

SOCIAL ECHOⁱ

INFLUENCING CONSUMPTION BEHAVIOUR VIA EARNED MEDIA PART 2

Broadly there are two approaches
to using social media as a
communications channel. The
first is for marketers to seed
social media conversations.
The second is advertising.

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Ken Roberts

CEO

Forethought Research

SEEDING SOCIAL MEDIA BUZZ

One of the truisms in marketing is that word-of-mouth is more trusted and therefore is much more effective than traditional advertising.

Amongst other things, marketing has invested in hiring digital firms, sponsoring bloggers and creating content for their Facebook pages in the hope of seeding social media buzz with mixed success. Those marketers experienced in attempting to drive online conversations during a crisis can attest to the futility of trying to ‘manage’ social media (imagine BP during the Deepwater Horizon fiasco).

Setting aside crisis management, sentiment analysis reveals whether an organization is on-balance receiving positive or negative social media. The inclination for brand owners to respond to this data and attempt to address negative sentiment is understandable, but is it justifiable?

In sentiment analysis all negative and positive comments have an equal value. At a practical level brands do not uniformly seek to manage every aspect of its customer experience so why would they be equally concerned about every negative comment?

These brands know that poor performance on specific aspects of the customers’ experience can be disproportionality damaging for retention and acquisition and therefore as a consequence, those specific areas should receive greater managerial focus.

Does this same knowledge drive the agenda for seeding social media? The linkage between the content which is scientifically shown to drive consumption behavior and the creative idea or content chosen for seeding conversations is too often non-existent. Here the Consumption Drivers Principleⁱⁱⁱ is relevant: that is, the content for seeding social media sentiment should have as its genesis the customers’ drivers of retention and indirectly via word-of-mouth, acquisition.

An example of this is the Procter & Gamble Facebook and YouTube based ‘Mean Stinks’ campaign for its Secret deodorant brand. This campaign applied social media to drive awareness on an issue facing its target audience - bullying; an issue effecting 30% of USA female students in grades 6 - 12. ‘In the 26 weeks after the Mean Stinks campaign launched, Secret experienced a 9% increase in USA sales and an increase in engagement with its Facebook page by 24 times its base measure at launch.’^{iv}

For every proponent of social media, there is someone calling into question the contribution of fostering positive sentiment. At the Advertising Research Foundation, Re:think 2013 conference, Coca-Cola’s Eric Schmidt told attendees that ‘online buzz – social chatter – only affected the company’s sales by approximately 0.01 percent.’

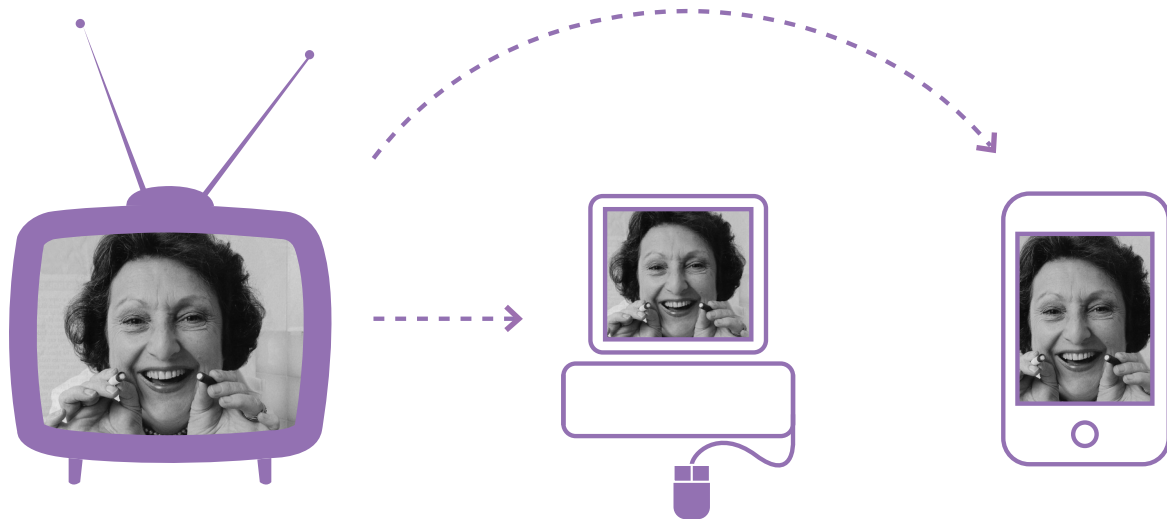
Schmidt said, “We didn’t see any statistically significant relationship between our buzz and our short-term sales.”^v Coca-Cola has more than 61.7 million Facebook Likes, 3.3 million YouTube video content views, 204,000 LinkedIn followers and 63,000 Twitter followers.

Days later Coca-Cola’s Senior Vice President of Integrated Marketing Communications and Capabilities Wendy Clark ‘corrected’ Eric Schmidt saying that there was a synergistic effect (measured?) from social media investment. Clark stated:

“None of our plans are simply social, or TV, or mobile or experimental. On the contrary, it’s the combination of owned, earned, shared and paid media connections – with social playing a crucial role at the heart of our activations – that creates marketplace impact, consumer engagement, brand love and brand value.”

OBSERVATION:

Seeding conversations in social media as a stand-alone strategy has limited capacity to move the consumption dial, however with integration into a broader campaign it may be another beneficial brick in the wall.



INTEGRATED MARKETING COMMUNICATIONS

The second approach to influencing how people act via social media is advertising via channels such as Facebook, YouTube, LinkedIn, and Twitter.

To take our taxonomy to just one more level, until recently most online campaigns could be considered to fall into the category of integrated marketing communications. Integrated in the sense that online was just one of the channels where a message was being delivered. Often the online advertising was largely just mimicking the content on the traditional channel.

To say this aspect of the media mix is not thought to be performing particularly well is perhaps an understatement. Broadcasting general content via social media when that content was primarily developed for traditional channels, such as TV and print, has not been found to perform well and it is difficult to find good published marketing science to support an alternative view.

From the academic literature, Danaher and Dagger^{vi} simultaneously tested 10 channels in one campaign's media blitz. The results indicated that in an integrated marketing campaign, traditional channels including home delivered catalogues were effective however, online advertising and usage of social media were not statistically significantly related to purchase incidence.

Even in the world's most competent marketing organisations there is division of opinion between the effectiveness of integrated marketing communications that incorporates social media. Perhaps the most celebrated example of this was North America's third largest advertisers, General Motors Co that cancelled its social media advertising three days before the initial public offering of Facebook. According to General Motors, paid ads on the Facebook site had little impact on consumers' car purchases.^{vii}

OBSERVATION:

The jury is still out on the effectiveness of advertising on social media. It would seem that there should be more examples of success by now.

INFERRED FROM ONLINE BEHAVIOR

From a marketer's perspective, the most promising approach is targeted communication based on a continuous, covert learning loop of individual's preferences and behavior. The learning is aggregated from an individual's browsing and social media behavior (and represents the pathway for further monetizing Facebook and leading Twitter to a successful forthcoming IPO).

Consider the army that intentionally draws fire in order to learn about the enemy's location so as to mount a successful attack. That intelligence based targeting is analogous to the ability of search and social sites to provide a 'free' service to the individual users while covertly learning about the user in order to profile a target audience for advertisers.

The current shift in sophistication of search and social sites is resulting in broad integrated marketing campaigns being abandoned to be replaced with targeted communications based on observation of online behavior such as the content of an individual's tweets.

It is this level of promised prospect targeting along with the consumer trend of 'second screen' (users operating two screens at once e.g. watching TV and surfing on an iPad simultaneously) and in-the-moment micro blogging that is expected to help Twitter exceed \$US1b in advertising revenue in 2014.^{viii}

These newly available targeting capabilities are attracting interest from advertisers. It has been this increased audience receptiveness to targeted messages, as opposed to a general integrated marketing communications approach, that has brought advertisers like Chevrolet, owned by General Motors, back into social media:

"Chevrolet is testing a number of mobile-advertising solutions, including Facebook, as part of its 'Find New Roads' campaign," said Chris Perry, VP-U.S. Chevrolet marketing. "Today, Chevrolet is launching an industry-first, 'mobile-only' pilot campaign for the Chevrolet Sonic that utilizes newly available targeting and measurement capabilities on Facebook."^{ix}

Twitter has also been evolving its offering. One example is a service whereby advertisers can provide Twitter with email addresses or data on who has visited a brand's website and Twitter matches this information to Twitter accounts and delivers ads accordingly.

CONCLUSION

These social media innovations are frame-breaking and will substantially alter the media and creative planning landscape. The footprint from the contraction in media dollars spent on less targeted traditional media, in particular print, is already visible from the moon.

However, that is only part of the story. So far, this is a tale of innovation in targeting. It is largely unmatched by innovation in accompanying creative, purpose built to suit the channel.

From a brand owner's perspective, better targeting via search and social data leads to less wastage but what of the customer's perspective? Will it be an intrusion or will the creative matched with superior media targeting bring about an improved outcome? Once again we return to the Consumption Drivers Principle.

For messages to be relevant the content should have as its genesis the drivers of the buyers' rational (explicit) and emotive (implicit) drivers of behavioural outcomes.



References

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