THE SCIENCE

OF SHARING

THE UK SOCIAL CONSUMER

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THE RECOMMENDATION AGENCY

Introduction

Note for the UK Edition of this White Paper: this study shows data from the UK portion of a US and UK research project we recently completed. In addition, it incorporates additional data on the motivations that people have to share, which is based on a UK-only study.

As consumer media habits have shifted dramatically towards social platforms, companies and brands have both necessarily and willingly followed, setting up presences on social platforms such as Facebook and Twitter to reach and interact with their audiences. In a time when the traditional media market is overwhelmingly fragmented, brands are revelling in the opportunity to reach consumers in a space where they are already readily spending a significant amount of their personal time. While brands have come to recognise the importance of interacting with their fan and potential fan bases in the social space, the question remains for many: how should social media fit into their larger strategic marketing mix? This challenge means that companies are often focused on getting a maximum number of fans or followers without understanding how those fans will impact their bottom line. What does it mean when a person likes or follows a brand? Does it actually lead to outcomes that drive revenue? Social media as an entity is not the answer for a brand's success; rather, it's a new frontier within which marketers must study how to properly communicate with their audience. The proper approach to social is one of influence and recommendation, not number accumulation.

Measuring the ROI of social media has been a challenge for researchers due to the often indirect link that exists between social media engagement and outcomes such as purchasing behaviour, loyalty and recommendations. The "Science of Sharing" series of research studies were designed to understand consumers' online interaction with brands through several channels, including so- cial media, and to illuminate the types of action consumers take after interacting with the brand through said channels. In addition, the research aims to understand the modern version of the sales funnel: how do consumers move to the stage of awareness? What is the consumer's active evaluation process when making purchase decisions? Next, the research aims to understand what happens after the purchase: how do people share their experiences with the product?; do they recommend the brand?; do they bond with it, thereby creating a self-reinforcing loyalty loop?

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Executive Summary

We are increasingly seeing the world through a social filter. Not long ago, people relied on friends or the news cycle to inform them of new ideas and products. Today, information is constant and streamed via a variety of platforms by a plethora of sources including media and personal acquaintances. This shift states that today's consumer's path to discovery is curated by his or her social graph rather than solely by a media buyer or confidant.

Our research shows that all digital channels (owned, earned and paid) play a role in the path to purchase. Recommendations and sharing also play a critical part in the discovery and the creation of bonds between customers and brand. The degree to which someone has a propensity to share is an important factor in determining his or her role in other people's path to purchase. Those deemed as High Sharers are particularly valuable to marketers in acting as advocates and amplifiers of a brand's message. High Sharers tend to be brand loyal and share content about a brand more often (almost 3x in both the US and the UK) in the form of a recommendation. That recommendation, in turn, leads to more purchases because of the additional exposure the recommendation gets within the receiver's and the sharer's digital social circles. Some brands have already started to shift significant marketing budget in response. The big ad spender Visa's CMO Antonio Lucio recently stated at an ad:tech conference that "recommendations are the new advertising," explaining Visa's move from about 11% - 12% of its media investment in digital to 36%.

Our study unveiled that product categories involve different decision paths depending on the type of product (high and low involvement) and the type of consumer (high and low sharer). To maximise one's impact across multiple channels, it is imperative for brands to understand the path that their customers are most likely to take, before designing a social strategy. In the chart below, the types of online channels reflect a different level of influence depending on the product type involved. For example, when researching a high involvement product like a car, consumers are more likely to be influenced by review sites, search and the brand's own site. Becoming aware of the path your consumer will take to make a decision when researching online will greatly influence a positive ROI.

Our research also reveals that people's motivations to share content spans a range of reasons. The most frequently cited reason (39%) is the desire to be helpful, while the second highest (26%) is selectively sharing relevant content to a specific friend. There are in fact seven different groups of sharer in the UK, each with their own primary motivation for passing on content. By understanding both the path that consumers take, as well as the content that they respond to, a brand can fashion a channel and content strategy tailored to maximise sharing and recommendation behaviour.
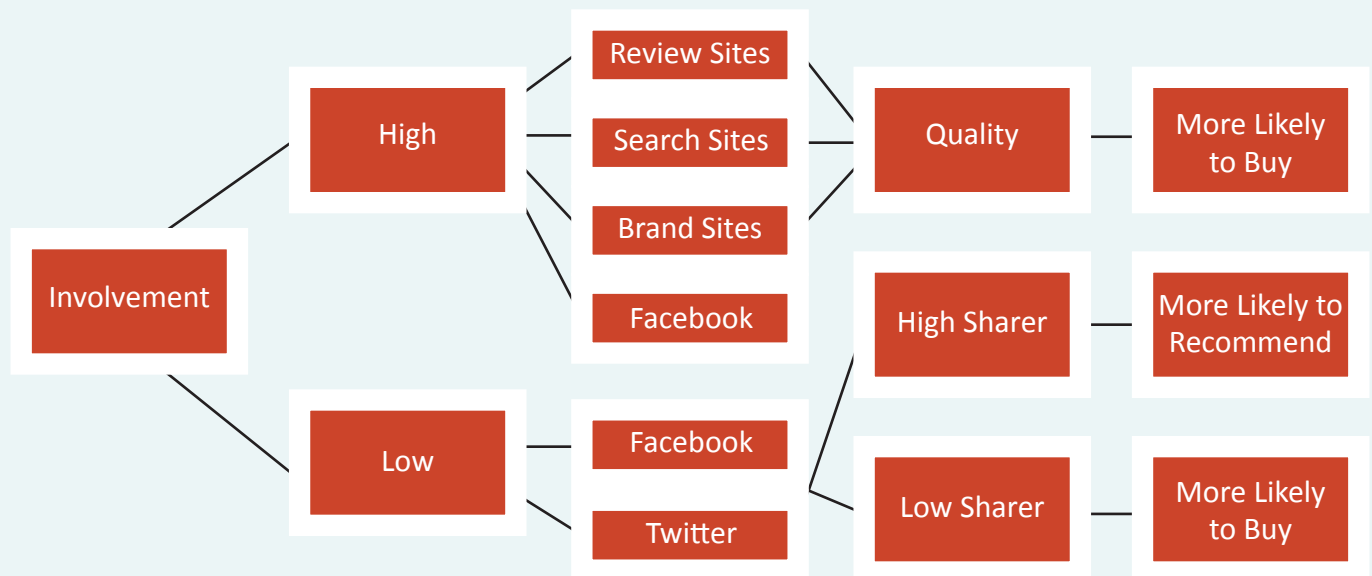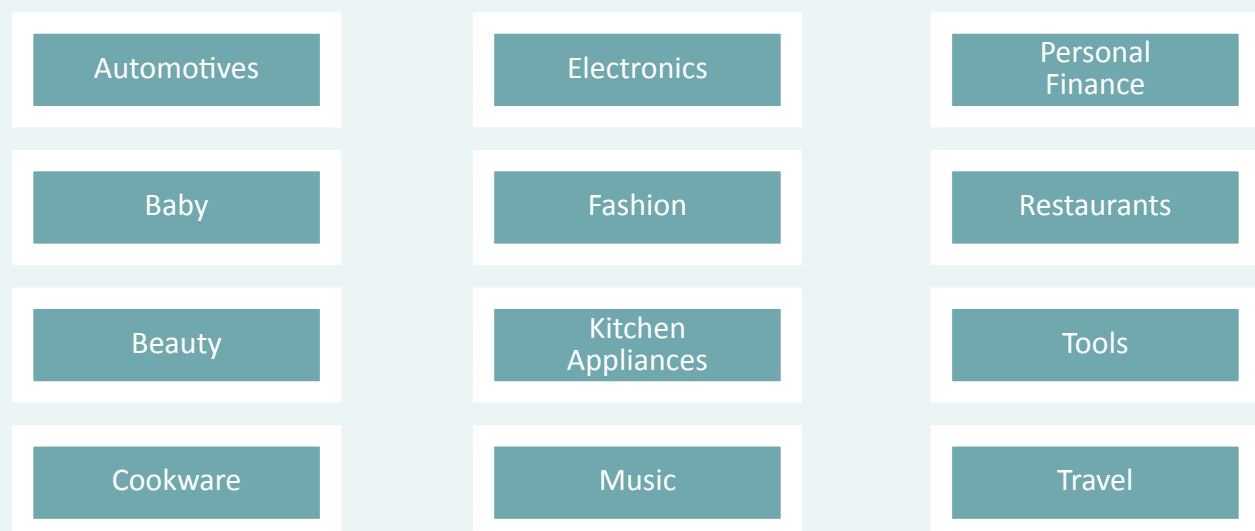
Methodology

In order to better understand consumer online behaviour, Beyond and Lexis developed two surveys for the UK: one focused on the types of products people have most recently researched or interacted with online (specifically in the three months prior to their interview), and a follow-up that focused on the motivations for sharing content. (The second survey was only done in the UK, while the first survey was done in the US and UK). Beyond and Lexis fielded the survey to 1,583 respondents in the US as well as 1,503 participants in the UK. The samples were weighted to Census benchmarks to ensure they were representative of their respective countries and then combined for the purpose of the overall analysis.

The survey questions focused on 12 categories of products and looked at the types of channels used to research those products, the type of content people shared with regards to the product, the types of actions people took after researching the product, and the amount of influence each channel had on both consumers' actions and their perceptions of the product.
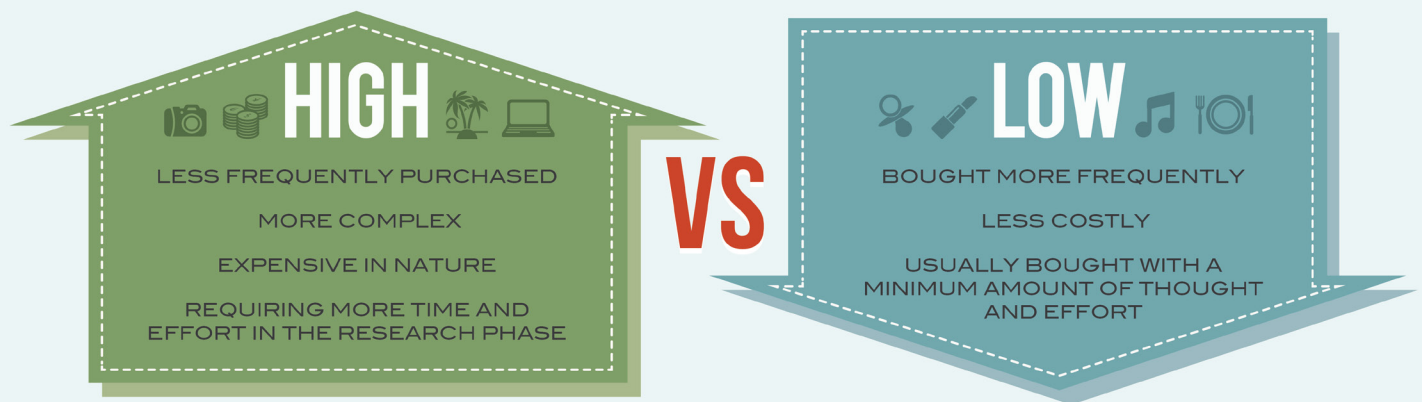
Beyond and Lexis used a variety of statistical techniques to analyse the data; mean differences were analyzed via ANOVA and categorical analyses were performed via logistic regressions and chi squares.

Automotives	Electronics	Personal Finance
Baby	Fashion	Restaurants
Beauty	Kitchen Appliances	Tools
Cookware	Music	Travel

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Characteristics of the Product:
High vs. Low Involvement

Previous research has looked extensively at how consumer behaviour varies for different product and service categories, and one key notion centres around the amount of involvement that consumers have with a category or a brand. High Involvement products are products that involve more risk. They are often are more costly, less frequently purchased and necessitate more time and effort in the research phase. Conversely, Low Involvement products are typically more of an impulse purchase, or a purchase done out of habit, and are generally less costly involving minimal research and deliberation.

Our study found that the way people use online channels depends on the type of product he or she is researching. Consumers tend to rely more on channels such as search, review sites and product websites when researching high involvement products such as kitchen appliances and automobiles. We hypothesise that this behaviour is connected to the fact that the aforementioned channels tend to be more information heavy than social networks. Consumers utilise those channels for high involvement products because the quality of the product is a key factor in their path to decision. The consumer looking to purchase a high involvement product spends more resources (time and money). Hence, he or she needs to be certain that the product meets his or her expectations of reliability.
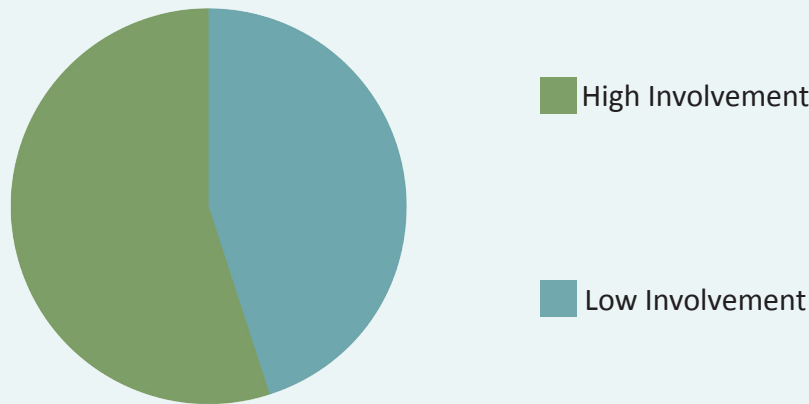
HIGH
LESS FREQUENTLY PURCHASED

MORE COMPLEX

EXPENSIVE IN NATURE

REQUIRING MORE TIME AND
EFFORT IN THE RESEARCH PHASE

VS

LOW
BOUGHT MORE FREQUENTLY

LESS COSTLY

USUALLY BOUGHT WITH A
MINIMUM AMOUNT OF THOUGHT
AND EFFORT

[1] Laurent and Kapferer 1985, Ray 1982, Rothschild 1979, Vaughn 1980

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> ## 55% of participants concerned with quality researched High Involvement Products compared to 45% who researched Low Involvement Products


High Involvement

Low Involvement

While information-rich sites are more influential for those consumers researching High Involvement products, consumers found social media to be more influential for Low Involvement products such as fashion, beauty and music (see chart below). According to the data, heavy users of social media sites are more likely to be concerned about the product's modern image.

> ## Facebook Influence was Significantly (p<.05) Higher for People Who Researched Low Involvement Products
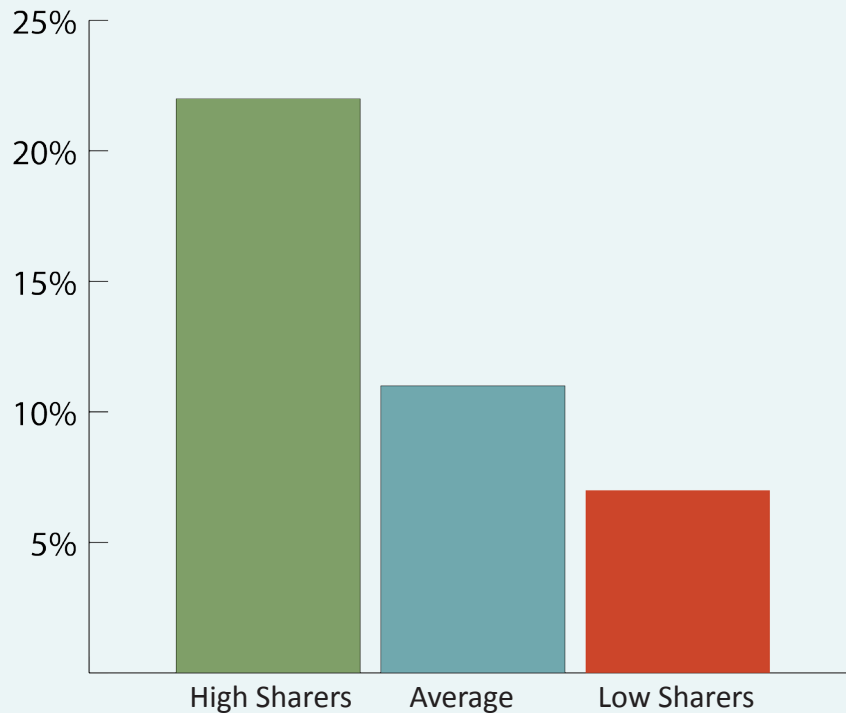

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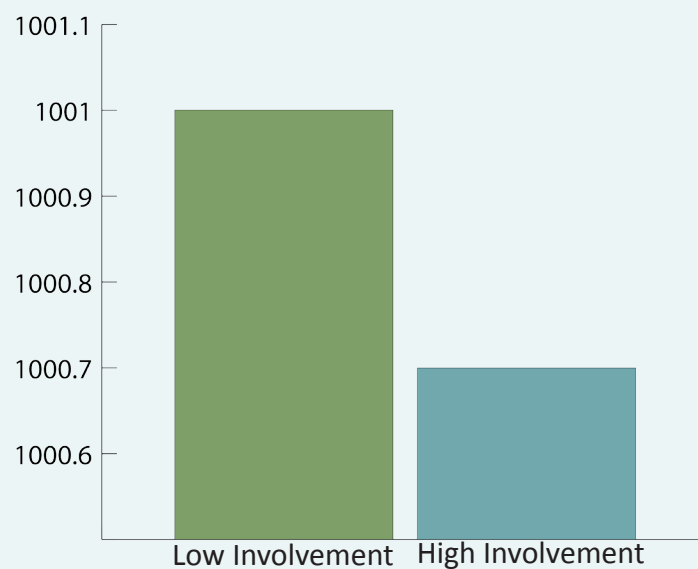
High Sharers are Twice as Likely to Purchase a Product Because of its Modern Image
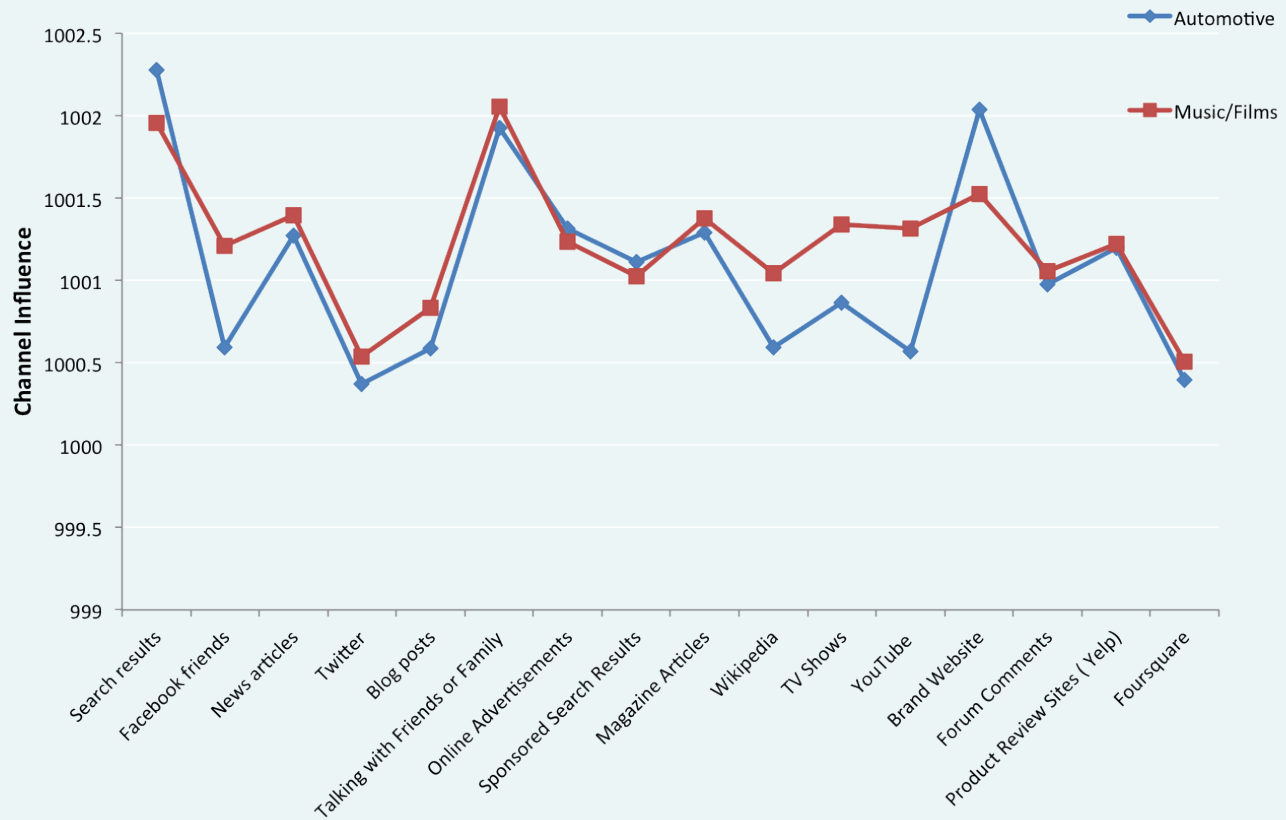

When a consumer turns to search, brand websites and review sites, purchase intent is more likely to be present. Conversely, when consumers use social networks, he or she is not acting with the intent to purchase; rather, he or she is seeking entertainment, information or social interaction. Consumers might be just as likely to be exposed to High Involvement brands as they are to Low Involvement brands online, but they are more likely to skip the research-intensive step when purchasing the latter.

For example, people who researched automotive products were most influenced by search, the brand website and talking to friends and family (word of mouth). Conversely, people who researched music online were more influenced by YouTube, his or her Facebook friends and TV shows. The mean differences were tested via ANOVA.

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Channel Influence Chart Comparing Auto to Music

Automotive
Music/Films

Channel Influence

1002.5
1002
1001.5
1001
1000.5
1000
999.5
999

Search results, Facebook friends, News articles, Twitter, Blog posts, Talking with Friends or Family, Online Advertisements, Sponsored Search Results, Magazine Articles, Wikipedia, TV Shows, YouTube, Brand Website, Forum Comments, Product Review Sites (Yelp), Foursquare
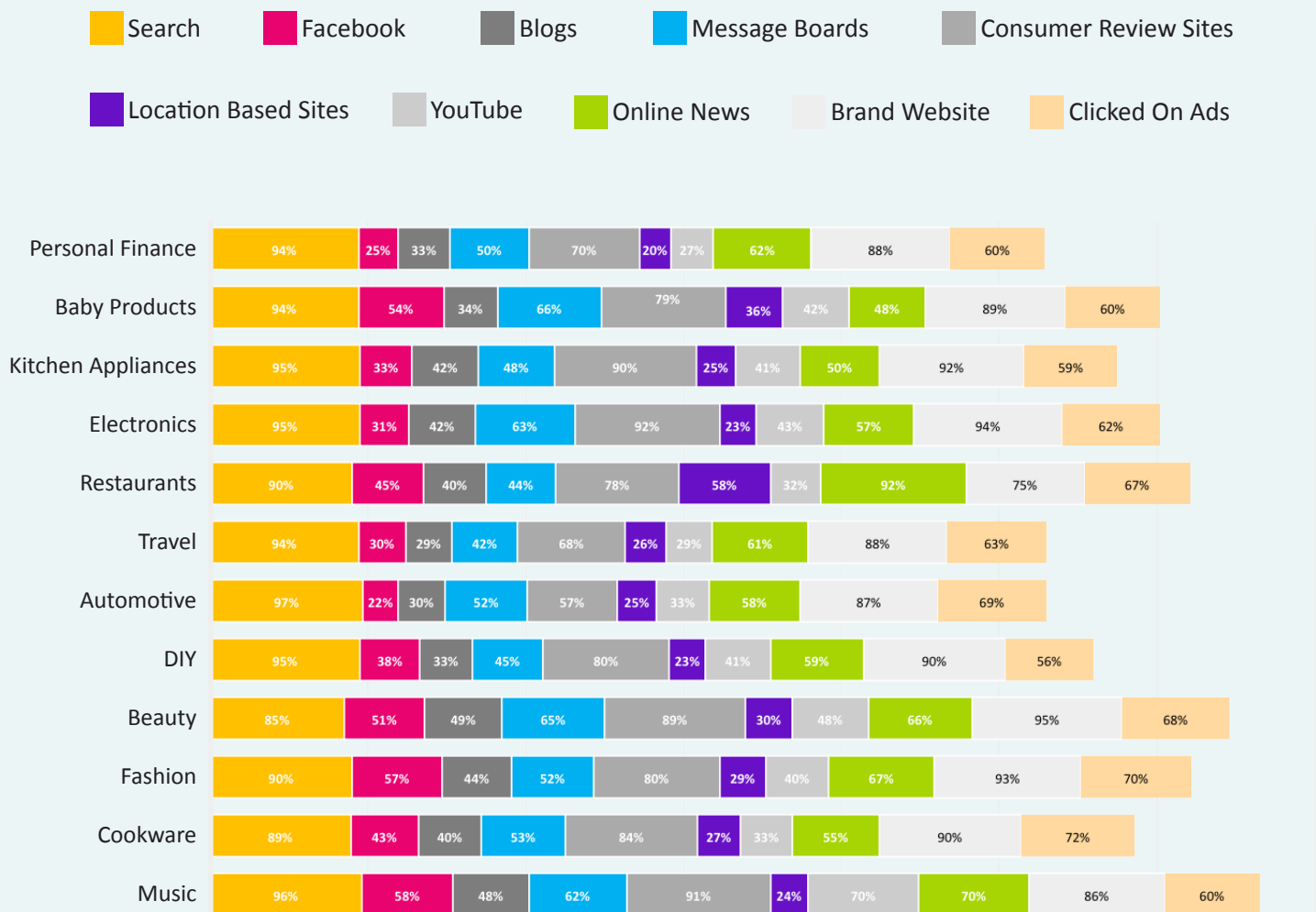
Influential Online Channels

TOP 5

SEARCH RESULTS
TALKING TO FRIENDS
PRODUCT WEBSITES
REVIEW SITES
MAGAZINE ARTICLES

BOTTOM 5

TWITTER
FOURSQUARE
WIKIPEDIA
BLOG POSTS
FACEBOOK COMMENTS

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In addition to the changes in the amount of influence each channel has on a person looking for a particular product, people also use channels to varying degrees based on the products they are researching. The chart below shows the penetration of use for each channel, segmented by all of the products that the study asked about. This usage information shows that people utilise specific channels to a greater degree when it comes to certain products. For example, people who are researching kitchen appliances, music, and electronics are more likely to visit review sites compared with other product categories.

Penetration of Channel Use by Product

Legend: Search · Facebook · Blogs · Message Boards · Consumer Review Sites · Location Based Sites · YouTube · Online News · Brand Website · Clicked On Ads

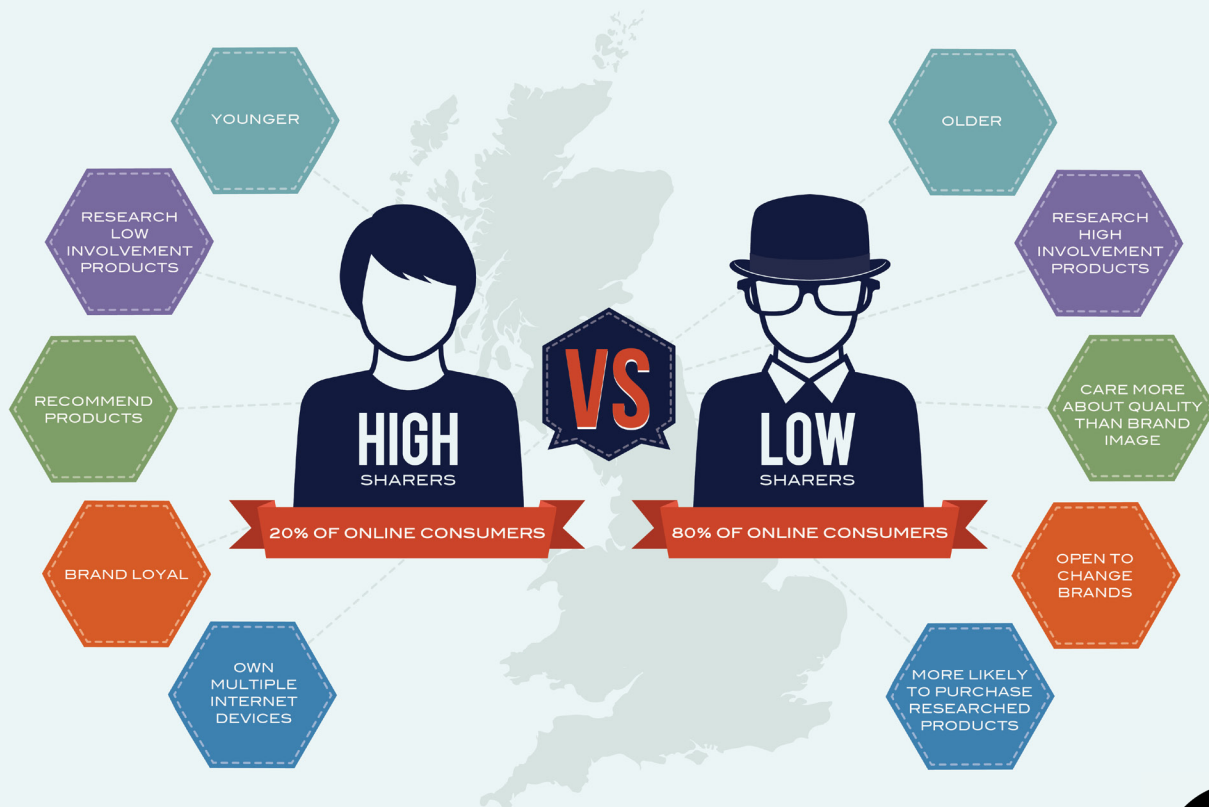| Product	Search	Facebook	Blogs	Message Boards	Consumer Review Sites	Location Based Sites	YouTube	Online News	Brand Website	Clicked On Ads
Personal Finance	94%	25%	33%	50%	70%	20%	27%	62%	88%	60%
Baby Products	94%	54%	34%	66%	79%	36%	42%	48%	89%	60%
Kitchen Appliances	95%	33%	42%	48%	90%	25%	41%	50%	92%	59%
Electronics	95%	31%	42%	63%	92%	23%	43%	57%	94%	62%
Restaurants	90%	45%	40%	44%	78%	58%	32%	92%	75%	67%
Travel	94%	30%	29%	42%	68%	26%	29%	61%	88%	63%
Automotive	97%	22%	30%	52%	57%	25%	33%	58%	87%	69%
DIY	95%	38%	33%	45%	80%	23%	41%	59%	90%	56%
Beauty	85%	51%	49%	65%	89%	30%	48%	66%	95%	68%
Fashion	90%	57%	44%	52%	80%	29%	40%	67%	93%	70%
Cookware	89%	43%	40%	53%	84%	27%	33%	55%	90%	72%
Music	96%	58%	48%	62%	91%	24%	70%	70%	86%	60%

Introducing the Social Consumer: Characteristic of the Person

Our data shows that 40% of UK consumers (versus 53% of US respondents) have used Facebook to interact with a brand and 17% of people use Facebook to get information about a brand on a weekly basis. 30% of people have written a Facebook post about a product. 47% of people stated that they have written a product review on a site (versus 42% in the US), and 9% of people write product reviews on a regular basis (versus 8% in the US).

Because of the growth of social media as a platform for consumer reviews and recommendations, consumers have an increasing amount of influence on the way a brand is perceived by others. People are no longer passive consumers of advertisements and marketing campaigns. Instead, they are now creating content that has the potential to influence others through non-traditional media sources such as review and social media sites.

UK HIGH SHARERS ARE 3X MORE LIKELY TO RECOMMEND A PRODUCT

YOUNGER

OLDER

RESEARCH LOW INVOLVEMENT PRODUCTS

RESEARCH HIGH INVOLVEMENT PRODUCTS

RECOMMEND PRODUCTS

CARE MORE ABOUT QUALITY THAN BRAND IMAGE

HIGH SHARERS

VS

LOW SHARERS

20% OF ONLINE CONSUMERS

80% OF ONLINE CONSUMERS

BRAND LOYAL

OPEN TO CHANGE BRANDS

OWN MULTIPLE INTERNET DEVICES

MORE LIKELY TO PURCHASE RESEARCHED PRODUCTS

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Sharing Behavior

Online behaviour, as with most other types of consumer behaviour, can't be explained by a single variable. While the category of the product that a person researches is an important factor in determining the the type of channels the person is likely to utilise, an equally important determinant of that process is the characteristics of the person.

Beyond and Lexis used a cluster analysis to find common characteristics between people who interact with products in similar ways. The results revealed two distinct categories of people who exist when it comes to consuming and creating content within social media platforms. People who create content (by posting videos, links, write posts about the brand, like or follow brands) are called High Sharers. Their social interactions are converse to Low Sharers, people who infrequently use social channels and seldom post original content. High Sharers utilise social media channels to a greater degree than low sharers leading each type of consumer to different outcomes.

Distribution of Social Media Users

High Sharer

Low Sharer
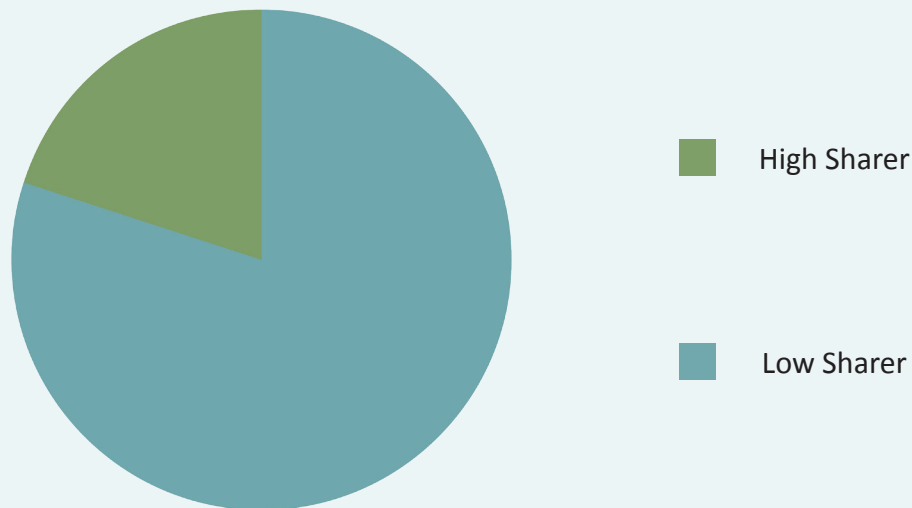
The Seven Types of Sharers

We were inspired by research from the New York Times on motivations to share (The Psychology of Sharing, 2011), and wanted to understand to what extent different motivations played a part in sharing behaviour amongst UK consumers, as well as to understand which social channels the "personalities" tend to prefer.

As the charts show, "Altruists" were the most common, and these are people who want to share because they want to help or provide information they think could be useful for others. The second largest group is more selective in their sharing behaviour, choosing specific content selected with an individual in mind. Surprisingly few identified work ambitions as the key motivator.

THE 7 TYPES OF SOCIAL SHARER

ALTRUISTS	SELECTIVES	PASSIONATES	CONNECTORS	TRENDSPOTTERS	PROVOCATEURS	CAREERISTS
share because they want to help	share because it's relevant to a friend	share because they share a passion with someone else	share to inspire socializing with friends	share because it shows others they are on top of what's new	share because they want a reaction	share because it helps them in business
39.6%	26.1%	16.7%	7.9%	5.6%	2.6%	2.5%
of the UK's social sharers	of the UK's social sharers	of the UK's social sharers	of the UK's social sharers	of the UK's social sharers	of the UK's social sharers	of the UK's social sharers

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In the next chart, we show that the social channels used by the different "personalities" can vary in terms of preference. This shows which channels "over-indexed" for various user types, i.e., relative to the other people, they were more likely to use these channels. It doesn't mean that they did not use the other channels, but did show a higher propensity than others.

WHERE THEY SHARE

	ALTRUISTS	SELECTIVES	PASSIONATES	CONNECTORS	TRENDSPOTTERS	PROVOCATEURS	CAREERISTS
YOUTUBE					▶	▶	▶
WORDPRESS/ BLOGGER						Ⓦ Ⓑ	
TWITTER				🐦	🐦	🐦	🐦
LINKEDIN				in	in	in	in
FOURSQUARE					✓	✓	
FLICKR				••	••	••	••
FACEBOOK	f		f	f	f		f
EMAIL	✉	✉					
DELICIOUS					▪	▪	
CUSTOMER REVIEW			💬				

It is interesting to note that the recommendations of certain sharing types were more influential in generating purchase of certain product types. For example "Trendspotters" were more influential in the purchase of fashion accessories, electronics and baby products than others.

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Characteristics of the Person:
Shopping Approaches

While demographics partially describe one's consumer, psychographics also play a vital role in properly addressing one's audience. Our research found three different types of shoppers: budget shoppers, quality seekers and fashion seekers.

Budget Shoppers

This type of shopper is more likely to use channels such as search, and is more likely to take no action after researching a product. He or she often waits for the right price before making a purchase. The participants who identified themselves as budget shoppers were less likely to be heavy social media users and were more likely to have lower income levels. This group had the lowest level of loyalty towards a brand compared with other groups.

Quality Seekers

Consumers concerned about quality tended to be older males researching high involvement products. This group is more likely to be influenced by search and review sites.

Fashion Seekers

Consumers whose purchase decisions are influenced by a product's modern image and fashionable look are more likely to be younger females who are heavy social media users. This group of people tends to possess high levels of loyalty for high involvement products, and are more likely to research Low Involvement products. Fashion seekers tend to have more Facebook friends and share more content on social networking platforms.

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These three shopping psychographics revealed in our study make it clear that brands need to factor in High and Low Involvement products, High and Low Sharers, and who those people are within each channel, when creating a social strategy. If the product is High Involvement, marketers need to make sure they reach people who care about the quality of the brand's product on review sites that are easily found through search.

Conversely, if the brand is focused on the product's fashionable look, social networking sites might be the best way to reach consumers who are more influenced by those platforms. Brands then need to consider what type of content they need to create to generate sharing amongst those who most influence their target markets. Which emotional needs do these influencers look to fulfil by sharing this content?

Outcomes

While the purchasing rates of the product that consumers research are similar for both High Sharers and Low Sharers, High Sharers are nearly three times more likely to recommend a product to a friend than Low Sharers. Additionally, 36% of High Sharers are loyal to brands, compared with just 25% of low sharers. The High Sharer v.s. Low Sharer variable is a significant predictor when using logistic regression to predict outcomes such as recommendations and loyalty to one's favorite brand. The recommendation behaviour of a High Sharer shows that they are 54% more likely to recommend the product to another in comparison to all other varying actions. Furthermore, our study shows that recommendations from friends and family are the second most influential factor people seek when gathering information about a brand, second only to online search sites.

ACTIONS TAKEN AFTER ONLINE INTERACTION

PROMPTED TO PURCHASE
43% UK
31% USA

PROMPTED TO RECOMMEND
20% UK
20% USA

CHANGED IMPRESSION
4% UK
3% USA

INCREASED AWARENESS
8% USA
6% UK

ENCOURAGED TO VISIT
9% UK
9% USA
OPEN

TAKE NO ACTION
26% USA
15% UK

ENCOURAGED TO CONTACT
3% UK
3% USA

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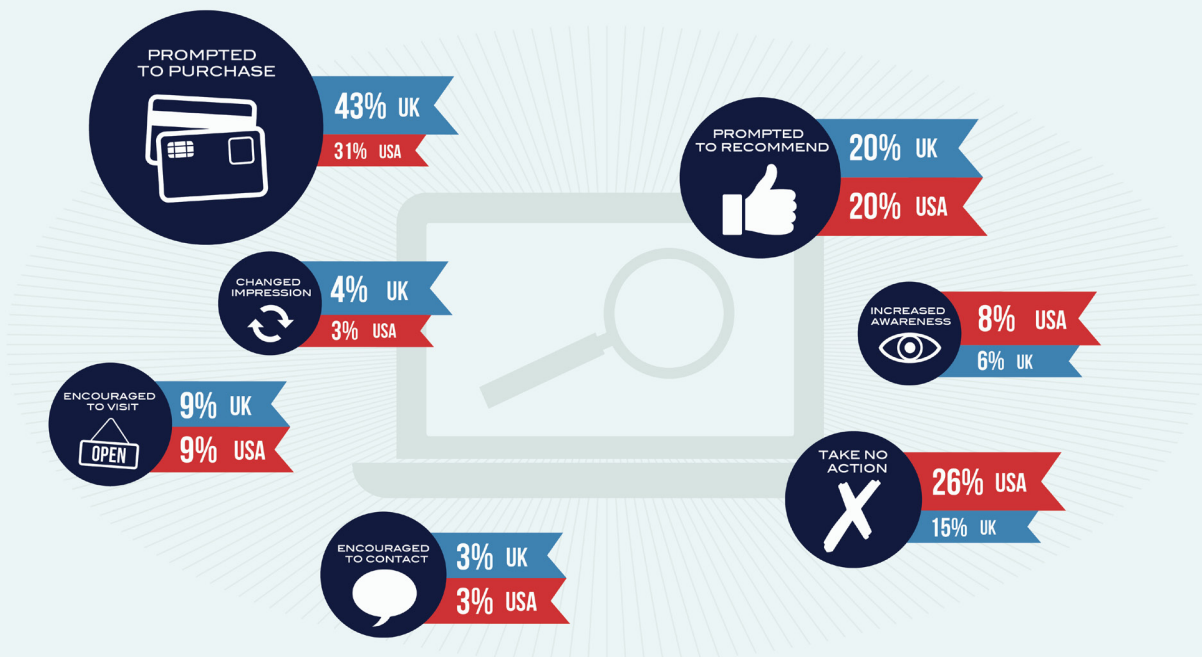
Common Outcomes for High & Low Sharers
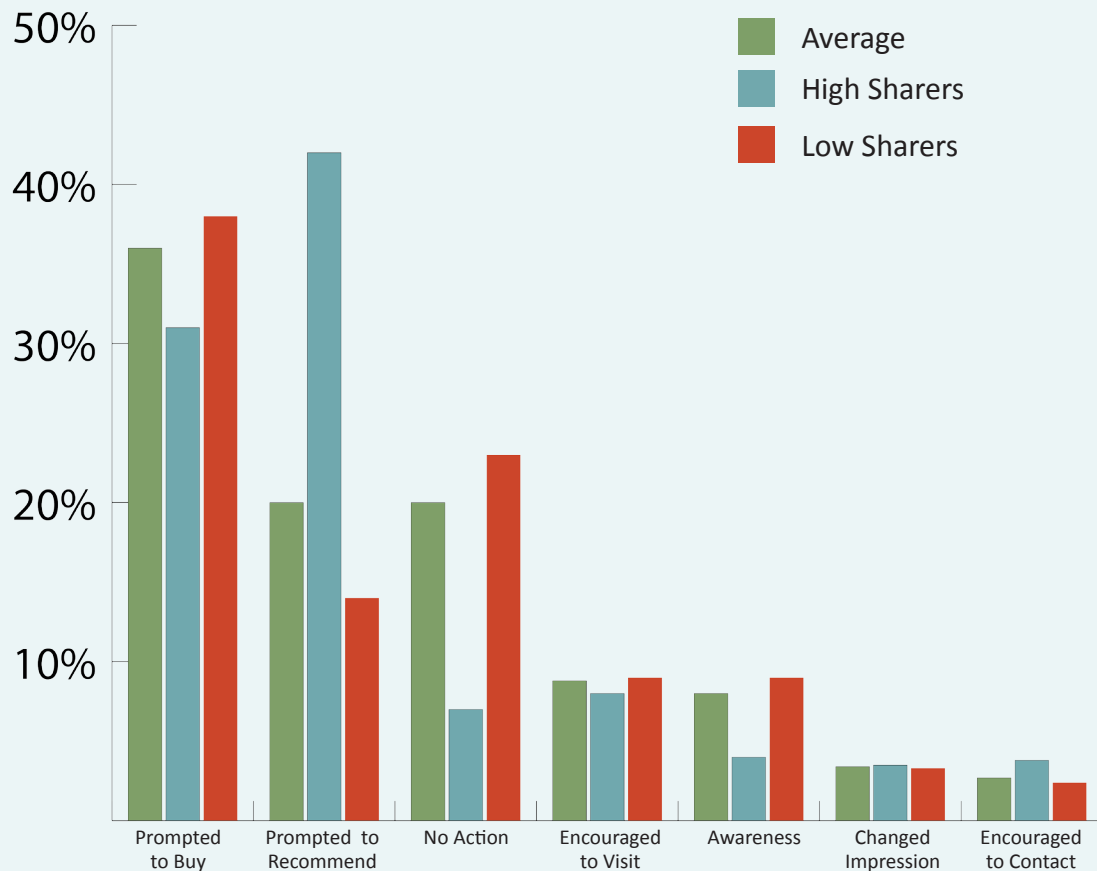
Previous research has shown a strong link between customer recommendations and profitability. In fact, Frederick Reichheld, who coined the term 'Net Promoter Score' in his article The One Number You Need to Grow (Harvard Business Review, 2003), contests that the answer to a single question is the most important indicator for a company's performance. This indicator is based on asking the consumer the following question: "How likely is it that you would recommend a company to your friend or colleague?" Given the large amount of data that links recommendations to outcomes such as loyalty and satisfaction, it can be inferred that attracting brand advocates who are High Sharers would lead to desirable outcomes for the brand.

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Conclusion

All digital channels play a role in a brand's marketing strategy; looking at the channel your social consumer is most influenced by will lead to an increase in your digital return on investment. With search acting as the gateway to influence on today's consumer, creative content creation is essential within earned and owned media channels to boost a brand's organic search relevancy.

By identifying High Sharers in the most effective digital location and engaging them with sharable content geared to their emotional needs, marketers can increase the dynamic of sharing, which acts as a positive amplifier leading towards a virtuous cycle of recommendation, loyalty and purchase.

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THE SCIENCE OF SHARING

How has social media changed the way consumers make purchase decisions? We asked 1,500 UK and 1,500 US consumers in two surveys what most influenced them online, as well as how and why they influenced others. What we found was that consumer recommendations are an increasingly influential part of the conversation.

COMPARING THE UK & US SOCIAL CONSUMERS

40% UK	VS	53% USA	have interacted with a brand using Facebook
47% UK	VS	33% USA	wrote a product review before
43% UK	VS	31% USA	prompted to purchase other online information

UK HIGH SHARERS ARE 3X MORE LIKELY TO RECOMMEND A PRODUCT

HIGH VS LOW SHARERS

LOW vs HIGH INVOLVEMENT PRODUCTS

HIGH
- LESS FREQUENTLY PURCHASED
- MORE COMPLEX
- EXPENSIVE IN NATURE
- REQUIRING MORE TIME AND EFFORT IN THE RESEARCH PHASE

VS

LOW
- BOUGHT MORE FREQUENTLY
- LESS COSTLY
- USUALLY BOUGHT WITH A MINIMUM AMOUNT OF THOUGHT AND EFFORT

THE 7 TYPES OF SOCIAL SHARER

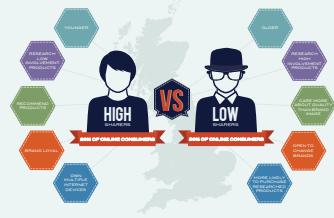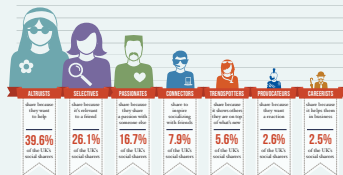| ALTRUISTS	SELECTIVES	PASSIONATES	CONNECTORS	TRENDSPOTTERS	PROVOCATEURS	CAREERISTS
share because they want to help	share because it's relevant to a friend	share because they share a passion with someone else	share to inspire socialising with friends	share because it shows others they are on top of what's new	share because they want a reaction	share because it helps them in business
39.6% of the UK's social sharers	26.1% of the UK's social sharers	16.7% of the UK's social sharers	7.9% of the UK's social sharers	5.6% of the UK's social sharers	2.6% of the UK's social sharers	2.5% of the UK's social sharers

WHERE THEY SHARE

	ALTRUISTS	SELECTIVES	PASSIONATES	CONNECTORS	TRENDSPOTTERS	PROVOCATEURS	CAREERISTS
YOUTUBE					●	●	●
WORDPRESS/BLOGGER						●	
TWITTER				●	●	●	●
LINKEDIN				●	●	●	●
FOURSQUARE					●	●	
FLICKR				●	●		●
FACEBOOK	●		●	●	●		●
EMAIL	●	●					
DELICIOUS					●	●	
CUSTOMER REVIEW			●				

INFLUENTIAL ONLINE CHANNELS

facebook HAS THE MOST INFLUENCE ON BABY BRANDS

YouTube HAS THE MOST INFLUENCE ON MUSIC BRANDS

REVIEW SITES HAVE THE MOST INFLUENCE ON ELECTRONIC BRANDS

TOP 5
- SEARCH RESULTS
- TALKING TO FRIENDS
- PRODUCT WEBSITES
- REVIEW SITES
- MAGAZINE ARTICLES

BOTTOM 5
- TWITTER
- FOURSQUARE
- WIKIPEDIA
- BLOG POSTS
- FACEBOOK COMMENTS

ACTIONS TAKEN AFTER ONLINE INTERACTION

- 43% UK / 31% USA
- 20% UK / 20% USA
- 4% UK / 3% USA
- 8% UK / 8% USA
- 9% UK / 9% USA
- 26% USA / 15% UK
- 3% UK / 3% USA

CONCLUSION

Today's social consumer is one that can either be categorised as a high or low sharer, who utilises various digital channels differently depending on whether he or she is researching and interacting with high or low involvement products. High sharers prove to be the most valuable to brands as they recommend products 3x more often and influence others' purchases. By identifying high sharers, their preferred channels, and the reasons why they share, marketers can engage them with sharable content, thereby increasing the dynamic of sharing. This acts as a positive amplifier leading towards a virtuous cycle of recommendation, loyalty and purchase.