

Social marketing at the movies

May 23 2014

Word-of-mouth marketing is recognized as a powerful route from long-tail sales to blockbuster, whether one is talking about the latest fishy ice cream flavor or a Hollywood romantic comedy. In the age of social media and online networking sites, such as Twitter and Facebook, the potential for spreading the word could mean the difference between consumers seeing a product as the best thing since sliced bread or the most rotten of tomatoes.

Chong Oh, Assistant Professor of Computer Information Systems at Eastern Michigan University, in Ypsilanti, Michigan, USA, has analyzed social media measures from the well-known microblogging Twitter and movie box-office data from "boxofficemojo.com". He found that not only does activity on Twitter, which is a surrogate for, or the online equivalent of actual word-of-mouth chatter, has a direct positive effect on how many people go to see a particular movie. Not surprising given its quarter of a billion global users. Moreover, he also demonstrated on the basis of this analysis that studio-generated content and online engagement with the putative audience has an indirect effect. His research is published in the *International Journal of Information Systems and Change Management*.

Fundamentally, Oh's research shows that: "The more a movie studio is willing to engage with its followers via social media the more likely it is to have a higher WOM volume. This subsequently increases the likelihood of having a higher opening-weekend box office performance."



Oh cites two very different outcomes with respect to two well-known movies. The first, John Carter, is a science fiction thriller released in 2012, that lost the studio \$200 million and led to the resignation of its president. By contrast, Paranormal Activity, a low-budget movie from 2009 shot in a week on a \$15,000 budget grossed \$107 million at the box office. These, of course, are stark outliers, there are many more, and most movies lie somewhere between these two extremes. For the marketing department ensuring that their next movie is a Paranormal rather than a Carter is partly, according to Oh, now down to online word-of-mouth.

Simply having a presence (or profile) on <u>social media</u> is not sufficient. "The key activity of sending outgoing tweets in the seven days leading up to the release weekend was a good indicator that correlated to word-of-mouth volume buzz about the movie," Oh reports. He has some advice for movie marketers based on the findings from this research. "Social media represent an opportunity to reach an audience and establish relationships at a personal level that traditional advertising is not capable of achieving," he explains. "Incentives to encourage more interactions such as competition or tweets from the movie's cast members should go hand-in-hand with other advertisements to pump up word-of-mouth. He also suggests the same approach to social marketing might have a similar impact in other areas, such as music sales.

More information: Oh, C. (2013) 'Customer engagement, word-of-mouth and box office: the case of movie tweets', *Int. J. Information Systems and Change Management*, Vol. 6, No. 4, pp.338.

Provided by Inderscience Publishers

Citation: Social marketing at the movies (2014, May 23) retrieved 7 July 2024 from



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