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# CUSTOMER DATA USAGE IN SOCIAL MEDIA

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## OBJECTIVE

The objective of the project is to determine, if online and offline data tracked by social media, used for targeted advertising is advantageous to the customer or disadvantageous to the user?

## RESEARCH STRATEGY

The research strategy adopted to answer this question includes

1. Documenting personal experience
2. Survey
3. Opinion columns/ blogs from users
4. Opinions from business owners.
5. Compare through google trends

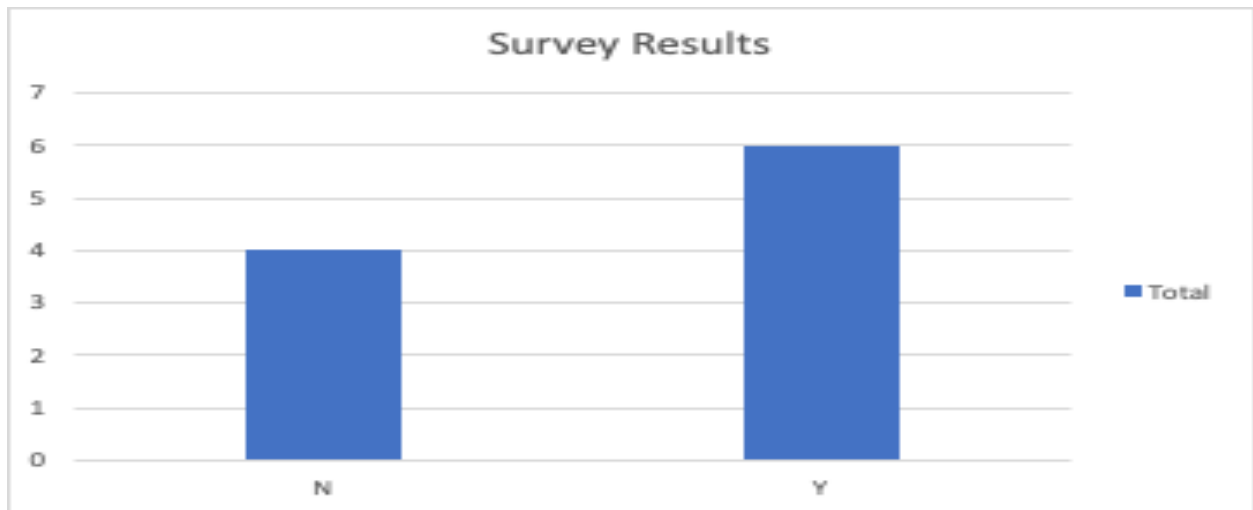
## EXPERIENCE

When I recently started browsing for dining tables, I had only two shops in mind – Raymour & Flanigan and Bob's Furniture. Of course, the google results showed a lot of furniture shops, websites and images. When I opened facebook, I could see the product listings with images from a lot of local and online shops. The image listing from another shop, West Elm was attractive, and I could see better models there. I wouldn't have visited the website of this shop if not it was shown in my facebook page. I felt like I have more options to choose from. This was a plus for me.

Social media like facebook and pinterest show suggestions for friends and groups based on the posts and interests I showed online. This has helped me join like minded communities from which I can learn and also the people I can connect with. It is just as a suggestion provided by anybody else.

## SURVEY

Out of a survey taken among ten friends, 4 don't find the targeted advertising useful, 6 thinks that it is useful.



## OPINION COLUMNS

A review of five blogs and opinions on customer perception of targeted advertising –

1. Two blogs mention that customers benefit from targeted advertising

<https://www.prnewswire.com/news-releases/despite-negative-perceptions-52-of-consumers-can-identify-benefits-of-targeted-advertising-301255752.html>

[https://www.ftc.gov/system/files/documents/public\\_comments/2015/10/00037-100312.pdf](https://www.ftc.gov/system/files/documents/public_comments/2015/10/00037-100312.pdf)

II. Three blogs mention that customers do not like targeted advertising

<https://www.emarketer.com/content/do-people-actually-want-personalized-ads>

<https://www.statista.com/statistics/993399/adult-opinion-targeted-ads-us/>

<https://www.businessnewsdaily.com/4632-online-shoppers-personal-ads.html>

## Opinions from business owners

While the objective of the project is to research the user benefit of targeted ads, from a societal perspective, looked into how the small/local business are benefitted.

The blog below mentions how small businesses benefit out of targeted ads in facebook.

<https://www.campaignlive.com/article/facebook-campaign-pushes-benefits-targeted-ads-small-businesses/1708422>

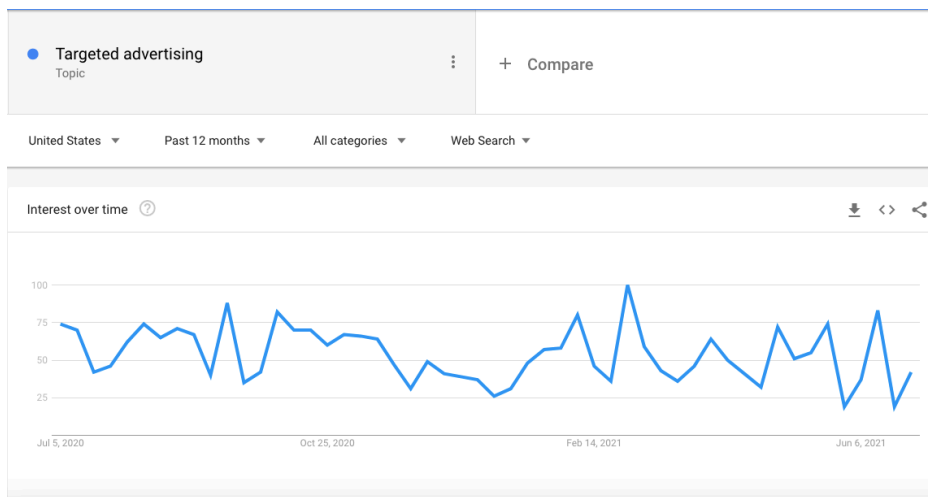
## GOOGLE TRENDS

Google trends indicate what people are searching about the targeted advertising.

The keywords used for the search are,

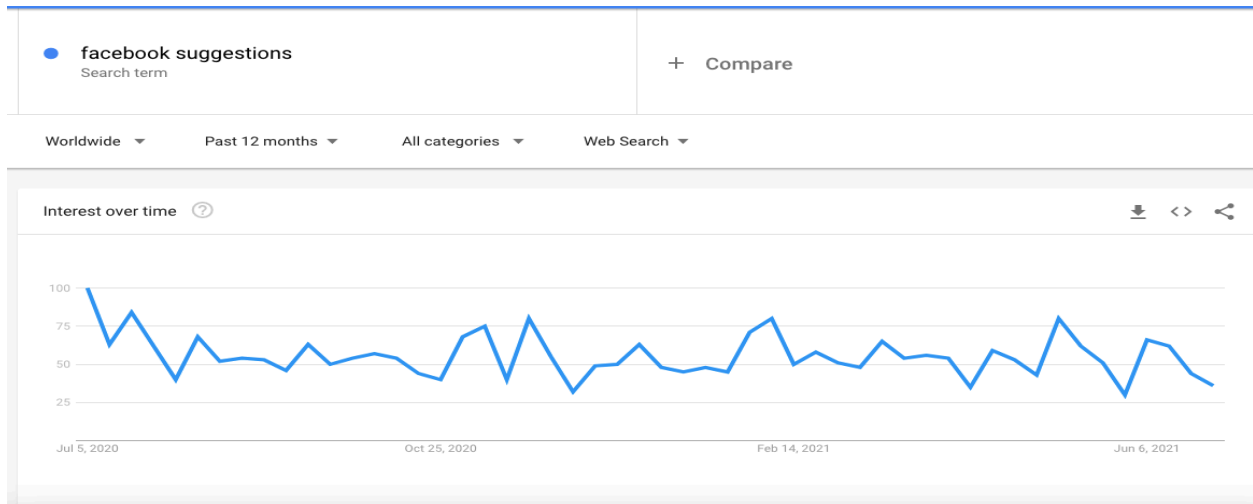
- Targeted Advertising
- Facebook Suggestions
- Facebook privacy
- Youtube advertising
- Social Media privacy

### Targeted Advertising

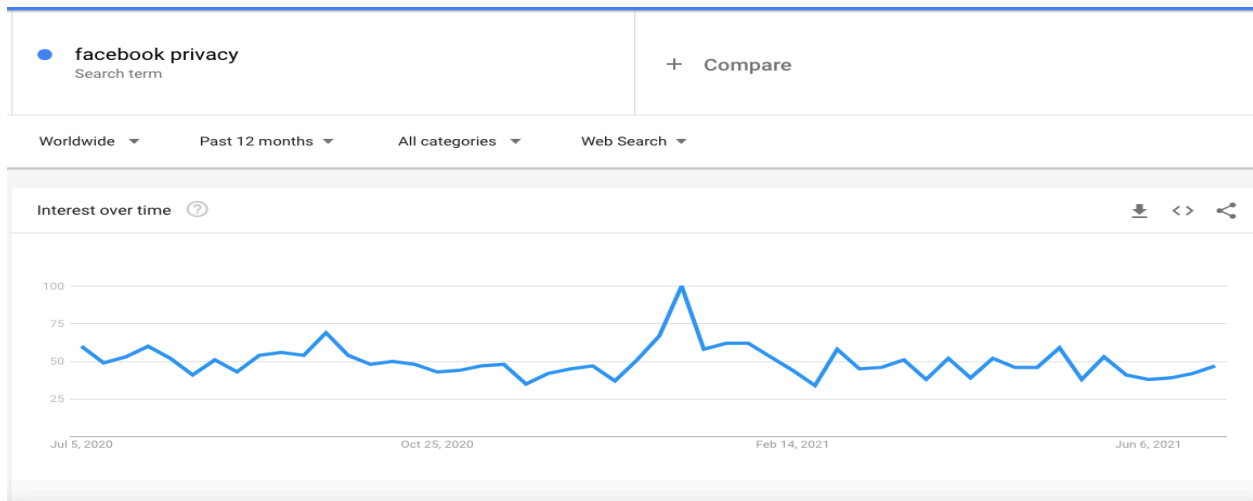


The trend research also shows a rising query of facebook targeted ads.

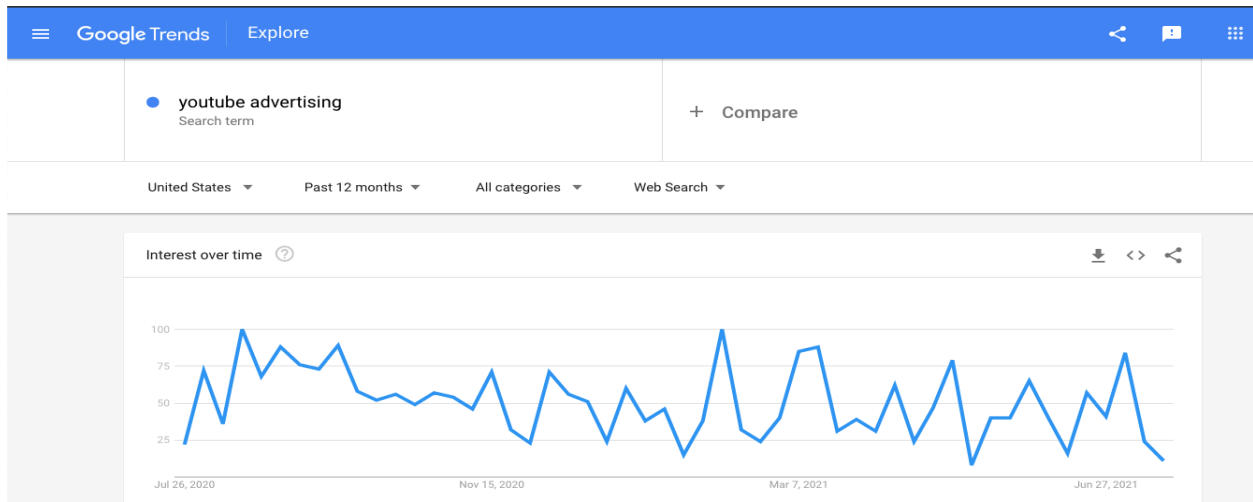
## Facebook suggestions



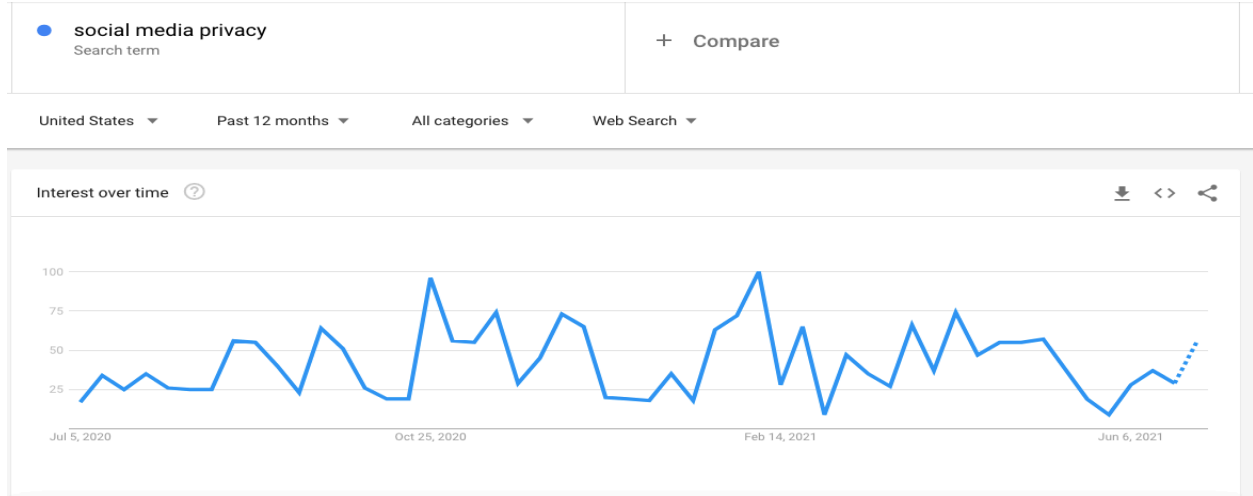
## Facebook privacy



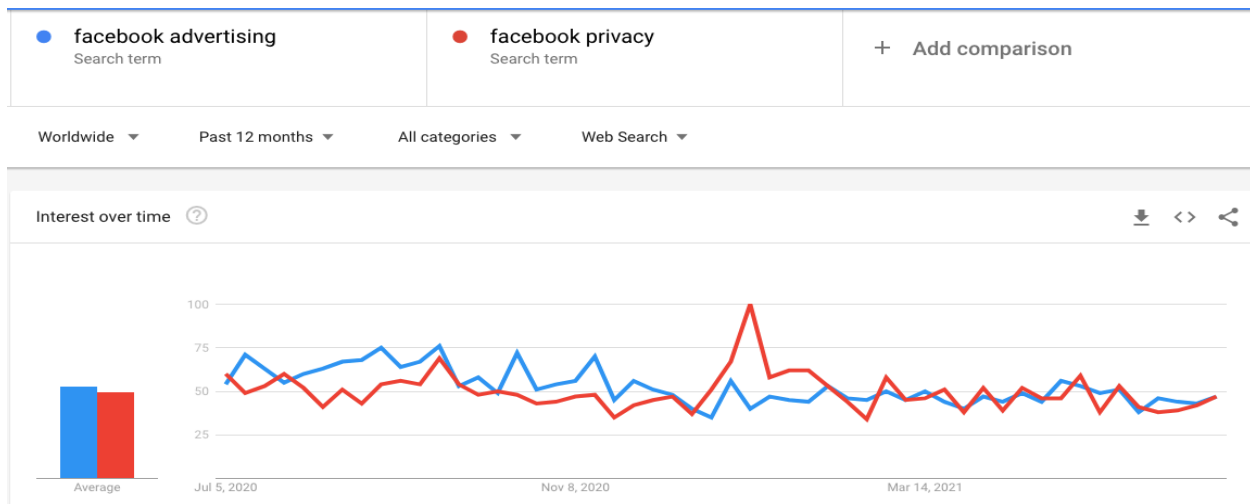
## Youtube advertising



## Social media privacy



## Facebook advertising vs Facebook privacy



## ETHICAL CONCERNS

Targeted advertising in social media requires data mining of the customer data usage. The ethical concerns and negative effects of this process are many. The important ones are,

- Listening to personal conversations at home –

Accessing conversational data through smart devices and providing a service or product recommendation is insensitive and unethical. An example being advertising for divorce services based on the data accessed from siri, when a husband and wife have a bad argument.

- Lack of solid governance –

While corporations have strict data governance and security policies around customer data usage, there is no strict governance on the usage of the data in social media. Without this the customer has become a product.

- No explicit acknowledgement of tracking-

Social media like facebook do offline tracking of customer usage of phone as well to gather information. The customers have to research and find out options to stop this tracking and the companies don't explicitly put forth or educate the customer on how their data is used.

- Psychological force into buying-

The targeted advertisements based on any online interest shown creating an imaginary need and make people spend money. These product recommendations are often repeated along with related products and hence customers end up buying more products than they actually need. This while benefit the organizations, certainly causes unnecessary financial drain for customers.

## CONCLUSION

While I personally benefitted from the targeted ads, one serious question that ponders in my mind is, “Was it my choice that my data is used to find products for me?” If the customers have the choice and control over mining of their data by social media, targeted advertising through social media benefits the customer.