

OMG Ashton Kutcher is, like, a business guy! LOL

Or, how firms can adapt marketing communications to the Twitter generation

Has anyone made \$1 million from Twitter? The people who developed it, granted, and one or two people who were there at the start, but has anyone actually used Twitter to make \$1 million? There are plenty of people with a million followers or more, but they do not charge \$1 for access to their 140 character musings, and they tend to be very famous with more than \$1 million in the bank anyway.

So let's rephrase the question: has any firm used social media tools such as Twitter to enhance their brand and generate additional sales of more than \$1 million? The jury is still out, but there are many varied stories emerging of how marketers have grasped the dynamics of new technology in order to develop a more rounded, diverse marketing strategy. Many of the phenomena reported about Twitter's impact have been around news stories spreading around the globe, disintermediating traditional news outlets – even their online versions. The example of the plane landing in the Hudson in New York and how the world heard about it from first-hand accounts from people on the plane – even with pictures and video footage – certainly showed the power of a social media tool like Twitter to reach a large audience quickly. But can this be harnessed to bring in simple, old-fashioned cash?

Dude, where is the profit?

Perhaps the most relevant for a business audience, Twitter was established in 2006 and has grown exponentially with around 4 billion “tweets” being posted in the first quarter of 2010. Its growth has mirrored the increased use of smartphones by consumers, with products like the Blackberry and iPhone lending themselves perfectly to people updating their “status” wherever they are in the world. Quickly businesses have started to experiment with the platform to attract people to their products and services, create a buzz about their brand and attempt to drive followers of their brand to their offerings.

While Twitter has begun to form part of many company's marketing mix, some marketing executives are either unaware or unimpressed by the new medium, perhaps because it may not be immediately evident how such activity can be monetized. This crucial question has been addressed to some degree in MicGirt's (2009) article profiling actor Ashton Kutcher and the company set up on the back of his innovative and successful use of the Twitter platform.

In early 2010 Kutcher had 4.5m followers to his Twitter site (<http://twitter.com/aplusk>), which is updated constantly with, in his own words, “stories mostly, collaborations of thoughts, dreams, and actions”. Trading on his own popularity, he has sought to combine the twin concerns of marketers with regard to Twitter – profitability and fragmentation. By diversifying content streams with dizzying speed, he has attracted Blue Chip names such as Nestlé as sponsors to his own brand of social media exploitation. By infiltrating content with brand



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messaging, he overcomes the worries of a paywall and exploits the growing audience following his every move.

Top tips (in fewer than 140 characters)

The more cynical will point to ventures such as UK band Radiohead and the success of the album *In Rainbows* it released on the internet outside the traditional music publishing structure. Many pointed out that only a band that had already made its name conventionally would be able to make such a move, and many wonder if Kutcher and his company Katalyst Media have been trading on his name to make their splash. However, McGirt reports several industry heavyweights praising their strategy, and she goes on to provide pointers to prospective social media marketers on how to exploit Twitter the Kutcher way:

- Enabling up-to-date searches and monitoring of your brand.
- Enabling direct replies to queries.
- Providing an early warning system for PR issues.
- Multiple outlets available to differentiate messages.
- Potential to build buzz around new launch or development.

But Twitter is not the only social media tool out there, of course. MySpace, part of the huge News Corp media empire of Rupert Murdoch, has been the launch pad for several successful acts, and Facebook is now challenging Google as the web site people spend most time visiting. However business has yet to fully embrace these two web sites among others, and in their article on the challenges for social media, Kaplan and Haenlein (2010) give some context to the overall market such sites operate in, and aim to classify for businesses exactly what is out there and what might work for them.

Defining social media as “a group of internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content (UGC)”, the authors go on to underline the collaborative opportunities offered by this new media, as well as some of the pitfalls. Around advice on using blogs, virtual environments such as Second Life and other social networks, they give 5 simple rules each for using social and media-related sites:

Be social:

- Choice of social media is key – some are so huge your message can get lost, others jump on the bandwagon and fall off straight away. Time spent researching users and the community will pay off.
- Joining an existing network such as Twitter may dilute your brand, while developing your own application with a unique selling point may enhance it.
- Whatever you do, keep active.
- Ensure opportunities for integration with more traditional media are followed up – social media are an added dimension for marketing and should not be ignored by the shiny baubles of Web 2.0.
- Incorporate employees as much as possible by allowing and encouraging access and development.



Be media-savvy:

- Simply pumping out links to the latest press release will not do – their needs to be something of interest to your media output that will engage consumers.
- Ensure there are conversations over time, not one-hit messages that will not register any feedback.
- Being savvy about social media entails a level of humility by taking time to understand the dynamics of the applications and not assuming you know everything there is to know. In the history of marketing social media is the very latest phenomenon and many a firm has been unseated by a quick shift in fortunes.
- Success stories on social media so far have usually been less than slick – they benefit from personalities, engagement and anything that looks too “corporate” will not move people to get involved.
- Honesty is key and dishonesty can unravel any strategy very quickly.

Generation Y by Generation X

While the use of social media has been mostly computer-based, the era of smartphones has heralded a new generation of user who has begun engaging with social networks and brands online without pressing a single key. Mobile social media differs from computer-based applications in that location is much more of a factor with people being online everywhere all the time, as is the interface. Anything that requires more than minimal typing will be frowned upon, and there are already standard conventions for mobile applications driven by the iPhone’s explosion in popularity.

Understanding “Generation Y” or “digital natives” as they have been labeled can be difficult for executives from a previous era who thought they were cutting edge by using the internet at college. For those attending university in the early 1990s, it is a sobering fact that those starting in 2010 had only just been born, and the increasing pace of technology actually means the gaps between generations could be getting bigger.

In her article on communication strategies with the new generation, Peckham (2009) offers some intriguing angles for small business especially on how to engage their potential audience. Much of this centers on the integrity of how information is communicated. For example, references to “txtspk” looked old-fashioned very quickly as soon as phones started to use predictive text, although abbreviations like “OMG” seemed to have retained their currency.

Deep breath

Overall, there is actually very little known in the literature about the exploitation of social media as it is almost happening too fast to record the stages of progress. For example, people are often referred to as “@JoeBloggs” outside Twitter, and even syntax is changing through the use of characters to *emphasize* words where italics are absent. It is, therefore, imperative to understand that while you can try to avoid mistakes, making errors is part of the learning process with social media. An agile, responsive mix of marketing tools should get the best results – but the traditional “4Ps” of product, place, price and promotion will still form the bedrock of a successful marketing strategy.

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Keywords:

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Other key pointers are ensuring a multitude of media formats are utilized, especially video, as well as the identifying of internal and external stakeholders who can champion your goods and services online.

Comment

With the likes of Twitter barely out of nappies in business terms, there is very little scholarly research that has been conducted on the impact of it and other social media. The three articles selected here, however, provide an excellent introduction into deeper analysis of the current trends. Peckham (2009) and Kaplan and Haenlein (2010) both provide interesting insights into understanding exactly who the users are, while McGirt (2009) provides a fascinating, high profile case study of a new media company exploiting the opportunities presenting themselves.

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