

Latino Link

Building Brands Online with Hispanic Communities and Content

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Chapter 5

Lessons in Social Media

WHEN Christopher Columbus landed in the Bahamas in October 1492, he called the natives “Indians” thinking that he was actually in the Orient. He continued exploring, making two subsequent voyages to these newfound territories, wondering whether he had indeed landed in Asia. Geographers and explorers disputed his claim, thinking that this was a completely “new world.” Sadly, instead of embracing his “discovery,” Columbus died a wealthy but disappointed and defeated man, having not discovered what he truly wanted, the riches of the Orient.

The story of Fotolog, a photo-sharing and social networking site, highlights how history can repeat itself, but with a different result. The site originally set out to offer its service to Americans, specifically in Brooklyn, and landed on a completely different geographic location. Instead of rejecting what it had discovered, the company made the best of its “new world.” It is important to consider the ramifications of this lesson for marketers like Lexicon Marketing (whose case study was featured in chapter 1) who have incorporated social networking as a key strategy for engaging Hispanics online.

What If Your Customers Take You to Latin America?

In 2002, Scott Heiferman, now famous for starting MeetUp.com, and Adam Seifer launched Fotolog as an online community for their friends in Brooklyn to post photos and share them. Instead of building up a domestic

fan base, as they thought would happen, their user base took them down an unexpected path, according to Yossi Langer, chief product officer, and Arne “Joe” Jokela, chief technology officer of Fotolog.

In 2005, Heiferman and Seifer’s friend, Cora Ronai, a journalist from Brazil, visited New York and was impressed by their site. She returned home, wrote an article about Fotolog for O Globo, Brazil’s leading newspaper, and within two months, Brazilian users outnumbered American users. The popularity of Fotolog spread to Argentina and Chile in 2006 and then jumped the Atlantic Ocean to Spain and Portugal in 2007. That same year, traffic took off in the North of Mexico, especially around Monterrey. In 2010, Spain became their number one country, in terms of users.

Because the site hosts user-generated content and photos, it became a Portuguese- and Spanish-language site seemingly overnight. U.S. visitors now represent less than 5 percent of its total traffic, and the site officially offers 12 languages. According to ComScore (September 2009), Fotolog saw 9.8 million visitors across Latin America, 2.4 million visitors in Spain, and only 389,000 in the United States. Alexa (June 2010) shows Fotolog as the 15th most popular site in Argentina and 11th most popular site in Chile.

In an article on the BBC Mundo, David Cuen wrote (in Spanish), “According to Insites Consulting, Latin America has the highest usage of social networks in percentage terms. And in accordance with these statistics, 95 percent of Latin American Internet users have one account in at least one social network, an important growth rate if we consider that only one year ago eMarketer reported that 87 percent of Latin Americans online used social networks.” (March 24, 2010)

Why is Fotolog still based in New York if only 5 percent of its user base lives in the United States? Langer and Jokela say that New York affords them connections to the investment, media, and technology communities and a global perspective from which they can put together deals as needed. If they were to move their corporate headquarters to the city where they had the greatest number of users at any one time, in early

2009 it would have been Madrid; in the summer of 2009 it would have been Buenos Aires; and in early 2010 it would have been Santiago, Chile. Fotolog's holding company, Hi-Media, based in Paris, has three main business units: an online advertising network, a content network, including Fotolog, where users pay for premium subscriptions, and mobile payments services, the fastest-growing area of its business

Advertising was Fotolog's main source of revenue until Hi-Media launched its mobile payment product, at which point the premium content subscriptions took off. Why? Not many young Latin Americans have credit cards. The mobile payment service enabled Fotolog users to charge their premium subscriptions to their cell phone bills.

Langer, Jokela, and Fotolog's marketing team regularly converse with their users by email, sometimes even meeting with them in person. One "flogger" (short for photo blogger on Fotolog) in particular caught their attention. Agustina Vivero, who goes by the username "Cumbio," started using the site when she was 14 and says that Fotolog provided a good platform for figuring out her identity. ("Cumbio" is a play on the word "Cumbia," a tropical-sounding dance music popular in Argentina, Colombia, and the Caribbean.) In contrast, she said Facebook felt like putting yourself in a box. She uses Fotolog to connect with friends and organize weekly get-togethers at the Abasto shopping mall in Buenos Aires. The Sunday night events have become so popular that they have spilled over to other nights of the week. Argentinean teenagers gather to socialize, but, in addition, Cumbio invites educational speakers to the events to inform her followers about sexual health.

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Fotolog.com/Cumbio



Cumbio became Argentina's first Internet celebrity. Nike asked her to endorse its 3DG customizable shoes, the makers of Big Brother approached her with a reality TV show series, and a local political party asked her to run for office. She accepted the deal with Nike, but the reality TV show did not work out, and she has opted to finish school instead of running for office. At left is the promo for her book.

