

Travel brands most at risk from user generated comments

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As specialists in search conversion, Tamar wanted to understand more about consumer attitudes towards social media and its impact on brand reputation. So we commissioned a research study in June 2007. The research shows that there is a clear need for brand owners to embrace social networks and fully understand how their brands are talked about in the social media space.

The 2007 Social Media for Brands Report polled the views of a representative sample of 698 UK adults aged 18-35 between 20 June 2007 and 22 June 2007. The research was commissioned by Tamar and conducted online by YouGov.

Travel brands most at risk from user generated comments

Travel products and services were identified as the sector most at risk from negative comments on social networks, with almost six out of ten (58 percent) saying that negative comments would lead to them abandoning a purchase. This was followed by consumer electronics (e.g. TVs and computers) with 51 per cent, financial services with 44 per cent and communications brands such as broadband and telephone providers with 40 per cent.

Neil McCarthy, director, Tamar comments, 'The rapid growth of social networks and user generated content is shifting the online balance of power away from marketers towards the consumer, and the effectiveness of traditional online marketing channels is decreasing. With so many consumers actively commenting on brands through social networks, online reputation is becoming even more important. Social networks are a large and unregulated channel with a massive user base, through which brands could see their good reputation built through other channels, undone very quickly.'

More than three quarters of social networkers actively commenting on brands

The 2007 Social Media for Brands Report reveals that a massive 80 per cent of people who use social networks have either chatted about, commented on or reviewed a brand or product on an online forum or social network.

The report also reveals that two thirds (66 per cent) of 18-35 year olds in the UK are actively engaged in social networking and almost two in five (38 per cent) are members of two or more online forums or social networking sites. There is a clear correlation between age and social network use, with usage figures increasing amongst younger age groups, peaking with eight out of ten 18-20 year olds actively engaged in social networking.

Negative comments put off one in two consumers

The 2007 Social Media for Brands Report indicates that negative comments posted on online forums and social networks put off customers, with more than half (52 per cent) admitting to this. There is a clear gender divide here with 59 per cent of men taking negative comments seriously or very seriously as opposed to only 47 per cent of women.

Befriend, don't banner

The 2007 Social Media for Brands Report reveals that nearly 1.5 times as many 18-35 year olds would rather accept a friend request from a brand than have banner adverts on a social networking profile page. The best way to get users to accept friend requests was identified as through offering special offers and discounts (60 per cent). In contrast only 5 per cent said that they would be enticed by previews of forthcoming services, and only 10 per cent by exclusive products or services.

18-35 year olds are most receptive with more than half (51 per cent) stating they would even be willing to act as a brand advocate (e.g. set up groups for brands, encourage friends to join and participate) on social networks in exchange for offers and discounts. This rose to almost two thirds (64 per cent) in the 18-20 age group, who are also the biggest users of social networks.

McCarthy concludes, 'There is a clear need for brands to get their foot in the door of social networks, as these sites epitomise a new way of life for today's consumers. However, users of social media are increasingly indicating that they don't want to be advertised to by all and sundry, but would be happy to choose to have a closer relationship with advertisers who they like. The first step is to understand how your brand is talked about in the social media space, and then decide what the best way of targeting a certain group of consumers is. The approach preferred by the consumer is clear: brand owners must look to 'befriend' consumers on social networks rather than advertise to them, and the best way for them to do this is by offering discounts and special offers.'

Source - Tamar

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