Editor's Letter

What Do We Know About Social Media?

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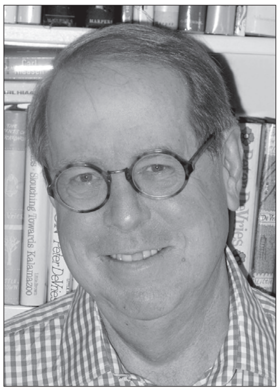

When the Advertising Research Foundation (ARF) gathers for its annual Re:Think 2014 conference later this month, three days of presentations and discussions will share the assembly's theme line: "Inspiring Intelligent Growth."

As the newest—and least understood—element of the marketing ecosystem, social media is certain to be a critical part of those conversations. And, to keep the state of information as current as we can, we trust that our special section—"Tracking the Power of Social Media"—will serve as a jump-starter package for the eclectic intellectual curiosity of the Re:Think 2014 delegates.

In fact, the seeds of "The Power of Social Television: Can Social Media Build Viewer Engagement?—A New Approach to Brain Imaging of Viewer Immersion" (please see page 71) were sown at another ARF gathering: the 2013 Audience Measurement Conference, where authors Peter Pynta and Geoffrey E. Nield (Neuro-Insight Pty Ltd, Melborne, Australia), James Hier (MEC Australia), Emelia Millward (Seven Network), and Richard B. Silberstein and Shaun A. S. Seixas (Neuro-Insight Pty Ltd. and Swinburne University of Technology, Melbourne) first brought their initial findings to a public audience.

Their starting point is a familiar one: "Although television traditionally has been a mainstay of home entertainment, the more recent shift in media consumption—coupled with the rise in the availability of Internet-enabled devices—has meant that time spent in front of the television now is shared with smartphones, tablets, and laptops."

But from that point, the paper takes a turn in a new direction: "One question that has not been answered clearly is the level of interactivity between the two screens. Specifically, is the second screen a distraction to the first screen? Or does it prove to be a complementary influence?"

To search out answers to both queries, the authors used a neuroscience-based methodology to "continuously track cognitive states throughout the entire testing session in real time, thereby capturing any changes that could have occurred during the interaction with the second screen" and "captured these data during a live broadcast and under natural user-driven conditions."

Their findings: Increased levels of engagement correlate with increased commercial effectiveness. More specifically, "sponsors who make greater use of verbally and visually branded integration [may] benefit from the higher engagement and long-term memory encoding…. Rather than being simplistically viewed as a distraction, this interaction can be a powerful, complementary mechanism to galvanize viewer engagement in broadcast television."

"Money Talks ... to Online Opinion Leaders: What Motivates Opinion Leaders to Make Social-Network Referrals?" (please see page 81), zeroes in on the digital ecosystem and drills down on some of the dynamics of interactive engagement. Mengze Shi (University of Toronto's Rotman School of Management) and independent marketing consultant Andrea C. Wojnicki examine the drivers behind online referrals. And they set out to find what drives people—particularly influential people—to tout a particular product or service.

Without impugning anyone's ethics, the authors discover that simple greed is a powerful motivator in 21st-century digital commerce, just as it has been in every other kind of commerce for decades: "Results indicated that the participants generally were not inspired to refer the Web site to their social networks based on intrinsic motivations. When offered more tangible, extrinsic rewards, however, referral rates were substantially higher."

Thus, they conclude, "money talks." Notably, they add, "The effect of an extrinsic reward was significantly stronger among opinion leaders."

Astonishingly, Shi and Wojnicki write, people of influence often are forgiven for selling their digital souls, but ordinary folks do not share the

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same kind of courtesy: "Positive reputations—or 'social capital'—can shield opinion leaders from potential reputation loss when their social-network referrals occasionally are rewarded with tangible, extrinsic incentives."

"By contrast, when non–opinion leaders' referrals are associated with extrinsic rewards, these consumers may be perceived as purely selfish and therefore suffer a loss of social capital. Consequently, as demonstrated by the theoretical analysis, extrinsic rewards may stimulate more referrals from opinion leaders versus non–opinion leaders."

Elaine Wallace (National University of Ireland Galway's J. E. Cairnes School of Business and Economics), Isabel Buil (University of Zaragoza, Spain), Leslie de Chernatony (Aston Business School, Birmingham, UK), and Michael Hogan (National University of Ireland Galway's School of Psychology) tap into the marketing mindset with the observation that many marketers are "obsessed" with determining the real value of a Facebook Fan. But, as the authors observe in "Who 'Likes' You ... and Why? A Typology of Facebook Fans" (please see page 92), although there exists a multitude of blogs, Web sites and articles offering advice about increasing the number of "Likes" on Facebook, few, if any, offer insights about *why* consumers might become Fans of brands.

The problem, they offer, is that there may not be one universal kind of Fandom—that varying degrees of brand loyalty, brand love, word of mouth (WOM), and use of self-expressive brands actually means that there are at least four types of Facebook Fans, each of which offers a different kind of brand acknowledgment and engagement:

- "Fan"-atics: "Highly engaged on Facebook and offline."
- Utilitarians: "Like brands to gain incentives, but have no real brand connection."
- Self-Expressives: "Like brands to make an impression on others."
- Authentics: "Unconcerned with image, their Likes are genuine."

The lesson for those "obsessive" managers: Don't read too much into a Like—"The findings of the current study add weight to the idea that there is a disconnection between Likes and brand consumption and also offer a perspective in relation to why Fans may Like, yet not buy."

Our special section on social media ends where it began, with insights from the ARF. In "Lessons Learned from 197 Metrics, 150 Studies, and 12 Essays: A Field Guide to Digital Metrics" (please see page 110), Stephen D. Rappaport previews his new book, *The Digital Metrics Field Guide—The Definitive Reference for Brands Using the Web, Social Media, Mobile Media, or Email*.

In this excerpt, Rappaport, an ARF subject matter expert, begins with six fundamental lessons from his extensive exploration…

- "Don't bite the apple of vanity metrics";
- "Impose a framework on measurement";
- "Optimize to brand objectives, not platform metrics";
- "Let metrics be the actors that tell a brand's story";
- "Give your metrics 'characters' a 'personality'";
- "Embrace measurement's paradigm shift";

… and follows up those insights with insights from Megan Clarken (EVP/global product leadership, Nielsen), Max Kilger (chief behavioral scientist, Experian Consumer Insights), Florian Kahlert, managing director/digital market intelligence, GfK) and Gian Fulgoni (co-founder/executive chairman, comScore, Inc.)—thought leaders who live, think, and prosper at the most advanced edges of the digital-marketing ecosystem.

I trust you'll find the full set of social-media papers—and the balance of the current issue—as solid footing (not to mention inspiration) for both the ARF Re:Think conference and the kinds of daily workplace discussions that constantly advance the art and science of marketing research. And, as always, we welcome your feedback.