

SNSs and "Emergence" in Networks

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Originally Published in Japanese in Jiji Press ed., *World Affairs Weekly (Sekai Shuho)*,
November 8-15 (released: October 28, 2005).

The Phenomenon of "Emergence" in Networks

Originally a biology concept, the analysis of "emergence" has recently gained attention as a social phenomenon. This social emergence is born out of local communication conducted at a macro level, and has been accelerated by information technology like the Internet. Blogs and SNSs have become platforms for launching this phenomenon, and such sites possess the power to weave together the activities of diverse people who share common special interests.

A new Internet tool known as SNS (social networking service) is one platform that plays such a role. Since last year, examples of companies that have launched their own SNS in Japan have increased. There are

various reasons that companies launch SNS, including as a service to encourage the exchange of ideas by fellow product users, as a medium through which to test cutting-edge methods of spreading new products, and as a method to recoup depressed sales for merchandising that is tied to conventional forms of marketing. There are also cases where companies' heads of human resources make use of SNSs; here the goal is to use SNSs to compensate for information that can't be grasped through a CV (curriculum vitae) or an interview by creating a more comprehensive portrait of an applicant. Among users who regularly update SNS by posting comments or uploading pictures, students and young people in their twenties are the largest demographic.

It's not just private companies that use

SNSs, either. For example, there are SNSs that cater predominantly to doctors for the purpose of creating doctor networks and developing medical devices. Movements like these--specifically, those that create networks that reach beyond clinics, departments, universities, and hospitals--are also gaining notice as they aim to break the barriers of institutions and specialist fields. At the same time, there are also examples of local governments, non-profit organizations and other groups that run their own SNSs. Electronic bulletin board systems (BBS) managed by local governments cover a host of contents, ranging from tourism, to disaster prevention information, to child rearing. Encouraging exchange among citizens is another common goal.

Marketing from the perspective of Consumers

American-based Yub.com went online in February 2005, combining e-commerce with SNS to create a new kind of retail marketing method that utilizes word-of-mouth over the Internet. Yub--the word "buy" spelled in reverse--offers consumers a service that goes beyond the simple, one-sided purchasing of products over the Internet that is a common characteristic of online shopping.

The Yub site allows users to browse the personal pages of other users who share common interests in order to view what products they have been purchasing; users can purchase the displayed products by simply clicking on the picture. By purchasing a product this way, buyers are able to receive a discount, while the intermediary--the person who posted the product on their page--receives a referral fee in the form of discount coupons. In this way, the intermediary becomes part of the marketing, and the retailers themselves are able to gain new customers. Thus, not just the retailer and the buyer, but all three parties are able to profit simultaneously.

"Friend of a Friend": Safety and Purchasing

One characteristic that can be seen in this kind of marketing model is the ability to visualize the network of people and products through the shopping site, as consumers are able to compare impressions of other people who have bought the same product and browse the evaluations made by intermediaries. Further, it is possible for those browsing to visually determine their proximity to the intermediaries or evaluators, i.e. whether they are their friends, or perhaps their friend's friends (see figure). According to a November 8, 2004 article in the New York Times, when

buying expensive products that have a high possibility of being either a good value or a cheap swindle, there is an increasing trend for consumers to use SNSs to make purchases.

As such purchasing is dependent upon whether or not the referring person is trustworthy, the visualization of FOAF (friend of a friend) within SNSs becomes crucial. If the sender of the information can be classified as FOAF, the consumer believes that the information has a high degree of accuracy.

This then begs the question, "Why is the visualization of relationships good?" For individuals who are not big-name companies or famous people, personal information is something to be protected, and not revealed to nameless masses of people. FOAF connected through SNSs, however, offer a sense of privacy protection and thus allow the sharing of information at a more everyday level. It is within this FOAF connection that information regarding recommended items can be shared openly, and the sense of trust gained by mutually evaluating products is very powerful. However, if this kind of movement is framed within the definition of emergence, the third party cannot "intentionally" trigger emergence

phenomena, and even if some kind of trend/order could be produced, it would be difficult to predict its content. Therefore, there is a risk in conducting such predictions in emergent SNS marketing.

The Future Potential of SNSs

In the future, the potential for marketing to transcend traditional business-client bilateral structures and include third parties is garnering attention. In contrast to the one-sidedness of business-client relationships, SNS represent an important shift in which consumers speak up voluntarily. Discussions where customers are able to freely narrate their own stories are intensifying. It is imperative for companies to conscientiously work these discussions into their organizations. Furthermore, businesses themselves are telling their own independent stories, and are able to share with their clients. Fujifilm, for example, allows customers to discuss products through a blog on their website, to which Fujifilm's technicians contribute their own thoughts regarding development, thereby allowing client and company to share with each other. From out of this communication, Fujifilm is able to feel out what buyers want and gain feedback that can be used in developing future products. In the future, it can be

anticipated that local governments, NPOs and other organizations will be able to use SNS as a tool to transcend vertical and horizontal delimiters and visualize their

own networks, allowing such organizations to measure their transparency, and effectively acquiring simultaneous feedback from multiple sources.

Figure: FOAF Visualization

