

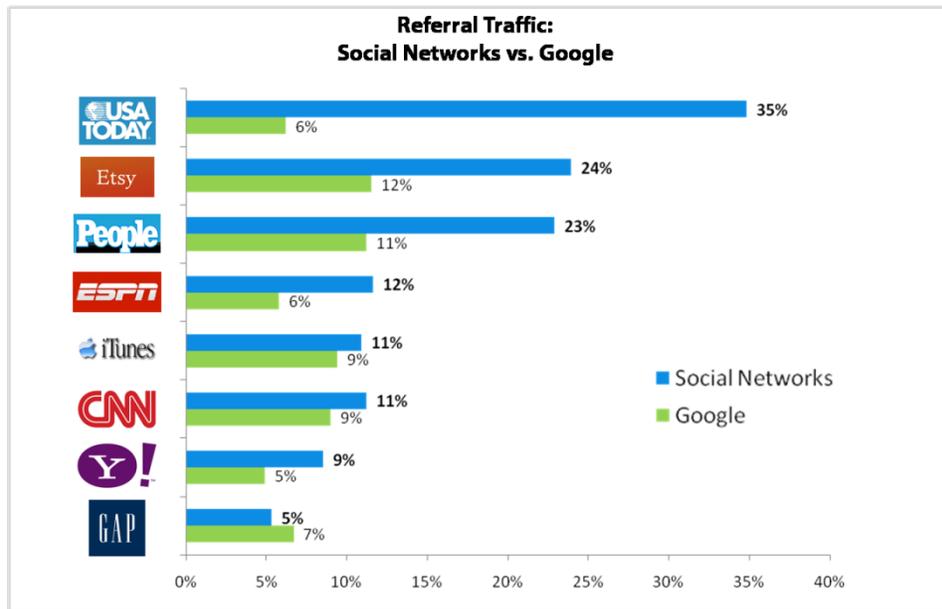
Social is the Next Search:

Why Online Businesses Must Optimize For Social Network Referral Traffic

“Driving socially-referred traffic is taking its place alongside SEO and SEM as a critical area of marketing analysis and investment”

A social revolution is dictating dramatic changes in how companies run their websites, and their business. With the advent of *social feeds*—a live stream of friends’ activity shared on social networks like Facebook and Twitter— consumers can more easily rely on trusted personal relationships to determine what’s worthwhile to read, watch, play and buy online. For many, the conclusion is startling; referral traffic is as significant from social networks as it is from search engines, making ***Social the next Search.***

For some companies this phenomenon is a surprise, for others it is an opportunity they are already looking to quickly leverage. But one thing is clear, driving socially-referred traffic is taking its place alongside SEO and SEM as a critical area of marketing analysis and investment for any business operating on the web today.

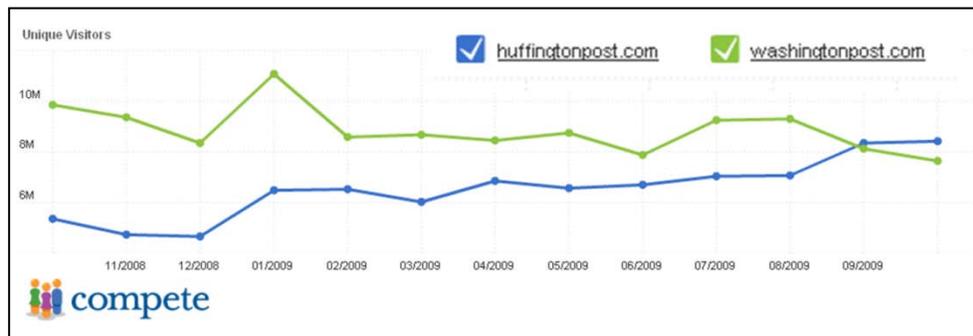


Source: Compete Data from the month of November, 2009

The next phase of this social revolution is taking place not on the major social networks but across the entire web, as businesses from media and entertainment to ecommerce focus on promoting social activity *on their own sites* to increase

“According to Nielsen Online, nearly 20% of social consumers are now using social networks as their 'core navigation' tool.”

and influence socially referred traffic. Not only is the volume potential enormous, but its word-of-mouth nature also means socially-referred traffic is of high quality. The benefits of this new social initiative are immediate and powerful. Companies like the Huffington Post, who have made an investment in connecting their sites to multiple social networks including Facebook, Twitter, and Yahoo, and who have made it easy for users to share content and experiences, are quickly surpassing their established but socially less-optimized rivals in traffic growth, traffic quality, and time spent on their site.



To capitalize on this phase of the social revolution, companies need to optimize their connections with the social web, continually enhance their users' on-site social experience, and analyze the results to improve their social business strategy and implementation. This process, called **On-Site Social Optimization** is emerging as the next big marketing frontier, and how companies execute on it will be a major competitive factor.

This whitepaper will review the key trends and technologies driving the On-Site Social Optimization imperative, detail how sites can and must take an active role in how users share, and explain how online businesses can apply On-Site Social Optimization for competitive advantage.

Social Discovery: How Consumer Behavior Has Changed

A number of trends are driving the social revolution for websites:

- **Social feeds have enabled content discovery through friends:**
According to Nielsen, nearly 20% of social consumers are now using social networks as their “core navigation” tool. Rather than utilizing search engines or content hubs such as Microsoft or Yahoo, these consumers are looking

for content within social networks and clicking from there. In the early days of the Internet, new web content was discovered and promoted by editors at the major portals. Then search engines democratized the process, enabling each user to find what he or she was looking for. Now, social feeds—through which users follow what their friends (and friends of friends) are doing and recommending—are a primary path to web content. Even Google and Bing are recognizing the trend by incorporating feed content from both Facebook and Twitter into Search results and algorithms.

- **Overwhelmed with choices, consumers increasingly turn to each other:** Consumers are bombarded by messages, advertisements and the sheer volume of data available on the Web. With social networks now familiar tools, consumers are turning to their most trusted sources to help them sift through information. “With the increasing number of resources available, it's difficult to know what you should believe or take at face value. Social media acts as an information filtration tool.”¹ Trusting in the experiences and reviews of their friends or like-minded individuals, consumers are increasingly relying on ‘Social’ in their major decisions, personal or commercial.”
- **Social networks proliferate to third party sites, friends go everywhere:** Social networking sites like Facebook, Twitter and LinkedIn grew by creating opportunities for people to recreate their offline personal networks through online tools. Now they are making those networks more widely available to online businesses – through Facebook Connect, and Sign-in with Twitter, among others. These services enable online businesses to register users using established identities, give those users the ability to effortlessly share content and activity back to the social network feeds, use profile data to enhance and personalize the site experience, and tap into friend networks (also called the *social graph*) to provide a more personalized and social experience on the site itself. As a result, consumers can take their friends wherever they go online, and sites who don't offer social networking features are falling behind.

¹ Jon Gibbs, Nielsen Online “Social Media: The Next Great Gateway for Content Discovery?”

“An effective on-site Social Optimization strategy consists of three key components: Social Connectivity, the Connected Experience and Social Analytics”

Three Steps to Generating Social Traffic

On-site Social Optimization is the process of actively driving social participation by users on your site. This includes the number of users who register using a social network identity, the amount of content and activity shared to social networks, and the amount of time spent engaging with site content together with an existing network of friends. The better you optimize your site, the more your users, your users' friends – even the search engines – discover you and grow your business.

A socially optimized website can increase site traffic from social networks, drive sales revenue, improve search engine rankings, increase brand or product awareness, and reduce customer acquisition costs. In short, the decision is no longer about whether to socialize your site—it's how to do it in a way that fits your business strategy, and achieves your ROI goals.

An effective On-site Social Optimization strategy consists of three key components: **Social Connectivity**, the **Connected Experience** and **Social Analytics**. Let's look at each one and how it can support your business objectives.

Step One: Adding Social Connectivity

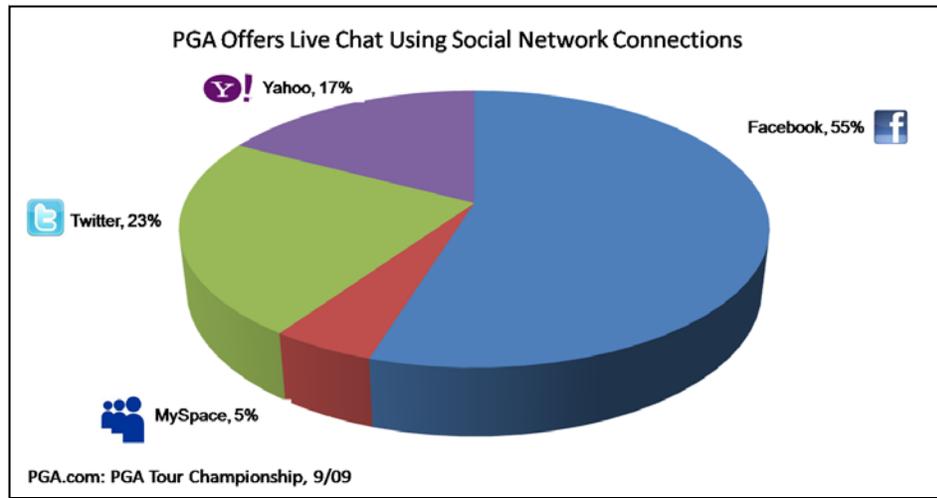
The first step in developing and implementing a strategy is to connect your site to the social web in a way that **maximizes the number of potential participants**. Fortunately, the major social networks see the value in this as well and have provided mechanisms enabling websites to integrate with them directly. These APIs are sets of routines or data structures that allow websites to get information from, and send data to, each social network.

Facebook Connect was one of the first APIs offered by a major social network to third party websites, and it continues to be the most prominent service as well as a cornerstone of any serious connectivity strategy. But don't miss an opportunity by connecting your site only to Facebook; Twitter, LinkedIn, Yahoo, MySpace and Google, among others, also provide APIs, enabling online businesses to connect site users to whichever social network those users prefer.

“To drive quality referral traffic from social networks, site owners should focus on optimizing the quality and quantity of content and activity shared by users”

Giving your users a wide range of social identity choices is good business. Research has shown that providing multiple social network connection options increases the number of participating users, as compared with a single option, and that Facebook typically comprises approximately 50% of connections².

The chart below illustrates the mix of connections on PGA.com for the live chat experience it offered to fans as part of the webcast of the PGA tour championship in September 2009.



While Facebook Connect and the other popular networks provide powerful connectivity options for online business, working with them does pose a few challenges:

- Diverse APIs make implementation complicated:** Each API has different integration requirements and different core features. For example, even though the Twitter and Yahoo APIs are based on OAuth, implementation for each is significantly different and requires new work for site developers. Sites that want to integrate multiple social APIs may need additional expertise and resources.
- Managing updates to APIs is time-consuming:** API providers, including Facebook, make changes frequently, requiring sites using these APIs to constantly maintain and make updates to their code and website design each time a new version is released, typically monthly.

² Gigya customer data, Q4 2009

- **New APIs continue to emerge, compounding complexity:** As additional social networks and identity providers open up, sites who want to give users choice will need to integrate them. Sites need ongoing technical support to integrate and manage new APIs. For example, Yahoo made its APIs available in early 2009, LinkedIn in late 2009. Twitter announced their first API in early 2009 and a more feature-rich version in early 2010.
- **API providers do not offer dedicated support:** API providers only offer self-service support. While there are several resources for developers on each social networking site's developers' wiki, there are no in-person support services available. As a result, companies seeking to adopt without the help of a trusted partner may be left in a precarious position if things go awry.

Step Two: Enhancing the “Connected Experience”

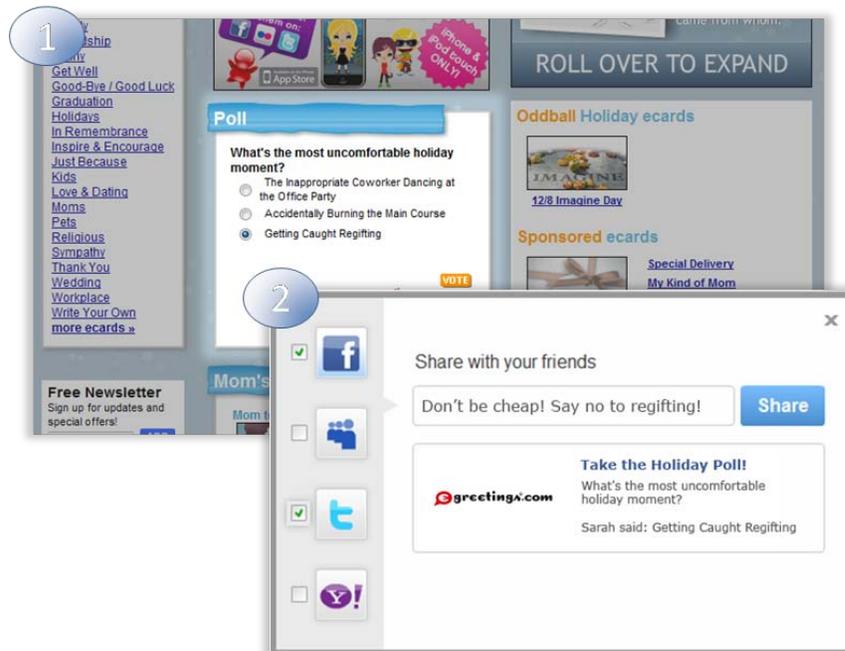
Connecting your site to the social web is just the beginning. Unlike traditional web marketing, social interaction offers a unique twist: you must optimize the “Connected Experience” by designing and refining your user experience for the maximum amount of socially-connected participation. This means enabling your users to register with a social network identity, to share your content with their social networks, and to interact with friends while on your website.

To drive quality referral traffic from social networks, site owners should focus on optimizing the quality and quantity of content and activity shared by users. Best practices for sharing include:

- **Keep users on your site for the entire sharing process.** The highest-performing sites open a sharing dialog box right on the page with the content the user wishes to share. The new APIs create a pipeline that provides permission to share content without leaving the site. Contrast this with the first-generation sharing technologies such as AddThis or ShareThis which open a new browser window or tab, taking the user off of your page. This decreases sharing conversion rates and risks the user not returning to your site.

“Businesses need to be able to test and measure changes in connected user activity by social network, and make changes based on that actionable data.”

- **Build sharing into the overall user activity flow.** Just as removing unnecessary clicks is a critical part of any website optimization, removing clicks from the sharing process wherever possible increases the amount of completed shares. For example, a site should prompt users to share with friends after they leave a comment or take a poll, making it a seamless part of the activity stream, rather than expecting users to click a separate “share” button. This increases the likelihood that consumers will share your website with their friends on social networks.
- **Allow users to sign-in with social network identities.** Too often sites have separate and unrelated systems for registration, sharing, commenting and other social features. If you know who a user is, and what social network that person prefers, don’t make them authenticate through a separate system to share. Not only is it a bad user experience, but you lose important history for your users. Allowing users to sign-in with existing identities also increases registration conversion rates.
- **Make it easy for users to simultaneously share to multiple networks.** While providing users with choice drives greater participation, enabling them to simultaneously share with friends on multiple networks can exponentially increase the audience potential for your site’s content.



Step Three: Improve your efforts through advanced social analytics

Just as businesses know the value of optimizing the user experience with Omniture, Webtrends and other analytics tools, the same applies to social web analytics. Businesses need to be able to test and measure changes in connected user activity by social network, and make changes based on that actionable data.

Some of the key performance metrics that sites should be tracking for socially referred traffic include changes in:

- Monthly and yearly growth in traffic referred by social networks overall, and by specific social site
- Percent mix of referral traffic by users sharing content from the website, as differentiated from marketing efforts originating on social sites
- Average number of completed shares (messages, status updates) per connected user, by social network
- Average number of referred visits per shared item, and by referring social site
- Interaction and engagement with social features
- The specific site content and activities which drive the highest volume of sharing activity

These metrics, together with those measuring social registration and engagement, can help site owners maximize social participation and the return on investment in their social site experience.

About Gigya

To compete in the next generation of the Web, online businesses will need to elevate investment in “socially-referred traffic” to its proper place, alongside SEO and SEM. They’ll need to drive the evolution of their websites to take advantage of all the new social developments, technical and cultural.

At Gigya, we concentrate exclusively on Social Optimization for online business—on connecting you seamlessly to the social web, enhancing your users’ connected social experience, and delivering actionable analyses that help you link your site’s social performance to your bottom line.

Getting You Optimally Connected

As social sites have opened their platforms, companies are faced with the challenge of connecting to each network while maximizing each site's unique potential. Gigya's "write once, connect-to-all" technology connects your site seamlessly to the most popular and powerful social networks, including Facebook Connect, Twitter, Yahoo and LinkedIn, and adds new network APIs as they emerge.

Optimizing the "Connected Experience"

The connected experience you deliver on your site is the single largest factor determining the volume of socially referred traffic your site receives. Gigya allows you to maximize your social ROI by providing users with a seamless and easy way to share your content, and by allowing you to closely track your site's social performance. Gigya also solves the connectivity "piecemeal" problem – one system for registration, one for sharing, and one for community, and none of them linked – by unifying the connected experience to ensure maximum participation.

Applying Social Analytics and Expertise

On-site Social optimization requires robust technology, actionable insights, and the expertise to implement and support them. Gigya provides unique cross-platform social analytics that are compatible with your existing web analytics provider. Every Gigya deployment includes a team of expert consultants who work with you to design and optimize every aspect of social site performance and the connected experience.

Gigya: The Experts in Social Optimization

Please contact us to learn more about why our deep experience, singular focus, results-based approach, and unparalleled technology have made Gigya the leading social optimization platform for online business.

To learn more about how Gigya's Social Optimization solutions can help your site implement Facebook Connect, Twitter, LinkedIn and other top network APIs to generate social network referral traffic, contact a Gigya representative at 650.353.7230, or visit www.gigya.com. You can also reach us on Twitter @Gigya