Social networking media are essentially a virtual gold mine for marketers and professional communicators. While social networking media platforms have created opportunity by enabling individuals and organizations to connect in exciting new ways, the offshoot of this activity — mountains of data — presents major new challenges for communications professionals, all rooted in the issue of privacy. The purpose of this is not to provide all of the answers, but rather to raise important questions about the issue of privacy so that the PR profession can lunge into this new era without blinders.

Consider the recent flap over Facebook’s Terms of Services agreement. On Feb. 4, the social networking giant decided to change its Terms of Services policy with members. The site’s decision to claim “perpetual worldwide license” to anything posted on Facebook was at the center of the controversy. The company decided that the changes were necessary to stay abreast of the ways in which its online community was sharing pictures, comments and other information. Under the revised Terms of Service, Facebook maintained that it was free to use anything its members added to the Web site, even after they deleted material or closed their accounts.

The change prompted outrage and mobilized privacy advocates and their lawyers, including the Electronic Privacy Information Center in Washington, D.C., which planned to file a formal complaint to the Federal Trade Commission (FTC). By mid-February, and before any
complaints were filed, Facebook decided to return to the original policy and began revision efforts with member feedback in mind.

While this is a privacy issue for the public, Facebook, marketers and the communications industry, this is a business issue as well.

In the five years since its inception, Facebook has grown dramatically. A recent article in Fortune magazine revealed that the site now has more than 175 million members and adds about 5 million new users each week. Despite such dramatic growth, industry analysts estimate that Facebook’s revenue totals less than $300 million, which is hardly an indicator of the value of the volumes of electronic data that reside on Facebook’s servers. The challenge for the company and others like it has been how to capitalize on the data they already control and arguably own.

The business model for many social networking media sites centers on leveraging the maximum amount of data in order to sell advertising and access to third parties. To date, these have included advertisers, marketers, political campaigns and special interest organizations — with professional communicators spearheading their efforts.

Facebook and MySpace, the other powerhouse in social networking media, sell ads targeted to individual users based on personal information such as their favorite music, movies or interests. For their part, the sites say that they only use publicly shared information and give members a chance to block such advertising and communications. Certain features require that members give permission to allow third parties to use some personal data.

Still, according to eMarketer Inc., spending on marketing via social networks is projected to approach $1.3 billion this year—an increase of 10 percent since 2008.

In February, while Facebook was conducting damage control over its Terms of Service issue, the FTC released its new guidelines for privacy and online marketing. The FTC extended its privacy protections to cover any information that can be traced to individual consumers, their computers or other machines. This includes profiles on social networks.

To be sure, social networking media is not a single medium, but rather millions of media channels that morph from a mass communication platform to a personal communications tool in a nanosecond. This creates other privacy concerns for professional communicators as well.

No one could have anticipated the kinds of challenges that social networking presents.

A colleague of mine was “friended” by a competitor on a popular social networking site. A few weeks later, the competitor began to contact my colleague’s other friends on the site to market his own firm. To say the least, this is bad form.

All of these trends point to a major new challenge for the PR profession. How do we collectively tap the potential of social networking media while adhering to the professional standards for ethics and practices designed to protect the public interest?

As the PR profession’s ethical guidelines were being developed, no one could have anticipated the kinds of challenges that social networking presents. Having access to thousands of individuals’ identities and learning information about their tastes, beliefs and buying habits can make persuasion more effective. This is at the core of the privacy issue that the profession will soon have to confront.

Aside from what current laws and regulations allow on the basis of ethics, at what point does communications research become an invasion of privacy? What is the proper use of the information obtained through new research techniques tied to social networking? And who can be trusted with that information?

As such questions will be at the center of future media firestorms similar to the recent Facebook concern, the refrain of “Big Brother” will emerge with more frequency. However, the question is not whether Big Brother has arrived, but who is he?

Who is Big Brother?

The idea of “Big Brother” originated in George Orwell’s classic “1984.” Orwell wrote the novel in 1948, drawing corollaries between Cold War Communist Eastern Europe and an oppressive ruling power called “The Party.” The Party subjected its citizens to 24-hour surveillance. It established systems to monitor and control the very thoughts of everyone, all in the name of preserving its oligarchical system where absolute control is in the hands of a few.

In the novel, omniscient and all-powerful Big Brother was not actually a person, but a figurehead of the system instead—a symbol whose presence was real and everywhere, on posters, coins, television screens and ubiquitous cigarette packages. Big Brother was a constant reminder to people that they were always being watched, that they have no privacy and that even their thoughts are subject to judgment and consequence.

In the social networking world of today, almost anyone can be Big Brother, including PR professionals.

Social networking media and the surrender of privacy

Before social networking media emerged, public figures...
were the only ones who had to decide whether to concede their privacy in the quest for their chosen career. The law applied to them in a different way. Social media has now accelerated the means for everyone to become a public figure to some degree.

The list grows every day, from MySpace and Facebook to YouTube and Twitter. Each site has its own approach to the social media phenomenon. The common thread is that users voluntarily surrender a certain amount of privacy in order to be visible to others.

Web traffic measurement firm comScore, a marketing research company, said that YouTube recorded 269 million visitors in February 2008—up 84 percent from the same month in the previous year. In addition to Facebook’s 175 million users, MySpace claims 100 million users. And in its first three years, Twitter has amassed 6 million users.

But should they be treated like public figures? Should these users receive the same treatment as private citizens, not only regarding the law but also by ethical PR standards? Or are social networkers fair game? These are questions the PR profession will now need to address.

The data harvesters

A people-search industry has sprung up around monitoring people and their activity on social networking sites. It uses sophisticated technologies that essentially triangulate information from various sites to create a composite view of individual users.

Sites such as Rapleaf say that they offer a way for users to obtain more control over their own online reputations. This site has amassed more than 50 million personal profiles from information on MySpace, Amazon.com’s Wishlists, LinkedIn, Classmates.com, Bebo, Facebook and others. Rapleaf says that this allows users to track their own reputations online. Rapleaf’s database can include details on a user’s age, birth date, mailing address, education, friends, political leanings, the type of networks joined, etc. Users enter an e-mail address and Rapleaf’s software will then scan and evaluate their online presence.

On the flip side, users of people-search services can track and analyze other users. Spock, a people-search service that began operating in 2007, ran into trouble its first month. It had already indexed 100 million people on its database, but when Spock created a screen on Facebook for users to enter information about themselves and their friends, some took the liberty to label others as prostitutes and pimps, among other things. Unfortunately, the terms appeared on some people’s Spock profiles.

Social media users can mitigate this if they choose. Social networkers can block people-search engines through privacy protocols, but many do not take full advantage of them. One reason is that users do not understand how they can protect their privacy. And another is the belief that too much privacy works against the spirit of the social networking experience. This dynamic, rather than the ethics of people-search firms, could ultimately prove to be most problematic for establishing consistency in the application of appropriate ethical standards.

A step forward for public relations

In 2009, Big Brother is now a vast, collective and diverse group of individuals, organizations and industries watching the Internet and sometimes acting upon the information that they obtain. For the PR profession, this raises the issue of what should constitute ethical behavior, particularly if we are actually part of this Big Brother collective.

To borrow from a tired cliché, you cannot put the genie back in the bottle. So rather than wish for simpler times, or attempt to find a quick answer that could be outdated in two years, the challenge for the profession is to approach the issue comprehensively. We must take the time and effort to re-examine standards for ethics and modify them for the social networking media age.

The profession has to initiate this process with the universal understanding that social networking represents the removal of privacy, not by force, but by giddy surrender in an online world where users do not care about or have not given much thought to the true value of privacy and the risk of living their lives in public.

Many social media users are less likely to fear the omnipotent Big Brother and are more likely to carelessly “friend” him. This environment of trust creates power—the kind that can influence market share and societal change through sophisticated marketing campaigns, and through the advancement of causes, political philosophies and dogma.

In such an environment, the PR profession must establish the standard of responsibility to preserve the public trust. This must be the overarching objective. If the profession can accomplish this, then it will be the model for all of the major players in the social networking arena.