



**SOCIAL NETWORKS
IN LATIN AMERICA**



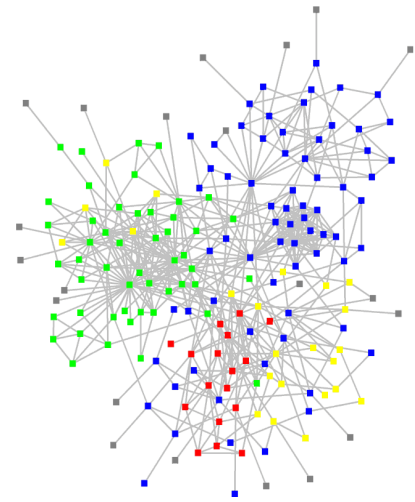
ANALYTICS 2.0

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The Social Networks in Latin America

The global phenomenon of social networks is landing in Latin America. Techcrunch recently published an article about Sonico (Sonico.com) describing it as the largest and most unknown social network in the region ([Http://www.techcrunch.com/2008/02/16/sonico-the-biggest-social-networking-site-youve-probably-never-heard-of/](http://www.techcrunch.com/2008/02/16/sonico-the-biggest-social-networking-site-youve-probably-never-heard-of/)).

Social networks are the foundation of the Web 2.0 - would be the equivalent of the traditional Web portals - and consist of sites where users can create a profile and contact other people. These users produce content that can be shared with the other members of the network.



Social Networks, the BIG THING on the Latam and US Hispanic internet markets.



The debate is been driven to a purely impressionistic one.

However, so far it has not been dimensioned clearly the impact that social networks are taking among Internet users in the region, because the debate is been driven to a purely impressionistic one. With focused on providing conclusive data about this phenomenon we analyzed data from ComScore.

Internet Users in Latin America

According to comScore - a paid subscription service that audits the Internet audiences - the number of Internet users in the five major countries of the region (Argentina, Brazil, Chile, Colombia and Mexico) approached 46.3 million in January (2008). The internet users from the above mentioned period is 16% higher than the 39.8 million internet users in January 2007.

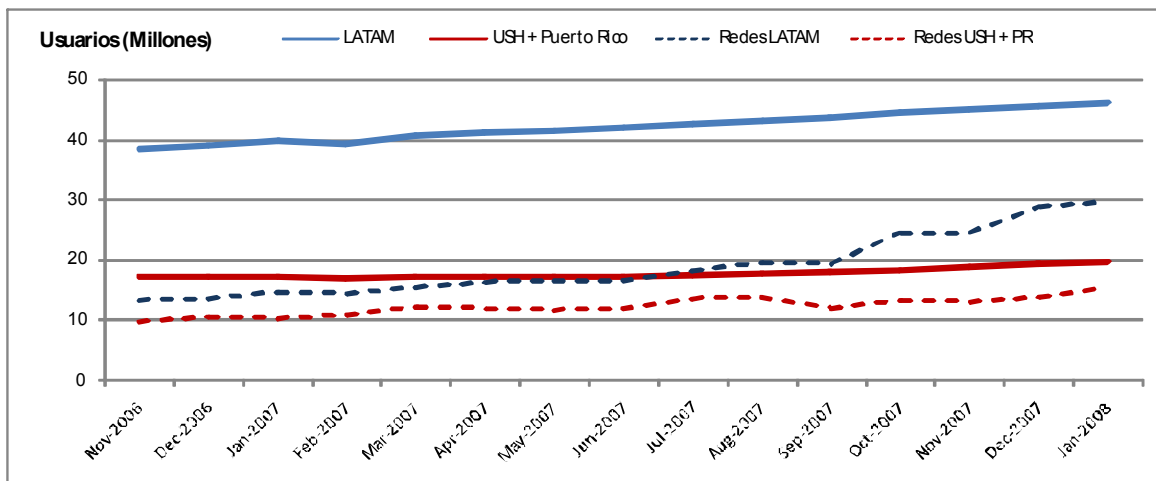


If we consider also the Puerto Rican and US Hispanics Internet Users the number jumps to 66 millions, with the same growth rate since January 2007.

The audience from the main social networks (bebo, facebook, friendster, hi5, mySpace, Orkut and Sonico) is approximately 29.6 million in 5 Latin American, reaching the 64% of the total internet users population, which means that 6 of each 10 internet users in the above mentioned Latin American Countries are using one of the mentioned Social Networks.

The Puerto Rican and US Hispanic audience from the above mentioned social networks is about 15.2 million, or 77% of the Internet Audiences from the mentioned Markets. Since the penetrations of the Puerto Rican and US Hispanic markets are higher we would infer that the penetration from the Latin American markets will tend to reach those levels.

However, while total Internet users Market grew 16% during the last year (in both regions), social networks grew 48% among Hispanics and Puerto Ricans and 103% in the Latin American analyzed countries.

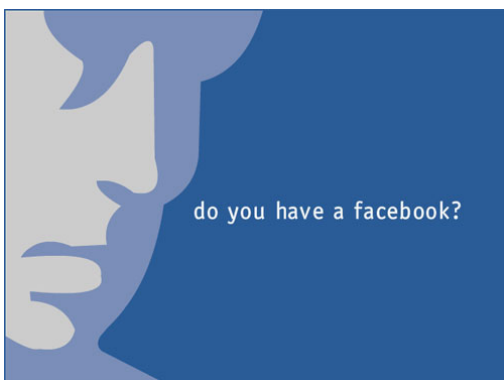
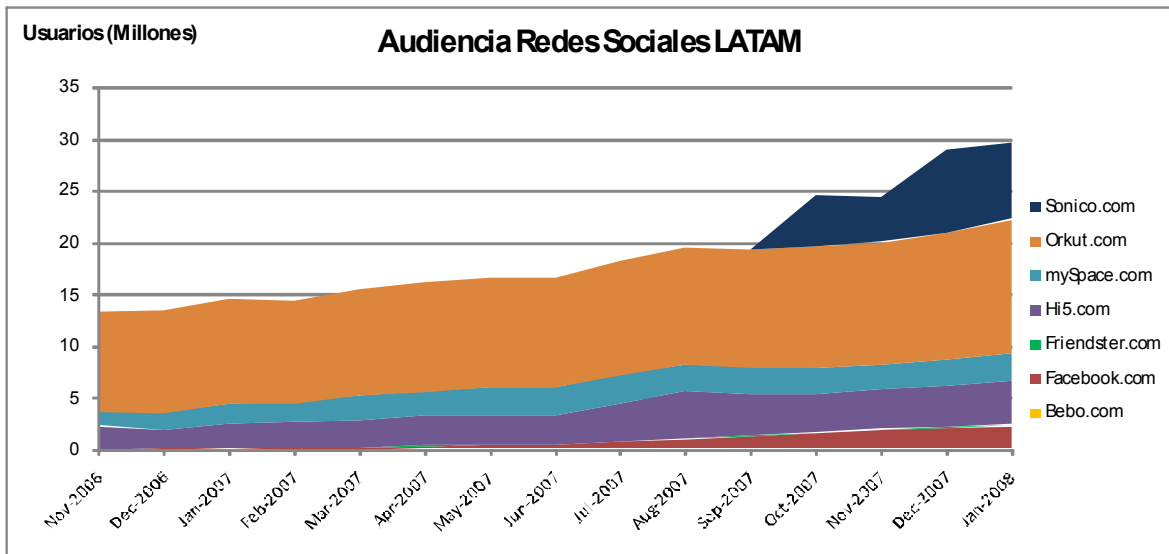


The biggest Latin American Social Network

If we take into account all the audiences (Latin America, Hispanics and Puerto Ricans) the Social Network with the largest number of users at the beginning of this year was Orkut with 13 million of users, followed by mySpace with 12 million and Sonico with nearly 8 million.



However, there is a very peculiar phenomenon regarding social networks in this region: they have a regionalized presence. For example, Orkut is huge in Brazil but has no significant presence in the rest of the countries from this region. The same happens with mySpace which is the largest social network among Hispanics and Puerto Ricans, but no so in the rest of the Latin American countries (nevertheless its audience is pretty high in other Latin American Countries).



The Social Network with the highest growth during last year, considering only the five Analyzed Latin American countries (Argentina, Brazil, Chile, Colombia and Mexico), was Facebook with 4152% (From 52 thousand users in January 2007 to 2.2 million in January this year) however is in the fifth place if we consider the number of users in the region.

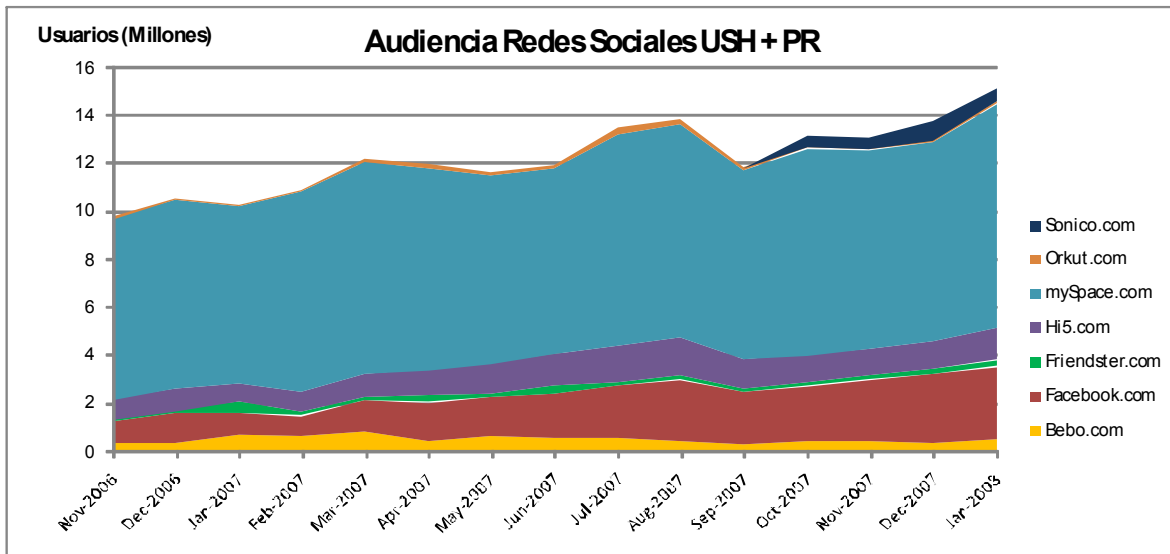
Since Facebook launched its Spanish version become the Social Network of the moment, with an unbelievable growth, and even when its traffic is comparatively low it tends to be in the first or second place.

Among consolidated social networks hi5.com had the highest increase with 72% (from 2.2 million to 4.2 million) over the same period of time.

Orkut, which is the most visited Social Network in Latin America mainly because of the Brazilian traffic, grew only 27% from 10.1 to 12.9 million users.

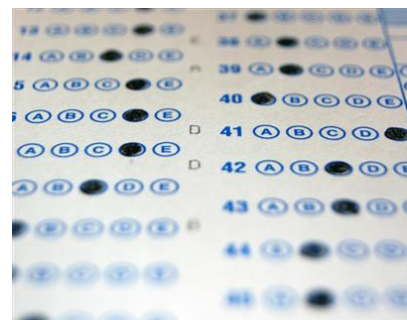
Regarding Sonico, it has a pretty particular situation since it was launched on the second semester of 2007 and reached the second place behind Orkut with 7.3 million users at the beginning of this year.

On the other hand, the social network with the highest growth in the US Hispanics and Puerto Rican markets last year was Facebook with a 251% (from 872 thousand users more than 3 million in early 2008), followed by hi5.com and Orkut increase their traffic in 80%, hi5.com with more than 1.3 million users, and Orkut with, in second place with just a hundred thousand users. My space, the undisputed queen in this market, grew by only 26% during this period.

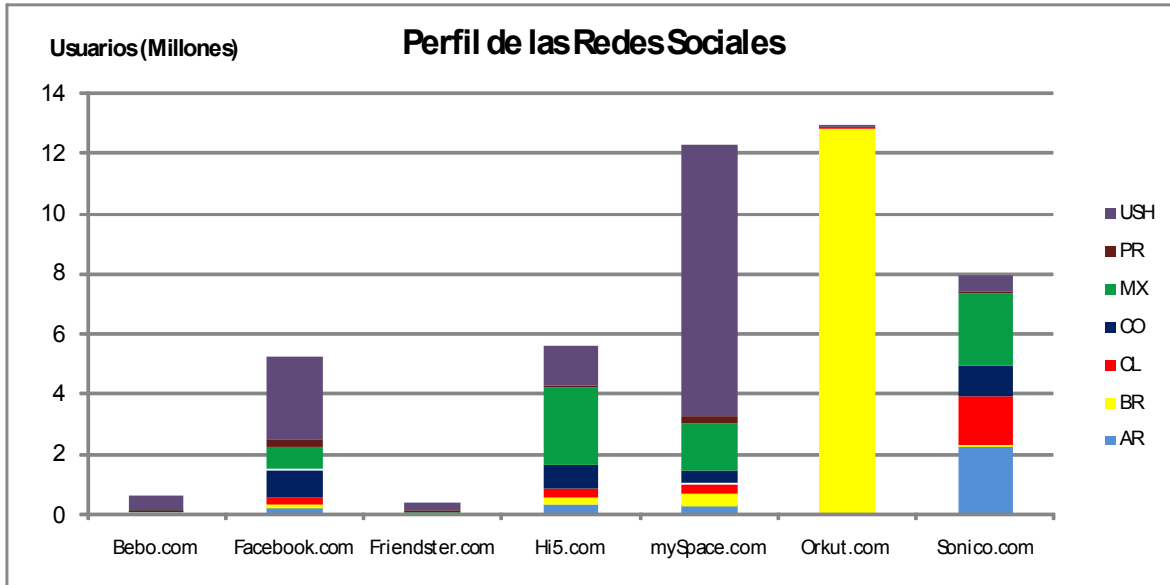


Profiles

It is clear that the audiences had been distributed among the social networks using a socio-cultural and linguistic criterion. While Orkut is the Brazilian Social Network, mySpace is the one for US Hispanics and Sonico is the social network among Spanish speakers Latin Americans.



Mexicans are fairly distributed among hi5.com, Sonico, mySpace and facebook. We can also infer that the Mexicans living in USA may also use those Social Networks to be in touch with their friends and family.



Finally, Bebo and Friendster are the Social Networks with less presence in the analyzed region. The Spanish audience visiting those networks is mainly US Hispanics.