

Making New NCO

You love Facebook and can't stop Twittering, but what's next for social networking?
By Felicity George

IN THE SPAN OF JUST A FEW YEARS, online social networking has rapidly become as ubiquitous an activity as sending e-mail or doing an Internet search. Facebook, which has grown to more than 350 million users worldwide since it was founded in 2004, along with micro-blogging service Twitter, have emerged as the most popular of the many social media sites established during the past decade.



Just as with the trend seen in e-mail and Web searches, access to online social networking applications has made the jump from desktop personal computers to today's Internet-ready mobile phones. "The prevalence of owning a cellular phone over a PC in most Asian countries has directly boosted the popularity of mobile social network sites," says Debbie Swee, a Market Analyst at IDC Asia-Pacific's emerging technologies research group.

According to Facebook, there are more than 65 million active users worldwide currently accessing the site through their mobile devices and people who use Facebook on their mobile devices are almost 50 per cent more active than non-mobile users. Leland Rechis, Mobile User Experience Designer at Twitter, says plenty of people access their Twitter accounts through the online community's mobile Website. Established in 2006, Twitter was reported to have had more than 60 million users worldwide at the end of last year.



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But this is a market that never stands still, so what's the next step for social networking and what stage are we at in the development curve? It's no longer just about staying in touch with friends and celebrities – business is also catching on to how social networking applications can improve marketing and grow revenue. Applications that will enhance customer relationship management will be at the forefront of this trend.

It was suggested at a recent seminar at Oxford University that the future is not about crowd sourcing but crowd filtering because there are now enough social networks to fill all the obvious niches, but making use of the stream of information that pours into them is something that has only just begun.

At the same seminar LinkedIn founder Reid Hoffman, who graduated from Stanford University and Oxford with a Master's degree in philosophy, put it this way: "I actually think we are just beginning to see how people launch the eventualities of social networks into their life," at the same time reminding the audience of the way that mobile phones had grown from being a tool for bankers to being a part of everyone's life. "I think the phenomenon of the online relationship empowers our personal and professional life. You might think 'Who



wants to consume all this useless information?’, but with some information it is like with ice cream. It is not nutritious, but people still eat it.”

Whatever the new direction, it seems that Asian mobile users will play an increasingly important part in the future of social networking. IDC’s 2009 regional survey of social network users aged 15 to 35 found that mobiles have the potential to overtake PCs as the social networking device of choice. In countries such as China, India, Korea, and Thailand, over 50 per cent of the users interviewed have now made accessing social network sites via their mobiles a weekly habit.



That mobile social networking trend is also being aggressively cultivated in other markets by leading telecom network operators. Hutchison Telecommunications Hong Kong Holdings, which operates the 3 brand cellular networks in the city and Macau, prides itself for being a local trailblazer in terms of introducing social networking site access via its mobile phone service.

“In 2006, we became the first operator to deliver both Windows Live and Yahoo messaging services on a range of handsets,” says Raymond Ho, Head of Content Management at 3 Hong Kong. “The following year, we again led the market in offering Skype as a mobile service.”

As the city’s largest 3G network service provider, 3 Hong Kong helped expand mobile social network usage in Asia with the launch of the world’s most advanced mobile phone dedicated to social-networking applications – the INQ¹, which was dubbed the “Facebook phone” by the media. “The most popular social-networking applications in Hong Kong are Windows Live messaging and Facebook,” says Mr Ho.

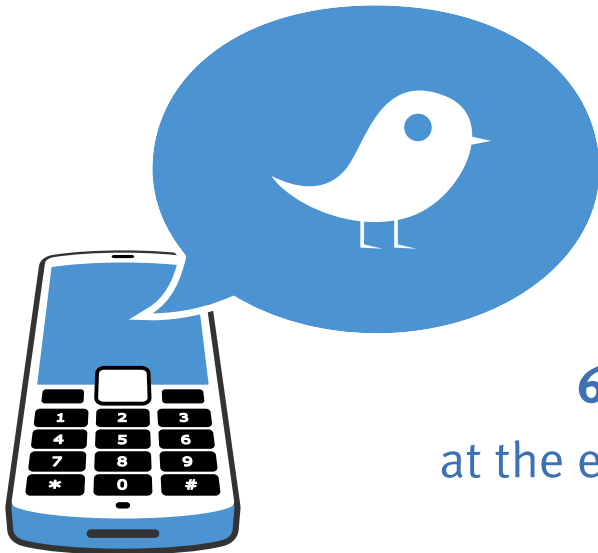
London-based INQ Mobile, a Hutchison subsidiary, designs low-cost cellular handsets that are focused on providing a one-click, “always on” interface to various online social networking, e-mail and messaging functions. Along with Facebook and Skype, the INQ’s other built-in, easy-to-use Internet applications include auction site eBay and search engines Google and Yahoo.

Last October, 3 Hong Kong ramped up its mobile social networking strategy with the introduction of the INQ Mini 3G – a compact handset dubbed as the “Twitter phone” by the press. Users can send their tweets – text-based posts that each measure up to 140 characters – and re-tweet via the Internet rather than blog through their service provider’s short-messaging service. Frank Meehan, the founder and Chief Executive of INQ Mobile, says his company has worked closely with Twitter to develop a programme for its mobile phone that is always connected to the online service.

INQ Mobile, which has already sold more than a million handsets worldwide since launching in 2008, offers advanced social media specifications on its products without the hefty price tag, which helps mobile network operators drive data usage to the mass market. “We pioneered social networking on handsets,” says Mr Meehan, explaining that the key to building the INQ brand is to stick to what it does best and steadily improve on this, which is similar to the path taken by BlackBerry maker Research In Motion of Canada.



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The range of wireless BlackBerry devices gained much credibility by championing push e-mail, which is used to describe always-on connection to an e-mail system – either based on a user’s a personal account with a service provider or one maintained by a company for its staff.

Mr Meehan says an average of 65 per cent of INQ users are on Facebook, with the majority of users accessing once a day or more. About 30 per cent use their INQ device frequently for e-mail, while Windows Live Messenger activity is three to four times greater than on other 3G handsets.



That level of mass-market data usage on INQ’s network-efficient, low-cost social media device means higher margins and average revenue per user for carriers, who in turn benefit from lower handset subsidies and network load costs. “We have completely broken the hold that high-end smartphones had on great mobile Internet experiences, and made them available to everybody,” says Mr Meehan.


But online social networking applications have now reached the stage where they will be more than consumers’ communications tools. By developing social media programmes into essential capabilities that support automated business applications, such as a customer relationship management system (CRM), telecom network operators can also expect increased data usage from the corporate sector. “There will be many innovations in this market segment,” says Mr Meehan. “You will soon find more localised and specific social-networking functions for the enterprise.”

In November last year, cloud-computing service provider Salesforce.com announced in the United States the high-tech industry’s first known secure enterprise collaboration platform called “Salesforce Chatter”. It will be commercially available this year, providing corporate CRM users with the ability to set up the familiar social media profiles, status updates, news feeds, group affiliations and connections through the service, which is accessible via desktop computer and mobile phone.

In the local market, Mr Ho says 3 Hong Kong is eager to expand use of the INQ social-networking devices into the small and medium-sized enterprises. “This is one of the major reasons why we’re very optimistic about the potential of the new INQ Chat 3G,” he explains.

The INQ Chat 3G was developed in response to consumer and operator demand for a QWERTY-style keypad on an INQ device. It features a generous 2.4-inch display, 3.2-megapixel auto-focus camera, built-in support for Global Positioning System, and an active address book that shows the status of a user’s contacts at the office, home and social networks.

It also contains new e-mail client software created by INQ that incorporates free push Gmail, which removes a cost for push e-mail typically borne by operators or passed on to consumers. In addition, the new model has Facebook, Skype, Twitter and various messaging applications.

Mr Ho expects a steady growth of social media acceptance in Hong Kong, noting that even local politicians and educational institutions are increasingly becoming as active as the young, early adopters in online social networks to share ideas, meet friends around the world and keep up with their interests. 

Below: INQ Mobile has already sold more than a million handsets worldwide.

