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The Evolution (Revolution) of Social Media and Social Networking as a Necessary Topic in the Marketing Curriculum: A Case for Integrating Social Media into Marketing Classes

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Introduction

Social networks and social media are permeating society more and more every day. In fact, recent research has revealed that the scope of social networks spans much of the globe and is comprised of more than just Facebook, Twitter (Twitter.com 2010), blogs, YouTube and Flickr (Solis 2010). This research examines social media and social networks as a social phenomenon and its influence on marketing practice. As such, the first question which the research addresses is whether or not the topic deserves any significant attention in the marketing curriculum. The authors find significant evidence that it does deserve attention in many areas of the marketing curriculum; both B-to-C, and B-to-B. Survey data, and an extensive literature review reveal that not only have social networks evolved rapidly during the last few years, but so have social media, consumer behaviors, and subsequently, social media marketing tactic, which are increasingly being integrated into marketing programs. The authors explore the question of whether more time should be devoted to these topics, and whether they should be incorporated into the marketing curriculum. This research provides important information, insights, and recommendations for incorporating the topic of social media into the marketing curriculum.

Social Media and Marketing Programs

In the Burson-Marsteller 2010 Social Media Check-Up Report, it was found that between 2007 and 2009, social networking marketing spending increased 165.8% from $884 million to $2.34 billion. Laker reports that social media marketing has been adopted by almost all major marketers (2010). Laker makes 11 predictions about how social media will evolve by 2012. Among his predictions, digital-influencer marketing will increase significantly, the content-aggregators will be the new demi-gods, user-rating sites will be common, and, though still in its early stages, Google Wave will revolutionize social media collaboration and engagement (Laker 2010).
Advertising and marketing on social networking sites includes display ads, profile maintenance, and branded apps (applications) and widgets. This indicates that marketing practitioners are either exploring more with social media or finding value in marketing programs utilizing social media; even in tough economic times. One of the reasons for such astounding growth is that ads on social networks can take advantage of demographic data from users’ profiles, and hence tailor messaging directly to them. The report provides other substantive data relevant to our research. For example, in the U.S., the total time spent on social networking sites has increased 210% in the last year, with the average person spending 143% more time on these sites than they did a year ago. So, while time is limited, people are creating more content on social networking sites, and there would appear to be more opportunities for marketers to have a presence in these spaces as it is clear that the online advertising industry is growing. According to Forrester Research’s forecast for the years 2009 through 2014, marketers will be shifting around $55 billion (about 21 percent of all marketing spending) away from traditional media and into search marketing, display advertising, e-mail marketing, mobile marketing, and social media. As a consequence, social media will cannibalize much of the traditional media, bring about a decline in spending on traditional advertising budgets, result in declining revenues for traditional advertising agencies, and produce new ways of promotion not yet devised (VanBoskirk 2010).

Frazier’s (2010) research finds that social networks such as Facebook and Twitter are revolutionizing the way companies market their products. He cites the 2010 Super Bowl as an example of how television commercials, or snippets of them, were passed around on social networking sites long before game day. Pepsi, for example, opted for a massive social media campaign instead of a Super Bowl TV commercial, was the most-mentioned advertiser in tweets, Facebook postings, and blogs in the month before the game; as well as the month after the game. Pepsi created a Web site (www.refresheverything.com) that lets Facebook and Twitter users help decide how to distribute $20 million in charitable donations. Frazier comments that much of the chatter on social networking sites involves one person finding out about something interesting and then passing along Web links; as well as their opinions to their friends. Companies offer Facebook "fan" pages for their products, and monitor Twitter to see what people are saying about them. Why should marketers, professors and marketing students be knowledgeable about these developments? If a company, product, or brand gets enough people saying positive things about the company, or their products on social networks it can become its own form of word-of-mouth and viral advertising (buzz marketing).

Consumers and Social Networking

It is not only important to understand what social media and their social networks are, but why consumers are drawn to them. One of the primary benefits of social networking is that it satisfies some consumers’ need for a sense of community (Dickey, Lewis, and Siemens 2006). Social media provide a platform for such a need. The most successful sites create a sense of belongingness, or community among members. Hart and Blackshaw (2006) and Clark (2001) explain that at the core of social networking sites are virtual communities, where, as in physical communities, members come to know and trust each other. The greater the sites’ ability to nurture desired relationships among participants, the greater the potential is to build a strong and significant community.

Rand (2006) reports that social networking sites grow because they provide content and information consumers might not otherwise find on their own. Consumers communicate frequently about products and brands, and this needs to be recognized by marketing practitioners, professors, and students. User recommendations and brand affiliations that are going on inside social media should be of the utmost interest to marketers as they seek out methods to harvest and exploit this information (Klaassen 2007). Klaassen reports that marketers are already starting to recognize the frequency with which people report their affinities for brands on social networking sites such as social nets, blogs and personal web pages—and they understand that consumer reviews and trusted recommendations are increasingly important marketing factors. Facebook, for example, has developed applications devoted to displaying consumers’ favorite brands, purchases and tastes. Hart and Blackshaw (2006) found that consumers will go to social networking sites for product information if they feel they have the ability to learn about other consumers’ product or service experiences, if they are easy to find and readily available, they find it easy to find appropriate sites, and if they believe that the odds are good that consumers will actually post their own product experiences on these sites. To be sure, social networks provide value akin to the value of word-of-mouth (buzz) advertising. Another enticing factor for consumers is the fact that such information can span the globe instantly; and is limited only by the size of the online network (Hart and Blackshaw 2006). Facebook, with over 400 million users is truly earning a global audience and is only one of many sites with a global audience (Zuckerberg 2010).

The Social Media Revolution

Erik Qualman (2009b) is the Global Vice President of Online Marketing for EF Education headquartered in Lucerne, Switzerland. Qualman is largely known as the inventor of the term socialnomics. Qualman notes that the “…revolution is being driven by people and enabled by social media;” and the fact that people and businesses are changing and will continue to evolve in the coming years. He proposes that socialnomics is a massive socioeconomic shift, where some of the core marketing and business principals of the last few centuries will still apply; while other basic principles will become as extinct as the companies that continue to try to force them on the unwilling public. More and more consumers are referring products and services via social media tools, and are replacing many traditional tactics, such as television commercials and newspaper advertisements, with online social media tools (Qualman 2009a). Qualman and his supporters suggest that the end result will be that purchases will be easier and cheaper for the consumer, and more profitable for the seller. One of the reasons for this is that social media eliminates millions of people performing the same tasks (multiple individual redundancy) over and over. Qualman (2009b) uses the example of a new father seeing, via social media, that 14 of his closest friends have purchased the same brand and model baby seat, and they all express glowing reviews. As a result, he will not waste hours on research as it has already been done by people he trusts. The ease and speed with which information can be distributed should be considered by marketing professionals in developing their marketing programs. These spaces can be mined for their rich customer data, as well. In his manifesto, Meaningful Digital...
Strategy, Bob Gilbreath (2009) suggests that marketing opportunities in social networks and other digital media will continue to expand, but that there is a need to do this in a more meaningful way. Accomplishing this requires an understanding of the higher level needs that customers have, and the higher-level benefits that brands can provide to meet those needs. He and other practitioners provide numerous examples of tactics in marketing programs that would seem viable and relevant in the marketing curriculum. Qualman’s Socialnomics video presents astonishing numbers on social networking, some of which are presented below to support the authors’ research on the prevalence and growth of social media for consumers and for use in marketing programs (2009b).

Socialnomics Video Statistics

1. By 2010 Generation Y will outnumber Baby Boomers—96% of them have joined a social network
2. Social Media has overtaken porn as the #1 activity on the Web
3. 1 out of 8 couples married in the U.S. last year met via social media
4. Years to reach 50 million Users: Radio (38), TV (13), Internet (4), iPod (3)...Facebook added 100 million users in less than 9 months
5. If Facebook were a country it would be the world’s 4th largest, falling between the United States and Indonesia recently announcing an increase to 300 million users
6. The fastest growing segment on Facebook is 55-65 year-old females
7. 25% of search results for the World’s Top 20 largest brands are links to user-generated content
8. 34% of bloggers post opinions about products & brands
9. 78% of consumers trust peer recommendations
10. Only 14% trust advertisements
11. Only 18% of traditional TV campaigns generate a positive ROI
12. 90% of people that can TiVo ads do
13. 24 of the 25 largest newspapers are experiencing record declines in circulation because consumers no longer search for the news, the news finds them
14. More than 1.5 million pieces of content (Web links, news stories, blog posts, notes, photos, etc.) are shared on Facebook daily

Marketing Curriculum

Social media are growing at an increasing rate. They have already affected many vital areas of marketing, both B-to-C and B-to-B (Dorbian 2010). As a result, the marketing curriculum needs to incorporate social media in the appropriate places in order be relevant, effective, efficient, and up-to-date. The marketing curriculum is affected in virtually every area. For example, many consumers now shop online. While they are not buying everything on line, many typical consumers “shop” online for prices, styles, size, and retail location availability. In addition, the promotion curriculum needs to up-to-date and educate students on ways to utilize social media that fits the life style of consumers, particularly Generation Y and Generation X. There are too many areas that are affected by social media to enumerate in this paper. However, it can be assumed that virtually every marketing course may be affected by the growth and marketing potential of social media. Future marketing managers (students) need to be well-educated in the uses, and potential misuses of social media.

Conclusions and Recommendations

The social media world is changing and marketing practitioners, marketing instructors, and marketing students have a responsibility to understand those changes and how they might influence customers and marketing programs. Clearly, it is a challenge to maintain both traditional marketing communication methods and the new deluge of interactions powered by the Internet where much of the social media is controlled by consumers, not marketers. There is the further responsibility of understanding that these social networks will not tolerate marketing messages that are irrelevant, or invasive. This research reveals that social media are generally far different from traditional Web sites and other media, and provide strong opportunities for growth, and for relationship-building between consumers and marketers. Social media are fueled by content that is created and driven by consumers; and much of that content is about products and brands. Many marketers have embraced social media as a medium for communication, and for research. Although, we are still trying to learn what marketing knowledge is relevant in the social media realm, we are also learning what works and what does not; while much is unknown and needs to be explored. There is significant opportunity to research social media and discover how it is changing marketing strategies and tactics. The results of that research should help marketing professors educate future marketing managers, and current and future marketing practitioners. In conclusion, there is enormous opportunity for marketing practitioners, marketing professors, and marketing students to better understand social media and how it can be applied to increase the effectiveness and efficiencies in marketing programs.

References


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