Marketing using Social Media and Privacy Issues

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Introduction

• Marketing is the process of identifying and fulfilling the customer needs with products manufactured/marketed/serviced by the organization contributing to mutual satisfaction.

• Marketing therefore requires the organizations to identify the needs and wants, desires and aspirations, purchasing capability and purchase intentions, demographic characteristics and influencers, etc. in short marketing requires a thorough and insightful understanding of the customers.
• In the initial days, marketers neither had the technical nor the managerial capability of collecting, processing and understanding the details of the customers at the micro level or at the level of individual customers.

• Customization is a reality of the industrialized world but was limited to premium products and offered only to customers who have demanded and have been provided with a very high level of security and privacy.

• Customers had a choice of also not accepting to share their personal desires, needs and customized requirements and become a participant in the customized marketing activity.
Segmentation, Target Market and Information Requirements

- Geographic Segmentation
- Demographic Segmentation
- Psychographic Segmentation
Social Media

• Social media is the interactive platforms via which individuals and communities create and share user-generated content.”

• 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."

• Social media is a very broad concept and is useful for many purposes – some of which have been discovered, some creatively being used, but lot more to be invented, discovered and created.
Potential for Social Media

• Gartner combination of “cloud, mobile, social, and information” is changing the way the business is going to be undertaken. Social computing, which Sondergaard said is transitioning from being on the outside of business to being the core of business management, changing organizations from hierarchical structures and defined teams to more communities of interest.

• In three years, at least ten organizations will spend $1 billion or more on social media, he predicted, but many posts will be paid posts or automated posts.
Marketing using Social Media

• The exchange of ideas permitted by the social media and speed of exchange has led to an entirely new branch of marketing aptly termed as **Viral Marketing** to represent the speed with which new ideas may be transferred to a critical mass of people to ensure potential success for the causes these ideas support.

• The social media such as Facebook and Twitter have always provided technological impetus to ensure that critical mass is achieved in shorter span of time with less cost.
Implication of Social Media

Figure 1. The honeycomb of social media

- **Presence**: The extent to which users know if others are available
- **Relationships**: The extent to which users relate to each other
- **Identity**: The extent to which users reveal themselves
- **Reputation**: The extent to which users know the social standing of others and content
- **Groups**: The extent to which users are ordered or form communities
- **Sharing**: The extent to which users exchange, distribute, and receive content
- **Conversations**: The extent to which users communicate with each other

**Social Media Functionality**

**Implications of the Functionality**

- **Presence**: Creating and managing the reality, intimacy, and immediacy of the context
- **Relationships**: Managing the structural and flow properties in a network of relationships
- **Identity**: Data privacy controls, and tools for user self-promotion
- **Reputation**: Monitoring the strength, passion, sentiment, and reach of users and brands
- **Sharing**: Content management system and social graph
- **Conversations**: Conversation velocity, and the risks of starting and joining
- **Groups**: Membership rules and protocols
Privacy Issues and Social Media

• Technology of data processing has improved and have now provided the capability to draw insightful inferences from diverse data sources regarding different individuals.
• Use of Data mining
• Collaboration of Multiple Databases without user consent
• Lack of awareness and understanding among users about data collection, storage and processing
• Inability to delete something that is posted on social networking site (You cannot erase the tracks in future)
• Potential loss of online identity due to tech savvy individual with criminal intentions.
• Personal data used mostly for password protection and retrieval which is available in social media.
Any Questions?