



What is Social Feedback Cycle and how does it work?

For a lot of organizations—including business, nonprofits, and governmental agencies—use of social media very often begins in [Marketing](#), public communications, or a similar office or department with a direct connection to customers and stakeholders.

This makes sense given that a typical driver for getting involved with social media is a slew of negative comments, a need for “virality,” or a boost to overall awareness in the marketplace and especially in the minds and hearts of those customers increasingly out of reach of interruptive (aka “traditional”) media. In a word, many organizations are looking for “engagement,” and they see social media as the way to get it.

The advent of Web 2.0 and the Social Web is clearly a game-changer, on numerous fronts. Given the rush to implement, and the opening focus on marketing specifically versus the business more holistically, many “social media projects” end up being treated more like traditional marketing campaigns than the truly revolutionary ways in which a savvy business can now connect with and prosper through collaborative association with its customers. As a result, the very objective—engagement, redefined in a larger social context—is missed as too many “social media campaigns” run their course and then fizzle out.

Whether that’s right or wrong is another matter, and the truth is that a lot of great ideas have given rise to innovative, effective, and measurable social business pro-grams. But these are still the exceptions, which is unfortunate as social technology is within the reach of nearly everyone.

The collaborative technologies that now define contemporary marketplaces—technologies commonly called “social media,” the “Social Web,” or “Web 2.0”—offer a viable approach to driving changes in deeper business processes across a wide range of applications. There is something here for most organizations, something that extends very much beyond marketing and communications.

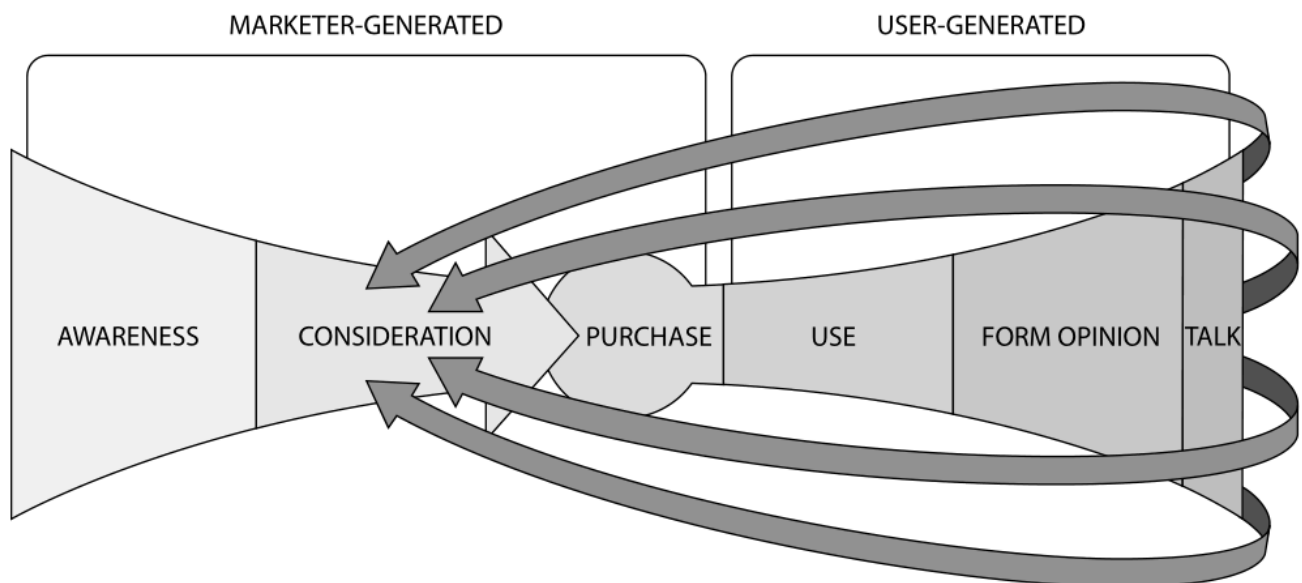
Beginning with the emergence of Web 2.0 technologies—the set of tools that make it easy for people to create and publish content, to share ideas, to vote on them, and to recommend things to others—the well-established norms of business marketing have been undergoing a forced change. No longer satisfied with advertising and promotional information as a sole

source for learning about new products and services, consumers have taken to the Social Web in an effort to share among themselves their own direct experiences with brands, products, and services to provide a more “real” view of their research experience. At the same time, consumers are leveraging the experiences of others, before they actually make a purchase themselves. The impact on marketing has been significant, to say the least.

The below figure shows the classic purchase funnel, connected to the Social Web through “digital word-of-mouth” (aka social media). This loop—from expectation to trial to rating to sharing the actual experience—is now a part of most every purchase or conversion process.

Whether consumer-facing, B2B, for-profit or nonprofit, people are turning to [Marketing Agency in Mumbai](#) for the information they need to make smart choices. These new sources of information are looked to by consumers for guidance alongside traditional media; advertising and traditional communications are still very much a part of the overall marketing mix. The result is a new vetting that is impacting—sometimes positively, sometimes negatively—the efforts of businesses and organizations to grow their markets.

Open Access to Information



The Social Feedback Cycle is important to understand because it forms the basis of social business. What the social feedback loop really represents is the way in which Internet-based publishing and social technology has connected people around business or business-like activities. This new social connectivity applies between a business and its customers (B2C), between other businesses (B2B), between customers themselves, as is the case in support communities and similar social applications, and just as well between employees.

As such, this more widespread sharing has exposed information more broadly. Information that previously was available to only a selected or privileged class of individuals is now open to all. Say you wanted information about a hotel or vacation rental property: Unless you were lucky enough to have a friend within your personal social circle with specific knowledge applicable to your planned vacation, you had to consult a travel agent and basically accept whatever it was that you were told. Otherwise, you faced a mountain of work doing research yourself rather than hoping blindly for a good experience in some place you'd never been before. Prior to visible ratings systems—think Yelp.com here—you could “ask around” but that was about it, and “around” generally meant “nearby,” friends, family and perhaps colleagues

The travel agent, to continue with this example, may have had only limited domain expertise, lacking a detailed knowledge of rental versus hotel properties, for example. This knowledge, or lack of it, would be critical to properly advising you on a choice between renting a vacation property and booking a hotel. Austin's Home away, which brings tens of thousands of rated and reviewed vacation properties within a click of booking, has built an entire business around empowering consumers looking for vacation rentals as an alternative to hotels and resorts, a market that itself only blossomed post-Internet 1.0.

Even more to the point and beyond the issue of specific knowledge, an intermediary in a transaction may or may not have your best interests in mind when making purchase recommendations. The same certainly applies to a company or organization wanting to sell you something. This has long been an issue—correctly or incorrectly—that has dogged sales of pharmaceutical, insurance and [Marketing Agency in Mumbai](#): Is the recommendation based on the needs of the customer, the incentive offered by the drug's manufacturer or insurance underwriter, or some combination? From the consumer's perspective, the difference is everything.

Where information beyond what was provided to you at or around the point of sale was relatively difficult to access only 10 years ago, it is now easy. Look no further than the auto sales process for an indication of just how significant the impact of scalable, connected self-publishing—ratings, blog posts, photo and video uploads—really is. It is this access to information and the opinions and experiences of others, along with the outright creation of new information by consumers who are inclined to rate, review, and publish their own experiences that is driving the impact of social media deeper into the organization.