

Study finds social tags highly accurate, reliable among consumer perception metrics

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Consumers are rarely far from their phones, which makes it easy for them to share their experiences on platforms like Facebook, Twitter and Yelp. Online reviews don't always yield replies from corporate social media teams, but more and more they are being heard.

Researchers at the University of Maryland's Robert H. Smith School of Business say that in the hashtag era, those missives—and the social tags they contain—are taking the place of traditional market research.

Social tags are the keywords, hashtags and Pinterest pin labels that users create as they discuss or categorize things on social media. For companies, these tags offer a qualitative and revealing look at consumers' perceptions of products and brands.

They are a powerful new tool for assessing consumer perceptions of products and brands, Smith School professors P.K. Kannan and Yogesh Joshi report in their study, "Harvesting Brand Information from Social Tags," published recently in the *Journal of Marketing* with co-author Hyoryung Nam of the University of Washington Bothell.

In their research, the experts compare the conventional techniques that brand managers use to determine consumer perceptions—tools such as brand concept maps and text mining. And they highlighted the added value of more unconstrained, open-ended information contained within social tags. Then they analyzed and demonstrated how marketers could use the information in social tags to understand how people perceive a

particular brand.

Social tags are basically a snapshot of what consumers are thinking about brands. They are giving marketing researchers a lot of information, for free.

"The advent of user-generated content has revolutionized the art and science of marketing research by making available a significant amount of online data that reflect consumers' opinions, attitudes and preferences for products, services and brands," the study says.

Marketing scholars through the years have proposed a number of different methods for assessing brand perception, including Internet search data, online reviews and microblogs.

Companies are taking note, Kannan says. Social tags, though little studied to date, could be among the most reliable metrics, he adds.

"As researchers we were looking at reports that come out about brands, for example, when Apple launches a new product and there is news about that," he says. "We were asking 'How do people tag it?'"

The tags, taken together, can create a narrative about how people are perceiving the new product or the brand itself.

Previously, marketers worked to build so-called brand maps in market research. They would conduct an interactive session with a group of consumers, asking them, "What comes to your mind when you think of this brand?"

And they would collect the responses—"good quality," "cheap," "trendy," "athlete," "old fashioned," "environment" and so on—to create a narrative that describes consumers' overriding sentiments about a

brand, with the terms that are most repeated dominating the narrative.

"This can be a very intensive process," Kannan says. "We argue in this article that these social tags are basically a snapshot of what consumers are thinking about brands. They are giving marketing researchers a lot of information, for free."

Joshi says it is likely that this information is a more accurate description of what's in consumers' minds. "They typically generate these tags entirely on their own, rather than when prompted by researchers, as in the conventional approaches," he says.

This research shows, for example, that Volkswagen, prior to its emissions scandal, had certain words like "quality" and "engineering" that would emerge with prominence from looking at the social tags. But when the topic modeling was done after the emissions news, the words that emerged had changed, reflecting the scandal.

"Using these social tags, we can see how brand is being perceived over time and how brand strength is changing over time," Kannan says. "This can help managers track how brand perception changes and help them make decisions."

Joshi says the research also enables brand managers to understand consumer perceptions regarding a brand's competitors. "This is an important perspective to have, since most marketing actions require the manager to take into account potential reactions from competitors," he says.

The recent paper builds on previous work from Nam and Kannan, including "The Informational Value of Social Tagging Networks," published in the same journal in July 2014, and winner of the MSI H. Paul Root Award for the advancement of the practice of marketing.

That paper analyzed social tagging information to determine brand perception and relate it to a company's stock market performance. The researchers found that social tags could serve as a valuable proxy for determining consumer-based [brand](#) equity and foreshadow a share price's rise or fall.

More information: Hyoryung Nam et al. Harvesting Brand Information from Social Tags, *Journal of Marketing* (2017). [DOI: 10.1509/jm.16.0044](#)

Provided by University of Maryland

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