

How Social Networking Got Barack Obama Elected

A **FTI Global** White Paper

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Contents

Contents	2
Introduction	2
A Powerful Technology	2
Communication is Expensive	3
What Social Networks are Not	4
A Nation Connects	4
Cash from Connections	5
How it Works	5
The Critical Question	6
The Benefits	6
Case Study – Events and Groups	7
Creating an Event	7
Select an Event.....	8
Where McCain Got it Wrong	8
Facilitating the Social Network	9
Comparison of Solutions	10
Free Solutions.....	10
What Works and What Doesn't.....	10
Other Canned Solutions	12
Build From Scratch	12
Our Suggestion	12
Summary – Next Steps	13

Introduction

There is a new paradigm shift in technology that was powerful enough to help Barack Obama get elected as President of the United States. That paradigm shift is called social networking.

Social networks are a new and dramatic change in the way people communicate. They have drastically reduced the costs to organize large groups of people with a **common interest** while at the same time harnessing the power of the group to achieve specific goals and objectives.

During the 2008 Presidential election we saw the impact of social networking at a national, perhaps a worldwide, level. However, we have just begun to understand how to use this technology.

In the future, social networks will impact our day to day lives in many ways, including how people search for and consume information, market products and services and run political campaigns. When large groups of people work together toward a common goal, big things are bound to happen.

A Powerful Technology

This white paper has two purposes. First, it is to help you understand the fine points about social networking. In order to do that, I will use the recent Presidential election as an example.

Second, the purpose is to help organizations understand the most effective way to implement this new technology. Some attempts have failed because they did not do a good job of defining their goals or

understand how to implement this new technology.

The most important aspect of a social network is the **common interests** of the participants. These interests can range from sharing photographs to organizing to solve problems.

Let me give you an example. Health care is a big issue in the news. Nobody wants a child, or anyone for that matter, to suffer because they cannot afford health care.

Now, let's say a group that had a **common interest** to care for the sick that did not have health care began a social network. They decided to invite people from all over the country and established local community groups. The groups could be made up of EMTs, doctors, nurses, or anyone who just cared and wanted the problem solved.

Next, the social network would invite anyone who had a health problem to bring it to their attention. The response to the problem could become almost "viral" in nature, with many people working together to solve the problem. The members would volunteer advice, support, and perhaps resources to help the individual.

The networks could arrange meetings and events to do everything from health screening to vaccinations. They can work together to solve problems at a community level and everyone would benefit.

The same process could be used to solve all kinds of problems: unemployment, education, almost any problem.

Social networking is powerful! However, the technology is a tool that has to be integrated into your overall goals and what your organization expects to achieve.

Understanding the details of the process is very important in order to map out a winning strategy.

Communication is Expensive

In the past people have communicated with one another using one of two models:

- Broadcast Model
- Telecommunications Model

The Broadcast Model allows one source to communicate with many. This is a one-to-many method of spreading your message or information. For example, television, newspaper, and radio all use the Broadcast Model to disseminate their information. Even most websites are a one-to-many form of communication.

There is no two-way communication in the Broadcast Model. The flow of information is always one way.

The Telecommunications Model is the second model currently in use and has been around for a long time. This is a one-to-one method of communicating your message. The telephone is a perfect example.

Two people interact with one another sharing information. It is possible to have two groups communicating via a telephone on a conference call but the stake-holder in each group may not have equal access to communication during the conference call.

It is easy to see that there is a high cost and/or inconvenience using these old methods when attempting to get thousands of people in a large group involved in the communication process on many different levels. However, this is something that social networks can achieve.

What Social Networks are Not

Many people are confused about social networking. Some think they are already involved in it when they are not. They miss the subtle differences that make it unique compared to other forms of communication.

Social networking is not a newsletter. Newsletters have no interaction. Even if your newsletter has links and someone clicks on the links and their response is measured – this is still not social networking. It is broadcast communication.

What you are doing is providing information in much the same way it has been provided in brochures for years. Clicking a link only takes you to more information. There is a lack of exchange of information and interaction.

Information websites are more of the same. They are usually just the electronic version of a brochure on steroids. The website will have more information than a brochure but it fails to provide the aspects of social interaction.

Email and text messaging were extensively used in both the Obama and McCain campaigns. If the email or text message is informational in nature, then it is not really facilitating social interaction. However, if it is **invitational** in nature, meaning you are invited to participate in an event, share in some information, provide feedback or become part of group, then it is being used as a social networking tool.

Blogs may or may not be social. If they just record the thoughts of someone, then they are not social. However, if the thought is thrown out and comments are solicited, then an **active social dialogue** can be achieved.

People can introduce their ideas and discuss them with others.

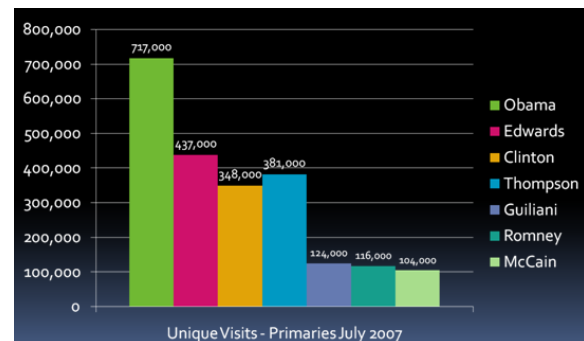
As you can see, there is often a fine line with regard to “how” technology is used and it could be as subtle as whether or not an email includes an invitation for social interaction.

A system that invites and encourages social dialogue and interaction defines whether or not it is a successful social networking model.

A Nation Connects

During the recent presidential campaign, not all of the candidates understood the value of social networking and some failed to effectively use this most valuable tool. The failure to do so impacted both fund raising and the ability to get votes.

The statistics show that Obama was way ahead of the curve in understanding and using social networking as a tool to enlist supporters.



In July of 2007 Obama had almost **double number of visitors** to his web site (717,000) compared to his next closest Democratic colleague, Edwards (437,000).

Obama was 600-700% more effective than most of his Republican adversaries. In the chart shown, John McCain had the lowest number of visitors with 104,000.

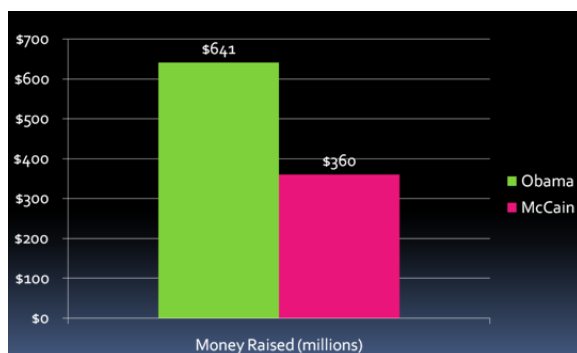
When you examine the effectiveness of attracting visitors to his site by using **social networking techniques**, there is little doubt why he unseated his toughest opponent within his own party, Hillary Clinton.

The statistics clearly show that social networking is a powerful technology that has impacted the fate of a nation for generations to come.

Cash from Connections

Using social networks in a political campaign has also allowed the candidates to amass huge amounts of cash.

It has been difficult to get the exact amount but it appears that Barack Obama collected \$641 million in cash, a large part coming from his Internet based social network, while John McCain was only able to collect a little more than half that, \$360 million.



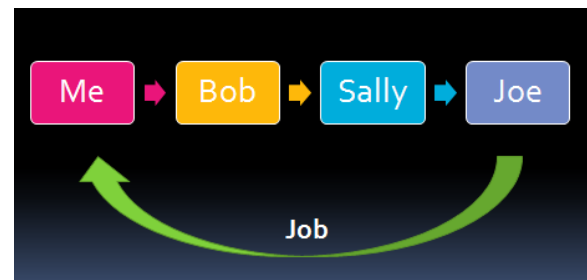
It is true that McCain abandoned public financing that put limitations on his campaign, but it is clear that Obama's campaign tapped into social networking technology and turned it into a tool to get

record numbers of donations of less than \$200 each.

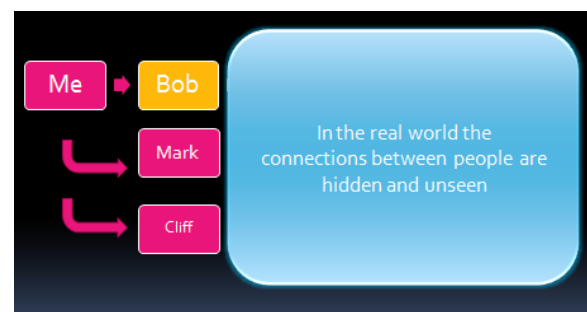
This has been a paradigm shift of major proportions. Any politician who fails to properly harness the power of social networking will have an uphill struggle against an opponent who knows how to establish and facilitate such a network. The same can be said for business and marketing efforts.

How it Works

Here is how a social network operates. I know Bob, who knows Sally, who knows Joe, who needs someone like me to do a job. Joe finds out about me and offers me the job.

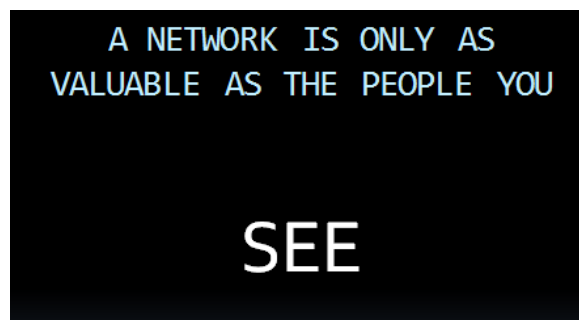


The problem with the old methods of communication is that in the real world the **connections** between people are **hidden** and **unseen**. It is like a group of people waiting at a bus stop and not realizing how they are connected with one another.



This connection to other people is often discussed in what is known as the “six degrees of separation”. The idea is that everyone is only six contacts away from anyone else on planet Earth.

In reality, the principle upon which social networks are built is being able to **SEE** the people in the network. Being able to **SEE** the network of contacts is difficult (almost impossible) without the aid of technology.



The solution is the ability to **SEE** the connections that are **hidden** in the real world. This is **THE** defining characteristic of social networking.



The process by which someone joins a social network is relatively simple:

- Sign up for a free account.
- Establish your profile by telling a little bit about yourself.
- Find your friends.
- Click on the button to “Add as a Friend”.
- This establishes a connection that others can **SEE**.

- You are now a member of their network **AND** they are a member of yours.
- Invite others to join.

While this process is fairly simple and straightforward, the technology must be setup to protect privacy and facilitate the process – which can be tricky.

The Critical Question

But... before you run off to create a social network, you have to ask a very important question. “Why would someone want to join your social network?”

The answer is **common interests**. It is the reason they got involved and the reason they will invite others to join.

If there is not a compelling common interest, it is going to be difficult to get people to join, let alone invite others.

The Benefits

The benefits are almost immediate:

- You can **SEE** who your friends know **AND** who your friend’s friends know.
- You are no longer a **STRANGER**.
- You can contact them more easily.
- Common interests can be pursued.
- Solves real world problems because your network has hidden opportunities.

There is real opportunity to help one another, whether this means solving a problem or making a difference in the world.



Case Study – Events and Groups

Now, for the details...

During the Presidential campaign it was important to get people involved in all types of events. Each of the social networking sites for Obama and McCain had the same basic approach for promoting and organizing events.

By using the social network, the campaigns could dramatically reduce organizing expenses and facilitate grass roots activities and integrate them into the campaign as a whole. Here is the process that was followed by both campaigns:

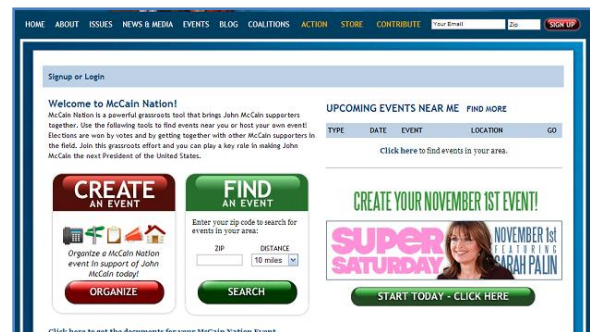
1. Search for, or create a group or event in your area.
2. Select an event. Show “Official” events as differentiated between other events.
3. Request an Invitation. A comment is required.
4. The request is sent to the host of the event for confirmation.
5. The host sends an email invitation.
6. The guest responds to the invitation.

I will use techniques from the McCain campaign as examples of how social

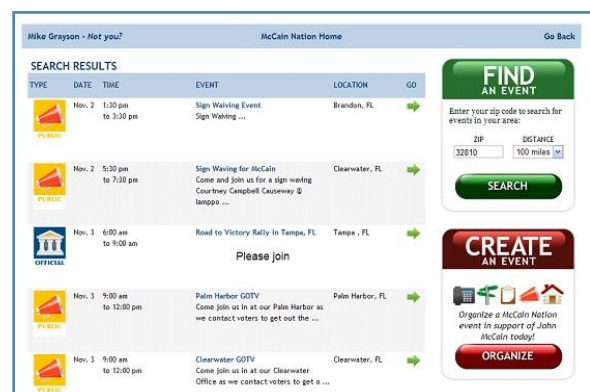
networking was implemented. Both the McCain and Obama campaigns were similar in how they designed the interfaces with subtle differences.

Creating an Event

The McCain campaign social networking site allowed users the unique opportunity to either “Create an Event” or “Find an Event” in a specific zip code. This meant that anyone within the network could organize an event.



If you were searching for an event, you would enter your zip code and the “Search Results” would show a list of all events with date, time and general location.



It is important to note that some events were “Official” events that were coordinated by the campaign office. These were identified visually by a different icon from “Public”

grass root events hosted by network participants.

By differentiating the “type” of event, the campaign was able to control events and set expectations of the people who were interested in attending.

Select an Event

When you find an event that you want to attend, you click on the icon and fill out the “Attend This Event” page. This will send your request to the host.

It is worth mentioning that the exact location of the event is not provided. By not providing a street address, the hosts of an event are **protected** from someone who may not have the best interest of the participants in mind.

It is also important to note that the “Comments” field is required. This gives you the opportunity to further identify who you are or ask a question about the event. Since it is required, it encourages a discourse between the two parties.

When you click on the “Request Invitation” button an email is sent to the host with a link back to the site so that they can manage a list of who will be attending the event. They

are also shown who is “Pending” an invitation and who has been “Sent” an invitation.

When the host sends the invitation back to the guest, the system notifies the guest via email with link back to the site for confirmation.

The guest can then respond to confirm whether or not they will attend. This gives the host a good idea of what to expect since the guest can respond “Yes”, “No” or “Maybe” as to whether or not they will attend.

While I have not covered every detail in this example, I think you get the idea. There are a series of steps in the process that promote a “snowball” effect. Inviting people, allowing them to join or create events, establishing common interests, interacting and protecting participants.

Where McCain Got it Wrong

Since the campaign ended it is clear that John McCain abandoned the concept of using the social network. He has reverted back to email marketing.

As I am writing this white paper I just received an email from the McCain campaign titled, “Stop the Reckless Pork Barrel Spending”.

His campaign has taken the people that belonged to the social network and turned them into a mailing list.

John McCain’s email goes on to tell about the abuses in spending and then asks for a donation. When you click on the link it takes you to a spot where you can enter your credit card. It makes you feel like you are being treated like an ATM machine.

I don’t want my tax dollars wasted. Nobody I talk to wants to see that happen. Why hasn’t the campaign used their existing social network to organize local groups that can meet to hear and discuss what is being done at a local, state and national level?

We would like to know the following:

- Where is the money being spent?
- What is it being spent on?
- How does it help us in our community?
- Maybe most important. How can we become involved to hold our representatives accountable?

Some more questions are:

- How is this going to impact our future?
- What is being done at the different levels to solve problems such as unemployment, social security, health care, etc.?

The power is in the people. People working together can make great changes – but the powerful potential of social networks has yet to be tapped. Perhaps those in leadership just don’t have the vision... yet.

Facilitating the Social Network

We have just scratched the surface of what can be accomplished by social networks.

The ultimate goal of social networking is to help one another become more successful as they pursue their common interests and interact and share their body of knowledge within the group.

In order to establish a social networking site, you have to facilitate involvement. This requires that you invite people to participate but perhaps more importantly, you have something worthwhile to invite them to participate in.

This means that you have to create an environment that has something worth sharing.

There are several ways for you to facilitate this process. One way is to allow members to ask and answer questions. Please keep in mind that you do not have to be the person with all of the answers. The idea of a social network is to get everyone participating and sharing.



There are specific ways to recognize and reward people for their participation. LinkedIn encourages people to answer member questions by awarding an “Expertise In” Star to members who are rated superior by their peers within the group.

One of the big issues with social networking is controlling the ‘crackpot’. Some networks have developed techniques for self policing that keeps this kind of abuse to a minimum.

Comparison of Solutions

Free Solutions

If your organization is interested in social networking the price can vary depending on your objectives. You can join one of the free social networks such as LinkedIn and establish a group, which costs you nothing but time. But there are some serious limitations.

Ning.com is a site which offers free social networking software and takes little time to setup. But the problem with their site is that it is very confusing and **fails to do a very good job of managing events**. It also lacks the ability to control the process which was discussed in the example of the McCain campaign. The process is a critical component to achieving your objectives.

The biggest disadvantage to the free groups is that they tend to have limited functionality and you **do not facilitate participation**. Neither Barack Obama nor John McCain could have run their campaign using a free service. The same is true if you want to develop a social network for your company products or organization. The chances are

that the long term functionality will not be there.

What Works and What Doesn't

At the time of writing this white paper, Ning, in my opinion, has a huge hole in promoting social interaction with a specific objective and here is why...

Ning makes it difficult for people to dialog so that they can achieve a specific objective. An example of this problem can be seen in many Ning sites but here is one you can look at:

<http://library20.ning.com/forum>.

On the Library 2.0 site there are discussions on everything. It is almost as if anything that pops into someone’s mind, they create a forum discussion. For example, on the Library 2.0 site there was a discussion on “someone passing away”, “packing and moving in India”, and “people trying to promote their own products”. What does someone packing and moving in India have to do with library management?

Even if you want open forums, it is important to understand their effectiveness. We analyzed the approach used by Ning on the Library 2.0 site. There were 794 different “Discussions”. The results were as follows:

- Page 1 - 40% participation
- Page 2 - 50% participation
- Page 3 - 30% participation

Numerous Ning sites were visited and it appeared that **the participation was very low and the discussion forums are all over the map and without a clear cut objective**.

Now, compare these results to LinkedIn that has **specific categories for discussions** that

are clearly defined. We analyzed well over 100 discussions that were more than 8 hours old and **more than 99% had active ongoing dialogs.**

We believe that the difference is that LinkedIn provides a clearly defined structure in the way that people communicate and discuss different topics. They do this by using a Question & Answer Browse interface.



Members of the social network who are struggling with or have some expertise in a specific category can either ask a question or provide an answer. It is very easy for a user to drill down into an area in which they are interested and **it facilitates a social dialog.**

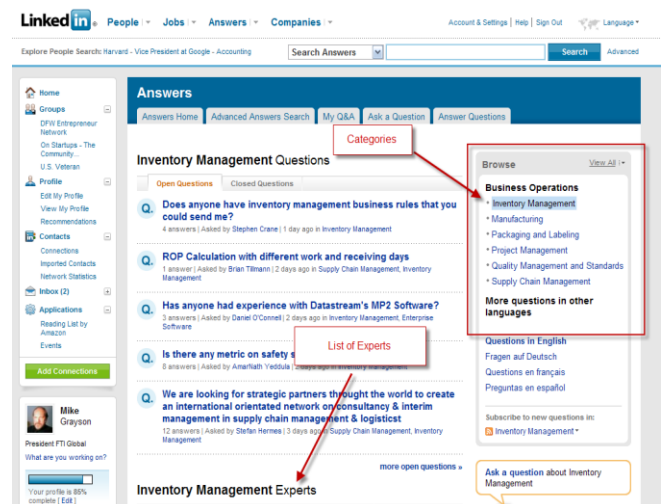
If your objective is to get people to connect **there needs to be a way to link the common interests.**

For example, if I log into LinkedIn, I am going to see the “Browse” list and click on “Business Operations” to see who needs

help and offer my two cents. During the writing of this white paper I have provided advice to several companies concerning workflow processes from contacts made via the LinkedIn Q&A.

Since the discussion groups are clearly defined there are some that I would stay away from. I would probably not Browse and click on HR, Law or International – they are not my area of expertise. There is no confusion – just clarity.

One of the really great features of LinkedIn is that you can drill down into sub categories and you have access to the list of “Experts” in that category.



Imagine that entrepreneurs in Africa run into a problem or have a question. They have immediate access to someone who is deemed an expert by their peers. (You can only become an Expert in LinkedIn if your peers elevate you to that status).

In Proverbs it says, "Plans fail for lack of counsel, but with **many** advisers they succeed." This is the power of social networking. Encouraging people to share solutions based on common interests AND facilitating events where they can meet to

accomplish specific objectives. Perhaps even elect the next President of the United States.

I picked on Ning but it does have some very nice features. However, it tends to work more like Facebook which doesn't really have an objective. I wonder if people will eventually lose interest in a Facebook type social network site if it fails to bring something of value to the members beyond things like posting pictures?

Other Canned Solutions

The implementation of your social network can vary depending on what you want to accomplish. If you can get by with a free solution – great!

However, if you want people to create and participate in events and facilitate the network, the free solutions fall short and often are knock-offs of MySpace or similar networks. They do not allow you to implement plans that reward people for participation or encourage new methods of involvement.

Companies such as www.onsite.com charge a scaled fee of \$49.95 per month for a limited, generic solution. At that price, no custom development, no support (it is extra), no managed content. They go all the way up to \$7,500 per month (\$75,000 and up) for a customized version of the application.

Build From Scratch

The final way you can develop a site is to start from scratch. Expect it take at least 30 days to nail down the design and prepare estimates, another 60 days to develop the

data model and prototype and up to 6 months to roll out the application.

Developing a solution from scratch can be quite expensive and frustrating, taking as many as 2,000 hours or more (sometimes much more) to complete. If you elect to do it this way make sure you have a great project manager that you trust to take you through the process with few surprises.

Our Suggestion

We suggest that you find a company that has the modules already developed and can customize the application to meet your needs.

You need to map out your strategy. What is your objective and what process will you follow to meet that objective?

One resource that will get the creative juices flowing is my book “The Ultimate Business Playbook” available from Amazon, Barnes and Noble, etc. It walks you through the process of workflow analysis and thinking about processes. You can also email info@ftiglobal.com and I will send you the eBook version at no charge.

If you decide to do a custom build, my estimate is that this should not cost you more than \$1,500 per month for a very big site with potentially over a million users. This price would should everything; hardware, operating system, database, broadband connection, domain names, automated backup and support.

It is possible to do it for a lot less than \$1,500 per month but the cost just to operate a server on the Internet with a large broadband connection is going to be at least several hundred dollars a month.

The bottom line is that you can save a significant amount of time, money and headaches with customized modules and getting the right people involved.

Summary – Next Steps

If you are entertaining the idea of starting a social network you should begin with the “Information Gathering” phase. This is where you will first define what you want to accomplish with the social network. Since this is a new paradigm don’t be afraid to think outside the box. Get some people together and brainstorm the idea to get the creative juices flowing.

Avoid getting caught in the John McCain trap and reverting back to using it for a mailing list – a much bigger vision is needed.

It is a good idea to get someone involved at this point who understands the capabilities and limitations of the technology. They should be able to contribute to the brainstorming session and help formulate a vision. Many companies will often participate in this process, often at no charge, during the first meeting. We do!

Be sure you keep all of your options open, even the use of the free sites. So make sure your technology advisor realizes they are there as an objective advisor and not simply trying to sell you a solution that might not be in your best interest.

In this paper I have only shared some of the basic elements of a social networking site. There are many other considerations such as how someone signs up, how hosts manage their event, security and privacy, etc.

Social networks can be used to promote community among constituents, customers, support groups, church groups – you name it! It is only limited by the vision of your team.

It has been proven that social networks have been used to promote Presidential candidates and collect millions of dollars in donations and energize a nation.

They can harness the tremendous power of the people and provide answers, support and new levels of achievement for people with **common interests**.

If we can help, email info@ftiglobal.com.