

# Facebook shows relentless global growth

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In country after country, Facebook is toppling the incumbent local social network in what seems like an unstoppable march to global dominance.

After overtaking Microsoft's Windows Live Profile in Portugal and Mexico in early 2010, [Facebook](#) eclipsed StudiVZ in Germany and Google's Orkut in India later that year, and soon unseated Hyves in the Netherlands, according to metrics firm comScore. Now Facebook is poised to triumph in what has been viewed as its ultimate popularity contest, with comScore indicating the network is likely to dethrone Orkut in social media-mad Brazil when its December data is released.

Facebook's relentless spread is a vindication of founder and CEO Mark Zuckerberg's growth-first principle, under which the social network has focused primarily on adding users, not building revenue, since its beginning. Facebook will surpass 1 billion users in the next few months, analysts say, and that population will be a huge asset it can tout to investors as the company prepares for an [initial public offering](#) of stock as soon as spring.

"It's been really surprising to us to see how quickly Facebook has grown, not just in Western countries or English-speaking countries, but pretty much around the world," said Carmela Aquino of comScore. "I think part of it is the network effect - when you have a big enough mass of people beginning to jump on a social network, it's only a matter of time that their friends get on the same network, and it starts to spread."

Facebook is now used by more than half the population in the U.S. and a

number of other countries, according to analytics company Socialbakers, but its growth is slowing in North America and much of Europe as it approaches a saturation point. Still, as Facebook prepares for its IPO, the Menlo Park, Calif.-based [social networking](#) company's massive expansion in countries like Brazil, India, Mexico, South Korea and Vietnam suggests the social network has a bright future.

For investors, Facebook's rise in Asia, South America and other developing nations "is a proof point that they can make it everywhere in the world," said Jan Rezab, CEO of Socialbakers. He believes the social network's user population could swell from more than 800 million to 1 billion as soon as April, a threshold that would be a selling point for potential buyers of its stock. "I think they are going to announce it with the IPO; I think that's the strategic thing to do," Rezab said.

Facebook, which started in 2004 as a way for students at Ivy League universities and Stanford to socialize and didn't open up to the public until 2006, first saw a majority of its traffic coming from outside the U.S. in 2009, according to Socialbakers. Now more than four out of five Facebook users log on from other countries.

Other online social networks also have a global draw. U.S.-based Twitter and LinkedIn pull a large majority of their visitors from outside the U.S. Even the most popular Russian social network, VKontakte, draws 43 percent of its traffic from outside Russia, according to a recent comScore study on the growth of social networks, which now reach 82 percent of the world's online population, or 1.2 billion people.

Just two years ago, 46 percent of visits to LinkedIn, the professional social network, came from outside the U.S., according to data comScore prepared at the request of this newspaper. Now 62 percent come from outside the U.S.

That sense of a borderless world for successful social networks is nowhere more true than in Brazil, the world's fifth-largest country, where Google's Orkut had been the entrenched king for years. Orkut had six times the volume of Facebook's monthly traffic as recently as January 2010. But while Orkut continued to grow, Facebook's Brazilian traffic erupted in 2011, according to comScore.

People familiar with the Brazilian Internet market say there were many factors in Facebook's sudden rise in the South American nation of 200 million people, including Facebook's availability in the local language and the globalization of people's social ties.

Compared with Orkut, "Facebook is much more universal, and there are a lot of ex-Brazilians living outside Brazil," said Ron Czerny, CEO of PlayPhone, a mobile gaming platform that uses Facebook and Orkut to promote its games and has offices in Silicon Valley and Brazil. "The fact that they can connect to their friends and family, that helped (Facebook) a lot."

Czerny, who is Brazilian, said the availability of games on Facebook in the Brazilian dialect of Portuguese was another big boost. The aura of American hipness and fashion that many Brazilians associated with Facebook also held sway with many people, said Czerny and others.

At the beginning of 2010, Facebook was not the leading social network in 13 of the 43 international markets tracked by comScore. That has now dropped to six of those countries, including China, where it is blocked by the government.

Facebook believes there were other factors in its global adoption, particularly the software application launched in 2008 that allows users to collaborate to rapidly build a model that translates Facebook into their local language.

Facebook also made a key move in its purchase last year of mobile technology company Snap Inc., which made software that allows more than 2,500 models of more basic-feature phones to access Facebook with much of the same functionality as an iPhone or Android smartphone. That opened a gateway to Facebook in countries where few people can afford a smartphone or a PC to go online.

Reza also said the linguistic translation abilities of Facebook are key because it helps Facebook feel like a local experience instead of a Silicon Valley import.

"The majority of the content on Facebook, or YouTube for that matter, is purely local," Reza said. "These networks succeeded by being globally local, if you know what I mean."

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