# Introduction

The advent of social networking has revolutionized not only the way we socialize, but also the way we do business. In fact, using the Internet—particularly such tools as Facebook, Twitter, and YouTube—is one of the most inexpensive ways to attract new clients to a business. Marketing dollars are spent in many ways, such as on newspaper and television advertisements, billboards, and mailings. What a relief to use online networking to effectively reach an audience with minimal effort and almost no expense! If you are considering developing an online presence through social networking, perhaps you should be aware of the most popular ways to reach many people. Those tools include Facebook, YouTube, Twitter, Google+, Pinterest, Yahoo! Answers, and LinkedIn. The chart below shows the most recent market share of visits enjoyed by each of those entities. Note the dominance of Facebook, which indicates that it might be an excellent online marketing tool.

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# Social Networking Sites

The figure above shows that Facebook enjoys 62% of the market share of visits to the six sites included, followed by YouTube and Twitter with at least 10% each. Pinterest is picking up steam, with a growing audience of users.

## Facebook

Officially launced in February 2004, Facebook was founded by four computer science students from Harvard University in late 2003: Mark Zuckerberg Eduardo Saverin, Dustin Moskovitz and Chris Hughes. The initial idea for Facebook was to allow students share photos and notes. Today, there are more than 750 million Facebook active users around the world, and earned an estimated revenue of $2 billion in 2010. Although Facebook has established a 13-year-old minimum age requirement, there are many underage children owning accounts on Facebook.



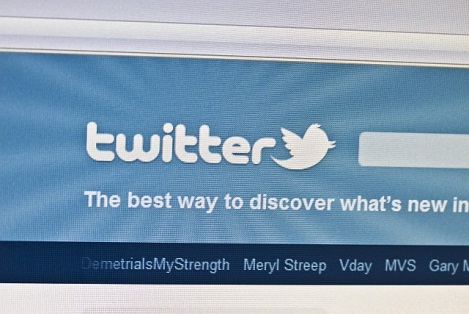
## YouTube

In February 2005, three former PayPal employees living in San Bruno, California, utilized the Adobe Flash Video and HTML5 technology to create a video-sharing Web site. The name of their new business is YouTube, LLC. Individual users can post video clips, movie clips, TV clips, and music videos for public viewing, but recently major media corporations such as CBS, BBC, and Hulu have started to post their vido contents to YouTube too. YouTube was sold to Google, Inc. in late 2006 for US$1.65 billion.



## Twitter

Twitter is a microblogging Web site, allowing users to send and receive text-based posts of fewer than 140 characters, called tweets, to anyone around the world. This social networking service is based in San Francisco. It was initially incorporated in California but was incorporated in Delaware as of this year. Twitter was founded by Jack Dorsey in March 2006 and was officially launched four months later. Today, it has an estimated 200 million users worldwide, and handled over 1.6 billion searches per day.



## Benefits of Social Networking

Social networking sites allow users to experience real-time interaction with other users from all over the world. For instance, Twitter allows users to post photos and let their friends know, up to the minute, where they are and what they are doing. Corporations have also used social networking sites to test-market and promote their products, gather feedback from consumers, and to build brand awareness. A recent study revealed that biotechnology companies are using social networking sites to share and exchange scientific knowledge. Even in academia, teachers and professors are using the latest technology to connect with their students outside the classroom, to post assignments, and to conduct discussion forums.

## Downsides of Social Networking

Unfortunately, one of the major downsides with social networking sites is loss of privacy. Innocent users, especially young children and teenagers, might give out too much personal information to the wrong people. Sexual predators often scour the Internet for these young victims. Older users may also unintentionally disclose medical and financial information on the Internet that might one day be stolen from them. Online bullying, also called cyber-bullying, has become a daily occurrence and can sometimes resulted in deadly consequences.

# Promoting a Business with Social Media

The Internet has evolved from an informational vehicle to a much more social entity. With mobile phones permeating our culture, accessing friends (and potential customers!) is just a few clicks away and always with you. The following tips should help get business off to a good start with using social media as a marketing tool.

## Maintain a blog

A blog is probably one of the simplest ways you can maintain an online presence. Having read an article or study related to your business, you can share your thoughts in a blog, open to your current and potential customers. Use your blog to announce upcoming sales, highlight a product or service, offer giveaways or encourage participation in contests, and encourage customer feedback. You should be certain to update your blog often to maintain its currency.

## Manage a Facebook page

Perhaps the cheapest, and most effective, online social media tool is Facebook. With a Facebook account, you can share all sorts of information about your business, new products, upcoming sales, industry news, and upcoming events. You can even include a link to your blog on your Facebook page. Respond to customer questions, collect feedback, and track response rates for various marketing ideas of campaigns. With Facebook-only promotions for people who “like” your page, you can build a loyal customer base.

## Use Twitter

If you include Twitter in your mix of social media tools, be very active with your tweeting. It is far too easy to begin an account and then let it fall silent because you do not have time to devote to it. Aside from routine tweets related to sales, new arrivals, and promotional contests, you can use Twitter to post candid pictures or even a link to Instagram, which is a photo sharing site. Consider retweeting other Twitter users’ updates. Of course, all of that requires that you check your Twitter account many times each day.