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customer insights center

Online branding

Brand measurement using social media

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Management summary

Conclusions & recommendations





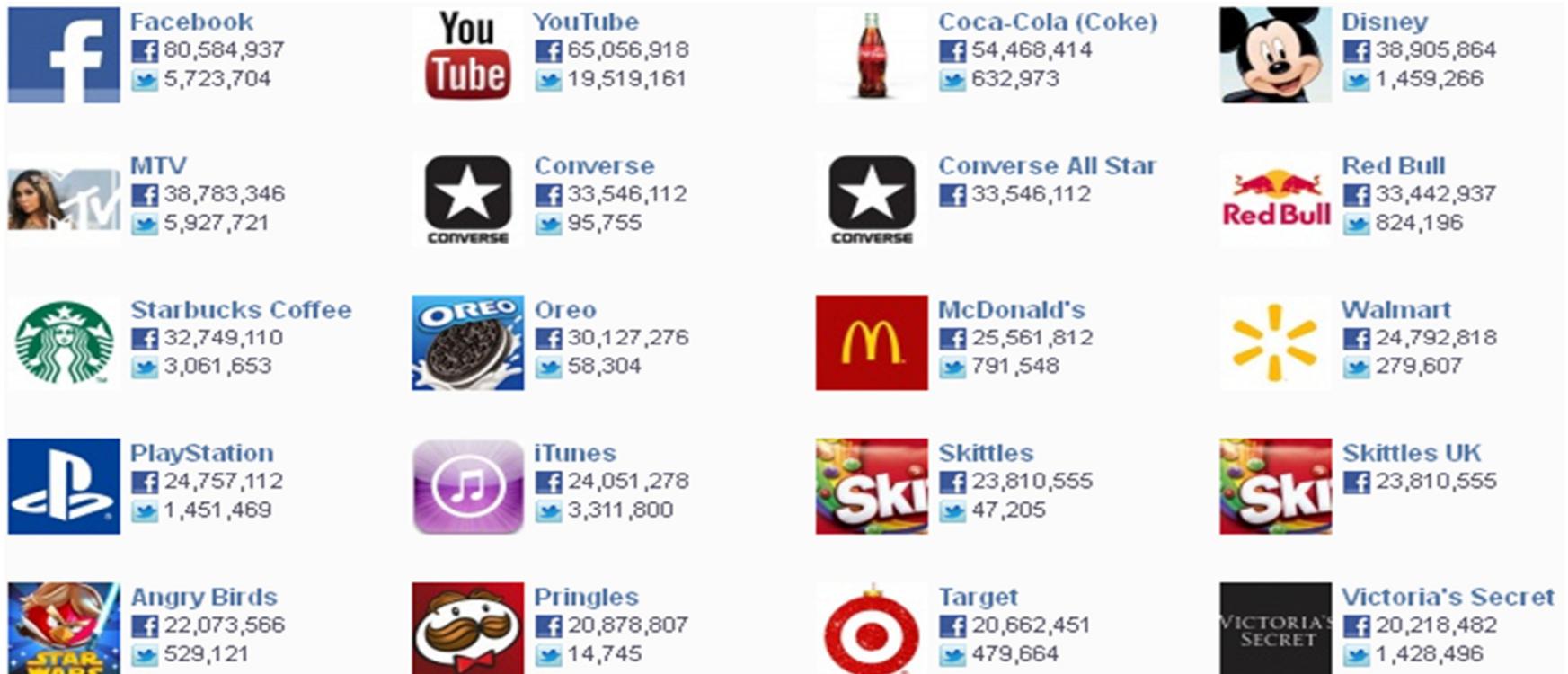
Because world wide more than 500.000.000 people follow one or more brands on social media...



- > Internet use is growing exponentially and social media is the main activity for more than one billion people.
- > Over 50% of the social media users follow one or more brands online, because they want to:
 - ...receive the news,
 - ...have a chance to win prizes,
 - ...not miss out on special offers.



... online customer-brand interactions become increasingly popular among (potential) customers





For companies one target group is most important: brand fans!

- › Because after customers became brand fans...
 - ... they visit the brand shop more often,
 - ... they disseminate more positive information,
 - ... they spend more money on the brand,
compared to customers who did not become brand fans.

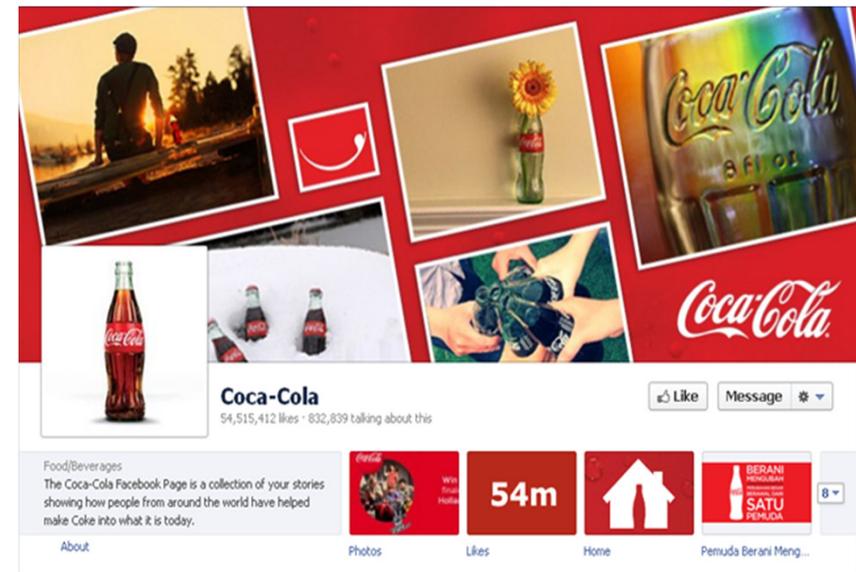
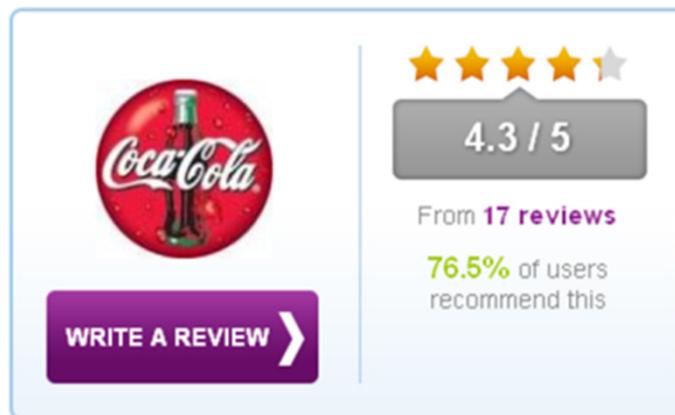
- › On social media brand fans turn out to be enthusiastic, loyal and brand-oriented.





However, these gigantic numbers of online posts are hardly measurable and controllable for companies

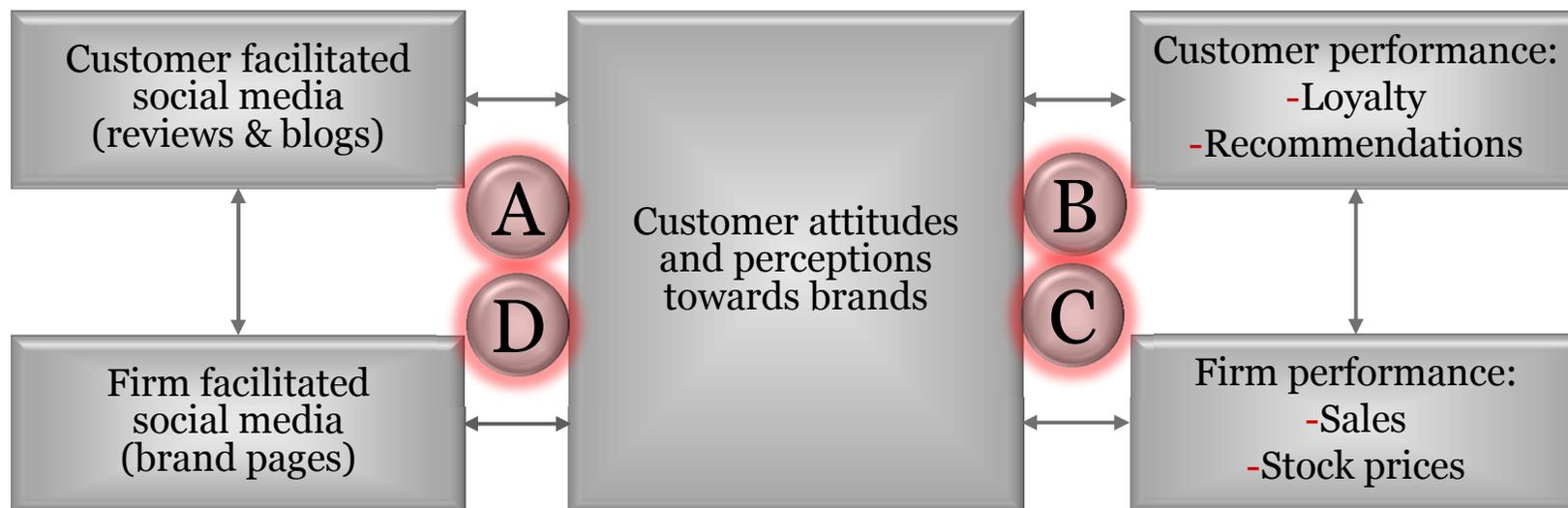
- › ... even though they do influence your brand and related reputation!



- › Bottom line: how can companies measure and/or coordinate crucial customer-brand interactions (as far as this is possible and desirable)?



How can we measure and/or coordinate the effects of online customer-brand interactions?



Of course more relations than shown above are possible, because every model consists of a simplification of the reality. Each factor is measurable with support of (online) customer data. Capital letters in circles roughly correspond to the questions that will be answered next.



Together these four questions create a comprehensive picture

- a. Why do customers interact with brands on social media?
- b. How to measure useful information from online customer-brand interactions?
- c. What is the influence of customer-brand interactions on firm performance?
- d. How can marketing managers utilize social media brand pages?



Customer-brand interactions on social media arise from customers' and companies' motives...

Customer facilitated
 social media
 (reviews & blogs)

Customer-brand interactions that arise without a company's facilitation, for example online reviews, blogs and forum discussions.

Firm facilitated
 social media
 (brand pages)

Customer-brand interactions that arise from firm initiatives, such as the social media brand page. Customers interact with the firm by clicking on 'like' or posting a comment.



...and they range from passive to (very) active

	Passive (consuming)	Active (contributing)	Very active (creating)
Customer facilitated social media (reviews & blogs)	Using brand related content from customers, for example reading reviews.	Collaborating with others, for example commenting on other people's reviews.	Creating content about the brand, for example by publishing a brand blog online.
Firm facilitated social media (brand pages)	Using brand related content from companies, for example watching a video of the brand.	Collaborating with companies, for example becoming a member of the social media brand page.	Creating content on company request, for example writing a review about a brand.



Measurements show insights in the brand image, as well as different effects on loyalty, recommendation

- › Statistical data from web crawlers that ‘read’ large numbers of online product reviews, offer interesting insights into the brand image.
- › It is useful to monitor brand image in order to observe changes in brand associations, and to respond to changes with campaigns that (re)position the brand.





Managers can influence customer interactions with their brand pages on social media

1. Ask questions
2. Organise contests
3. Add videos
4. And place them at the top of your page.

Nota bene: with regards to the comments that customers will provide, it is important to not delete negative comments to allow brand fans to positively influence each other. Namely, the positive and negative comments lead to more discussion.



Branding online: interact with your fans!





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Why do customers interact with brands on social media?

