

Social Media – Blessing or curse?

Social media are transforming the world of marketing communications. The intention of this article is to attempt to assess whether this development is a blessing to marketers or will turn out to be a curse.

Internet technologies and practices have been utilised to enable social networking, social interactivity and collaboration. People can share interests, content, insights, experiences, perspectives, opinions and media. The twenty-first century has witnessed an explosion of such internet based messages transmitted through what is collectively defined as social media. The most popular social media platforms include Blogs, Facebook, My Space, Twitter, Linked In, Flickr, Digg and many others too numerous to list.

The growth rate of social media can best be illustrated by the growth of Facebook, which in July 2010 reached 500 million users. Incredibly five months prior to this they had 400 million users. The site's user base has grown by an amazing 25% in less than half a year. The cynics respond by saying 93% of the world's population is not on Facebook but aren't they missing the point? Already social media marketing has become a powerful new weapon in the marketers' communications armoury. Any brand nowadays needs to define a position as to how social media fits into its overall communications policy. This may be easier said than done.

Social media has the power to put a brand in touch with potentially millions of consumers. More marketers are using social media to build stronger relationships with their customers. According to a report from the UK Direct Marketing Association, 71% of organisations cite brand building as the purpose of their social media marketing. Ideally the emergence of social media allows organisations a new way to communicate with their customers. So social media marketing activity usually focuses on creating content that attracts attention, generates online conversations and encourages consumers to share it with others via their social networks. The idea is that such communications have more resonance because they are coming from a more trusted source than the brand or company itself. Additionally social media marketing represents a relatively inexpensive way for companies to undertake marketing campaigns.

It is instructive to look at the brands that seem to be enjoying some success with their social media marketing. Starbucks is the most popular brand on Facebook when ranked by the number of people who “like” a brand (Fans as they are sometimes called). Over 7.5 million like Starbucks on Facebook and the second most popular brand is Coca Cola with 5.7 million “fans”. Others in the Top Ten include Skittles, Oreo, Red Bull and Victoria’s Secret. Some may see a rather North American bias at play here.

More recently Nutella has claimed to be the number one brand on Facebook with more than 20 million fans over all pages. The Nutella case is interesting in that it is a fan page actually started by fans themselves rather than by the brand itself.

Starbucks are considered to have one of the best social media strategies to be found on Facebook, You Tube, Flickr, Twitter and on their own blogging site “My Starbuck’s Idea”. The focus is geared towards building a relationship with customers both to retain and attract them. Brad Nelson, a Product Manager at Starbucks is credited with being the architect behind Starbucks’ seeming mastery of social media. His philosophy is the best way to get a message across in the world of social media is “Let someone else say it”. Nelson explains “If you can find a tweet, photo or blog post that says what you are trying to say then use that instead of writing it yourself. It does a couple of great things. Your readers will see it as an external validator, so they are more likely to respond than they would if it was a bill board at the side of the road. It also makes the original author happy. Everyone wants to see their content get exposure”.

Another example of a brand using social media in a highly effective way is Old Spice. The viral campaign was born out of a conventional television commercial “The Man Your Man Could Smell Like”, aired in the US during the Super Bowl in February of this year. The amusing commercial has garnered 14 million hits on You Tube. The advertising agency Wieden and Kennedy, creators of the campaign for Old Spice, followed up with a truly interactive viral campaign. They collected questions to the Old Spice Man character from various social media platforms which were then answered by video responses posted on YouTube. The videos collectively received just under 6 million views in their first twenty-four hours.

One company who has not fared well with social media is Wal-Mart. This company attempted to control the process by not engaging consumers in an open dialogue but attempting to restrict comments to posting on a wall. Consumers responded to this by invading the wall with numerous negative comments.

Nestle is another company which has had problems with social media. They experienced difficulties on Facebook and started a "Twitstorm" on Twitter. A video attacking Nestle for their continued use of palm oil and allegedly destroying the rain forest has been posted on YouTube. Nestle response asking fans to post only positive comments on their wall has been ignored.

The examples of companies who have been burned by the social media illustrate the double edged nature of social media as a marketing weapon. In his book "The New Influencers" Paul Gillan points out that "conventional marketing wisdom has long held that a dissatisfied customer tells ten people. But that is out of date. In the new age of social media he or she has the tools to tell ten million." He illustrates this with the story of Vincent Ferrari, a blogger who clashed with AOL and then posted his experiences in audio file which went "viral", picked up by other websites and bloggers and eventually being taken up by mainstream media. This is a classic case of how a small number of people can whip others into a frenzy. The somewhat unpalatable reality for marketers is that the content, timing and frequency of social media conversations between consumers are beyond their direct control. Big brands are used to controlling their own imagery and messaging. For some the fact they can no longer do this takes some getting use to.

There are some dissenting voices to be heard. A report in 2009 from Knowledge Networks argues that although social media are having a profound influence on the way people connect with each other; it is not a very meaningful way for people to connect with brands or advertising campaigns. The study found that less than 5% of social media users regularly turn to these social networks for "guidance on purchase decisions" in any one of nine product/or service categories, and that only 16% of social media users say they are more likely to buy from companies that advertise on social media sites. As a result of these findings Knowledge Networks categorise the value of social media advertising as

“somewhere in the long tail of marketing options behind television advertising and personal word of mouth recommendations.

It has been pointed out by advocates of social media that what Knowledge Networks are defining as marketing activity is classic advertising statements in conventional media. This is not they maintain what social media marketing is about. In relation to word of mouth as powerful factor within marketing, some including the author of this article would see social media as a new variation of that means of communication multiplied by the power of the internet.

There is clear evidence that the effective use of social media as a marketing activity does produce results. There are also examples of brands being burned by poorly judged attempts to exploit social media. We are in the early days of seeking to understand the marketing ramifications of social media. What is certain is that things will never be the same again. A new way of thinking about marketing is needed to ensure that social media are viewed as a blessing rather than a curse.