

Person to Person -- Social Networking for Business is Next Big Thing

By Jane Roberts

Ask Dave Barger what businesses get from investing in social networking sites and pretty soon you're on his favorite topic: media and humans as social creatures.

Social sites like Facebook, MySpace and LinkedIn feed the craving people have to find one another, exchange information, catch up and solve problems.

But there's more, and for business, this matters. In the back- and-forth of ordinary conversation, ideas pop up.

They may be about your product or ways you could do things better ... or new products your customers could use if you were hearing what they had to say.

"Those conversations are going on online anyway, believe me. You want them going on in your foyer," Barger said.

The idea, of course, is that if people are talking in your presence, you're the first to hear what is being said.

And if it's said on your site, the exchange can be cataloged and stored, giving you a tidy archive of correspondence.

Barger, president and chief executive of LunaWeb Inc. - a Memphis company that does Web design and Internet marketing - is speaking Wednesday on social networking at the Public Relations Society of America meeting at the University of Memphis Holiday Inn.

"It has gotten to be such an important part of a PR person's job right now," said Bob Phillips, chapter president and Thompson & Berry Public Relations account exec. "Listen, business is so competitive. Everyone wants to know as much as they can find out."

Barger is likely to start his talk by reminding the audience that "business used to be a faceless entity behind a security guard at the corporate gate.

"A perfect corporation was a business entity that could be perfected with mass production and quality assurance. It was all mechanized, and not human," he said.

Now, with the push to put a face on the corporation, companies are using professional photos of employees on their Web sites, for instance, and finding employees, such as Don Dodge at Microsoft, to blog in voices that are credible and, well, folksy.

Blogging opened up a dialogue that social networks expanded. Today, there are more than 200 social sites, excluding niche networks - sometimes called vertical sites - tailored to specific audiences.

LinkedIn is one of the best for connecting professionals. In Memphis, about 100,000 people have

Facebook pages. Two years ago, the population was probably closer to 40,000, Barger said.

Everything changed last fall, when Facebook broadened its membership beyond its college core, and the universe changed overnight.

"Now all of sudden, Facebook is saying, 'Business, we welcome you. Here is how you set up shop; here's how you engage your client base,'" he said.

"Businesses tapping into social networks to expand customer base need to have a clear idea of what they want to achieve," said Chelsea Dubey, account executive at RedRover.

"You need success metrics, such as: How many people use the site? How many prospect leads are generated?

"Social networking just for the sake of social networking isn't always a good investment. It needs to connect to other elements of your sales and marketing strategy," she said.

When FedEx Corp. created NetFace in 2006, a social networking site for employees only, it did no promotion but sat back to see how quickly a community would form, said Nicole Heckman, manager of innovation research.

"We found it was much more viral than we expected," Heckman said. "Over several months, we had 2,000 active users."

People into social networking use the word "viral" to describe how quickly networks form and spread.

Some companies build in viral functions, giving users gifts for telling friends.

"One of the things I found was that it really did give employees a way to have a personal identity within a large organization," Heckman said.

People were soon connecting in and outside work to talk with people who had worked on similar projects or simply to play flag football.

"It really doesn't have to be a huge investment," Heckman said. "We accomplished FaceNet with a team you could count on one hand. You do obviously have to have someone manage it, but it wasn't someone's full-time job."

For people who think the networks are just for kids, the average new Facebook enrollee is in the mid-30s.

"Many of my friends that are older and less tech savvy could care less," said Gwin Scott, president of business incubator EmergeMemphis.

For him and the startups he works with, social networking is a chance to attract like-minded people, plus it gives business a way to tap into audiences that aren't watching as much TV or paying as much attention to other traditional media.