



Book 33 Million People in the Room

How to Create, Influence, and Run a Successful Business with Social Networking

Juliette Powell
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Recommendation

If your idea of forming a social network is still working the crowd at a cocktail party, drink up and join the 21st century. As any digitally literate teenager can confirm, online social networks are today’s worldwide meet-and-mingle zones. Will joining a social network help you professionally or personally? Could it hurt you in any way? Which networks should you join? How should you use them? Social network guru Juliette Powell answers these questions and some that are more sophisticated in her savvy new book. She discusses LinkedIn, which she cites as the best social network for business people. She closely examines Facebook and MySpace, the most popular personal social networks. She explains the pluses and minuses of joining social networks, and provides useful tips on their protocols and customs. If you aren’t yet at home in the online world of social networks, *BooksInShort* recommends Powell’s book as an excellent basic travel guide.

Take-Aways

- Online social networks are Web platforms you can join to connect with other people online.
- These networks enable you to expand the number and the quality of your professional and personal relationships.
- Your online business and social connections can compliment each other to benefit your career.
- Social networks offer a range of opportunities for companies.
- Social network members can use text, video, photos and sound files to communicate back and forth. They can also share electronic links.
- A social network’s effectiveness grows exponentially with each new member.
- A small network of 25 people can account for 33 million possible connections; with a group of 30 people, the number of possible connections soars to a billion.
- LinkedIn is the most effective social network site for business professionals.
- Facebook and MySpace are the most popular social networking sites.
- Compare available networks to join the one that best meets your personal and professional goals.

Summary

What Is a Social Network?

Today, Internet social networks – Facebook, MySpace, Twitter, LinkedIn, Hi5, Orkut, BeBo, Flixster, LibraryThing and more – are all the rage, but unless you are a member, you may not know what purpose they serve. They are Web platforms where individuals around the globe come together on the Internet. A social network is like an electronic “rolodex and card catalog wrapped into one” that enables you to have a continuing – albeit often public – conversation with anyone anywhere via text, photos, videos, sound and links.

“The people who are changing the cultural, business and scientific landscape are all connected to each other.”

How can an online network benefit you? Think of how many people you know: old schoolmates, colleagues, neighbors, mentors, friends, teammates, you name it. Now imagine that you could somehow magically touch base with all of them – or any one of them – any time you want. You could update them about your activities. You could ask them for references as you search for a better job. You could network with them about various opportunities, or even ask them to support your new start-up company or favorite charity. Social networks let you stay in touch with old friends and make new ones. They “help you connect and stay connected.”

Reed’s Law

A social network’s effectiveness grows exponentially with the addition of each new member, according to “Reed’s Law,” devised by computer scientist Dave Reed. Every new addition to the network doubles its value. A small network of 25 people can account for as many as 33 million possible connections. When the foundation group increases to 30 people, the number of possible connections soars to a billion.

“Each device connects the dots between the people at the table and their extended network...There may be only two people at the table, but there are 33 million people in the room.”

Obviously, this phenomenon represents a remarkable number of prospective new contacts or customers, which makes social networks potentially very fruitful for businesspeople. Consider the amazing opportunities of working with groups that grow exponentially with each new member. Obviously, substantial returns of all sorts (for instance, information gathering as well as profits) are possible for companies that can tap productively into social networks. In this age of “it’s not what you know, but who you know,” social connections have a business impact. Commerce, like social networking, is all about relationships, so the business world and social networks go together perfectly.

“The new order favors those who network, create buzz and promote their brand...The power of social media to transform our businesses and society will only grow.” [– *Newsweek*]

Through social networks, you can create new connections with people now at the outer edge of your daily world, individuals you do not know but who have the same friends, colleagues or ideas. Using social network tools, you can develop viable relationships with these new contacts and bring them into your orbit, with their friends and colleagues. Indeed, social networks present limitless connectivity opportunities. Most firms can achieve the greatest gains in the areas of “communication, production and distribution,” but the possibilities extend beyond the obvious targets. When you join a social network, you are opening a door.

Some Primary Social Networks

Numerous social networks exist for different groups and purposes, including:

- **MySpace** – Founded in 2003, MySpace is a dominant social network site. It has more than 114 million members, with 230,000 new users daily. Termed the “biggest mall, nightclub and 7-Eleven parking lot ever created,” MySpace is popular with teenagers, musicians, music fans and general Internet users. Companies can offer products to a mass market on MySpace, which is owned by media mogul Rupert Murdoch. Because of its tremendous size, MySpace is a prime resource for trend spotting.
- **Facebook** – Launched at Harvard University in 2004, Facebook is now open to the public and has more than 124 million members, with 250,000 new people signing on daily. Your Facebook page is like a personal billboard you can update constantly. Facebook also has high potential for detecting trends, testing ideas and marketing to many people at once. Facebook makes it easy to post a highly detailed professional and personal résumé, and to discuss your plans and the events taking place in your life. Many of your relatives, friends and colleagues are probably members already. Facebook’s “wall” feature enables you and your friends to post comments to each other, such as “status updates,” which are simple, brief notices concerning your activities and interests. To make an entry, start with your name, an “action verb” and an object. For example: “Juliette signed a contract.” Make your updates as intriguing as possible. “Posting items and sharing links” means just what it says: You can “upload and post photos, videos and notes, and share links directly on your profile.” Facebook is not hard to use, though it has more of a learning curve than LinkedIn.
- **LinkedIn** – With more than 25 million users, this is the primary social network site for people in business, including entrepreneurs. Joining is an ideal way to increase your network of business professionals. Many social network sites focus on personal matters; LinkedIn is all business, all the time. Start by creating an online profile, that is, a detailed resume that describes your professional status, work history and education. If you have a great article or blog posting you want to share, you can add it to your profile. Think of LinkedIn as an “enormous database of your community” where some of the members are potential “future partners, customers, suppliers or employees.” As Guy Kawasaki, venture capitalist and business writer, says, you can use LinkedIn to “increase your visibility; improve your connectability; improve your Google PageRank; enhance your search engine results; perform blind, ‘reverse’ and company reference checks; increase the relevancy of your job search; make your interview go smoother; gauge the health of a company; gauge the health of an industry and track startups.” The site focuses on what you have been doing professionally, not personally, for the past year or so. If you wish that LinkedIn offered a few personal touches (which it does not), check out Facebook.
- **hi5** – Already 70 million members strong, this site adds 350,000 new users each day. hi5, which you can access in more than two-dozen languages, is hugely popular outside the U.S. It is ideal for community building in other countries. One of the Web’s fastest growing sites, it has many members in Latin America, Portugal, Romania and Cyprus.
- **Orkut** – Google engineer Orkut Büyükkökten developed this Web site in 2004. It offers social network features touched with a wry sense of humor. One typical error message reads, “Bad, bad server, no donut for you.” The site, which has more than 120 million users, is popular in India and Brazil, although far-flung audiences were not part of the developer’s initial plan. On the Internet, the *Field of Dreams* adage “Build it and they will come” definitely applies. It’s just that you never know who they will be.
- **Bebo** – This social network, popular with young people in the U.K., Canada, Ireland, New Zealand, Australia, Poland and the U.S., offers “robust music, author and group features.” In 2008, AOL purchased Bebo, which has more than 40 million users.
- **Twitter** – This is the go-to Web site for “microblogging,” the process of posting messages (called “tweets”) no more than 140 characters long. Twitter has more than two million users who “hyperconnect” to each other; many tweet dozens of times daily. Businesses such as Whole Foods Market use Twitter for rapid dissemination of information.

A Plethora of Choices

The Internet boasts many more social networks, but don't be perplexed or dazzled by the abundance of offerings. Think of social networks as entities that parallel TV broadcast channels. At the top are the major networks – NBC, CBS and ABC. Their parallel equivalents in online networking are Facebook, LinkedIn and MySpace. Next up in the TV world are the cable networks, like Lifetime, ESPN and so on. Their parallels include Orkut, Bebo, Twitter and other well-known, focused networks. Highly specialized programming entries at the base of the TV pyramid, such as LawTV and SciFiNetwork, have equivalent networking sites, like BlackPlanet (African-Americans), CozyCot (women from Southeast Asia) and LibraryThing (book lovers).

“Today's audience isn't listening at all – it's participating. Indeed, audience is as antique a term as record, the one archaically passive, the other archaically physical.” [– author William Gibson]

Do you want to develop new clients, showcase yourself professionally or conduct informal market research? Target online networks accordingly. Choose the social network you want to join based on your specific interests and goals. Of course, you can join more than one; indeed, you can join hundreds. However, the best way to start is to sign on to a single social network, learn what social networking is and expand from there.

Your Online Persona

As with traditional, in-person networking, specific etiquette guides online networking relationships. To become a social networking professional, mind your manners:

- **Be judicious** – Think carefully before you fill out your online profile. Don't include information that might offend others. Don't lie. You are asking for future trouble if your online persona does not closely match your offline one.
- **No cold calling** – Using social networking sites to gather prospects for cold calling is bad form. Indeed, members severely frown on any form of gratuitous self-aggrandizement or self-promotion. You would not hand out your business card to people who happen to share an elevator with you. Similar rules of gracious conduct apply online.
- **Learn from other people's profiles** – Social networking calls upon you to blend in with others. To achieve this, carefully review how other network members handle their profiles. See what is acceptable – and what isn't. Plan your own profile accordingly.
- **You can always change things** – The beauty of the Internet is that everything is digital. Thus, you can easily update your online profile whenever you want.
- **Staying mobile** – Many social networks enable you to use devices other than computers – iPhones, Blackberries and so on – to access postings from other members and to update your own. Twitter is perfect for exchanging quick messages.
- **Maintain your privacy** – Edit your network settings to protect your privacy and to control the information that appears about you on the Web. Don't divulge more than you want the whole planet to know.

The Online World

What takes place in the online world can often be considerably different from what takes place in the actual world. Anyone who joins a social network should understand how things work online, and plan his or her actions accordingly. Here are three important issues to keep in mind:

1. **Instant fame** – People quickly can become “microcelebrities” online. That happened to Johnny Chung Lee, a Carnegie Mellon graduate student. He hacked Nintendo's Wiimote remote control unit so people could use it for other high-tech purposes that would usually require additional expensive devices. Then he posted videos about this adaptation on YouTube. Within a year, 10 million people had seen the videos. Lee is now an Internet immortal. He didn't have the best online brand, but he had quality information and he made it available for free to anyone who was interested. What superior information can you share online?
2. **Instant infamy** – Sarah Lacy is an experienced reporter. While covering an interactive conference, she conducted a live interview with Mark Zuckerberg, the 20-something founder of Facebook. The audience included about 800 “tech-preneurs.” They did not like the way Lacy questioned Zuckerberg. They heckled her. Even more damaging, they took videos of the interview and posted the footage online. They criticized Lacy heavily on blogs, making her *persona non grata* to many on the Internet within hours. However, she kept her cool and came out of the episode just fine. In fact, her book sales skyrocketed. When you perform in front of others, be mindful of the possible positive or negative publicity consequences if your presentation pops up on the Internet.
3. **Instant authority** – Gary Vaynerchuk's parents owned a small New Jersey wine store. When he took over the business, he set up a video camera inside the store, turned it on and discoursed about what makes certain individual wines great. He uploaded these videos to a live video blog (vlog). Wine connoisseurs around the world paid close attention. Today, his daily online comments about different wines directly affect wine sales across the United States. What expertise can you share online?

About the Author

Social media expert **Juliette Powell** founded The Gathering Think Tank, an invitation-only forum. Powell's clients include corporations, the U.N. and the U.S. Department of Justice.
