INTRODUCTION

WHAT IS SOCIAL MEDIA
The term **Social Media** refers to the use of web-based and mobile technologies to turn communication into an interactive dialogue. Andreas Kaplan and Michael Haenlein define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content."[1] Social media are media for social interaction, as a superset beyond social communication. Kietzmann *et al.* (2011) argue that "social media introduce substantial and pervasive changes to communication between organizations, communities, and individuals" (p. 250),[17] enabled by ubiquitously accessible and scalable communication techniques.

*The best way to define social media* is to break it down. Media is an instrument on communication, like a newspaper or a radio, so social media would be a social instrument of communication. In Web 2.0 terms, this would be a website that doesn't just give you information, but interacts with you while giving you that information. This interaction can be as simple as asking for your comments or letting you vote on an article, or it can be as complex as Flixster recommending movies to you based on the ratings of other people with similar interests. Think of regular media as a one-way street where you can read a newspaper or listen to a report on television, but you have very limited ability to give your thoughts on the matter. Social media, on the other hand, is a two-way street that gives you the ability to communicate too.

DISTINCTION FROM INDUSTRIAL MEDIA

Businesses may refer to social media as consumer-generated media (CGM). A common thread running through all definitions of social media is a blending of technology and social interaction for the co-creation of value.

People obtain information, education, news and other data from electronic media and print media. Social media are distinct from industrial or traditional media, such as newspapers, television, and film. They are relatively inexpensive and accessible to
enable anyone (even private individuals) to publish or access information, compared to industrial media, which generally require significant resources to publish information.

One characteristic shared by both social media and industrial media is the capability to reach small or large audiences; for example, either a blog post or a television show may reach no people or millions of people. Some of the properties that help describe the differences between social media and industrial media are:

- **Reach** - both industrial and social media technologies provide scale and are capable of reaching a global audience. Industrial media, however, typically use a centralized framework for organization, production, and dissemination, whereas social media are by their very nature more decentralized, less hierarchical, and distinguished by multiple points of production and utility.

- **Accessibility** - the means of production for industrial media are typically government and/or privately owned; social media tools are generally available to the public at little or no cost.

- **Usability** - industrial media production typically requires specialized skills and training. Conversely, most social media production does not require specialized skills and training, or requires only modest reinterpretation of existing skills; in theory, anyone with access can operate the means of social media production.

- **Immediacy** - the time lag between communications produced by industrial media can be long (days, weeks, or even months) compared to social media (which can be capable of virtually instantaneous responses; only the participants determine any delay in response). However, as industrial media begin adopting aspects of production normally associated with social media tools, this feature may not prove distinctive over time.

- **Permanence** - industrial media, once created, cannot be altered (once a magazine article is printed and distributed changes cannot be made to that same article) whereas social media can be altered almost instantaneously by comments or editing. Community media constitute an interesting hybrid of industrial and social media. Though community-owned, some community radios, TV and
newspapers are run by professionals and some by amateurs. They use both social and industrial media frameworks.

SO HOW BIG A DEAL IS SOCIAL MEDIA?

SOURCE: What is Social Media?: an e-book by Antony Mayfield from I Crossing

Very big indeed! To give you an idea of the numbers, when last updated on 1st August 2008 there were: More than 110 million blogs being tracked by Technorati, a specialist blog search engine, up from 63 million at the beginning of the year An estimated 100 million videos a day being watched on video sharing website, You Tube More than 200 million profiles created by users on social network My Space.

Social media is best understood as a group of new kinds of online media, which share most or all of the following characteristics:

- **Participation**: social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.

- **Openness**: Most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content. Password-protected content is usually frowned on.

- **Conversation**: while traditional media is about ‘broadcasting’, (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.

- **Community**: Social media allows communities to shape up quickly and communicate successfully. Communities share common interests, such as a love of photography, a political issue or a favorite TV show.

- **Connectedness**: Most kinds of social media flourish on their connectedness, making use of links to other sites, resources and people.

OWNERSHIP OF SOCIAL MEDIA CONTENT

Social Media content is generated through social media interactions done by the users through the site. There has always been a huge debate on the ownership of the content on social media platforms since it is generated by the users and hosted by the company. Critics contend that the companies are making huge amount of money
by using the content that does not belong to them. Hence the challenge for ownership
is lesser with the communicated content, but with the personal data disclosed by the
subscribed writers and readers and the correlation to chosen types of content. The
security danger beyond is the parasitic conveying, diffunding or leaking of
agglomerated data to third parties with certain economic interest.

BASIC FORMS OF SOCIAL MEDIA

There are basically six kinds of social media commonly seen and found today. Social
networks: These kinds of websites often allow people to build personal web pages and then
connect with friends to share content and communication. The biggest social networks are
My Space, Facebook and Bebo.

- **Blogs** are perhaps the best known forms of social media. Most blogs are in the form
  of online journals, with entries appearing with the most recent first.

- **Wikis**: These websites permit people to add content to or edit the information on
  them, acting as a communal document or a database. The best-known is wiki; which
  stands for Wikipedia; an online encyclopedia which has over 2 million English
  language articles.

- **Podcasts**: These are audio and video files that are available and accessible by
  subscription, through services like Apple iTunes.

- **Forums** on the other hand are areas for online discussions, often done around specific
  topics and interests. Forums came about before the term ‘social media’ emerged and
  is a powerful and popular element amongst online communities.

- **Content communities**: These are basically communities which organize and share
  particular kinds of content. The most popular content communities tend to form
  around photos (Flickr), bookmarked links (del.icio.us) and videos (YouTube).

- **Microblogging**: These are social networking blogs combined with bite-sized
  blogging, where small amounts of content ('updates') are distributed online and also
  through the mobile phone network. Twitter is the clear leader in this field.
Social networks on the web are like controlled versions of the extensive blog network. People joining a social network usually create a profile and then build a network by connecting to friends and contacts within the network, or by engaging real-world contacts and friends to join the social network. These communities preserve the interest of their members by being useful to them and providing services that are pleasurable or help them to expand their networks. MySpace, for instance, allows its members to craft vibrant, chaotic home pages (they've been likened to the walls of a teenager's bedroom) to which they can upload images, videos and music. MySpace has built a lot of its popularity around its music services. There are said to be over three million bands and musicians registered on it, trying to attract a fan base from the 200 million registered accounts. According to Hitwise, in September 2006 MySpace was the 8th largest referrer of traffic to HMV.co.uk, more even than the MSN search engine. In 2007, Facebook a social network that originated in US colleges became available for public use in the UK. It’s popularity rapidly skyrocketed. Part of Facebook’s success is its creators’ decision to ‘open up’ and allow anyone to develop applications and run them on Facebook - without charging them. This has seen Facebook users able to play each other at Scrabble and Chess, compare each others' tastes and send 'virtual gifts', among any number of new ideas vying for attention. Bebo, which is popular among school-age children, actually has the most members, perhaps helped by the fact that it is grouped around schools and colleges. Crucially, the growth in the use of social networks by young people in recent years has come at the expense of their consumption of traditional media such as TV and magazines. This switch in behaviour was one of the drivers behind the biggest deal in social media to date, when Rupert Murdoch bought MySpace for US $580 million.5 Marketers have also increasingly begun to experiment with trying to reach the members of MySpace and other social networks. Bebo hosts pages for many children’s authors for instance, while MySpace has seen a rush of marketing efforts from Toyota to the US Army.

Perhaps the most 'grown-up' of the popular networks is LinkedIn, which allows users to put up their business and professional contacts into an online network. It has been criticised for not being open enough and for charging for too many of its services – but next
to Facebook it is still the most popular online social network among people aged 25 and
over. The huge success of the 'opening up' of Facebook, as mentioned above, could be a
dare to LinkedIn's 'closed' approach in the future.

VARIOUS SOCIAL NETWORKING SITES

Orkut is a social networking website that is owned and operated by Google Inc.
The service is designed to help users meet new and old friends and maintain existing
relationships. The website is named after its creator, Google employee Orkut Büyükkökten.
Although Orkut is less popular in the United States than competitors Facebook and
MySpace, it is one of the most visited websites in India and Brazil. As of April 2010,
48.0% of Orkut's users are from Brazil, followed by India with 39.2% and United States
with 2.2%. Recently though, due to advent of other social networking sites, the usage of
Orkut has decreased Originally hosted in California, in August 2008 Google announced
that Orkut would be fully managed and operated in Brazil, by Google Brazil, in the city
of Belo Horizonte. This was decided due to the large Brazilian user base and growth of
legal issues.. Anyone 18 years old or older can join Orkut.

Facebook is a social networking service and website launched in February 2004, operated
and privately owned by Facebook, Inc. As of July 2011, Facebook has more than
750 million active users. Users may create a personal profile, add other users as friends,
and exchange messages, including automatic notifications when they update their profile.
Facebook users must register before using the site. Additionally, users may join common-
interest user groups, organized by workplace, school or college, or other characteristics.
The name of the service stems from the colloquial name for the book given to students at
the start of the academic year by university administrations in the United States to help
students get to know each other better. Facebook allows any users who declare themselves
to be at least 13 years old to become registered users of the website.

LinkedIn (pronounced LNKD is a business-related social networking site.
Founded in December 2002 and launched in May 2003, it is mainly used for professional
networking. As of 22 March 2011, Linked In reports more than 100 million registered
users, spanning more than 200 countries and territories worldwide. The site is available in English, French, German, Italian, Portuguese, Spanish, Romanian, Russian and Turkish. Quantcast reports Linkedin has 21.4 million monthly unique U.S. visitors and 47.6 million globally. In June 2011, LinkedIn has 33.9 million unique visitors, up 63 percent from a year earlier and surpassed MySpace.

**Bebo** (pronounced *bee-boh*) is a social networking website launched in July 2005. It is currently owned and operated by Criterion Capital Partners, after taking over from AOL in June 2010. The website's name is an acronym for Blog Early, Blog Often. Users receive a personal profile page where they can post blogs, photographs, music, videos and questionnaires to which other users may answer. Additionally, users may add others as friends and send them messages, and update their personal profiles to notify friends about themselves. Bebo is very similar to other social networking sites, mainly Facebook.

**Twitter** is a website, owned and operated by Twitter Inc., which offers a social networking and microblogging service, enabling its users to send and read messages called *tweets*. Tweets are text-based posts of up to 140 characters displayed on the user's profile page. The website is based in San Francisco. Twitter also has servers and offices in San Antonio and Boston. Twitter, Inc. was originally incorporated in California, but as of 2011 is incorporated in Delaware. Twitter was produced in March 2006 by Jack Dorsey and launched in July. Since then Twitter has gained popularity worldwide and has had 200 million users, generating 350 million tweets a day and handling over 1.6 billion search queries per day. It is sometimes described as the "SMS of the Internet".

**HOW BLOGS WORK**

At its simplest, a blog is an online journal where the entries are published with the most recent first. There are a number of features that make blogs noteworthy and different to other websites: Tone: blogs tend to be written in a personal, conversational style. They are usually the work of an acknowledged and renowned author or group of authors.: blogs tend to define what it is they are writing about. They can be as explicit as a blog about a book in evolution or as wide in scope as books such as ‘My musings on life and stuff’. Links and track backs: the services people employ to write blogs make it very easy for
them to insert links to other websites, usually in reference to an article or blog post or to provide further information about the subject they are writing about. Comments: each blog post has a comments section, effectively a message board for that article. On blogs with large audiences the debates in these sections can run to hundreds of comments at a time. Subscription: blogs can be subscribed to, usually via RSS technology, making it easy to keep up with new content. Blogs are easy to set up using any of a number of services. One of the simplest is the free Blogger service from Google.

DIFFERENT TYPES OF BLOGS

With millions of people around the world of different ages and backgrounds blogging about whatever they feel like, it is about as easy to generalize about ‘bloggers’ as it is to make sweeping statements about ‘human beings’. Here, we have discussed some of the key kinds of blogs one usually comes across:

- **Personal blogs**: Millions of people around the globe maintain blogs about their everyday lives, much like public diaries. These sometimes become very popular indeed, especially those anonymous, slightly risqué ones. You know the sort: they are the ones which get written about in the Sunday Times and become best-selling novels all of a sudden. One of the best-known personal blogs is Dooce.

- **Political blogs** are found especially in the US, but increasingly found in the UK as well these blogs are being written on politics. Often professed as a reaction to media Social Media’s Influence in Purchase Decision 2008 bias (across the political spectrum) they tend to comment on the news, giving closer analysis on issues they feel have been misrepresented, distorted or buffed over by the mainstream media. In United States of America, most if not all of the contenders for the presidency in 2008 already have bloggers on staff to advice on reaching political bloggers and their readers. We are not quite at that stage in the UK, but blogging has been playing a part in the rebirth of grassroots of Conservative politics. Significant examples from the political left include MediaLens and Harry’s Place.

- **Business blogs**: Many professionals and businesses now have blogs. This allows companies to communicate in a less formal style rather than the customary style
that’s found in newsletters, brochures and press releases, which help to give a human face and voice to the organisation. For individuals in business, a blog can develop into a very efficient way of building a network of like-minded individuals and raising their own profiles. Blog Maverick is a good example. Some blogs are unashamedly media businesses in their own right, taking advertising and employing a blogger or a group of bloggers full-time. Effectively, they are start-ups that are taking advantage of the new blogging technologies and opportunities to build communities of readers in new or niche subject areas. These are generally to be found covering news and opinion in the technology and media industries.

- **Mainstream media blogs** Most national newspapers in the UK – not to mention the BBC – now have blogs for some of their reporters and editors. These provide useful insights into the news gathering and reporting processes, but also give vent to personal views that the journalist may otherwise have kept to themselves. For example, see BBC business editor Robert Peston’s blog. It’s worth noting that while many journalist blogs are hosted on newspaper sites themselves, a large number are independent, personal blogs with a major focus on their professional interests.

**READING BLOGS**

The easiest way to read blogs is to subscribe to the ones you find interesting using the Bloglines, Rojo or News gator newsreader services. A newsreader is a website or piece of software where one can go to read a news feed that you are subscribed to via RSS. All blogs and most news websites have RSS feeds attached to them. You can find blogs on topics that you’re interested in by using search engines like Technorati or Google Blog Search. If you find a blog which is predominantly fascinating or pertinent to you, have a look for its 'blogroll' (list of recommended blogs) – it’s a great way of exploring the networks of blogs.

**HOW WIKIS WORK**

Wikis are websites that let people to contribute or edit content on them. They are great for collaborative working, for example creating a large document or project plan with a team in several offices. A wiki can be as private or as open as the people who create it
want it to be. Wikipedia The most famous wiki is of course Wikipedia, an online encyclopedia that was started in 2001. It now has over two million articles in English alone and over a million members hooked on to it. In 2005, the respected scientific journal Nature conducted a study into the dependability of the scientific entries in Wikipedia and Encyclopedia Britannica. No one was surprised that Encyclopedia Britannica was the more reliable of the two – what was remarkable was that it was only marginally more precise. Wikipedia has a 2,500 word articles on Encyclopedia Britannica, its history and methodology. But Wikipedia is more than a reference source. During a major breaking news story, especially one which affects large numbers of people directly, such a natural disaster or political crisis. Wikipedia acts as a collective reporting function Trying out wikis Everyone knows Wikipedia. Let’s discuss here some other examples of large wiki projects that you can take a look at and even involve yourself in: Wikia A community of wikis on different subjects Wiki How A practical ‘how to’ manual for everything from making coffee to writing business plans Wikinews Wikipedia’s news project

HOW PODCASTS WORK

Podcasts are audio or video files that are published on the internet and that users can subscribe to. Sometimes ‘vodcast’ is used to specifically describe video services. It is the subscription feature that makes a podcast so powerful as a form of social media. People have long been able to upload audio content to the web, but the subscription feature means that people can build regular audiences and communities around their shows. It effectively puts private individuals or brands on a level playing field with traditional media organizations when it comes to competing for people’s attention with AV content online. Podcasts, like personal video recorders (PVRs), are part of a shift in media consumption patterns, which increasingly sees people watching or listening to content when and where it suits them. This is sometimes known as time-shifting. When a new podcast is posted to the web, all the subscribers’ podcast services (such as iTunes) are automatically notified and download the programme to their computer’s hard drive. The podcast can then be either listened to on the computer or downloaded onto an MP3 player, such as an iPod. Getting started with podcasts: If you already have an iPod and use iTunes you can click on the Podcast icon in the left-hand toolbar to access podcasts and subscribe to them. Other good
places to find and start listening to podcasts are Podcast Alley and Yahoo! Podcasts. If you fancy trying your hand at creating your own podcast, download the free audio editing tool Audacious or have a look at the 'how to' guide at wiki.

HOW FORUMS WORK

Internet forums are the longest time-honored and an age-old form of online social media. It most commonly survives around specific topics and interests, for example cars or music. Each discussion in a forum is known as a thread, and many different threads can be active at the same time. This makes forums good places to find and engage in a variety of detailed discussions. They are often built into websites as an added feature, but some exist as stand-alone entities. Forums can be places for lively, vociferous debate, for seeking advice on a subject, for sharing news, for flirting, or simply for whiling away time with idle chat. In other words, their huge variety reflects that of face-to-face conversations. The sites are moderated by an administrator, whose role it is to remove unsuitable posts or spam. However, a moderator will not lead or guide the discussion. This is a major difference between forums and blogs. Blogs have a clear owner, whereas a forum's threads are started by its members. Forums have a strong sense of community. Some are very enclosed, existing as 'islands' of online social activity with little or no connection to other forms of social media. This may be because forums were around long before the term 'social media' was coined, and in advance of any of the other types of community we associate with the term. In any event, they remain hugely popular, often with membership in the hundreds of thousands.

HOW CONTENT COMMUNITIES WORK

Content communities look a bit like social networks – you have to register, you get a home page and you can make connections with friends. However, they are focused on sharing a particular type of content. For example, Flickr is based around sharing photography and is the most popular service of its kind in the UK. Members upload their photos to the website and choose whether to make them public or just share with family and friends in their network. Thousands of groups have formed on Flickr around areas of common interest. There are groups dedicated to particular graffiti artists, towns, sports and animals. As evidence to its enormous success, Flickr was bought by Yahoo! in 2005 for an
estimated US $30 million. YouTube is the world’s largest video sharing service, with over 100 million videos viewed every day. Members of YouTube can upload videos or create their own “channels” of favourite videos. The viral nature of YouTube videos is enhanced by a feature that makes it easy for people to cut and paste videos hosted by YouTube directly into their blogs. There are many clips from TV shows and movies hosted on their service. Some people also use this service to record video blogs.

Digg is a news and content community. Members submit links to news stories that they think will be of interest and these are voted on by other members. Once a story has garnered about a critical number of votes (the number varies according to how busy the site is) it is moved to the front page where it receives wider attention from members as well as more casual visitors to the website. Digg claims to receive 20 million unique visitors every month, and certainly the volume of traffic via popular links from the service are so great that it can cause smaller companies' servers to crash. Folksonomies Content communities often display characteristics of what are known as folksonomies. The term folksonomy refers to the way that information is organized – it is a play on the word taxonomy, a classification system. In a folksonomy the information or content is “tagged” with one-word descriptors. Anyone can add a tag to a piece of content and see what other people have tagged, too. For instance, del.icio.us, a bookmark-sharing service that replaces the favourite’s folder on your web browser, is a prime example of a folksonomy. Content communities such as Flickr, YouTube and blogs generally make use of the folksonomy approach of tagging content to make it more easily found. Music folksonomies have proved particularly popular. Services such as last.fm let you tag tracks as you listen to them, and search and link to music based on other people’s tags.

**HOW MICRO-BLOGGING WORKS**

Micro-blogging is tool that combines elements of blogging with instant messaging and social networking. The clear leader in the micro-blogging field is Twitter with over 340,000 users. Other notable micro-blogging players comprise of Pownce and Jaiku, which offer various different features, but for the purposes of this e-book it makes sense to focus on the Twitter format. Twitter users can send messages of up to 140 characters instantly to multiple platforms. 90% of Twitter interactions are not made via the Twitter website, but
via mobile text message, Instant Messaging, or a desktop application such as Twitterific. Its flexibility is further enhanced by the ability to subscribe to updates via RSS. Uses of Twitter vary. It's popular among homeworkers and freelancers, who use it in part as a 'virtual watercooler'. Other people use it simply to stay in touch with a close network and share thoughts or start conversations. Its suitability as a vehicle for breaking news has encouraged the BBC and CNN to introduce Twitter feeds.

HOW SECOND LIFE WORKS

One of the biggest online marvels to capture the imagination of the traditional media is Second Life. It's an online computer game, but is perhaps better understood as an online virtual world. By registering and downloading the software, you can enter the game world and create an 'avatar' – an in-game representation of yourself. As Second Life encourages community and social interaction, some believe it to be a form of social media; although like so much in the new forms of online media, it could very well be considered as a category of its own. Over 1 million US dollars is spent in Second Life each day. This is made possible by the ability to own private property within the game and by setting an exchange rate between the game’s currency and the US dollar (approximately 270 “Linden dollars” to the US dollar). In fact, Second Life created its first millionaire in November 2006, when Anshe Chung amassed virtual assets worth one million US dollars. Marketers are beginning to experiment with the game world too. Without a doubt, a large part of the marketing benefit from these in-game presences really comes from the publicity in the non-virtual world that these generate, but these are intriguing precedents for marketers.

WHAT IS SOCIAL NETWORKING?

Social networking is the grouping of individuals into specific groups, like small rural communities or a neighborhood subdivision, if you will. Although social networking is possible in person, especially in the workplace, universities, and high schools, it is most popular online.

This is because unlike most high schools, colleges, or workplaces, the internet is filled with millions of individuals who are looking to meet other people, to gather and share first-hand information and experiences about cooking, golfing, gardening, developing
friendships or professional alliances, finding employment, business-to-business marketing, and even groups sharing information about the end of the Mayan calendar and the Great Shift to arrive December 21, 2012. The topics and interests are as varied and rich as the story of our universe. When it comes to online social networking, websites are commonly used. These websites are known as social sites. Social networking websites function like an online community of internet users. Once you are granted access to a social networking website you can begin to socialize. This socialization may include reading the profile pages of other members and possibly even contacting them. The friends that you can make are just one of the many benefits to social networking online. Another one of those benefits includes diversity because the internet gives individuals from all around the world access to social networking sites. This means that although you are in the United States, you could develop an online friendship with someone in Denmark or India. Not only will you make new friends, but you just might learn a thing or two about new cultures or new languages and learning is always a good thing.

As mentioned, social networking often involves grouping specific individuals or organizations together. While there are a number of social networking websites that focus on particular interests, there are others that do not. The websites without a main focus are often referred to as "traditional" social networking websites and usually have open memberships. This means that anyone can become a member, no matter what their hobbies, beliefs, or views are. However, once you are inside this online community, you can begin to create your own network of friends and eliminate members that do not share common interests or goals.

As I'm sure you're aware, there are dangers associated with social networking including data theft and viruses, which are on the rise. The most prevalent danger though often involves online predators or individuals who claim to be someone that they are not. Although danger does exist with networking online, it also exists in the real world, too. Just like you're advised when meeting strangers at clubs and bars, school, or work -- you are also advised to proceed with caution online. By being aware of your cyber-surroundings and who you are talking to, you should be able to safely enjoy social networking online. It will take many phone conversations to get to know someone, but you really won't be able
to make a clear judgment until you can meet each other in person. Just use common sense and listen to your inner voice; it will tell you when something doesn't feel right about the online conversations taking place. Once you are well informed and comfortable with your findings, you can begin your search from hundreds of networking communities to join. This can easily be done by performing a standard internet search. Your search will likely return a number of results, including MySpace, FriendWise, FriendFinder, Yahoo! 360, Facebook, Orkut, and Classmates.

CONSUMER BUYING BEHAVIOUR PROCESS.¹

Research suggests that customers go through a five-stage decision-making process in any purchase. This is summarised in the diagram below:

¹ [http://tutor2u.net/business/marketing/buying_decision_process.asp](http://tutor2u.net/business/marketing/buying_decision_process.asp)
This model is important for anyone making marketing decisions. It forces the marketer to consider the whole buying process rather than just the purchase decision (when it may be too late for a business to influence the choice!)

The model implies that customers pass through all stages in every purchase. However, in more routine purchases, customers often skip or reverse some of the stages.

For example, a student buying a favourite hamburger would recognise the need (hunger) and go right to the purchase decision, skipping information search and evaluation. However, the model is very useful when it comes to understanding any purchase that requires some thought and deliberation.

The buying process starts with need recognition. At this stage, the buyer recognises a problem or need (e.g. I am hungry, we need a new sofa, I have a headache) or responds to a marketing stimulus (e.g. you pass Starbucks and are attracted by the aroma of coffee and chocolate muffins).

An “aroused” customer then needs to decide how much information (if any) is required. If the need is strong and there is a product or service that meets the need close to hand, then a purchase decision is likely to be made there and then. If not, then the process of information search begins.

A customer can obtain information from several sources:

- Personal sources: family, friends, neighbours etc.
- Commercial sources: advertising; salespeople; retailers; dealers; packaging; point-of-sale displays
- Public sources: newspapers, radio, television, consumer organisations; specialist magazines
- Experiential sources: handling, examining, using the product

The usefulness and influence of these sources of information will vary by product and by customer. Research suggests that customers value and respect personal sources more than commercial sources (the influence of “word of mouth”). The challenge for the
marketing team is to identify which information sources are most influential in their target markets.

In the evaluation stage, the customer must choose between the alternative brands, products and services.

**How does the customer use the information obtained?**

An important determinant of the extent of evaluation is whether the customer feels “involved” in the product. By involvement, we mean the degree of perceived relevance and personal importance that accompanies the choice.

Where a purchase is “highly involving”, the customer is likely to carry out extensive evaluation.

**High-involvement purchases** include those involving high expenditure or personal risk – for example buying a house, a car or making investments.

**Low involvement purchases** (e.g. buying a soft drink, choosing some breakfast cereals in the supermarket) have very simple evaluation processes.

**Why should a marketer need to understand the customer evaluation process?**

The answer lies in the kind of information that the marketing team needs to provide customers in different buying situations.

In high-involvement decisions, the marketer needs to provide a good deal of information about the positive consequences of buying. The sales force may need to stress the important attributes of the product, the advantages compared with the competition; and maybe even encourage “trial” or “sampling” of the product in the hope of securing the sale.
Post-purchase evaluation - Cognitive Dissonance

The final stage is the post-purchase evaluation of the decision. It is common for customers to experience concerns after making a purchase decision. This arises from a concept that is known as “cognitive dissonance”. The customer, having bought a product, may feel that an alternative would have been preferable. In these circumstances that customer will not repurchase immediately, but is likely to switch brands next time.

To manage the post-purchase stage, it is the job of the marketing team to persuade the potential customer that the product will satisfy his or her needs. Then after having made a purchase, the customer should be encouraged that he or she has made the right decision.

EVALUATION OF SOCIAL MEDIA MARKETING

Social Media - Evaluation Criteria

Traditionally, it was easy to control a business in the internet. It could be tracked and measured on the basis of clicks, visits and views. Today, businesses must adapt to the fact that social media has conquered the internet and the internet, therefore, no longer constitutes a mass media but an individual media used by masses of people. This makes it significantly more difficult to measure and assess internet activities, in particular if and to the extent that multiplier effects and the possibility of establishing a focused and authentic dialogue with customers are concerned. This is the starting point of new strategies for exercising control over internet based communication – which so far has been hardly possible. This requires a strategic approach. First, a distinction must be drawn:

-- Which social media do I need to check?

-- Which social media do I want to use?

For the purpose of effectively assessing social media activities, one must first analyze to what extent social media are relevant and/or have led to the establishment of a network structure in a given business sector. In a second step, individual platforms and
blogs must be reviewed as to their relevance for the selected target groups. Furthermore, one has to find out whether do called “influencer,” i.e. persons who have a major impact on the relevant community, exchange views on such platforms and blogs. A further criteria is the degree of integration with other platforms – on the basis of that information, multiplying effects can be better gauged.

**Which social media should a business use?**

The decision which platforms should a business use for its purposes requires an analysis of the respective potential benefits of individual platforms. These can only be established on the basis of data such as relevance for the target group, number of visits at portals and forums as well as number of members of communities. Furthermore one should think about the ways in which given platform may be used to positively influence the corporate image of the business. Essentially there are two strategies, either to merely track the activities of the target group and the competitors, or alternatively to actively participate in and influence the internet. If the decision is to pursue an active strategy, in a next step, a social media strategy has to be developed, by (i) defining the objectives to be pursued through communication, (ii) definition and description of the target group to be addressed and topics relevant for it, (iii) selecting suitable platforms, and finally (iv) integrating such activities in the overall communication strategy. After completing this phase of implementation, it is important to measure the success of the strategy.

**Which social media should be monitored?**

In order to monitor the communication of customers and competitors in the internet and within the framework of social media, such communication must first be located. This can be achieved with the help of data charts. In a second step, communication platforms must be ranked, in particular in terms of longevity. For example, Twitter and Facebook are short-lived whereas articles in forums and blogs are frequently longer lasting. The criteria are the image of a platform or its relevance for specific business sectors.
Collecting and analyzing data continuously

In any case, it is important to monitor and collect data on a continuous basis. Proper collection of data is key for a meaningful analysis. Optimized sector and market-oriented automatic processes (including real time analyses) and monitoring based on individual observations are key for generating results that can be used effectively and efficiently. Valuing social media is based not only on numbers and data but also on collecting personal views, trends and risks.

Monitoring social media is time-consuming and costly but important

State of the art tracking tools to monitor social media as well as other activities of the target group and competitors in the internet are based on complex search engines. Comprehensive monitoring of and analyzing social media is expensive, in particular individual analysis. However, in the digital era which is increasingly populated by “digital natives”, no business can ignore the internet and the options it offers to monitor and analyze it and to use it for strategic positioning.