



**I N F I N I T A**

initiate, innovate, inspire

mixi – A case study of Japan's most  
successful social networking service  
Version 1.1, March 03, 2007

## **The service: mixi**

mixi, the #1 SNS service in Japan (more than 8 million users, 80+% market share) originally started out as a job search/recruiting site, but was quickly turned into an (invitation-only) SNS when the model proved more profitable. The service's main features include profiles, diaries, friends, communities, albums, mini mail and footprint, all available on the PC and mobile versions.

One of the most important factors in mixi's success story is its intelligent integration of both the mobile and the PC, delivering a user experience spanning both devices, but providing a differentiated user experience that is tailored to the different usage contexts of both media. The PC version offers feature the mobile version does wisely not have, which are geared to PC-type usage, like a last.fm-like playlist sharing/music SNS feature based on a audio player plugin, and user-generated product reviews. The mobile version, on the other hand, is kept slim and responsive – omitting some of the PC functionalities and delivering a user experience that is geared towards users quickly consuming “bite-sized content”, checking for updates to their friends' page and communities, as well as contributing quick short posts while on the go. mixi mobile is available as an official (menu-listed) site on DoCoMo i-Mode and au EZ Web, and an unofficial (off-portal) site on SoftBank Mobile.

For revenues, mixi relies mostly on advertising, with premium services (which is an integrated package spanning PC and mobile usage) contributing a much smaller share.

## **The report: “mixi – a case study of Japan’s most successful social networking service”**

107 pages, 9 chapters. 14 charts, graphs and tables, more than 200 screen captures.

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Author: Christopher Billich, Infinita Inc.

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Our report on mixi provides detailed analysis of the mixi Inc. corporate history and strategy, contains a step-by-step walkthrough of every single important feature of the service itself, and provides detailed information on mixi's business model and financials, usage patterns and demographics. It analyzes the differences and similarities between the PC and the mobile version of the service in much details and provides insight into why the different user experience makes sense with regard to the usage context, which differs greatly on the PC vs. on the mobile. It covers the factors that have made the mixi the #1 player in the Japanese market in much detail and provides insight into the inner workings into the country's most popular SNS.

The report is targeted at broadband ISPs or mobile network operators looking to partner with existing SNS services or creating their own, content providers aiming to build new fixed-line, mobile or converged services incorporating SNS functionality and anyone else trying to learn best practices from a company that has gone from strength to strength at a rapid innovative pace in a highly competitive environment.

Although mixi is a Japanese service, there is much that can be learned from it for companies active in non-Japanese markets, as only a minor part of mixi's success can be attributed to Japan-specific cultural or technological factors.

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## 1. Summary



mixi, the #1 SNS service in Japan (80+% market share) originally started out as a job search/recruiting site, but was quickly turned into an (invitation-only) SNS when the model proved more profitable. The site's main features include profiles, diaries, friends, communities, albums, mini mail and footprint, all available on the PC and mobile versions.

The PC version also offers a last.fm-like playlist sharing/music SNS feature based on a audio player plugin, and user-generated product reviews. As opposed to mobagetown, mixi has no games and avatar/virtual items elements.

The mobile version offers no features beyond the PC version, also, some of the functionalities of the PC version features are not fully available on the mobile.

mixi mobile is available as an official (menu-listed) site on DoCoMo i-Mode and au EZ Web, and an unofficial (off-portal) site on SoftBank Mobile.

For revenues, mixi relies mostly on advertising, with premium services (which is an integrated package spanning PC and mobile usage) contributing a much smaller share.

mixi went public in September 2006.

## 2. History and background

### 2.1. Corporate profile (as of January 2007)

Company Name:	mixi, inc.
President:	Kenji Kasahara
Established:	June 3, 1999
mixi launch:	February 21, 2004
Capital:	3,668,250,000 JPY
Employees:	114
Av. employee salary:	4,540,000 JPY per year
Av. employee age:	28.8 years

### **3. Service and features: overview**

*Note: For simplicity's sake, with regard to processes other than invitation, registration and login, this document will only show screenshots and descriptions for the structure and processes of the mobile version of mixi, and will only give details on the PC version of mixi when there are differences between the mobile and the PC version.*

#### **3.1. Access method**

mixi can be accessed through standard web browsers from the PC (Windows and Macintosh), as well as from the mobile. For the latter, access is via the mobile internet browsers pre-installed on NTT DoCoMo, au KDDI and SoftBank Mobile handsets. All i-mode handsets (DoCoMo) are supported, as are almost all au KDDI models. For SoftBank Mobile, mixi mobile is only available on 3G handsets.

For the mobile version, access is purely browser-based, there are no Java, BREW, Symbian or other applets for access to and usage of mixi, saving mixi Inc. the development, porting and updating effort which would be necessary to provide such applications for the large variety of mobile handsets in the Japanese market. Although from a user perspective it would be convenient to have a mixi client application on the phone, it would not provide a significant benefit compared to browser-based access; mixi mobile is lightweight and not graphic-intensive, with quick server response and short page loading times.

“mixi music” (cf. section 4.6), which is only available on the PC version of mixi, can be accessed through standard PC web browsers without any plugins, however, in order to contribute playlist output from music players such as iTunes, Winamp etc. (rather than to just access information on what other mixi users are listening to), installation of an audio player plugin is necessary (see relevant section for details).

Login information is shared across the PC and the mobile, with email address (usually the one the original invitation has been sent to, although this can later be changed in the setting) and a self-chosen 7-digit password being the two pieces of information necessary to login (for more information on registration and login, cf. sections 3.3 and 3.4) .

#### **3.2. Remarks on openness of system**

mixi is and always has been an invitation-only SNS. mixi tries to reproduce existing real-world social connections as accurately as possibly; asking users whether they actually know the person they are inviting when sending out invitations to people they would like to recruit as new members, as well asking users the same question when sending friend requests to existing members. Also, mixi requires users to provide their real name when signing up (although mixi does not verify this information).

None of the actual mixi content or services is indexed by and accessible through search engines, neither on the PC nor on the mobile web, meaning content from profile pages, communities etc. does not appear in the search results when using search engines such as Yahoo!, Google etc. PC or mobile internet users thus first have to become mixi members if they want to access any content within mixi. Also, existing members still need to login before they can see any mixi content on the PC or the mobile.

When using the “easy access” option on mixi mobile, it is necessary for the phone’s terminal ID to be transmitted (cf. section 3.4.2.2 for details).

### 3.3.3. Sending invitations from the mobile

Steps for sending an invitation to a new user from the mobile are essentially the same as for sending invitations from the PC.

The first thing the inviting user needs to do is click the “invite new member” link listed on the main navigation menu on the mixi mobile top page.

- SAMPLE -



On the following page, the inviting user sees a field where he enters the email address of the person he is intending to invite. This could be either a PC or mobile email address.



As on the PC version, he enters the recipient address and clicks “confirm”.

Not shown here: as for the PC version, the page further down list information on past mixi invitations sent, with the option to delete individual or multiple addresses.



#### 4.10. Endorsements

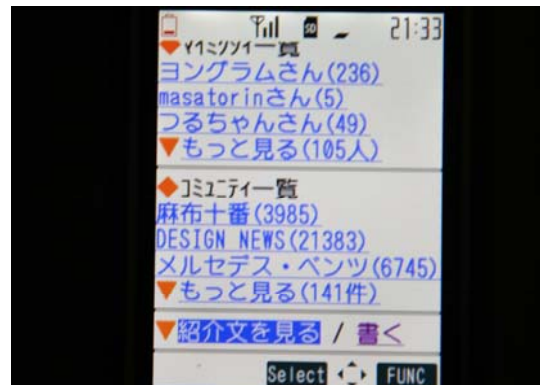
Endorsements are an important feature of mixi in that they give some insight into the quality of connection between mixi friends. Endorsements can be made for any mixi friend a user is connected to.

While on the PC version of mixi, endorsements are displayed directly on a user's profile page, on mixi mobile for space reasons they are only linked to from the profile page.

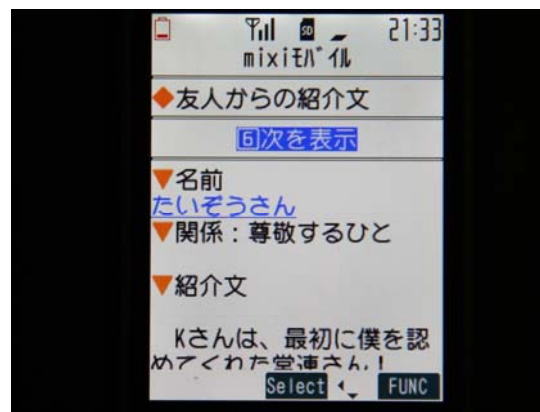
- SAMPLE -



The link can be found at the bottom of a member's profile page.



The endorsements are listed in reverse chronological order, showing the user name of the mixi member who has made the endorsement, his relationship to the person who he has endorsed (see below) and a comment/description.



#### 4.12.2. mixi Music

On the mixi Music top page, users can find the following features:

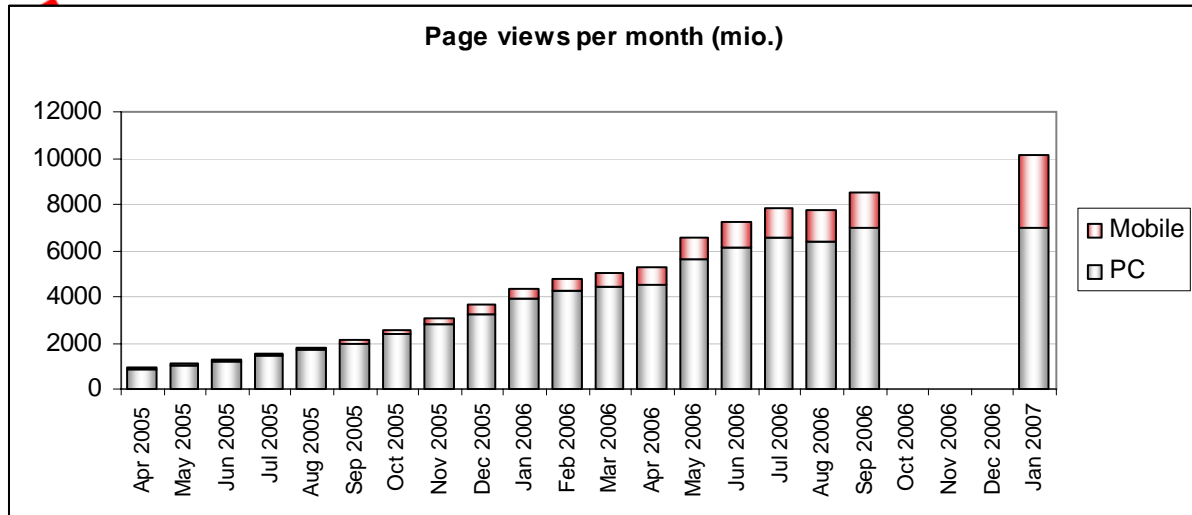
- keyword search (top center)
- the day's most popular tracks as defined by number of listeners (below keyword search)
- the week's most popular tracks as defined by number of listeners (lower center)
- links to rankings by genre (top left)
- links to past daily rankings (lower left)
- featured albums/ advertising (right)

The screenshot shows the mixi Music website interface. At the top, there is a navigation bar with links for Home, Search, Friends, New Daily, Community, Photo, Music, Review, Help, and Logout. Below the navigation bar is a search bar with the text 'アーティスト名検索' (Artist Name Search) and a '検索' (Search) button. To the right of the search bar is a promotional banner for 'mixi Music' with the text 'mixiミュージックを美しく活用するには専用ソフトを無料ダウンロードしてください' (To use mixi Music beautifully, please download the dedicated software for free). Below the search bar is a section for '月2日付 再生メンバー 歌ランキング' (2-day playback member song ranking). This section lists the top 10 tracks with their respective artists and listener counts. To the left of this section are links to past rankings for various months. Below the 2-day ranking is a section for '週間再生メンバー 歌ランキング(2/26更新)' (Weekly playback member song ranking, updated 2/26). This section lists the top 8 tracks with their respective artists and listener counts. To the right of the weekly ranking is a section for '試聴できる人気楽曲' (Popular songs available for试听), which lists several songs with their respective artists and 'iTunes' or 'mixi win' buttons. At the bottom right, there is a 'ヘルプ' (Help) section with links for '全般' (General), 'ヘルプトップ' (Help Top), '利用上の注意' (Terms of Use), '機能別ヘルプ' (Help by Function), '表示' (Display), '変換' (Conversion), 'メッセージ' (Message), 'マイミュージック' (My Music), '日記' (Diary), and 'コミュニティ' (Community).

Many of the tracks and albums listed on mixi Music can be bought as digital downloads from mixi e-commerce partners Mora (Sony's music download services) and iTunes. Additionally, almost all albums can be bought on Amazon.jp as CDs/DVDs. In all three cases, mixi is an official affiliate of the e-commerce partners, generating revenues by the affiliate kickbacks paid by Mora, iTunes and Amazon. mixi does not share affiliate kickbacks with its users.

### 5.3. PC- and mobile-based traffic

mixi launched its mobile version in September 2004, 7 months after the launch of the PC service. Page views for the PC and mobile versions of mixi combined currently total more than 10 billion per month, with page views generated from mobile phones accounting for more than 30% of this.



Month	PVs PC (mio.)	PVs mobile (mio)	Mobile-to-PC PV ratio
Apr 2005	840	60	6.7%
May 2005	1,040	80	7.1%
Jun 2005	1,210	90	6.9%
Jul 2005	1,440	110	7.1%
Aug 2005	1,660	150	8.3%
Sep 2005	1,980	170	7.9%
Oct 2005	2,370	220	8.5%
Nov 2005	2,800	270	8.8%
Dec 2005	3,250	370	10.2%
Jan 2006	3,930	430	9.9%
Feb 2006	4,270	470	9.9%
Mar 2006	4,410	590	11.8%
Apr 2006	4,530	730	13.9%
May 2006	5,640	910	13.9%
Jun 2006	6,170	1,070	14.8%
Jul 2006	6,580	1,270	16.2%
Aug 2006	6,400	1,310	17.0%
Sep 2006	6,950	1,560	18.3%
Oct 2006	n.a.	n.a.	n.a.
Nov 2006	n.a.	n.a.	n.a.
Dec 2006	n.a.	n.a.	n.a.
Jan 2007	7,000	3,100	30.7%

\*no data available for October – December 2006 period

Back in April 2005, only 6.7% of all page views on mixi were generated by mobile phones, as opposed to mixi users accessing the service from the PC. This number has been steadily

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