

Who or what really influences word of mouth trends?

Alain Samson, LRCG, and **Justin Kirby**, DMC, explain the crucial factors and the latest thinking

A FEW YEARS ago, Malcolm Gladwell wrote about the law of the few in *The Tipping Point* (1). Social epidemics (where messages or behaviours reproduce at an exponential rate), he claimed, result from not only the content of the message and its context, but also one or more influential people who are unusually well connected, knowledgeable or persuasive. Gladwell's arguments are compelling. However, as with recent challenges to the Net Promoter® Score (2), Gladwell's ideas may make intuitive sense to marketers, but have been contested in the scientific community.

In marketing, the role of influences has been questioned by Duncan Watts, of Columbia University and Yahoo!. He theorises that trends, the diffusion of innovation, or social epidemics are the result of far more random processes and circumstances than people have assumed; and that network effects, the content of the message, its context and most importantly the influenceability of recipients themselves may play a far bigger role. In this article, we summarise Watts' arguments and their implications for theories of influence, and discuss what this means for marketing practitioners and future research.

From two-step flow to six degrees

Influencer theories began with Katz and Lazarsfeld's two-step flow theory of mass communication (3): media messages get diffused to the masses through opinion leaders. Unfortunately, as Watts pointed out (4), some of the identification of influencers has relied on relatively subjective assessment techniques, such as personality measures, 'key informants' (who designate other people as influential) and sociometric charting of reported relationships. None of these techniques tends to rely on a measurement of actual influence processes and resulting changes in opinion or behaviour.

The least reliable influencer identification method, due to biases in people's responses, is probably self-designation through a psychometric scale. Alas, this is often resorted to if more objective

information is unavailable. Individuals are designated as 'influential' if they are in the top 10% (5) of scores on a scale such as Childers' revised Opinion leader scale (6), calculated from responses to a few simple questions. But, as Watts argues, just because they are deemed more influential as the result of some natural distribution of traits in a population (like height), it doesn't follow that they have the 'holy grail' status some marketers have attributed to them (7).

More particularly, Watts disagrees with Gladwell's claim that influencers' impact is extreme rather than proportionate to their stronger immediate influence. In other words, influencers are not required for social epidemics to occur. One point here is that it may require multiple exposures "to a message (and hence multiple people exerting influence) for adoption or conversion to occur. A good example is the fact that more complex or risky products generally lead people to seek advice from more people before making a purchasing decision.

Computer-based simulations by Watts showed that the properties of individuals near the start of a social epidemic, such as influencers, are less important than other variables, such as network properties, in determining the ultimate effect. The importance of network properties is emphasised by sociometric theories, which give precedence to relationship structures (composed of so-called nodes and ties) as determinants of specific outcomes. The best-known experiment investigating social networks is Stanley Milgram's 'small world' experiment, which showed an average of only six degrees of separation between two seemingly unconnected individuals in the US.

Gladwell used this to illustrate the importance of social connectors. However, while a replication of the experiment by Watts and colleagues roughly confirmed the 'six degrees' hypothesis, they found that only about 5% of messages passed through highly connected individuals (8). Instead, their results pointed to the importance of a well-known network >



theory, Granovetter's 'strength of weak ties'. Weak ties enable messages to travel farther (between clusters of strong ties) and to introduce new ideas to people in networks otherwise not accessible via strong ties. This implies that sometimes a person with just a few weak ties may be more influential than an individual who is well-connected within a group.

Finding the balance of power

Unlike most theories in the social sciences that attribute influence to individuals, groups or organisations, sociometric theory holds that those effects are determined by network structures themselves. A psychometric or person-based approach to influence ascribes influence to the characteristics of individuals (for example, their charisma, outspokenness, market involvement, and so on) in spreading ideas. This necessarily applies to both influencers and influenced.

Watts notes that: 'Just as forest fires require a conspiracy of wind, temperature, low humidity, and combustible fuel that

extends over large tracts of land, social epidemics tend to be driven not by a few highly-influential individuals influencing everyone else but rather by a critical mass of easily-influenced individuals influencing other easy-to-influence people. To be sure, influencers do have a greater than average chance of triggering this critical mass, when it exists, but their overall impact was typically less than proportional to the number of people they influence directly³ (9).

According to Watts, much of the theory surrounding influencers relies on anecdotal evidence with ambiguous language, post hoc reasoning and a biased selection of events. For example, the distinction between interpersonal word-of-mouth influence and the power of media becomes unclear when bloggers are categorised as influencers. Moreover, just because seemingly influential people adopted a product before a social epidemic happened doesn't prove that they were the cause of it. Finally, using only events that confirm a theory about the role of influencers omits a host of data and

potential explanations of events where this did not happen.

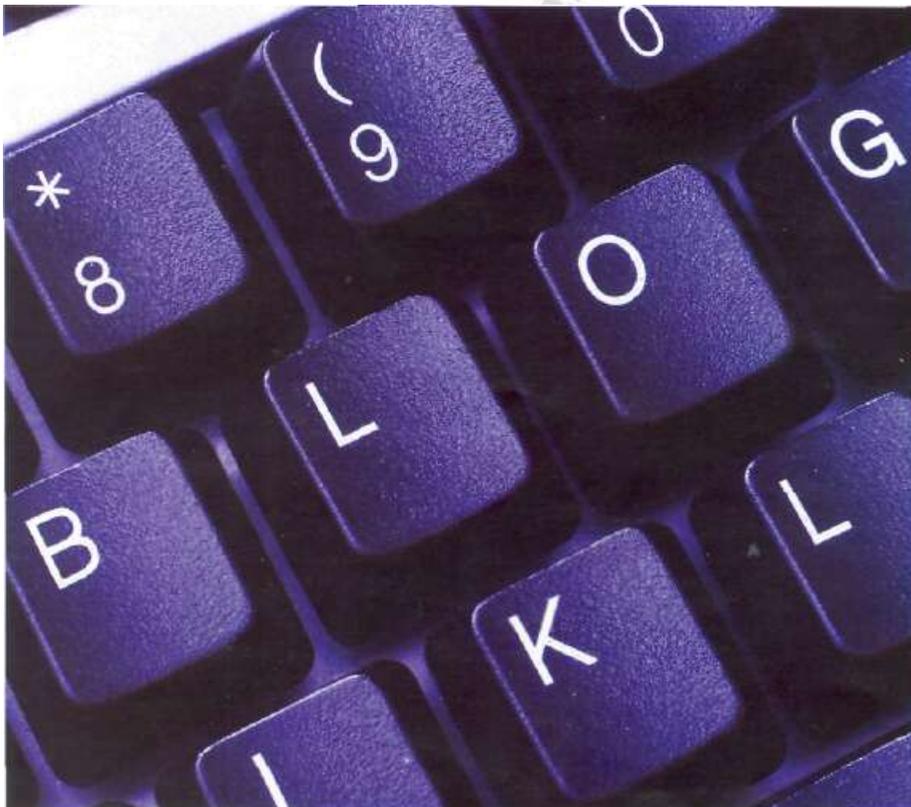
What seems in retrospect to be the special influential quality of a particular person (or group) is, therefore, mostly an accident of location and timing,' Watts states in a 2007 article (10). He argues that there are many ways for individuals to be influential, so it is difficult to generalise across situations. Breaking networks into their individual components cannot capture the important role played by the overall structure. The final effect of any individual depends on people one or more degrees removed. The implication is that word-of-mouth marketers shouldn't try to find influencers, but target larger numbers of ordinary people who then influence people like themselves, possibly aided by internet-based social networking tools.

Watts and Peretti have shown this in a model called 'Big Seed Marketing¹ (II)'. BSM boosts traditional marketing performance by allowing individuals to forward a message to people in their network. Rather than trying to reach the nearly-unattainable epidemic threshold, the technique is a marriage of standard advertising with viral marketing tools, proven to reach an additional 10%, 100% or even more eyeballs. The open-source software ForwardTrack, originally developed for viral purposes, can be used for this.

In sum, Watts argues that the presence of influencers is neither a necessary nor sufficient condition for trends to take off; while, in this process, the influenced may be more important than those who do the influencing. The world in which messages and behaviours spread is more complex than some people would have us think - especially those who use anecdotal evidence in building theories. Much of this complexity has to do with sociometry. Approaches focusing on the psychometric properties or levels of connectedness that make certain people influential neglect processes that occur once a potential trend is no longer in the hands of the so-called influencers.

Drilling down to define influence

We believe that more empirical testing of underlying assumptions about influence



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is needed. This would enable the advancement of theories about the role of individuals and networks in processes of influence that lead to trends. We agree that the process of interpersonal influence is more complex than many marketers may want to believe. Most theorists and practitioners we have spoken to seem to concur.

As Watts argues, the trouble with the influencer hypothesis is already inherent in the very loose definition of 'influencers' or 'influentials'. The term 'influencer' is a rhetorical device. But, from an analytical perspective, are we talking about a person who is charismatic, someone connected to a lot of people, or just someone who is very vocal? Does s/he do it through traditional word of mouth, or aided by mass communication? Is the person influential generally, or only with respect to a particular category? And, most importantly, is an influencer defined by a potential to influence, how many people s/he actually reaches or the number of conversions s/he accomplishes? Being influential, after all, implies effecting change in other people. Simply igniting conversations, even with those that can spread conversations far and wide, is no guarantee of conversion. There is a danger that igniting conversation becomes an end in itself, not a means to an end.

Sometimes so-called influentials do not operate in the traditional interpersonal area of word-of-mouth communication. As Watts points out, bloggers are a different breed of 'influencer' because they have the power of mass communication at their disposal. In some cases, putting bloggers into the same category as face-to-face 'influencers' may be misleading - unless we define influence simply as the ability to affect directly a greater amount of opinions, regardless of the means of communication used.

Technology provides tremendous opportunities to understand influence better. It allows for more objective tracing of networks and communication channels. The challenge may be to move from data about connectedness or communication to actual attitudinal and behavioural effects caused by electronic communication.

A good example is mobile telecoms, where social network analysis has been used for churn predictions. Mobile operators use algorithms to identify two kinds of important subscriber group. The first cause greater damage if they churn, because they are more likely to affect others in their network. The second consists of customers whose churn behaviour is more likely to be affected by others. Relevant variables to determine influence, and the potential to affect churning behaviour, include overall connectedness, direction of calls (influential people tend to be called more), frequency and time/day of calling (to establish tie strength), etc.

Marketing with influencers - what works?

Watts' points do not necessarily challenge 'influencer marketing' practices for which the engineering of epidemics is not the objective. Though perhaps overly fuelled by powerful anecdotes rather than solid evidence, influencer marketing developed as one alternative to traditional marketing. But it doesn't necessarily imply viral marketing or attempts to manufacture trends. Rather, it can be an efficient means of 'Informed targeting' - relying on best guesses about individuals who can affect the attitudes and behaviours of others in their immediate environment. Some argue that the power of word of mouth is not its reach, as traditional mass marketing aims to achieve, but better targeting throughout networks: individuals' decisions to forward messages benefit from better knowledge of their network neighbours, leading to a more effective spread of the message (12). The question is still whether informed targeting of a message's first recipients has any add-on effect further down the line.

Product seeding is a good example of influencer marketing as informed targeting. For the product seeder, finding 'influencers' is the best he can do, because other relevant variables determining the spread of messages are unknown (e.g. situational factors), uncontrollable (e.g. network composition or the susceptibility of message recipients), or inherent in the

message or product itself. At the same time, targeting 'influencers' can lead to a two-way flow of information: a traditional attempt to 'influence the influencers', alongside the opportunity to get insights from a group of people who are often more involved consumers.

The economics of profiling on the basis of potential influence is also evident in customer segmentation, as implied by 'mobile churn influence networks', where category opinion leaders or connectors could be seen as customers with potentially high referral value (13). But, customer value can more objectively be determined on the basis of re-purchasing behaviour or referral-based customer acquisition. Expected influence is more tricky, especially if this relies on consumer self-assessments. But there are alternatives. Using professional activity (job position, industry, and so on) as a criterion, for example, is a powerful and more objective way of identifying people involved in a category of interest and likely to have the right relationship structures to promote a product, or who are gatekeepers of a target group. This is particularly relevant in B2B marketing, where we may be interested in target individuals' influence in the supply chain. ▶

'Word-of-mouth marketing shouldn't try to find influentials, but target larger numbers of ordinary people who then influence people like themselves, possibly aided by internet-based social networking tools'

So far, the Big Seed Marketing technique does not seem to have accounted for actual behavioural conversion. Moreover, while non-traditional marketing can be seen as a premise for influencer engagement, BSM has not yet looked at a second variable that matters to practitioners: the actual message or marketing technique. BSM may be traditional mass marketing on steroids, but just because it is an efficient way of reaching a lot of consumers with a message, does it fare better than engaging variations on the 'influencer' theme, for example enabling consumers to experience a product first-hand? It seems that influencer marketing and BSM could be complementary rather than in opposition. At the end of the day, it is all a matter of ROI.

And that's a matter of empirical investigation. Watts is right: unsuccessful influencer marketing campaigns don't get publicity. Academia is not immune to selectivity in research publications. While lack of support for alternative hypotheses itself constitutes an advancement of knowledge, it is less interesting. However, in business, the problem with anecdotal evidence and case studies is not only a possible bias towards success stories, but also that successes and failures are often looked at as disjoint and incomparable instances, rather than the result of experimental hypothesis testing,

Where do we go from here?

Proper empirical research on the processes and outcomes of influence is needed to show both hits and misses in support of the influential versus accidental influential hypotheses. This would most likely take two broad forms, one focusing on processes of influence and the other on tangible outcomes. Research on communication processes or structures could try to unveil the interaction between psychometric and sociometric forces of influence. Relevant variables would include the characteristics of potentially influential individuals, the content and context of communication, network structures, attributes of the influenced, and actual psychological and behavioural conversions.

Outcome-based research could leave influence processes as a black box by comparing the effect of campaigns on conversions. One approach could look at the impact of targeting an equal number of non-influential versus influential individuals using the same marketing technique. ROI-centred experiments could compare different types of campaign (for example, mass versus influencer marketing) on the basis of sales uplift.



Unfortunately, the complexity of intervening structures, processes and contexts calls for an experiment of a scope beyond most companies' research spend. We agree with Watts' recent suggestion (in correspondence with us) that a sample of 20 cities, randomly assigned to either an influencer or traditional marketing condition, would make a good case. Meanwhile, more modest experiments may slowly accumulate a body of evidence.

In conclusion, there are many ways in which individuals can be influential, and a whole body of work associated with influencer marketing (for an overview see Duncan Brown's *Influencer Marketing: Who Really Influences Your Customers?*). We do not have space here to examine the broader question of how different sorts of people play different roles in different influence contexts. Clearly, Watts' critique of the 'influential hypothesis' is not about whether some people are more influential than others. Rather it's about the fact that influence is the outcome of a complex combination of properties about people, contexts and networks, as well as the question of whether certain people can be more influential than others outside their immediate social network. The debate ignited by Watts is part of a recurrent theme of pop-science marketing (for example, Gladwell) versus (marketing) science. Sometimes good stories travel faster and farther than true ones. This

seems to apply to marketing hypotheses and marketing messages alike. ■

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