Instructor’s Manual: Chapter 11

Social Networks, Auctions, and Portals

**Learning Objectives**

After reading this chapter, your students should be able to:

* Describe the different types of social networks and online communities and their business models.
* Describe the major types of auctions, their benefits and costs, how they operate, when to use them and the potential for auction abuse and fraud.
* Describe the major types of Internet portals and their business models.

# Key Terms

affinity communities, p. 737

affinity groups, p. 739

algorithms, p. 737

business-to-consumer (B2C) auctions, p. 744

computer algorithms, p. 737

consumer-to-consumer (C2C) auctions, p. 743

Dutch Internet auction, p. 747

English auction, p. 747

enterprise portals, p. 752

general communities, p. 737

general-purpose portals, p. 754

herd behavior, p. 750

interest-based social networks, p. 737

loser’s lament, p. 750

Name Your Own Price auction, p. 747

online social network, p. 729

penny (bidding fee) auction, p. 747

practice networks, p. 737

seller’s lament, p. 750

social network, p. 729

sponsored communities, p. 737

vertical market portals, p. 754

winner’s regret, p. 750

# Brief Chapter Outline

*Social Network Fever Spreads to the Professions*

11.1 Social Networks and Online Communities

What Is an Online Social Network?

The Growth of Social Networks and Online Communities

Turning Social Networks into Businesses

*Insight on Society: The Dark Side of Social Networks*

Types of Social Networks and Their Business Models

Social Network Technologies and Features

*Insight on Technology: Trapped Inside the Facebook Bubble?*

11.2 Online Auctions

Benefits and Costs of Auctions

Auctions as an E-commerce Business Model

Types and Examples of Auctions

When to Use Auctions (and for What) in Business

Auction Prices: Are They the Lowest?

Consumer Trust in Auctions

When Auction Markets Fail: Fraud and Abuse in Auctions

11.3 E-commerce Portals

The Growth and Evolution of Portals

*Insight on Business: Verizon Doubles Down on Portals*

Types of Portals: General-Purpose and Vertical Market

Portal Business Models

11.4 Careers in E-commerce

11.5 Case Study: *eBay Evolves*

11.6 Review

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# Teaching Suggestions

This chapter introduces students to social networks, auctions, and portals. The thread relating these three topics is that each in its own way involves communities on the Internet.

## Key Points

*Social Networks and Online Communities.* The opening case, *Social Network Fever Spreads to the Professions*, on the explosive growth of social networks, is a good way to introduce the chapter. Social networks and online communities are places where people who share common ties, gather and communicate. People tend to think of social network sites as merely involving people 18 years and under. But, in fact, social networks have expanded far beyond that limited demographic and now encompass a broad swath of professionals and business people. Even politicians are getting into the act by developing networking communities around their candidacies and using Twitter to stay in touch with devoted fans. Some questions you could pose to your class on this case include the following:

* How has the growth of social networks enabled the creation of more specific niche sites?
* What are some examples of social network sites with a financial or business focus?
* Describe some common features and activities on these social network sites.
* What features of social networks best explain their popularity?

Section 11.1 covers social networks and online communities. Figure 11.1 illustrates the reach of the top social networks. This is a good time to visit a social network from your podium computer and illustrate its functionality in class. If this is a distance learning class, you can ask students to visit a social network site (it could be their own) and make a list of ten features or functions available at the site. You can also ask students to talk about their use of social networks and how networks have changed their lives.

Previous generations of online community sites fell much more into the traditional model of a broadcast cable network focused on a single group. Today’s social networks are much different, with a strong user-generated content base, and more many-to-many communications channels. They are enablers of social interaction. The rapid adoption and intense use of mobile devices has also contributed to the continued growth of social networks.

Now it’s time to talk about the business side of social networks, both from the social network’s perspective, and from the perspective of businesses that would like to use social networks for marketing, advertising, and social e-commerce. It’s important for students to realize that the use of social networks by businesses is not risk-free. The *Insight on Society* case, *The Dark Side of Social Networks*, examines some of these risks. Class discussion questions might include the following:

* How can businesses accurately judge whether negative comments are trolling or have merit and should be responded to?
* Have you ever left a negative comment about a product or business? Have others’ negative comments influenced a purchase you were considering?
* Should a business have any say in how an employee uses social networks outside of the office?

The section concludes with a look at various technologies used by, and features of, social networks. Software algorithms used to deliver personalized content have become a fundamental technology for social networks. New material and a new *Insight on Technology* case, *Trapped Inside the Facebook Bubble?*, focuses on this topic. Questions for class discussion might include the following:

* How does Facebook’s Trending Topics work? How does the News Feed algorithm work?
* Facebook has been described as an echo chamber. What is this, and is this a feature of other social networks?
* Should Facebook be held responsible for presenting an equal number of both liberal and conservative opinions?
* Should algorithms for presenting news to readers be monitored and adjusted by human editors? Why or why not?

*Auctions.* Section 11.2 covers auctions. Auctions are the most successful form of B2C and C2C E-commerce. eBay has had positive earnings since it was founded. The future growth in auctions is expected to be strong, and the fastest growing segment is expected to be B2C auctions sponsored by traditional fixed price merchants. Students may think of online auctions as producing the lowest prices for consumers, but in fact there are many situations where auctions induce consumers to pay higher prices than offered by traditional liquidators. You might want to spend some extra time in class walking students through the figures and tables describing auctions.

Auctions are dynamically priced markets. Consider reviewing with students the definition of dynamic pricing (introduced in Chapter 6), and the various types of dynamic pricing, and contrasting these to fixed pricing. You might ask students to think about the costs and benefits of fixed pricing. Why do merchants want to charge fixed prices?

One way to motivate students in the auction discussion is to start the section by going online and placing a bid for an item. Then follow the action over several days while discussing auctions.

Walk through the benefits and risks section using a whiteboard or PowerPoint slides. Most students think auctions are all benefit and no costs. For many students, the risks and costs of auctions will be a new topic so spend extra time on this section. The business of auctions, the market-maker business, also should be explained. Ask students why the auction model is profitable compared, say, to traditional merchants or online merchants such as Amazon.

There are many different types of auctions. Here is where your students may get confused. The text describes focuses on four primary types of auctions: English auctions (eBay), Dutch Internet auctions, Name Your Own Price auctions (Priceline), and penny (bidding fee) auctions.

Table 11.6 provides a list of factors that managers should take into account when considering auctions for various products from the type of product, to product life cycle, to closed versus open bidding.

Consumer behavior at auctions is very interesting because at times, it is non-rational. Consumers behave at auctions in ways contrary to neo-classical, profit maximizing decision makers. Prices are influenced by the number of units, length of the auction, the arrival rate of bidders, and herd behavior (where bidders follow other bidders and bid the price higher). Students, who are also consumers, should be aware of these factors to protect themselves, and they should also be aware of the numerous opportunities for fraud on popular auction sites.

*E-commerce Portals.* Section 11.3 covers portals. Portals originally acted as search engine gateways to the Web. Today they seek to operate as destination sites, like television networks attracting huge audiences to their proprietary offerings of news, products, entertainment, and content. While attracting the largest audiences of all sites on the Web, portals face a difficult challenge in producing profits. The portal market is characterized by network effects, which has led inevitably to the dominance of a few sites. You can demonstrate this effect by discussing Figure 11.4. Figure 11.5 illustrates the different types of portals: general purpose and vertical market portals. To motivate this discussion, you could visit one of each type in class.

The portal business is quite complex. Table 11.7 depicts the major revenue sources for portals. In general, deep vertical content pitched to a targeted audience produces the highest revenues per customer. The survival strategy for general-purpose portals is, therefore, to attract a general audience and then offer deep channels of specialized interest where consumers can be exposed to highly targeted advertising.

The *Insight on Business* case, *Verizon Doubles Down on Portals*, focuses on the reasons behind Verizon’s decision to acquire both AOL and Yahoo. The following are some possible class discussion questions for this case:

* What prompted Verizon’s change in business focus?
* What steps is Verizon taking to accomplish its goal?
* How does the purchase of AOL and Yahoo help Verizon accomplish its goal?
* What abilities does Verizon have to use to become a major player in online media and advertising?

In Section 11.4 we offer students information and tips about how the concepts they’ve learned in this chapter can help them prepare for an interview for an entry-level position as a social marketing specialist.

The chapter-ending case study in Section 11.5 discusses eBay’s transformation from millions of small mom-and-pop sellers into a major name brand location for the heavy hitters who sell millions of dollars of goods at fixed prices every year and large corporations looking for new retail outlets. However, the popularity of auctions has faded as more consumers want to “buy it now,” requiring eBay to come up with a new strategy. So far, its revival plan appears to be working.

# Case Study Questions

1. *Contrast eBay’s original business model with its current business model.*

eBay started out as a pure play “all auction” website, which was a novelty at the time. It relied on millions of small sellers cleaning out their attics to sell unwanted goods. It then morphed into a more professional seller environment where small retailers would purchase goods from others, and then re-sell on eBay at a profit. In 2009, eBay’s revenues stalled, and Amazon’s model of “fixed price” retail grew in popularity as the novelty of the auction format declined. The current business model relies more on professional retailers and large online stores to sell products at fixed prices, just like Amazon. eBay has also broadened its business model to include providing e-commerce infrastructure services.

1. *What are the problems that eBay is currently facing? How is eBay trying to solve these problems?*

The key problem is continuing to drive revenue growth. eBay’s revenue growth had stalled in part because the small retailers using eBay could not generate the sales volume eBay requires. As a result, eBay has shifted to emphasize larger scale and professional large volume retailers. Moreover, eBay has had to overcome its own brand: widely known as an auction site, it was initially difficult to create a new brand image more similar to Amazon’s as a site that sells just about everything at a fixed price. However, eBay is continuing to move in that direction, and successfully: it now derives 80% of its revenue from traditional e-commerce.

1. *Are the solutions eBay is seeking to implement good solutions? Why or why not? Are there any other solutions that eBay should consider?*

eBay clearly has to meet competition from Amazon and Walmart. The online culture has changed, people are more impatient, and when they want a product, they want to purchase immediately. There are a few other options for eBay, which is now seeking to present itself as a “general” retailer that also offers auctions.

*4. Who are eBay’s top competitors online, and how will eBay’s strategy help it compete?*

eBay’s top competitors are in both the non-auction and auction market. In the non-auction market, Amazon, Walmart, Costco, Sam’s Club, and similar mass merchandisers are top competitors. In the B2B auction market, eBid, uBid, and Liquidation.com are the primary competitors. In consumer auctions, eBay has no serious competition. eBay’s strategy will help it compete for the reasons discussed in the answer to question 3 above.

# End-of-Chapter Questions

1. *What do social networks, auctions, and portals have in common?*

Social networks, auctions, and portals are all based on feelings of shared interest and self-identification—in short, a sense of community. Social networks and online communities explicitly attract people with shared affinities, such as ethnicity, gender, religion, and political views, or shared interests, such as hobbies, sports, and vacations. The auction site eBay started as a community of people interested in trading unwanted but functional items for which there was no ready commercial market. That community turned out to be huge—much larger than anyone expected. Portals also contain strong elements of community by providing access to community-fostering technologies such as e-mail, chat groups, bulletin boards, and discussion forums.

1. *What are the four defining elements of a social network—online or offline?*

Social networksinvolve (a) a group of people, (b) shared social interaction, (c) common ties among members, and (d) people who share an area for some period.

*3. Why is Pinterest considered a social network, and how does it differ from Facebook?*

Pinterest is a visually oriented site that allows users to curate their tastes and preferences, expressed in visual arts. Pinterest is similar to a visual blog. Facebook, on the other hand, focuses on sharing of news and comments among “friends.”

1. *What are three mobile social networks?*

Several of the largest newer social networks like Instagram, Snapchat, and WhatsApp are almost entirely mobile.

1. *Why are mobile social networks growing so fast?*

Mobile social networks are growing so fast due to the rapid adoption and intense use of mobile devices.

1. *What are two measures that can be used to understand the importance of social networks and to compare them to other Internet experiences?*

Two measures that can be used to understand the importance of social networks and to compare them to other Internet experiences are monthly unique visitors and time on site (engagement).

1. *What is an affinity community, and what is its business model?*

An affinity community is one in which members can participate in focused discussions with others who share the same affinity, or group identification, such as religion, ethnicity, gender, sexual orientation, or political beliefs. The business model is a mixture of subscription revenue from premium content and services, advertising, tenancy/sponsorships, and distribution agreements.

1. *List and describe four different types of auctions.*

The English auction is the easiest to understand and the most common form of auction on eBay. Typically, there is a single item up for sale from a single seller. There is a time limit when the auction ends, a reserve price below which the seller will not sell (usually secret), and a minimum incremental bid set. Multiple buyers bid against one another until the auction time limit is reached. The highest bidder wins the item (if the reserve price of the seller has been met or exceeded). English auctions are considered to be seller-biased because multiple buyers compete against one another—usually anonymously.

The Dutch Internet auctionformat is perfect for sellers that have many identical items to sell. Sellers start by listing a minimum price, or a starting bid for one item, and the number of items for sale. Bidders specify both a bid price and the quantity they want to buy. The uniform price reigns. Winning bidders pay the same price per item, which is the lowest successful bid. This market clearing price can be less than some bids. If there are more buyers than items, the earliest successful bids get the goods. In general, high bidders get the quantity they want at the lowest successful price, whereas low successful bidders might not get the quantity they want (but they will get something).

The Name Your Own Price auctionwas pioneered by Priceline, and is the second most-popular auction format on the Web. In Name Your Own Price auctions, users specify what they are willing to pay for goods or services, and multiple providers bid for their business. Prices do not descend and are fixed: the initial consumer offer is a commitment to purchase at that price.

To participate in a penny auction (also known as a bidding fee auction), you typically must pay the penny auction site for bids ahead of time, typically 50 cents to $1 dollar, usually in packs costing $25–$50. Once you have purchased the bids, you can use them to bid on items listed by the penny auction site (unlike traditional auctions, items are owned by the site, not third parties). Items typically start at or near $0 and each bid raises the price by a fixed amount, usually just a penny. Auctions are timed, and when the time runs out, the last and highest bidder wins the item. Although the price of the item itself may not be that high, the successful bidder will typically have spent much more than that. Unlike a traditional auction, it costs money to bid and that money is gone even if the bidder does not win the auction. The bidder’s cumulative cost of bidding must be added to the final price of a successful bid to determine the true cost of the item.

1. What is the difference between a C2C and a B2C auction?

The most widely known auctions are consumer-to-consumer (C2C) auctions, in which the auction house is simply an intermediary market maker, providing a forum where consumers—buyers and sellers—can discover prices and trade. Less well known are business-to-consumer (B2C) auctions, where a business owns or controls assets and uses dynamic pricing to establish the price.

1. How does a Name Your Own Price auction, such as Priceline’s, work?

In a Name Your Own Price auction, users specify what they are willing to pay for goods or services, and multiple providers bid for their business. Prices do not descend and are fixed: the initial consumer offer is a commitment to purchase at that price.

1. List and briefly explain three of the benefits of auction markets.

The benefits of auction markets are:

* Liquidity: Sellers and buyers are connected in a global marketplace.
* Price discovery: Even difficult to price items can be competitively priced based on supply and demand.
* Price transparency: Everyone in the world can see the asking and bidding prices for items, although prices can vary from auction site to auction site.
* Market efficiency: Consumers are offered access to a selection of goods that would be impossible to access physically, and consumer welfare is often increased due to reduced prices.
* Lower transaction costs: Merchants and consumers alike are benefited by the reduced costs of selling and purchasing goods compared to the physical marketplace.
* Consumer aggregation: A large number of consumers who are motivated to buy are amassed in one marketplace—a great convenience to the seller.
* Network effects: The larger an auction site becomes, in both the numbers of users and products, the greater all the above benefits become and, therefore, the more valuable a marketplace it becomes.
* Market maker benefits: Auction sites have no inventory carrying costs or shipping costs, making them perhaps the ideal online business in that their main function is the transfer of information.

1. What are the four major costs to consumers of participating in an auction?

The major costs to consumers of participating in an auction are:

* Delayed consumption: Auctions can go on for days and the product must then be shipped to the buyer. Buyers will typically want to pay less for an item they cannot immediately obtain.
* Monitoring costs: Buyers must spend time monitoring the bidding.
* Equipment costs: Buyers must purchase, or have already purchased, computer systems and Internet service, and learned how to operate these systems.
* Trust risks: Consumers face an increased risk of experiencing a loss as online auctions are the largest source of Internet fraud.
* Fulfillment costs: Buyers must pay for packing, shipping, and insurance, and will factor this cost into their bid price.

1. *Why has the FTC warned consumers about penny (bidding fee) auctions?*

To participate in a penny auction (also known as a bidding fee auction), you typically must pay the penny auction site for bids ahead of time. Once you have purchased the bids, you can use them to bid on items listed by the penny auction site. Items typically start at or near $0 and each bid raises the price by a fixed amount, usually just a penny. Auctions are timed, and when the time runs out, the last and highest bidder wins the item. Although the price of the item itself may not be that high, the successful bidder will typically have spent much more than that. Unlike a traditional auction, it costs money to bid and that money is gone even if the bidder does not win the auction. The bidder’s cumulative cost of bidding must be added to the final price of a successful bid to determine the true cost of the item. For this reason, the Federal Trade Commission has warned that bidders may find that they spend far more than they intended.

1. *What is herd behavior and how does it impact auctions?*

Herd behavior isthe tendency to gravitate toward, and bid for, auction listings with one or more existing bids, by making multiple bids on some auctions (coveted comparables), and making no bids at auctions for comparable items (overlooked comparables). Herd behavior results in consumers paying higher prices than necessary for reasons having no foundation in economic reality.

1. *Name and describe five types of possible abuses and frauds that may occur with auctions.*

Some of the possible abuses and frauds include:

* Bid rigging: Agreeing offline to limit bids or using shills to submit false bids that drive prices up.
* Price matching: Agreeing informally or formally to set floor prices on auction items below which sellers will not sell in open markets.
* Shill feedback, defensive: Using secondary IDs or other auction members to inflate seller ratings.
* Shill feedback, offensive: Using secondary IDs or other auction members to deflate ratings for another user (feedback bombs).
* Feedback extortion: Threatening negative feedback in return for a benefit.
* Transaction interference: E-mailing buyers to warn them away from a seller.
* Bid manipulation: Using the retraction option to make high bids, discovering the maximum bid of the current high bidder, and then retracting the bid.
* Non-payment after winning: Blocking legitimate buyers by bidding high, then not paying.
* Shill bidding: Using secondary user IDs or other auction members to artificially raise the price of an item.
* Transaction non-performance: Accepting payment and failing to deliver.
* Non-selling seller: Refusing payment or failing to deliver after a successful auction.
* Bid siphoning: E-mailing another seller’s bidders and offering the same product for less.

1. What types of products are well-suited for an auction market? At what points in the product life cycle can auction markets prove beneficial for marketers?

The types of products that are well-suited for an auction market include rare and unique products where prices are difficult to discover and where there may have been no market for the goods. These include perishable items such as airline tickets, hotel rooms, car rentals, or tickets to plays, concerts, and sporting events. Traditionally, auctions have been used by businesses to generate a higher profit on items at the end of their life cycle than they would receive from product liquidation sales. However, they are now more frequently being used at the beginning of a product’s life cycle to generate premium prices from highly motivated early adopters, for example: early releases of music, books, DVDs, video games, and digital appliances.

1. *What three characteristics define a portal site today?*

The three characteristics that define a portal site today are navigation of the Web, providing content, and serving as the starting point for pursuing commerce. Web portals are gateways to billions of web pages available on the Internet. Originally, their primary purpose was to help users find information on the Web, but they have evolved into destination sites that provide a myriad of content from news to entertainment.

1. *What are the two main types of vertical market portals, and how are they distinguished from one another?*

The two main types of vertical market portals are affinity group portals and focused content portals. Affinity group portals seek to attract statistical aggregates of people who identifythemselves by their attitudes, values, beliefs, and behavior. They exist to serve such broad constituencies as women, African Americans, and gays, as well as much more focused constituencies like union members, religious groups, and even home schooling families. Focused content portals contain in-depth information on a particular topic in which all members are interested. They can provide content on such broad topics as sports, news, weather, entertainment, finance, and business. Or they can appeal to a more focused interest group such as boat, horse, or video game enthusiasts.

1. *List and briefly explain the main revenue sources for the portal business model.*

The main revenue sources for the portal business model are:

* Providing ISP services such as online access and e-mail services for a monthly fee.
* General advertising such as charging for the number of banner ad impressions delivered.
* Tenancy deals whereby companies that value having access to their audience will lock in long-term multiple-year deals in which they are guaranteed a certain number of impressions with premium placement on home pages and through exclusive marketing deals, for example, subscription fees.
* Charging for premium content.
* Garnering commissions on sales that are generated from consumers originating from the portal site.

1. *Why has Yahoo struggled in the past three years?*

# Yahoo has struggled in the last three years to grow revenues and earnings despite the fact that its unique visitor count has held steady with Google’s. One part of the problem is the falling price of display ads, which are the mainstay of Yahoo’s ad platform. Another key issue is declining user engagement with materials on the site and the amount of time spent on the site. To address these issues, Yahoo has made a number of acquisitions including Aviate, Tumblr, and Flickr, and launched digital magazines like Yahoo Food and Yahoo Tech that curate content from around the Web. The key to display ad revenue is content and engagement: the more you can show users, the longer they stay on your site, the more ad revenue can be generated. So far, Yahoo and the other general portal sites have not been able to compete with social network sites on these dimensions of engagement and time on site. After several years of pursuing unsuccessful new strategies, Yahoo agreed to sell itself to Verizon in 2016.

# Projects

1. *Find two examples of an affinity portal and two examples of a focused-content portal. Prepare a presentation explaining why each of your examples should be categorized as an affinity portal or a focused-content portal. For each example, surf the site and describe the services each site provides. Try to determine what revenue model each of your examples is using and, if possible, how many members or registered visitors the site has attracted.*

One example of an affinity portal is the Gifted Homeschoolers Forum (giftedhomeschoolers.org). The group is a non-profit, all-volunteer organization that works to educate and advocate for homeschooling families with gifted children. The website includes resources and articles from parents and experts, an online community for support and advice, sponsorship of events with nationally known speakers, and a schedule of conferences, lectures, and other opportunities. The group also has a Facebook, Pinterest, Tumblr, and LinkedIn page and a Twitter feed.

One focused content portal is Fantasysp.com, which offers a central location for fantasy sports news and data. The site’s revenue model appears to be a mix of advertising, freemium, and subscription services. It also sells content (depth charts for various sports). This is a focused content portal providing in-depth information on all aspects of fantasy sports in which its members have a keen interest.

Information such as that presented above should be included for all four examples chosen by the students in their presentation. Presentations might also include any current information the students can find on the status of these companies, and whether t their niche strategies are, in fact, working.

1. *Examine the use of auctions by businesses. Go to any auction site of your choosing and look for outlet auctions or auctions directly from merchants. Research at least three products for sale. What stage in the product life cycle do these products fall into? Are there quantity purchasing requirements? What was the opening bid price? What are the bid increments? What is the auction duration? Analyze why these firms have used the auction channel to sell these goods and prepare a short report on your findings.*

# For instance, at the uBid.com auction site students may find a uBid-certified merchant selling a variety of different products. One example is the auction offered aBeats By Dr. Dre Powerbeats In-Ear Stereo Headphones w/Inline Remote/Microphone, 3.5mm Jack (Black/Red). For this particular auction, there were 2 available, and a $48 reserve price. The starting bid was $48, and the bid increment was $1.00 With 2 days left in the auction, there were 2 bids, with the highest at $50. At uBid, winning bids follow this order of precedence: bid price, bid quantity (larger over smaller), and initial bid time (earlier over later).

1. *Visit one for-profit and one non-profit sponsored social network. Create a presentation to describe and demonstrate the offering at each site. What organizational objectives is each pursuing? How is the for-profit company using community-building technologies as a customer relations management tool?*

The Campbell Soup Company has a sponsored community site at Campbellsoup.com that offers links to the Campbell’s Kitchen recipes site. The Campbellsnutrition.com site offers articles on nutrition basics, fitness and exercise, simple steps to eating smart, lifestyle changes, and making them work. Its objective is to promote the inclusion of Campbell’s soups in a healthy diet. Visitors can participate in a searchable recipes exchange, create their own personal recipe box, and sign up for Campbell’s meal mail so that Campbell’s recipes or offers can be sent to them via e-mail. Visitors are also invited to build a user profile that will help the company to tailor information for customer needs and, of course, help them to build a customer database. A daily menu plan index has been set up to give users recipes for all three meals of the day, including snacks that meet the daily recommended guidelines for fat, saturated fat, protein, carbohydrates, and sodium. The obvious goals are to extend brand influence and loyalty and to increase offline product sales. In addition to the recipes exchange, other community building technologies that are being used as customer relations management tools on the site are relating company news and product information including a complete listing and product information on all Campbell’s brands (Pepperidge Farms, V8, Pace, Prego, etc.).

At a non-profit sponsored community site such as LiveBaltimore.com, offerings include information on communities, home buying, including home buying incentive programs, renting, calendars of community events, lists of schools, and lists of books written about and movies filmed in the area. Objectives of this site include: relaying community information and events to current residents; helping newcomers to settle in the area; and most of all, to promote Baltimore and its many communities as vibrant and active communities in which to live. Relocation products and services are a major offering of the site. Preferred real estate agents are recommended, houses are listed for sale or rent, and listings are offered for attractions, events, bars, restaurants, entertainment, employers, and local media. This site has no interactive community building technologies in use, mainly concentrating on the distribution of information. Projects might include visual presentations of site offerings that back up the organizational objectives students believe the sites are pursuing.

1. *Visit one of the social networks listed in Table 11.1 and compare it to Facebook. In what ways is it similar to Facebook, and in what ways is it different? Which do you prefer, and why?*

Student answers will vary depending on the social network chosen.

**Companion Website, Learning Tracks, and Video Cases**

You can also direct your students to the Companion Website for the book, located at [www.e-commerce2018.com](http://www.e-commerce2018.com). There they will find a collection of additional projects and exercises for each chapter; links to various technology tutorials; information on how to build a business plan and revenue models; information on careers in e-commerce, and more. Learning Tracks that provide additional coverage of various topics and a collection of video cases that integrate short videos, supporting case study material, and case study questions are also available for download from the book’s Online Instructor Resource Center at [www.pearsonhighered.com/irc](http://www.pearsonhighered.com/irclaudon). Video Cases for this chapter include:

* Video Case 11.1 Instagram
* Video Case 11.2 Small Businesses Find a Home on eBay