

Social Media & The Entrepreneur
Indiana University - Bloomington

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Research Methods for Informatics and Computing

Group 9

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Abstract

Facebook and Twitter are both well-known social media networking service providers. According to an article “Facebook now growing by over 600,000 users a day” written by Justin Smith on 16th December 2008, the number of Facebook users has grown from roughly 10,000,000 million users to 140,000,000 million users worldwide in 2 years. The exponential growth of figures is shocking, and those figures only applied to active Facebook users. With the fact that social media services have a huge amount of users, it is obvious that Facebook can become a very effective tool for marketing and businesses.

On 16th, September 2011, Jefferson Graham from USA Today wrote an article “Facebook wants to be big among small businesses.” The article said Sheryl Sandburg, the COO of Facebook, wants every small business to use Facebook as the media for advertising products or services. Sheryl claimed Facebook can let business owners or entrepreneurs to reach their targeted customers a lot easier. As Jefferson has mentioned in his article “Sarah Loveland, owner of Daddies Board Shop, a skateboard shop in Portland, Ore., began using paid advertising with Facebook in 2010, in hopes of growing her business more quickly. She targeted fans of extreme sports and friends of those who ride skateboards and longboards. The result: She says her business shot up, and she attributes much of it to Facebook.” Social media seems like it can help entrepreneurs to grow their businesses.

Our research project looks at just how entrepreneurs specifically utilize social media to develop their business. The methods used in our research include: book/article reviews, entrepreneur interviews, as well as entrepreneur observations via their social media pages. Our hypothesis before beginning any preliminary research was that entrepreneurs would utilize social media solely to market their product/service. We found that this theory was extremely wrong. Rather, entrepreneurs seemed to feel the need to be more interactive and interesting - developing a sense of their character, instead of pushing out products/services to the masses.

Introduction and Statement of Research Problem

Social media is ubiquitous. Every year there seems to be a new “hot” social network. Whether it was instant messaging, MySpace, Flickr, and now in the forefront: Facebook, Twitter and/or YouTube - social media is in full force and seems to be here for the long haul. A prime example of the strength of social networks was Facebook purchasing the social network Instagram for \$1 billion - by far the biggest acquisition for an application since “Zynga’s” acquisition of “OMGPop” for \$200 million.

Furthermore, to give a perspective on the immense scope of social networks, the following facts were accumulated: “One in every nine people on Earth is on Facebook” (20 stunning social media facts plus infographic) - determined by dividing the planet’s 6.9 billion people by Facebook’s 750 million users. “People spend over 700 billion minutes per *month* on Facebook. More than 2.5 million websites have integrated with Facebook. Twitter is adding nearly 500,000 users a day” (20 stunning social media plus infographic). These are incredible facts, considering that of the almost 7 billion people on Earth, only about 30% of the world’s population is actually on the Internet (2+ billion users).

With such staggering traffic, there’s no doubt room for opportunity. This is where business venturers come into play. Our research group, made up of the members: John Sibo, Matthew Cheng, Dominique Black, and mentor: Shunying An were assigned to research how entrepreneurs utilize social media to develop their business(es). With unanimous agreement, we decided that, because of Facebook and Twitter’s forefront in social media, we would focus our attention on how entrepreneurs utilize these two social media pages.

Background and Related Work

With the boom of social media, many authors have started writing books and articles to put in their 2 cents on this phenomenon. As noted in the book, Facebook Marketing: Leverage Social Media to Grow Your Business, Facebook is a meeting place for endless users and “a marketer’s dream - if you know how to market there” (Holzner 5). The potential is enormous and “the payoff is huge - if you play by the Facebook community rules” (Holzner 5). In order to tap into this “payoff,” it is noted that one must be creative. Holzner states that: “It’s no longer the corporation with the biggest budget that wins. Your creativity -- and your ability to engage users -- determine your success” (6). Entrepreneurs must factor in this creativity aspect when interacting and engaging with their users to develop their business via social media.

When assessing an entrepreneur’s utilization of social media networks, we must consider the unavoidable word of mouth marketing that will undoubtedly happen along with social networks. Word of mouth marketing is said to be one of “the most honest” forms of marketing. According to a 2007 Neilson Global Survey, “recommendations from fellow consumers remains the most trusted source of information when consumers decide which product and services to buy - with nearly 80% of the 26,000 worldwide respondents citing ‘recommendations from consumers’ as their most trusted form of information” (The Strength of Word of Mouth).

This word of mouth can make or break an entrepreneur’s business venture(s). How can this ensue? It is noted that those who experience positive satisfaction from a product/service on

average tell 3-4 others through word of mouth. However, those who endure a negative experience from a product/service on average tell *10* others through word of mouth. As an entrepreneur, whether developing or already having an established business, you want to make sure your reputation is as concrete as possible. Developing business and keeping the experiences positive plays a huge part in this concrete reputation.

Research Methodology

Each group member was assigned to read 2+ articles/books on using social media to develop business. These articles ranged from: scholarly reviews, tips/tricks, entrepreneurship blogs, etc. All of the articles & books used for our research can be found under our “Citations” section of this report and/or webpage: <http://mypage.iu.edu/~jsibo/i399>. We deemed it necessary to do such background research to see if our analysis of these articles would match up with our intended analysis of interviews and observations.

In an effort to get primary incite from entrepreneurs, we also believed it to be beneficial to interview entrepreneurs whom were social media users. These included: personal friends, persons with established businesses, and/or those developing their current business. We interviewed 9 individuals. A sample set of these interviewees include: Stephen on behalf of Tony Hsieh (Zappos CEO) whom is in the information technology and retail field. Forrest, an entrepreneurial friend whom is also in the information technology and retail field. Tim, a very established individual in the information technology and consulting fields. For a full list of interviewed entrepreneurs, and their fields, refer to Appendix A. A sample of the given interview questions are as follows: 1.) what benefits do you believe the use of social media can have to help develop a new business? 2.) Has social media helped your business to save on costs, how so? 3.) What is your major purpose from utilizing social networking? For a full list of given questions, refer to Appendix B or our webpage: <http://mypage.iu.edu/~jsibo/i399>.

After interviewing such individuals, we wanted to compare our interview answers and match them up by noting just how these interviewees utilized social media to develop their business(es). From the sample group mentioned above (Tony, Forrest, and Tim), we looked at social network interactions from their Twitter and Facebook pages, respectively. We followed Tony’s Twitter page: @zappos and his Facebook page: Tony Hsieh. Next, Forrest’s Facebook page: Forrest Fowler and his Twitter account: @tweet4ESTtweet. Finally, Tim’s Twitter page: @timberry. A breakdown on the age and genders of interviewed individuals can be seen in Figures 1 and 2 below:

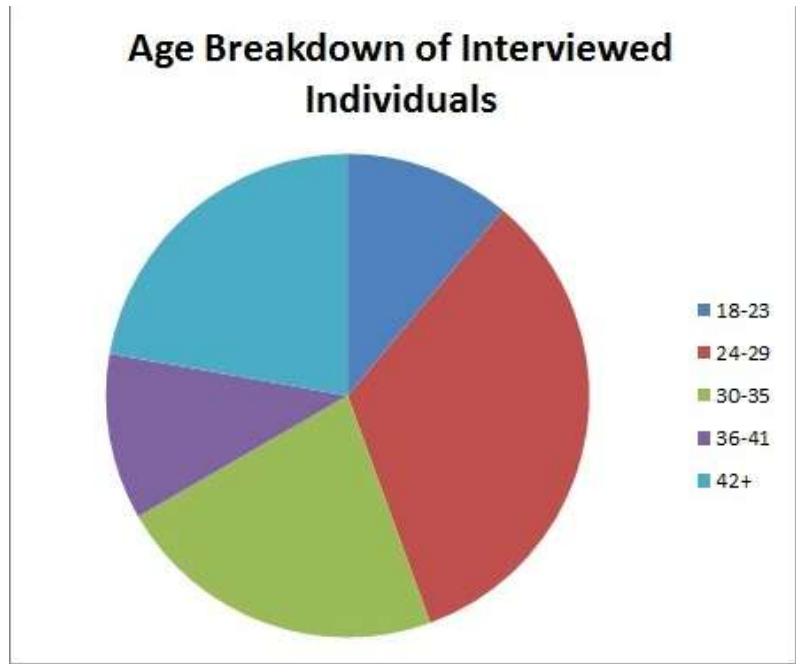


Figure 1:

Age Breakdown

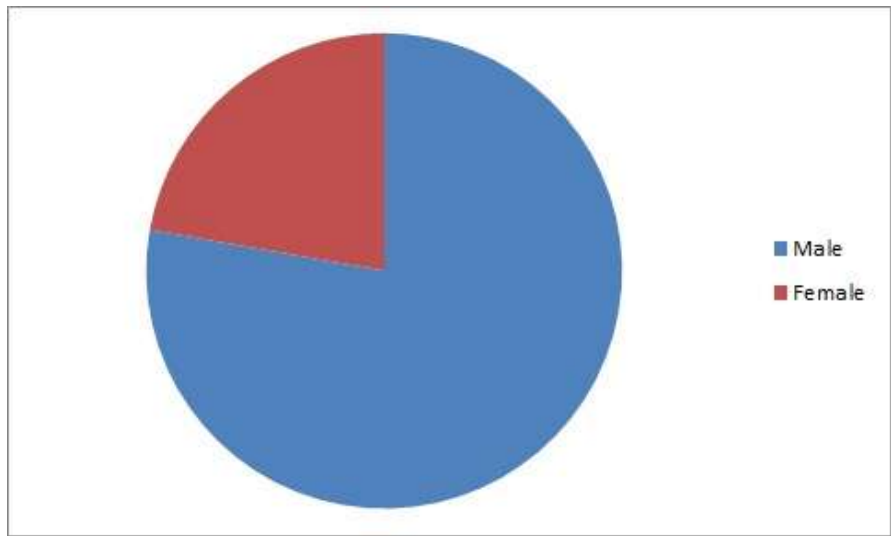


Figure 2: Gender Breakdown

As one can see from Figure 1 pictured above, the highest number of interviewees stemmed from persons of 24-29 years of age. The next 2 largest pools of conducted interviews were of individuals from 30-35 & 42+ years of age, respectively. The lowest portion of interviewees were of 18-23 and 36-41 year old age groups. That being said, we can denote that more than half of interviewed individuals ranged between 18-35 years of age. Furthermore, we can see from Figure 2 that the bulk of our interview population derived from individuals of the male gender.

After reading such articles, interviewing a number of entrepreneurial participants, and observing social media feeds of both Twitter and Facebook, we developed our analysis. We began with our analysis of the scholarly articles/books. Then, moved onto the social media observation analysis - comparing each individual's interview answers to their social media page(s). Finally, we developed a conclusion of all the latter.

When formulating our research methodology, it was important for us to stick with a strict timeline to get the most output out of our input. Figure 3 below illustrates the timeline for our research:

Book/Article Reviews:

- Preliminary research & analysis before first presentation 1/30/12 - 2/13/12
- Analysis of Background Research 2/12/12 - 2/18/12

Interviews:

- Produce Questions 2/18/12
- Begin Interviews 2/25/12 - 3/10/12
- Analysis of Interviews 3/1/12 - 4/16/12

Observations:

- Finding entrepreneurs to observe 2/11/12 - 2/24/12
- Observe entrepreneurs 3/1/12 - 4/1/12
- Analysis of Observations 4/2/12 - 4/16/12

Figure 3: Timeline

As mentioned previously, we began with book/article reviews which spanned the beginning of our research (1/30/12) until mid-February before our first, introductory presentation. Next, we did further analysis of this aforementioned research and developed concluding points of the article/book reviews - which can be seen in our analysis.

After deliberation and concluding points being made, we moved on to developing questions for our interview. We produced questions in mid-February that directly correlated to our concluded points. After such questions were formulated, the interview process began the week after - in late February. After a couple weeks worth of interviews, an analysis of these interviews was produced stretching the beginning of March until mid-April before our final presentation. As can be noted from the timeline, some interviews coincided with the beginning of our interview analysis; this was due to interview scheduling conflicts.

Finally, observations of social media pages were held. Before doing our observations, we conducted a search to find reputable entrepreneurs that held social media pages. This search spanned mid-February until the latter end of February. The entrepreneurs found when doing this above mentioned search were the same entrepreneurs we conducted interviews with. After finding our entrepreneurs, we started observing just how these individuals acted and interacted via their social media pages; this analysis spanned the beginning of March until the beginning of April. Finally, an analysis of our observations were made in the beginning of April, until mid-April and were later compared to both: interview answers and our book/article analysis.

Analysis

As mentioned in our research methodology, our group took 3 approaches when attaining an analysis to see how entrepreneurs utilize social media to develop business. These 3 approaches included: background research via articles and books, interviews of entrepreneurs, and observations of entrepreneurs via social media. Each group member was assigned to read 2 (or more) books at will, a total of 9 interviewees were formulated, and 6 social media feeds were analyzed - stemming from the interviewees.

Social Media

Every group member read at least 2 articles that dealt with social media and developing business. As mentioned in our research methodology, these articles ranged from: scholarly reviews, tips and tricks, entrepreneurship blogs, etc (all found under our "Citations" section). After reading such books/articles and deliberating with the group, we came to a consensus on a number of points that held true throughout our article reviews. The following are consistent theories formulated from our research:

1. Social networks make it easier to expand your target audience.
2. Keep the information on the social networks interesting! Don't bore "your people."
3. It's a quick and easy way of getting feedback from your target audience.

4. Interact, interact, interact!
5. Social networks minimize advertising costs.
6. Social media puts your name out there (whether new or distinguished business).
7. Network with other businesses to gain credibility.
8. Word of mouth is powerful - social media can make or break your entrepreneurial endeavours.

Interviews

After concluding these points from our article/book analysis, we wanted to see if these points in fact held true with our entrepreneurs. To find this, we asked a number of questions that directly correlated to our concluded points as seen in the latter. These questions can be found at "Appendix B" of this report. From this point on, every question will be referred to by its assigned number from this appendix.

To begin analysis of each entrepreneur, interview answers were assessed. These interview answers can be seen in "Appendix C." However, we will only focus on a small sample of interviewees: Tim and Forrest, along with a small sample of interview questions. We will break down and compare each sample question with our sample of these 2 individuals.

For question #1 (refer to Appendix B), responses from Tim and Forest had both commonalities and contrasts. Tim states that he sees social media as "a way of enhancing and strengthening our mission statement." Forrest claims that he sees social media as a "hype game." In this, he notes that people seem to be "more concerned about their image than their actual products." Similar to Tim's assumption of using a social networking especially for selling expertise, Forrest notes that your "product speaks louder than your words." Tim

When analyzing question #2 (refer to Appendix B) on why these individuals have social media accounts in the first place, the following was said: Forrest saw Facebook as "noise" - meaning that most of his connections via Facebook were "not real," so he notes that he deleted it. He sees the Facebook model of "serving you ads on top of what you want to see" as dying. He does, however, utilize Twitter, as he sees it as a more genuine network - believing this genuinity can be better for business. Tim, on the other hand, has a: Facebook, Twitter, LinkedIN, and Google+ among others. He notes that: "Why? because it is part of my job, it is about engaging with users, customers, friends, readers, and the world in general." He especially believes social networks to be personally rewarding as he is "in a job description that is a lot about evangelizing ideas about startups and business planning." He has actually been written up on his Twitter persona in multiple articles from: Business Insider, New York Times, and Business Week.

Breaking down Forrest and Tim's opinions on question 3, the following was concluded about the benefits of utilizing social media to develop business: Forrest notes that it can "be good for raising awareness, but not translating directly into sales." Forrest once again notes the "hype"

of social media, but acknowledges this hype by stating that “some hype is necessary for raising money and generating interest from early adopters but if it is not built on a solid product - [the business] will fizzle.” He believes that social media “accelerates the process” but that this “hype model” based solely on social media strategy is not one that can be sustainable. Tim doesn’t see this “hype” Forrest is mentioning and sees social media primarily as a place of “communicating expertise.” However, he notes, [social media] is ultimately just a tool: “If you do not do anything with it, it is useless.” Therefore, on one side of the fence we have an individual (Forrest) who sees expertise as something that comes secondary (primary being the “hype” of social media). On the other side of the fence (Tim), we have an individual who sees expertise as the primary motivation of social media.

Finally, we will analyze question 7, found in Appendix B - assessing how these entrepreneurs utilize their time on social media: including time spent versus time actually posting information or interacting with others. Forrest states that he checks Twitter “every hour for news and articles on the bus, walking to class, etc.” He actually does not follow any brands, except for certain software products that he uses that “tweet system updates/outages/ or new features.” When it comes to currently utilizing social networks, Tim states that he is on a hiatus now because of a skiing accident requiring surgery. Though, he “normally [does] 12-14 blog posts per week and 10-20 social media updates per day.” How these individuals actually interact, and their number of total number of postings will be assessed next in our social media observation analysis.

Observations

While conducting interviews, our group members were simultaneously observing how our interviewees interacted via social media. This was done for comparison purposes - comparing observations to interview answers and what books/articles had to say. For the sake of space, we will focus on a sample of our interviewees: Tony, Becky, and Tim. For a complete analysis of social media observation, please refer to Appendix D of this report.

Tony utilizes the @zappos Twitter feed to get his word out. When analyzing his Twitter feed, you would have little to no idea the company sells shoes (other than the name) due to most tweets being either: inspirational quotes/sayings, some type of article, and/or him stating his mind. It is a very "laid back" Twitter feed and there is no pushy marketing within it. As a matter of fact, he noted in his interview that he doesn't push for followers on Twitter - rather, most followers have already been dedicated fans to the *company* and already know of the product - so it seems he feels he doesn't feel the need to talk about the company's products.

Tony tends to tweet extremely rarely (once-twice per month) about the latter issues. He has accumulated over 2 million followers and follows nearly 400,000 people (by far the most followers of any of our interviewed entrepreneurs). The people he follows seem to be Zappos fanatics. Tony doesn't seem to interact with anyone on his Twitter feed. Because his company is so big, he has employees via *another* Twitter account (@Zappos_Service) - these employees literally monitor the @Zappos twitter feed around the clock, 24 hours a day, interacting with customers whom are having any troubles, inquiries, or simply just want to chat. In our opinion, based on observations, it is a very well run, customer-friendly company that really portrays their culture via social media.

Becky also seems to have diversified tweets. She tends to tweet and ReTweet (the act of mimicking someone else's tweets) entrepreneurial articles, and puts out advice to aspiring entrepreneurs. She also tends to bring out her personal side when tweeting - from clothing she recently purchased, to what she just added to her iPod playlist, etc. Unlike Tony, Becky seems to put her name/business out there much more. For example, her Twitter biography talks a little about what she does and has a link to her web page for her followers to get more information.

Becky has over 26,000 followers and follows approximately 4,000 individuals. The bulk of the individuals whom she follows are seemingly a network of entrepreneurs, whether: aspiring entrepreneurs, or current entrepreneurs. Also, unlike Tony, the *bulk* of Becky's 56,000+ tweets are interactions with followers. It is almost difficult to filter through her interactive tweets to see her own, personal tweets. She seems to be very social and likes to get her knowledge out to others in a very friendly, helpful tone.

Tim is very similar to the latter 2, but especially Becky - in terms of the information he tweets: personal life, articles, and interesting information in general. Unlike the latter 2, Tim runs a very popular blog that he continuously tweets about when he writes/finishes a new posting. His blog is extremely diversified and interesting. It ranges from the financial field, to social media, to extremely motivational pieces; a full range of fields. As a matter of fact, one of the individuals in our group (John) liked his blog so much so that even after our project analysis - John follows up with Tim's posts.

Tim has over 11,000 followers and follows about 1,500 people. His network of followers seem to be: those who know Tim personally, as well as those who are fanatics of his entrepreneurial works and blog. Similarly to Becky, Tim is continuously and promptly interacting with others and, on occasion, tweets information himself (typically a new posting on his blog).

Results

Before we started our primary research: the interviews, we concluded from the secondary research: the literature reviews, that social media can help to expand target audience, help receive feedback from the target audience more effectively, reducing advertising costs, and entrepreneurs can gain credibility. However, our primary research showed that only 11% of the participants found social media useful for expanding targeted customer, 33% of the participants have reported that social media might help them on saving costs such as advertising cost, 56% of the participants found social media is an efficient channel for receiving feedback and providing customer care, and 44% of the participants found social media to be a good way to gain credibility from their customers.

To collaborate our results from primary research and secondary research, a bit more than half of the entrepreneurs have already found that social media is an efficient channel for receiving feedback and providing customer care. A bit less than half of the entrepreneurs found that social media is a good way to gain credibility. However, it is understandable because not every entrepreneur is doing a business that can be relied largely with the means of Information Technology.

Reversely, roughly 67% of the participants found that social media might not help businesses from saving costs. There are two possibilities for this to happen: first, the nature of the businesses and its customers, and second: entrepreneurs not understanding the advantages a social media network can bring to their business. Lastly, 89% of the participants found social media to not be useful for expanding their targeted customers. This actually explains the difference between an e-business and a physical business. With the fact that only 30% of the world population has internet access, and not every internet user has an account with a social media network, many targeted customers are not active users with social media. Or, customers simply do not make decisions based off information provided by social media network.

Conclusions & Future Work

Before our final analysis on this project, our group hypothesized that most entrepreneurs would dedicate their social media page to continuously market their products to their followers/fan base. Our hypothesis was extremely wrong.

Upon analysis, from both interviews and observations, we learned that this is exactly what entrepreneurs did *not* want to do. Instead of pushing a product/service to others - it seemed as though the most effective way of gaining followers and developing a business on social media

is by being relevant, interactive, and putting out interesting material - be it a personal story, an esteemed article, etc.

However, marketing a product/service *every now and then* seemed to be a trait most of these entrepreneurs shared. When looking at the interviews (Appendix C) one can see this seemed to be a commonality with the entrepreneurs. Essentially all entrepreneurs noted to *never be pushy* with your product. Rather, as Stephen Allan noted, let the fan base come to you by letting your social media page "'speak' to the product's accomplishments and go from there" and as Becky McCray noted, always remember to "listen before you start sharing" - meaning to: know your fans and their interests. "Do not try to use social networks as "*just another marketing tool*" - Becky McCray.

In the future, we intend to compare and expand our findings from how entrepreneurs utilize Facebook & Twitter social media pages, to other "hot" social networking sites, such as: LinkedIn, Instagram, etc.

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Appendix A

The following is a list of interviewed entrepreneurs and their fields, respectively:

Tony: IT/Retail

Forrest: IT/Retail

Becky: IT/Consulting/Retail

Tim: IT/Consulting

Crystal: IT/Retail

Zean: IT/Cosmetics

Bin: Retail

Youlong: Manufacturing

Appendix B

The following are the questions that were asked to each interviewed individual:

1. How important do you think social media is for a new business?
2. Do you personally own an account on any social networking service, such as Facebook or Twitter? If so, why?
3. What benefits do you believe the use of social media can have to help develop a new business?
4. Has social media helped your business to save on costs, how so?
5. How did you attain people to follow your social media page?
6. What kind of steps do you recommend for someone to get started on social media for their business?
7. How much time do you spend on social networking services per week? & How frequent do you log on? What is your major purpose from utilizing social networking?

Appendix C

Answers from the interviews:

Stephen on behalf of Tony Hsieh - (Zappos CEO):

1. For us, we have always seen social media as a way to connect to our customers, so on a broader level, we see it as a way of enhancing and strengthening our mission statement, which is "We are a customer service company that happens to sell ____." with whatever you want in the blank. In that respect, we see social media as important in the sense of helping us stick to our core values but not important for driving revenue or anything like that. Here is what Tony has to say, for example, on Twitter: "It is really been organic. We are not really about 'digital/social media' (a term which I personally dislike). We are really just about figuring out ways where we can best express our core values (our culture) and our commitment to great customer service. We have found that Twitter has been great for that, but so has the telephone, which is why we put our 1-800 number at the top of every page of our web site. The telephone is not very newsworthy, but it is one of our best branding devices."
2. Tony does have a Facebook and a Twitter page, which is @zappos. The reasons for him having an account are outlined above, but authenticity is important to him. He has this to say on how often he tweets: "I think it is important to be authentic, so I do not have a schedule. I will tweet if I feel like it, and I will not if I do not." In that sense, then, I think, the "why" is not as important as the "what." It is definitely a valid question, but truthfully, there really is not a why a lot of the time that Tony personally tweets.
3. Social media, at its best, can help expedite the process and growth that you as a company can have--but at the same time, it can also make it crash faster. The best way to explain it is to think of it like simulating stocks online versus letting it happen in real life--you can experience growth much faster online, but you can also see it crash much faster. Basically, social media can be a catalyst for a new business, one way or the other.
4. I cannot address this question directly other than to say we do not measure social media in terms of money. Here is what Tony said: "We do not measure that because we do not think of Twitter as a direct marketing channel. Twitter allows us to be more personal with our customers and build relationships with them over time. We are not really looking at short-term ROI in terms of sales. We are looking to form life-long relationships with our customers, and we think Twitter helps us do this. However, we have also found that Twitter has been great for recruiting because people can get a glimpse into what our culture is like just by observing how we interact with each other on Twitter."
5. Honestly, we let word-of-mouth advertising do all the work. We never have and never really will aggressively seek more followers, as we prefer for people to follow us for

what we are instead of what we advertise or say we are. Honestly, we do not have any long-term strategies or goals for our social media pages and we do not run any contests or anything like that. We just prefer to let followers come as they like.

6. Start slow and let followers come to you. The biggest thing is to focus on the product that your business presents and let the product do the talking. If you do that, then you can let social media "speak" to the product is accomplishments and go from there.
7. As mentioned above, Tony does not really have a set schedule for using social media. The biggest reason we use social media is to connect to the customer in a more personal setting. Let me know if you have any follow-up questions! If you want to learn more about how we operate at Zappos, be it with culture, customer service, business or anything else, check out the Zappos Insights subscription service:
<http://www.zapposinsights.com/tours...> Zappos Insights members have access to Culture Labs videos and much more to learn from us and use in their businesses.. yes, these ninjas have no secrets! If you are ever in town out here in shiny Las Vegas, John, you are also more than welcome to come take a tour of Zappos! Our headquarters are located right next to the airport. Tours take roughly an hour and are available Mondays through Thursdays, and we have a free Zappos shuttle service that can pick you up from the airport or your hotel and then drop you off afterward! To schedule a tour, feel free to follow this link: <http://tours.zappos.com>.

Forrest, Entrepreneurial Friend:

1. I think it depends on the business. In tech businesses (i.e. online) I think it is extremely important to get the word out but for businesses with physical products--not as much. Pinterest might be changing that but in the ventures I have done where we are actually physically selling something, I do not think social media does anything but create noise. I think that social media has turned the entrepreneurship scene into a "hype" game where people are more concerned about their image than their actual products. Although I think it is important to communicate to your customers, I think your product speaks louder than your words, and most small companies lose sight of that. Interesting that Apple, the world's most valuable company by market cap, does not have a Twitter or Facebook fan page.
2. My Facebook got to the point where the connections I had were not real and most of my feed was noise, so I deleted it. I use Twitter for meaningful content about current events, etc. I also have a Pinterest for following brands. I think people want genuine interactions and Facebook is model of serving you ads on top of what you want to see is dying. With Pinterest, it is clear that you are being advertised too, and if the product is cool, you do not care.

3. I think it can be good for raising awareness, but not for translating directly into sales. I think some hype is necessary for raising money and generating interest from early adopters but if it is not build on a solid product, I think it will fizzle with or without social media. Social media accelerates the process, especially for online service businesses, but a hype model based entirely on a social media strategy is not sustainable.
4. We used Facebook to advertise shirts and other things, which was pretty effective in getting the word out. But like I said, for physical products, our sales in stores were a lot higher than online via social media.
5. We tricked them. Like I said, people do not want to be advertised to directly, especially on Facebook. So we made fan pages for things related to our products but not our products themselves. Two years ago we sold about 400 game day shirts to Packer is football fans before Super Bowl XLVI. For copyright reasons, our products were not licensed and did not have any Packer is trademarks or insignia (aka they were not that cool). So we made a fan page for the XLVI Super Bowl run that got 19,000+ likes, then posted links to our shirts. We definitely would not have reached that many people otherwise, but like I said, that model is not sustainable because customers quickly see through the noise and the quality of your product is all they care about.
6. I think it depends on the business. For online service businesses, it is as critical as having a sales associate present if you were selling your product at a physical store. When the sales channel is online, people expect to be able to engage and interact via the same medium. For physical products, I think the focus should be on developing a solid product and a strong brand.
7. I check Twitter every hour for news and articles on the bus, walking to class, etc. I do not follow any brands except for some of the software products I use that tweet system updates/outages/ or new features.

Becky, Small Business Owner & Co-Founder of Tourism Current

1. It depends completely on the type of business as well as the business person.
2. I have accounts on Facebook, Twitter, LinkedIn, Google +, Pinterest, and many other social networks. I have these accounts to learn from others in my field, to research trends, and to network and socialize.
3. "A new business" is exceptionally broad; it could be any kind of business. However, most any business can use these tools for all of the purposes I listed above: learning, research, networking and social reasons as well as marketing.

4. I do not track cost savings from social media.
5. Each network has a different pattern. If there is one consistent factor, it would be to continually share information that others will find interesting.
6. Decide on what goals you wish to accomplish from the list I gave earlier. Find out where your customers (or other groups you are seeking) spend their time online. Listen first before you start sharing. Do not try to use social networks as just another marketing tool.
7. I do not track my time on social networks. I log in to several each day. My major purpose is to serve as a social aspect for my business. I work in a small town, and my networking opportunities are limited locally.

Tim, Founder & Chairman: Palo Alto Software; & Bplans.com; Co-Founder of Borland International; Author of multiple books & Softwares on Business Planning:

1. A lot depends on the specifics of the business, and also how they use it. Social media is a change in the way people communicate, and as such, it can be an enormously important tool for a business. But be careful, because it does not do anything for anybody unless it is used right. Just having accounts in the main social media site can be useless. And dabbling for a while does not make much difference. And some businesses lend themselves this new kind of marketing more than others. Social media without engagement and community is not very useful. It is not just having the account, it is about using it to engage and communicate and share. And the type of business matters. A traveling food cart might have more use than a stuffy corporate attorney. Still, there are attorneys who practice with startups and entrepreneurs who are actively engaging with potential clients. If you sell expertise, social media helps you establish what you know.
2. I am kind of disappointed to ask, because it is all over my blog: twitter, Facebook, LinkedIn, and Google plus, among others. Why, because it is part of my job, it is about engaging with users, customers, friends, readers, and the world in general. How could I not? It is fun, useful, and personally rewarding. And I am in a job description that is a lot about evangelizing ideas about startups and business planning. I have been written up for my twitter persona in Business Insider, New York Times, and Business Week, to mention a top 3. I have been included in three or four books about startups and small business marketing. How valuable is that in business.
3. Developing community voice, engagement. Also communicating expertise. Keeping up with developments that affect you and your customers and their customers, and your vendors, and your business at large. Still, like a toll free telephone, it is just a tool. If you do not do anything with it, it is useless.

4. I have used social media to find vendors and software solutions for my personal productivity.
5. I honestly think it is about publishing decent content. Whether it is tweets, Facebook updates, LinkedIn updates, or Google Plus updates, I assume nobody gives a damn about personal details of my life, so I try to always offer content about my areas of expertise: business planning, entrepreneurship, angel investing, etc. I do not do social media clutter. Also success breeds success: people recommend me, and journalists recommend me. In one of the previous questions I mentioned how I have been recommended by major business media. And I genuinely enjoy the interaction with the people I interact with, many of whom started as social media relationships and became friendships.
6. <http://timberly.bplans.com/2011/03/my-recommendation-about-your-twitter-facebook-and-linkedin.html> is one of the 10 most popular posts on my blog. Also:
<http://www.google.com/url?q=http%3A%2F%2Ftimberly.bplans.com%2F2011%2F04%2Fok-maybe-i-communicate-with-logos-but-are-they-friends.html&sa=D&sntz=1&usg=AFQjCNGWwfNn-ppLrsq4bpeVd9WQVcO9AQ>
 And:
<http://www.google.com/url?q=http%3A%2F%2Ftimberly.bplans.com%2F2011%2F02%2Fsocial-media-businessreality-check.html&sa=D&sntz=1&usg=AFQjCNH309dHuGNDxxQ4tUXHtikToeRLdA>.
7. I am in a forced hiatus right now because of a skiing accident that required surgery. but normally I do 12-14 blog posts per weeks and 10-20 social media updates per day. That does not come easily. It takes time. YOU can look at my twitter account to see how many tweets I have done, and on my blog I have done more than 1,400 posts, and another 900 on upandrunning.bplans.com and monthly appearances on AMEX OPEN, entrepreneur.com, and the SBA.gov Industry Word blog. I have also been on the Huffington Post more than a dozen times.

Crystal: Online fashion store owner from Shanghai, China

1. I am a loyal user of weibo.com [the China equivalent of Twitter], and I have used it for several years. I update my status and daily life on my page almost every day. I also have thousands of loyal fans following my updates and share their latest news with me. When I decided to open an online store selling cloths and fashion accessories from United States to China, I think weibo.com is the best approach to success.
2. N/A
3. I chose weibo.com for starting my business because of the following benefits:

- i. It increases the credibility of my online store. As everyone knows, Internet is not a real world. Customers can't trust on your store and products if they do not know who you are. However, it is different if I use my weibo.com account to start the business. Some of my fans become my customers because they know me well from my daily life updates and shares.
 - ii. It saves money from advertisements. My fans are the free advertisement tools for my online store because they can forward my status and photos once I have uploaded them as well as information for my new products and inventory. Hence, their friends will see their posts and acknowledge my store. The number of my fans almost doubled after the first week I started my business.
 - iii. Real-time feedback and communication. My customer can communicate with me instantly and give me feedback after the service. The ease of communication is very important for business nowadays especially when I need to serve overseas customers.
4.
 - i. Saving advertisement costs.
 - ii. Lower labor expenses. I only hire two part time customer service advisors to answer questions and place orders for customers.
 5. I can search the main characteristics of my products in the weibo.com community search engine such as the brand of my products, then it will show all people who have mentioned about those words or who are interested in those products. I will then send the website of my page to those potential customers and request them to follow my page.
 6. N/A
 7. I have the weibo.com iPhone app on my mobile device, so if any customer makes a comment on my products, I will log on and answer questions at the earliest convenience. I log on my account almost three times a day to update my products and discover potential customers. I recommend the beginners to follow these steps. First, find a social media which they have used the longest time and have most loyal fans such as facebook , twitter, or weibo. Second, make the most use of your current fans. They are the best resource to advertise your business. Third, find the best way for you to develop potential customers.

Zean: Online cosmetic products store representative from Hunan, China

1. Social media is important. Without Social Media, a new business cannot get its name heard by the public, therefore founders will not be able to efficiently market it is products or services.
2. I do have both of Facebook and Twitter accounts. It will be easier to reach my friends and get connected within social circle from reading others' updates.

3. I believe social media can quickly bring our products to hit the market and our customers. Social media can also boost short-term brand building and maintain long-term brand management.
4. I believe it will save a lot of costs as Facebook and Twitter do not charge membership fee at all. Even if you post advertisements with them, the cost is much lower than TV commercials and newspapers posts.
5. I do not try to attain ppl, so I am not familiar with those techniques.
6. To get started by managing Facebook and Twitter Pages, update as much as possible and target potential customers.
7. 10 hours probably. I log on very frequently, and I try to get connected to the news, public, and friends.

Bin: Coffee shop owner from Shenzhen, China

1. It is a very important part of marketing and public relationship for a new business. Social media is representing the brand image and delivering the brand value to a large variety of customers nowadays.
2. Yes on weibo.com [the China equivalent of Twitter], to better communicate with friends.
3. The customer base on social media is growing bigger and bigger, and using social media has a high potential on creativity from knowing new and different things out there in the world.
4. Using social media should have a lower advertising expense than using traditional marketing tools like magazines or TV advertisements.
5. For personal page, always keep updating with hot topics and rare information.
6. Register -> Learn from other successful social media business users -> Create the page -> Expose it to customers.
7. 3 hours/week, and I log on almost everyday to see what is happening with my friends and to catch up with them.

Youlong: Raw material manufacturer representative from Shanghai, China

1. I believe social media is not very important to new businesses.
2. No. I do not have an social networking account.
3. I believe social media can help a bit for new developed business to build up relationship with people such as customers and other owners in the same business.
4. No.
5. N/A.
6. I have no recommendations.
7. N/A

Appendix D

Social Media Observation Analysis in Table Form:

<u>Individual</u>	<u>Gender</u>	<u>Field of Business</u>	<u>Analysis of Social Media Feed</u>	<u>Interactions on Social Media</u>
Tony	M	Information Technology/Retail	<p>Tony utilizes the @zappos Twitter feed to get his word out. When analyzing his Twitter feed, you would have little to no idea the company sells shoes (other than the name) due to most tweets being either: inspirational quotes/sayings, some type of article, and/or him stating his mind.</p> <p>It is a very "laid back" Twitter feed and there is no pushy marketing within it. As a matter of fact, he noted in his interview that he doesn't push for followers on Twitter - rather, most followers have already been dedicated fans to the company and already know of the product - so it seems he feels he doesn't</p>	<p>Tony has over 2 million followers and follows nearly 400,000 people. The people he follows seem to be Zappos fanatics. Tony doesn't seem to interact with anyone on his Twitter feed. Because his company is so big, he has employees via another Twitter account (@Zappos_Service) - these employees literally monitor the @Zappos twitter feed around the clock, 24 hours a day, interacting with customers whom are having any troubles, inquiries, or simply just want to chat. In our opinion, based on observations, it is a very well run, customer-friendly company that really portrays their</p>

			<p>feel the need to talk about the company's products.</p> <p>Tony tends to tweet extremely rarely (once-twice per month) about the latter issues.</p>	<p>culture via social media.</p>
Forrest	M	Information Technology/Retail	<p>Forrest is a personal friend of one of the individuals within our group. His social media portrayal both on Facebook and Twitter (@tweet4ESTtweet) is also one of a very laid back, friendly perspective. He tends to put information out on both media accounts (Facebook & Twitter) about any projects that he is currently working on, any interesting articles out (typically IT related), personal life, etc. It's a true mix of information, that seems to never fail in being rather interesting. It displays both his business and daily life.</p> <p>Forrest tends to tweet on occasion, typically 2-3 times a</p>	<p>Forrest has approximately 130 followers and follows just about the same amount of individuals. It looks as though his followers and the people he follows are strictly friends and people in his network. He tends to interact promptly with all followers on both his Twitter & Facebook account about seemingly any issue(s) presented to him.</p>

			day, about the latter issues.	
Becky	F	Information Technology/Consulting/Retail	<p>Just like the latter 2, Becky also seems to have diversified tweets. She tends to tweet/ReTweet entrepreneurial articles, and puts out advice to aspiring entrepreneurs. She also tends to bring out her personal side when tweeting - from clothing she recently purchased, to what she just added to her iPod playlist, etc. Unlike the latter 2, Becky seems to put her name/business out there much more. For example, her Twitter biography talks a little about what she does and has a link to her web page for her followers to get more information.</p>	<p>Becky has over 26,000 followers and follows approximately 4,000 individuals. The bulk of the individuals whom she follows are seemingly a network of entrepreneurs, whether: aspiring entrepreneurs, or current entrepreneurs. Also unlike the latter 2 individuals, the <i>bulk</i> of Becky's 56,000+ tweets are interactions with followers. It is almost difficult to filter through her interactive tweets to see her own, personal tweets. She seems to be very social and likes to get her knowledge out to others in a very friendly, helpful tone.</p>
Tim	M	Information Technology/Consulting	<p>Tim is very similar to the latter 3, but especially Becky - in terms of the information he tweets: personal life,</p>	<p>Tim has over 11,000 followers and follows about 1,500 people. His network of followers seem to</p>

			<p>articles, and interesting information in general. Unlike the latter 3, Tim runs a very popular blog that he continuously tweets about when he writes/finishes a new posting. His blog is extremely diversified and interesting. It ranges from the financial field, to social media, to extremely motivational pieces; a full range of fields. As a matter of fact, one of the individuals in our group (John Sib0) liked his blog so much so that even after our project analysis - John follows up with Tim's posts periodically.</p>	<p>be those who know him personally and those who are fanatics of his entrepreneurial works and blog. Similarly to Becky, Tim is continuously and promptly interacting with others and on occasion, tweets information himself (typically a new posting on his blog).</p>
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