

# You are the Product

The Economics of Social Media

# Do Now

- What it means for a product or service to go viral?
- How does something go viral?

When information about products or services goes viral, the messages increase exponentially, meaning that messages don't just multiply—they explode in number.

# Did you know ....



**More people own a mobile device than a toothbrush**



**Facebook is the largest country on earth**



**Grandparents are the fastest growing users on Twitter**



**3X more ❤️ for infographics than any other type of content**



**By 2018 video will take over mobile usage**

# Objectives

- Evaluate the role of online advertisements
- Understand the larger economics of digital marketplaces

# Essential Question

- How has social media made online product consumers the products themselves?

# Example: who sees your post?

Student \_\_\_\_\_ has sent an image, video or story via social media to all their friends. Let's see how their post grows exponentially.

- $S$  = first student
- $F$  = number of friends of first student
- $F^2$  = number of friends of friends
- $S \times F \times F^2 \times F^2$  = number of people who have seen your post

# Reading: the economics of social media

- You will have 10 minutes to SILENTLY AND INDEPENDENTLY read the article and then complete the chart
- Cite the article at least 3 times

# Discussion: a gallery walk

- We will split the class into four groups, each in a corner of the room:
- Group 1: How has the increase in social media users worldwide increased the power of advertising online?
- Group 2: Explain how social media users have become information products that can be sold by social media companies to other companies that sell products people might want.
- Group 3: How does a mobile device make digital advertising more prolific?
- Group 4: What are some of the problems with “haters,” trolls and fake news that can affect an advertiser’s effectiveness online?

**Every group must cite the article at least 3 times.**

# Conclusion: you are the product

- Companies and advertisers market their products through social media hoping their messages will go viral.
- The companies operating the social media platforms they use are monitoring traffic and recording clicks and viewing time.
- This information helps the companies determine which ads, news stories or other information might interest you and your friends later on.