

KEEP SOCIAL HONEST

**WHAT CONSUMERS
THINK ABOUT BRANDS
ON SOCIAL MEDIA,
AND WHAT BUSINESSES
NEED TO DO ABOUT IT**



Rewind the clock 10 years and reviews, recommendations and endorsements tended to come in three forms: advertising, where we knew who footed the bill; press, where we could judge the relative positions of the red-tops versus broadsheets; and friends and family, who looked you in the eye as they told you the merits of one product over another.

INTRODUCTION

Today, however, consumers face an onslaught of complex messages from multiple directions and across multiple devices. Facebook tells you what your friends like before they do. Brands compete for your attention on your Twitter feed and supermarkets offer coupons in exchange for comments. Moreover, a persuasive review on Amazon or TripAdvisor from someone you don't even know will probably influence your opinion more than a friend or family member.

This transformation in how we absorb and share information isn't a problem in itself. Social media has been empowering and liberating in a multitude of ways. But as a fifth of the world's population has piled onto Facebook, brands and businesses have spotted new opportunities to win our affection and ultimately our money - and the processes involved are increasingly being questioned. Indeed, we live in a world where even the Prime Minister has been accused of paying Facebook to get more likes.

Taking steps to ensure the integrity of interactions between businesses and consumers on social media has therefore never been more pressing and the good news is that it's a win-win endeavour. Consumers get relevant, captivating and genuinely useful content and marketers get to reach their commercial goals more effectively, efficiently and innovatively.

It is for this reason that we have undertaken this major and unique research study, supported by YouGov, to explore the path to positive engagement between consumers and brands. Admittedly thorny at points along the way, it is a path that culminates with a voluntary set of standards for business to help keep social honest. We have called these standards the 'Ten Commandments of Keeping Social Honest' and we believe they are pledges that brands and businesses cannot afford to break.

In this report, we take you on the journey of the rationale behind these Ten Commandments, which we then explain. But we would urge you not to see the Ten Commandments as marking the end of this journey. Far from it, we believe they mark the beginning of a way forward that will maintain the reputation and value of social media for users and businesses alike.

METHODOLOGY

There is no shortage of studies that have surveyed consumers' perceptions about the behaviour of brands and businesses on social media platforms. What we wanted was to gain perspectives from both sides of the equation, questioning both consumers and industry to get a clear picture of the areas both where there is convergence of opinion and where there is divergence of views.

The rich pool of data we ended up with provides so much more than a list of headline-grabbing statements aimed at short-term media coverage. In other words, it provides not just a fleetingly interesting snapshot but a full and rounded picture, as well as both comprehensive and intriguing insight, and it is this that's enabled us to develop the 'Ten Commandments of Keeping Social Honest'.

In order to achieve our aims, we commissioned leading independent market research firm YouGov to conduct two online surveys throughout the month of April 2014. The first was a nationally-representative survey of more than 3,200 UK consumers and the second was of over 1,000 UK marketers working across a mix of large and small companies, evenly distributed across junior and senior positions and a diverse range of sectors.

THE RATIONALE

Social media usage

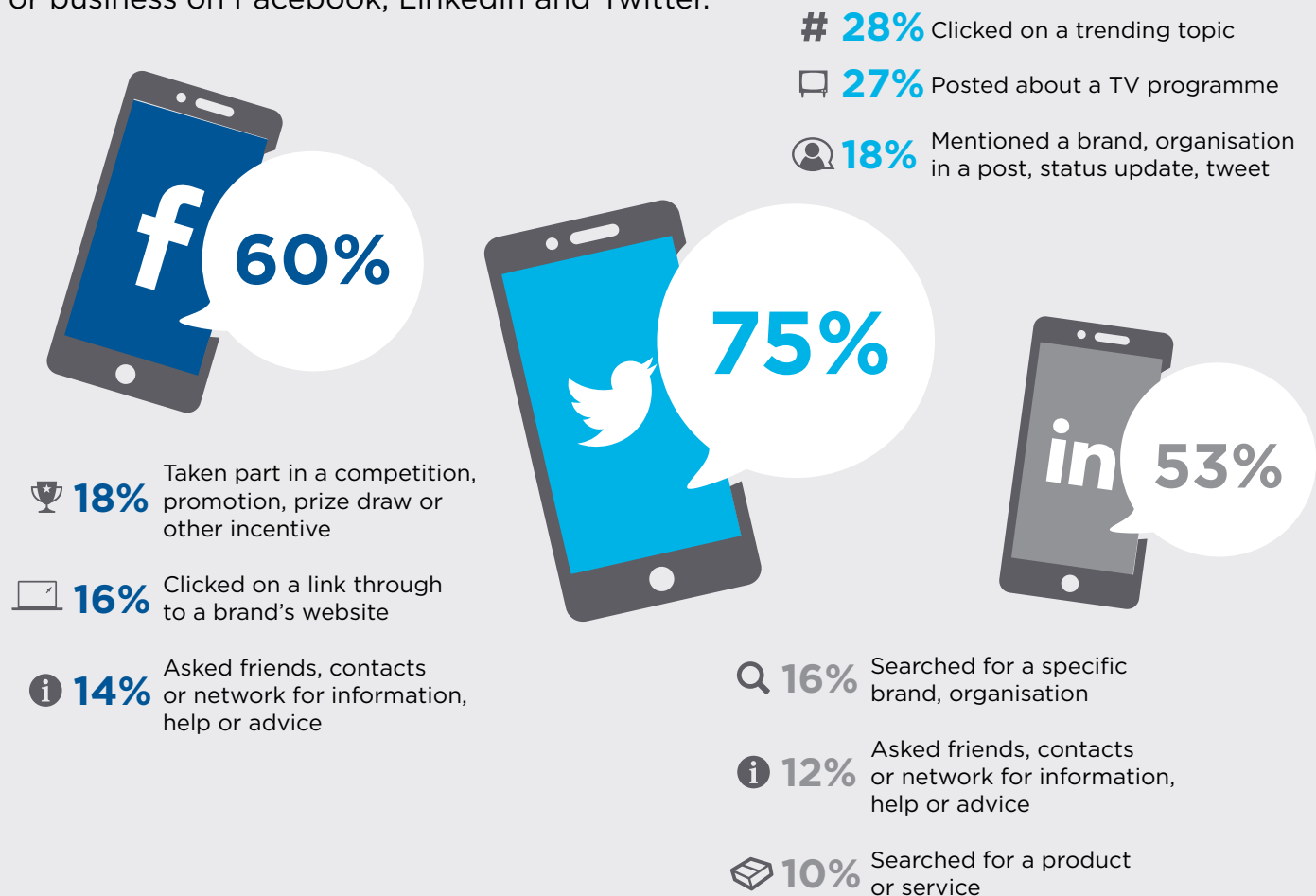
The level of consumer engagement with social media is alone enough to justify the rationale for the Ten Commandments. Twitter, Facebook and LinkedIn are all past the half-way tipping point in terms of consumer use, with less than half of respondents using none of these three platforms. Facebook is the largest social network by some considerable margin, with 72% saying they have used it in the last three months. Just under one in three (31%) used Twitter in the same period, while 17% used LinkedIn.

Usage is high too, with more people saying they access Facebook and Twitter several times a day, although LinkedIn, Google+, Pinterest and MySpace are all used much less.

But while Facebook is clearly embedded in the lives of most online adults, it is predominantly used for communication with family, friends and colleagues. The primary reason for using Twitter is to keep up-to-date with the latest news, while for LinkedIn, it is for professional promotion.



In the last three months, the following percentage of social media users interacted with a brand or business on Facebook, LinkedIn and Twitter.



Interactions with brands on social media

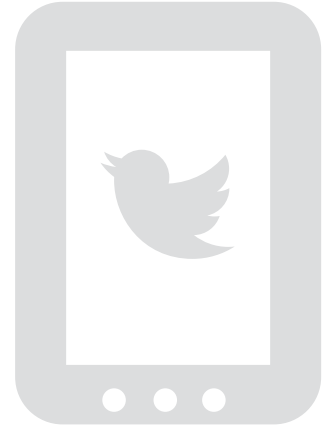
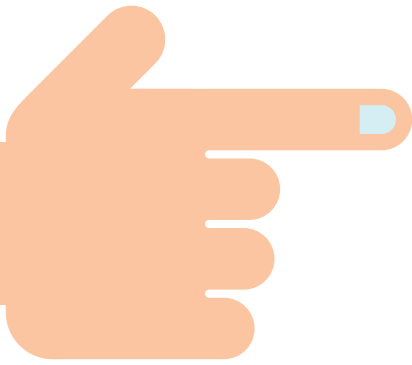
Beyond high levels of general usage, we're also seeing positive engagement with brands across the main social media platforms. More than half of consumers reported some form of interaction with brands or businesses on social media within the last three months, with retail, food and drink brands enjoying the most interaction.

"There's a real sense of growing brand activity on these platforms, although it's interesting to note that those interacting with brands are more likely to be on Twitter than Facebook, despite the latter creating reach way and above the other social networks"

Shaun Austin,
Director of Media Consulting,
YouGov

Austin explains that in terms of raw numbers, Facebook has more people interacting with brands. But brand activity is generally much stronger on Twitter, showing that it is currently much more brand-friendly even though it's smaller.

Over a quarter (28%) of consumers have clicked on a trending topic on Twitter, for example, compared to just 12% on Facebook. And while 18% of Twitter users have mentioned a brand in a tweet, just 8% have done so on a Facebook post. Meanwhile, clicking on an advert or sponsored post and searching for a product or service shows a more level playing field, with around 10% of users doing this on all three main social media platforms.



The role of review sites

The role of customer review sites in the purchasing journey is where it gets most exciting for organisations, with two-thirds of consumers (65%) reading a review before making a purchase. The most visited review site is Amazon.co.uk, with three in four respondents having used it in the last three months, while one in three has used TripAdvisor.

When it comes to posting reviews, people are far keener to share good news about products and services, with a third (34%) of people posting a positive review on their purchase – three times more than those who posted a negative review (11%).

Social media has nothing like this kind of impact on readers' buying decisions. Just 17% of consumers claim that social media – including reviews, recommendations, ratings, scores and endorsements – has a strong influence on their purchasing decisions; while 27% say it has little influence. This links with our other findings around trust, with one in five consumers placing a high level of trust in reviews, feedback and recommendations in social media, while TripAdvisor (7.2), Mumsnet (7.0) and Amazon (6.9) all receive higher scores.

“Social networks score higher in terms of frequency of use – people visit them multiple times a day, whereas people visit review sites only when they are buying something – but it’s the review sites that play a much more active role in the consumer journey and so it’s no wonder that we found consumers also trust these sites more than social media.”

Shaun Austin,
Director of Media Consulting,
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Relevance

On the whole, consumers see value in the role that brands play, with over half (59%) saying they agree that advertising through social media increases brand visibility, and over half (52%) agreeing that companies increase their sales by using social media for marketing.

Even more marketers (66%) also believe that brands' presence on social media is adding value and making social media richer and more engaging. Moreover, three-quarters of marketers (76%) believe that increasing investment by brands in content marketing through social media channels will keep consumers engaged.

"This leads us to conclude that brands and consumers can co-exist on social media," says Thomas Brown, Director of Strategy and Insights at CIM. "But - and this is critical - consumers are concerned about the way brands are using social media and if it annoys them, they have warned that they will simply shut off altogether, with some having done so already."

Indeed, if social media becomes too overloaded with advertising and marketing communications, almost a third of consumers (30%) say they are very likely to stop using it, with almost the same number (29%) saying that advertising and marketing on social media already irritates them. The same number admit they often hide brand updates if they happen too often. Social media sites ought to be for social networking and not a market place for promoting brands, say the same figure.

Just 5% of consumers strongly believe that relevant advertising and marketing content on social media sites captures their attention and only 3% don't mind seeing adverts on social media sites that are based on their profile activities, while a quarter (24%) mind a lot. "The message couldn't be louder from consumers that they don't want social media to be overloaded with brand communication," concludes Austin. "Particularly with Facebook, consumers see it as being there to interact with friends and family. They don't mind a bit of brand activity, but it should never be in their face."

64%

of consumers are likely to stop using social media if they are bombarded with advertising.



58%

of consumers will hide brand updates if they receive them too often.

61%

of consumers are irritated by advertising and marketing on social media.

59%

of consumers feel advertising through social media increases a brand's visibility.



52%

of consumers recognise that companies can increase their sales by using social media for marketing.



52%

of marketers think the effectiveness of social media as a marketing platform is at risk due to dishonest or unethical behavior by brands.

82%

of marketers believe that without the threat of fines or legal action there will always be businesses employing questionable tactics on social media.





One in five consumers have high levels of confidence in information seen on social media.

Trust

While consumers are savvy to the marketing motives of business, they are sceptical about its methods. Only one in five of consumers (20%) say they have high levels of confidence in the information seen on social media, providing testimony to the need for brands to win back public trust.

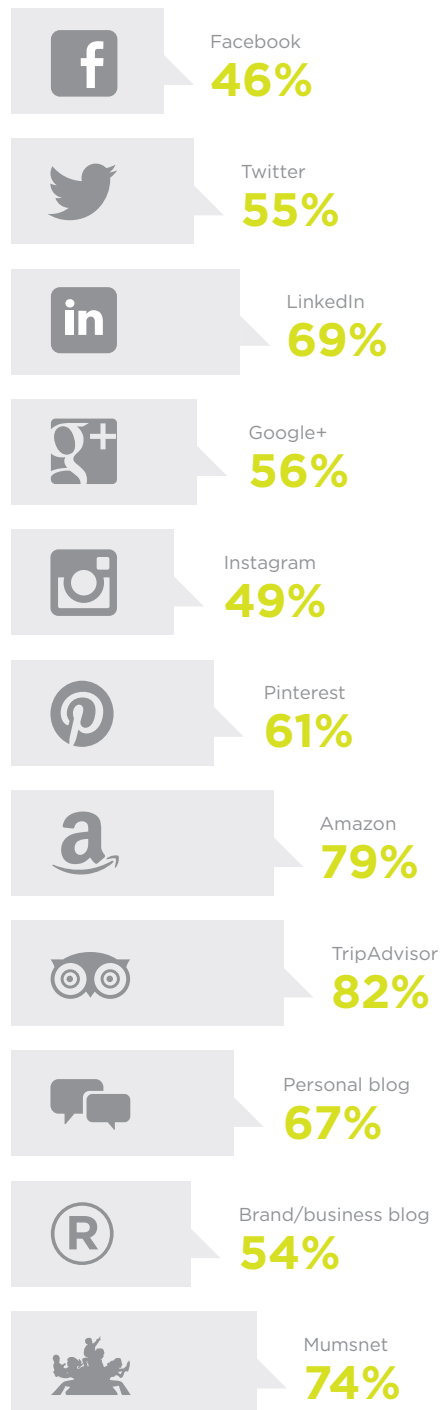
"The vast majority sit on the fence when it comes to having faith in the information they see on social media and just 20% of people really trusts it," says Brown. "Unless something changes, these channels are likely to become less and less effective for brands and businesses over time, therefore making investments in social media worth less than ever."

Facebook scores the lowest of the six social media sites we analysed, with 6% of consumers saying they have no confidence at all in the information such as recommendations, reviews, ratings, scores and endorsements, followed by Instagram, where 4% of consumers say they have no confidence.

Review sites are trusted a great deal more than social media platforms, which reflects our earlier finding that consumers intentionally visit them to find out specific information about a product or service before making a purchase.

Reassuringly, marketers aren't ignorant of these concerns, with 57% of marketers saying they felt strongly that 'bad behaviour' by brands on social media is frustrating consumers and eroding their trust in content.

Percentage of consumers who say they have trust and confidence in information they see on these platforms and sites.



Knowing what's genuine

Just over a third of consumers (38%) think it's easy to tell the difference on social media between commercial content and non-commercial content. Yet the majority of marketers are under the illusion that consumers have no trouble understanding this, with 54% believing the average online user is capable of distinguishing the difference without signposts or labels.

Consumers also find it hard to tell whether brands are behaving dishonestly. Although only 22% can categorically say they have seen brands behaving dishonestly or unethically on social media, suspicion is widespread, with well over half (63%) finding it difficult to know if brands are using questionable methods.

They are right to be sceptical, with 51% of marketers saying they've actually seen questionable content on social media that appeared to have been orchestrated by brands but positioned as user-driven, with examples including fake reviews and advertorial posing as editorial.

"It's encouraging to see that marketers recognise what's going on, although it is less heartening to see the strong sense of 'It's not me, guv!'" says Brown. "Indeed, the overwhelming majority of marketers say that in the last two years, they are not aware of their own organisation undertaking questionable activities ranging from making a payment to someone to editorially promote a brand without disclosing the payment, to paying for followers, fans or connections."

No wonder that 44% of consumers say it's difficult to trust brands on social media, he concludes. "They are essentially saying, 'we can't always tell the difference between what's commercial or not and we can't tell if brands are behaving dishonestly or not. So the bottom line is we aren't at all comfortable, and that's making us tar all brands with the same brush."

Only **38%** of consumers can easily tell the difference between marketing content and non-commercial content on social media.

Whereas **54%** of marketers believe the average online user can distinguish marketing content from non-commercial content without signposts.

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Over 50% of consumers said they had no awareness of brands using the following unethical behaviours on social media:

- Faking a review on a social media site.
- Purchasing followers, fans or connections on social media.
- Paying or incentivising customers to share positive messages on social media without this being made clear to other users.
- Paying someone to promote a brand, product or service within social media without disclosing the payment.
- Falsifying user-generated content (i.e. blog posts, blog comments, testimonials, reviews etc.).

Purchasing behaviour

Not surprisingly, consumers are starting to respond to their uneasiness by voting with their feet, with almost half (47%) saying they would be more likely to change their purchasing behaviour and boycott a brand or organisation if they felt they were manipulating social media.

"My message to brands would be to watch out, as that's half your customers potentially stopping buying your products and services," says Austin. "Let's be really clear about this - unethical behaviour is having a major impact on consumers' trust and actions. In fact, I would expect the 47% figure to just keep rising without some kind of intervention. After all, marketers are telling us they know for sure that questionable behaviour is going on and with consumers already suspecting this, it is only a matter of time before greater numbers discover it's true."

47% of consumers would be very likely to boycott a brand if they discovered it was operating unethically on social media.



43% of marketers find regulations on social media too complex and confusing.

Regulation

More than half of consumers (54%) don't think there are enough regulations governing marketing communications, advertising and branded content on social media.

Marketers agree that lack of regulation is a problem, with a significant four out of five (82%) saying that without the threat of punitive fines or legal action, there will always be businesses employing questionable tactics on social media.

Current regulations just aren't fit for purpose, believe marketers, with 64% saying that regulations governing marketing communications, advertising and branded content on social media are too focused on "old media" and don't apply well to social media.

What's more, marketers believe they are too complicated, with nearly half (43%) claiming that regulations governing brand activity on social media are too complex and confusing for the average marketer to understand.

That said, 28% of marketers think that further regulation will only serve to restrict innovation and creativity and 34% believe consumers would be best served if brands' presence on social media was self-regulated by the industry, rather than monitored by government and other regulators.

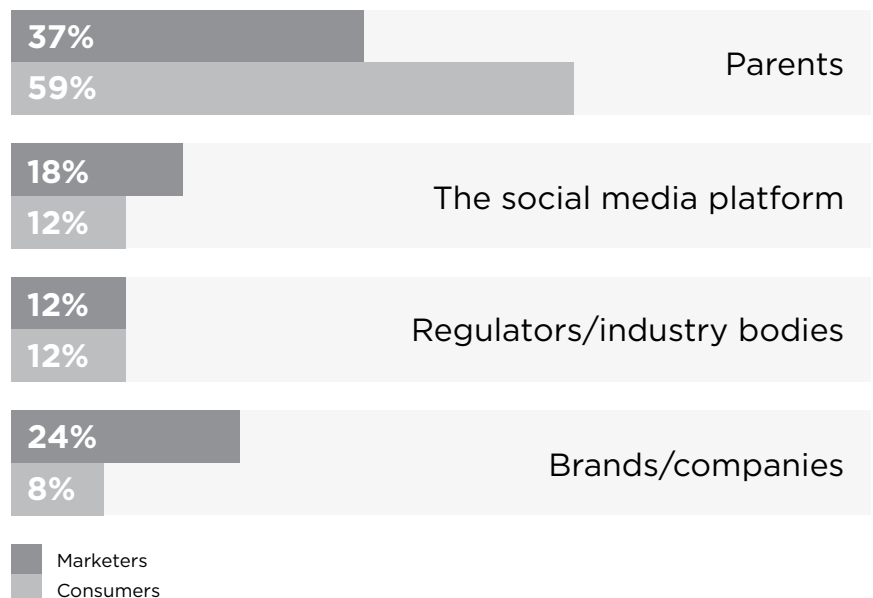
"In fact, nobody thinks the answers are simple, with both consumers (62%) and marketers in agreement that the ethics of organisations' use of social media is hard to police," says Brown.

Vulnerable Audiences

Consumers believe they have some responsibility in terms of self-regulating the use of social media. Indeed, when we asked them who should be primarily responsible for protecting children from inappropriate online content, the majority (59%) – far more so than marketers, in fact, at 37% – said they felt it was down to parents to monitor what children access. In fact, just one in 10 consumers (12%) felt it was up to the social media platform to fix it, while the same number felt it was up to regulators or industry bodies. One in five marketers (18%), on the other hand, thinks it is up to the social media platform to ensure unsuitable content is not available to children.

"This tells us two things – first that people are not automatically placing the onus on the regulators and certainly not the brand, which is reassuring, and second that marketers want more regulation in one form or another," says Austin.

Who should be primarily responsible for protecting children from inappropriate online content?



Blame

Almost half of marketers (49%) park the blame on agencies for questionable activities on social media, such as buying followers or likes, although these marketers do acknowledge that this is primarily due to clients putting pressure on measures such as number of views, likes, followers etc.

"Clearly, agencies need to take their ethical responsibilities more seriously when it comes to social media, but clients must also recognise that if they set unreasonable demands – insisting on an ambitious number of views for a YouTube video in a short period of time – for instance, there are inevitable repercussions. We would therefore urge both agencies and marketers to adopt our Ten Commandments, otherwise the problem may be perpetuated," says Brown.

The regulatory environment

We asked both consumers and marketers to tell us if they thought certain statements around regulation of social media are true or false. The answers revealed a real lack of clarity around current regulations among both groups.

Marketers recognise the problem. Indeed, a mere 4% consider themselves a subject-matter expert in the regulatory environment affecting marketing communications, advertising and branded content on social media, with most (45%) saying they have some limited awareness but not enough to apply them to decision making.

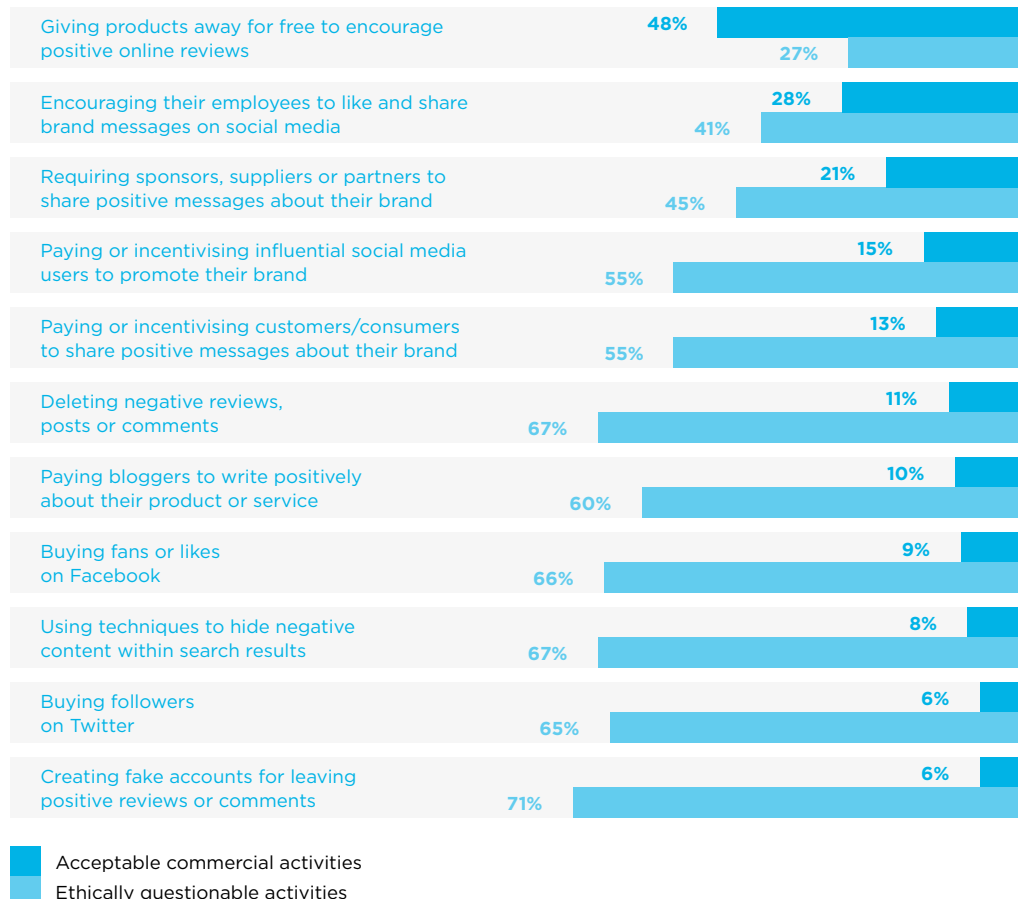
“It’s one thing for consumers to get it wrong, but if marketers themselves don’t understand regulation, it’s no wonder that there is so much questionable behaviour going on in social media. If we’re going to keep social honest, it’s time for more clarity,” says Brown.

He adds, *“With consumers telling us they are going to switch off if marketers don’t pull their socks up around questionable activity on social media, there could not be a better time for marketers to get to grips with both what they can and can’t do and should and shouldn’t do.”*

When it comes to specific activities undertaken by organisations to ensure compliance with regulations and legislation relating to brand activity on social media, it becomes even clearer that brands aren’t doing everything they could.

Indeed, 92% of organisations do not require relevant staff to undergo periodic tests/assessments, while 68% do not encourage and support their employees to incorporate these areas into their personal development. A huge 79% do not conduct internal audits to ensure compliance and 72% have not appointed internal subject matter experts or champions. *“Many of the approaches we surveyed have little or no cost implication for businesses, and are therefore easy to adopt quickly; it suggests that the issue of compliance hasn’t quite made it far enough up the list of priorities, despite its clear links to reputation.”* points out Brown.

Consumers’ views on whether certain activities on social media are acceptable and have little or no detrimental impact on users, or ethically questionable and misleading for users.



Questionable activities

Creating fake accounts for leaving positive reviews and comments is the most ethically questionable activity on social media, agree both consumers and marketers, although marketers are far more likely to frown upon it, with nine out of 10 marketers (91%) believing it is questionable – far more than the seven out of 10 consumers (71%).

Marketers are also more likely to think it's questionable to buy fans or likes on Facebook (80% of marketers vs 66% of consumers) and buying followers on Twitter (79% of marketers vs 65% of consumers).

Likewise, marketers are quicker to question deleting negative reviews, posts or comments, paying bloggers to write positively about their product or service and paying or incentivising consumers to share positive messages about their brand.

But consumers are more critical when it comes to using techniques to hide negative content within search results, with almost two-thirds (67%) of consumers thinking this is questionable compared to just over a third (38%) of marketers. Consumers also thought that encouraging their employees to like and share brand messages on social media was dodgy (41%) compared to just 15% of marketers.

“When it comes down to the nitty-gritty of which specific activities are considered dubious, there is significant inconsistency in the beliefs of marketers versus consumers,” says Brown.

“To see such differences in opinion between industry and consumers is concerning – in practical terms, for instance, this means marketers may be harnessing their employees to help share company messages on social media, only to find this is considered misleading by users and inadvertently creating concerns.”

IN CLOSING

“We’re all aware of the dramatic adoption of social media and its profound impact on how we connect, communicate and collaborate, but what’s unclear – as our research has proven – is how brands and consumers can co-exist in these digital spaces.

In putting our research to both consumers and industry, we’ve developed a unique and in-depth understanding of quite how different the views of these audiences can be. It’s positive to see broad recognition by the UK public that businesses indeed have a value-adding role to play within social media, but it’s concerning how much consumers’ confidence has been shaken.

Of particular concern are the wide differences in opinion as to the sorts of activities considered ethically questionable and misleading, as opposed to acceptable and of no detriment to users. This means it’s not just those businesses intentionally misleading consumers that are the problem – even the most well-meaning brands might be pursuing activities on social media without realising they’re contributing to a concern amongst consumers.

It’s for these reasons we’ve created a voluntary set of standards for business – the ‘Ten Commandments’ – to help reduce the need for a restrictive or costly legislative response and maintain the integrity and value of social media for consumers and businesses alike. As long as there’s a weak link in the chain or one rotten apple in our barrel, it will have an impact on all of us. If, on the other hand, industry takes action in a transparent, principled and consistent manner, it will benefit consumers and industry alike and will ultimately, keep social honest.”

Thomas Brown,
Director of Strategy and Insights,
CIM

FIND OUT MORE

Explore the Ten Commandments in full, why they’ve been created and what they mean for your organisation.

www.keepsocialhonest.com