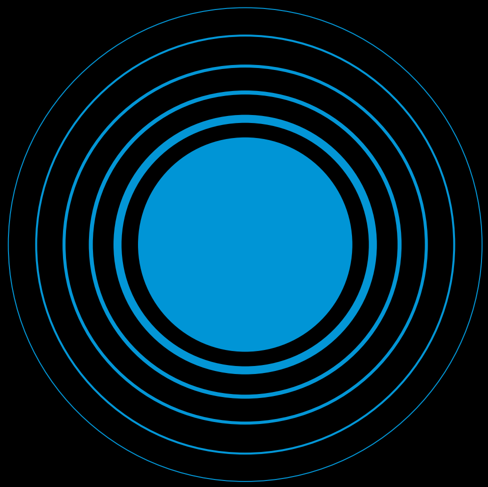
Putting Social Media in Context

Part 3

KANTAR

Content



Social networks:
The Future

Before we begin our exploration of Putting Social Media in Context, we must first understand what social means. What are social networks and why do people join them? How these social ecosytems function and evolve will have a great impact on social media and how brands should engage with consumers on these platforms.

The Future of Social Networking

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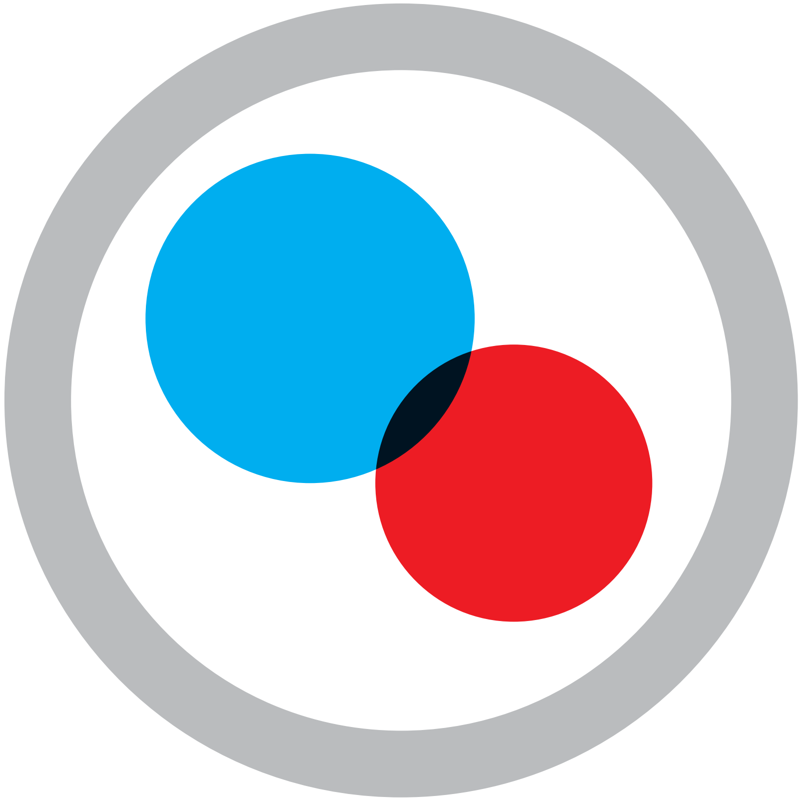


Why the future won't look like the present

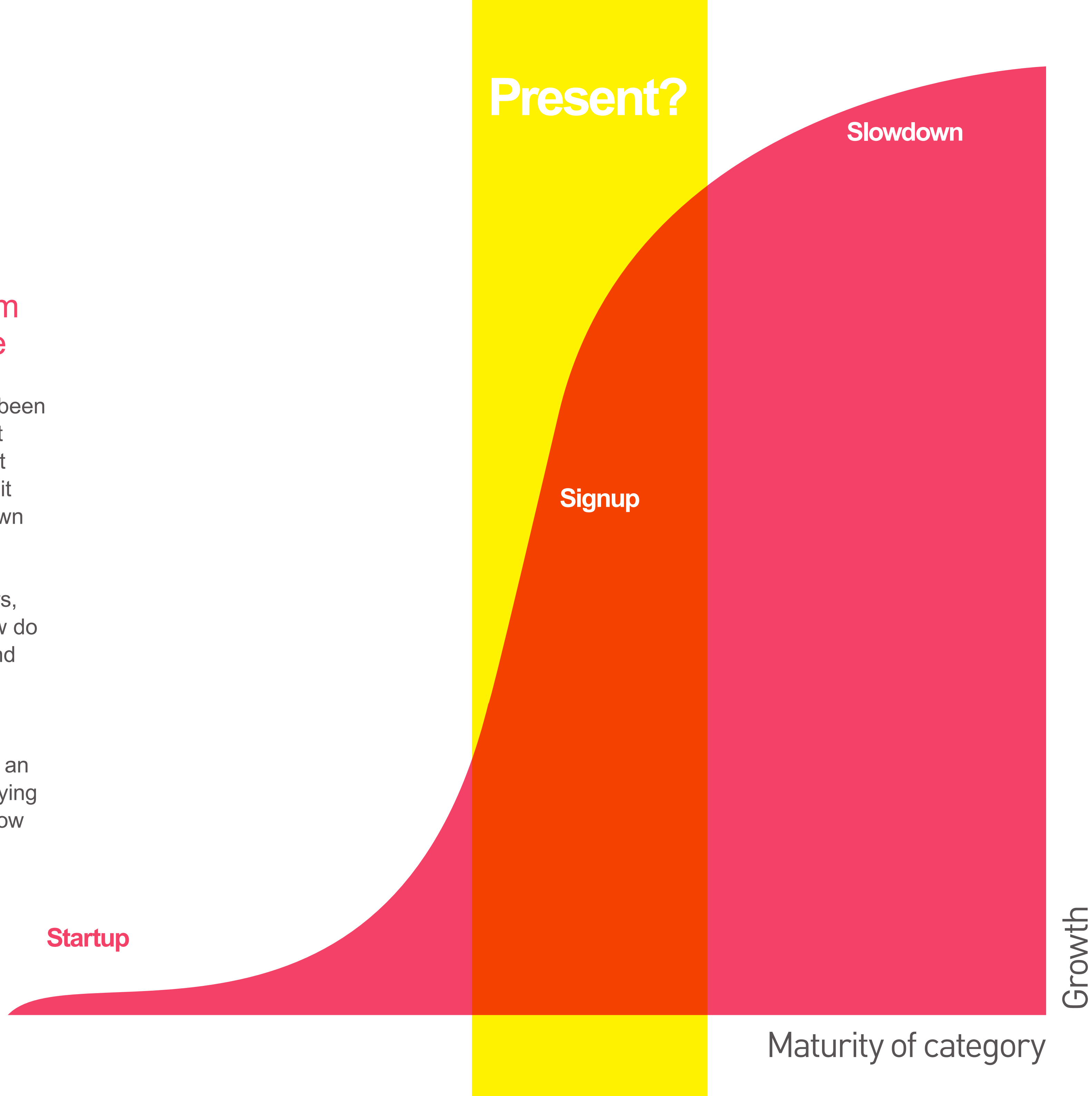
Thinking back a decade, you have to pinch yourself. In 2001, when internet penetration ran at about 10% even in advanced markets, online social networks barely existed. Today, they are the most widely-used online services, with membership of the largest networks reaching well into the hundreds of millions. As of early 2012, Facebook claims over 845 million "monthly active users", China's Tencent QQ instant messaging network over 600 million, and Twitter records 200 million tweets per day – figures that are likely to be out of date if you read this more than a few weeks in the future. In the US, Facebook alone accounted for almost 9% of all website use in 2010, overtaking Google as the most-visited site.

But if the rise of networking giants such as Facebook and Twitter can seem inevitable in hindsight, in practice there's been a rapid turnover of winners and losers. MySpace, which at its peak claimed membership by one in four Americans, was sold by News Corporation in June 2011 for a fraction of the price it paid, its active user base collapsing. For those who look at Facebook in the 2010s and see nothing but runaway growth, MySpace should be a reminder that present scale is no guarantee of future success.

In fact, individual social networks - and even successive 'generations' of types of network - seem to follow a classic s-curve

For the last few years, Facebook has been in the fast-growing signup phase – but there is some evidence that in its most saturated markets, especially the US, it is already entering the mature slowdown phase.

For businesses, brands, and marketers, this can feel like unstable ground. How do we know which networks will be around and thriving in a couple of years' time, let alone ten? Where do we place our bets? How do we decide how best to design services or communications in an unpredictable environment? And, in trying to back the right horse, how do we know whose advice to take?

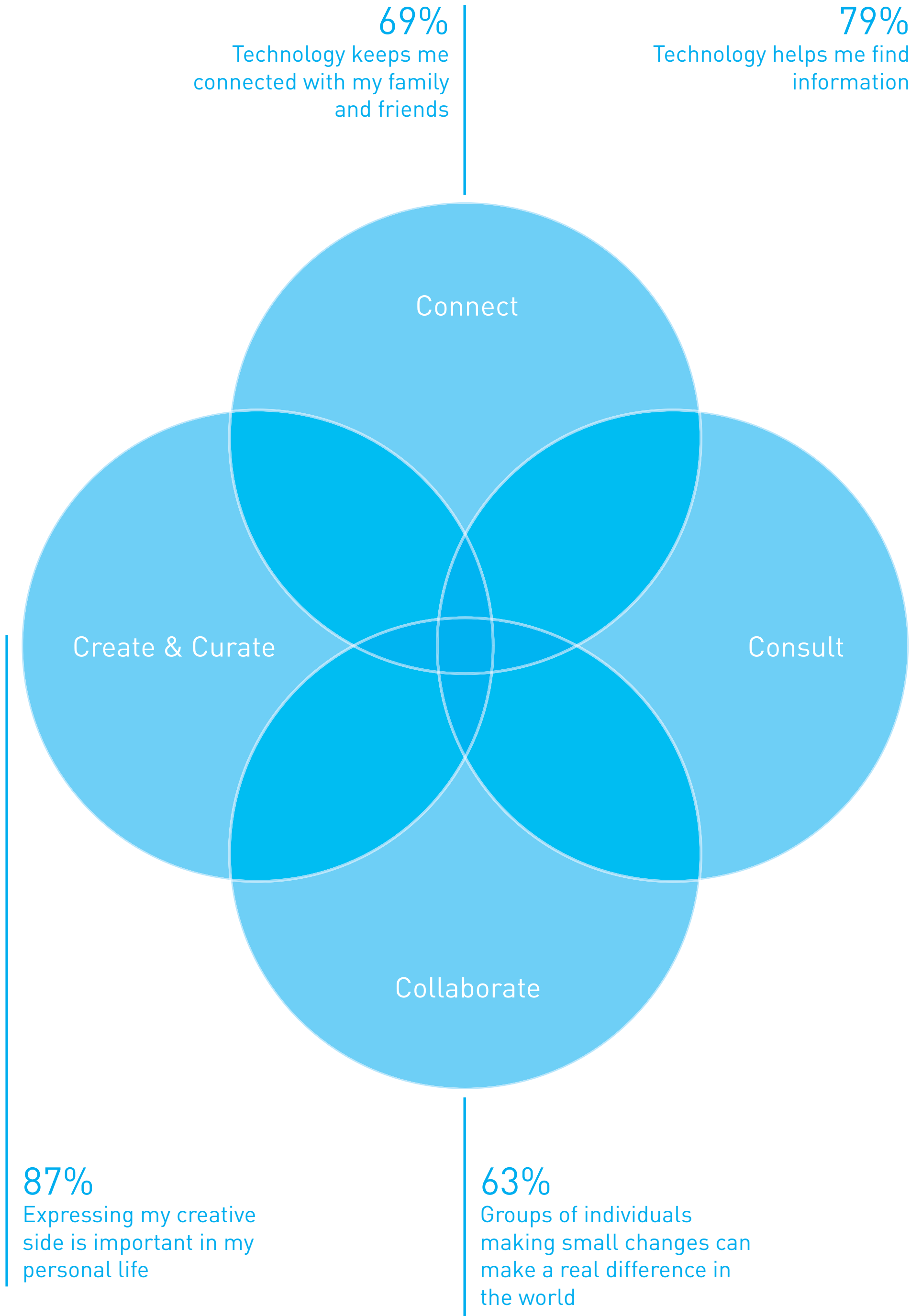


Six Pivot Points shaping the future

In trying to answer these questions, too much consideration is usually given to technology, and not enough to users. In the last few years we've heard that real-time access, mobile apps, geolocation, near-field communication and other innovations would transform social networking. To some extent they have: many of the changes over the last decade have been technology-driven. But what's often missing is the simple, human question: how do we want to interact online, and how is this changing?

The Futures Company's work on the future of social networking starts with the conviction that it will be shaped less by technology change, and more by understanding how people's online interaction choices are changing, and reimagining social networks and social media content to meet those changing needs.
The underlying point, however, is that social networks exist in the forms they do because they represent an expression of underlying social needs which long pre-dated the internet. They let them communicate, collaborate, create/curate and consult together (the 'Four Cs'), and as long as these needs exist, and are met, online social networks have a future.

Beyond these underlying needs, there are a series of uncertainties in consumer attitudes to the virtual space and how people choose to interact within it. Through an analysis of a range of consumer research, including The Futures Company's Global MONITOR data, we have identified six critical decisions – we call them Pivot Points – that consumers are making now that will shape the social networks of the future, and the media landscape for businesses, brands and marketers.

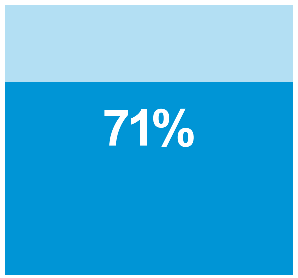


Source: The Futures Company

UNDERLYING SOCIAL ATTITUDES

Privacy

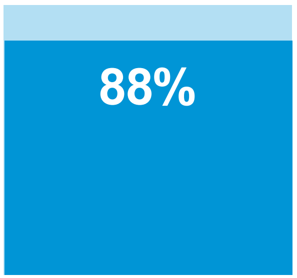
As consumers become more aware of the amount of data held on them, they are increasingly worried about the impact on their privacy, and about the safety of their personal data. Identity theft and personal data exposure are emerging as more serious concerns.



I am increasingly concerned about people or companies misusing my personal data

Convenience

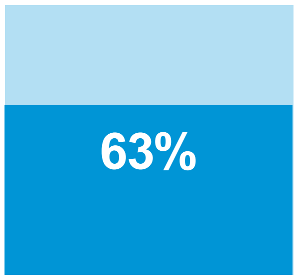
Demand for convenience is a long-running trend and has created new expectations in many parts of the world. Products, services and interactions need to be straight-forward and designed with ease of access and use in mind.



Important in my personal life today: using products and services that offer the greatest convenience

Closeness

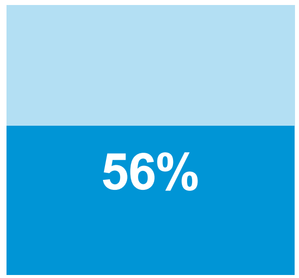
Disruptive social change and greater connectedness have left many consumers seeking reassurance in their cultures and traditions. There is an increased desire for the familiar, and for stronger communities.



I worry that aspects of our culture and traditions are being lost as the world converges into one single global culture

Support

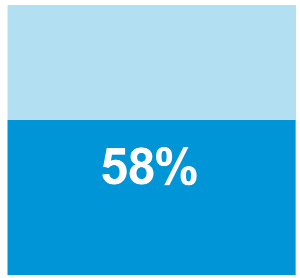
In response to changing lifestyles and economic instability, consumers are adopting strategies to retain control over various aspects of their lives, especially where those lives face rapid change.



I wish I had more people to turn to when times get tough

Connection

The explosive growth of online throughout the world has been driven by, and has fuelled, consumers' enthusiasm for the possibilities of new kinds of interaction. Even where connectedness is no longer a novelty, consumers are still exploring its possibilities.



I am enthusiastic about new technology that can enable me to find and interact with likeminded people

Source: The Futures Company (2010) Global MONITOR – global averages

IN BRIEF, THESE **SIX PIVOT POINTS** ARE:

SCALE

Will we want the scale benefits of large networks (a so called Big Net future), or the intimacy benefits of small ones (a Tight Knit future)?

PRIVACY

Will we value convenience of use and access (Open Hand), or safeguards on our private data (Closed Fist)?

SPECIFICITY

Will we want to spend time on a few networks (One for All), or divide time between many (One for Each)?

PERVASIVENESS

Will we want to be 'always on' (Turn On), or to access our networks only when we need to (Tune Out)?

UTILITY

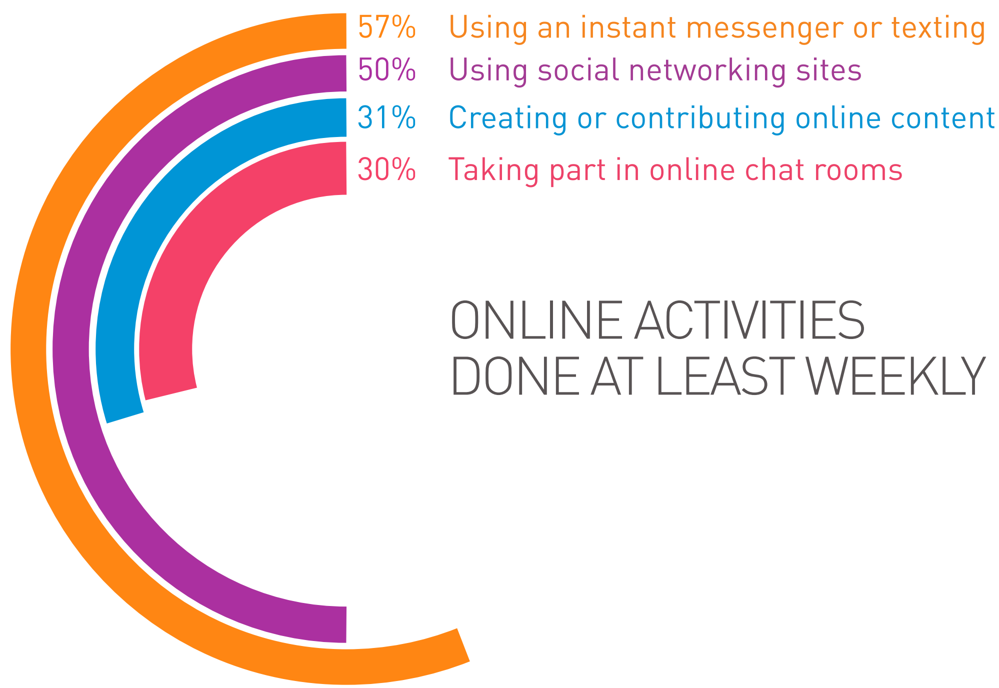
Will we see our networks more as entertainment (Play), or as utilities (Plug)?

WORLDVIEW

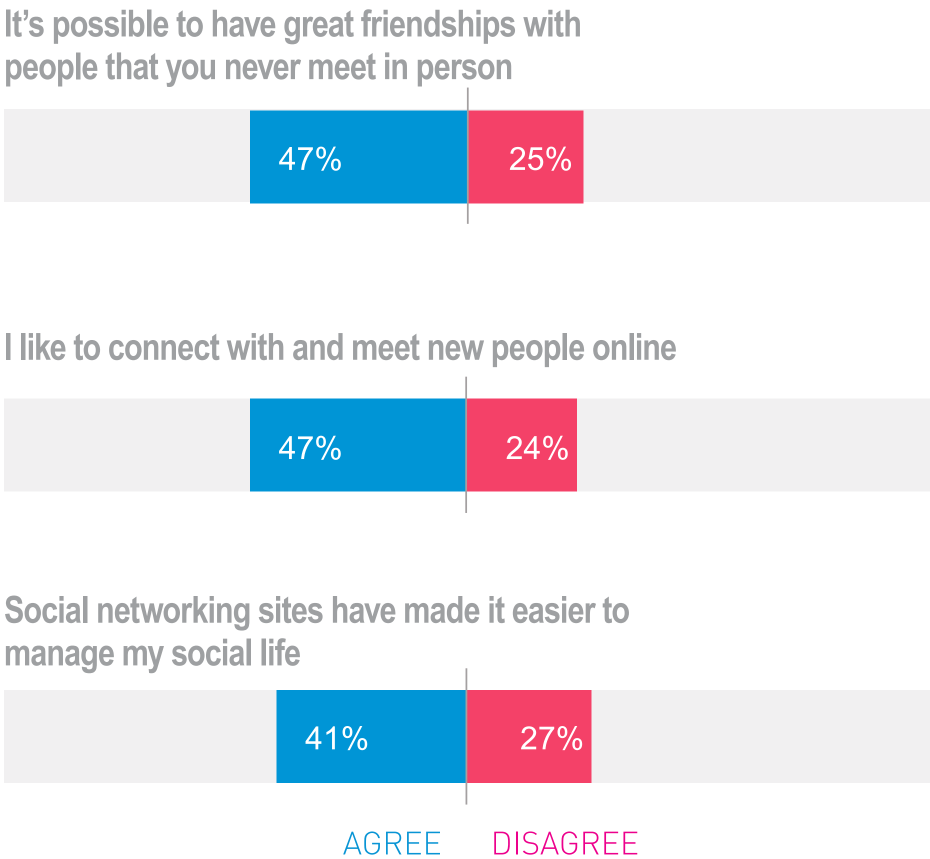
Will we want networks to reinforce our habits (Confirm), or to challenge our preconceptions (Challenge)?

Each of these choices involves a trade-off. For example, the issue of online privacy is clearly a rising point of consumer concern right now. Taken to its extreme, a concern for online privacy would mean abandoning networks entirely – but there is no sign that most consumers are interested in this nuclear option. There are early signs that the shift to privacy is accompanied by a shift to intimacy, a shift to utility, and a shift to occasionality: consumers wanting fewer but deeper and more useful online interactions, in networks that fit more neatly around their lives. If these shifts play out, the social networks of the next few years may be leaner, subtler and more pervasive than today's – more used, less talked about, treated not as destinations but as utilities that add a persistent, supportive but discreet 'social layer' over our lives. The emphasis would be more on signal, less on noise – the 'news feed' and the 'push notification' may become obsolete as we look for networks that answer when we call on them, but do not shout us down. Posting 'too much information' on social networks is already seen as unwise for privacy's sake; it is increasingly seen as irritating by consumers facing information overload. If rising data volumes and resource constraints mean an end to 'all-you-can-eat' data, over-sharing may come to be seen as irresponsible too.

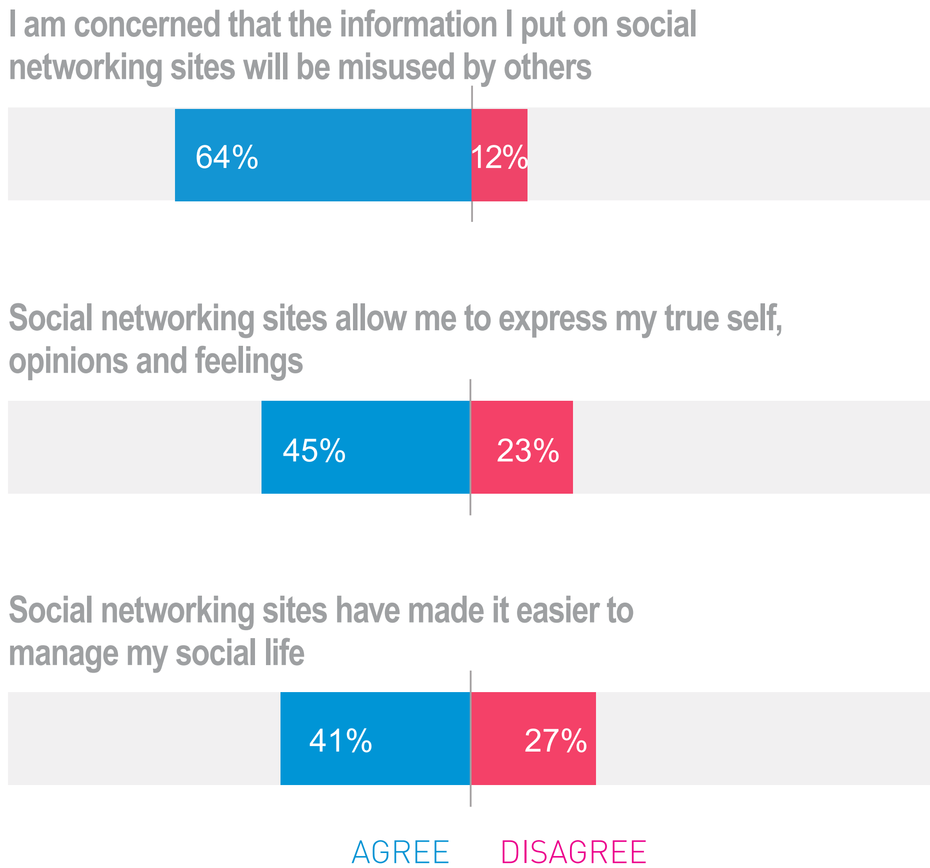
LEARNING SOCIAL NETWORKING



EXPLORING NEW SOCIAL POSSIBILITIES ONLINE



LEARNING NEW RULES AND NEW RISKS



There will be no single answer to these questions. Social networks will evolve in different ways in response to the particular needs of particular groups of consumers. Using our Pivot Points framework helps businesses, brands and marketers imagine different possible futures, understand the decisions their consumers are making, and decide how to act.

Changes and challenges

Looking back at Facebook, we can see that from the beginning it has relied on people making certain choices about how they want to interact. It depends on scale, openness, ubiquity (we'd say it's Big Net, Open Hand, One for All), and on people's desire to spend more of their online time socializing and getting content and recommendations filtered by their social graphs (Turn On, Play, Confirm). Mark Zuckerberg's vision of a network for people who want to 'go on the internet and check out their friends' has gone global.

Changes and challenges to any of these interaction choices could lead to outcomes for Facebook (or for Facebook-like networks) that look radically different from its present form. In the table below we present just four of many possible future directions that Facebook might take, by combining different consumer Pivot Point decisions. Looking at, for example, we can see that although this research was conducted before the launch of Google+, the Google+ model is to be seen in 'Ace of Clubs' – 'smaller, tighter, social circles' – and that Facebook has already made some modifications to its operating model to allow users who so wish to move towards this.

Invisible Companion

Facebook's Connectsystem for cross-platform logins become its strongest selling point for consumers who want to be able to consult and share with their network, whichever sites or apps they're using. Facebook becomes a genuine utility, an 'invisible social layer' operating across web and mobile properties.

Future dimensions:
Open Hand, One for Each, Turn On, Plug

Matchmaker

Facebook's 'People You May Know' feature becomes 'People You Might Like' as the site moves more and more towards helping users discover new connections, content and experiences, rather than reinforce old ones. Real-time and geo located meetup functions encourage shorter-term 'friending', though some users still worry about privacy.

Future dimensions:
Big Net, Play, Challenge, Turn On

Ace of Clubs

Facebook thrives but segregates, pushing towards a billion users who value its ubiquity and ease, but choose to move in smaller, tighter social circles. Commentators describe Facebook as a 'network of networks', and developers get more license to build custom functions for niche audiences.

Future dimensions:
Tight Knit, Open Hand, One for All, Confirm

Rearguard

Tired of uncertainties around privacy and wanting less generic interactions, users desert Facebook in droves in search of more intimate and personalized networks. The user base stagnates more than it shrinks.Facebook is referred to by many as a 'first generation' network, increasingly little more than a repository of billions of locked-in photos and contact details.

Future dimensions:
Tight Knit, Closed Fist, One for Each,Confirm

Decision points for businesses, brands and marketers

As with MySpace's idea of a completely open, highly customizable network, today's leading networks will find themselves at risk if they don't anticipate – and adapt to – people's changing choices. For all its present dominance, the Facebook model may just be the one that happened to emerge at a particular moment in the evolution of the internet. Several trends suggest that the next wave of networks will move away from its large, open single network model. In the end, technologies create possibilities, but our decisions as users shape the future.

These six Pivot Points are signposts, not predictions. However, they provide a structured framework for thinking about change can help us make sense of a fast-changing category. By understanding the decisions people are making, we can quickly identify, and prepare for, different possible outcomes. They also offer present opportunities. They can be used as a basis for making better business and marketing decisions by tracking target consumers' attitudes and values, and making sense of changing behaviours. The Futures Company is already working with clients to show how to understand, measure and seize those opportunities. We hope that the Pivot Points provide a way to navigate a fast-changing landscape, and take control of an uncertain future.

The research and analysis of the Pivot Points framework was led by Alex Steer, a WPP Marketing Fellow, while working for The Futures Company in New York.

The Futures Company is the leading global foresight and futures consultancy. Through a combination of subscription services and bespoke research and consultancy, we create commercial advantage for our clients by helping them unlock the future of consumers, brands, categories and companies.

Our Pivot Points framework offers a guide to the fundamental forces shaping the future of social networking today, guidance for businesses, brands and marketers who want to navigate this fast-changing environment. More information on this work can be found in a series of posts on The Futures Company's blog, during the week starting 1st August. Our summary report, Status Update: The six decisions shaping the future of online social networking, is available by contacting unlockingfutures @thefuturescompany.com.

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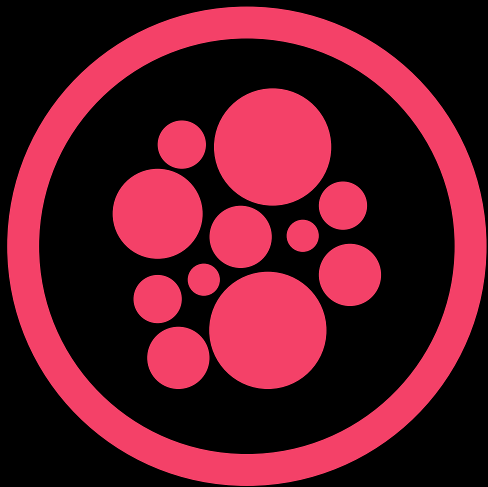


Social Media:
Brands

It is understandable that brands want to leverage the power of social media to connect with their consumers. But what is the best way to do this? As it turns out, social media does truly need to be EARNED and the strongest brands must put effort into making social media work for them.

Turning Big Data into Brand Data

Marrying Social Metrics to Brand Metrics

Dynamic Logic and Millward Brown have long known how to measure attitudes and habits as a result of any marketing activity. We do it primarily through survey-based research. In this voice, the research is guided, quantifiable, structured and replicable. With the proliferation of social media data running through platforms like Facebook and Twitter, we can now listen to another voice of that same consumer, which is observational, unsolicited, un-moderated, and completely fluid. This social voice reveals new information and thus new avenues of insight and analysis.

We've also long known that the attitudes expressed in the survey have other cousins – opinions and actions that potentially don't surface in surveys. The future of brand measurement is an exploration into how new social platforms and technology can garner meaningful attitudinal and behavioral insights that complement and supplement our established survey based research methodologies. It's certainly possible that one day (perhaps not long from now) this implicit data-driven measurement could even supersede traditional survey methodologies.

Where does the data come from, and what does it mean?

The social data universe is hard to size – no one knows how big it is, how much there is, or in some sense, even what the definition is of social. But even as that universe expands, it's also becoming more centralized in some significant ways.

In the past seven years, Facebook has won the battle of supremacy: it definitively owns our social graph. With over 750 million users and growing, our real-life social networks, personal and professional, have been mapped. Its near-universal adoption in most countries means it's easier to innovate without worrying about replicating those same networks from scratch with every new application or utility. Nearly every platform, whether it's Twitter, Foursquare, or this week's hot new startup now takes advantage of Facebook Connect, to bolster user experience and adoption, and to create more value for the service and its users.

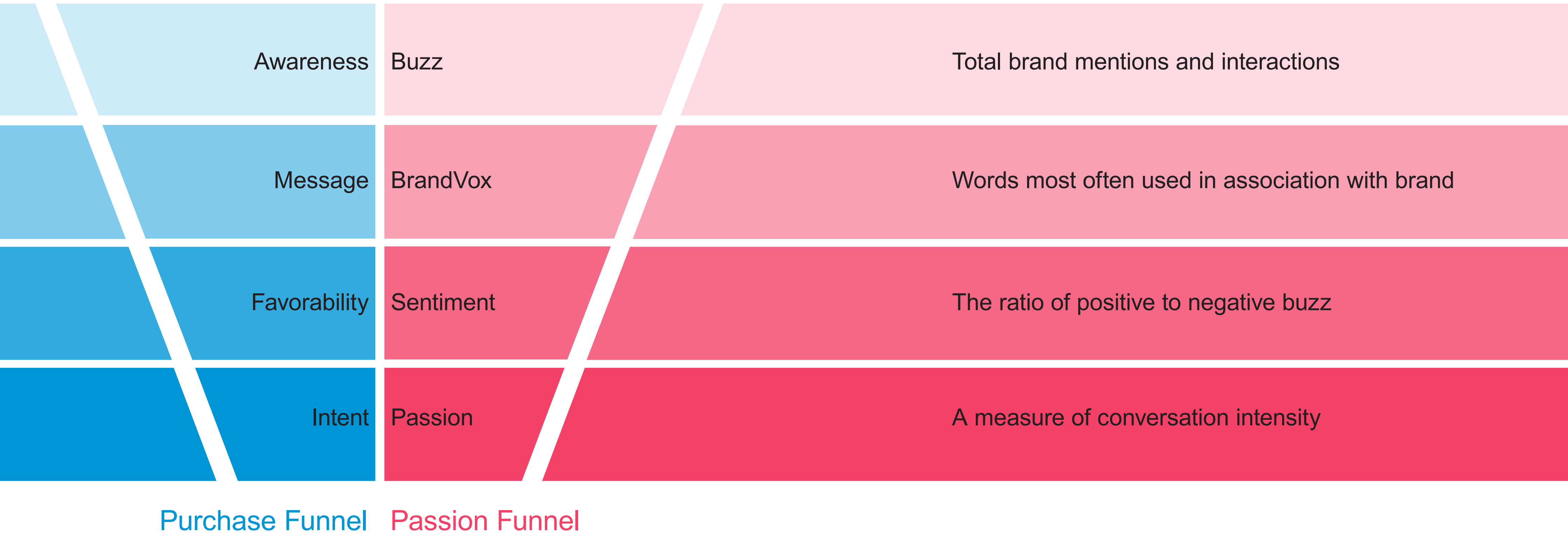
Deep integration means much more than just a rich user experience: it also means users are constantly generating a stream of data which can give us more thorough insight into habits and attitudes than we've ever seen before. Major brands and services have caught on – everyone from Groupon to Ticketmaster to Starwood Hotels recognizes the power of these rich data streams, and they are looking to harness them in a meaningful way that can build their brands and grow their businesses. This is the age of Big Data, and brands are eager to capitalize on it.

With the Facebook identity so thoroughly enmeshed in the development of new applications and platforms, it facilitates aggregation of this data while Twitter's functionality as an information-sharing platform means it also captures a wide variety of data, as new platforms push select data through to Twitter. This unified social graph will give rise to new brand value generation across many categories and many platforms. Mining those platforms for explicit, implicit, and analytic consumer data will become a core measurement approach for brands.

How can you measure the impact of social media through social media?

If the bounds of social media and the data it generates are seemingly limitless, it becomes necessary for us as researchers to be able to identify key points of significance in that data that can serve as surrogates for the larger set. From there, we can extrapolate more broadly to measure the impact of that media on a brand.

To understand how we can frame social research alongside attitudinal research, it's helpful to think of the traditional purchase funnel. We propose, through early validation work, that just as there's a purchase funnel that helps explain consumer attitudes and decisions, there also exists what we call a "Passion Funnel" – a parallel social research construct that helps marketers understand brand social performance in the same framework as they understand overall marketing performance.



This research construct makes it possible to measure brand activity more broadly in social media. Through our VerveIndex work using Twitter data we've seen that using integrated platform data can yield powerful results, including insight into both campaign effectiveness and brand performance. So many other data sources flow into Twitter – from original Tweets to blogs to location data to photo and video sharing – that by decomposing the stream, we're able to track brands across a multitude of platforms from one very rich data source. As broad as social media may be, we can isolate, identify, and amplify which elements of which platforms serve as signals for marketing success.

When we identify the significance of each of these elements and assign appropriate weights, we're able to use this data as a proxy for understanding brand performance not only in the wider social universe but also more holistically across all marketing activity. As adoption of social media becomes more widespread in the general population, marketers are also simultaneously increasing its role in their broader media mix. Social media functions as a barometer of consumer opinion; as consumers react to the mix of messages in the marketplace, whether they're originating from TV, print, outdoor, online, or social media itself, we're able to capture that broader reaction by listening to the social voice. The ebb and flow of marketing messages is reflected (and when done well, amplified) in social media, making it a robust data source for catching the pulse of brand performance.

Yet to make sense of the breadth and depth of the big data social media affords us, it is ultimately critical to tie brand performance and marketing activity in social media back to established, standardized metrics that can function across the broader reach of media, whether that's paid, earned or owned. Decades of research have taught us much about the consumer path to purchase, and those findings and research constructs still serve as the backbone of our industry and our understanding of it.

Social media measurement is not a new research paradigm; it is another data source to help us understand and support the paradigm we use consistently across all other market research. Just as social media should be a component of a brand's overall strategy and media mix, so should social media measurement be held to the same standardization as the rest of a brand's measurement mix. As new platforms launch, grow and evolve, so will their data generation; for each of these data sets, we must always seek to identify a common understanding of them through a stable analytical lens.

MillwardBrown

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Social Media:
In Practice

Clients and brands are now asking: What now? How do I measure the impact of my social media efforts? How does social media fit into my overall marketing mix and communications planning? How do I leverage social media strategically?

Guest Feature:

The interconnection between TV and Social Media

The interconnection between TV and Social Media:

How to measure it, and how to use it for competitive advantage

One of the first things I learned in my foray into the marketing world from MIT is that brands have traditionally measured how much they say to consumers: how many people saw your TV spot, how many impressions did you get for your magazine ad or your billboard?

This always struck me as a little one-sided – measuring consumption of a message as opposed to engagement with it.

Then I read a post a few months back in the Harvard Business Review by Coca-Cola Chief Marketing and Commercial Officer Joe Tripodi about his company's evolving shift from consumer impressions to expressions (meaning, any level of audience engagement with Coca-Cola's brand content). And it occurred to me that marketing is on the verge of a sea change, where what consumers say about a brand is at least as important as what a brand says to consumers.

Tripodi argued that fueling, nurturing and, importantly, measuring engagement as a precursor to brand advocacy is key to "winning in this new era of empowered … and networked consumers." Understandably, his lessons focused on expressions side of the shift; tweets, posts, likes, followers, uploads and shares are marketing's new (online) currency, sexy and measureable at the same time.

But he also implied that impressions – as a reflection of mass media's ability to assemble audience – still matter. Marketers still need offline mass media, especially TV, to build brands. The Coca-Colas of the world surely do. As tempting as online is in terms of targeting and measurability, companies have yet to move the bulk of their pure-play branding online. They need a mass audience. They need sight/sound/motion. They need 15 or 30 seconds, sometimes even a minute, to really tell a story. They need impressions. And that's not likely to change anytime soon.

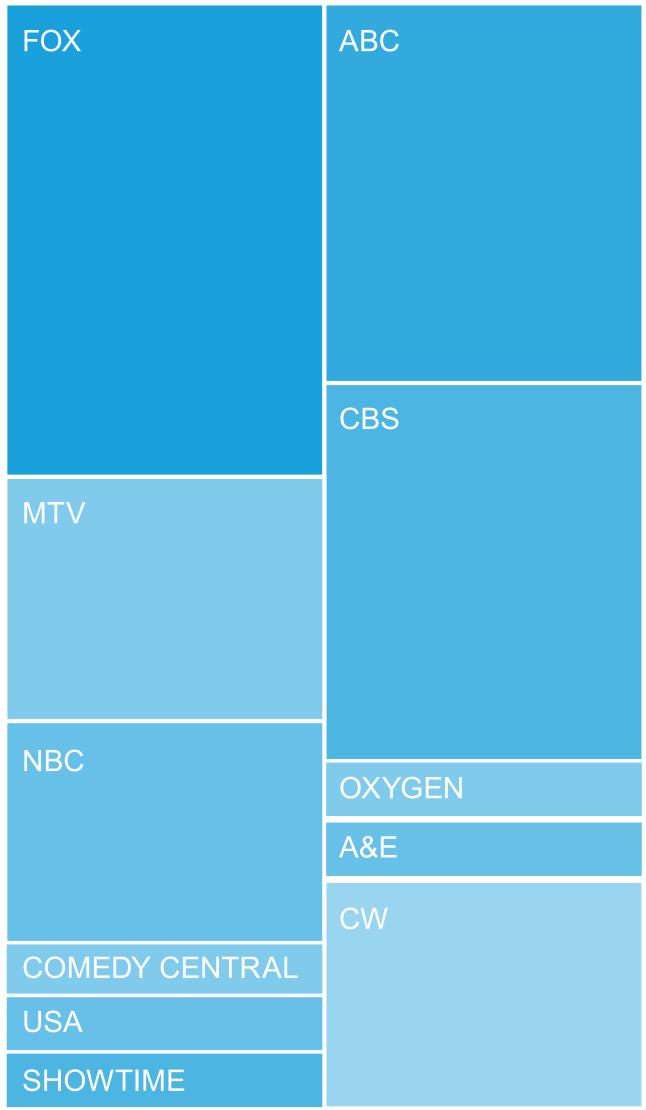
What's changing is our understanding of how impressions and expressions interconnect. Technologies like ours at Bluefin Labs, are beginning to pinpoint how impressions cause expressions – specifically, by interpreting social media comments and automatically linking them with their televised source, be they TV shows or ads. The result is a massive network of cause-effect links that measures people's engagement with TV.

For example, at Bluefin we can now use expressions – i.e., social response – to measure true engagement to this season's TV shows.

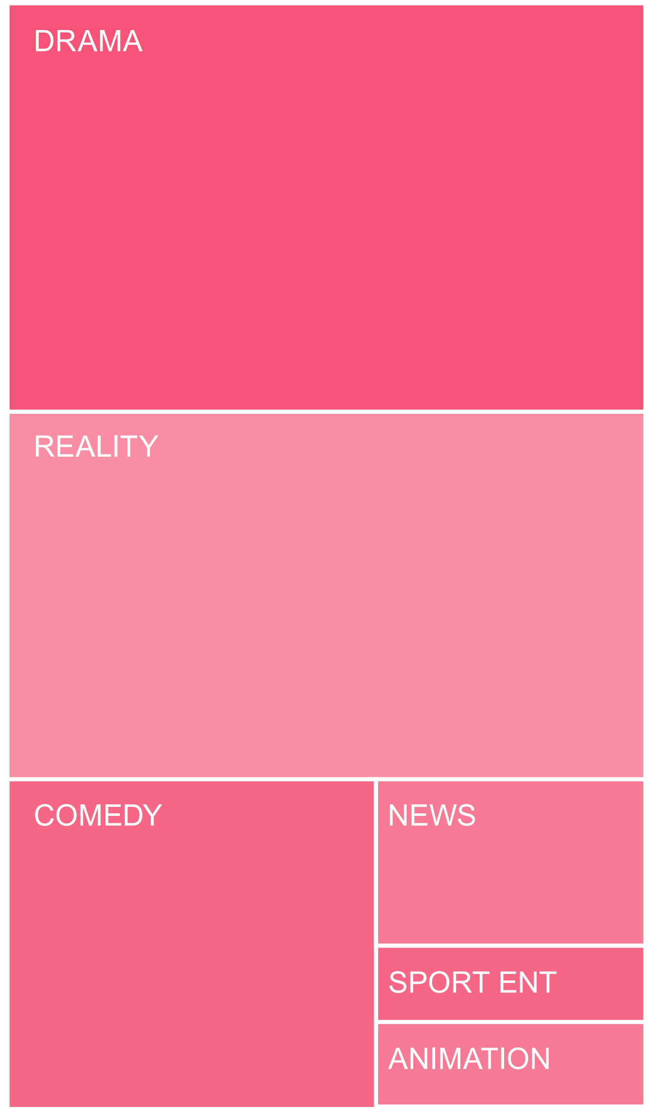
SOCIAL RESPONSE
TV SHOWS (top 30)

1. Glee
2. The X Factor
3. Jersey Shore
4. New Girl
5. The Bad Girls Club
6. Modern Family
7. Two and a Half Men
8. Gossip Girl
9. Big Brother
10. Dancing With the Stars
11. Dexter
12. Law & Order: SVU
13. Desperate Housewives
14. Family Guy
15. Criminal Minds
16. Terra Nova
17. Teen Mom
18. Tosh.0
19. The Real World
20. Grey's Anatomy
21. The Vampire Diaries
22. Pan Am
23. Beyond Scared Straight
24. How I Met Your Mother
25. America's Got Talent
26. WWE Monday Night RAW
27. House
28. The Sing-Off
29. Supernatural
30. The Biggest Loser

Programmer Engagement



Genre Engagement



Source: Bluefin Labs. Data for Sept 12, 2011 thru Oct 3, 2011. Table includes data for TV Series only; sports and special events were filtered out for this analysis.

On one level, we could see this as another way to measure TV show popularity.

Seen another way, it's the first-ever automated, scaled feedback cycle between mass media programmers and viewers.

For decades, radio and TV broadcasting technology has distanced programmers from their audiences -- creating a one-way flow of content and a one-way mindset. While people all along were commenting, in living rooms and bars alike, on what they were seeing and hearing on TV/radio, their response wasn't visible or readable. The balance shifted heavily toward programmers and away from audiences. A yawning feedback gap opened that researchers have tried for decades to fill, expensively, with focus groups, dial tests and surveys.

Social media technology is closing that gap – re-shifting the balance and re-connecting the speaker and audience to a potentially revolutionary effect. With scaled cause-effect engagement measures, marketers can now use expression to optimize impressions quickly and affordably: which shows, dayparts or networks lend the strongest response; which ads perform best or worst.

Knowing which shows (or dayparts or networks) generate the highest level of expressions is a good start. But it's not the endgame. Glee, for example, is the top overall Social TV show this season. But while Glee might be perfect for Diet Coke, it's not for every advertiser.

Advanced Social TV analytics can pinpoint expressions for individual brands and the audiences that advertisers want to reach. For example, if you're the brand Garnier, your top 10 Social TV shows will be different than the generalized list above. Among the group of people who have talked about Garnier in social media, the top 10 Social TV shows are:

			Index
1.	Hoarders	A&E	293
2.	Extreme Couponing	TLC	252
3.	Project Runway	Lifetime	245
4.	Beyond Scared Straight	A&E	166
5.	Awkward	MTV	161
6.	Sex and the City	E!	157
7.	America's Next Top Model	CW	154
8.	Girlfriends	Centric	149
9.	Keeping Up With the Kardashians	E!	148
10.	True Blood	HBO	138

Source: Bluefin Labs. Index of 100 indicates average affinity between brand and TV show

Top Social TV Shows for the Gatorade Brand

Females

Tough Love	VH1	197
Infested!	Animal Planet	189
Amsale Girls	We TV	186
The History of Sex	History Channel	179
Babies Behind Bars	TLC	172
Who the (Bleep) Did I Marry?	Invt Discovery	172
Strange Sex	TLC	171
Little Bear	Nick Jr	168
Winx Club	Nick at Nite	165
Cheerleading	ESPNU	164

Males

Elite 24	ESPNU	435
Gruden QB Camp	ESPN	372
NFL Replay	NFL Network	342
NBA Lottery	ESPN	334
E:60	ESPN	316
NBA Countdown	ABC	312
Year of the Quarterback	ESPN2	307
Inside the NBA	TNT	298
The Fab Five	ESPN	245
Baseball Tonight	ESPN	244

And if you're a brand like Gatorade, your top Social TV shows will be different too. In fact, as these Audience Connection graphs illustrate, if you're Gatorade and you have a creative execution targeted toward women (e.g., a TV spot featuring Serena Williams) versus men (e.g., Landon Donovan being the star of the commercial), that makes a difference too.

For Gatorade, reality TV and children's programming are the genres of shows that generate the highest level of social media expressions among women. Whereas for men, the picture looks very different: the talk & news genre dominates, driven by sports-related news programs.

These examples are just the tip of the iceberg for marketers. Combine such improvements in show and audience targeting with an ability to measure viewer engagement with ads at scale and you've arguably reached a new era of consumer marketing.

But the revolution goes well beyond marketing. More profound feedback gaps remain to be closed by social media technologies and a renewed two-way communications mindset. Public health and safety campaigns push often urgent and complex information to massive, diverse audiences. Existing feedback mechanisms are spotty at best. A more comprehensive, timely and reliable system for capturing and analyzing response would help optimize public information systems real-time – saving money, time and quite possibly lives.

Clearer links among statements, response and eventual actions could also help restore our faith in political communications. While candidates do enjoy (or not!) the ultimate in measurable audience response on election day, their means of capturing incremental feedback have mostly mirrored the marketer's qualitative and quantitative research tools. I would expect the major 2012 campaign organizations to adopt social response technologies, possibly by tracking voter expressions real-time against their TV advertising and news impressions. Some would suggest that such deep, immediate feedback only invites candidates to pander increasingly to voter interests. Fair enough. But I'd flip over the coin and argue that a complete loop and two-way mindset also dial up accountability, strengthening our ability to hold candidates to their words and using our own reactions to spur their ongoing actions.

In the end, as one of Joe's commenters theorizes, the revolution – in marketing, politics and otherwise – "will be measured." And while I find measurement and analysis intrinsically interesting, I'll be most fascinated to see how future communicators use public expression to better engage their advocates, voters and citizens.

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Social:
Global Growth

Lastly we conclude with a perspective on the global social media landscape. As we shall see, Facebook is not the biggest player in the global space. Multinational brands that are looking to grow in emerging markets need to understand how the social ecosystem is different than developed markets to best leverage platforms to achieve marketing and advertising objectives.

Social Media in Context

Consider the complementary role of social media **before re-writing the rule book**

Social media has a broad role to play in helping brands achieve their ambitions for growth. It acts in a complementary manner to other growth-driving activities – whether they are sought through innovation and new product launches, acquisition of new customers, launches into new markets or through driving loyalty and advocacy amongst existing customers. For consumers, we are already well-aware of the significant role it has played in driving greater equity parity in the brand/consumer relationship.

But whilst social has a flexible and wide-ranging role, the real value sits in understanding how to integrate a brand's social efforts with the strategies and tactics already in place for product development, marcoms and relationship management; with successful integration bringing a more powerful effect in most scenarios. And importantly, alongside integration, more emphasis needs to be placed on the value social analytics and research can deliver as a complement to other longer-established insight development techniques. We must challenge ourselves to become more experimental if we are to learn what we must to capitalise on the opportunities social media offers.

More equitable brand/consumer relationships mean more opportunities for growth

Achieving brand growth is harder than it's ever been, with consumers presented with more choice, more information and more control than ever. It's a constant battle to keep and re-win the customers a brand has, preventing them from being swayed by a new competitor or a lower priced offer - and on top of that trying to give them reasons to spend more through new products, new distribution channels and new utility.

In this dynamic world, social media adds further complexity, presenting both opportunities and threats for brands and for consumers. It has given brands the chance to build a dialogue with customers, to interact with them on their own terms and in their own environment and also to learn from them. Social media can and does impact all routes that brands take to grow their businesses. For consumers there is more opportunity to express opinion, to shape existing products and services and influence the direction of those yet to be developed. With this rebalancing consumers now enjoy more equitable relationships with their ‘brands of choice’.

Exploring the complementary role of social media

For marcoms, social media provides opportunities to engage and interact with existing customers and prospects. For insight development it’s a direct and often fast route to learn from and about customers and markets. It is this second area of leveraging social media for research that is more nascent at present and so offers some strong opportunity for early-mover competitive advantage amongst those brands with a more forward-looking and experimental mindset. But whether it’s across marcoms or insight development, in a supporting role or a leading one - as a stimulant, a support or a propagator - social media’s value is greater when employed as a complement, rather than a replacement. We are seeing evidence for this time and time again, for growth strategies spanning all stages of the marketing lifecycle. But we must continue to ‘test, learn and refine’ if we are to become more precise in our understanding of the dynamics that shape this complementary relationship.

Many brands are battling with this new paradigm. Some have made significant mistakes by misreading what an appropriate brand presence looks like, using the wrong tone of voice, employing traditional techniques when new thinking is required, or indeed jettisoning hard-earned experience when it could in fact apply equally well in the social arena. However, there is also an increasing number of brands who are getting it brilliantly right; reaching further and deeper than TV could ever have taken them, getting new ideas, driving co-creation and enjoying off-the-scale advocacy from fans.

Entering the fray does expose a brand to risk - reputations can be destroyed overnight and rebuilding after a PR disaster takes years. Negative word of mouth works much harder, much faster, than positive word of mouth, so brands need to defend just as much as they attack through this channel.

Case study #1:

The asymmetric effect of social sentiment

TNS, in conjunction a global FMCG client, Emory University, and sister Kantar company Cymfony, worked on a project to demonstrate how including Social Media in a marketing mix model can improve the accuracy of the model. As part of this work it was found that negative buzz creates a much more significant impact than positive. For the category and brand studied, a 10% increase in the volume of negative buzz resulted in a -1.7% share loss whereas the same increase in positive volume only resulted in a 1.2% increase in share. Beyond this, there is also a 'double-whammy' effect, where negative comment not only has a negative impact on your brand; it also has a positive impact on your competitors. It's essential to recognise this when defining a marketing strategy and developing approaches that will influence both positive and negative online conversations.

Listening to customers and building a picture of what they like and dislike, what their lives are like and their unprompted comments, status updates, photos and product reviews - all made in a trusted environment - can greatly inform market interest assessment and the development of new products and services, if harnessed in the right way. Even when these sources alone do not provide the full picture required, they can help direct us to the type of person we should look to engage through further validation (e.g. qualitative research) and to inform the 'consumer language' to use in this validation work. Going further it can support more active co-creation and deeper brand engagement and sharing. Further value is added when this approach is complemented by bespoke or branded online communities - such as the high profile examples of My Starbucks Idea or Dell's IdeaStorm. At TNS we've seen such success with clients across many categories, from Finance and CPG to Automotive and B2B.

Social media has shown itself to be a valuable communications channel for building loyalty and improving retention and then getting consumers to spend more money with a particular brand. However, the power of social media in this context is dependent not only on listening properly but also on responding appropriately. Location-based services have shown that consumers respond well to brands talking to them at a relevant moment, adding value to busy lives by connecting with them in the right way at the right time. But whilst the current surge of interest in mobile means mobile often comes to mind first at this point, it's important to remember that responding at the relevant moment in the appropriate way can equally mean having the right product, on the right shelf, in the right store.

Case study #2:
An integrated approach to identifying the drivers of brand reputation

In our work with a leading international fast-food restaurant (QSR) chain, TNS established the real reputation drivers for the brand by combining social media listening with online interviews. In this case, the social listening analytics could depict the "top of mind" topics of many target groups relatively well. But it was the analysis of the survey data specific to the target group that enabled the discovery that the brand's reputation was perceived very differently in each of the target groups.

The topic that was discussed most frequently online, "Healthiness of the food offered", was certainly a main driver for the reputation among all target groups studied, but was rated much more positively by heavy users than by non-customers. "Fight against obesity" on the other hand was rated similarly poorly by all groups, although it only played a subordinate role in characterising the reputation among the heavy users.
The study also identified there was important differentiation in the digital lifestyles of each target group. The majority of 'high frequency restaurant visitors' belong to the "Influencers" segment; they consider the Internet as an integral part of their life so are readily accessible via full spectrum of digital channels. Accordingly, a broad-based 'Paid, Owned, & Earned' digital comms strategy is important for this group: from the brand website, online display and search activity, branded social (fan) 'pages' (e.g. on Facebook) to online customer loyalty programmes (through channels such as Twitter). On the other hand the group of non-customers is characterised by the digital lifestyle segment "Functionals". They tend to see the Internet as a necessary means to an end and use it mainly for email communication and banking. To reach and engage this group an offline mix is more appropriate.

In attracting new buyers social media takes the old concept of 'word of mouth' to an unprecedented scale. Not only are customer opinions shared with a wide audience, but new business models such as group buying, move far beyond a recommendation to an immediate call to action from friends. Winning new buyers often means switching them from current competitors. Well validated psychological models of consumer behaviour are in use today that identify potential 'switching targets' - these help measure the strength of the relationship between consumers and brands. At TNS we employ our own approach, known as Conversion Model™. The model identifies those who are the most likely customers to be acquired and derives the relative importance of motivations for the segment. Social media listening can add further depth to how these motivations play out in the words and activities of social media users, which in turn informs the actions and tactics brands can subsequently prioritise and employ (offline and online) to win customers through switching.

The 'Glocal' Dimension

There's one other dimension also worth briefly mentioning – that being the international dimension of social media. For so long many 'media channels' and media brands struggled to reach across multiple regions and markets. Then 'along came social'. With the advent of global social networks & services such as MySpace and then Facebook and blogging platforms like Wordpress and Blogger, there is a tendency to underestimate the complexity of social media's international reach. Whilst some platforms have significant global reach, we are still a long way from complete ubiquity for any single platform with strong local and regional players in many parts of the world. In addition motivations for use and usage behaviours vary considerably at country and regional levels. This has important implications for brands with global presence.

Case study #3:

Don't forget the 'Glocal' dimensions of social media

For example from TNS Digital Life we know that use of social media in Latin America is closely connected to fun and amusement, but more affiliative in the 'developed' APAC markets of Australia, Hong Kong, Japan, Korea & Singapore. For multinational brands with multinational marketing campaigns considerations must therefore still be made for tailoring activation strategies on regional and local market levels; whilst a 'fan page' may be a consistent execution across all markets, the content and tone of voice must be bespoke where clear motivational and attitudinal differences are present.

No matter where or how we look, social media has accelerated the consumer journey and has played a key role in creating more equitable relationships between consumers and brands. It presents a massive opportunity for those brands that understand how it can work as a 'complement' - as a stimulant, support or propagator of other marcoms activities – and of growing importance as a complement to research-led insight development through social media engagement, co-creation and 'listening'. However we must remain conscious of how social media's disruptive nature can be damaging to brands and not allow rapid international growth to mask the need to understand crucial local market nuances. Truly listening to customers, understanding the zeitgeist, recognising whose opinion to listen to, monitoring changing influences, cutting through the noise and figuring out what actually helps customers choose a particular brand… these are the insights that will truly make a difference to the long-term success and continued growth of a brand. As an industry we have made some positive first steps but we must do more to push forward, to challenge ourselves, and to embrace the approach of learning through experimentation.

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KANTAR

End of Part 3