The power of influencers

Brand Genetics, April 2007

The Power of Influencers research was carried out by Brand Genetics, a London-based marketing consultancy specialising in influencer insight and activation. The founder, Paul Marsden, is a social psychologist and academic who has worked for the London School of Economics (LSE). He is the author of 'Connected Marketing' and has a worldwide reputation for his work on the impact of word of mouth.

In this survey Marsden has evaluated the extent to which readers of The Economist can be classified as influencers using established, academically-validated 'influencer scales'.

Many aspects of this Brand Genetics survey, including the definitions and other information relating to influencers,are supported by findings from other research.

The Methodology
Quantitative research to profile The Economist readers in the UK and US on four independent validated influencer scales.

The Economist reader scores were benchmarked against those of the general population and readers of quality dailies in the UK, and against readers of business and news magazines in the US.

Research was conducted by Clickadvisor Ltd, the online market research division of Brand Genetics. Data was collected via an online survey.

Sample 2695 adults aged 18 and over.

	UK	US
Economist readers	268	344
Adults (rep of population)	1000	1083

Adult's sample includes 633 regular readers of quality national newspapers in the UK and 269 readers of news and business magazines in the US.

www.brandgenetics.com

Imagine being able to talk to a group of people whose sphere of influence is so strong that they add a positive charge to advertising messages and accelerate them through their social networks.

If you could tap into these 'influencers', imagine how many more people could feel the power of your advertising.

Influencers

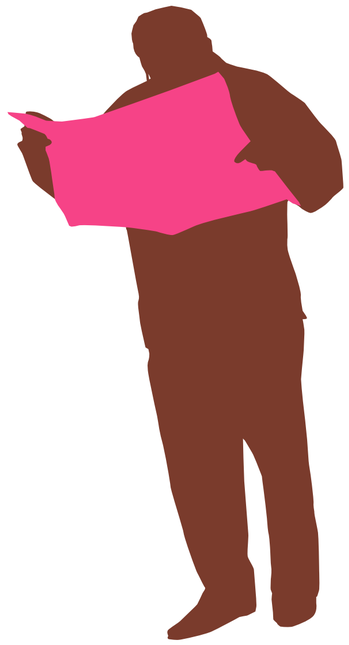
They have many names. They are known as 'opinion-leaders', 'opinion-brokers', 'hubs', 'sneezers' or 'transmitters'

Influencers are people with a high propensity to informally shift the attitudes and behaviour of others in an intended direction. Their influence is either direct, by word of mouth, or indirect, through imitation – and it is usually informal. Advertisers and media planners have been interested in influencers since this key segment was investigated by US sociologists in the 1950s. There is now a large body of research setting out ways of identifying them and measuring their impact.

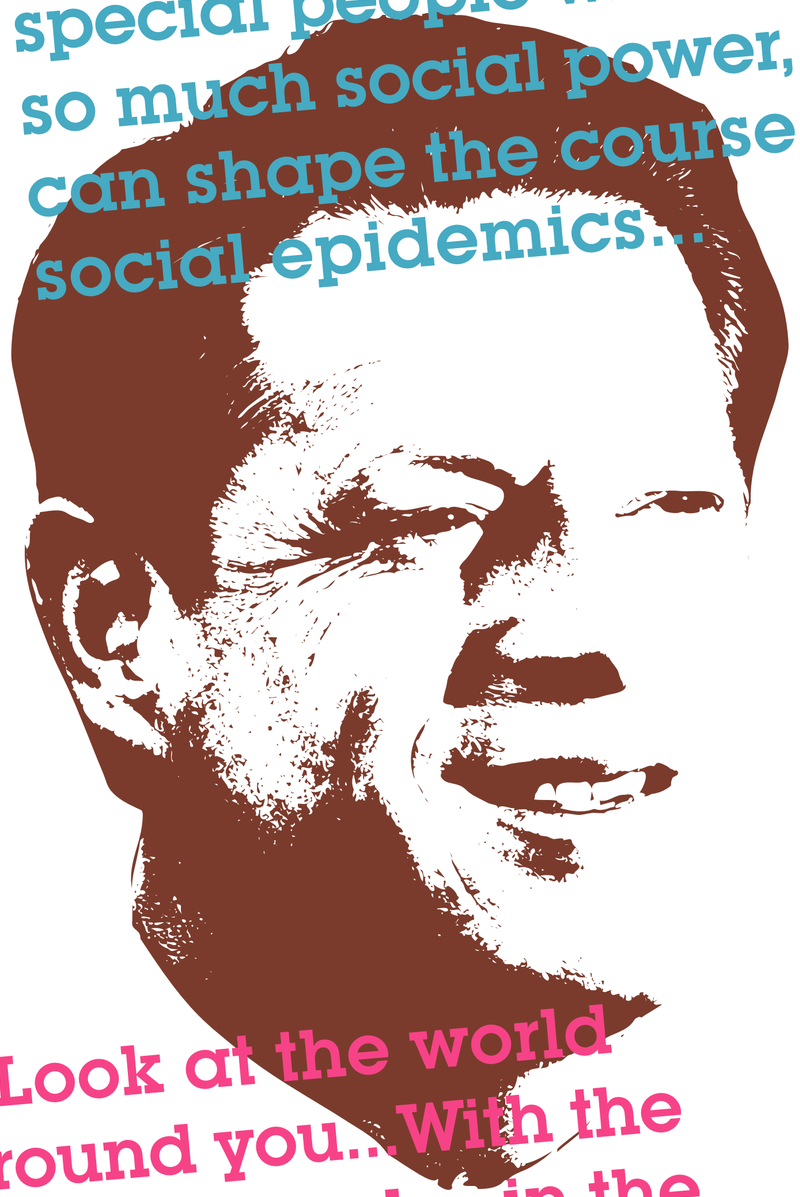
Influencers make up around 10% of the population. They have a remarkable capacity to boost advertising effectiveness.

Influencers are:

connected
respected
opinionated



'Simply by finding and reaching those few special people who hold so much social power, we can shape the course of social epidemics...



...Look at the world around you... With the slightest push – in the right place – it can be tipped'

Malcolm Gladwell,
The Tipping Point

Why are influencers important?

Influencers amplify and enhance advertising effectiveness by relaying or endorsing advertising messages by word of mouth to their peers. This can have a dramatic effect on sales.

Influencers boost effective advertising reach because of this knock-on effect. They increase advertising persuasiveness because the message gains word of mouth credibility. This is attractive for advertisers because word of mouth is known to be one of the primary drivers of consumer behaviour.
(Marsden 2005)

Research has long shown that one of the key ways advertising works is by activating word of mouth among influencers, who then influence the broader target market.
(Katz and Lazarsfeld 1955)

Research has also shown that influencers are more open to advertising messages and more likely to talk about them than non-influencers.
(Vernette 2004, MediaEdge 2006)

The impact of this on advertising effectiveness can be remarkable, as Procter & Gamble demonstrated in controlled tests: targeting influencers can yield an additional boost in sales in the order of 10%.
(Marsden 2005)

The designers of a £2.99 bag being sold in chemists are celebrating the ultimate fashion compliment after it was spotted on the arm of Kate Moss. Now 50,000 of the canvas creations have been sold after Kate Moss bought one and was photographed using it.
BBC News, September 2006

‘One consumer in ten influences what the other nine say, try and buy.’
GfK

How to target influencers

Influencers are more exposed to media carrying news and information.
(Sheth, Mittal and Newman, 1999)

They are particularly heavy users of print media.
(Piirto 1992)

They are 26% more likely to be regular readers of magazines, particularly news and current affairs magazines.
(Keller & Berry 2003)

Information-rich media allows influencers to manage their status as opinion-leaders rather than opinion-followers.
(Burt 1999)

Similar findings were reported in a French survey of influencers.
(Vernette 2004)

‘I’ve always hated it because I’ve always felt it was designed in a coffee break by people who couldn’t care less about cars’

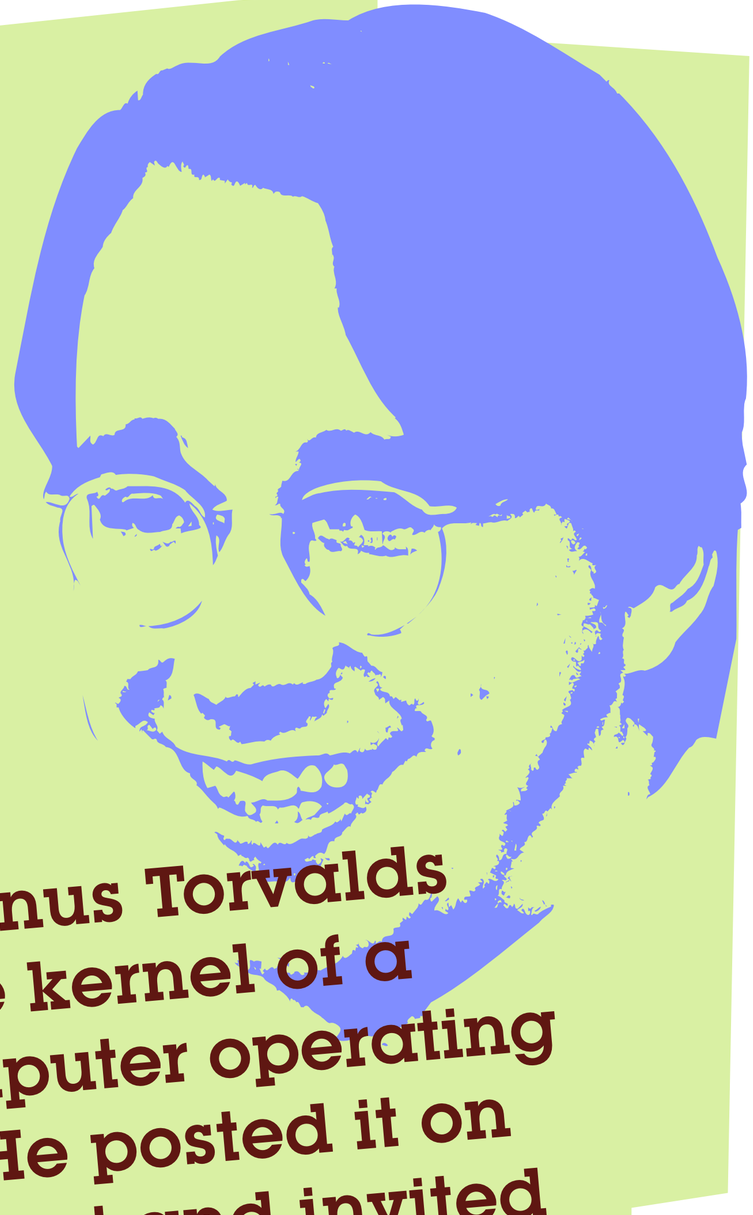
said Jeremy Clarkson on Top Gear in 2006. The review prompted Vauxhall to complain to the BBC fearing possible damages to sales.

The Power of Influencers – what the research shows

All respondents were profiled on four established, academically validated influencer scales:

- category opinion-leadership scale
  (Childers)
- market maven scale
  (Feick and Price)
- network hub scale
  (Wojnicki)
- e-fluential (digital influencer) scale
  (Cakim)

In addition, all participants were screened using Malcolm Gladwell's telephone book connector test.



In 1991 Linus Torvalds wrote the kernel of a new computer operating system. He posted it on the Internet and invited anyone interested to help him improve it. Through his network, Linux changed the world.

Category opinion-leaders

Category opinion-leaders are category enthusiasts who act as respected sources of category advice for their peers.

The category opinion-leadership scale used here is the most established and widely used influencer scale.
(Childers 1986)

The scale measures quality and quantity of word of mouth influence by category. For quality, the scale measures the amount of information, the message credibility and message impact. For quantity, the scale measures frequency of word of mouth and reach of word of mouth.

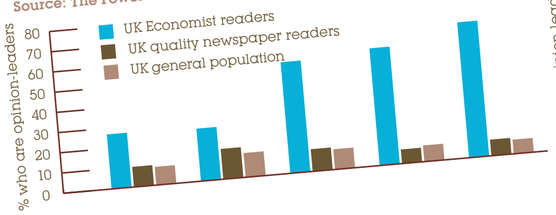
In this study five categories of opinion-leadership were compared: automotive, luxury, banking/finance, IT/internet and travel.

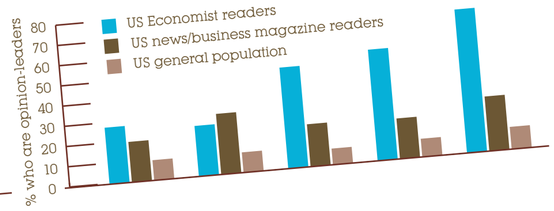
The Economist and category opinion-leaders

In the UK, The Economist readers are significantly more likely to be category opinion-leaders than the general population in cars, luxury, banking, IT/internet and travel categories. They are also more likely to be opinion-leaders than readers of quality newspapers.

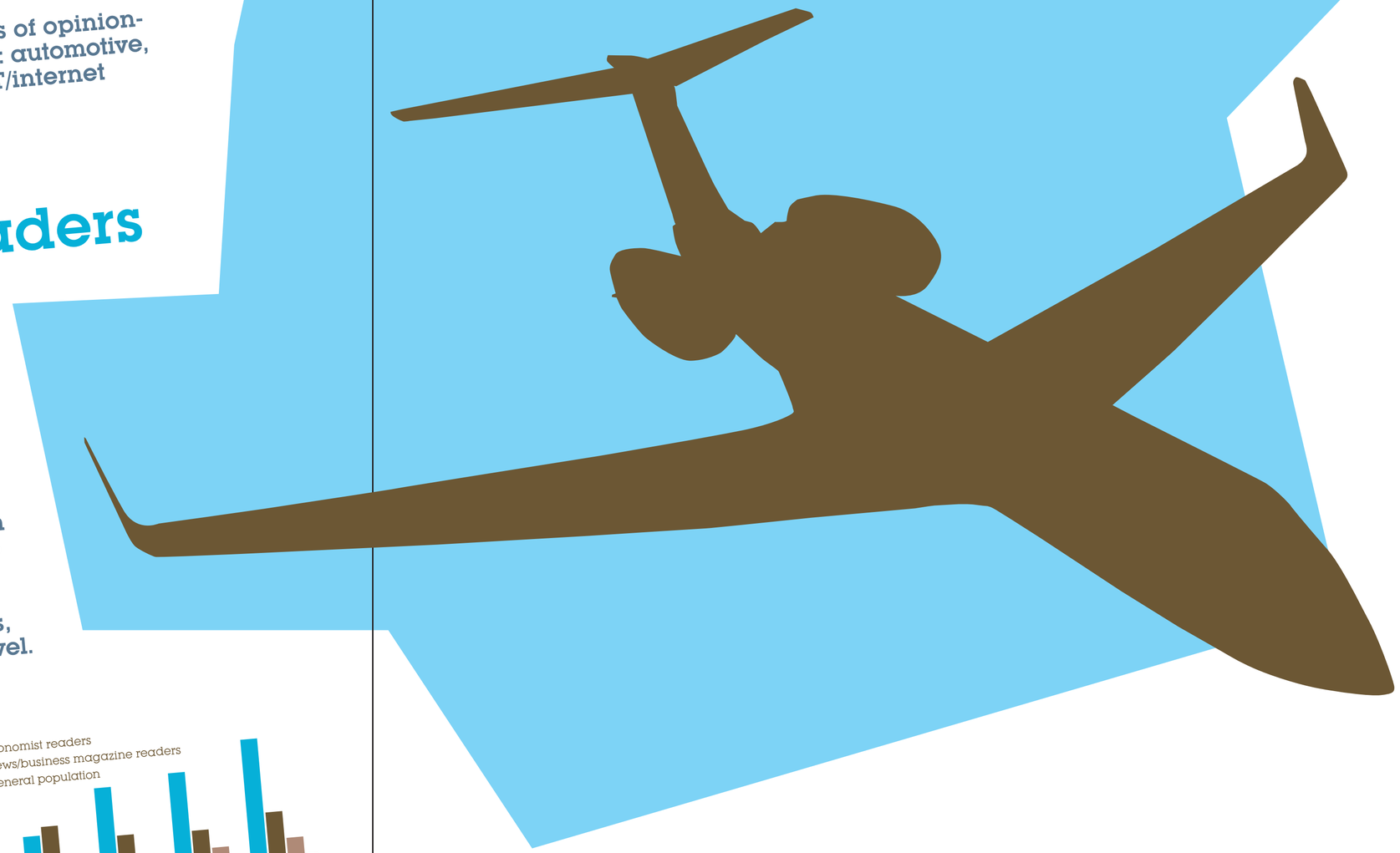
In the US, The Economist readers are more likely to be category opinion-leaders than the general population in all five categories. They are more likely to be opinion-leaders than readers of other business and news magazines in the categories of cars, banking/finance, IT/internet and travel.

Source: The Power of Influencers. March 2007





The Economist delivers high concentrations of car, luxury, banking, IT and travel opinion-leaders



Market mavens

Market mavens are commercially astute early adopters who people turn to for buying advice on new products. Market mavens pass on information, particularly about new products, via word of mouth. They also have a strong personal motivation to help people make good buying decisions.

The power of market mavens as influencers derives from being perceived as savvy consumers. Because they are often early adopters, market mavens can boost the effectiveness of campaigns for new products or services.

Linda Price, a marketing professor at the University of Nebraska, is a pioneer in maven research. She says that 'a maven is a person who has information on a lot of different products, prices or places. This person likes to initiate discussions with consumers and responds to requests. They like to be helpers in the marketplace...This is the person who connects people to the marketplace and has the inside scoop on the marketplace.'

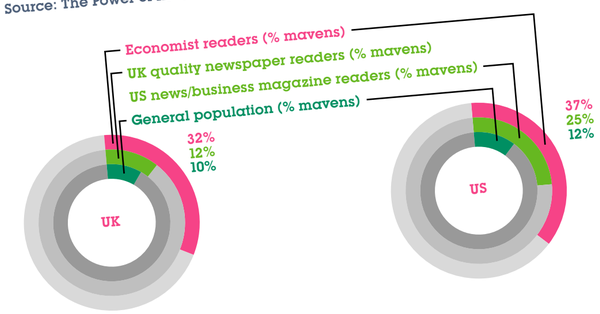
Price says they are more than experts. An expert 'will talk about, say, cars because they love cars. But they don't talk about cars because they love you and want to help you with your decision. The market maven will. They are more socially motivated.'

The Economist and market mavens

In the UK, The Economist's readers are more than twice as likely to be market mavens as readers of quality daily newspapers.

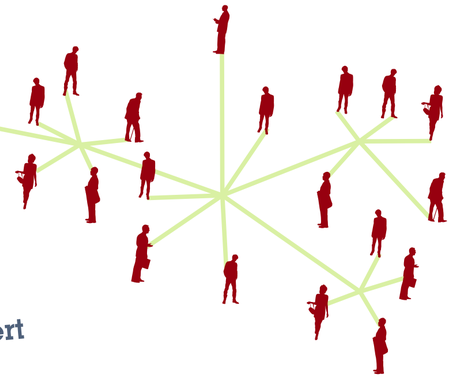
In the US, they are 50% more likely to be market mavens as readers of other news and business magazines.

Source: The Power of Influencers. March 2007



For advertisers launching new products and services, The Economist is a rich source of market mavens who can kick start market demand.

Network hubs or connectors



Network hubs are popular people who influence by virtue of their strategic position at the centre of social networks. They are not necessarily experts but are influential because they are socially or organisationally successful.

Network hubs are a key influencer target for campaigns for fashion products or for services where expert knowledge is not critical.

The network hub scale measures the key trait of network hubs – the degree to which they are social animals. In 'The Tipping Point', Gladwell calls network hubs 'connectors', and provides a supplementary 'telephone book test' for identifying these hubs by checking names in a list shared by someone they know.

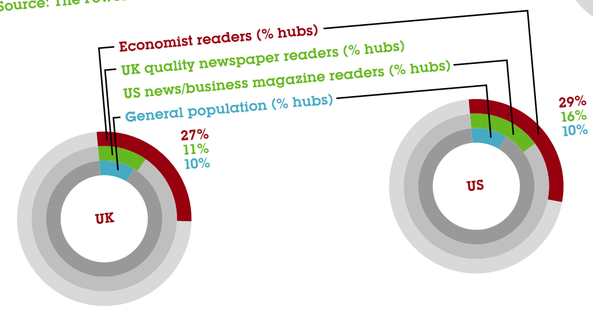
The Economist and network hubs

(Gladwell telephone book test)

In the UK, one in four readers of The Economist is a network hub as measured by the Gladwell telephone book test. The Economist's readers are more than twice as likely to be network hubs as readers of quality daily newspapers.

In the US, almost one in three readers of The Economist is a network hub, and they are twice as likely to be network hubs than readers of other business and news magazines.

Source: The Power of Influencers. March 2007



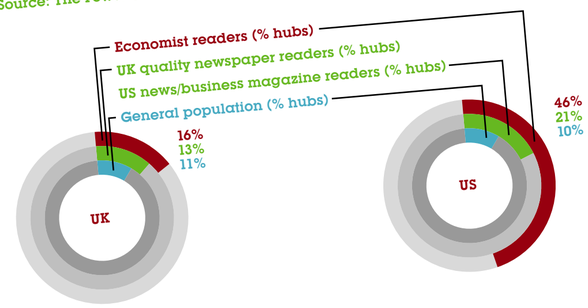
The Economist and network hubs

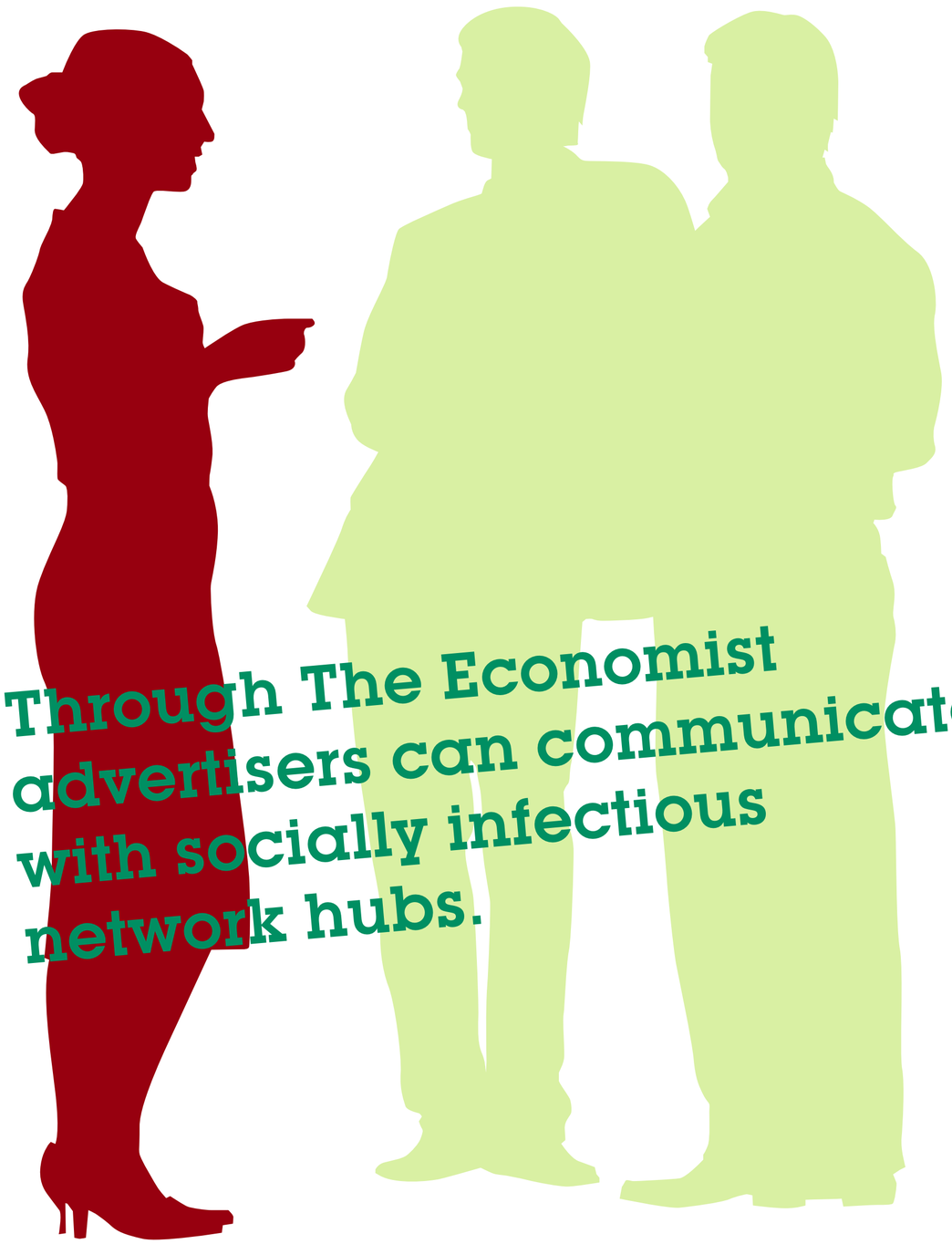
(Wojnicki scale)

In the UK, The Economist's readers are 20% more likely to be network hubs than readers of quality daily newspapers, as measured on the Wojnicki psychographic scale.

In the US, on this scale The Economist's readers are over four times as likely to be network hubs as readers of other business and news magazines.

Source: The Power of Influencers. March 2007





Through The Economist advertisers can communicate with socially infectious network hubs.

Digital influencers

Digital influencers are online connectors with an extended digital footprint. They frequently pass on information to their extensive online network of contacts. They often express their opinion about products and campaigns online – by email, blogs, forums or review sites.

The digital influencer scale measures people's digital footprint. The scale covers blogging, emailing, social networking, forwarding, use of instant messaging as well as active participation on bulletin boards, newsgroups and listservs.

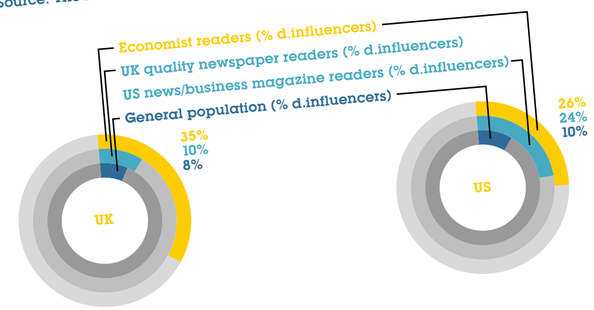
The digital influencer scale also measures digital engagement levels with companies, communities and organisations. Digital influencers can provide advertising with additional online credibility and spread-ability.

The Economist and digital influencers

In the UK, more than one in three of The Economist's readers is a digital influencer. The Economist's readers are three times more likely to be digital influencers than readers of quality daily newspapers.

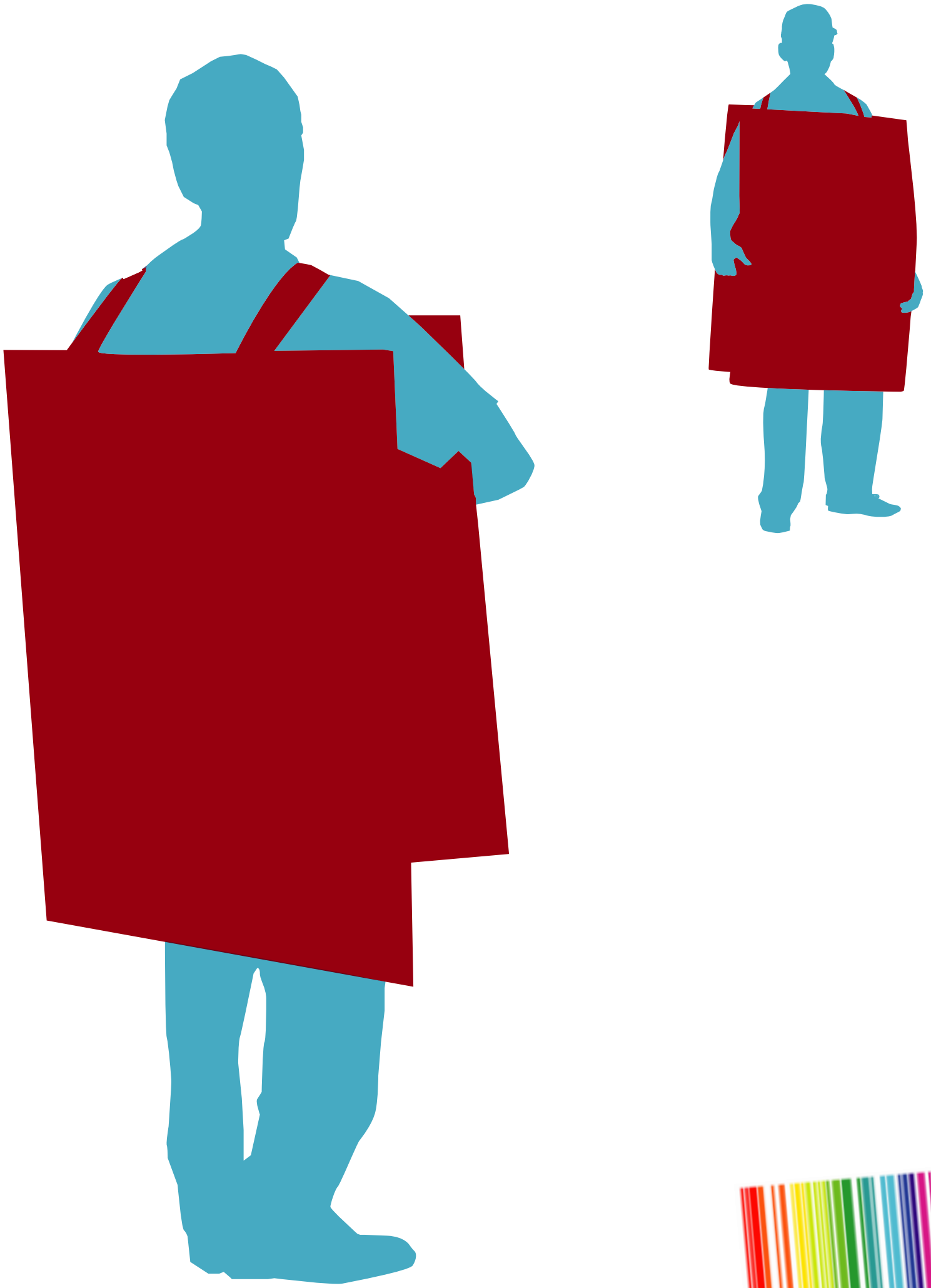
In the US, The Economist's readers are more likely to be digital influencers than readers of other news and business magazines.

Source: The Power of Influencers. March 2007



The evolution of the web from a presentation platform to an interactive participation and communication platform has given digital influencers huge opportunity to affect the behaviour of others. Many a company has felt the pain when frustrated customers have vented their fury in reviews or blogs, forcing them to take action.

The Economist delivers an army of digital influencers who can boost campaign effectiveness among key targets...



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