The Effects of facebook Communication on Brand Perception

Case Study: Facebook Account Veltins

15 March 2011

Matthias Busse, Associate Director, result gmbh, Cologne
Objectives of our Case Study

The impact of facebook Communication on Brand Perception - Example Beer Brand

- Overall: How does this type of web-based communication affect the perception of a brand?
- Does a facebook account generate brand sympathy or brand affinity?
- Does it generate additional buying intention?
- Does it influence the perception of a brand's functional and emotional benefits?
- Does success (impact and influence) depend on the degree of affinity a customer already has?
Study Design
Evaluation of 10 different beer brands incl. Veltins

General behaviour and habits concerning online

Research Design (2)

Before

Contact with Stimulus
Here: Facebook Account „Veltins Design Bottle“
- Using „Like“ Button for a period of 3 weeks
- Receiving 22 Posts within 3 weeks

After

Evaluation of 10 different beer brands incl. Veltins

Evaluation of Veltins‘ Facebook Account

First step

Second step

Third step
Details

- Recruiting: via Online Access Panel
- Fieldwork: 13.01. – 21.01. (Before)
  04.02. – 22.02. (After)
- Sample Size: n=160 (Before)
  n=100 (After)
- Length of questionnaire: 12 Minutes
- Target Group: 100% Consumer of beer or beer-mix
  100% No reactance regarding Veltins
  100% Own Facebook Account
- Number of Posts: 22 in 3 weeks
Test Stimulus: FB Account - Veltins (Design Bottle)
Two examples for Veltins Posts During Our Test

Veltins does not talk too much about drinking beer.

Veltins features:
„Cassette Tape Art“
on Flickr

Valentines-Surprise:
Win a dinner with your sweetheart
Results Part I:

*Evaluation of the facebook account*
# Functional profile of Veltins facebook account (1)

Account especially conveys up-to-dateness and fits to the brand Veltins

---

The facebook account of Veltins...

<table>
<thead>
<tr>
<th>Statement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>... fits Veltins</td>
<td>0%</td>
</tr>
<tr>
<td>... is modern</td>
<td></td>
</tr>
<tr>
<td>... is up-to-date</td>
<td></td>
</tr>
<tr>
<td>... creates curiosity</td>
<td></td>
</tr>
<tr>
<td>... is surprisingly little about beer</td>
<td></td>
</tr>
<tr>
<td>... fortunately thinks outside the box</td>
<td></td>
</tr>
<tr>
<td>... is funny</td>
<td>80%</td>
</tr>
<tr>
<td>... is entertaining</td>
<td></td>
</tr>
</tbody>
</table>

---

*Question: Please think of the Veltins facebook account and tell us how much you agree with every statement.*

*n=100*
The Veltins facebook account...

... fully utilizes the opportunities of facebook

... is capable

... creates an appetite for a Veltins beer

... dares to address improper topics

... is boring

... posts too much

... is annoying

Question: Please think of the Veltins facebook account and tell us how much you agree with every statement. 

$n=100$
Evaluation of the facebook Account

53 Percent top two box means „acceptance“. Respondents liked the account.

Question: Overall: How would you evaluate the facebook account as a whole?

*n=100*
It becomes apparent that „creates an appetite“ is of highest importance.
Results Part II:

*The effect on the brand Veltins*
Positive effect on Brand Sympathy

**Effect on Sympathy - Total**

+10 PP Shift

-0.6 PP average shift for 9 other brands

**Question:** Which of the following beer-brands are likeable to you?

**PRE:** n=100 / **POST** n=100
Effect on Brand Sympathy – Non Buyers vs. Buyers

There is a positive effect on Brand Sympathy. It increases in both groups equally.

Utilization of Potential: 30%

Utilization of Potential: 29%

Question: Which of the following beer-brands are likeable to you?

Non-Buyers: n=31 / Buyers n=69
Effect on Brand Affinity - Total

No effect on Brand Affinity

**Question:** Just like with people there are brands one feels personally close or distant towards. How close do you feel towards the following brands? Please answer on a scale from 1=“very close” to 5=“very distant” grading your opinion with the numbers in between.

*Before (Pre): n=100 / After (Post) n=100*

<table>
<thead>
<tr>
<th></th>
<th>PRE</th>
<th>POST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>15</td>
<td>19</td>
</tr>
<tr>
<td>2</td>
<td>40</td>
<td>34</td>
</tr>
<tr>
<td>3</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>4</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>5</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Top Two 55% 53%

Mean 2,45 2,47
Effect on Brand Affinity – Non-Buyers vs. Buyers

No shifts concerning Brand Affinity in both groups

<table>
<thead>
<tr>
<th></th>
<th>NON-BUYERS</th>
<th></th>
<th>BUYERS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRE</td>
<td>POST</td>
<td>PRE</td>
<td>POST</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Top Two: 26% Non-Buyers, 19% Buyers

Mean: 3.1 Non-Buyers, 3.2 Buyers, 2.2 Buyers

Question: Just like with people there are brands one feels personally close or distant towards. How close do you feel towards the following brands? Please answer on a scale from 1="very close" to 5="very distant" grading your opinion with the numbers in between.

Before (Pre): n=100 / After (Post) n=100
Impact on Brand Preference („Choice of 10“)
20 percent share before contact with the account and 23 percent after

Question: Which of the following brands would you buy at your next 10 buying opportunities? You can choose the same brand any number of times or you can choose different brands.

PRE: n=100 / POST n=100
Impact on Brand Preference („Choice of 10“)

The Veltins account generates +3PP for Brand Preference. A small plus.

Question: Which of the following brands would you buy at your next 10 buying opportunities? You can choose the same brand any number of times or you can choose different brands.

PRE: n=100 / POST n=100
Impact on Functional Brand Benefits

„Attractive bottle“ and „is entertaining“ are being pushed, but no powerful shift for „taste“

... tastes good

... a beer I like to drink with my friends

... appears likeable

... is a premium brand

... has an attractive bottle

... is a brand that fits me

... is entertaining

... conveys a lifestyle

Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.

PRE: n=100 / POST n=100
Impact on Functional Brand Benefits

Big shift for „authentic dialogue with its consumers“

... speaks my language

... reacts to their customers‘ wishes

... understands what is important to me

... is a beer you can find in trendy bars

... is in an authentic dialogue with its consumers

... has an opinion beyond beer

... speaks in clear words

... demonstrates social commitment

Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.
PRE: n=100 / POST n=100

21 von 40 15.03.2011
Positive Utilization of Potential – Buyers

Many vital benefits have been improved!

<table>
<thead>
<tr>
<th>Statement</th>
<th>Positive Utilization of Potential</th>
<th>Negative Utilization of Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>... I like to drink with my friends</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>... has an attractive bottle</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>... is in an authentic dialogue with its consumers</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>... is a beer you find in trendy bars</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>... reacts to the wishes of the customers</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>... speaks in clear words</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>... has an opinion beyond beer</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>... makes fun</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.

PRE: n=100 / POST n=100
Utilization of Potential PRE/POST – Buyers

The most important benefit „tastes good“ remains unaltered

<table>
<thead>
<tr>
<th>Benefit</th>
<th>PRE n=100</th>
<th>POST n=100</th>
</tr>
</thead>
<tbody>
<tr>
<td>... speaks my language</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>... demonstrates social engagement</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>... is a brand that fits to me</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>... appears likeable</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>... <strong>tastes good</strong></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>... conveys lifestyle</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>... is a premium-brand</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>... understands what’s important for me</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.

PRE: n=100 / POST n=100
### Positive Utilization of Potential – Non-Buyers

The account gives the brand „interaction“ and an open tonality

---

#### ... is in an authentic dialogue with its consumers

- **Negatives:** 18
- **Positives:**
  - ... speaks in clear words: 14
  - ... has an opinion beyond beer: 14
  - ... reacts to the wishes of the customers: 14
  - ... makes fun: 12
  - ... speaks my language: 11
  - ... understands what’s important for me: 7
  - ... tastes good: 5

---

*Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.*

*PRE: n=100 / POST n=100*
## Utilization of Potential PRE/POST – Non-Buyers

From the Non-Buyers perspective the Veltins Account fails to create a fascinating lifestyle

<table>
<thead>
<tr>
<th>Statement</th>
<th>Negative Utilization of Potential</th>
<th>Positive Utilization of Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>... has an attractive bottle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>... is a brand that fits to me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>... appears likeable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>... demonstrates social engagement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>... is a beer you find in trendy bars</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>... conveys lifestyle</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>... is a premium-brand</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>... I like to drink with my friends</td>
<td>33</td>
<td></td>
</tr>
</tbody>
</table>

**Question:** Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand.

**PRE:** n=100 / **POST** n=100
Important and successfully improved: „reacts to the wishes...“. Deficit regarding „tastes good“.

Question: Here are some statements about beer-brands listed below. Please choose the beer-brands which, at your opinion, apply to the respective statement. You can choose several brands, a single brand or no brand. X

Question: Which of the following beer-brands would you buy at your next 10 buying-opportunities?

PRE: n=100 / POST n=100

26 von 40 15.03.2011
Impact on Emotional Brand Benefits

The brand gets younger and more innovative

**Question:** Now we will talk about characteristics which to some extent apply to a beer-brand. Please select the brands, that in your opinion apply to the respective characteristics. You can choose several brands, a single brand or no brand.

*Before: n=100 / After n=100*
Impact on Emotional Brand Benefits

Most improved emotional benefit is „interactive“

Question: Now we will talk about characteristics which to some extent apply to a beer-brand. Please select the brands, that in your opinion apply to the respective characteristics. You can choose several brands, a single brand or no brand.

Before: n=100 / After n=100
Willingness to Continue Following Veltins

55% of Veltins buyers have been convinced to stay in touch with the Veltins FB account

Question: Will you continue following the Facebook-account of Veltins?

Non-Buyers: n=31 / Buyers n=69

NON-BUYERS

BUYERS

Yes: 25%
No: 20%
don’t know: 55%

Yes: 23%
No: 29%
don’t know: 48%
Summary
Key Results – Strengths

- The effect, the FB account has on Veltins' brand perception matches other means of advertising in as such as it has profound strengths as well as weaknesses.

- The account is perceived as suiting the brand and conveys a modern image of Veltins (Design Bottle).

- The FB account succeeds in making the brand sympathetic.

- There is no increase in affinity and only a slight increase in buying intention. But, whether FB accounts in general are actually suitable for improving these kind of KPI’s has not been proved as yet.

- The FB account provides the brand with those attributes, the account itself as well as the medium from which it derives stand for: being modern, young and up to date.

- The account excels in conveying a general willingness for open dialogue with the “fan”.

- According to our relevance analysis the willingness to “react to the consumers’ wishes” is particularly important. The strong promotion of this functional benefit represents a brilliant feature of the account.
Key Results – Challenges

- The actual weakness of the account is its incapability to paint a fascinating picture of the *product’s consumption*. The important statement “creates an appetite for Veltins” finds little consent.

- Obviously, a FB account cannot deliver the taste of a beer. However, it is apparent how important all consumption-oriented brand benefits are for the performance of a fast moving consumer good (like Veltins) on Facebook.

- Presumably, consumption-oriented communication on Facebook represents one of the greatest challenges for future FB accounts of many different FMCG brands.
Two different worlds?

World of FB Account

World of stimulating sales

GHOST IN THE MACHINE - a set on Flickr
www.flickr.com

Flickr is almost certainly the best online photo management and sharing application in the world. Show off your favorite photos and videos to the world, securely and privately share content to your friends and family, or blog the photos and videos you take with a cameraphone.

15 February at 09:43 · Share

30 people like this

View all 8 comments

Sebastian Liibaua: Ich kann nicht...und nicht Alles :(
15 February at 11:08

VOLTINS

Und als kleine Valentine-Überraschung dürfen unsere Berliner und Hamburger Fans ihre(r) Liebste(n) heute Abend mit einem bloombury's Dinner im Wert von 50 Euro begeistern. Bestellt werden kann bei den besten Restaurants der Stadt, geklapt wird frei Haus. Alles, wie möchte sein Schatz, was Gute für ihn. Wir verlosen jeweils einen Gutschein im Wert von 50 Euro pro Stadt unter allen Kommentaren bis 19.03. Uhr.

bloombury's - Joy eating, Joy loving - Liefer service in Berlin und Hamburg
www.bloombury.de

Liefer service für die beliebtesten Restaurants in Berlin und Hamburg. Sie wollen aus Ihren Lieblingsrestaurants, wir liefern.

14 February at 17:23 · Share
Thank You!

- Matthias Busse
  Tel. 0221/952971-310
  matthias-busse@result.de

- result gmbh
  Subbelrather Straße 15
  50823 Köln
  Tel. 0221/952971-0
  Fax 0221/952971-396
  mail@result.de
  www.result.de
Explanation
Utilization of potential means: „Realised Gain“ divided by „Win Potential“

Utilization of Potential: 30%

Win Potential = 74 PP
Brand Status = 26 PP

Realised Gain = 22 PP
Remaining Potential = 52 PP

Calculation
Utilization of Potential:

\[
\text{Utilization of Potential: } \left( \frac{22}{74} \right) \times 100 = 30
\]

Question: Which of the following beer-brands are likeable to you?
Non-Buyers: n=31 / Buyers n=69