



Social Media: Fans and Followers Are an End, Not a Means

The last few years have seen some massive changes in our world. The financial bubble that reached its peak in 2007 popped, leaving us to enjoy what has been dubbed “The Great Recession.” The Dow Jones plummeted, along with consumer confidence. The subsequent road to recovery has proved to be long and uncertain.



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But not everything declined. In the realm of social media, the number of Facebook users grew dramatically, blog readership increased, and a new phenomenon called Twitter exploded onto the scene.

It’s enough to make you think that using social media is the latest and best way to effectively build your brand. Many pundits suggest as much, and many brands seem to be buying into the idea. Research conducted in 2010 by Millward Brown and Dynamic Logic, in cooperation with the World Federation of Advertisers, found that almost all marketers surveyed (96 percent) expected to invest more time and money in social media in 2011. However, only a quarter (23 percent) said they were confident about the returns they get on these investments.

I think this uncertainty is warranted. Those who manage brands should look before they leap. I believe that the race to utilize social media channels is representative of the same sort of irrational exuberance that led the stock market to unprecedented heights and allowed people to have faith in incomprehensible financial instruments. For many brands, large-scale investment in social media campaigns is likely to prove just as ill-advised and imprudent. In other words, I think we may be witnessing a social media bubble.

The Power of Social Media

There can be no denying that social media can be an incredible vehicle for change. For example, in 2009, a Facebook campaign prevented *X Factor* winner Joe McElderry from doing something the previous four *X Factor* winners had done—reach the top of the UK music charts. The campaign was started by husband-and-wife team Jon and Tracy Morter as a protest against *X Factor*’s monopoly of the Christmas chart. They encouraged people to buy “Killing in the Name,” a 17-year-old track by American rock band Rage Against the Machine (RATM). The news media picked up on the story, causing thousands of people to join the campaign; the number of fans on the RATM Facebook page exceeded 800,000 (more than Google, Pepsi, or Wal-Mart).

What is more, those fans acted. In the crucial pre-Christmas week, “Killing in the Name” sold over 500,000 copies. While 19.5 million people viewed the *X Factor* finale and 6 million voted for McElderry, only 450,000 bought McElderry’s “The Climb.”



What enabled the campaign to be successful? Global qualitative research conducted by Millward Brown Firefly has highlighted several things that drive people to use social media. People are looking for a sense of connectedness and belonging, for an entertaining diversion, and for a sense of control. The issues of control and belonging seem central to the RATM campaign. The effort had the authenticity borne of its grass roots. It was founded by real people advancing a real agenda, and that agenda was one that tapped into a current concern—the suspicion that “big business” was manipulating the public psyche for its own ends.

The same concern helped ignite the Twitter storm centered on the phone-hacking scandal at the UK tabloid *News of the World*. Shortly thereafter, the 168-year-old paper closed. Clearly there is power in social media—but can Facebook or Twitter empower a consumer brand in a constructive way as well as they can give voice to social outrage?

The Characteristics of Successful Facebook Brands

I undertook an analysis to address that question. I identified 12 brands that have been held up for their effective use of social media: Southwest, Honda, VW, McDonald's, Pizza Hut, Subway, KFC, Dunkin' Donuts, Krispy Kreme, Starbucks, Coca-Cola, and Red Bull. I related the number of fans these brands had on their Facebook pages (all had more than 250,000) to data from Millward Brown's BrandZ database (specifically, U.S. data from 2009). I then compared the results for these successful social media brands with other brands in the same product categories.

In using social media, people are looking for a sense of connectedness and belonging, for an entertaining diversion, and for a sense of control.

My first observation was that the five different product categories attracted very different numbers of fans. On average, the soft drink brands included in our BrandZ study had over 16,000 fans each while airlines had barely 1,000. I believe this is directly related to the number of people who are actively involved with a category on a regular basis. The

It is the big brands that get the most out of Facebook. The more loyal customers you have, the more fans you tend to have on Facebook.

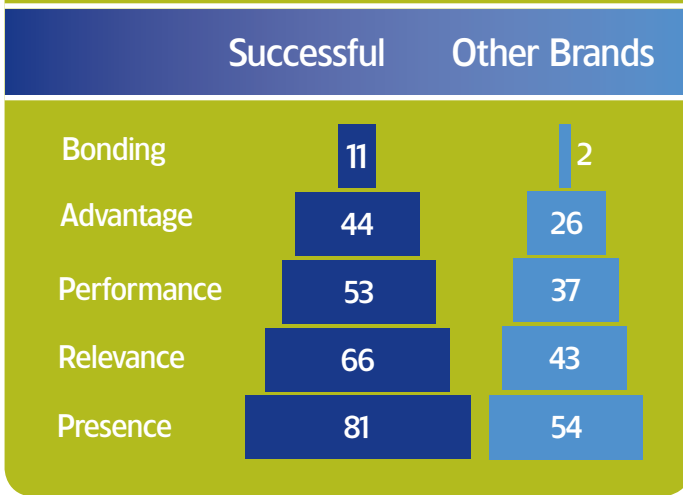
level of satisfaction with brands in a category also seemed to correspond with the number of fans the category attracted. Only 18 percent of U.S. air travelers are satisfied with the brands available to them, while 56 percent of soft drink buyers claim to be totally satisfied with their brand choices.

My next observation was that in most categories, one or two brands attracted the lion's share of fans. Those brands are not necessarily the biggest or the oldest, but rather the ones with a distinctive positioning that sets them apart from competitors. For example, in the case of domestic U.S. airlines, Southwest is the dominant brand, followed by Virgin America, a newcomer to the United States. I believe that Virgin's commitment to excellent service and customer satisfaction and its obvious commitment to using social media are what enabled it to draw more fans than American Airlines, United, or Delta.



My final observation was that the playing field did not appear to be level for brands competing on Facebook. It seemed easier for some brands to gain traction simply due to their product category and their positioning. But there is an even larger obstacle to be overcome by many brands. Brands that are already big and successful start with a major advantage in social media. Using the Millward Brown Brand Pyramid, I compared the composite brand equity of the two groups of brands (see Figure 1). The successful social media brands started with 50 percent more Presence (familiarity with what the brand stands for) and finished with five times as much Bonding (the strongest measure of attitudinal loyalty).

Figure 1: Successful social media brands tend to be stronger brands



They had an average of 1.6 million fans each, while the other brands had an average of just 140,000 fans each. So the more loyal customers you have, the more fans you tend to have on Facebook.

Mass Exposure Is an Important Catalyst to Social Media Success

One final element must be considered by brands thinking of marketing through social media: the need for mass media coverage. Most notable social media campaigns have relied on the mass media to gain critical momentum. Analysis of Twitter by HP’s Data Central finds that mainstream media outlets act as feeders of the most popular trends, and regular Twitter users then act as trend amplifiers. The Rage Against the Machine campaign would likely have languished unnoticed by the vast majority of people if the traditional media had not picked it up and publicized it. The same is true of some of the classics of viral marketing: Burger King’s “Subservient Chicken” benefited from widespread media support, and Dove’s “Evolution” was boosted by a strong PR campaign. On its own, Twitter did not kill the *News of the World*, but it did help create enough noise to pressure advertisers into pulling their support from the paper.

Integration of mass media and social media helps transcend the disparate personal connections that drive social media in order to achieve critical mass. In 2010, the meerkat

Aleksandr Orlov was created to star in a TV campaign for the UK financial comparison site *comparethemarket.com*. As of August 2011, Aleksandr had close to 800,000 fans on the Facebook page that was created as part of the ad campaign. The combination of tightly integrated online and offline marketing heightened interest in the brand, drove traffic to *comparethemarket.com*, and increased quotes by 45 percent compared to the previous year.

Beyond Facebook

While Facebook is the biggest social media network, it is not a homogeneous community, nor is it the only channel through which brands can connect with consumers. In fact, Millward Brown identifies eight different types of social media: pure plays, blogs, syndication, peer-to-peer (P2P), wikis and collaboratives, open source, tagging and rating, and consumer reviews. Each type serves different purposes and audiences. Among the pure-play vehicles, a low-reach, high-engagement medium such as Twitter offers the chance to make that all-important ongoing and personal connection.

But Twitter users aren’t using the channel to be informed about brands. They are using it because they want to hear from people. Brands with social media savvy know this and often designate a lead tweeter to represent the company and engage people. Tony Hsieh, the CEO of online shoe retailer Zappos, is the archetypal corporate tweeter. With his tweets, which cover a wide range of subject matter—from getting kids to eat vegetables to entrepreneurship to the secret of living the good life—he engages people and gives them a sense of personal connection with Zappos.

Fans and Followers Have Their Own Agendas

Dynamic Logic’s AdReaction 2009 study found that while 59 percent of Internet users are actively engaged with social networking sites, only 13 percent of those social media users actively follow or keep up with brands via social networks. Those that do follow brands do so in an average of three categories, and they do so to gain access to information, discounts, and giveaways.

This presents a challenge for a brand. To pander to a small percentage of your target with discounts and added-



value giveaways can undermine your brand's status and profitability; what you should focus on is engaging people with new information and ideas that improve the customer experience.

Build a Strong Brand and Fans Will Follow

Because people use social media to connect with people and brands that they know, respect, and admire, the social media make a great channel for engaging existing customers. But fans and followers are not a means to building a brand; rather, they are an end. Social media can't help build brands without the other ingredients that make brands strong: an effective business model, a great brand experience, clarity of positioning, and the ability to disrupt the status quo in a product category.

As I stated in my Point of View "Make Friends, Don't Pitch Them," creating a strong presence in social media is a good vehicle for confirming a brand's benefits and validating its commitment to its users. However, any marketers still considering how to construct a social media strategy that will build buzz, saliency, and a deeper engagement with loyal brand advocates would do well to ask themselves the following questions:

- Do people care enough about my brand and category to engage with it? If not, maybe social media is not a priority for you.
- What types of social media sites offer the most potential? What would be the best bet—a pure play or a blog? An active presence on multiple sites might be necessary to engage even a small proportion of existing customers.

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- What value can your brand offer beyond freebies and discounts? Games, puzzles, and competitions were popular means to engage people with brands long before the advent of social media. Remember: While social media may be a new communication channel, the motivations, interests, and desires of the people who use it are not new, but the same as they have always been.
- How do you sustain the initial engagement beyond a simple sign of affinity? Even large, successful brands must continually find new ways to engage fans that are consistent with their basic appeal; otherwise the novelty of "fandom" will quickly wear off. The research conducted with the World Federation of Advertisers found trust and transparency to be important to ongoing engagement, while variation, innovation, and a reasonable frequency of posting keep fans coming back for more.

Whatever your chosen strategy is, remember: There is no substitute for creativity and consistency. Find an idea that will resonate with your target audience and is in keeping with your brand's positioning. Promote what you do widely, in whatever ways are most appropriate. Then listen to the response and respond in turn.

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