

**W3C Workshop on Social Networking
15-16 Jan, 2009 Barcelona, Spain
Position Paper Submission: 20 Nov, 2008
Minor Updates: 1 Dec, 2008**

Trends in mobile social networking for mainstream consumers and supporting technologies required

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Summary

Nokia and Stratmerge wish to contribute research findings to this W3C workshop from our ongoing research ^[ref 1] into the social networking behaviors of mainstream consumers, who represent approximately 50% of the mobile user base. These consumers are cost-conscious, are not technology leaders / early adopters, and demand value-for-time. The research presented below was conducted between June and September 2008.

We believe that a potential new W3C work program should consider the issues raised by this research:

- Technologies (and wider supporting initiatives) for inter carrier/service provider sharing (or exchange) and for privacy of location
- Technologies for inter-social network communication and referrals/invitations (both personal and commercial), and the role of trusted entities.
- Interoperability of social applications across mobile and PC platforms – especially the lack of a common standard for Address Book data import/export (synchronization excepted).

The common theme of these recommendations is to:

- Increase the Value of Social Network services as they become mobile, and
- Grow Market Penetration of Mass Market actively using mobile Social Networking applications and services.
- Overall this will increase opportunities for Social Networks to create loyalty and revenue for key stakeholders

Research objectives and methodology

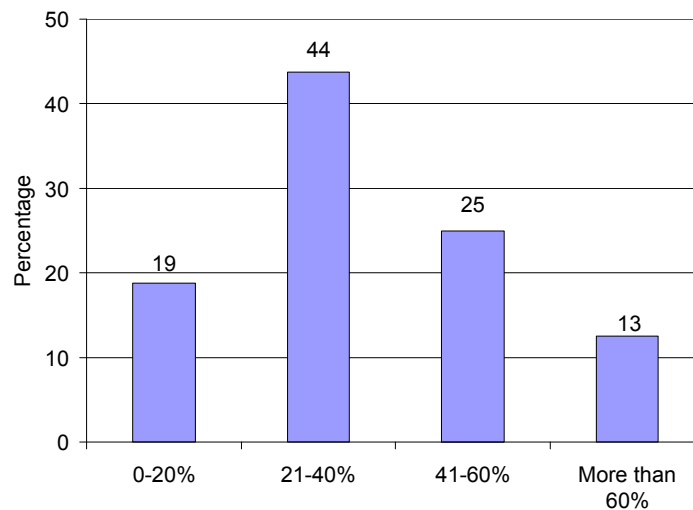
Research was commissioned to determine the principal drivers for mainstream consumers participating in Social Networking particularly while mobile – their requirements, preferred experiences, habits and choices.

A subset of the initial findings and highlights are as follows:

1. Mainstream consumers will share virally, principally through peer recommendation.
 - Strong expectation that this consumer segment will share virally (90% agreement), but only if the service has value.
 - 100% of respondents agreed that peer recommendation is the most likely motivation for this consumer segment to join a social network.
 - The research identified technical issues of supporting peer recommendation across different Social Networks as there is no established data exchange standard. With few exceptions, recommendation engines today are product- and/or event-focussed, rather than personal/human-focussed.

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- Their expected value of engaging in a social network is typically to communicate with their family, friends and colleagues; therefore the best marketing for social networks is viral.
- Mainstream consumers already belong to several social networks (see below) and require access to these while mobile (if the people they wish to connect with aren't accessible via their mobile, there is no reason to for them to use their mobile devices socially) – which points towards the need for aggregation services and the required supporting technology.

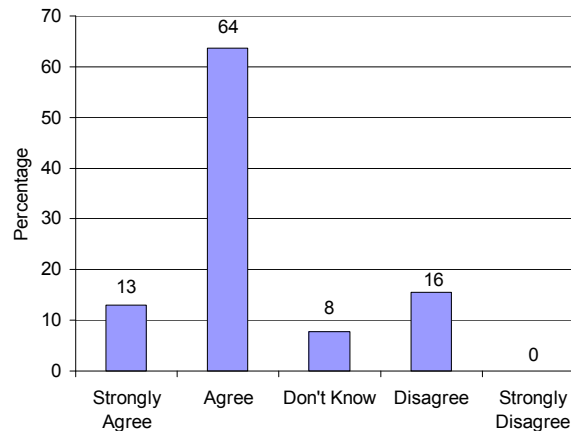


What percentage is actively engaged with social networks? – Source: Stratemerge Inc., 2008

2. Mainstream consumers have a strong need for direct integration of Social Networks with their phone's address book.
 - 87% of respondents agreed that the combination of Social Network services in combination with the address book would be appealing to mainstream consumers (strongly agree: 30%, agree: 57%).
 - Another high appeal (86% of a subset of n=28) was expressed for a combination with family or social calendar (for the high appeal of a friend finder opted 83% of the same subset).
 - The address book is the single most important asset on the mobile device. Since the device is very personal, most people who do not use some automated form of address book capture manually enter their most important contacts into the device. Even for others, the mobile address book captures all those numbers that they feel they may need at any given moment.
3. In Western Europe and the US, mainstream consumers demand that social applications are seamlessly sharable across both PC and mobile platforms.
 - Social connections originate and exist in both the real world and the virtual world. For mainstream consumers, the most effective Social Networks must facilitate these connections across all devices, as consumers see no difference between their mobile and their PC-based personalities – even though their experience (and intent) may differ according to their chosen access method.
 - Widespread uptake of Social Networking on the mobile device will only occur when consumers become aware of the mobile real-time benefits.
 - Any requirement to download a client severely hampers uptake – pointing to either native or web run-time opportunities.
4. In other regions, and in subcategories of Western markets, a wholly mobile Social Networking experience may be more appropriate – an experience that does not require interoperability between PC and mobile. These are:
 - In developing markets where mobile penetration is high and growing fast, and home PC and broadband penetration is low.
 - Younger consumers who don't have a PC at home.

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- People who use their mobile phone as their primary communication device, including textual communications (email, IM and/or SMS) and web browsing.
 - Consumers who are highly mobile like frequent business travellers.
 - Consumers who spend hours each day commuting by public transit (trains, subways, buses).
5. Monetization of social networks on mobile devices for mainstream consumers is viable, with the following caveats:
- Media sharing and destination/friend finder applications would be popular, but mainstream consumers would not be willing to pay for these features. This is an area where advertising models may prove successful.
 - The economic drivers to provide mobile Social Networking to mainstream consumers vary significantly according to the subcategory of these consumers.
 - Very few mainstream customers would pay for Social Networking services that would help them to better manage their lives.
 - 69% of respondents agreed that an advertising business model would be an acceptable trade-off to mainstream consumers (strongly agree: 16%, agree: 53%), but many also stated that an advertising model alone may not be sufficient to sustain Social Network revenues, and argued for multiple revenue models, such as Contentainment (product recommendations), Advertorial (product reviews), Couponing, Music / book / restaurant recommendations, and up-selling subscriptions to advanced services & features.
6. Social networking trends and market direction:
- As the web becomes more social, with websites rich in social elements, social networks will begin to differentiate their offerings in three ways: become niche, become an aggregator, or become the biggest.
 - Anticipation of tighter integration with mobile, mirroring real life social networks and seamless interconnection.
 - Facilitate interworking with other web services, becoming a platform/aggregator of social elements.
7. Mainstream consumers will be interested in location-based features, but may need to be educated in the benefit of location based services to their daily lives in order for them to balance these benefits against their privacy concerns.
- 68% of respondents thought that location based services would be sharable across operator networks by 2010.
 - Many respondents pointed to privacy issues relating to mainstream consumers revealing their location.
 - 79% of respondents agree that a significant proportion (>30%) of mainstream consumers would share their location within their immediate social group (strongly agree: 17%, agree: 62%), but only if they feel they are in control of how it is being used (83% of respondents strongly agree or agree).



Mainstream consumers will be interested in using location-based social services. – Source: Stratemerge 2008

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Conclusions

1. Technologies and wider initiatives for privacy of location and for sharing location information between operators and service providers.
 - Mainstream consumers will share their location within their immediate social group, but only if they feel they are in control of how it is being used. Mechanisms for securely sharing location, while preserving privacy are thus fundamental to growth. W3C should consider how privacy of location information can be assured while it is being shared through:
 - i. Approved technology standards.
 - ii. Codes of conduct (ethics) – but only if W3C members believe that these can be made effective across the global spread of regulatory regimes.
 - iii. Federated identity.

2. Technologies for inter-social network communication and referrals/invitations.
 - W3C should consider how to provide recommendation tracking specifications (a) for commerce (b) for individuals across multiple social networks – in order to enable a trust relationship between mainstream consumers, social networks, mobile operators, device vendors and web-based service providers. This would accelerate consumers' ability to find relevant social networks that best suit their needs, resulting in higher participation and engagement, Specifically:
 - i. Guidelines for the transference of personal and commercial recommendations in a seamless manner.
 - ii. Guidelines for the commercial transfer of demographics and recommendations in an anonymous manner

3. Interoperability of social applications across mobile and PC platforms.
 - W3C should address the lack of a common standard for Address Book data import/export (this should not include Over-The-Air synchronization, for which acceptable technologies already exist): Interoperability will accelerate universal adoption of such applications as the Address book and Social calendar. Specifically:
 - i. Between the mobile device and multiple social networks.
 - ii. Between a proxy aggregation server acting on behalf of the mobile device and multiple social networks.

References

1. Lubna Dajani, Stratemerge Inc, October 2008 – 'Social Network Study – Phases I&II'