

How Consumers Interact with Brands On Social Networks

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Consumers do want relationships

The social networking audience in the US has reached critical mass. eMarketer estimates that 57.5% of all US Internet users, or 127 million people, will use a social network at least once a month in 2010.

By 2014, nearly two-thirds of Internet users will be on board.

Marketers have been chasing this audience for several years, but the question remains: Do consumers notice, or care?

“Those who still think that social network users are too busy engaging with friends to notice marketers must change their viewpoint,” said Debra Aho Williamson, eMarketer senior analyst and author of the new report “Brand Interactions on Social Networks.” “Brand interactions are real, valuable and growing.”

According to a February 2010 survey by Chadwick Martin Bailey, a market research firm, 33% of Facebook users have become fans of brands on the network.

Another survey, by Edison Research, found that 16% of social network users had friended brands there. And half (51%) had done so on Twitter.

Coupons remain a leading driver of brand interactions in social networks. Learning about sales and new products is also a strong motivator for people to interact with companies in social media.

Beyond the tangibles, such as coupons, consumers do gain positive feelings about a brand as a result of their interactions.

Still, social networks are not seen as primary research sources when consumers are looking to buy.

Although people are very inclined to take advice from friends and family about products they are interested in, they are not nearly as likely to seek out their social network friends when they are researching online.

According to a study by PowerReviews and the e-tailing group, only 3% of online buyers said they sought recommendations from social network friends first, compared with 57% who started with search engines.

“More than half of all Internet users now use social networks, and the percentage of social network users who talk about companies, either in organic conversations or on branded company pages, is growing,” said Ms. Williamson. “Consumers do pay attention and they do value positive interactions with companies.”

“But while people trust their friends for advice and use social networks as part of their research process, social networks are long way from replacing search, if they ever will, as a source of information leading to a purchase.”

The full report, “Brand Interactions on Social Networks,” also answers these key questions:

- * How are consumers using social networks to share information about the brands they like?
- * Are consumers doing product research on social networks?
- * Why do people interact with or “like” brands on social networks?
- * Are social network users aware of how their personal information is used for marketing? Do they care?

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