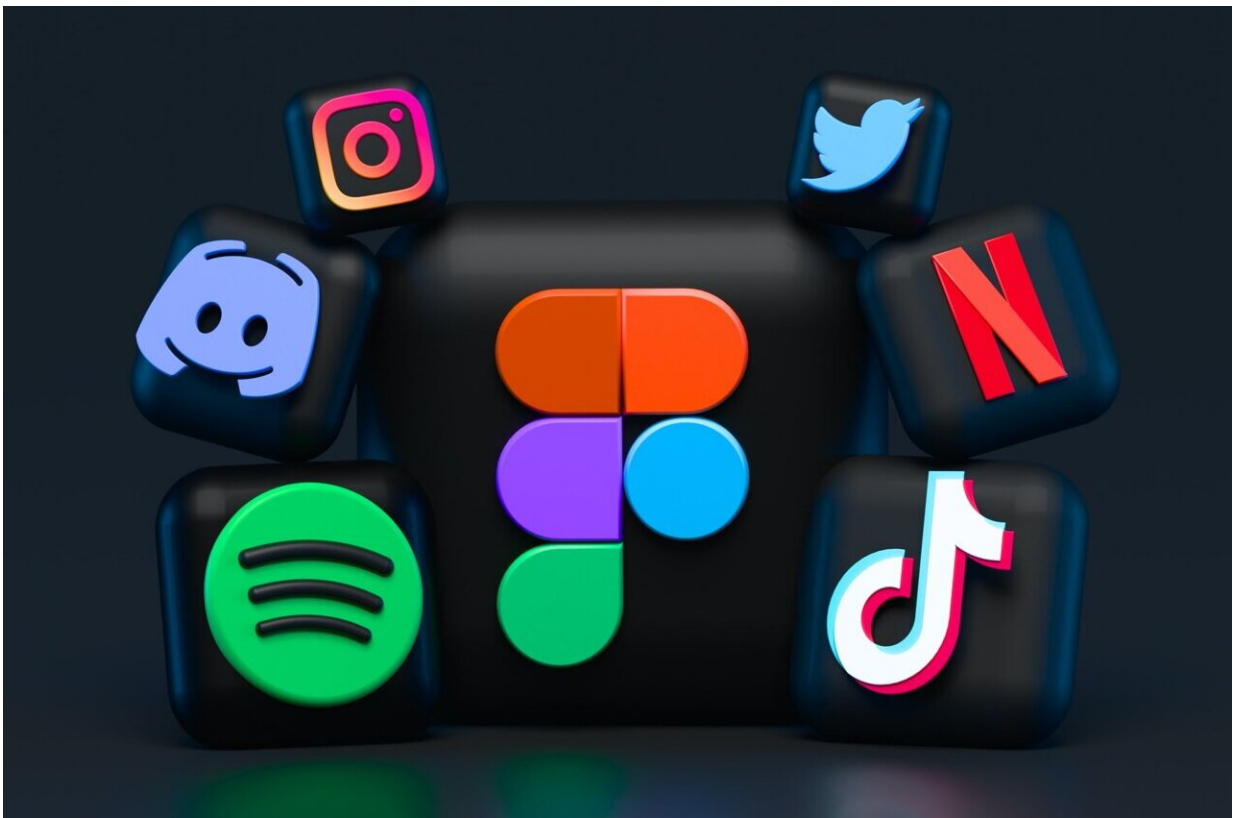


Beyond likes, shares, and comments: How can brands use social media to stimulate both engagement and sales?

October 5 2022, by Marilyn Stone



Credit: Unsplash/CC0 Public Domain

Researchers from Vrije Universiteit Amsterdam published a new article that examines the impact of owned social media on customer

engagement and sales.

The study, forthcoming in the *Journal of Marketing*, is authored by Georgia Liadeli, Francesca Sotgiu, and Peeter W.J. Verlegh.

With more than 3 billion [social media users](#) worldwide, brands have long recognized the importance of establishing a strong social media presence. Recent surveys indicate that over 91% of firms will increase social media marketing budgets in the next three years and that 62% of consumers believe brands will succeed in the long run only if they have a strong social media presence.

The content that brands create and share through their social media channels is called "owned social media." Liadeli says that "While brands are increasingly investing in owned social media, many are unsure about the overall return on their [social media presence](#) and ask how they can design more effective social media campaigns along the purchase funnel." In other words, firms ask the following questions:

1. How effective are owned social media and do they only drive engagement, or also sales?
2. Can the content that generates social media engagement also be used to improve sales?
3. Is a firm's owned social media equally effective across settings? Is it more effective for hedonic brands than for functional brands?

This new study about the impact of owned social media on social media engagement and sales is based on a [meta-analysis](#) of 1,641 elasticities across 86 studies spanning from 2011 to 2021 that covers 31 industries, 14 platforms, and 17 countries.

Sotgiu explains that "Contrary to managerial beliefs that owned social

media are primarily an engagement tool, we observe a stronger impact of owned social media on sales. There may be many consumers who 'like' individual posts or take the time to leave a comment or share the post from their personal accounts, but brands may be underestimating the impact of their owned social media by focusing on such easy-to-measure metrics."

To create engagement via social content, companies are often advised to include a question at the end of their posts or create a contest.

"However," says Verlegh, "our study shows that the most effective content to stimulate social media engagement is to focus on emotions, such as with funny or touching posts. But if the goal is to stimulate sales, social media content should focus on communicating information and product benefits and steer away from the emotional."

The study provides the following guidelines for Chief Marketing Officers and social media managers:

- Balance "what you say" and "how you say it" depending on the goal: Focus on the "how" to engage consumers with more emotional content and on the "what" to stimulate sales with more informational content (e.g., the hedonic [brand](#) Oreo recently boosted its sales using an informational post on Facebook about a recipe featuring its limited-edition red velvet flavor).
- It is not necessary to always grow communities to reach as many consumers as possible. Owned social media are more effective for small brand communities with consumers valuing the intimacy of a small community with greater trust in the brand and its messages.
- Social networks like Facebook and Instagram are better suited for stimulating social media engagement than microblogs such as Twitter. This suggests that tie strength and trust are more important than open access and wide dissemination.

- The introduction of advertising on different platforms weakened the effect of owned social media on engagement. While advertising may amplify the reach and [engagement](#) of owned social media content, it can distract the audience and reduce its contribution.
- It may be suboptimal for brands to use one social media strategy across different geographies, so managers should adapt strategies to account for differences in country characteristics. The increasing use of social media on smartphones amplifies the impact of owned social media on sales, and managers can expect stronger sales effects in countries with a greater mobile phone penetration. For countries with high power distance, owned [social media](#) exerts stronger effects on sales. High power distance is related to greater receptiveness of branded communications fulfilling materialistic and status needs.

More information: Georgia Liadeli et al, EXPRESS: A Meta-Analysis of the Effects of Brand Owned Social Media on Social Media Engagement and Sales, *Journal of Marketing* (2022). [DOI: 10.1177/00222429221123250](#)

Provided by American Marketing Association

Citation: Beyond likes, shares, and comments: How can brands use social media to stimulate both engagement and sales? (2022, October 5) retrieved 24 June 2024 from <https://phys.org/news/2022-10-comments-brands-social-media-engagement.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.