

Mass Media Online Internet Beta Launch

Business model: Few social networks currently charge money for membership. In part, this may be because social networking is a relatively new service, and the value of using them has not been firmly established in customers' minds.[26] Companies such as MySpace and Facebook sell online advertising on their site. Hence, they are seeking large memberships, and charging for membership would be counter productive.[27][28] Some believe that the deeper information that the sites have on each user will allow much better targeted advertising than any other site can currently provide.[29] Sites are also seeking other ways to make money, such as by creating an online marketplace (Facebook's Marketplace)[30] or by selling professional information and social connections to businesses: such as LinkedIn.[31] Social networks operate under an autonomous business model, in which a social network's members serve dual roles as both the suppliers and the consumers of content. This is in contrast to a traditional business model, where the suppliers and consumers are distinct agents. Revenue is typically gained in the autonomous business model via advertisements, but subscription-based revenue is possible when membership and content levels are sufficiently high.[32]