

The Power of Like

How Brands Reach and Influence Fans Through Social Media Marketing



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Executive Summary

The following white paper is based on a collaboration between comScore and Facebook. The research, which examines the nature of the reach and frequency of branded content on Facebook, is largely based on May 2011 findings from comScore Social Essentials™, but also includes insights from Facebook's internal analytics platform. The summary below establishes the key findings and implications of this research.

- Facebook is the dominant social networking site with an audience of approximately 160 million U.S. visitors each month and accounts for 90 percent of all time spent on social networking sites. (Source: comScore)
- Branded content on social media can take many forms – content shared directly from brands, re-shared content from connections, or social marketing such as Facebook's Sponsored Stories ad unit. While there has been tremendous focus on counting the incidence of these brand mentions on social networks (and, to a lesser degree, categorizing it), we find that the reach and frequency of social media brand impressions is far more important than simple counting statistics.
- Facebook users spend more than a quarter of their time on the site consuming and interacting with the Facebook Newsfeed, and this activity represents 4 percent of all time spent online in the U.S. The Newsfeed is also the primary location where branded content is consumed. In fact, users are 40-150 times more likely to consume branded content in the Newsfeed than to visit the Fan Page itself. (Source: comScore)
- There are typically two potential audiences for branded content on Facebook. Fans of brands on Facebook (those who have explicitly "liked" a brand) are the easiest to reach with social media brand impressions, but the Friends of those Fans also constitute an important incremental audience. Friends of Fans typically represent a much larger set of consumers (34 times larger, on average, for the top 100 brand pages) and can receive social media brand impressions by way of their Friends. In examples from this paper, the reach of branded content among Friends of Fans significantly exceeded the reach among Fans.
- When a brand focuses on acquiring and engaging Fans it can benefit from a significant secondary effect – exposure among Friends of Fans that often surpasses reach among Fans.
- In the case of some brands, Facebook Fans may have different aggregate demographic and behavioral profiles than typical brand purchasers, indicating that social media may require different approaches to marketing strategy.
- The "Value of a Fan" can be assessed in three primary ways: increasing the depth of engagement and loyalty among Fans, generating incremental purchase behavior, and leveraging the ability to influence Friends of Fans.

Collectively, this research leads to two important conclusions. The first is that by focusing on measuring the reach of their branded content among various constituencies, brands can more effectively understand and optimize the way in which they leverage their presence on Facebook. Secondly, we believe that brands can realize significant untapped benefits by understanding and focusing on reaching the Friends of their Fans.

Introduction & Background

Social media has emerged over the past several years to redefine the digital media landscape and, in the process, has changed the way we think about the dissemination of marketing messages. In particular, Facebook has facilitated two unique consumer experiences of interest to brand marketers. First, the ability for consumers to identify brands of interest and connect with them has enabled sharing between brands and consumers in new ways: brands and their consumers can now create two-way relationships and share content, news, and feedback. Social media has also facilitated innovative ways of sharing information *about brands* between friends. Whether consumers are voicing their affinity for certain brands or their experiences with products and services, Facebook not only encourages this type of sharing but can also accelerate its reach and virality.

Brands are increasingly interested in establishing a social presence and engaging with their Fans, helping shape their customers' experiences, and even leveraging their voices for greater marketing impact. Underscoring the importance of this channel, 100 percent of the Ad Age Top 100 Advertisers have established Facebook pages for their brands.

As this new marketing paradigm unfolds, there is palpable excitement about its potential to drive value for businesses, but also anxiety about the difficulty of grasping the full promise of this emerging medium. According to a study conducted by the Harvard Business Review, only 12 percent of companies surveyed indicated that they were effective users of social media, and just 7 percent said they were able to integrate social media into their marketing activities. These problems are all too common for businesses attempting to succeed in today's social media environment.

Part of the challenge is that as social media has evolved, the research methodologies and key metrics developed to describe social activity have served to isolate, rather than integrate, into traditional marketing terms. For example, most research on branded content on social platforms focuses on describing the *incidence* of these types of branded content (and, to a lesser degree, categorizing it as positive or negative), without regard to the size or composition of the audience receiving that content. Simply knowing how many brand mentions exist does little to provide insights for the potential impact of

that content, and can actually lead brands to focus on sub-optimal strategies because it highlights only content creators – at the cost of not understanding its distribution.

Our research indicates that an approach that is instead focused on *the audience* of branded content on social platforms – namely, audience reach and frequency – can unlock a much better understanding of the true impact (and therefore, value) of those impressions. This approach is more favorable because it allows brands to focus on marketing activities that drive scale within audiences of interest. Additionally, it provides brands the opportunity to understand the profile of those audiences reached with various types of content, and to begin to understand the impact of that content exposure.

Importantly, an approach focused on audience reach and frequency would also serve to integrate brand activity on social platforms with other parts of the marketing mix since reach, frequency and GRPs are standard units of measurement across most media channels, including TV, online, radio and print.

Methodology and Definitions

Data in this paper was collected and analyzed using the comScore Social Essentials™ product, which is a measurement service based on comScore’s proprietary 2 million person global panel of Internet users from a home or work computer (note: mobile-based Internet browsing is not included in this analysis). Opt-in panelists provide comScore with explicit permission to passively observe their online behavior, including site visitation, search activity, advertising exposure, and online purchases. By measuring online behavior for these opt-in panelists, comScore can observe both public and non-public pages within particular social networks such as Facebook. Measurement of panelists’ exposure to social media marketing within social networks can be linked to other behaviors in which they engage around the web. In addition, certain select data points and illustrations in the paper are based on aggregate, non-personally-identifiable data sourced from Facebook.

Social Media Brand Impressions

In this paper, we describe a unit of branded content called a “social media brand impression.” These impressions occur throughout a social network and may be delivered through a variety of dissemination channels. Below are the four primary vehicles through which these impressions are delivered:

1. *Page Publishing* – These unpaid impressions appear on the Fan page wall and may also appear in the Newsfeed of a Fan or a Friend of a Fan.
2. *Stories about Friends* - These unpaid impressions occur when a Friend actively engages with a brand (e.g. Amy Likes Southwest Airlines) and become visible either on a Friend’s wall or in the Newsfeed. These stories may appear to Fans and Friends of Fans.

3. *Sponsored Stories* – These paid impressions are similar to *Stories about Friends*, but they have been actively distributed more broadly and appear in the right hand column to Fans and Friends of Fans.
4. *Ads with Social* – These branded messages come directly from the advertisers with a social context on the unit that appears to Friends of Fans (e.g. Roger Tison Likes Southwest Airlines, appearing at the bottom of the ad unit).

While Social Essentials reports on all four of these impression types, this paper is focused specifically on unpaid, or earned, impressions.



Ad with Social

Page published update in a user's News Feed



Sponsored Stories

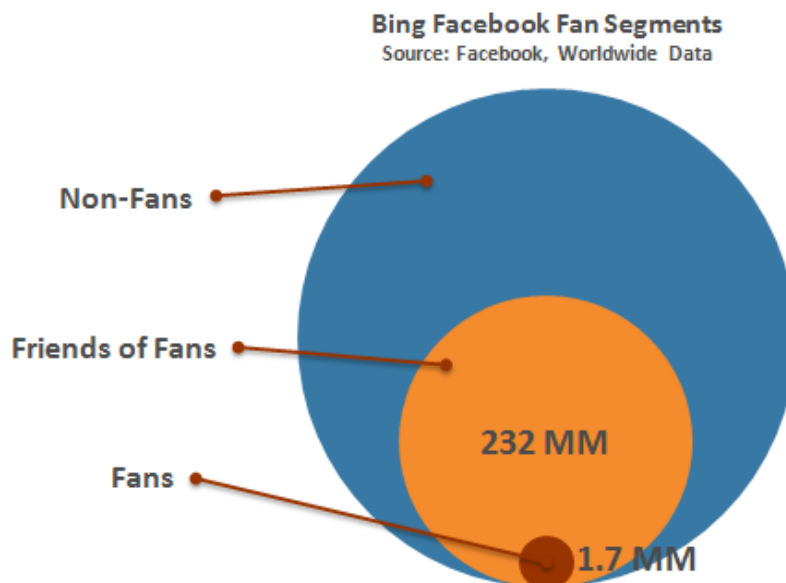
Story about a friend

Facebook Fan & Friend of Fans Segments

In this white paper, we will discuss a few different types of user segments within Facebook. While other analyses of Facebook Fans typically center on counts in the total number of accrued Fans, we instead measure audience segments within Facebook based on their exposure to brand impressions within the given reporting period (consistent with the comScore Social Essentials product). Moreover, not only are Fans exposed to these impressions, but so are their Friends. With this understanding in mind, we will make reference to the following audience segments throughout this paper:

- *Fans* – This user segment is based on users who have affirmatively stated their affinity for a particular brand by “liking” that brand. Over a given period, a subset of the total Fan base has been exposed to a social media brand impression.
- *Friends of Fans* – This user segment (aka “Friends”) is defined as those who are not explicitly brand Fans but who are exposed to brand impressions through a Friend who *is* a Fan of a particular brand. Over a given period, a subset of the total Friends of Fans is likely to have been exposed to brand impressions.
- *Non-Fans* – This segment encompasses all users of the social network who have neither become a Fan of a particular brand, nor are they connected to a Fan.

The following graphic illustrates the scope of these Facebook user segments for Microsoft Bing. While Bing’s Fan base is approximately 1.7 million, the number of Friends of Fans in this network is 232 million – more than 130 times the size of its Fan base. Non-Fans are represented by the blue region.

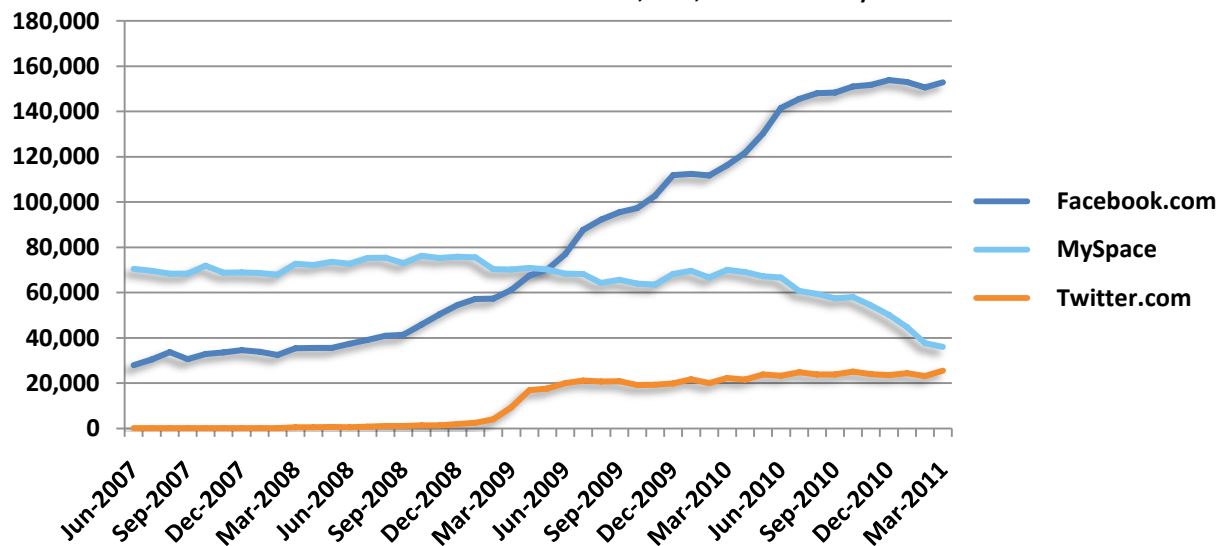


Brand Fans Make Facebook a Social Marketing Vehicle

Facebook has emerged over the past few years as a powerful social marketing and advertising platform. In the U.S. alone, Facebook has approximately 160 million visitors each month – about 3 out of every 4 Internet users – with the majority of them visiting the site on a daily basis. Compared with other leading social networks, Facebook today represents the vast majority of U.S. social networking activity, accounting for 90 percent of all time spent on social networking sites in the U.S. (Source: comScore)

Trend in U.S. Unique Visitors (000) to Facebook, Myspace and Twitter

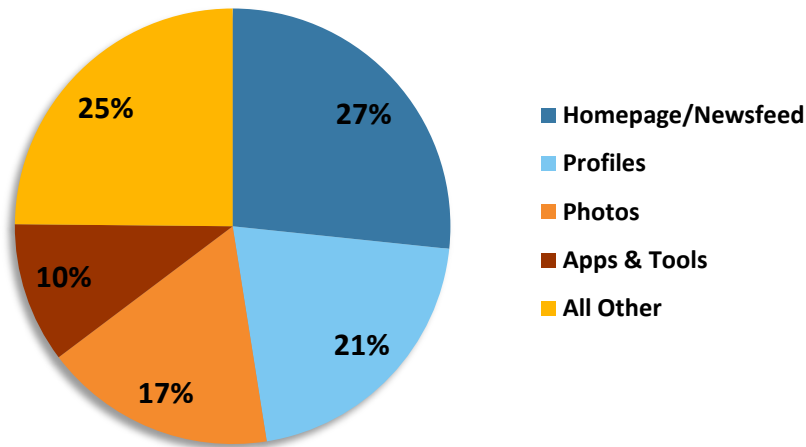
Source: comScore Media Metrix, U.S., June 2007 - May 2011



Within Facebook, the largest portion of users' time is spent on the individual's homepage which features the Newsfeed. In May 2011, 27 percent of engagement on Facebook.com occurred on the homepage and Newsfeed, followed by profile viewing (21 percent), photo viewing (17 percent) and usage of apps and tools (10 percent). (Source: comScore)

Share of Time Spent on Facebook.com by Content Section

Source: comScore Mediabuilder, U.S., May 2011



Understanding the importance of the Newsfeed to the Facebook user experience helps illustrate how and where users are likely to see and digest information on the site. This implication is especially important for brands with a presence on Facebook, since the Newsfeed offers the greatest opportunity to reach and engage with current and potential customers.

Facebook users demonstrate their affinity for brands through use of the “like” button. By “liking” a brand (also known as “becoming a Fan”) followers can affirmatively express their interest in a particular brand for reasons that may include self-expression, communicating positive associations of that brand to others, staying in communication with that brand, or receiving deals and promotions. Many iconic brands have been able to amass substantial Fan followings, with Coca Cola, Starbucks and Disney each boasting more than 20 million Fans as of July 2011.

In this white paper, we will examine the social media impact for three very different brands – Starbucks, Southwest Airlines, and Microsoft Bing – in order to understand how their marketing messages reach Fans and Friends of Fans throughout the network, and the resulting implications of these social media brand exposures.

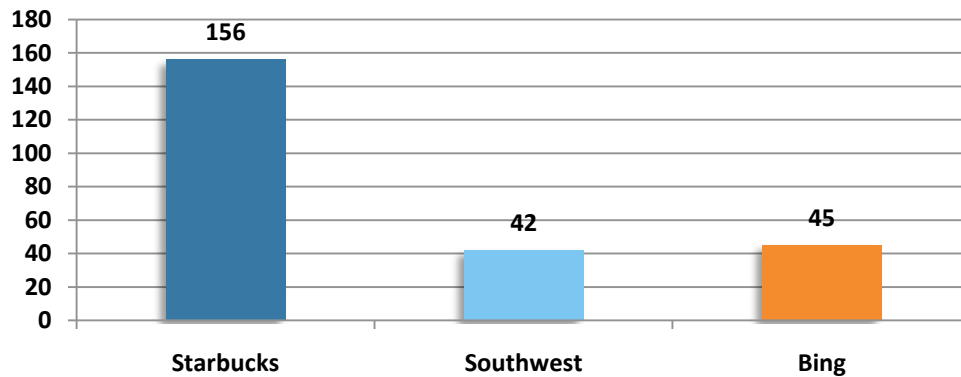
Most Branded Content Exposure Occurs in the Newsfeed

Despite an increasing willingness to identify as Fans of a brand, it is important to understand that the core user experience of consuming and engaging with content in the Newsfeed extends to branded content. In other words, social media brand content is primarily consumed within the Newsfeed as opposed to on the brands’ fan pages.

To grasp the enormous difference in consumption of branded content in the Newsfeed versus the brand page, we compared the page views on the Fan page to the total number of brand exposures on Facebook. In May 2011, Starbucks delivered 156 brand impressions throughout Facebook for every *one* page view on its Fan page. Southwest delivered 42 brand impressions for every Fan page view, while Bing delivered 45. In each brand's case, they managed to reach millions of people with brand impressions throughout the site while only attracting tens of thousands of visitors to the Fan pages.

Starbucks, Southwest & Bing: Ratio of Facebook Impressions for Fans & Friends of Fans to Page Views on Brand Fan Pages

Source: comScore Social Essentials, U.S., May 2011



These outsized ratios may surprise some marketers at first glance, but it is actually very consistent with how people use Facebook. Most of their time is spent on the Newsfeed over individual profile pages, so it makes sense that the branded content impressions would reflect this reality.

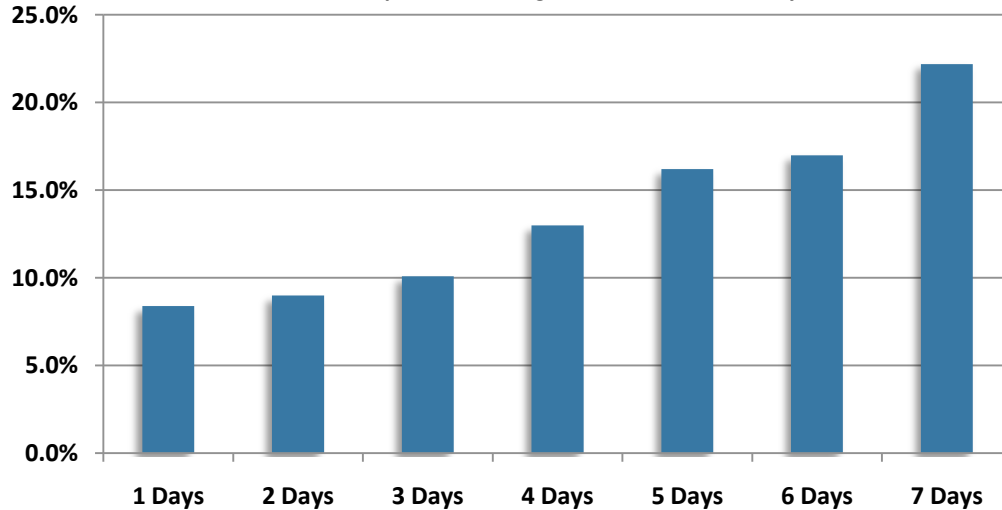
Despite the dominance of consumption in the Newsfeed relative to the brand page, a minority of Fans see content from a brand in a given week. A Facebook analysis indicates that, on average, 16 percent of Fans are reached by branded content by a brand that posts five out of seven days. Why don't all Fans see a particular piece of content from a brand? Some fans may miss content if they are not logged onto the site during a period when brands are active. Additionally, the Facebook Newsfeed uses an algorithm to rank content based upon the likely interest to a user so, unlike in other social media settings, only the content determined to be most relevant to a user is delivered at a specific time. These results are similar to the degree of reach between users and their Friends – a given status update from a user will result in approximately 12 percent reach among their Friends, according to a Facebook analysis.

How can Fan pages increase the likelihood of reaching their Fan base? Publishing content that is highly engaging can increase the likelihood of content appearing in the Newsfeed. Publishing more often can

also increase the rate at which Fans see content. A Facebook analysis suggests that each incremental day of publishing branded content from the Facebook Page increases the reach among Fans by approximately 2.5 percent. Of course, brands must also take care to ensure that the content and frequency of publishing aligns with the expectations of their Fan base, and does not result in annoyed or disengaged Fans.

Facebook Fan Pages: Cumulative Reach as a Function of Post Frequency (# of Days per Week)

Source: Facebook, Top 100 Brand Pages, Worldwide Data, May 2011

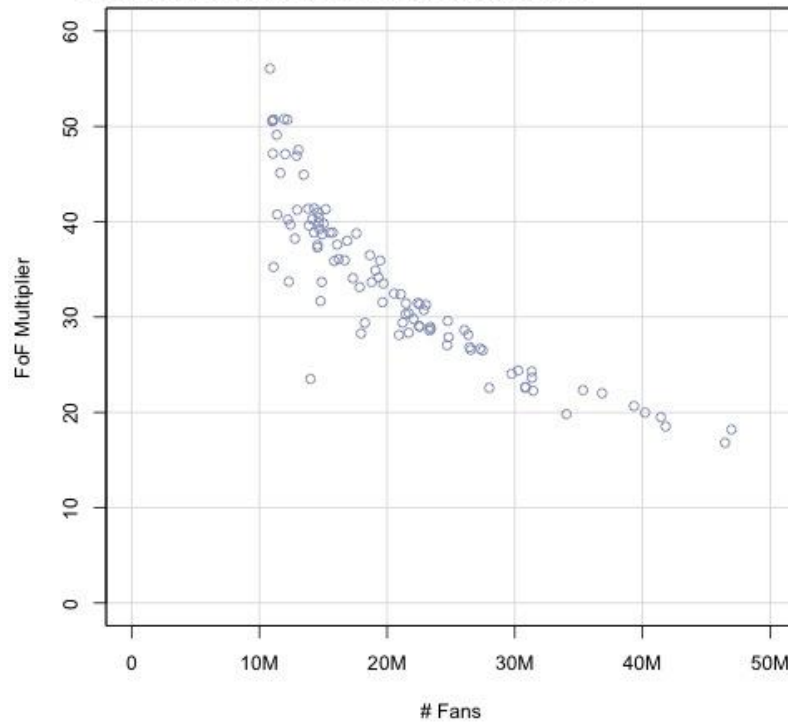


Friends of Fans: Extending the Social Influence of Fans

Reaching Fans with marketing messages is certainly of interest to brands, but our research has found that the Friends of Fans represent a substantial potential audience, often well beyond the scale of Fans alone. A Facebook analysis of the top 100 brand pages suggests that for every Fan, there are an additional 34 Friends of Fans that can be reached (with significant variance among brands). This multiplier grows even larger as we look beyond the top 100 brand pages (81x on average among the top 1,000 Fan pages).

Facebook Fan Pages: Friends of Fan multiplier and Fan base size

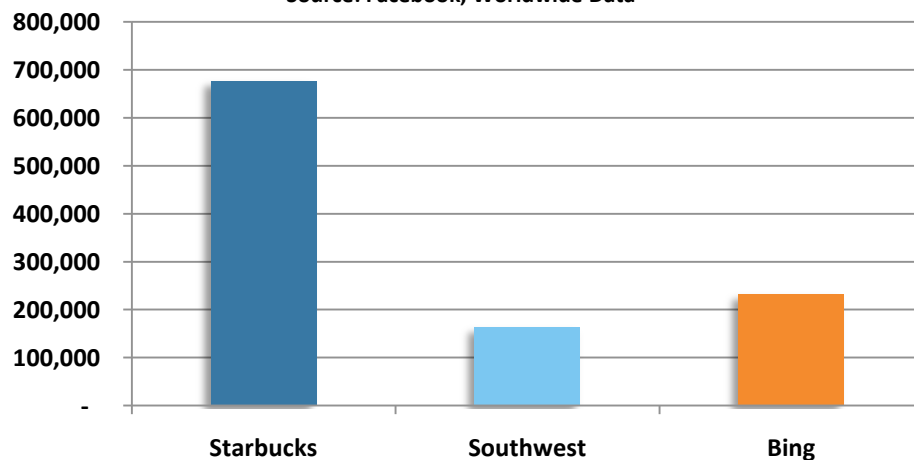
Source: Facebook, Worldwide Data, Top 100 brand pages



Looking specifically at Starbucks, Southwest, and Bing, we see that the ratio of Fans to Friends of Fans varies considerably across the three brands but, in all three cases, the Friends of Fans represent an audience at least an order of magnitude larger than the Fan base – hundreds of millions of users globally.

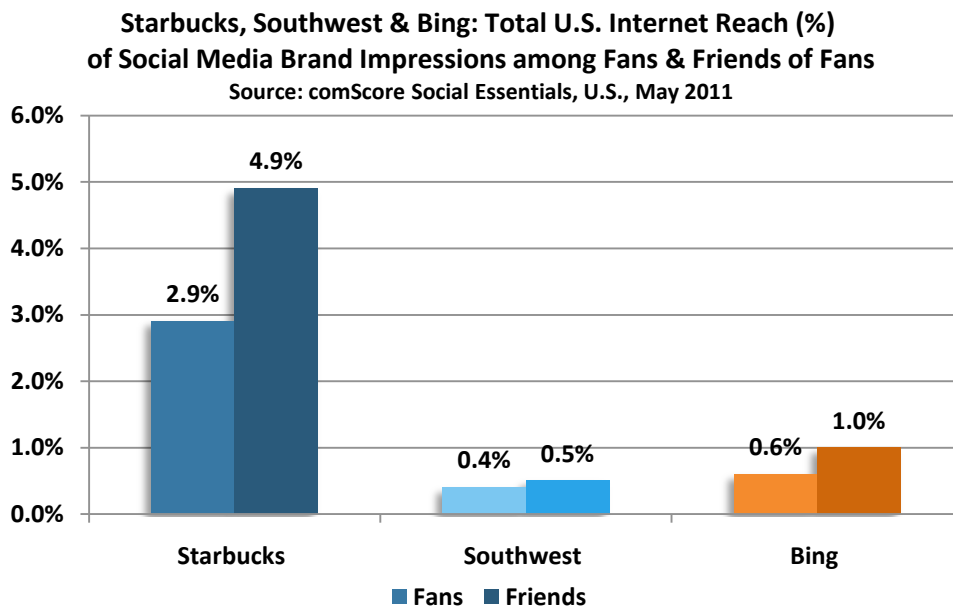
Starbucks, Southwest & Bing: Potential Reach of Friends of Fans Audience (000)

Source: Facebook, Worldwide Data



Friends of Fans are also an intriguing audience for marketers for a couple of reasons. First, since these consumers have yet to identify themselves as Fans of a given brand, there may be more upside in messaging to them – either for brand-building or increasing consumption. Brands can also take advantage of these users’ social proximity to Fans to deliver stories about those Fans’ interest and engagement with their brand.

An analysis of the reach delivered via social media brand impressions highlights this ability to extend reach through Friends of Fans. Across all three brands analyzed, the number of Friends of Fans reached by these brand impressions exceeded the reach by Fans alone, and by a significant amount in the cases of Starbucks and Bing.



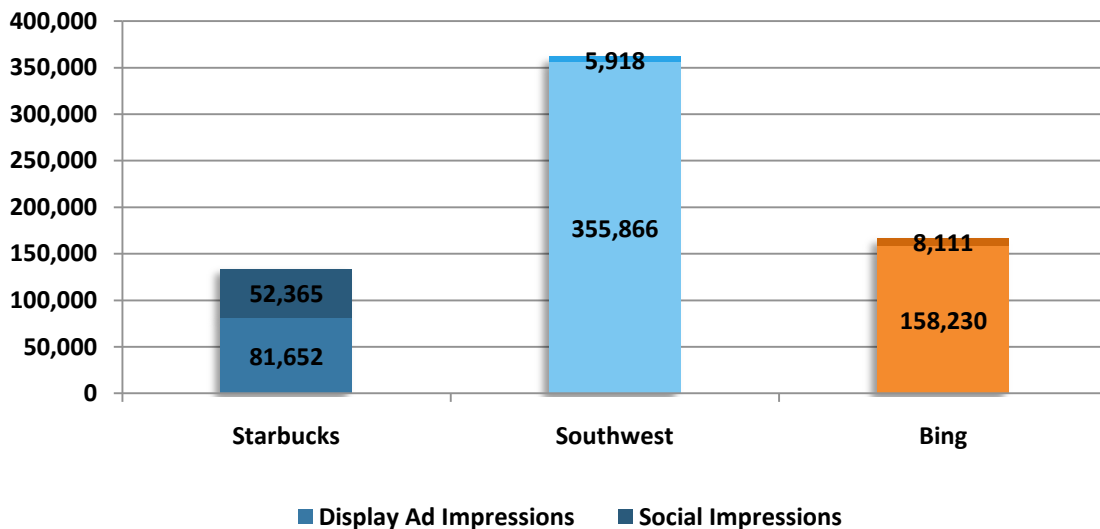
Reaching Consumers at Scale with Branded Content

Social media is generally not regarded in the same way as other media channels that deliver branded content at scale, such as online display advertising. However, our research has indicated that in some cases it could warrant such consideration given its ability to deliver impressions comparable with that of other digital ad campaigns. With Southwest and Bing, these impressions were marginally incremental to their existing online display ad campaigns in reaching people around the web. In Starbucks’ case, however, unpaid social media impressions increased total online impression volume by an impressive 64

percent. This amplification in social media brand impressions is largely attributable to Starbucks' ability to leverage a larger Fan base and its modest ad impression volume relative to Bing and Southwest.

Starbucks, Southwest & Bing: Facebook Brand Impressions (000) vs. Display Ad Impressions (000) among Fans & Friends of Fans

Source: comScore Social Essentials, U.S., May 2011



Most marketers would agree that while media is bought and sold on an impression basis, their true goal is to reach people – particularly those in their target demographic. Accordingly, we believe that social media research should also focus on measuring the number and composition of people reached by brand messages on Facebook and other social networks.

Social Media Reach, Frequency & GRPs

Facebook provides the opportunity not only to deliver brand impressions at scale, but also to deliver impressions with social context. This has the potential to generate lift at each stage in the marketing cycle, whether it is brand awareness, favorability, purchase intent, conversion, or even long-term loyalty and lifetime value. The ability to measure the impact of these brand impressions in terms of traditional marketing metrics enables brands to realize the value of social media as an integral component of the overall marketing mix.

To achieve this cross-media comparability, social media brand impressions must be quantified and translated into traditional media planning variables such as reach, frequency and GRPs. We calculated these metrics for Starbucks, Southwest and Bing based on the number of social media brand impressions delivered against Fans and Friends of Fans. The metrics showed that while Fans received a higher

number of impressions on average, Friends of Fans represented a wider reach. Due to Starbucks' larger overall fan base, the brand delivered the highest overall number of Total U.S. GRPs at 17.3 (5.7 among Fans and 11.6 among Friends). Southwest delivered a combined 2.0 GRPs while Bing delivered 2.7 GRPs. These metrics not only enable comparison with other digital campaigns, but can also provide comparability for cross-media campaigns.

Unpaid Brand Impressions on Facebook
Source: comScore Social Essentials, U.S., May 2011

| | Exposed Fans (000) | Impressions (000) | Total U.S. Reach | Total Internet Reach | Frequency | Total U.S. GRPs |
|----------------|-----------------------|----------------------|---------------------|-------------------------|-----------|--------------------|
| Fans | | | | | | |
| Starbucks | 6,314 | 17,098 | 2.1% | 2.9% | 2.7 | 5.7 |
| Southwest | 917 | 2,924 | 0.3% | 0.4% | 3.2 | 1.0 |
| Bing | 1,221 | 3,670 | 0.4% | 0.6% | 3.0 | 1.2 |
| Friends | | | | | | |
| Starbucks | 10,630 | 35,267 | 3.5% | 4.9% | 3.3 | 11.6 |
| Southwest | 1,123 | 2,994 | 0.4% | 0.5% | 2.7 | 1.0 |
| Bing | 2,208 | 4,441 | 0.7% | 1.0% | 2.0 | 1.5 |

Social Media Audience Analysis

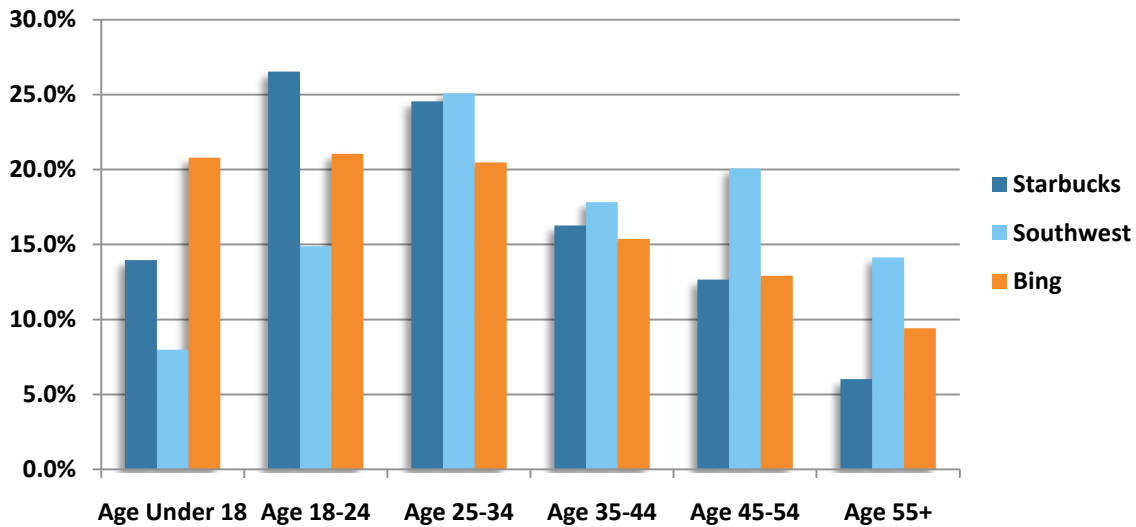
Understanding the size of the audience reached via social media leads to a natural follow-on question: who are these people? With traditional campaigns, marketers attempt to reach particular audience segments with their messages and, in the context of social media campaigns, marketers want to understand how the audiences reached align with their marketing objectives. The following analysis illustrates the demographic and behavioral attributes of various Facebook Fan segments.

Demographic Analysis

On the demographic side, the brand-exposed Fans of the three brands studied differ by age composition. Starbucks actually has a fairly young demographic profile for its Fans with more than 40 percent under the age of 25, and 18-24 year olds accounting for more than a quarter of all Fans (26.5 percent). Approximately 40 percent of Bing's Fans were also under the age of 25, although they were more evenly balanced among Under 18 year olds and 18-24 year olds. Southwest Fans, meanwhile, showed an older age profile with more than half (52.0 percent) at least 35 years of age.

Starbucks, Southwest & Bing: Facebook Fan Age Demographic Profile

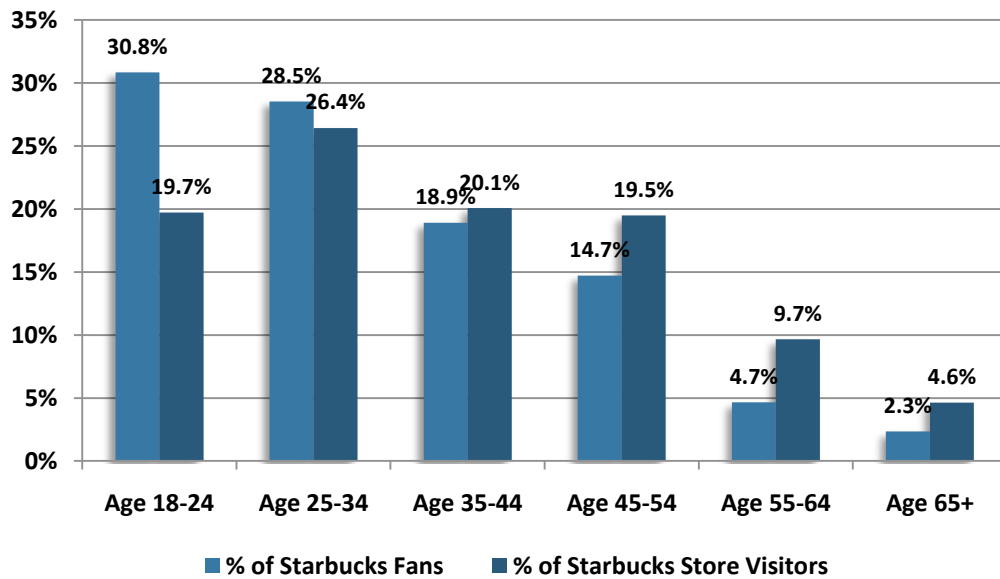
Source: comScore Social Essentials, U.S., May 2011



In the case of Starbucks, we observed some differences in the respective demographic profiles of its brand-exposed Facebook Fans in comparison to its typical customers. Among people age 18 and older, 20 percent of those who had visited a Starbucks premises within the past month were between the ages of 18-24, while 31 percent of brand-exposed Starbucks Fans were in that age segment. At the same time, 14 percent of in-store visitors were age 55 and older, but this same age segment accounted for just 7 percent of brand-exposed Fans. With the knowledge that Fans skew significantly younger than the typical customer, Starbucks would likely benefit from designing its social marketing strategies to appeal to younger customers in an attempt to bring them in the door.

Demographic Profile of Brand-Exposed Starbucks Fans vs. Starbucks Store Visitors

Sources: comScore Social Essentials and comScore Plan Metrix, U.S., May 2011



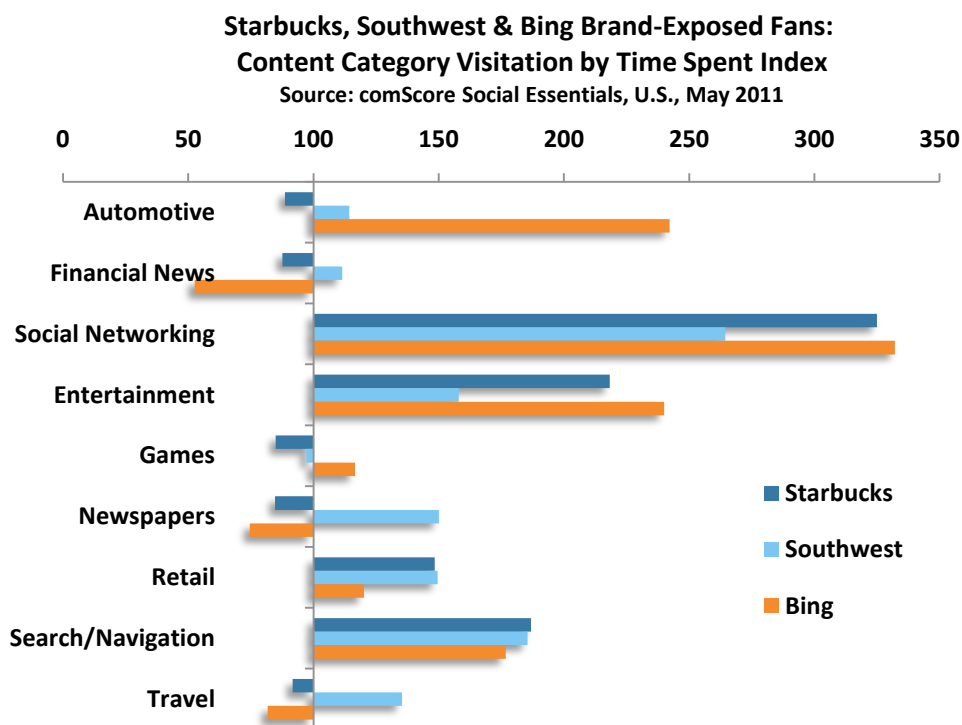
Understanding the demographic characteristics of a brand's social media following may reveal interesting audience dynamics and uncover the potential for new marketing opportunities. What is clear in these examples is that it is difficult to generalize about a brand's social media audience. They may in some cases closely mirror one's typical customer base or, in other cases, look very different. Because attracting Fans can be a function of both organic brand affinity and active social media marketing efforts, there is no obvious rule of thumb. It is important that brands understand who these Fans are in order to utilize the strategies that will be most effective in activating these customers.

Behavioral Analysis

We can also see that Fans have different online behavioral profiles by brand. In the analysis below, we examined the percentage of time a particular brand's Fans spent in different site categories relative to the average U.S. Internet user. The results indicated several strong behavioral skews by brand among the top content categories.

The first revelation was that brand-exposed Fans of all three brands significantly over-index for time spent in the Social Networking category. This fact should not be surprising, given that these user segments are more likely to associate with brands on Facebook. All three brands also over-indexed for the Entertainment category (consistent with their relative preference for leisure-oriented online content such as Social Networking), as well as Search/Navigation. Other content categories showed differences in usage, such as Automotive where Bing Fans exhibited a strong propensity to visit. On the other hand, Bing Fans had low relative visitation for the Financial News, Newspapers and Travel categories.

Southwest Fans, unsurprisingly, indexed high on the Travel category, as well as the Retail category. Starbucks Fans also indexed high on Retail.



Brands can leverage the information on their Fans' online behavior to better understand what messaging might work best with customers, which products to promote via social media, and what type of promotions are most likely to gain traction.

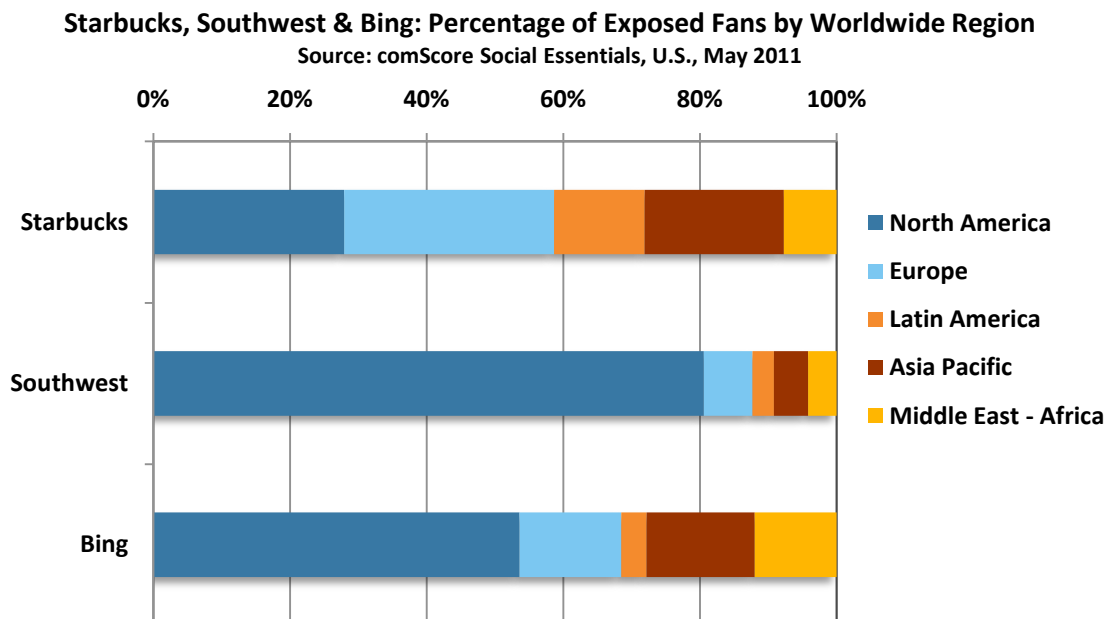
Another way for brands to build a profile of their Fans is to understand which content categories they are most likely to visit relative to the average Internet user. The illustration below shows the top five content categories where each brand's Fan segment spends the greatest share of time relative to the average. Starbucks Fans, for example, can be described as both entertainment-oriented and information-seekers. Southwest Fans show great interest in the weather - probably because they are heavier travelers - while Bing Fans are more likely to be auto-intenders and consumers of teen content.

| Starbucks Fans | Index | Southwest Fans | Index | Bing Fans | Index |
|----------------------------|-------|--------------------|-------|----------------------------|-------|
| Social Networking | 325 | Weather | 518 | Social Networking | 332 |
| Entertainment - Multimedia | 197 | Social Networking | 265 | Auto Resources | 314 |
| Search/Navigation | 187 | Gay/Lesbian | 188 | Community - Teens | 230 |
| Directories - Reference | 170 | Search/Navigation | 186 | Entertainment - Multimedia | 223 |
| Entertainment - Music | 170 | Gaming Information | 185 | Auto Manufacturer | 194 |

Facebook Offers Global Marketing Channel for Brands

While most campaign measurement and evaluation occurs at a local level, it is also important for many brands to take a more global perspective. Facebook’s extensive worldwide reach makes it one of the few media channels that can be employed for global branding efforts. According to comScore, Facebook reached 714 million worldwide unique visitors in May - to rank as the third largest worldwide web property. It also ranks as the #1 social networking site in the wide majority of the individual countries measured by comScore.

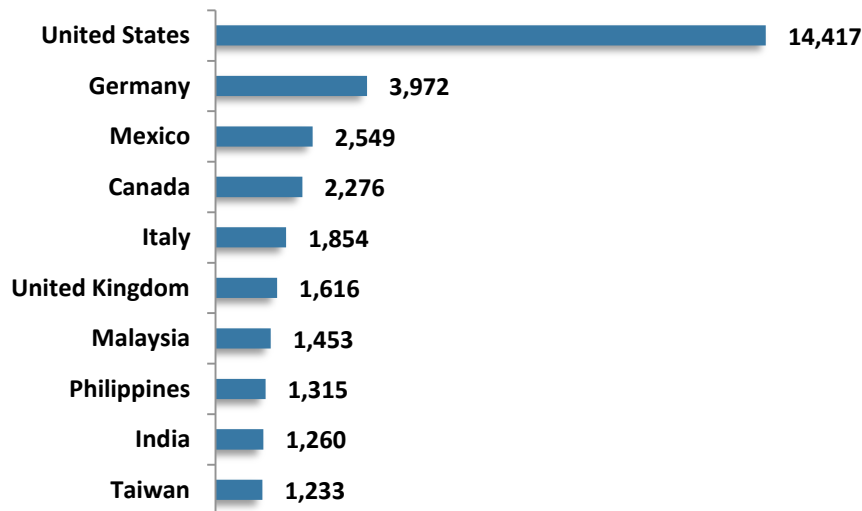
The chart below clearly illustrates how brands may be reaching Fans across the world with brand impressions on Facebook. Starbucks has a diverse base of exposed Fans across all five global regions, with North America accounting for less than 30 percent of the total. Southwest has a more concentrated Fan base which is understandable as it is a domestic airline. Bing - a global brand - enjoys a fairly diverse Fan base, though to a lesser extent than Starbucks.



Starbucks, which boasts 5,500 coffee houses in more than 50 countries, is clearly capitalizing on Facebook as a global marketing channel. In May, Starbucks’ social media brand impressions reached more than 53 million people worldwide, with ten individual countries delivering impressions to at least 1 million Fans and Friends. The United States led the way with 14.4 million exposed Fans and Friends, followed by Germany (4 million), Mexico (2.5 million) and Canada (2.3 million). (Source: comScore)

Starbucks: Top 10 Countries by Number of Exposed Fans & Friends of Fans (000)

Source: comScore Social Essentials, U.S., May 2011



Fan Value and Social Media ROI

Perhaps the most common questions that arise in evaluating social media efforts are “What is a Fan worth?” and “What is the return on my social media investment?” Answering such queries must begin with quantifying the value of a Fan, which we might consider in the following ways:

- Increasing engagement and loyalty among Fans
- Generating incremental purchases among Fans
- Positively influencing Friends of Fans

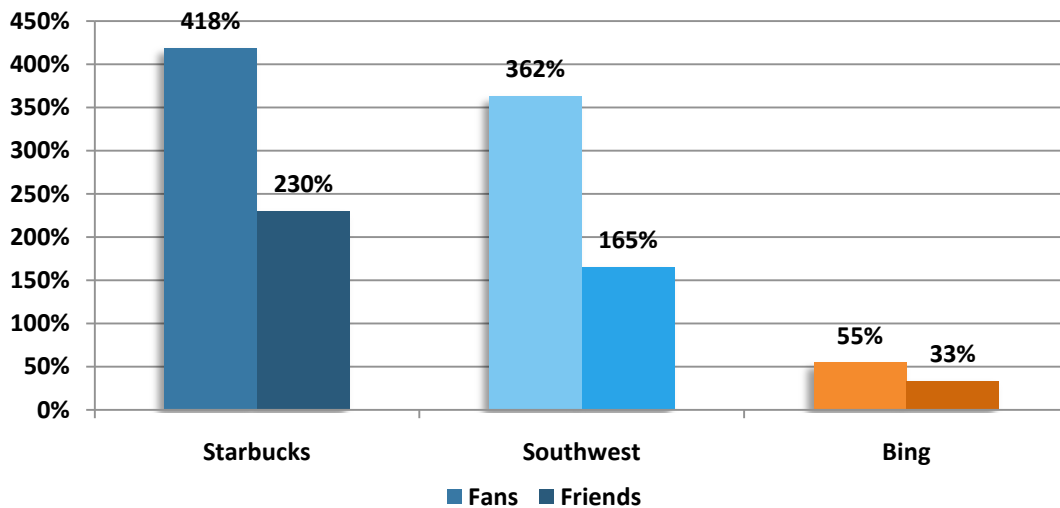
A retailer may want to understand how much more time Fans spend at its store than non-Fans. A CPG brand may be interested in knowing how much more of its product is purchased in-store by Fans than non-Fans. A publisher could be curious about how much more time is spent on its website than a non-Fan. The potential applications for understanding these differences are virtually limitless.

A good starting point for quantifying the value of social media audiences is to analyze basic brand engagement. For Starbucks, Southwest, and Bing, we began by evaluating how much more likely Fans and Friends of Fans were to visit the websites for those brands compared to the average visitor of those sites. Starbucks’ Fans and Friends of Fans showed the highest average propensity to visit the brand website, with Fans 418 percent more likely to visit Starbucks.com and Friends of Fans 230 percent more likely. Southwest Fans were 362 percent more likely to visit Southwest.com, while Friends of Fans were 165 percent more likely. Bing, which showed relatively more modest lifts at 55 percent for Fans and 33

percent for Friends of Fans, had much higher rates of visitation overall than the other two brands' websites with more than 1 out of every 3 U.S. Internet users visiting Bing in May.

Starbucks, Southwest & Bing: Website Visitation Among Exposed Fans & Friends of Fans vs. Average Internet User

Source: comScore Social Essentials, U.S., May 2011



With these examples, we are able to establish that Fans and Friends of Fans tend to exhibit significantly higher brand engagement than the typical Internet user, and also quantify the magnitude of the difference. However, this evaluation can often be taken to the next level of analysis.

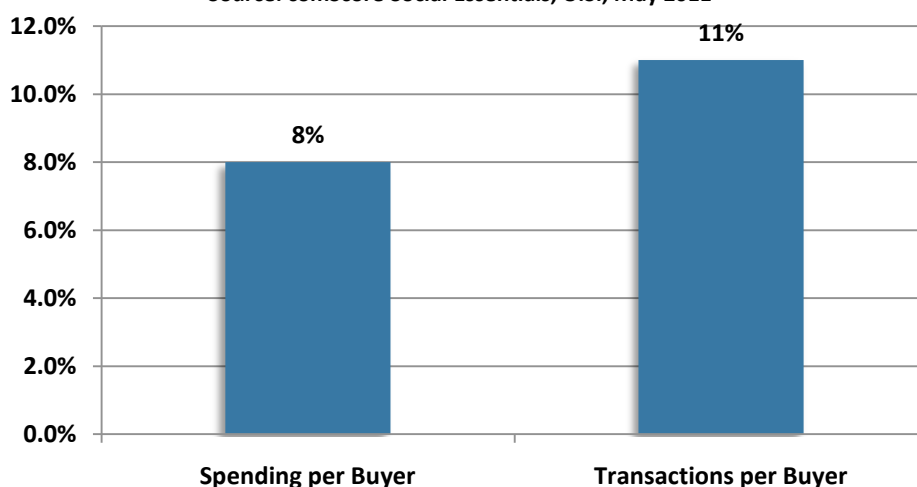
The following illustrations for Starbucks, Southwest, and Bing, help to demonstrate how businesses might quantify the value of their Fans and Friends of Fans. Importantly, these illustrations do not imply a direct cause-and-effect relationship between social media exposure and behavior, as those associated with the brand might already be more likely to engage with it. This caveat notwithstanding, brands can gain insight into this heavy user segment in order to optimize marketing decisions.

Starbucks

To understand differences in purchase patterns among the Fans and Friends segments, comScore analyzed Starbucks customers' in-store purchase patterns. The analysis, which examined in-store purchase behavior during May 2011, revealed that Starbucks Fans & Friends of Fans spent 8 percent more and transacted 11 percent more frequently than the average Internet user who transacted at Starbucks.

Starbucks: Fans & Friends of Fans Purchase Activity vs. Average Internet User

Source: comScore Social Essentials, U.S., May 2011



It is important to note that differences between Fans and non-Fans in terms of purchase quantity or frequency are not truly reflective of the value of a “like.” At least a portion of these differences reflect the pre-existing preferences of these consumers: they prefer Starbucks, make a habit of visiting Starbucks often, and also are more likely to express this brand affinity by becoming a Fan of Starbucks on Facebook. Thus, differences in spend may reflect the strength of pre-existing brand preferences. That said, it is clear that these are valuable customers for Starbucks and social media represents a strong opportunity to engage with them.

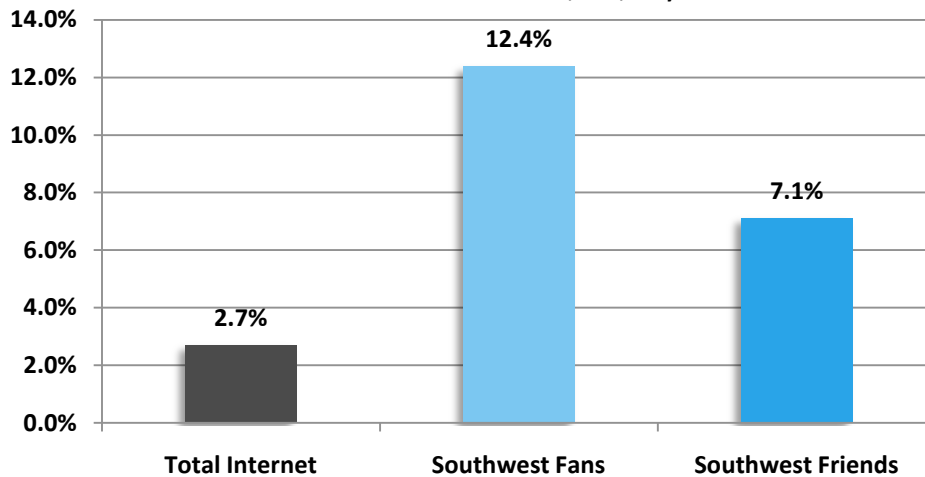
To understand the incremental value of the published content, this research technique can be used to identify Starbucks Fans and Friends of Fans who have received branded content, and evaluate their behavior over time. We can compare this behavior not only to that of non-Fans, but also based on the frequency and diversity of exposure to branded content and its latent impact on purchasing behavior.

Southwest

For Southwest, we conducted an analysis comparing Southwest.com site visitation patterns between Fans and Friends of Fans and the average site visitor. The results indicated substantially higher visitation rates among Fans and Friends of Fans. While 2.7 percent of the total U.S. Internet audience visited Southwest.com in May 2011, 12.4 percent of exposed Southwest Facebook Fans visited the site, nearly 5 times the total Internet average. Perhaps even more dramatically, 7.1 percent of exposed Southwest Friends of Fans visited Southwest.com, more than 2.5 times the rate among the total Internet population. These results suggest that exposure to socially influenced brand messages might be persuasive in driving brand engagement.

Southwest.com Visitation Rate of Southwest Brand Exposed Fans & Friends of Fans

Source: comScore Social Essentials, U.S., May 2011



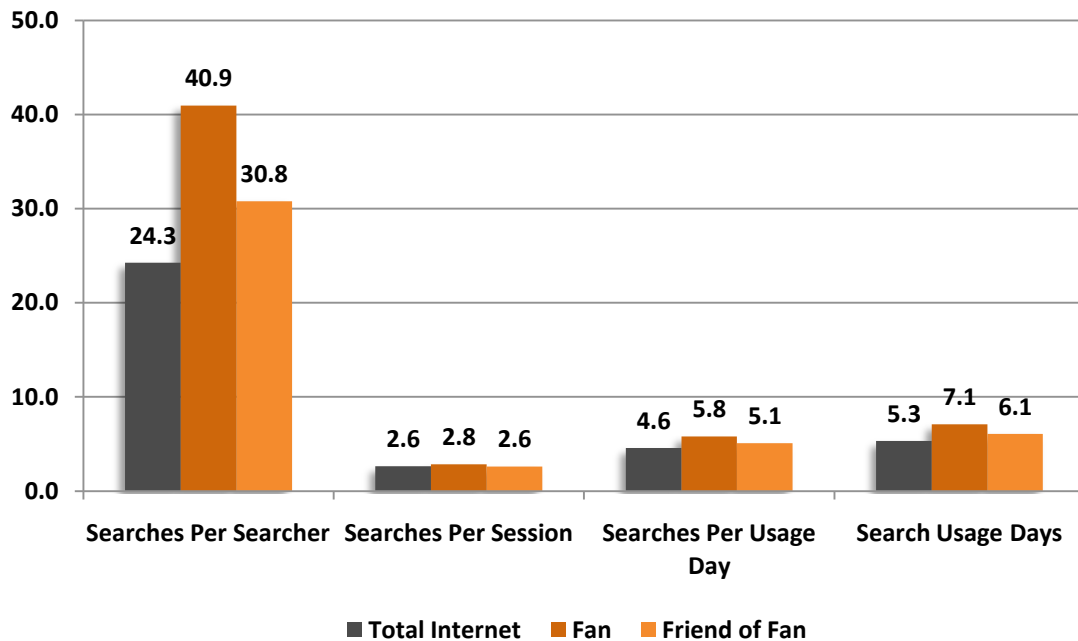
For a website like Southwest.com, which sells tickets directly and therefore represents the company's primary revenue generation channel, differences in site visitation rates can be tied to conversion to help quantify the value of Fans and Friends of Fans.

Bing

For Bing, we conducted a similar analysis comparing Bing.com search patterns between Bing Fans and Friends of Fans and the average Bing.com searcher. The results once again indicated higher engagement across the board among the Fans and Friends of Fans segments. Overall, Bing Fans conducted 68 percent more searches on Bing than the average Bing searcher (40.9 vs. 24.3) while Friends of Fans conducted 27 percent more searches (30.8 vs. 24.3). Fans and Friends also exhibited higher search engagement in terms of the number of searches per session, searches per usage day, and number of search usage days. In each case, Bing Fans demonstrated significantly higher engagement than the Friends of Fans segment.

Bing: Brand Exposed Fans and Friends of Fans Search Activity vs. Average Bing Searcher

Source: comScore Social Essentials, U.S., May 2011



This dynamic illustrates the importance of the Fan and Friend segments to Microsoft, since their association with the Bing brand corresponds directly with Microsoft's ability to monetize search behavior.

Conclusion

As marketers look increasingly to Facebook and other social media platforms as new ways of communicating with their consumers, they seek metrics that can help them understand the value, and create an effective strategy for reaching key audience segments. But, typical approaches that focus on raw fan counts, or the total number of engagements on a given piece of content, fail to depict the potential and realized scope of social media brand impressions.

As illustrated through the examples in this paper, a measurement approach that focuses on reach and frequency within audience types (for example, Fans and Friends of Fans) can lead to a dramatically better understanding of how and where brand messages are reaching consumers. This same focus means that marketers can also better place their social media strategy within the broader framework of their marketing objectives for key consumer segments.

In particular, the findings in this paper may be of interest to brand marketers as they consider their realization of the "value of a Fan" on Facebook. In addition to understanding the short and long term

reach of social media brand impressions to Fans, this approach's ability to determine reach among the largely untapped Friends of Fans audience may be important in helping brands to achieve their marketing goals on Facebook -- and beyond.

About comScore

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