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Opinion Piece

Built in or bolt on: Why social currency is essential to social media marketing

Mark Ralphs

Abstract

How to make the most of social media is a leading topic for today's marketers. This often focuses thinking on social media platforms like Facebook, Twitter or Foursquare, rather than gaining a deeper understanding of why consumers talk about brands. Brands need to have or acquire 'social currency', essential for successful social media marketing.
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Introduction

This is not a case study and it is definitely not a research paper.

This is an essay on 'social currency', its relevance to brands, and how the importance of social currency has been lost in the avalanche of chit-chat about social media.

Too much noise: How social media dominates the discussion

Too much noise

Every day hundreds (certainly), thousands (probably), millions (possibly), of comments, Tweets, posts, articles and books get written about brands and social media. We are in the age of the social media guru. Every brand wants to be on Facebook. Every brand wants to have a conversation with their customers.

Today (Thursday 7 October 2010), a search on Amazon UK for 'social media' reveals 87,434 book results. A search on Google, over 676 million returns.

That's a lot of noise. It's a wonder anyone ever sleeps.

Let's compare this to a search for 'social currency'. On Amazon UK 1,333 book returns, on Google 11.2 million returns. Not a drop in the ocean, but a fraction of the content covering social media.

Incredible. Social currency has always existed. Social currency is about much more than just brands or media. Without social currency there would be no communities. Without communities there would be no social media. If ever there was a case of the tail wagging the dog …

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Thank you Pierre

I love a good definition, what does Wikipedia say?

'Social currency is a common term that can be understood as the entirety of actual and potential resources which arise from the presence in social networks and communities, may they be digital or offline. It derives from Pierre Bourdieu's social capital theory and is about increasing one's sense of community, granting access to information and knowledge, helping to form one's identity, and providing status and recognition'.[1]

Well, I'm not sure I get that, so here's mine:

'Social currency is the value you earn in a social engagement by being interesting and fun to be with'.

Of course this is highly subjective; one person's trash is another's treasure. And being interesting, and being fun to be with, is not the same thing. I know lots of interesting people who aren't much 'fun'. But the fact remains that all of us, in some way, add value to our social engagements and receive value back. You've got to give to receive. And it is this value exchange that cements relationships and builds communities.

Come on you Irons

My first boss was an old Harrovian *bon vivant* and, perhaps slightly surprisingly, a West Ham fan. Not for him the Twickenham car park or Lords pavilion. He enjoyed nothing more than a Saturday at Upton Park.

On several occasions we travelled out East to cheer on the 'Irons'. Before the match we used to dispatch several 'sherbets' in local pubs. Regardless of whether my boss knew the other punters, he immediately engaged whoever was at the bar in conversation about football. It was quite an experience to watch; portly and with a 'plummy' accent, the main thing my boss had in common was a love of West Ham. This was the social currency that bound the community together, and it was incredibly powerful. We had a lot of fun.

He never did?!

As well as earning social currency by being interesting and fun to be with, we are cannon fodder for others' earnings. We all occasionally enjoy a gossip, see the rise in 'celebrity culture', and we love to moan and complain, check out: http://www.ilovetocomplain.com/. Every time we do this, we are using others to earn social currency for ourselves.

Back to brands

All brands want to be talked about when the conversation is positive, but hate it when negative. This is why so many are worried about getting involved in social media.

Brands, like people, earn social currency and help others earn it. This is why they get talked about and sometimes get talked to. It's behaviour that should be embraced and encouraged.

A recent study by the Keller Fay Group[2] revealed that the average British consumer talks about 70 brands per week. Women (74 conversations per week) are slightly more talkative than men (66).

Of these, most word-of-mouth conversations (around 90 per cent) take place offline and face-to-face.

Also, and this should give brands some comfort, nearly two-thirds (62 per cent) of word of mouth in Britain is 'mostly positive'; compared to 'mostly negative' (9 per cent).

Now I don't believe this study should be taken as gospel, but I do think these behaviours are highly relevant to this discussion of social currency.

Like a good joke, brands can enhance our social currency. We've all used brands in this way, both positively and negatively.

The positive way to use a brand to build social currency: 'I've got a great new Porsche'.

The negative: 'Did you see that t***er in a Porsche'.

Both of these statements say something about the person making them, how they perceive themselves in relation to the brand, and about how brands are used in the acquisition of social currency.

**Mind the Gap:
The impact of
online 'buzz'**

Mind the Gap

The Keller Fay study suggests that on average 10 per cent of conversations around brands take place online. This proportion is made more significant by the fact that online comments have the potential to reach a far greater audience than those taking place offline.

It is the case that certain events drive spikes in the online buzz. There has been much recent discussion on Gap's Facebook page,[3] about the design of their new logo. Gap first responded by opening up the design to crowd-sourcing, then gave in and withdrew the new logo.

'Ok. We've heard loud and clear that you don't like the new logo. We've learned a lot from the feedback. We only want what's best for the brand and our customers. So instead of crowd sourcing, we're bringing back the Blue Box tonight'. Posted Gap on 12 October 2010.

The controversy provided Gap with an opportunity to have a conversation with its customers, and to earn social currency by listening to and acting on their views. Even though the starting point for many was a critical one, the brand was agile enough to engage in the conversation and get value from it.

**Coke is it: Capitalising
on existing social
currency**

Coke is it

Coca-Cola is a brand with stacks of social currency. Its status as a cultural icon far transcends the product itself and its sector. People love the Coke brand. As a boy I had an Athena poster of a crushed Coke can on my wall (it was the 80s). There are almost 13.5 million 'likes' of Coca-Cola's Facebook page.[4]

This level of social currency means that for Coca-Cola making good use of social media is relatively easy. I'll explain why.

The other day I enjoyed a cuppa with the strategy director of a leading social media agency. We had an interesting chat about Coca-Cola. We discussed whether the brand could get more out of social media by using it to have proper conversations with their customers.

My view is that they could try, but in the end how many people want to regularly 'talk to' a fizzy drink, and you have to question whether a conversational strategy would return on investment.

I believe Coca-Cola use social media, particularly Facebook, brilliantly to engage with their most loyal consumers and fans. Their strategy has two main characteristics:

1. Using social media platforms, like Facebook and YouTube, to support individual campaigns and competitions, 'fishing where the fishes are' and driving agility and efficiency.

> 'In some cases some of our campaigns won't need a coke.com-hosted site. In most cases these will still exist as it's the most obvious destination for a consumer, but it might only be a page linking to YouTube encouraging people to join the community there … We would like to place our activities and brands where people are, rather than dragging them to our platform'. Prinz Pinakatt, then Coca-Cola's interactive marketing manager for Europe, told NMA in January 2010.[5]

2. Using Facebook in a very 'light touch' way, it's striking how few of the posts on their page are from the brand itself, to embed itself further in the daily lives of consumers and connect them across the world.

> You can use Coke's Facebook page to ask the brand questions — in the UK this takes you to a link on the Coca-Cola corporate website[6] — and you can post whatever you want, within the house rules, on the wall, but having conversations clearly isn't a main part of the strategy.

Long live the King: Working hard to develop social currency

Long live the King

Let's compare this to another brand that has had huge success in social media, but in a very different way: Burger King.

I don't believe that Burger King has anywhere near the social currency of Coca-Cola. There are far fewer t-shirts bearing its logo for a start, and I can't believe there are too many boys with pictures of Whoppers on their wall. This is one of the reasons the brand is less successful on Facebook, with just over 388,000 'likes'.[7]

So Burger King has had to work harder to earn its social currency and to be talked about. Both on Facebook — it's interesting to see how much more active they are on their page than Coca-Cola — and online in general.

Burger King, as much as any other leading brand, is a great case study of how to use the online space to build social currency by being

'interesting and fun to be with'. From Subservient Chicken[8] to Whopper Sacrifice,[9] the brand has engaged with people in entertaining and provocative ways, earning the social currency that in turn drives word of mouth, both in consumers and the press, offline and in social media.

The trick for brands: Understand your social currency before developing strategy

The trick for brands

Most brands are not Coca-Cola.

'Brands [like Coca-Cola] owe a large part of their social media success to the strong relationships they already had with consumers'.[10] Blogs Nigel Hollis, Chief Global Analyst at Millward Brown.

This is why briefs that ask 'I'd like a social media strategy please' miss the point. If you want to take advantage of social media to be talked about, even more so if you want to have a conversation with your consumers, you need to first think about why people would bother? What is your social currency?

This can be a difficult headspace for some brand managers. It is an important part of working for a brand that you immerse yourself in, and develop a passion for, your product. If you're a brand manager and not your brand's strongest advocate, then you are probably in the wrong job. As far as you're concerned, your brand already has social currency.

But as we've seen, even very big brands, like Burger King, need to focus on how they can earn social currency to take advantage of social media. Even then, in places like Facebook, they work harder than some for lower obvious reward. And sometimes brands, like Gap, need controversy to stir up their consumers and provide opportunities to engage in dialogue.

So whether it's already built in, or you need to bolt it on, identifying how to build your social currency is essential for word-of-mouth and social media marketing. Without it, there would be no buzz, and no conversation.

The dog should wag the tail.

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