

## **SOCIAL NETWORKS AS MARKETING TOOLS**

**Nozha ERRAGCHA\***

Faculty of Law, Economics and Management of Jendouba-Tunisia

Postal Address: 50, City Ennacicm, 7100 El Kef, Tunisia

**Rabiah ROMDHANE**

Institute of Business and Accounting of Bizerta University of Tunis Carthage.

Postal Address: 117, Street Port Saïd, city Bougatfa 2, 7053, Bizerta, Tunisia.

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**ABSTRACT:** *The aims of this paper is to reinforce the literature on the digital social networks and their influences on the marketing Having presented and categorized the digital social, networks, we highlighted , the opportunities which brings Web2.0 to the marketing. The advent of Web2.0 imposed fundamental changes which required the revalorization of the role of the consumer in the marketing approach. Indeed, this one is not passive any more, but it becomes a co-value-creating for the company.*

**KEYWORDS:** *Social media, Web2.0, Digital native, Coproduction, Marketing 2.0*

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## **INTRODUCTION**

Internet has increasingly invaded consumers' daily lives creating in the process enormous challenges for businesses. Emergence of social media in turn affected companies' marketing strategies. The Web 2.0 revolution enabled companies to develop many possibilities. Using Web 2.0 techniques enabled indeed companies to promote their brands and products. Consequently, the role of users has been revealed to be essential in such transactions. Under this view, users may be content creators, even promoters of brands and products (Cooke and Buckley, 2008).

The Web 2.0 favours and facilitates the shift from one role to another (Jussila et al. 2014). Thanks to innovation brought about by social media, the relationship with customers is enriched and the internal processes and activities of companies are improved, adding value to their image. The impact of social media concerns also consumers' behavior in that it facilitates interaction and increases a respondent's level of engagement, reduce recruiting costs, and acquire more credible insights. Then, consumers enjoy power thanks to the attributes of social media which enable them continuous and interactive access. Companies, on the other hand, are challenged. Their marketers need to develop new methods of intelligent marketing with the main objective of managing well customer relationships. The aim of this paper is to substantiate the literature on digital social networks and their influence on marketing.

This paper is structured into four parts. The first presents digital social networks. The second section presents the Web 2.0 as a participatory marketing tool. The third section discusses the concept of co-production. The paper concludes with marketing 2.0 as a change from action

marketing interaction marketing.

## SOCIAL MEDIA

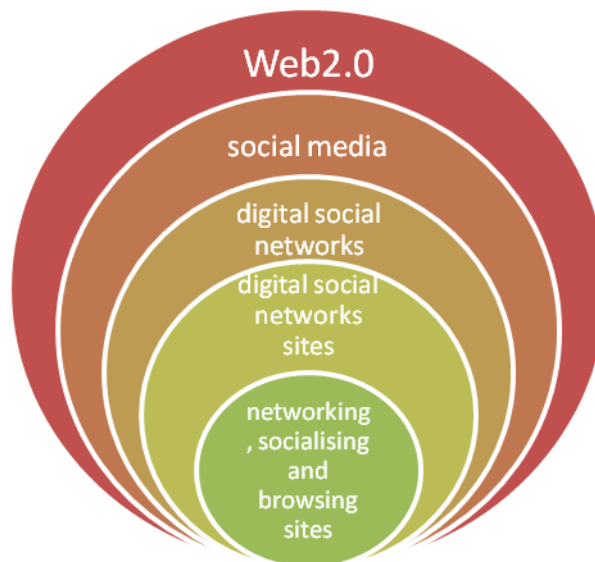
Wikipedia defines social media as new ways of disseminating information that integrates in the process technological, social and viral dimensions to create and disseminate all types of content in an open or closed digital network. It may take various forms like a blog, a social network like MySpace or a collaborative platform.

Welhoff (2012) indicates that social media rests on five pillars: (a) participation, where all users participate to give their opinions, (b) openness, i.e. social media is founded on the principles of collaboration and information exchange, (c) conversation, i.e. social media is fed by dialogue between the different users, (d) community, i.e. social media allows for quickly building up communities of people sharing the same interests and (e) interconnection, i.e. most social media outlets develop through interconnection by establishing links with other web sites, resources or people.

According to Cavazza (2008) an independent internet consultant, “social media denotes a set of services allowing for developing social conversations and interactions over the internet or in a mobile situation”.

The following figure shows the social media landscape.

**Figure 1. SOCIAL MEDIA LANDSCAPE.**



The table below classifies the different categories of social media outlets in terms of their application and use with reference to the classification provided by Web 2.0 resources.

**Table 1: CLASSIFICATION OF SOCIAL MEDIA**

<p><b>Online publication of opinions or information</b></p>	<p>-Blogs (personal opinion journals or online information)          -Wiki (collaboration with an online content through a central web site, Wikipedia)          Citizens journalism portals (sites enabling individuals to publish online articles or blogs judged interesting to be shared with others, e.g. Blogspot, Blogger, Digg).</p>
<p><b>Content sharing sites</b></p>	<p>-Videos (e.g Youtube)          -Photos (FlickR)          - Links to other sites (Del.ici.ous)          -Music, diaporamas, product reviews</p>
<p><b>Tools or sites allowing real time discussions, video-supported or not</b></p>	<p>-Facebook, MySpace, Bebo          -Sites targeted to particular niches (LinkedIn, Boompa, My Obama) a tool to create social networks (Ning)</p>
<p><b>Tools for micro-blogging or publishing</b></p>	<p>-Twitter, Pounce, Jaiku, Plurk</p>
<p><b>Tools for social networking          Personal ‘Livecast’ platform</b></p>	<p>-Friendfeed, Socializr, Socialthink          -Justin.tv, BlogTV, Yahoo!Live          - mobile version (Qik, Flixwagon, Kyte)</p>
<p><b>Virtual networking platforms</b></p>	<p>-SecondLife, Entropia Universe, There          -Chats 3D (Habbo, IMVU)          - for kids (Club Penguin, Stardoll)</p>
<p><b>Networked games sites</b></p>	<p>-Pogo, Kongregate, Cafe, Three Rings,          -World of Warcraft, etc.</p>

*Source : Cazzava, (2008)*

In these social media outlets, the subset digital social networks (DSN) is particularly interesting.

## **DEFINING DIGITAL SOCIAL NETWORKS (DSN)**

In sociology, social networks are defined as “infrastructures that enable individuals to meet or communicate” (Mercklé 2004). Forsé (2008) defines social networks as “a set of relationships between a set of actors. This set may be organized or not, and these relationships can be very diverse in nature, specialised or not, symmetrical or not” (Forsé, 2008). They are considered an area known by a strong collaborative space or a possibility of knowledge sharing, in addition they ensure the convergence of personal and professional motivations of individuals (Aguiton and Cardon, 2007).

Nevertheless, in recent years, the concept has expanded to the Internet world and is enriched with the ability to create online networks of people. Moreover, when users speak now of social networks, they refer to web sites named digital social networks. “Technical Network and social network eventually ended up to be confused in language” (Mercier, 2008).

In the marketing literature, the definition that seems to describe perfectly DSNs is that of Stenger and Coutant (2010). These authors define the DSNs as web services that allow individuals: (1) to construct a public or semi-public profile within a system, (2) to maintain a list of users with whom they share a bond, (3) to view and navigate their list of connections and those established by others within the system, and (4) to found their attractiveness mainly on the first three points and not on a particular activity.

In this definition, the authors present DSNs as information systems enabling individuals to create profiles, view their friends and share different contents. Facilitating exchanges between users is the main goal of digital social networks.

Social networks are still confused with the concept of social media. It was necessary to differentiate these concepts. Moreover, Reguer (2009) clarifies that “digital social networks participate in connecting individuals, organizations, in promoting knowledge sharing, developing digital identities, exchanging ideas, values, but they are also a new form of political propaganda”.

## **CLASSIFYING DIGITAL SOCIAL NETWORKS**

Several classifications of digital social networks have been put forward: professional vs. personal networks, networking vs. navigation networks, expressive vs. collaborative networks etc.

Thelwall (2009) uses the objectives of DSNs to specify their taxonomy. These objectives are: socialization degree, the ability to create a network, and a navigation support. The author distinguished three types of DSNs:

- Socialization DSNs that aim at promoting recreational communication between members of the network, thanks to the display of online friends. This type of DSN includes Facebook, Myspace, Hi5, Skyblog etc.
- DSNs, which promote the creation of networks, aim at improving interpersonal communication between unknown individuals. Examples are LinkedIn, Viadeo, and Xing.
- DSNs that support navigation potential by promoting research of information or a particular resource. YouTube, Flickr, Del.icio.us, Deezer, Slideshare, Feedback 2.0 etc. are included in this

category. There are other classifications of which is Cavazza's (2008b) which offers a fairly diverse and comprehensive range of social media outlets.

## **WEB 2.0: A PARTICIPATORY TOOL FOR MARKETING**

The Web 2.0 revolution started in 2004 by Tim O'Reilly. The 2.0 does not qualify as a technological revolution but rather an evolution of usages, a cultural and informational evolution (Rayan and Jones, 2009). Indeed, behind this new version of the Web, and in contrast to the first Web generation, lies a wide variety of active tools that allows real interactivity between users based on pooling individual knowledge and information sharing. Thus, the Web 2.0 phenomenon marks the emergence of a new paradigm of communication and reflects the shift from interactivity to interaction, thus contributing to the construction of networks that are no longer based on the simple exchange of information but on the sharing of knowledge. In other words, thanks to this phenomenon, marketing communication has become a dialogue rather than a monologue.

These Web 2.0 technologies cover a dynamic and interactive aspect of web content and combine both technical and social aspects (Poynter and Lawrence, 2008), hence, the term "social Web" (Weber, 2007). This relationship gives supremacy to the social context, full of emotional and intellectual ties, circles of belonging, reference groups, and virtual communities. This is bidimensionality of information that takes over unidimensionality (Poynter and Lawrence, 2008), symbolized through customized applications or publication tools like blogs or collaborative platforms like Wikis that offer increased possibilities for production, distribution and consumption of content.

This new Web version relies on social media (Kaplan and Haenlein, 2010) whose main characteristic is the "User Generated Content" (UGC) or "user managed content" (Ye et al., 2011), provided by "User Generated Media" (UGM) (Poynter and Lawrence, 2008) founded on *crowdsourcing* processes, i.e. users are involved in the creation of content. They generate a new continuous and interactive dialogue between users who become true collaborators and producers of goods and services.

This phenomenon is based on an architecture of participation and collaboration between users promote the exchange, creativity, responsiveness, innovation and flexibility. It is through these individual actions that collective intelligence "IC" (Levy, 1997) has emerged.

The user becomes a "consum'actor" also called "prosumer" or "post-consumer" (Cova and Cova, 2009). In this capacity, he/she plays a proactive role in the development of supply via virtual communities and Digital Social Networks (RSN) (Turcotte-choquette and Parmentier, 2011). He/she publishes information online (Blogs), shares content, videos and photos (eg, Youtube, Flickr), discusses in real-time and instantly (eg, forums, Yahoo Messenger, Skype, Google Talk) criticizes and publishes (Facebook, Twitter).

## **DIGITAL NATIVES**

The advent of digital social networks came along a generation change (Kabla and Gourvenec, 2011). Each generation has its own characteristics in the way of understanding media.

The term “digital natives” was introduced in 2001 by Prensky. This generation is also called “Internet generation”, “Millennium Generation” “Generation Tech”, “Generation Y” (compared to the preceding X generation), “Generation Z”, the “Echo Boomers Generation” (whose parents are mostly baby boomers) and the “multi-screens generation” (Helme-Guizon and Ottmann, 2010). It is known by some special affection towards the use of technology. Faced with such a population, the era of mass marketing is now over to be replaced by marketing targeted to circles and consumer communities.

This new generation is described as immature, flexible, imaginative and creative (Helme-Guizon and Ottmann, 2010). They have habits in terms of Internet use completely different from the older generation. The young prefer blogging and content diffusion, continuous Internet connection and attendance, and strong communication use.

### **COPRODUCTION: A PLATFORM FOR PARTICIPATORY MARKETING**

Although coproduction is devoted a particular interest by the company and the customer, this concept has not yet been specified. It was founded in the field of services marketing and belonged to the practical experiences of experiential consumption (Holbrook and Hirschman, 1982).

Coproduction is an umbrella term to conceptualize customers’ physical and mental participation in production and delivery processes (Fisk et al, 1993). Bettencourt et al. (2002) defined coproduction as “*functional, collaborative involvement in the production of services, which is essential for successful service delivery*”. Marketing-wise, consumers have become participatory customers who live an experience (Schmitt, 1999). This experience takes place during the interaction between the different participators. Several meetings determine the experience and gives it a dynamic and an interactive dimension (Cheung and To, 2011).

Customer participation can be part of a costs strategy, provide a greater productivity (Auh et al, 2007, Lovelock and Young, 1979) and offer a major competitive advantage (Bendapudi and Leone, 2003). This idea is echoed by Prahalad and Ramanswamy (2000) who assumed that customers’ skills can be used in the service of a competitive strategy. It is through the development of the new “Service-Dominant Logic” approach that the collaborative aspect of the customer is considered more and more in marketing research (Vargo and Lusch, 2004a). As opposed to a product-dominant logic (GD Logic) founded on product exchange between consumers and service providers (Grönroos, 2006), this new approach prophesises for an exchange of skills, knowledge and processes and is based on the principle of co-creation.

The aim of marketing is, in this case, to engage consumers in the production of content. In this context, the role of the consumer is no longer passive but it becomes a co-creator of value for the firm (Prahalad and Ramaswamy, 2004) through the tools of digital social networks, the comments they leave in forums, online video files, and the various features offered by the platform. Consumer participation is presented as a way to establish a new balance between consumption and production (Firat and Venkatesh, 1993).

Moreover, from a marketing perspective, the co-creation of value over the Internet rests on texts and tracks. This is a purely informational environment. The Web allows people to actually shift from a consumption-based model to a model advocating co-creation or *prosumption* (production / consumption) (Tapscott and Williams, 2008). The purpose of co-production is the creation of a

new power balance between the consumer and the producer, drawing its arguments on theories of “consumer empowerment” (Wathieu et al. 2002) and reinforced by manipulating various Web 2.0 features and tools. It is no longer about doing marketing to consumers; it is rather doing marketing with consumers.

In an effort to increase productivity, it is interesting to encourage consumers to take an active role in the production of goods and services (Bendapudi and Leone 2003) through consumer characteristics (e.g. personality, self-esteem and demographic characteristics), motivation, preferences, commitments and skills considered factors affecting coproduction (Meuter et al, 2005)

Thus, the consumer goes from being a “target” to being a partner. His/her purpose is not to inform about the offer but to participate in the offer. Good examples of the latest trends in *crowdsourcing* (Brabham, 2008) (public assessment of a new product / service) are co-creation (innovation with the public) or mass customization (personalized product series).

According to Tapscott and Williams (2008), the web offers individuals the opportunity to substitute the classical model of consumption by another of co-production or prosumption (production / consumption), which allows them to participate in the design and consumption of goods. Thus, communities are formed in different parts of the Web in order to share information about products, to discuss or to exchange them. Networking site “Second Life” is an example of online community where users themselves are content creators (Tapscott and Williams, 2008).

## **THE MARKETING 2.0: THE SHIFT FROM ACTION MARKETING TO INTERACTION MARKETING**

Marketing has experienced very rapid development since the advent of the Internet in the way it communicates, in its communication media, and in its very definition. An effort was made to adapt it even at the level of approach. This has resulted in the emergence of the marketing 2.0.

The fundamental principle of marketing 2.0 is to integrate the consumer at all levels of the marketing process and by considering him/her as an active player in the marketing process, not a single receiver. These changes require the development of tools allowing consumers to interact in order to improve the management of the relationships with current customers.

Scheid et al. (2012) reported that marketing 2.0 affects traditional marketing in two ways:

- Enhance effectively and efficiently the functions of traditional marketing
- Transforming marketing strategies: creating new business models.

Similarly, the marketing 2.0 has to move away from “transactional marketing” to a new approach that could be characterized as “facilitator marketing” (Pelet, 2011). Such an approach is focussed on both sharing knowledge with customers and on enabling knowledge sharing between customers (Pablo et al, 2006).

Integrating customers in marketing procedures and companies’ communication channels as key players in some cases is essential. Customers can then be active participants in the design or product improvement processes. They can even participate in the construction of advertising messages (Mencarelli and Pulh, 2009). Indeed, we can identify consumers’ attitudes towards

brands through their interaction over the Web: blogs, forums, social networks (Facebook, Twitter), online citizen media. Therefore, the myth of the "customer is king" (Regnault, 2003) becomes a reality on the Web 2.0. In fact, customers become the true master of the business situation; it is them who decide.

In sum, the major changes that have affected traditional marketing because of the appearance of the marketing 2.0 are:

- The shift from an action strategy to an interaction strategy.
- Decentralization of value creation on a network of sites.

## CONCLUSION

By disrupting the habits and modes of conducting business, the Web 2.0 has also changed marketing rules. The marriage of marketing with Web 2.0 technologies gave birth to a new generation of marketing concepts emerged thanks to the Internet era. It is a new direction towards more participation, cooperation and delegation of power to consumers.

Extending the principles of the Web 2.0 has emphasized the importance of marketing for both businesses and consumers. The first expected effect of the adoption of this new trend in marketing is to improve communication and facilitate sales by rendering the relationship with the customer more concrete. The valuation of individuals and the reconsideration of their role are then essential.

Therefore, it is inevitable for companies to consider the new features of the Web 2.0 in their marketing approach. In addition, the increasing expansion of Web 2.0 technologies requires changing marketing tools, either in terms of education or in terms of consumer behaviour analysis by promoting the qualitative and ethnographic dimensions of customers (Cooke, 2008). With these new study methods combining qualitative and quantitative approaches, companies should change their attitudes and shift from questioning to listening (Cooke, 2008). However, the road to take is still very long, full of obstacles mainly that in the future the Web 3.0 will appear as the new Web generation.

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