CHAPTER **8**

Social

Computing

CHAPTER OUTLINE

1. Web 2.0
2. Fundamentals of Social Computing in Business
3. Social Computing in Business: Shopping
4. Social Computing in Business: Marketing

CHAPTER OUTLINE

5. Social Computing in Business: Customer Relationship Management

6. Social Computing in Business: Human Resource Management

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1. Describe six Web 2.0 tools and two major types of Web 2.0 sites.
2. Describe the benefits and risks of social commerce to companies.
3. Identify the methods used for shopping socially.
4. Discuss innovative ways to use social networking sites for advertising and market research.

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5. Describe how social computing improves customer service.

6. Discuss different ways in which human resource managers make use of social computing.

social computing

1. social computing, is a type of IT that combines social behavior and information systems to create value.
2. Social computing is focused on improving collaboration and interaction among people and on encouraging user-generated content.
3. Social computing makes socially produced information available to everyone. This information may be provided directly, as when users rate a movie
4. In social computing, users, rather than organizations, produce, control, use, and manage content via interactive communications and collaboration.
5. As a result, social computing is transforming power relationships in organizations.
6. Employees and customers are empowered by their ability to use social computing to organize themselves.
7. Thus, social computing can influence people in power to listen to the concerns and issues of ordinary people.

1. social computing is facilitated by Web 2.0 tools and sites.
2. Web 2.0 tools such as AJAX, tagging, Really Simple Syndication,blogs, microblogs, and wikis.
3. major types of Web 2.0 sites, social networking sites and mashups

Ajax

1. Web 2.0 applications have rich, user-friendly interfaces based on AJAX.
2. AJAX is a Web development technique that enables users to reload portions of Web pages with fresh data instead of having to reload the entire Web page.
3. This process speeds up response time and increases user satisfaction

Tagging

1. A tag is a keyword or term that describes a piece of information—for example, a blog, a picture,an article, or a video clip.
2. Users typically choose tags that are meaningful to them.
3. Tagging allows users to place information in multiple, overlapping associations rather than in rigid categories.
4. For example, a photo of a car might be tagged with "Corvette," "sports car," and "Chevrolet."
5. Tagging is user-generated classifi cations that use tags to categorize and retrieve Web pages, photos, videos, and other Web content
6. use tags to categorize and retrieve Web pages, photos, videos, and other Web content.
7. One specific form of tagging, known as geotagging, refers to tagging information on maps.
8. Google Maps allows users to add pictures and information, such as restaurant or
9. hotel ratings, to maps. Therefore, when users access Google Maps, their experience is enriched because they can see pictures of attractions, reviews, and things to do, posted by everyone and all related to the map location they are viewing.

Really Simple Syndication

1. Really Simple Syndication (RSS) is a Web 2.0 feature that allows you to receive the information you want (customized information), when you want it, without having to surf thousands of Web sites.

2. RSS allows anyone to syndicate (publish) his or her blog, or any other content,to anyone who has an interest in subscribing to it.

3. When changes to the content are made,subscribers receive a notification of the changes and an idea of what the new content contains.

4. Subscribers can then click on a link that will take them to the full text of the new content.

5. For example, CNN.com provides RSS feeds for each of its main topic areas, such as world news, sports news, technology news, and entertainment news.

Blogs

1. A weblog (blog for short) is a personal Web site, open to the public, in which the site creator expresses his or her feelings or opinions via a series of chronological entries.

2. Bloggers—people who create and maintain blogs—write stories, convey news, and provide links to other articles and Web sites that are of interest to them.

3. The simplest method of creating a blog is to sign up with a blogging service provider, such as www.blogger.com (now owned by Google),www.xanga.com , and www.sixapart.com.

4. The blogosphere is the term for the millions of blogs on the Web.

5. Perhaps the primary value of blogs is their ability to bring current, breaking news to the public in the fastest time possible.

6. Unfortunately, in doing so, bloggers sometimes cut corners, and their blogs can be inaccurate.

7. Many companies listen to consumers in the blogosphere who express their views on the

8. companies' products. Marketers refer to these views as consumer-generated media.

Microblogging

1. Microblogging is a form of blogging that allows users to write short messages (or capture an image or embedded video) and publish them.
2. These messages can be submitted via text messaging from mobile phones, instant messaging, e-mail, or simply over the Web.
3. The content of a microblog differs from that of a blog because of the limited space per message (usually up to 140 characters).
4. The most popular microblogging service is Twitter
5. Twitter is a free microblogging service that allows its users to send messages and read other users' messages and updates, known as tweets.
6. Tweets are displayed on the user's profi le page and delivered to other users who have signed up to receive them.
7. Twitter is becoming a very useful business tool. It allows companies to quickly share information with people interested in their products, thereby creating deeper relationships with their customers.
8. Businesses also use Twitter to gather real-time market intelligence and customer feedback.
9. As an individual user, you can use Twitter to inform companies about your experiences with their business, offer product ideas, and learn about great offers

Wikis

1. A wiki is a Web site made up entirely of content posted by users. Wikis have an "edit" link on each

2. page that allows any user to add, change, or delete material, thus fostering easy collaboration.

3. Wikis take advantage of the combined input of many individuals.

4. Consider Wikipedia (www.wikipedia.org), an online encyclopedia that is the largest existing wiki.

5. Wikipedia contains more than 3.4 million articles in English, which get a combined total of nearly 500 million views every day

6. there are still major debates over the reliability and accuracy of Wikipedia articles.

7. Many educators will not allow students to cite references from Wikipedia because Wikipedia content is of uncertain origin. Moreover, Wikipedia does not provide any quality assessment or fact checking by experts. Therefore, academics and others still have major concerns about the accuracy of user-provided content

1. Organizations use wikis in several ways.
2. In project management, for example, wikis provide a central repository for capturing constantly updated product features and specifications, tracking issues, resolving problems, and maintaining project histories.
3. In addition, wikis enable companies to collaborate with customers, suppliers, and other business partners on projects.
4. Wikis are also valuable in knowledge management. For example, companies use wikis to keep enterprisewide documents, such as guidelines and frequently asked questions, accurate and current

Social Networking Web Sites

1. A social network is a social structure composed of individuals, groups, or organizations linked by values, visions, ideas, financial exchange, friendship, kinship, conflict, or trade.

2. Social networking refers to activities performed using social software tools (e.g., blogging) or social networking features (e.g., media sharing).

3. A social network can be described as a map of all relevant links or connections among the network's members.

4. Social networks can also be used to determine the social capital of individual participants.

5. Social capital refers to the number of connections a person has within and between social networks.

1. social networking Web sites where they can create their own profile page for free and on which they can write blogs and wikis; post pictures, videos, or music;share ideas; and link to other Web locations they find interesting.

2. Social networkers chat using instant messaging and Twitter, and they tag posted content with their own keywords, making content searchable and facilitating interactions and transactions.

3. Social networkers converse,collaborate, and share opinions, experiences, knowledge, insights, and perceptions with one another.

4. They also use these Web sites to find like-minded people online, either to pursue an interest or a goal or just to establish a sense of community among people who may never meet in the real world.

Socially oriented: Socially focused public sites, open to anyone
- Facebook (www.facebook.com)
- Google Orkut (www.orkut.com)
- Google1 (https://plus.google.com)
- Hi5 (www.hi5.com)

Professional networking: Focused on networking for business professionals
- LinkedIn (www.linkedin.com)

Enterprise Social Networks

1. An increasing number of companies have created in-house, private social networks for their employees, former employees, business partners, and/or customers.

2. Such networks are "behind the firewall" and are often referred to as corporate social networks.

3. Employees utilize these networks to create connections that allow them to establish virtual teams, bring new employees up to speed, improve collaboration, and increase employee retention by creating a sense of community.

4. Employees are able to interact with their coworkers on a level that is typically absent in large organizations or in situations where people work remotely.

5. Corporate social networks are used for many processes, including

- Networking and community building, both inside and outside an organization
- Social collaboration: collaborative work and problem solving using wikis, blogs, instant
- messaging, collaborative office, and other special-purpose Web-based collaboration platforms;
- Social publishing: employees and others creating either individually or collaboratively,and posting contents—photos, videos, presentation slides, and documents—into a member's or a community's accessible-content repository such as YouTube, Flickr, SlideShare,and DocStoc
- Social views and feedback
- Social intelligence and social analytics: monitoring, analyzing, and interpreting conversations, interactions, and associations among people, topics, and ideas to gain insights.
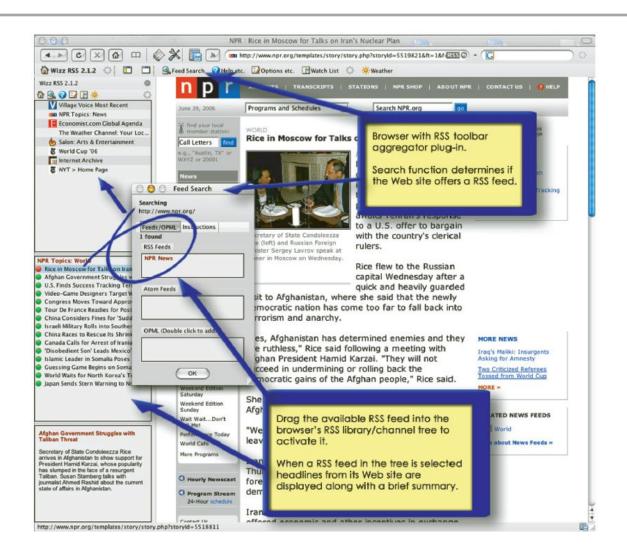
Mashups

1. A mashup is a Web site that takes different content from a number of other Web sites and mixes them together to create a new kind of content.

2. The launch of Google Maps is credited with providing the start for mashups.

3. A user can take a map from Google, add his or her data,and then display a map mashup on his or her Web site that plots crime scenes, cars for sale, or anything else

8.1 Web 2.0

- AJAX
- Tagging
  - Folksonomies
  - Geotagging
- Really Simple Syndication (RSS)
- Blogs

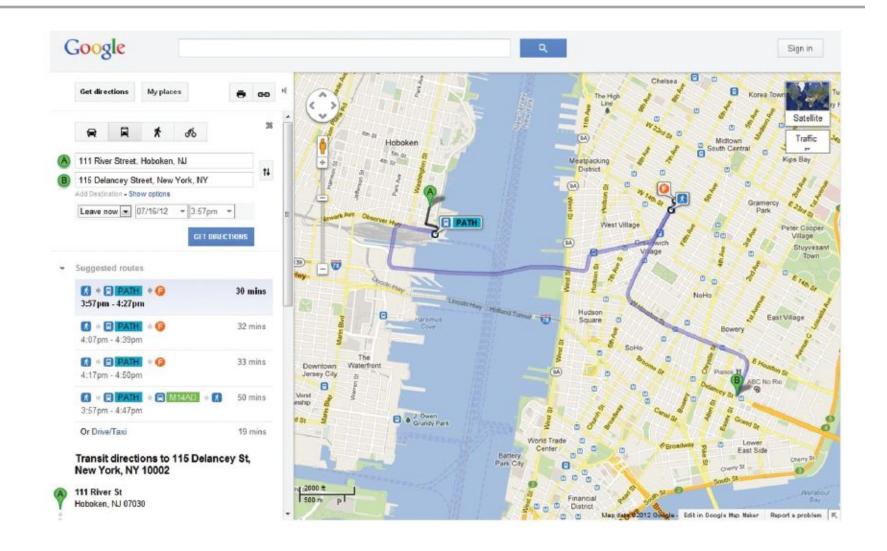# Figure 8.1: Web Site of National Public Radio with RSS Toolbar

8.1 Web 2.0 (continued)

© Logorilla/iStockphoto

- Microblogging
- Wikis
- Social Networking Web Sites
- Enterprise Social Networks
- Mashups

Figure 8.2: Google Maps is a Classic Example of a Mashup

8.2 Fundamentals of Social Computing in Business

- Social Commerce
  - Benefits to customers
  - Benefits to businesses

Social Commerce: Benefits to Customers

- Better and faster vendor responses to complaints (on Twitter, Facebook, and YouTube)
- Customers can assist other customers (e.g., in online forums)
- Customers' expectations can be met more fully and quickly
- Customers can easily search, link, chat, and buy while staying on a social network's page

Social Commerce: Benefits to Businesses

- Can test new products and ideas quickly and inexpensively
- Learn a lot about their customers
- Identify problems quickly and alleviate customer anger
- Learn about customers' experiences via rapid feedback
- Increase sales when customers discuss products positively on social networking site

Social Commerce: Benefits to Businesses (Con't)

- Create more effective marketing campaigns and brand awareness
- Use low-cost user-generated content, for example, in marketing campaigns
- Obtain free advertising through viral marketing
- Identify and reward influential brand advocates

Table 8.2: Potential Benefits of Social Commerce

Benefits to customers

- Better and faster vendor responses to complaints, because customers can air their complaints in public (on Twitter, Facebook, and YouTube)
- Customers can assist other customers (e.g., in online forums)
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Benefits to businesses

- Can test new products and ideas quickly and inexpensively
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- **Trip to Europe: Cancelled**
  1. Should you be careful of what you post on Facebook? Support your answer in relation to this case.
  2. What mistake did the parents make when they informed Dana about the settlement? Telling her at all? Not telling her about the dangers of posting details on social media?

Social Computing in Business: Shopping

1. Social shopping is a method of electronic commerce that takes all of the key aspects of social networks—friends, groups, voting, comments, discussions, reviews, etc.—and focuses them on shopping.

2. Social shopping helps shoppers connect with one another based on tastes, location,age, gender, and other selected attributes

8.3 Social Computing in Business: Shopping

- Ratings, Reviews, and Recommendations
- Group Shopping
- Shopping Communities and Clubs
- Social Marketplaces and Direct Sales
- Peer-to-Peer Shopping Models

❑ **Ratings, Reviews, and Recommendations**: are usually available in social shopping and generally come from,

(a) *Customer ratings and reviews* integrated into the vendor's Web page, a social network page,a customer review site, or in customer feeds

(b) *Expert ratings and reviews* from an independent authority

(c) *Sponsored reviews*: paid-for reviews

(d) *Conversational marketing*: individuals converse via e-mail, blog, live chat, discussion groups, and tweets. Monitoring these conversations yields rich data for market research

and customer service

❑ **Group Shopping**: Web sites such as Groupon and LivingSocial offer major discounts or special deals during a short time frame.Group buying is closely associated with special deals (fl ash sales)

- ❑ **Shopping Communities and Clubs**: host sales for their members that last just a few days and usually feature luxury brands and heavily discounted prices. Club organizers host three to seven sales per day, usually via e-mail messages that entice club members to shop at more than 70 percent off retail—but quickly, before supplies run out. These clubs tend to be exclusive and help sell luxury items without watering down the brands' images.

- ❑ **Social Marketplaces and Direct Sales**: act as online intermediaries that harness the power of social networks for introducing, buying, and selling products and services. A social marketplace helps members market their own creations.

- ❑ **Peer-to-Peer Shopping Models**: are the high-tech version of oldfashioned bazaars and bartering systems. Individuals use these models to sell, buy, rent, or barter online with other individuals. SnapGoods created a community of people who rent goods to people in need, usually for the short term. SnapGoods helps these people connect over the Internet.

- ❑ **Collaborative consumption**: peer-to-peer sharing or renting.

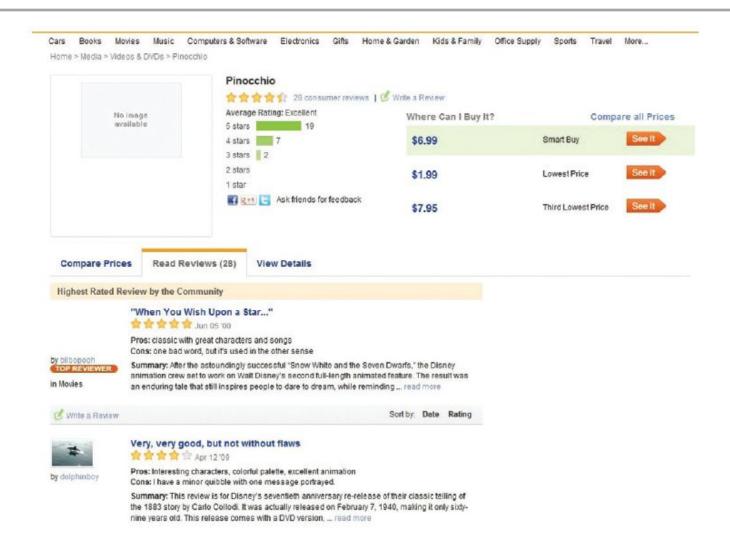# Figure 3.5. Epinions is a web site that allows customers to rate anything from cars to music.

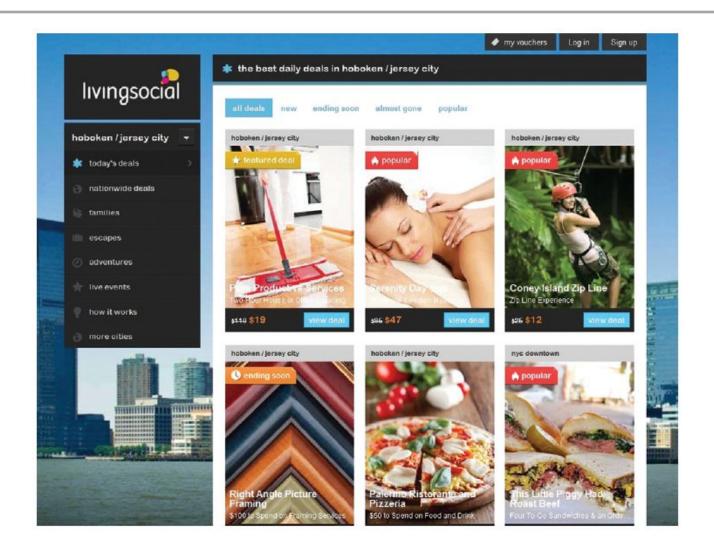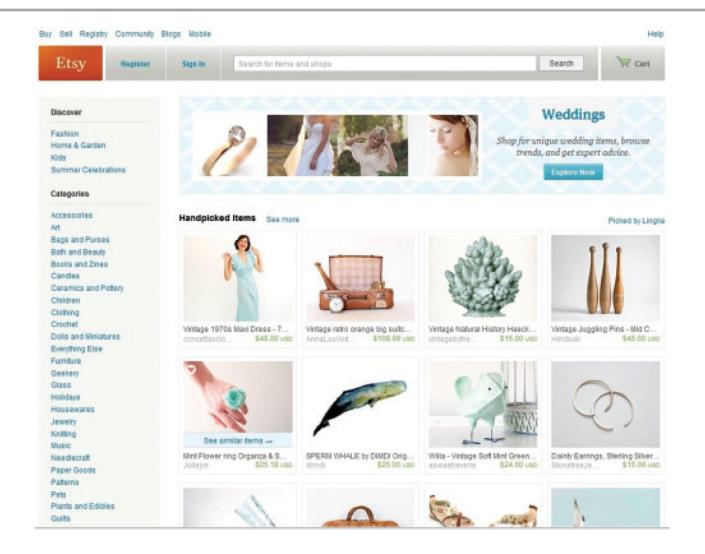# Figure 8.4: LivingSocial.com is a Popular Example of a Group Shopping Web Site.

Figure 8.5: Etsy.com is a Social Marketplace for all Handmade or Vintage Items.

- **Social Network Analysis Applied to Gangs**
  1. What other data could the Chicago Police Department add to ORCA?
  2. What are the potential disadvantages of ORCA? Provide specific examples to support your answer.

Social Computing in Business: Marketing

1. Marketing can be defi ned as the process of building profitable customer relationships by creating value for customers and capturing value in return.

✔ (1) define your target audience;

✔ (2) develop your message (i.e., how you will solve their problem);

✔ (3) decide on how you will deliver your message (e.g.,e-mail, snail mail, Web advertising, and/or social networks);

✔ (4) follow up. Social computing is particularly useful for two marketing processes: advertising and market research.

8.4 Social Computing in Business: Marketing

- Social Advertising
  ✔ refers to the advertising formats that make use of the social context of the user viewing the ad. It is the first form of advertising to leverage forms of social influence such as peer pressure and friend recommendations and likes.

- Market Research
  ✔ oday members of social media voluntarily provide demographics that help identify and target potential customers. Due to the open nature of social networking, merchants can easily find customers, see what they do online, and learn who their friends are.

Social Computing in Business: Marketing

- Conversational Marketing

✔ feedback from customers provided to companies through social computing tools (e.g., blogs, wikis, online forums, and social networking sites.

- Conducting Market Research Using Social Networks

✔ Customer sentiment expressed on Facebook, Twitter, LinkedIn and similar sites represent an incredibly valuable source of information for companies allowing them to analyze the data, conduct better advertising campaigns, improve their product design and their service offerings.

Figure 8.6: Customers Share Their Ideas and Feedback with Dell via IdeaStorm.com.

- **YouTube versus Television**
  1. Describe the differences in how traditional television and YouTube provide online content to audiences.
  2. If you were the CEO of a traditional television network, how would you combat YouTube?

8.5 Social Computing in Business: Customer Relationship Management

- How Social Computing Improves Customer Service
- ✔ Social computing has vastly altered both the expectations of customers and the capabilities of corporations in the area of customer relationship management.
- ✔ Customers are now incredibly empowered as companies closely monitor negative comments and proactively involve customers to resolve problems/issues for improved customer service.
- ✔ Empowered customers know how to use the wisdom and power of crowds and communities to their benefit.

8.6 Social Computing in Business: Human Resource Management

- Human resource (HR) departments in many organizations use social computing applications for recruiting and training

1. Recruiting
✔ Both recruiters and job seekers are moving to online social networks as recruiting platforms.
✔ Enterprise recruiters are scanning online social networks, blogs, and other social resources to identify and find information about potential employees.
✔ If job seekers are online and active,there is a good chance that they will be seen by recruiters.
✔ there are many passive job seekers—people who are employed but would take a better job if one appeared.
✔ So, it is important that both active and passive job seekers maintain online profi les that truly reflect their background and skills.

1. Training

✔ Several companies use virtual worlds for training purposes.

✔ For example, Cisco uses its virtual campus in Second Life for product training and executive briefings.

✔ IBM runs management and customer interaction training sessions in Second Life as well.