Chapter 9
Social Media as Marketing Information Systems
Co-Creation in Viral Video Advertising

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ABSTRACT
The chapter discusses the impact of the advent and dominance of Social Media in e-marketing. Drawing on concepts from the Social Sciences and the Information Systems field, we propose an understanding of Social Media as useful Marketing Information Systems, which increasingly support the e-marketing function. More specifically, we explore the changing role of customers who as they become increasingly engaged in the Social Media Ecosystem and form communities of interest around certain products, they assume a more active role in co-creating and spreading marketing messages. To demonstrate this process we discuss the case of branded videos that are developed as part of viral marketing campaigns. We show that branded videos constitute digital objects that combine certain content characteristics (visuals, sound, plot), which create cultural and emotional references that help engage customers and contribute to the video’s virality in Social Media.

INTRODUCTION
Since the mid-1990s many organizations have developed some form of Internet presence. Due to the vast expansion of ICT (information and communication technology) the Internet did not only revolutionize and restructure many sectors and provided new focus for business activities, but it has also generated opportunities and challenges for existing businesses and new entrants dealing in new direct relationships with customers (Gay et al., 2007).

Indeed, providers of both services and physical goods have recognized that the Internet is essential to their success as it offers a new virtual channel embedding many new marketing functions which can

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clearly assist and institute a competitive advantage (Robins, 2000). These functions also enable companies or individuals to reach the global market as they supply the demands of both national and international markets. In this way their activities are no longer restricted by geographical boundaries. By using specific e-Marketing techniques, even small enterprises have now the prospect to access global markets and reach people from around the world.

It is clear, that the Internet offers companies the opportunity for online access to a global customer base. This also indicates that nowadays firms have a better chance of internationalizing more rapidly than they did ten years ago. By using the Internet, companies have the opportunity of quicker market diversification and entry into new markets. As Hollensen (2007) also argues, the Internet has made it possible for a company to make contact with large global customer group very quickly while, at the same time, the ‘value’ of the information offered is higher than ever.

Since the early days of the World Wide Web, scholars started pointing out the potential for the emergence of new forms of interactivity among businesses, customers and the market. That would eventually create a fundamentally dissimilar environment for marketing activities, compared to more traditional media (Hoffman et al, 1995; 1996).

More recently, with the advent and gradual dominance of what may be broadly understood as online Social Media or networks (i.e. Facebook, Twitter and Youtube), business interactions were transformed even more, opening up new possibilities for the emergence of a new type of marketing landscape. As the Economist (2009) reports, ‘social networks are the new communication tool for business that offers the most powerful form of advertising’. Additionally, targeted emails with web links, search engine marketing techniques, search engine optimization (SEO), strategic placement of banner adverts and viral marketing campaigns are other methods that offer effective online communication and help companies in order to get more traffic to their sites.

As we can see, the business and marketing potential of the Internet have been acknowledged from its early days (i.e. the mid-1990s). It is only recently, however, with the emergence and growing importance of the Social Media, that businesses started approaching the Internet somewhat differently. We argue in this chapter that the past few years, businesses started using the Internet not simply as a platform of communication with customers and other businesses, but also as a marketing information system (MkIS) that generates useful information to support their marketing decisions. What is more, consumers have also started understanding the Internet not simply as a medium of communication and social interaction, but as a useful resource that supports a more active online consumer behavior. Indeed, consumers are not any more just passive recipients of marketing messages that in turn would lead them to purchase products and services; rather they are actively involved in the marketing function by sharing information with other customers, researching for prices, evaluating products and co-creating marketing messages.

In the following sections we shall discuss the case of branded videos that are created as part of viral marketing campaigns and try to show how they contribute to the growing importance of Social Media not just as virtual channels for communication but as MkISs that re-define both the marketing approaches of business as well as the behavior of consumers. More specifically, we make reference to the changing role of online consumers and the marketing-related challenges that this change poses to businesses. To better understand and theoretically conceptualize these changes we propose an understanding of the marketing function as a process of co-creation within a Social Media Ecosystem. We end the chapter with recommendations to practitioners and mapping directions for future research.