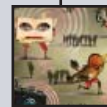




Marketing Goes Social: Growth & Performance Challenges in Social Media

Friends, followers, contacts, connections — for business or pleasure, the Internet today is all about social networking. Social sites are wildly popular with users around the world, and the media (now including Benchmark) has a seemingly insatiable appetite to cover them. According to a recent Harris poll, 48% of Americans have a Facebook or MySpace account, though despite the intense hype and coverage, just 5% have a Twitter account.¹ comScore's April report gave MySpace 71 million visitors, Facebook 67.5 million visitors, and



Twitter 17 million visitors, a whopping 83 percent monthly growth rate for the meteoric microblogging site.ⁱⁱ

Just as the Internet transformed the way business is done, social media are changing the way business is done on the Internet. Companies of every description are formulating their “social strategy,” or have already done so and are making their way — often by trial and error — into this largely uncharted territory. And just when many marketing execs were finally getting their brains wrapped around Facebook, along comes Twitter, introducing yet another channel.

For some businesses, putting up a Facebook page or assigning a staff member to be the official twitter is the extent of their social strategy; it’s the “we’d better do something” approach, often motivated by fear of missing the bandwagon. But companies that recognize the opportunities in the new paradigm — and indeed, who actually recognize it as a new paradigm — are finding more effective, more thoughtful, more productive ways to engage their constituents in the social space.

“While many organizations are currently using social media as a way to increase awareness and do online PR,” writes UC San Diego Professor Becky Carroll on her blog, *Customers Rock!*, “the sweet spot is in connecting with your customers and empowering them to interact with you.”ⁱⁱⁱ

The idea of conversational marketing has been around for a few years, but started getting real traction in 2008. Sandy Carter, IBM’s Vice President, SOA & WebSphere Marketing, Strategy and Channels, describes the new marketing communications dynamic in her book, *The New Language of Marketing 2.0*, saying that “marketing is no longer about pushing messages to convince prospects to take action, but instead, it’s about conducting

conversations to engage prospects with relevant content that will ultimately lead them to take the action you need for business impact.”

The more social media become woven into the fabric of the online experience, the more the volume picks up on the dialog between businesses and customers, and between customers and customers. Dell, Comcast, Zappos, and Starbucks are often cited as leaders in leveraging the online dialog to create greater customer satisfaction, and by extension, greater revenues for their businesses. Southwest Airlines has embraced it in new ways, too.

READY FOR TAKE-OFF

Southwest Airlines uses Twitter to deliver real-time status updates to travelers, and has attracted roughly 29,000 Twitter followers (at this writing). Coordinators at the no-frills airline use the service to send flight status messages to travelers, and even auto traffic messages for highways leading to and from the airport.

“It’s very important now for Southwest’s customer service team to be able to rely on Twitter being a very fast Web service,” says Keynote Vice President of Product Management and Corporate Development Vik Chaudhary. “When Southwest posts a message on Twitter, their full expectation is that this is going to instantly go out to the Twitter pages of all their followers. There’s an expectation of blazing fast responsiveness and availability of a service Southwest relies on to keep in touch with their online customers.”

A service such as this points out the tremendous pressure on social sites to consistently deliver outstanding performance. Businesses and consumers are expecting near-instant delivery of messages, all the time. And on the sites that are not quite real-time — such as Facebook, MySpace, and

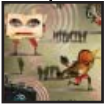
Tagged — consistent availability and speed are central to the user experience. Given the exponential growth of the leading social sites, maintaining performance is a daily challenge, but one that must be met in order to be competitive.

“So if Southwest’s Twitter page has tens of thousands of followers, their tweet has to reach every one instantly or as fast as possible,” Chaudhary continues, “especially if you have a flight coming up. Think of the multiplicative power of the Internet. Those tweets have to be propagated from a Twitter server to all of these users, and these user’s Twitter pages are housed on different servers, also hosted by Twitter. So, the ability to monitor the availability and the responsiveness of those thousands of servers across all your data centers and ensure that the messages are getting to the right people at the right time is a massive scalability problem. That’s an infrastructure challenge for companies in the social media space so they can serve their customers like Southwest — so that Southwest can serve its customers — really well.”

CHALLENGES IN MEASURING AND MAINTAINING PERFORMANCE

No one today knows the social media growing pains like Twitter. With a user base that is doubling or more every month, it’s a constant challenge to add capacity to keep up and maintain consistently acceptable performance levels. (See [accompanying article](#).) And the key to successfully scaling capacity and performance is to have a very clear picture of network performance at all times.

“We are a very highly metrics-driven architecture,” says Twitter Operations Engineer John Adams. “We track thousands of metrics on the site using many homegrown tools and some external services. For the most part we’re interested in ensuring that we have a very, very accurate picture of the error rate



and delays on the site, and an overall view of a user's experience."

Tagged is a major social media site that been overshadowed of late by the voluminous media coverage being given to Twitter and Facebook. But depending on the numbers cited — and on Twitter's meteoric growth rate — Tagged is the number three or four social networking site, with over 70 million worldwide users. The Tagged premise is "social discovery." All user profiles are visible to all other users, and users can communicate with one another without first having to be friended or followed. Tagged growth has also been fast, with a roughly tenfold increase in users over the past 18-24 months, and all the accompanying scalability challenges that kind of growth brings.

"Keeping the customers happy means you have to be available and you have to be fast," says Tagged Co-Founder and Chief Technology Officer Johann Schleier-Smith. "And you have to balance the traditional IT role, which is to maintain a stable environment so that it's always available, versus the need to continually drive new feature development. Things are changing so quickly in this space that we have to constantly iterate — we're constantly doing releases."

"We have a lot of our own monitoring tools," Schleier-Smith continues. "Every page has performance statistics collected on it, which are then aggregated on servers internally and then processed and reported, and alerted on if things go wrong. And we also have external monitoring."

CAN BUSINESSES COUNT ON SOCIAL MEDIA?

So much is at stake in this race to become the Google of social media. Any one of the players could be king of the hill at any point in time, but the whims of the media and vicissitudes of users can depose the order in a flash. It is not

unlikely, either, especially with alternative paradigms in the mix, that multiple sites will share leadership status.

But with businesses devoting more and more of their marketing resources into creating dialogs on social sites, performance could be a crucial factor in determining if sites can keep their users and keep them active, and consequently fuel their revenue streams from businesses. And while the complaints have diminished somewhat — both Facebook and Twitter were targets of loud user ire in 2008 — performance of the social sites is still far from perfect.

"The performance of social sites varies by geographies and times of day — significantly," Chaudhary points out, "to the point where performance for some of the major sites would be considered unacceptable for users who are expecting a good experience. The consistency of the end-user experience is really what's at stake here for some of these sites. Replicating and monitoring the complete end-user experience on social media sites requires state-of-the-art software technologies, because these are complex, composite Web transactions — those that begin on one user's Web page and end when the message is delivered to tens of thousands of other users' Web pages."

"Therefore, it's not just about how responsive the site is for users in Atlanta or Australia, i.e. but how do they perform every minute of the day? Is the complex Web service that transmits Southwest's flight delays to thousands of travelers actually reaching all users? If just one server had a hiccup, did that critical message not get to a dozen travelers? What if one of them was a neurosurgeon expecting to catch that flight to go perform a critical operation? If social media sites have to be relevant beyond social networking to be a true collaborative platform, then we must ask the question: Should we rely on Twitter not just for our social life, but our entire life as

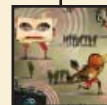
well? That's really the question that these companies have to answer."

WHAT'S A MARKETER TO DO?

Marketers are in a tough spot in the social media scene. They have no control over the technical robustness of the channels. And very little control over what's being said about them in those channels. They can try to shape the dialog, they can stay highly tuned in and respond to what users are saying. They can enhance the experience with useful applications, social-delivered customer service, and special channel-only offers. But it all involves a lot more dependence, trust, and lack of control than marketers are used to in the traditional channels.

"So, what does a brand look like in a digital world?" Professor Carroll writes. "Whatever its customers say it looks like...The *community* defines the brand in a digital world."^{iv}

The social media landscape in which those customer communities are gathering is far from settled. Perhaps more than anywhere else online, performance and user experience — as well as media hype — will determine which sites will become the mainstays of the social experience. Meantime, marketers need to achieve velocity to catch up with their customers wherever they run online, and to recognize and leverage the new channels as they emerge.



ENDNOTES

1. Just Under Half of Americans Have a Facebook or MySpace Account *Three-quarters of 18-34 year olds have an account on one of these social networking sites* ROCHESTER, N.Y. — April 16, 2009
2. comScore, COMSCORE MEDIA METRIX RANKS TOP 50 U.S. WEB PROPERTIES FOR APRIL 2009, May 14, 2009
3. “Where does social media fit in?” Customers Rock!, customersrock.net, 5/1/09
4. *ibid*, “What does brand look like in a digital world?” 1/8/09