growing stage but still it has some impact on the Pakistani society.

What percentage would you assign in terms of influence on your purchase decision to different forms of word of mouth marketing-WoM?

I will present you the ratings of different modes of WoM marketing with regards to respondents rating. Firstly; let me present you the range of scale given to respondents to assign weights: above 90%; 75%-90%; 60%-75%; 45%-60%; 30%-45%; 15%-30% and less than 15%

UZBEKISTAN: Blogs (4.77) and viral marketing (4.74) is the strong contender as an influencing form of word-of-mouth marketing.

The results indicates the fact that Spanish respondents have strong influence of Buzz marketing (5.71) which is nominated the highest rating among all nationalities and also in all above mentioned forms of word-of-mouth marketing. After this social networks (5) also plays a vital role when it comes to the buying behavior. Blogs (4.93) and referral programs (4.93) holds a strong position in the minds of consumer followed by user generated content (4.67) and experimental marketing (4.32).

PAKISTAN: Buzz marketing (5.28) and blogs (5.12) marked a bench marked on others. Other strong forms of word-of-mouth marketing are grassroots/cause marketing (4.94), viral marketing (4.72), referral programs (4.96) and user generated content (4.42).

INFLUENCE OF NETWORKING SITES AND BLOGS ON BUYING BEHAVIOR

Social networks and blogs have some or the other sort of influence on the buying behavior on consumer. While some people did not feel that it influences the purchase decision as they use

these social networks and blogs just for connecting with friends and did not feel its influence on their buying behavior. On the other hand, those who feel that it has some influence on their buying behavior had a lot to share. The responses suggest that some people have got addicted to the networking sites and use them more often and as such their life is completely influenced by these. People find it trendy to use these social networks and blogs and being a member of the social media, groups, forums are considered trendy and in vogue thing. Some people surf these sites to interact with people with similar preferences and it helps in their decision-making ability. They take the views and suggestions of the people before taking any such decisions and feel quite comfortable with it. Some people get knowledge about latest trends in fashion, electronic gadgets etc.

FUTURE OF SOCIAL NETWORKS AND BLOGS

Some say that social networking will continue to grow in popularity and become integral in our future pursuits of technology; others say that the continued popularity of social networking sites depends on audience participation and membership. But as technology progresses, so will our human need to progress with it. New tools to help users "connect" with one another are on the horizon; newer generations of techno savvy individuals are waiting to emerge. The only limitations that a man endures exist within the limitations of his mind. The key to unlocking the future is waiting to be explored. Traditional marketing is in crisis, because customers are increasingly inured to television commercials, direct mailings, etc. At the same time, companies like Amazon, Google and Hotmail succeed with virtually no marketing, based solely on word of mouth. A recent study found that positive word of mouth among customers is by far the best predictor of a company's growth. Word- of-mouth marketing has the key advantage that a recommendation from a friend or other trusted source has the credibility that advertisements lack. Because it leverages customers themselves to do the marketing, it can also produce unparalleled returns on investment. However, until now it has been somewhat of a black art. Beyond marketing, word-of-mouth optimization is potentially applicable in any setting where companies desire to produce a large social outcome with only limited resources. Examples include reducing the spread of HIV, combating teenage smoking, and grass-roots political

initiatives. Real social networks evolve in time, have multiple types of arcs and nodes, are affected by the actions of multiple players, and can be mined from a combination of sources.

LIMITATIONS

Through my research process I have realized some boundaries with my work. One thing that occurred to me throughout the whole process is that people in general does not have very good knowledge about social media jargons. For example, they might be using blogs without actually knowing that it is a blog, or they might think they have used a blog when in fact they used a forum, also they consider chat messenger as a social networking site. Due to this, there is a risk that some of my questions have been misinterpreted, even though I carefully explained everything. It is however hard to hedge against this kinds of issues when dealing with individuals and their interpretation of things.

- The questionnaire is circulated to 10 different countries (Italy-125 responses, Spain-43 responses, Uzbekistan-50 responses, Pakistan-38 responses, Greece-9 responses, France-6 responses, Germany-1 response, Poland-0 response, China-0 response and Netherlands-1 response respectively).
- The sample size that I have taken *is 100 for Italian youth* which I am assuming that it is homogeneous and enough to carry out the research.
- Due to the shortage of time and limited access, I have to restrict my sample size for Spain 43, Uzbekistan 50, and Pakistan 38. I circulate the questionnaire to maximum people by every single possible way but people are reluctant to fill the questionnaire.
- Most of the sample population consists of students and hence my research mainly focuses on students using social networks and blogs.
- The analysis done is mainly judgmental in nature.
- The concept of social networks and blogs is not very old all over the world thus not much of research has been done in regards to its effects.
- The expertise of the questionnaire design is limited.
- The underlying assumption is that the survey conducted in different nationalities represents the general psyche of the users of the social networks and blogs.

CONCLUSION

A social networking web site is an online community in which people can connect to others with similar interests. Since their start in 1995 with Classmates.com, social networking web sites have grown enormously to include such huge sites today as Facebook.com, MySpace.com and Twitter.com. Through these sites companies can use social networks and blogs to communication their offerings to potential employees, market new products, and get feedback on their current products as well as new ideas for future products. Although there are many valuable assets to social networks and blogs, there are also major issues that the sites must address such as the protection of private information, the protection of children, and the protection of copyrighted material. Although they have issues, social networking web sites are still one of the best inventions of the modern era because they connect so many people. The work described above contributes to an on-going dialogue about the importance of social networks and blogs, both for practitioners and researchers. Vast, uncharted waters still remain to be explored. Methodologically, SNS researcher's ability to make causal claims is limited by a lack of experimental or longitudinal studies. Although the situation is rapidly changing, scholars still have a limited understanding of who is and who is not using these sites, why, and for what purposes. Such questions will require large-scale quantitative and qualitative research. I hope that my findings and the work described here will help build a foundation for future investigations of these and other important issues surrounding social networks and blogs.