

Digital Thought Leaders

Emerson Calegaretti

Vice-President and General Manager, MySpace Brazil

A space of his own.



MySpace has been on the cutting edge of social media since its launch. As it expands internationally it's finding new audiences and communities looking for its blend of personal home pages, community and networking.



Making sense of a digital world

DigitalStrategyConsulting.com


Analyst's profile:

Danny Meadows-Klue has been a researcher and commentator in the digital networked industries since 1995. He managed the UK's first online newspaper - The Daily Telegraph - and has helped run web businesses ranging from social media and mass market portals to online stores, magazines, search and email services. He is the co-founder of the UK and European IABs, held their presidencies for four years, and has been lecturing on digital media and marketing for more than a decade.

“Success in the digital networked economy takes a different type of thinking. We created the Digital Thought Leaders series to help you meet people who have the right formula and are shaping the new digital landscape. As media and communications undergo revolutionary change, there is a sunrise on whole new sectors and a sunset on others. Reading this landscape can be the greatest of challenges, but is key to building wisdom and vision about where to take your own brand and strategy.”

Digital Thought Leader
Social media and social spaces

Social media has been big in Latin America since YouTube opened up the market and showed people how to connect social networks with media assets. The passion and enthusiasm for social networking accelerated early, and the region has some of the highest volumes of social media activity anywhere in the world. MySpace pioneered making personal home pages easy to build and fun to connect through, opening up access to personal publishing and changing the model for consumer engagement with the web. MySpace sets itself out as supporting people's lives in three ways: self-expression, discovery and connection and the resulting behaviour playing out on their pages typifies the sharable and tearable content of Web 2.0 digital assets.

Latino.MySpace.com

When we interviewed Emerson Calegaretti in Caracas on the eve of their launch in Venezuela, it was clear why Latin America is so compelling. Even before launch their audiences had already reached 650,000, with each user clocking up more than 14 minutes of activity per month. If the service can achieve this with no dedicated site or promotion, then the expectation will be a massive leap when the dedicated edition takes off, and with this the key metric of minutes per month should also rise strongly.

“We're talking about a revolution here.”

The audiences in the region have grown six fold in just two years and there is a clear buzz among Latin American consumers. Over 40% (42%) are in the demanding 18-24 year old age group, but with the profiles staying with people as they age, that demographic will broaden over the medium term.

Digital fact check: MySpace

- 360m registered users
- 112m people use MySpace once a month
- 35m images are uploaded every day
- 15 languages currently
- 30 localised versions currently
- 50m messages every day
- 13m unique visitors in Latin America
- 2.5bn page views a month in Latin America

The scale of social media is growing for brands

When the US Interactive Advertising Bureau published their 'platform status report' this year, they claimed "if you're not on a social networking site in 2008, you're not on the internet." It may sound like an audacious claim, but for marketers Web 2.0 moved to the heart of web marketing much faster than Web 1.0.

The official launch in Latin America was in July 2007 with a secret music show for about 100 MySpace users. Localised versions in Spanish and Portuguese were rolled out, but before launching, MySpace had been enjoying high audience volumes for a long time. It's a good example of how people often ignore geography on the web and find the content and tools that work for them.

"Our approach is about being local and growing out of the culture in each country."

There are now country hubs for Columbia, Puerto Rica and Argentina with more local frameworks across the region and the growth of additional services in what are clearly priority markets. The staffing is just under 50, but, like the European business two years ago, set for a massive expansion. The current offices in Mexico, Sao Paolo and Miami can be seen as the start of their journey in the region.

"We are the leaders in Latin America, the largest brand in many markets. We're not fighting FaceBook, but in Brazil we are head to head against Google. Our approach is about being local and growing out of the culture in each country. Our challenge is to become more local and to do this across the region."

In Brazil almost 45% of all page views come from social media and he concludes "We're talking about a revolution here." But interestingly social networking hasn't taken off in Argentina in the same way. The more private nature of Argentineans means they don't want to put the same level of information out in the public domain.



Meet Emerson Calegaretti

Emerson Calegaretti is the VP and General Manager for MySpace in Brazil. He has a career in the internet industry that spans from 1997, holding executive positions at UOL, StarMedia, Intershop and Google. He holds a B.S. in Mathematics with UNICAMP, Law Degree with FADISC, Global Marketing Management post-degree with UCLA and MBA with ESPM. Emerson loves video games, cinema and electronic gadgets.

MySpace, my music

Thinking about MySpace means thinking about music. Since its launch, the service has been the home for bands looking for effective ways to create webspace. There are more than 5m bands with pages on MySpace and over 100,000 bands in Brazil alone. The Brazilian edition is also acting as the official website for the Pop Idol television programme with 300,000 people watching the show every week. That means MySpace is providing significant incremental audience reach to the television network rather than simply acting as a content support site for a broadcast media franchise. This is one of the new models that will emerge in television broadcasting and the integration between MySpace and Fox makes it a particularly interesting laboratory to watch: what happens here will be followed by other media groups as they look for ways of to extend integration between online and on-air video content.



Argentina hub page – Regional versions of the site feature content customised for the local audience.

Brazil Secret Shows page – The MySpace Secret Shows are free surprise concerts held in countries round the world. Users have to add "Secret Shows" as a friend and are notified if there is a show happening in their area.

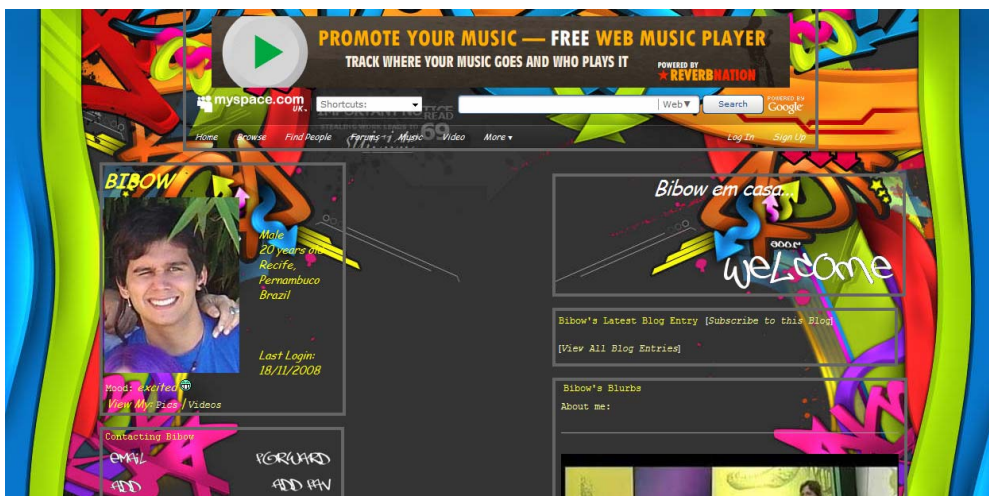
Moderation

Given the scale of the business, it's surprising that MySpace still maintains the screening of images before they are uploaded. But that's a model the business has committed to and with it comes a very safe environment for brands looking to reach into social media.

Advertising 2.0

“The brands’ profile on a social network - it’s the core of everything you do in terms of online advertising. When you become a ‘friend’ of a brand in a social network you can connect with exactly the right consumer.”

Emerson Calegaretti is clear about the change in advertising culture. “The advertising world has shifted. It’s about targeting and engaging the consumer at a much greater level than was possible before. Advertising has moved on and MySpace is part of that structure. What you see on social networks is the story of what happens in the real world played out.”



Sample Brazil profile – MySpace users can change the general appearance their page by entering HTML or CSS into fields to override the page's default style sheet. User profiles contain information about the person, a blog with standard fields, it also supports uploading images. Special musician profiles allow artists to upload up to six MP3 songs that they have rights to.

But he also challenges brands that see online as a niche medium. “We don’t have a different type of person on the internet, we have the same person as you’ll find offline. This is about extending the brand’s conversation to reach people where they now are.”

Social media marketing is a challenge because the thinking is a shift in mindset, and one most brands have not experienced yet. “It’s about the conversation. Brands need to create good conversations around their products. You can’t wait for things to happen, you need to take part.”

“Social networking users hate topdown messages and interruption so brands need to learn about these environments and harness them effectively. That means understanding the way consumers use social networks and how viral messaging really works. Brands need to not only send out a compelling message but they need to really focus on reaching the right consumer; targeting and segmenting. The profile for a brand on a social network it’s the core of everything you do in terms of online advertising. When you become a ‘friend’ of a brand in a social network you can connect with exactly the right consumer.”

Targeting and precision in media

The theory of targeting web advertising messages has been clear since the mid nineties, but the industry stalled on the promise of granular targeting by over-promising on precision and under-delivering on reach. By 2006 the behavioural targeting networks were starting to deliver on that promise, and now the likes of MySpace and Facebook have overtaken them with access to even richer consumer data.

The granularity of insight about consumers is breathtaking. It’s staggering to uncover the amount of information people place about themselves in the public domain. On a MySpace profile you’ll find everything an advertiser could dream of.

MySpace groups people by their interests and offers brands incredibly granular targeting. For example people can be grouped by region, by an interest (like films) or a sub category (like action films). With a couple of billion pages served every day, MySpace is one of the only sites to have the volume of activity to make this type of precision still deliver proper audience reach numbers – the key weakness that left most consumer planners unable to engage deeply with the web.

Driving traffic, but offline

Interestingly they are driving adoption through offline events, connecting audiences together by giving people with profiles the chance to access events offline.

Social marketing that works

Since the dotcom resurgence in 2000 it has been clear the next generation of digital marketing would involve consumers deeply in the marketing process, inviting them to join the discussion with brands and tell their friends. This massive shift in thinking is yet to play out among most marketers, but MySpace acts as a laboratory for how these tools and techniques could develop. Their marketing models typify social and connected marketing. That's why the smartest marketers are harnessing social media by not simply buying interruption into the consumer's life, but generating vibrant content that becomes part of the consumer's social currency. Profile pages for brands on MySpace are just part of the story, but a powerful one because of how consumers build their identity through the brands, making the process of 'inviting the brand to become a friend' a surprisingly natural model.



Emerson Calegaretti and Digital's Danny Meadows-Klue at one of Digital's marketing events in Latin America - Social media has accelerated dramatically in the last two years across Latin America, with most countries enjoying high levels of access to the new social networking sites. MySpace has benefited from filling a cultural gap and providing a way for consumers to share images, discussion, and online media.

Does the agency model hold back brands?

When marketing changes this fast, there's a gap that emerges between what is possible and what is proven. Many agencies find the pace of change difficult to accommodate because the speed of development of new social networking marketing tools mean there is rarely a massive weight of evidence inside each agency that proves the model, the technique and the technology. Contrast that to television or print where there may be many decades of detailed evidence and it's easy to see why many agencies remain nervous about recommending social media marketing.

“We want to start the conversation with advertisers and brands directly. It's not the agency that will change the way firms behave, it's the brand manager.”

'Go with the flow'

As for what the biggest risk and mistake is? “Don't fight the user”, explains Calegaretti. “Whether they love or hate your product try to engage them and join the conversation.”

For brands looking to learn more about how their products are used, MySpace have some unusual market intelligence tools that can help decode social media activity. Similar to Yahoo's 'Buzz index' in the late 90s, they can translate activity in a social space back into metrics for brand engagement. This is likely to help bring large consumer brands into social media, and for those marketers who understand the significance of the data, it makes for a compelling case.

MySpace have developed tools that report how the brand was 'seen' by people

- How many people 'joined' your site to become a friend
- How many messages were forwarded
- How many people have invited and accepted communication

Brands get the chance to browse and remove user generated content before it goes live. Companies face big risks when they enter social media and the choice of moderation options derisks social media for brands.

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Media company board director and participant, in-company Digital Training Academy programme

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