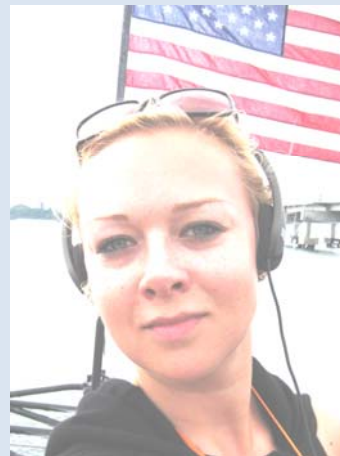


FINAL REPORT

OF THE ACADEMIC YEAR 2008–2009

Funders: “MetaAlert” Tekes & “Mediated Reputation” HS–Foundation

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CHASING INNOVATION: THE SILICON VALLEY

The Silicon Valley is a cluster of cities in the southern part of San Francisco Bay Area (CA, USA) named originally after the silicon chip industry now known for high-technology and innovation.

What is special about the valley? Could this kind of an innovation ecosystem be built elsewhere?

Simplified Ingredients of a successful innovation ecosystem:

(Kawasaki, 2008; Estrin, 2009; Wessner, 2007 & Luoma-aho interview data on the Silicon Valley, fall 2008):

- Time: An Innovation Ecosystem can take up to 20 years to develop
- Environment: Surroundings that enable business, ranging from trustworthy financial infrastructure & predictable policies as well as regulatory trends
- Comfort: An area with nice weather and living environment to attract individuals to move to the area
- Universities: High quality universities so there is plenty of new ideas, innovation and perseverance
- Local challenges: An area with a specific challenge (safety in Israel, solar in Africa, etc.)
- Culture: A Frontier culture of high risk-taking and a climate of social acceptance of failures
- Expenses: High enough living expenses to push people to want to make money
- Infrastructure: An exit-infrastructure for start-up companies, so it is possible to cash out on ideas
- Mentality: A feeling and mentality of openness, "Share Freely", a certain hippie-mentality
- Anger: A healthy disrespect for authorities, a certain anger to "prove everyone wrong"
- Policy: An immigration policy that encourages talented individuals who are hungry for making it in a new environment to come from all over the world

"You have to be willing to share ideas, and allow others to add to them. And that's how the ideas spread".

Journalist, Silicon Valley.



How do you succeed in the valley? Simplified Ingredients of personal success in the Silicon Valley:

(Kawasaki, 2008, Estrin, 2009; Hunt, 2009 & Luoma-aho interview data on the Silicon Valley, fall 2008)

- Passion & dedication: You need the ability to push through hard times without support and start small
- Seeing the bigger picture: Ability to detect patterns and trends emerging in the markets
- A story to tell: You need a good story to convince people and funders of your future success
- Track Record: A list of things that you have done before, and a list of how you have failed before
- "3G model": Being willing to first give, then get and finally gain
- Promise: You have to fulfill the given promises to those around you, what you can do for others
- Adaptability & Flexibility: be willing to change the plans when winds change, willingness to reinvent yourself and even change the business model or the product if necessary
- Connections: formal and informal meetings of the industry key people, know the "supernetworkers"
- Voice: Have a presence and a voice, say smart and controversial things at conferences and panels

"What does it take to be successful in the Silicon Valley? An optimism verging on pathological, a willingness to try at the risk of failure, and an ability to persist in the face of repeated failure, the ability to attract world class team mates and execute effectively in a team environment. And the ability to see reality objectively and modify behavior in the face of reality". An entrepreneur, Venture Capitalist, Silicon Valley

keywords: risk, sharing, reputation

IS SOCIAL MEDIA OUT OF CONTROL?

Social media is content created by people, moving from monologues to dialogues, from informing to sharing.

“We’ve had a lot of discussion about new media, and the point is that traditional media never did, and still doesn’t, mediate. New media does. The traditional media was about sending a message out to be received. It wasn’t about getting a message back”.

Mike Baroody, Executive Vice President, Porter Novelli, PR Strategist, Winter 2009, p.11.



WHAT IT'S ALL ABOUT

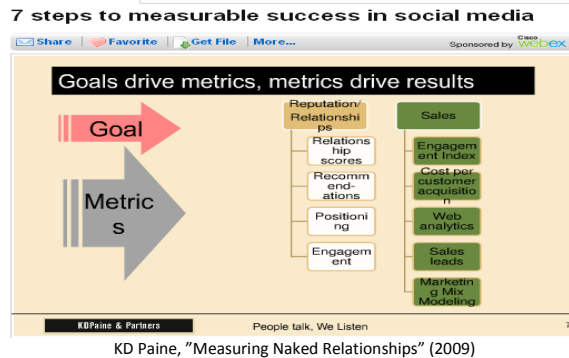
- A more descriptive name for social media is “Participatory media” (Miel & Faris, 2008)
- “People formally known as the audience” (Jay Rosen, June 2006)
- Social media has enabled various group formation without traditional organizations (Shirky, 2009)
- Records the conversations, gives an afterlife to events and brings a wider audience (Johnson, 2009)
- Social networking is still growing, biggest now: MySpace with 226 million, Facebook with 200 million users (List of social media sites: http://en.wikipedia.org/wiki/List_of_social_networking_websites)
- Social Media becoming the main use of the Internet: 80% of people go online to socialize, compared to 39% of those who go online to do business (Ruder Finn Intent Index, 2009)
- Institutionalization occurs: Focus moving from joining and behavior to matters of organization, eg:
 - How to organize social media in organizations (Owyang, June 26th, 2009):
 1. The Tire (Distributed): Each business unit or group may create its own social media programs without a centralized approach. Originates at the edges of the company.
 2. The Tower (Centralized): A standalone group within a company that’s responsible for social media programs, often within corporate marketing or corporate communications.
 3. The Hub and Spoke (Cross Functional): A cross-functional group represents multiple stakeholders across the company assembles in the middle of the organization (hub facilitates resource sharing and cross-functional communications)

“New media has actually provided us with a tool for feedback. Again, sometimes senior leadership looks at access to faster, quicker, more current information as a challenge. I look at it the other way. This actually raises the visibility of the organization, even when things aren’t going exactly going the way you’d like them to. And it provides us feedback. This is a great measurement tool to find out how effective we are”. Jeffrey Robertson, assistant commissioner, office of public affairs, US customs and Border protection, PR Strategist, 2009.

NEED FOR MEASUREMENT

- “All public touch points – increasingly digital – now impact our brand and our revenue” Chief Marketing Officer of HP, Mike Mendenhall, in Vollmer (2009).
- Being active and taking part is important, but what is the real value?
Real value of social networks = value of markets (purchasing power) x advertising spent (Arrington, June 4th, TechCrunch)
- 10 key metrics for social media (Macnamara, 2009, in KDPaine’s The Measurement Standard).
How do you know if your social media working:

1. Unique visitors, reach (not counting machines & fraud)
2. Duration (short stayers vrs. those engaged)
3. Links to a site, incoming links (credibility, trust and influence)
4. Views of videos (interest, visibility)
5. Downloads of documents, purchases (engagement)
6. User ratings (stars, favorites)
7. Comments (engagement)
8. Conversations or chat (direct feedback)
9. Return visits (frequency & stickiness)
10. Next clicks, where people go next (the progress, intentions, intertextuality)

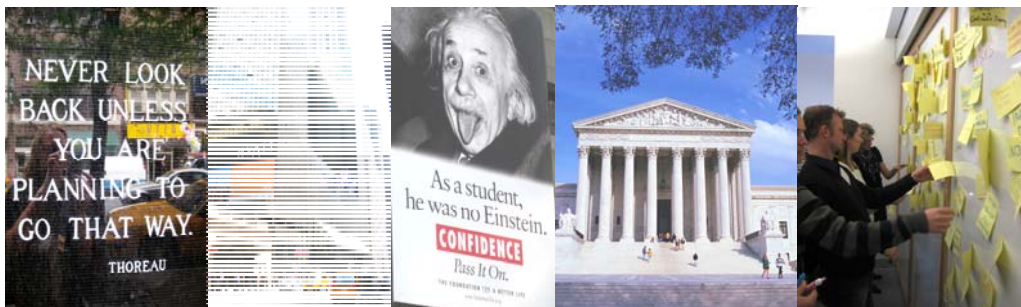


SOCIAL MEDIA GETS SHORTER & FASTER

- "Super-fresh" web tells you what people are saying RIGHT NOW (John Battelle, in Johnson, 2009)
- Twitter makes social media faster (real time) and shorter (140 characters): trend strengthens
- Blogs now becoming outdated and too long: bloggers switch to live streams (WebStrategist, 2009)
- Speed demands "Tweeting" toward a profession: (ghost & guest tweets)
- Social media gets shorter: Twitter (micro-blogging) on the rise (updates in only 140 characters)
- New "shortening" services make web addresses fit into your updates (<http://bit.ly/>)
- "Nudge" communication for good choices (Thaler & Sunstein, 2009): making right choices easier for people to make by adjusting and creating better choice architecture
- Rise of Influence brings rise in corporate responsibility

NEED FOR REGULATION

- Corporations coming up with policies and guidelines (Intel, IBM, Wall Street Journal): How do you balance between keeping it interesting and not getting into trouble?
- Wall Street journal Professional Conduct Rules: Relationships with sources? Promoting your work?
- Reputational risks: Few think of consequences when updating and posting (Deloitte, 2009)
- Still unclear: How to protect children, invasion of privacy, defamation, trade secrets
- Focus on regulation now turning from data availability to data use: what is allowed, what is fair?



keywords: professionalization, engagement, participation, dialogue, responsibility

REPUTATION GOES PRO

Reputation is a track record, a source of competitive advantage related to social standing, the distribution of cognitive representations, perceptions held by the different stakeholders, both the substantive and evaluative estimates about an entity.



“The world is governed more by appearance than realities so that it is fully as necessary to seem to know something as to know it”.
Daniel Webster

Figure: 5 spheres of reputation today,
“Reputation & Attention” Luoma-aho & Nordfors, 2009

MANAGING REPUTATION

- Reputation management moves from the traditional media to online: You can now buy your own online reputation guardian (BNET, Weir (2009): Vanno releases corporate reputation widget, a web-based index for measuring reputation)
- “Online reputation manager” as a profession: Britney Spears is hiring (TechCrunch, Jan.10, 2009)
- Insiders become more valuable, as what your employees write about the company online matters more than corporate advertising: focus on communication in workplace communities (Juholin, 2009)
- The internet serves as a new “collective memory” where even minor events are stored and can re-emerge even unexpectedly causing a heightened importance on monitoring (Luoma-aho & Vos, 2009) not only the human environment, but also the non-human aspects (Luoma-aho & Paloviita, 2010)
- Need for real-time information has introduced rumors as legitimate news: this has led to higher tolerance of errors and un-checked information, making and breaking corporate reputations
- Focus in reputation management shifting from doing & saying to listening & engaging (KD Paine, 2009)
- Risks increase for corporate reputation when employees start using social media at work:

“60% of business executives say they have the “right to know” how employees portray themselves and their organizations online, while 53% of the employees contend that “social networking pages are none of an employer’s business”. In fact, nearly one third of employed respondents say they never consider what the boss would think before posting materials online”.
(Deloitte survey, 2009)

- Peer2peer communication still the most credible form of communication for reputation formation (Edelman Trust Barometer, 2009)

BEING NICE & ETHICAL

- Building reputation is building “Whuffie” (Cory Doctorow, your online reputation; Hunt, 2009)
- Where will the lines between reputation management, framing, spin & manipulation be drawn?
- Reputation management the responsible way: Happy customers turn into evangelists (Kawasaki, 2008) & Faith-holders (Luoma-aho, 2009) for products & brands
- Social importance & Ethics: new generation graduates want to work for the third sector (associations & NGOs) where their efforts help the common good
- New need for guidelines & policies: As social media take over everyday life & spread to new user groups (Shih, 2009) there is a heightened need for rules of the game (“The Problem with Social Media in the Office, EMarketer 27.5.09 <http://www.emarketer.com/Article.aspx?R=1007109>)
- Building a good reputation is about transparency, providing value, being nice & linking right (KDPaine)

“Link love is a term used in the fields of search engine optimization and blogging to describe the effect that web pages rank better when they have more and higher quality links pointing at them”. Wikipedia

keywords: reputation risks, evangelism, link love, whuffie

JOURNALISM SURVIVES, INSTITUTIONS DIE

Journalism is the activity that creates news, the production of news stories, bringing public attention to issues of public interest, receiving its mandate from the audience

“Personality + Insight + Promotion + Interaction = Visibility and Community “ (Solis, 2009)

ATTENTION ECONOMY

- The world that journalism depicts is constantly changing and competing for attention
- The judge of good journalism is now the **reader, not the editor**
- The role of sources becoming blurry: who sponsors, who gives ideas, whose opinions?
- Business model changing: marketing / PR budgets are shifting online, further challenging journalism
- Buying attention and advertising in the media will become like the daily stock exchange: short term contracts & quick choices (Volmer, 2009)
- In Attention Economy (Simon 1971), where attention is scarce and valuable: value is now measured by attention received or consumed (Technorati 2008: number of hits, attention to blogs)

“Selective exposure is especially likely in the new media environment because of information overload. New forms of communication not only deliver much larger chunks of campaign information, but they also facilitate consumers’ ability to attend to the information selectively” (Iyengar & Hahn, 2009, p. 34.)

- New demands on speed are changing the traditional roles of 2 journalists and PR-practitioners
- Instead of journalists and PR practitioners we could talk about “attention workers” (Nordfors, 2006) whose job is to broker attention:

“The attention economy identifies attention as a scarce commodity, which increases the value of 'attention work', professional generation and brokerage of attention. Attention is required for shaping a reputation, and attention work on behalf of stakeholders in the market place often seeks to influence reputation. Reputation has become a selection criterion for forming relations and executing transactions among publics, and it influences individuals to choose one product or service over similar, competitive products and services”. (Luoma-aho & Nordfors, 2009, p. 4)



DIGITAL DARWINISM

- The news industry is facing Digital Darwinism: To survive you need “**relevance, interactivity and accountability**” (Vollmer, 2009)
- Engagement and participation is more important than ever, we are moving from the pre-Internet participatory media forms (letters to the editor, community access cable TV, radio call-in shows) to real time feedback Twitter, live-stream video and posts on Vimeo or Youtube and sharing of pictures and experiences on Facebook & Flickr.
- Selling attention to advertisers on print is history “**investors are looking for sites that make money in ways other than selling ads, like selling subscriptions or virtual goods**”, Miller, NY Times, Jan. 4th, 2009
- Key terms now (Miel & Faris, 2008, p. 3):
 1. Legacy media: Media originally distributed using a pre-Internet medium (print, radio, television) and media companies whose original business was in pre-Internet media, regardless of how much of their content is now available online
 2. Web-Native media: Media formats that exist only on the Internet and media entities whose first distribution channel is the Internet

3. Participatory media: Media formats or entities where the participation or editorial contributions of people whose primary role in life or in relation to the specific media entity is something other than media producer.

“An ecosystem is an appropriate metaphor for today’s marketing environment. It is a dynamic, complex, and interconnected community in which marketers, advertising agencies, and media companies depend on one another, to a certain extent, to survive and thrive. But it is also a brutal, competitive arena, where a kind of Digital Darwinism or survival of the fittest, holds sway, rapidly distinguishing winners from losers. Companies that possess certain preferred traits in their organizational DNA or that have superior skills of self-adaptation are positioned to flourish in this ecosystem. Those without face almost certain extinction”. (Vollmer, 2009; pp. 2-3)

NEW MEDIA, NEW CHANNELS

- Internet, software and news becoming one sector / industry: In a decade or two everyone will assume New York Times and Google to be part of the same industry (Innovation Journalism expands)
- More readers for online editions of papers: the format online still suffers from being “traditional”
- “Future is digital” (Ballmer, Microsoft): The American Society of Newspaper Editors drops “paper” out of the name (2008): The American Society of NEWS editors
- New writers? Two extremes of journalism: from professional journalism to citizen/amateur journalism. What will evolve out of this? Some completely new form of news reporting (only one large global news outlet?)
- Wikipedia already going down: “The idea of a pure openness, a pure democracy, is a naïve one” (J. Reagle, New York Times online, June 29, 2009)
- Will we soon see just 1 big channel with all information stored? The Internet with all information available online, always? Will this cause a tidal wave of freelance journalists?
- Blogging today faces new challenges from losing writers to twitter to problems with sources:
 - Top bloggers are closing their blogs and switching to Twitter and other real-time solutions
 - Media change but problems persist: Blogs inherit journalism’s problems: Bloggers deciding what to do with embargoed (release only later) material, (“Death to Embargo”, TechCrunch, 2009)
 - Still not as established as journalists: Bloggers more valued by corporations in the US than in Europe (Sudhaman, PR Week, 26th June, 2009)
 - Blurring of boundaries: whose interests are at the centre? When bloggers start to run ads (TechCrunch, Venturebeat etc.) does their objectivity disappear?
 - Technorati TOP10 blogs now: ArsTechnica, boingboing, DailyKos, Engadget, Gizmodo, Lifehacker, Smashingmagazine, TechCrunch, The Huffington Post, TheofficialGoogleblog
 - Future still unclear: Will blogs replace professional news outlets or will they implement it? What happens when the blogosphere is oversaturated?

“Whatever the drawbacks and limitations of blogging, it serves, today, as our culture’s indispensable public square. Rather than one tidy “unifying narrative,” it provides a noisy arena, open to everyone, for the collective working out of old conflicts and new ideas. As the profession of journalism tries to rescue itself from the wreckage of print and rethink its digital future, this is where its most knowledgeable practitioners and most creative students are doing their hardest thinking”. Scott Rosenberg, Say Everything.



keywords: web-native media, attention, reader-centered, digital Darwinism, engagement

PUBLIC RELATIONS TAKE OVER

Public Relations is maintaining relationships, finding the right issues and 'issue arenas' for interaction, facilitating the organization-public dialogue and through these actions guarding organizational reputation.

"If I was down to my last dollar, I'd spend it on public relations".

Bill Gates, Microsoft Founder

- PR is becoming more measurable through Social Media (measurementstandard.com)
- Social media is changing the scenery for the benefit of PR: Blogging has "flipped traditional PR on its head... journalists no longer create buzz: rather; they react to it" (Kawasaki, 2008, p. 272)
- Many journalists have personal blogs, twitter accounts which have opened contact for PR to approach straight the journalists, bypassing editors.
- High demand for fast information will leave journalists & bloggers more dependent on news sources
- Economic pressures will cut advertizing & marketing budgets, but PR & corporate communications will remain as they build on long-term relationships and user-generated solutions
- Corporate world will face bigger expectations of transparency: a move from reports and results to availability of raw data "Don't just give me the answers, give me the raw data and let me figure it out", (Dan Bricklin, 2009)

THE LINE BETWEEN PR & JOURNALISM BLURRING

- The difference between journalists and PR-practitioners is giving way to collaboration and joint attention work (Luoma-aho & Nordfors, 2009): everyone benefits from correct available information
- Importance of becoming "a social capitalist": Both journalists and PR-practitioners have their own reputation & Whuffie (Hunt, 2009) to guard, and all are now dependent on reader/user/customer feedback (Luoma-aho, Uskali & Weinstein, 2009)
- "Status sphere": creating, maintaining and increasing status through lifestyle, not just (or even rather than) material goods is still a top trend (Trendwatching)
- Many unemployed Journalists are turning to work in public relations and bring their networks with them (PR Week, June 23rd, 2008)

"New media gives the advantage to PR people. Advertising is all about controlling the message. You lose a bit of credibility because you're paying for it, but you have precise control of what the message is. PR professionals have always dealt in a world where they can't control the message completely. They're dealing with earned media. They're dealing with alliance building, grassroots, all of those things where it's much more fluid. So I do think new media gives the advantage to PR professionals, and there will always be a demand for this- it's going to increase." Bill Black, Fleishman-Hillard, Public Relations Strategist, Winter, 2009.

- Expansion of citizen PR? From professional PR to "everyone doing it" via social network tools.
- Changes take time even in PR: All practitioners are not yet sure how to deal with new media:

"Ogilvy London's Twitter home page says that the views in the tweets don't reflect those of the company, doesn't that defeat the purpose?" MarketingEds, 7.30 PM, March 10th, 2009

"In the future we're going to live or die by the amount of interactivity with our audiences. "

Joan Mower, Director of development and public relations, Voice of America, PR Strategist, 2009.



keywords: social capital, issue arenas, engagement, status sphere

COMMUNICATION TRENDS FOR THE FUTURE

“The best thing about the future is that it comes only one day at a time”.

Abraham Lincoln

1. UBIQUITOUS LIFE & web 3.0

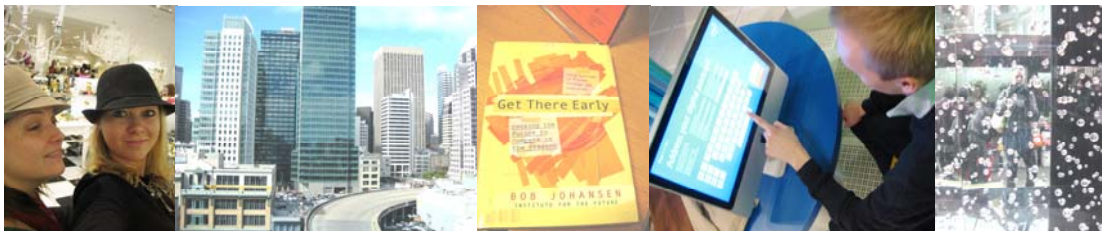
- We are moving from a web of seeing to a web of usefulness:
 - o Web 1.0 (surfing)
 - o web 2.0 (socializing)
 - o web 3.0 (identifying, anticipating)
- Cloud computing: everything available, less need for own storage & memory (Google Docs)
- **In the future, all content will be digital, it will have social elements and sharing tools attached, it will be interactive and integrated and it will have to be relevant & made for multi-device use**
(Steve Ballmer, Microsoft, “Cannes Lions Media Person of the Year”, 2009)
- Ubiquitous life will come stronger with mobile technology: devices will pick up spatial clues on needs both voiced and unvoiced, traffic, dating, dining: Tracking anything with an engine: where is your bus, your meal, your friends, your mail, your credit card etc.
- Location-aware lifestyle (Google’s Android phone, Iphone 3G) still needs to get better
 - New services from Nokia walking directions to Geotagged photos arise new privacy questions
 - Twinkle-app for iPhone lets you find tweets of people in the same area you are
- Sacrifices and choices: speed & easy access instead of quality (Techpulse360, May 3rd 2009)
- From networking to functionality and commerce (new business opportunities arise as location-based information becomes available)
- Filtering is central: Predictive technologies will let you see / hear only what they think you want to
- End of privacy: data mining and search can make any information available online not only for “**friends & family**” but advertisers and marketers?
 - o Change of attitude: Generation Y sees no problem sharing all their personal information online
 - o Collective memory of Internet: All previous choices & preferences will be stored & remembered
 - o Technology now predicts your actions & makes recommendations (Honan 19.1.2009, Wired.com)
- **New social contract: I give you my information, you tailor better services/advertising for me**

“One of the definitions of sanity is the ability to tell real from unreal. Soon we’ll need a new definition”.

A. Toffler

2. WHUFFIE (Hunt, 2009) & STATUS SPHERE

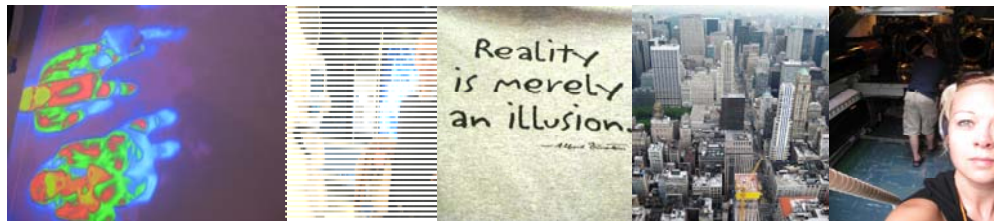
- Whuffie coined by Cory Doctorow’s science fiction book: “Down & out in the Magic Kingdom” referring to “The currency of your reputation” in a post demand-driven society
- Whuffie is the capital of choice in online communities in the “**Web 2.0 world, where market capital flows from having high social capital. Without Whuffie you lose your connections and any recommendation you make will be seen as spam, met with negative reactions and a loss of social capital**” (Hunt, 2009).
- Whuffie replaces money in business & transactions: others can “ping” your Whuffie to see if you’re nice, networked or notable: if they can trust you



3. SHARING & SEARCHING

- “**Search is only in its infancy**”: in the future search will be more social and combine both human and machine experts (Mayer, Google’s Vice President of Search Product and User Experience)
- Live searching and immediate link sharing on Twitter now competing with Google (Johnson, 2009)

- **Weegies**, “online artificial beings powered by an advanced search engine and live experts” will solve our searching problems (Weegy.com)
- Search grows up: Focus shifting from finding it to making use of it & adding social aspects:
 - Socialmention.com tells you how you’re talked about, who’s doing the talking and in which tone in the various social media (Blogs, Microblogs, Bookmarks, Comments, Events, Images, News, Video, Audio, Q&A)
- Rise of services that allow data to be combined in new ways: www.FiveThirtyEight.com, Budget Hero (http://minnesota.publicradio.org/projects/2008/05/budget_hero/)
- New and more refined searches: Wolfram Alpha combines search results from all available data online
- Consumers no longer expect to pay: charging can only occur for “products with unique research, data or analysis, good design” (J. Pontin at IJ6, May 2009, Stanford)
 - o Will we see a re-introduction of really good & tailored paid content and news?
- News and reports less and less belong to a certain publishing house / journal
- For search, advertising is taking on new forms (blog sponsors, linklove, AdSense of Google: earnings from only relevant ads etc.)
- More consumer say in advertising: Facebook already uses “Rate this ad”, “turn this ad off”-buttons as Advertising is turning from official sources to unofficial sources
- Focus shifting from finding it to making use of it and deciding what is fair use
- Google broadens their reach: Google Books now holds scanned images of millions of books in the world, Google Docs lets you do your wordprocessing in the cloud, IGoogle personalizes your search and lets you build a customized page around all your search –related interests.



4. COMING OF EMOTIONS

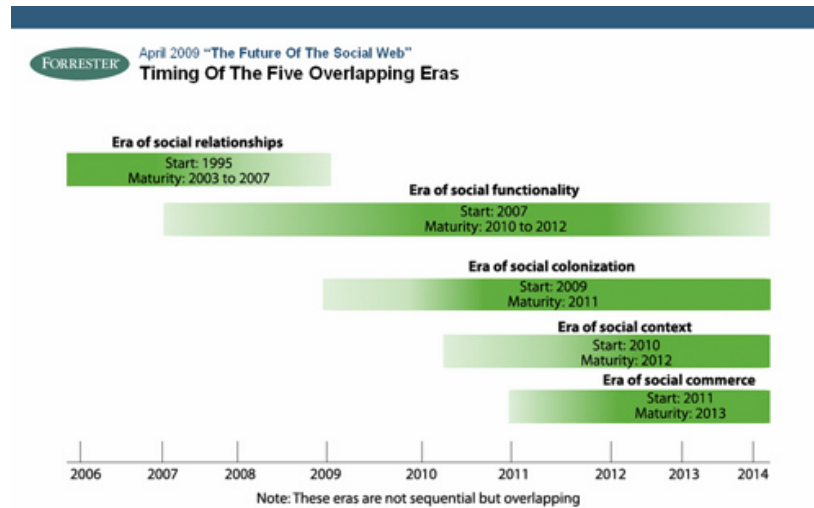
- Economists admit animal spirits guide decisions more than mere logic (Akerlof & Shiller, 2009)
- Organizations and individuals are facing new types of stakeholders of strong emotions:
 - “Stakeholders that feel high trust toward the organization can be described as faith-holders”... “Stakeholders who feel enough distrust to harm the organization can be described as hate-holders”, Luoma-aho, 2009.
- Human memory retains better information that is attached to emotions (Anderson & Phelps, 2001)
- **New outlets for emotion are wanted:** online transactions are starting to offer options for providing feedback more professionally; anonymity, ready-made categories, two-way transaction feedback (Ebay: feedback on ebay shoppers, not only sellers)
- Digg.com lets you know if you like it, Furl.com lets you fast mark the url of a site, socialmention tells the sentiment and tone of mentions in the social media
- Feelings measured everywhere: emotions & sentiment of discussions and even 140 character Tweets (Twitter updates) a new interest and focus of analysis
- Even news in the future will offer an outlet to sentiments after stories online: Collecting audience reactions and sentiment (“How do you feel about this?”, “How does it affect you?” –buttons)
- Fark.com disses what is not news, Truemors.com lists facts instead of rumors
- Websited dedicated to emotions:
 - Collective love sites: Ilovecheese.com, Ilovebees, <http://www.squidoo.com/iloveobama>
 - Failblog.org lists with humor what went wrong
 - Individual blogs: Ihatestarbucks.com, commercialsIhate.com, Ihatemicrosoft.com
 - Collective blogs: IHateThis blog gives everyone a place to lists their bad experiences and hate of things, media, organizations, brands and people

“A hate site is a website that promotes hatred, typically against a specific race, religion nationality, sex or sexuality. Most of these sites contain Internet forums, for user interaction, and news briefs that emphasize a

- Corporate response, surviving in the emotional jungle:
 - Monitoring via recognized as well as incognito individuals
 - purchasing the hate-site to keep an eye on ranting
 - Use of new media methods: the Obama Girl (pro or con videos)
 - Search engine optimization and directing: Type in “I love Ebay” in Wikipedia - it directs you to the Wikipedia Ebay site

- 5. BURST OF THE SOCIAL NETWORKING BUBBLE?
 - Web 2.0 based companies are not performing as well as expected (NY Times January 4th, 2009)
 - Digital marketing gone cliché:
 - “Everyone is doing them, so they're not original anymore”, Mark Cregar, AdAge.com September 29, 2008.
 - As things go mainstream, early adopters flee: Twitter goes mainstream on Oprah, and Twitter is overtaken as an entertainment media (San Jose Mercury News, April 22, 2009 “Is Twitter still cool?”)
 - Overuse and saturation of the social media (cyber-attacks, worms & viruses, spamming, robot-tweets)
 - Annoying advertising and misuse of new media turns attention away, **choice and opting in important**
 - Blogosphere too large and confused, loss of interest in blogging, strong blogs turn into sponsored news outlets (traditional business model starts again in online format) an small blogs wither away
 - New emphasis on measuring social media & its actual benefits vs. disbenefits (Measuring retweets instead of followers via Retweetist, KD Paine, the Measurement Standard; Thecaffinatedblog)
 - Social media will end up as a “reality check”, a measure of reputation but not suffice on its own

Where are we now? Where are we going? 5 Eras of social networking:



The Future of the Social Web: In Five Eras (WeB Strategy, J. Owyang, Forrester)
 (<http://www.web-strategist.com/blog/2009/04/27/future-of-the-social-web/>)

- 6. TAILORING & TARGETING NEWS
 - Technologies have enabled regulation of social contact also from the users' side: “volume control” exercised more by also receivers and readers (Baron 2008)
 - News follow user preferences to keep readers:
 - “Competition forces newspapers to cater to the prejudices of their readers, and greater competition typically results in more aggressive catering to such prejudices as competitors strive to divide the market” (Mullainathan & Schleifer, 2005; 18).
 - Large city newspapers are dying, but there is a vacuum for local and personal news (Pew Research Center Project for Excellence in Journalism)
 - New coming of the local city newspapers (Palo Alto) as local events are still important?
 - New coming of trade publications: need for trade/sector specific knowledge is still there?

- Even more division: selectivity of news organizations according to consumer's political beliefs both in traditional & new media. More choice available, more choices made? (Iyengar & Hahn, 2009)
- People prefer supportive over nonsupportive information (Festinger, L. 1957: A Theory of Cognitive Dissonance. Stanford California: Stanford University Press).

“Internet technology will, in practice, narrow rather than widen users’ political horizons. Although an infinite variety of information is available, individuals may well limit their exposure to news or sources that they expect to find agreeable. Over time, this behavior is likely to become habituated so that users turn to their preferred sources automatically no matter what the subject matter”. (Iyengar & Hahn, 2009, p.34)

7. FOCUS ON DESIGN

- Those companies with a strong focus on design remain the strongest brands (Kawasaki, 2008)
- Design rising up as one of the few areas left where consumers are willing to pay (J. Pontin, IJ6)
- Focus on usability and experience (more people have broadband internet: it is time for better & more beautiful user experiences)
- Top trends in webdesign for 2009 (Smashingmagazine, jan. 14th, 2009): letterpress, rich user interfaces, PNG Transparency, Huge typography, Font replacement, new popups that block other activity: modal boxes, media blocks for video and screencast, the magazine –look of print, carousel slideshows & introduction blocks.

8. FOREVERISM

- Need for real-time information exceeds need for final truths
- New understanding on concept of “ongoing”: people do not expect to see totally finished products, articles, reviews, statements
- Updates & continuity have become the status quo and “finished” seems an unrealistic word

“Foreverism encompasses the many ways that consumers and businesses are embracing conversations, relationships, and products that are never done. Driving its popularity is technology that allows them to find, follow, interact and collaborate forever with anyone & anything”. (Trendwatching.com)

9. SLOWING DOWN & THE IMPORTANCE OF SUPPORT

- “There is more to life than increasing its speed”. Mohandas Gandhi
- “Slow parenting”, “slow food”, “slow marketing”: Quality over quantity and using social networks
- Back to basics: Focus on consumer needs, listening to feedback, sustainable conversations, building credibility, building a strong core competence and not responding to everything (P. BlackShaw, AdAge June 29th, 2009)
- The Support Economy starts when consumers are tired of capitalism (Zuboff & Maxmin, 2002)
- Corporations and products are more built to support consumers, not serve them or solve things for them (The support economy)
 - o 43things.com lets users write their goals and hopes and gives you others’ support
- Getsatisfaction.com collects problems to look for both corporate and individuals’ help solving them

“Good deeds of today become expectations of tomorrow”. Vilma Luoma-aho



keywords: web 3.0, whuffie, emotions, design, foreverism, slow-everything, support

PREPARING FOR THE FUTURE

How Brands Should Prepare (Owyang, 2009, Web Strategy):

1. **“Don’t Hesitate:** These changes are coming at a rapid pace, and we’re in three of these eras by end of year. Brands should prepare by factoring in these eras into their near term plans. Don’t be left behind and let competitors connect with your community before you do.
2. **Prepare For Transparency:** People will be able to surf the web with their friends, as a result you must have a plan. Prepare for every webpage and product to be reviewed by your customers and seen by prospects –even if you choose not to participate.
3. **Connect with Advocates:** Focus on customer advocates, they will sway over prospects, and could defend against detractors. Their opinion is trusted more than yours, and when the power shifts to community, and they start to define what products should be, they become more important than ever.
4. **Evolve your Enterprise Systems:** Your enterprise systems will need to connect to the social web. Social networks and their partners are quickly becoming a source of customer information and lead generation beyond your CRM system. CMS systems will need to inherit social features –pressure your vendors to offer this, or find a community platform.
5. **Shatter your Corporate Website:** In the most radical future, content will come to consumers –rather than them chasing it– prepare to fragment your corporate website and let it distribute to the social web. Let the most important information go and spread to communities where they exist; fish where the fish are”.

HOW TO SURVIVE CHANGE?

“Don’t panic- it might not happen”.

- Remember that all content will be digital, social, interactive, integrated, relevant and multimediated: **advertising and content can no longer be separated** (S. Ballmer, Microsoft)
- Beware of the collective memory of the Internet: write/publish only things you want to be forever remembered for and cited for saying
- Those sectors who do not build on traditional institutions will survive the best, e.g. Silicon Valley and semiconductor chips: when others are doing it cheaper and better, a decision needs to be made: do we try to compete (can we afford to) or do we plan for something different?
- Monitor the weak signals predicting change starting from individual conversations going up to trends, and find the right “issue-arenas” for the already existing dialogue
- “Feel it”: Give outlets to both positive and negative emotions, Engage the Faith-holders, the customer advocates and plan for and respond to Hate-holders
- Think about using crowd-sourcing, feedback, open-source and open innovation: not all information & knowledge is expensive or unavailable (rise of peer help-websites)



keywords: adapt, build a community, connect, monitor, anticipate customer needs

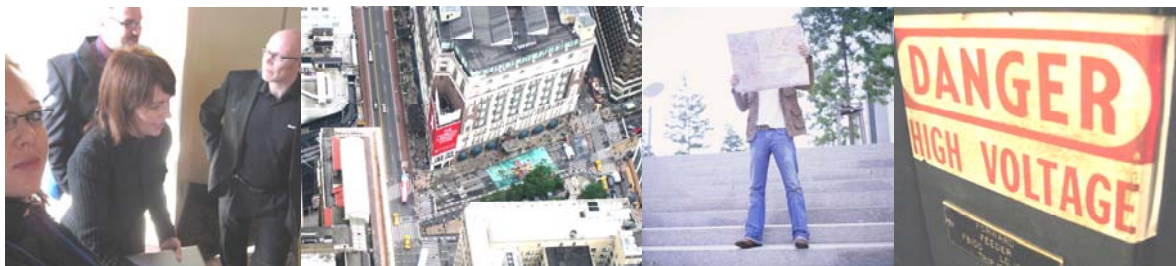
WHERE SHOULD COMMUNICATION RESEARCH GO NEXT?

“My interest is in the future because I am going to spend the rest of my life there”. Charles Kettering

Communication research should map in theory what these trends will mean for both individuals and organizations, how interaction will mold and how information will be received and used in the future. The new online environment has opened up great potential for future communication research, as it stores most of the interaction taking place. Despite this, we still know too little. Some areas of interest for future studies include:

1. THE EFFECTS OF BEING “SOCIAL”
 - What are the consequences of social aspects online for organizations, industries and business?
 - How is social life changing when organizing no longer needs formal and structured organizations?
 - How can individuals and organizations best survive in the era of social sharing?
 - How is influence formed, who do we trust and why?
2. EVOLUTION OF COMMUNITIES & LEARNING
 - What are the new needs of individuals and organizations that communities arise to meet?
 - How do organizations and individuals adapt to the changing information environment?
 - How are communities formed today, what are they formed around & where are they located?
 - What are today’s best learning ecologies: the contexts, activities, spaces, resources and relationships?
3. ATTENTION ECONOMY & ATTENTION WORK
 - What is the future of journalism and its institutions? Who are successful in the online world?
 - How is attention created, brokered and maintained in the Attention Economy?
 - What are the new currencies and assets in the Attention Economy?
 - What are the requirements and professional traits of the new attention workers?
 - Whose interests are central, where do the loyalties of the attention workers lie?
4. RELATIONSHIPS & REPUTATION
 - Who are the different stakeholders in the new online environment?
 - How is reputation formed and what is its role in the new communities?
 - What are the reputation risks associated with relationships online?
 - What is the role of the legacy versus web-native media for organizational reputation in the future?
 - What actions are suitable and legitimate today for individuals and organizations and why?
 - How do organizations maintain legitimacy in an era of emotional Faith-holders and Hate-holders?
5. INNOVATION ENABLING
 - Where and how are new ideas coming forth and innovation happening?
 - How does open innovation work and what are its advantages in practice?
 - What is the role of intangible assets for organizational innovations?
 - How to maintain competitive advantage when ideas are freely shared and developed?

“When we change the way we communicate, we change society.” Clay Shirby, 2008



keywords: engagement, measurement, legitimacy, issue-arenas, emotions, evolution

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FALL 2008:

- Creating a network of key people and joining in the social networks in the valley (Women's leadership Forum, New Tech Meetup, SCANCOR, Silicon Vikings, Silicon Valley Innovation Institute, PARC-forum, FCE)
- Collecting qualitative interview data from key players in the innovation Ecosystem in the Silicon Valley, 18 interviews conducted, (journalists, PR-practitioners, investors, VCs, entrepreneurs)
- Achieving Adjunct Professorship (Docent) of Organizational Communication & PR at the University of Vaasa, Finland 1.11.2008-
- Panelist Stanford Faculty Club SV-forum "How Tech & Broadband Are Changing the Face of Journalism, Readership, and the Economics", September 30th 2008

Publications:

- Luoma-aho, V. (2008). "Sector reputation and public organisations", *International Journal of Public Sector Management* 21(5), 446-467.
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Visits:

- Visiting scholar at "Vinnova-Stanford Research Center for Innovation Journalism", Human Sciences & Technologies Advanced Research Institute (H-Star), Stanford University, California, USA, 1.8.2008-31.7.2009.
- The Carolina Observatory on Corporate Reputation, School of Journalism and Mass Communication, University of North Carolina, Chapel Hill, USA, <http://www.carolinaocr.org/> October 18-22, 2008

Seminars & Conferences:

- 2008 NCA 94th Annual Convention, Unconventional "Expecting too much?", San Diego, California, November 21-24, panelist & paper
- 2008 SCANCOR, Stanford, "Identifying hidden stakeholders", September 26th, paper & presentation
- 2008 "Mistä on innovaation maine tehty?" (What is an innovation's reputation made of?) Alumni-seminar of University of Jyväskylä, Department of Communication, October 10th, presentation
- 2008 "How to find the relevant information?" MetaAlert seminar, Helsinki, Finland, October 8th

Lectures & Talks:

- "Can an Innovation have a Reputation?" Wallenberg Hall Lunch Talk, Wallenberg Hall, Stanford University, November 3rd 2008
- "Showing up as an Innovation Advocate", Silicon Valley Innovation Institute, September 3rd, 2008
- "From survey to benchmarking- combining the two worlds", visiting lecture, School of Journalism and Mass Communication, University of North Carolina, Chapel Hill, October 20th, 2008
- "Mistä on innovaation maine tehty? (What is an innovation's reputation made of?)" Alumni-seminar of University of Jyväskylä, Department of Communication, October 10th, 2008.
- "How to find the relevant information?" MetaAlert seminar, Helsinki, Finland, October 8th, 2008

“The only difference between a vision and a hallucination is the number of people who see it”.

- Chair of the Academic Track at the 6th Conference on Innovation Journalism
- Cision Blog Interview “Competing for attention internationally on the Social Web” Online: <http://blog.us.cision.com/tag/vilma-luoma-aho/>
- Featured member (01/09) of the Silicon Valley Innovation Institute
- Building the media reputation model of innovations based on current media analysis and the collected interview data
- Paper: Journalists & PR practitioners in the Innovation Ecosystem (with Turo Uskali & Alisa Weinstein)
- Paper: Reputation & Attention in the Innovation Ecosystem (with David Nordfors)
- Ranked 3rd in Full Professor Chair Application Process, University of Jyväskylä, Finland

Conferences, courses & seminars:

- 2009 Social Media Club San Francisco / Silicon Valley, “The Power of Influence” May & June, 2009
- 2009 Society for New Communications, “Exploring the Future of the Social Web” June 23rd, 2009
- 2009 3rd annual Edelman New Media Academic Summit, Washington, DC, June 9-11
- 2009 ICA conference, International Communication Association, Chicago, May 21-26, 2 panels
- 2009 The 6th Conference on Innovation Journalism, Stanford University, Stanford, May 18-20, Academic Track Chair, 3 papers & presentations
- 2009 PRSA Western District Conference, “Making Waves”, Orange County, CA, April 23-25
- 2009 IPRRC, 12th Annual International Public Relations Research Conference “Research that Supports & Advances the Practice”, Miami, Florida, March 11-15th, paper & presentation
- 2009 Stanford Accel - Media X delta Conference "The impact of 2008 dramatic events on the world of digital media and technology", Stanford University, February 25th
- 2009 “Teaching at Stanford”, short course for teaching assistants, January 2009, SU

Visits:

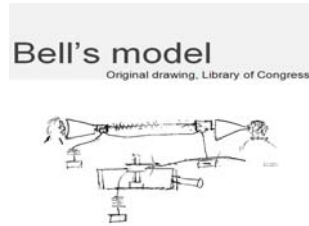
- 2009 Scandinavian Studies, University of California, Berkeley, USA, May 4th - 5th
- 2009 Gaylord College of Journalism and Mass Communication, Norman, Oklahoma, USA, January 27th-30th



Lectures & Talks:

- “Organizing and Communicating the New Media Way”, University of Jyväskylä, Faculty of Humanities, Sample lecture for the Professor chair of Organizational Communication & PR, May 26th, 2009
- “Finnish communication culture & contemporary life”, Scandinavian Studies, University of California, Berkeley, May 5th, 2009
- “What is reputation and why does it matter in the INJO-Ecosystem?” Innovation Journalism, Stanford, February 5th, 2009
- “What are intangible assets?” OED seminar, University of Jyväskylä, Historica, April 6th, 2009
- “How to persuade a Client to Spend Money on Research: A Case Study”, visiting lecture, Gaylord College of Journalism and Mass Communication, University of Oklahoma, Norman, Oklahoma, USA, January 29th, 2009

- “Building a Barometer for the Finnish Ministry of Social Affairs and Health”, visiting lecture, Gaylord College of Journalism and Mass Communication, University of Oklahoma, Norman, Oklahoma, USA, January, 2009
- “Measuring Public Relations: Benchmarking and Surveys”, visiting lecture, Gaylord College of Journalism and Mass Communication, University of Oklahoma, Norman, Oklahoma, USA, January, 2009



Publications:

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“Communication is the activity of communicating; the activity of conveying information, a connection allowing access between persons or places”. Wordnet

keywords: social media, attention work, monitoring, networking