greenPROFIT

The Friel World

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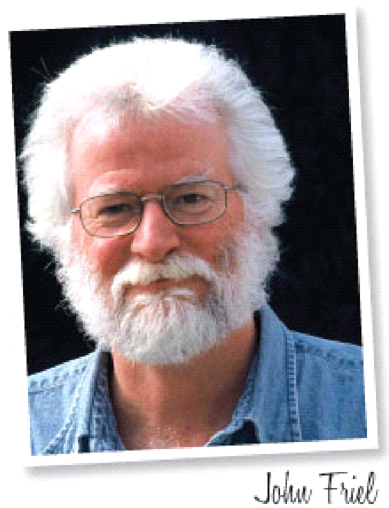
You May Not “Like” This

John Friel



Got Facebook followers? Sure. Is someone in your firm hashtag, Instagram and Pinterest fluent? Probably.

Our love affair with social media is no casual fling. A new study in the Harvard Business Review says, “Brands spend billions ... to establish and maintain a social media presence. Eighty percent of Fortune 500 companies have active Facebook pages.”

But are we getting our money’s worth? Maybe.

Titled “What’s the Value of a Like?” the report summarizes 23 tests conducted over four years, involving over 18,000 people. Among its troubling conclusions: Corporations “are unable to quantify the value of their social media efforts.” More specifically, 87% of Fortune 500 companies surveyed “can’t document that social media creates new customers.” Ouch. Isn’t that a big part of why we’re there?

Here’s an interesting between-the-lines datum: If 80% of Fortune 500 types are Facebook regulars, 100 of America’s richest corporations don’t care whether you Like them. But wait! There’s more!

“Merely liking a brand on Facebook doesn’t change behavior ... we found no evidence that following a brand on social media changes people’s purchasing.”

And more: “The mere act of endorsing a brand does not ... lead to increased purchasing, nor does it spur purchasing by friends.”

Liking is too easy and means too little. Invited to do so, many people will click that thumbs-up icon despite knowing almost nothing about your product or service. With near-zero effort, they get that warm fuzzy of doing something helpful. How helpful? Meh.

“In classic marketing, word-of-mouth endorsements have been shown to increase sales,” say the authors, “[But] liking is a very weak endorsement ... it doesn’t carry the same weight as a real-world recommendation.”

Bingo.

I recently switched hairdressers after following one through three salons for 20 years. A surprising number of guys do this; in that category, at least, we hate change. My mane was approaching college-days length before I found a new shop. Online reviews didn't help: Everybody who cuts hair has customers who worship them. Finally, a well-groomed friend suggested his groomer. I liked it—in the traditional sense. If asked, I'll Like them, too.

Relax, Social Media specialists: Harvard isn't suggesting we ditch Facebook et al. It's more nuanced: "Social media doesn't work the way many marketers think it does. The modern social media playbook should combine new and traditional approaches."

What traditional approach? "There IS a way to convert likes into meaningful behavior: Advertising." Nobody understands this better than Facebook itself, which collects $22 billion in yearly ad revenue. Most comes from brands that pay FB to do end-runs around its own algorithms, "paying to guarantee that their content will be displayed to large numbers of users," like it or not.

I love such studies, but I'm in wholesale, and most wholesalers I know don't visit FB daily. Social media doesn't drive decisions on planting media.

If you're satisfied that "social" enhances your bottom line, you can dismiss this as the babble of ivory-tower nerds parroted by a cynical Boomer. At my age, FB is just a conduit to one's children's children, right? Log off, granddad.

However, if your social media outreach feels like yelling at people who aren't listening, maybe you're onto something. Maybe you need to reverse roles.

My favorite conclusion: "Social media can offer brands a unique source of customer intelligence and feedback ... (and) identify likely prospects, but it's still up to the brand to ask for the business in one form or another, such as advertising."

So, "to sell" is still an active, not a passive, verb. But first, marketers should talk less and listen more. Ya gotta like that. **GP**

John Friel is marketing manager for Emerald Coast Growers and a freelance writer.