

### Anna Miotk, PhD

# Does the company presence on social media platforms still strengthen the brand image?





- Social media and social platforms
- Popularity of social media platforms
- Importance of social media platforms for marketing
- Challenges connected with social media platforms: information and advertisement quality
- Can we change this?



- A medium focus on function
- A platform focus on business model; also a publisher

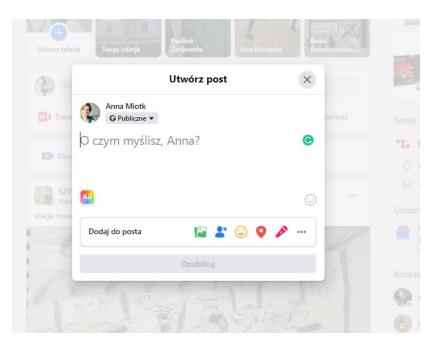


- websites and applications that enable users to create and share content or to participate in social networking (Oxford Dictionary).
- forms of electronic communication (such as websites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (such as videos) (Merriam Webster)

### Easy publishing and sharing news



...





"Wyglądają tak, że można o nich kręcić horrory" 🤨



#### O2.PL Widok jak z horroru. Natkneli się na niego polscy leśnicy Spotkasz je w polskich lasach. To tajemnicze twory łączące cechy kilku grup żywych organizmó... 88 4 2 komentarze 1 udostępnienie

止 Lubię to!

C Komentarz



https://www.applicoinc.com/blog/what-is-a-platform-business-model/

## The platform as business model

**Definition: A platform is a** business model that creates value by facilitating exchanges between two or more interdependent groups, usually consumers and producers. In order to make these exchanges happen, platforms harness and create large, scalable networks of users and resources that can be accessed on demand.

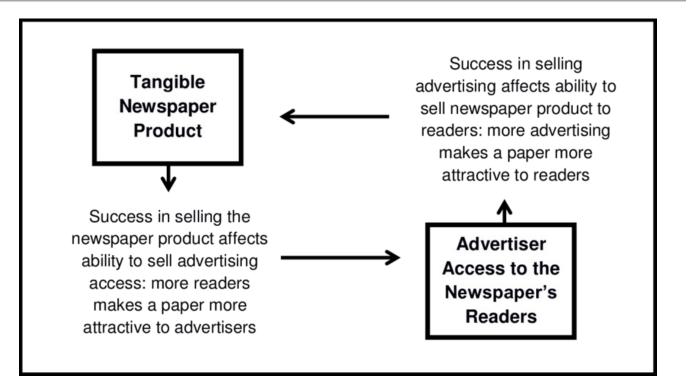






- Social media platforms are also publishers
  - They define themselves as platforms and they do not want to take responsibility for the content published by users
  - But the business model
    - Is dual product market: they offer the content (created by the audience or organizations) to audience and the audience to advertisers
    - The most of their income (over 90%) comes from advertising what is typical for a publisher (Kreft)

### **Dual product market – printed press**



"The Effects of the Rise of Radio, Television and Internet News to the Community Newspaper Industry in Baguio City: The Case of the Baguio Midland Courier (1947-2010)"

### The users' data is the currency

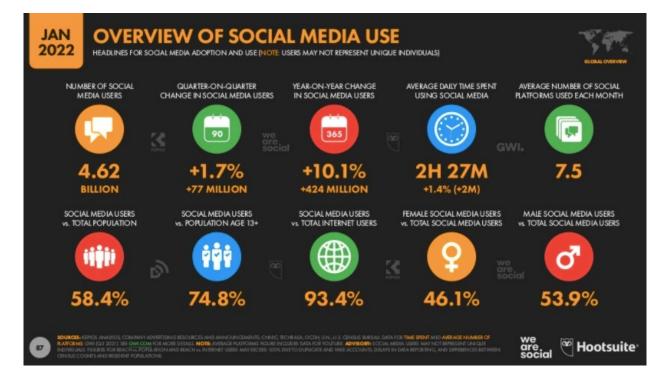




Source: https://www.mycustomer.com/experience/voice-of-the-customer/why-experience-data-is-the-new-currency-for-big-business

### **Overview of social media users**





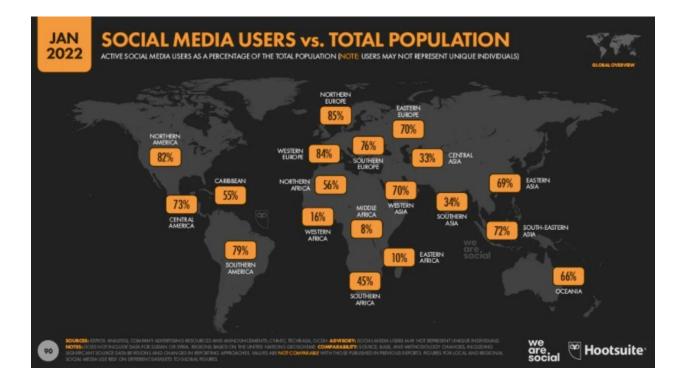
### Internet users worldwide

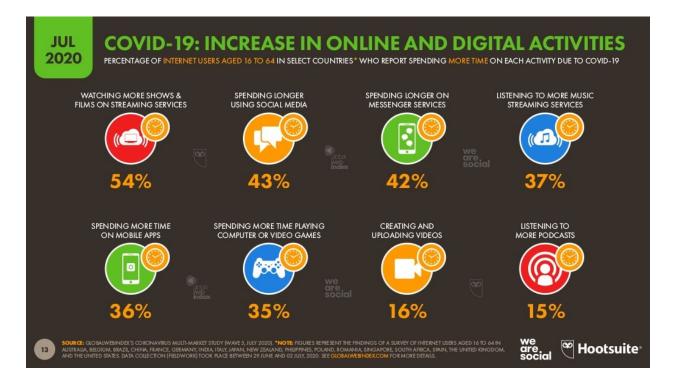




### Social media platforms - globally

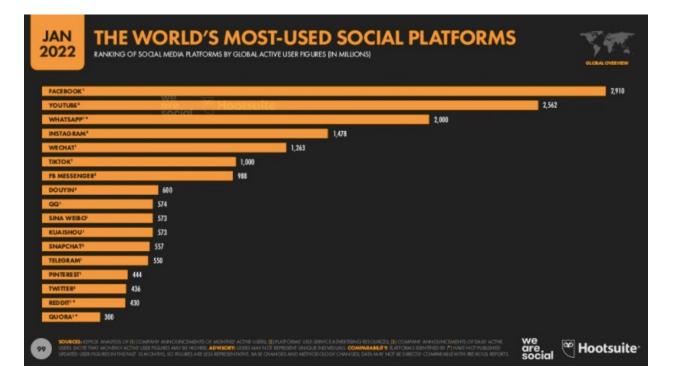












### The most popular social media - Poland





Serwisy społecznościowe		marzec 2022				luty 2022			
Lp	Media channel	Użytkownicy (Real Users)	Zasięg (internet)	ATS	Audyt	Użytkownicy (Real Users)	Zasięg (internet)	ATS	Audyt
1	FACEBOOK (www+app)	26 047 980	86,89%	17:21:56	nie	26 272 674	87,48%	14:27:20	nie
2	INSTAGRAM (www+app)	15 886 530	52,99%	04:32:20	nie	16 177 968	53,87%	03:51:46	nie
3	TIKTOK (www+app)	14 485 392	48,32%	15:52:03	nie	14 149 566	47,12%	11:05:32	nie
4	TWITTER (www+app)	13 039 056	43,49%	00:55:57	nie	12 582 864	41,90%	00:43:03	nie
5	PINTEREST (www+app)	8 327 448	27,78%	00:38:51	nie	8 431 938	28,08%	00:34:34	nie
6	SNAPCHAT (www+app)	8 285 490	27,64%	02:59:41	nie	8 131 590	27,08%	02:14:44	nie
7	blogspot.com / Serwisy społecznościowe	6 595 830	22,00%	00:03:19	nie	7 123 950	23,72%	00:04:26	nie
8	LINKEDIN (www+app)	6 585 300	21,97%	00:13:22	nie	6 022 512	20,05%	00:13:08	nie
9	WYKOP (www+app)	4 623 156	15,42%	00:29:51	nie	4 179 924	13,92%	00:21:35	nie
10	siepomaga.pl	3 753 054	12,52%	00:01:50	nie	4 392 306	14,63%	00:02:35	nie



Ranking dotyczy danych display- dane na temat ruchu internetowego ze stron www i aplikacji (artykuły, galerie); nie zawiera danych dotyczących ruchu stream (z playerów), czyli z materiałów zaklasyfikowanych jako audio/wideo

RU - realny użytkownik; liczba osób, które odwiedziły i wygenerowały co najmniej jedną odsłonę w danym kanale mediowym (domena, aplikacja)

(nie zawsze jest to użytkownik, który jest widzem/subskrybentem treści lub kupującym dany produkt)

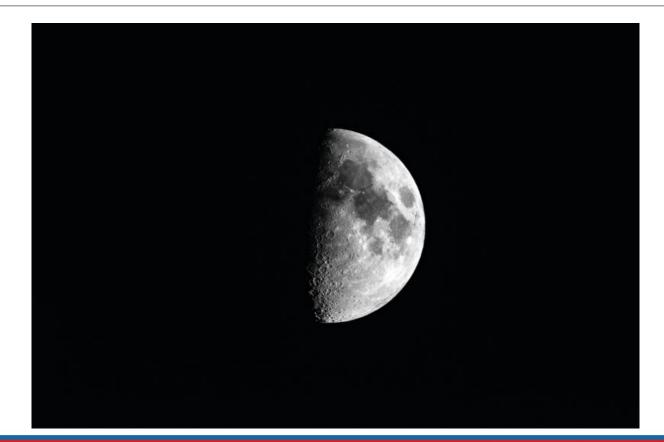
Zasięg (internetowy) - procentowy udział realnych użytkowników odwiedzających dany kanał mediowy w populacji wszystkich realnych użytkowników korzystających tylko z internetu

ATS - średni czas jaki realni użytkownicy spędzają na danym kanale miediowym (iloraz sumy czasów realnych użytkowników i liczby tych użytkowników)

Audyt - pomiar na oskryptowanych kanałach mediowych

### But...there is always a "but"





### Social media users can publish everything they want



- Poor quality content
- No information verification
- Limited content moderation
   by platforms
- Disinformation, malinformation and fake news
- Hate speech



### Algorythmic gatekeeping

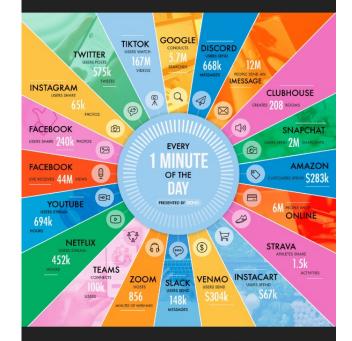
- Growing number of users = growing numer of data on social media platforms
- Users is not able to consume each piece of information
- A need to sort it quickly and present information interesting to a particular user > filtering algorithms
- Algorithms as gatekeepers on social media platforms



### Data Never Sleeps 9.0

#### How much data is generated every minute?

The 2020 pandemic upended everything, from how we nagage with each other to how we engage with transful and the signal world. At the same time, it transformed how we eat, how we work and how we entertain ourstletes. Data merers steeps and it shows no signs of slowing down, in our 301 edition of the "Data herers" steeps" inflographic, we bring you a gimps of how much data is created every digital minute in our increasing data drive world.



As of July 2021, the internet reaches 65% of the world's population and now represents 5.17 billion people—a 15% increase from January 2021. Of this total, 92.5 percent accessed the internet via mobile devices. According to Statista, the total amount of data consumed globally in 2021 was 79 zettabytes, an annual number projected to grow to over 180 zettabytes by 2025.

Global Internet Population Growth



As the world changes, businesses need to change too—and that requires data. Down J towns of the discritional decisions as any moment, on any device, so that you can make smart choices in a rapidly changing world. Servy club, swipe, abre, or like tell you something about your customers and what they want, and Domo is here to help you and your business make sense of all of it.

#### Learn more at domo.com

SERVICES LOCAL IQ INVESSION APPS, DESTIN STORT HOUSSUEL, DEVANDED E ANALINA INSI, INTERNET MONITO STUTY, STATUTE, CHEC, BRANDONTCH, KRI THE CARLE BRL, VOLTURE, RUSSIA, THE VERSE, INANACEMENT CONBLINECTIONE & CARL ANALISES APPROACH, INTERVIET LOCE STATS, SOOR, STATUTER





- Algorythmic logic rules used by the creators of algorithm to filter information
  - E.g. Facebook algorithm important content has lots of comments, is shared most often, is relative new and interesting to our friends
- Which news are shared the most? Causing anger or compassion
- Those who understand the algorythmic logic the best win the game
  - Influencers
  - But also fake news or disinformation campaigns creators
- Platforms do not fight with this phenomenon the most important is to retain user on the platform, no matter, how

### Role of social media platforms for marketing

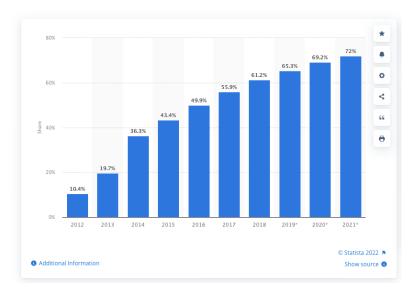
- The possibility to stay in direct contact with the consumers
  - But if you hire a social media agency, is the contact still indirect?
  - The possibility to target consumers
     precisely
    - Is it really used? 49% of consumers in U.S. say every second ad is not targeted properly (parcelLab, 2022)



### **Programmatic advertising**



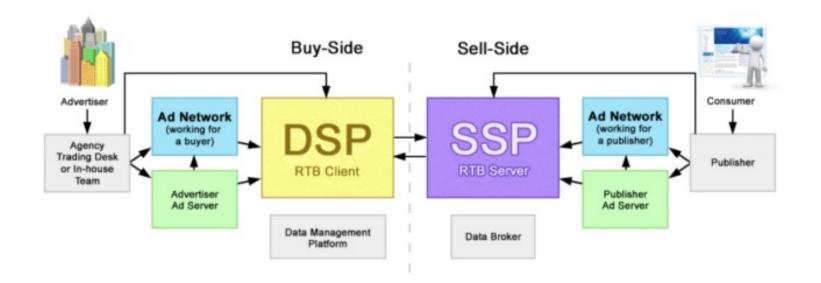
- The automated model of advertisement selling/buying
- Based on IT solutions and internet users' data
- Used by social media platforms, Google, portals and other internet companies to offer placements to their clients
- Becoming more and more popular on the internet



https://www.statista.com/statistics/411989/programmatic-market-share-worldwide/

### **Programmatic advertising chain**





Source: https://nanzvision.co/all-about-programmatic-marketing/

### **Benefits of programmatic advertising**



- Automatisation of complex tasks (buying and offering space)
- Cost effectiveness
  - a company offering placements can sell them by best possible prices
- Better precision in audience targeting
- Simplifying the proces of buying advertisements

### **Disadvantages of programmatic advertising**



- Long chain of intermediaries possibility of showing advertisements in different than bought places or hiding the margines (ad frauds)
- Innacuracy of algorithms choosing context for advertisemens (e.g. advertisement of product for children placed among erotic movies)
- Presence of poor quality content on social media platforms (disinformation, hate speech, etc.) decreasing the brand safety



- \$68 billion: Expected worldwide ad spend lost to fraud this year. (Juniper Research)
- \$23 billion: Expected U.S. ad spend lost to fraud this year. (Juniper Research)
- **\$100 million**: Amount per day U.S. companies are expected to be losing to advertising fraud in 2024, an increase of 125% since 2018. (<u>TrafficGuard</u>)
- **38%**: Amount of web traffic that is automated/bots. (<u>Imperva</u>)
- 24%: Amount of web traffic that bots used for fraud and theft. (Imperva)
- 14%: Average clicks from fake sources in each paid search campaign. (<u>ClickCease</u>)
- \$1: Amount lost to fraud out of every \$3 spent by advertisers. (Interceptd)



- **\$5**: Amount a botnet owner is charging per 1000 clicks. (<u>ClickCease</u>)
- 73%: Number of U.S. businesses saying ad fraud is a problem for them. (<u>Netacea</u>)
- 4%: Revenue lost by those businesses to ad fraud each year. (Netacea)
- \$100 or less: Price of renting a cheap botnet. (<u>Threatpost</u>)
- 11%: Share of global ad traffic that's invalid or fraudulent. (Statista)
- 25%-40%: Estimated expected fraud rate for ad campaigns. (Anura)
- 36%: Amount of fraudulent/invalid display ad clicks. (PPC Protect)



- Advertisers want to spend their budgets and are not interested in detailed reports
- Companies offering advertising space are interested in spending the whole budget of their clients

### Advertisers say no: YouTube boycott in February 2019

 The New York Times

SUBSCRIBE FOR €0.50/WEEK

#### Advertisers Boycott YouTube After Pedophiles Swarm Comments on Videos of Children



By Daisuke Wakabayashi and Sapna Maheshwari Feb. 20, 2019

SAN FRANCISCO — Nestlé, Epic Games and other major brands said on Wednesday that they had stopped buying advertisements on YouTube after their ads appeared on children's videos where pedophiles had infiltrated the comment sections.

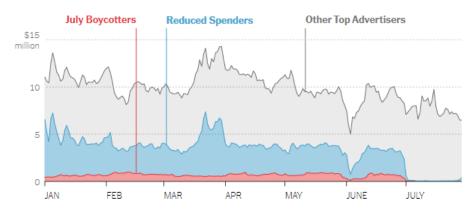
The companies acted after a YouTube user posted a video this week to point out this behavior. For the most part, the videos targeted by pedophiles did not violate YouTube's rules and were innocent enough — young girls doing gymnastics, playing Twister or stretching — but the videos became overrun with suggestive remarks directed at the children.



### Facebook boycott – July 2020



• Major advertisers on Facebook reduced their spending by millions of dollars in July, but not enough to significantly damage the platform's revenue



#### Estimated spending of Facebook's top 100 advertisers

Note: "Reduced spenders" are companies that did not officially announce boycotts, but decreased their spending in July by at least 90 percent compared to June. • Source: Pathmatics • By Eleanor Lutz

https://www.nytimes.com/2020/08/01/business/media/facebook-boycott.html

### Lush turns its back on social media platforms



- Lush turns its back on Facebook, Instagram, TikTok and Snapchat
- Until they take action to provide a safer environment for users
- Lush have finally had enough, in light of Facebook
  whistleblower
- All Lush brand, retail and people accounts, around the world will be closing
- Promises to invest in new ways to connect and build better communication channels elsewhere.

LUSH IS BECOMING ANTI-SOCIAL

And taking a fresh approach to social media with a new global Anti-Social Media policy

#### 26TH NOVEMBER 2021: GLOBAL

From 26th November 2021, the global Lush brand will be turning its back on Instagram, Facebook, TiKrök and Snapchat, until the platforms take action to provide a safer environment for users. This policy is rolling out across all the 48 countries where Lush operates.

In the same way that evidence against climate change was ignored and belitted for decades, concerns about the serious effects of social media are going largely ignored now. Lush is taking matters into its own hands and addressing the issues now, not waiting around until others believe in the problem before changing its own behaviour.

https://weare.lush.com/press-releases/lush-is-becoming-anti-social/



- The main source of income for platforms are mainly SMBs, boycotts engage bigger brands
- What else can be done?
  - Governmental regulations
    - Pressure on platforms regarding moderation, algorithms transparency and quality of advertising
  - Consumers information literacy development
  - Advertisers education on brand safety and quality of advertising
  - Industry joint initiatives limiting ad frauds (as IAB ads.txt)





- Social media platforms changed media landscape offering
  - possibility to easily state their views and opinions for audiences
  - possibility to access strictly defined audience for advertisers
- Some of the developments or business foundings caused additional problems with the quality of content and the advertisement – what raises doubts if platforms are still good marketing channel
- Without organized effort present situation will be difficult to change

# Dziękuję za uwagę

# Anna Miotk WWW.WDIB.UW.EDU.PL





- <u>https://martech.org/a-statistical-picture-of-the-cost-of-digital-advertising-fraud/</u>
- https://www.wirtualnemedia.pl/artykul/co-druga-cyfrowa-reklama-zlestargetowana
- https://www.researchgate.net/publication/303667102 The Effects of the Rise of Radio Television and Internet News to the Community Newsp aper Industry in Baguio City The Case of the Baguio Midland Courie r\_1947-2010
- https://www.nytimes.com/2020/08/01/business/media/facebookboycott.html
- <u>https://www.nytimes.com/2019/02/20/technology/youtube-pedophiles.html</u>
- <u>https://cyfrowa.rp.pl/globalne-interesy/art36133611-unia-ustala-nowe-reguly-gry-dla-e-swiata-to-wyzwanie-dla-big-techow</u>