



Social TV: How Social Media Activity Interacts With TV Advertising

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KEYWORDS

*Social Media, Social TV,
WOM, TV Advertising*

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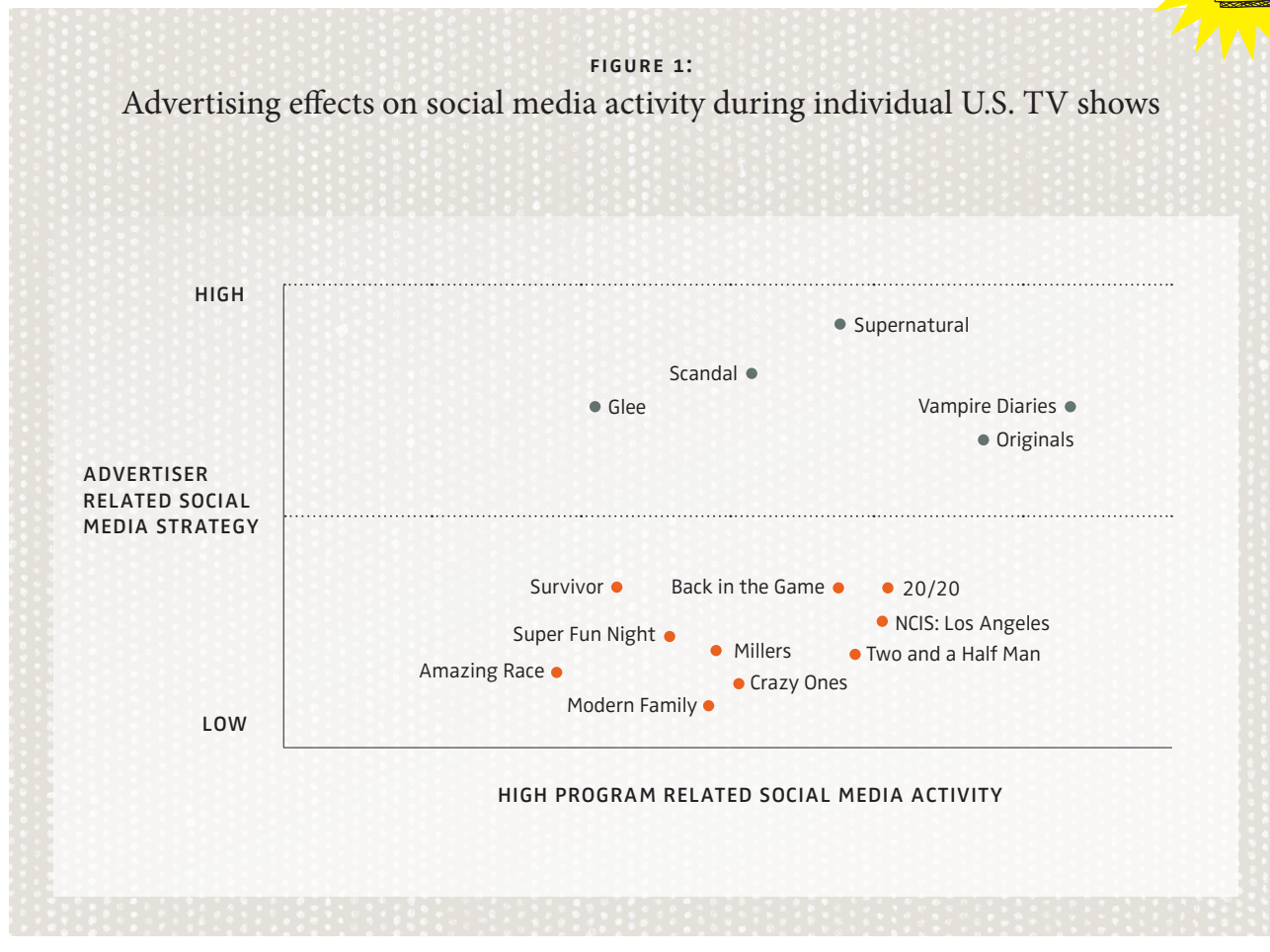
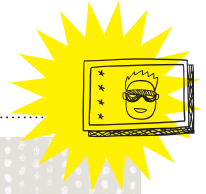
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Social TV – watching TV while engaging in social media

/// Television viewers are increasingly engaging in media multitasking while watching programming. One prevalent multiscreen activity is “social TV” – the simultaneous consumption of television alongside social media chatter about the programming. While online interactions with television programming can result in a more engaged and attentive audience, social TV activities may also distract media multitaskers from advertisements. Programs for which there is a high volume of online chatter – so called “social shows” – have been found to have larger audiences and are more likely to be viewed live rather than recorded and viewed at a later time. But, beyond delivering more eyeballs for advertisers, can marketers take advantage of this phenomenon?

Social TV – ad distraction or ad boost?

/// To determine whether advertising in television programs that experience a high volume of social activity is good or bad for advertisers, we looked at the volume of program-related social media activity and the volume of advertiser-related social media activity both separately and as they affect each other. One could make the case that if viewers are talking about the program on social media platforms, then they are highly engaged with the show. If they're invested in the program, that high level of engagement may benefit advertisers. But, it's also possible that being invested in the program comes at the expense of advertisers. If there was a cliffhanger going into a commercial break and the viewing audience takes to Twitter to discuss the sudden plot twist, are they paying attention to the advertisements that are airing?



Not every social show is good for advertisers /// Our analysis of more than 9000 advertisement instances for a total of 254 brands across 15 product categories that aired in 84 prime-time programs revealed that advertisements do contribute to more online word-of-mouth (WOM) in general. Online mentions for both the advertised brands and programs increased following advertisements. This finding shows that social TV activity can be beneficial for brands and shows alike. Perhaps surprisingly, though, the biggest gains in advertiser-related social media activity did not necessarily occur when advertisements appeared in programs that generated a lot of chatter. For example, in Figure 1, the programs that fall in the lower section of the figure saw higher than expected

online program WOM after ads, but online WOM for brands that advertised in these programs was less than expected. The vast majority of the programs in our analysis fell into this category. Online conversations about these programs, which carry over into the commercial break, may interfere with advertisers' messages when it comes to viewers' engaging in advertiser-related word-of-mouth. Some examples of such programs include ABC's *Modern Family*, CBS's *NCIS: Los Angeles*, CBS's *Two and a Half Men* and ABC's *20/20*.

We also found a few incidents of win-win programs. For those programs that fell in the upper part of Figure 1, both the advertised brand and the program saw more online WOM

than expected following advertisements. Some examples of such programs include CW's *Supernatural* and ABC's *Scandal*.

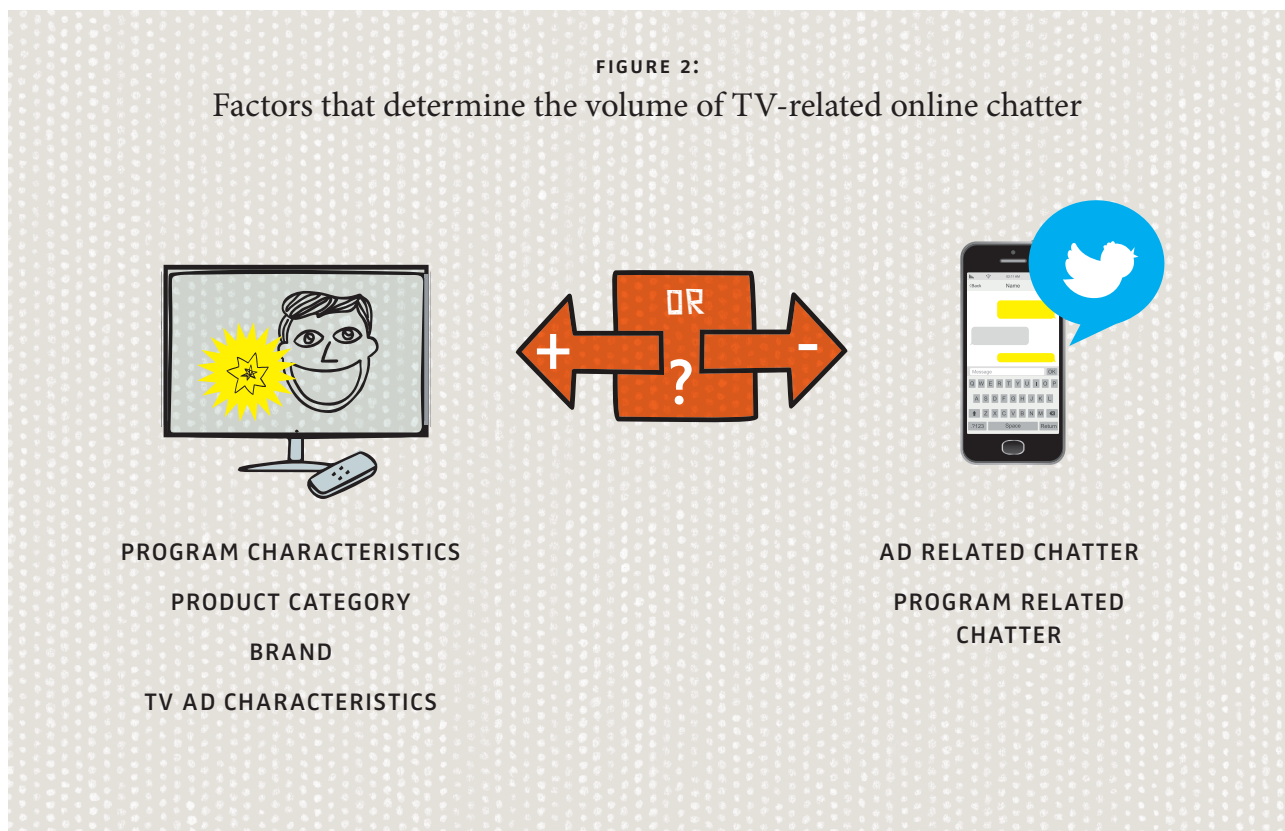
Ad and product characteristics determine volume

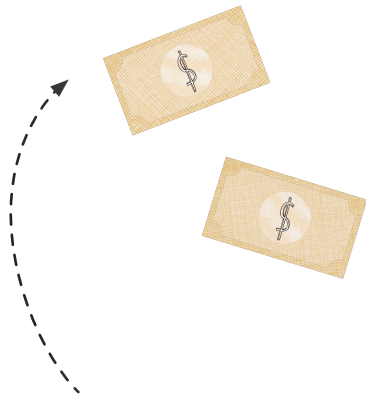
/// We also found factors that either encourage or discourage viewers' social TV activity that are relevant for television networks as well as advertisers. Figure 2 shows the relevant factors.

Advertiser-related social media activity varied based on the category of product advertised. Movie ads triggered the highest increases in online brand WOM. Next to movie advertisements, ads for phones, computers, notebooks and tablets spur the most online brand chatter while apparel, nonprofit or PSA, and dental care ads generate the least online brand chatter. Further, ad characteristics affected social TV activity. We found more online brand chatter for longer ads. While run-

ning longer ads introduces additional costs for advertisers, we also saw that including a hashtag in an ad, a relatively costless change to ad design, increased brand chatter for the advertised brand. Hashtags were particularly effective if they appeared in the first ad of a commercial break, increasing online brand WOM by about 3 %. Also, including a celebrity in an ad who was also in the program increased online brand chatter following the ad by 112 %, one of the largest effects in our results. This is an interesting insight because according to our data, advertisers are not utilizing this strategy, with less than 1 % of ads containing a celebrity from the program cast.

Volume – OK, but what about sales? /// So, according to our findings, should marketers avoid advertising in programs with high program-related social media activity? No, this would be a premature conclusion. In an additional study, we investigated the impact of television advertising

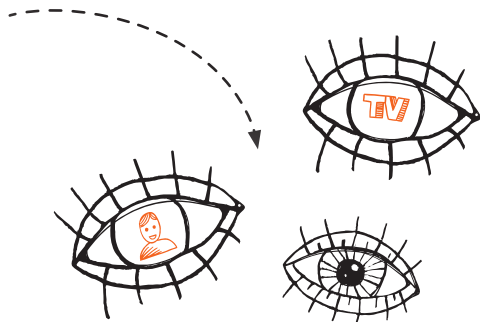




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and program-related social media activity on website traffic and online sales at the websites of advertised retailers. While we found that program-related online chatter before a television advertisement airs resulted in a decrease in traffic to the retailers' websites, it had a positive impact on online sales. The positive impact on online purchases outweighed the negative effect on online traffic, resulting in an overall net positive effect on online sales. Ad characteristics showed to be relevant in this study as well. In particular, advertisements with a funny mood performed best, while active, informational and sexy advertisements resulted in decreases in subsequent purchases on the retailers' websites. Also, advertisements that mentioned price had a positive impact on subsequent online purchases.

How marketers can make use of social media activity to enhance the effects of TV advertisement ///

Marketers should clearly care about social TV. Consumers' multiscreen activities can be used to attract more viewers, to leverage TV campaigns and to increase sales. This chatter creates free exposure for the brand online, extends the reach of television ad campaigns to the online space, and offers real-time feedback to advertisers on how their ads are being received. To get the most out of social media for TV advertising, consider the following recommendations:

- > **Develop a social media strategy for TV shows** /// For television networks and content owners, it is important to have a social media strategy that spurs social TV activity for television programs. Encouraging program-related chatter can increase the total audience size and the fraction of the audience engaged in live viewing. Also, programs with high social TV activity are attractive to advertisers interested in increasing online sales.
- > **Identify the best programs** /// Advertisers need to be aware that not every "social show" is good for them. Program-related social media activity in general isn't a sufficient proxy for the word-of-mouth activity that advertisers can expect. Many programs receive a high volume of program-related chatter at the expense of advertiser-related word-of-mouth, but some programs generate high levels of online conversations that can also benefit their advertisers. Reaching a television audience with advertisements is only part of the game. If advertisers are seeking to reach an even larger audience through social media activity stemming from their television advertisements, they would be well served to identify those programs that are conducive to advertiser-related chatter.
- > **Adapt media planning and ad design strategies** /// According to our findings, ads airing early in the break seem to get less attentions because online program WOM increases typically following the first ad. This is relevant to media buying strategies as the first ad slot in a commercial break is considered to be the most coveted ad position by advertisers. However, advertisers can increase online WOM for their brand's ads that follow the first ad slot by incorporating calls to action, specifically a hashtag or web

address, into the ad design. Further, advertisers interested in online brand engagement may want to consider the cast of the targeted programs. Including a celebrity who is also in the show in which the ad airs seems to increase online brand WOM substantially. Longer ads are another driver of WOM, and including prizes encourages online sales.

the audience and can aid advertisers. As product placement efforts become more popular, efforts to encourage social TV activity may benefit from increased collaboration between advertisers and programs.

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Encouraging social TV is one means by which programs can engage the audience and can aid advertisers.

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With the share of the marketing budget spent on digital marketing activities growing while the share spent on television shrinks, the death knell for television advertising has sounded many times. The rise of ad-avoidance technologies, including DVR and video-on-demand services, has made it easier for consumers to skip marketing messages. Encouraging social TV is one means by which programs can engage

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