



Mar 17, 2009

Interview

[How to Build Your User Base with Social Network Applications](#)

SUMMARY: Out of thousands social media sites' applications, only some stand out as clear success stories. Want to know what distinguishes the blockbusters from the duds?

We talked to the co-founder and president of a social media platform with 100,000 users across several networks. Find out why the program works and how it achieved 140% growth in 6 months. Includes tips to hone your strategy and creative samples.

Joe Marchese, President, SocialVibe, started thinking about "social nets," mini-networks of people connected to their online friends, about two years ago. He wanted to put more value into the relationships and to get more value from them. One year later, SocialVibe was born.

SocialVibe's members raise money for charity through their online socializing. SocialVibe gives them a "badge" for their social-network profiles. The badge displays a graphic from a charity and an advertising sponsor. The sponsor pays for the badge's impressions served, and the charity receives a portion of that revenue.

SocialVibe launched in public beta in April and has seen strong growth -- 140% increase in members from Aug. 2008 through Jan. 2009. The number of ad impressions has grown by about 150% over the same period, and they raised over \$300,000 for charities since from April 2008 to Jan. 2009, Marchese says.

SocialVibe's growth stems from leveraging social media and partnerships. Marchese's provides useful tips for anyone moving ahead with a social-network application.

The App's Viral Elements

People on social networks like to express themselves by putting up images, blog posts and videos that say, "This is who I am." SocialVibe strives to make its badges serve a double purpose -- a functional expression of one's character, as well as a way to raise money for a charity.

Member preferences add value

It is harder to download a SocialVibe badge than a typical online widget. To get their personalized badge, SocialVibe users must click to visit its website, select a brand and a charity. The high number of clicks filters users who aren't truly engaged, Marchese says.

The process adds value to:

- Users: the badge is tailored to their preferences
- Brands: the members choose to interact with them
- Networks: greater personalization builds affinity for the network

“If you just grab [a badge] and put it on your page, that’s great; it is more distribution for a brand. But it’s not really an endorsement from you. You didn’t create your own... You can get a lot of people doing something very simple, but you have to question, what value does it create?” Marchese says.

Offer interactive ad, viral incentives

Site visitors can click the badge to flip it over to learn more about SocialVibe, the charity and the sponsor. They can also click to visit SocialVibe to get their own badge.

Building donations for charity is the main incentive for members to build impressions for their badges and to ask friends to sign up. SocialVibe also offers points to users based on their influencing (e.g., impressions, sharing). The points can be redeemed for “perks” that some of the sponsoring brands provide. Marchese emphasizes that perks are not “rewards” or “prizes” since they’re not guaranteed.

Paying charities prevents abuse

SocialVibe's system for paying charities works better than paying members directly, Marchese says. By paying charities, SocialVibe:

- o Avoids abuse of the system for personal monetary gain
- o Prevents a lack of interest due to the low revenue per member
- o Adds an extra element of personalization to the badge
- o Makes the badge more virally conducive

Working with Partners: Networks

Some social networks have long lists of apps that users can download. Marchese and his team work with several networks to help get their app noticed over the thousands of others. He says that the networks are very good at promoting his app. “If you can provide value not just to the members of the network, but also to the network itself, then no one is going to be better at promoting you.”

Marchese attributes about 20% of his users to partnerships with social networks; the rest arrives by word-of-mouth and viral growth. Here are ways his team works with social networks:

Pay per install

SocialVibe pays myYearbook for badges installed on its network. Marchese says these relationships are beneficial to networks since they create an incremental revenue stream and avoid adding ads to people’s profiles without permission.

Marchese’s team is starting to move away from this model, and hopes to base all of its relationships with networks on interactions with the badges.

Pay for interaction

Marchese’s team pays some networks for positive user-interaction with the badges. A soon-to-be-announced relationship with WordPress will be based on a similar system, he says.

Pay for nothing

Larger networks, such as Facebook, have thousands of apps. Being listed en masse does not earn SocialVibe any preferential treatment, but it does ensure the app’s presence. Marchese hopes that, in the

future, a revenue-sharing relationship similar to the one with WordPress can be achieved on the larger networks, he says.

Working with Partners: Charities

Charities are always struggling to generate more donations. SocialVibe offers charities a way to capture more funds without having to ask their members for cash.

Some ways that charities have helped push SocialVibe:

- o Mentioning SocialVibe in emails to house lists
- o Leverage celebrity contacts for an endorsement (see video link below)
- o Leverage corporate donors for a collaborative effort

Some brands would love to give more money to charities, Marchese says, but they can't do so without showing a marketing benefit. In a few cases, charities have worked with their donors to build an exclusive SocialVibe sponsorship.

Joe Marchese spoke at ad:tech 2008 in New York.

Useful links related to this article:

Creative Samples from SocialVibe:

<http://www.marketingsherpa.com/cs/socialvibe/study.html>

Video: Celebrity Endorsement of SocialVibe

<http://www.youtube.com/watch?v=b1dKaskUQoU>

ad:tech

<http://www.ad-tech.com/>

myYearbook

<http://www.myyearbook.com/>

WordPress

<http://wordpress.com/>

Facebook

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<http://www.socialvibe.com>

Comments about this Interview

Mar 17, 2009 - fermata of self says:

you should also mention that Mr. Marchese has a regular column on MediaPost and is a frequent public speaker, which gives him plenty of opportunity to talk up socialvibe beyond the tactics described here.

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