

Chapter 4

Communication and Social Media

What we have is a failure to communicate.

Captain (Strother Martin) in *Cool Hand Luke*, 1967

Abstract In a sped-up, changing world consumers have less time. Sharing information through social media quickens and broadens the process. In this chapter, attachment and attribution theories along with social analytics and algorithms are introduced. Consumer socialization involves messages, heard, read, composed, sent, and received. The Social Influence Model is revisited because communication involves creating “talk” and “buzz.” Influentials share their opinions about new products or services based on their experiences, good or bad, and in so doing move economies. Social media has redefined who is a friend and has shifted consumer power back to the vocal individual.

What Is Communication?

When something happens to you, do you tell your friends? Who do you talk with on a regular basis online or in person? As an example, Britany, age 21, sent George a text message “I haven’t heard from you in a week, are you all right?” As another example, Kevin, a 27 year old, was devastated when he was let go of a job on a Friday morning because of budget cuts. His boss came and verbally gave him the message and softened the blow by saying he would gladly give him a good reference. Kevin said to his family and friends afterward that it was not just the loss of income and esteem but the loss of the daily interaction with his co-workers that bothered him. On Monday morning, it seemed very strange not to get up and drive to work and most likely he said he would never see those people again. As a final example, Angela, age 65, said when she retired she never missed the work, but she really missed the people.

We live in a sped-up, constantly changing world. Consumers have less time and shrinking discretionary dollars to spend. Cash-strapped, time-starved consumers

often make hasty decisions. Americans spend, on average, about 11 h a day communicating or consuming messages in various ways including email and television viewing (Chui et al. 2012). Of course, you probably know people who spend more than 11 h a day. The last thing they do at night is conduct a search on a digital device and reach for it on waking. People sleep with their smartphones.

Everywhere we turn, we easily find staggering statistics reminding us of the significance of mobile in consumers' lives. The year 2012 alone saw more mobile traffic than all previous years combined (http://www.atkearney.com/10192/760890/The_Mobile_Economy_2013.pdf).

Critical Thinking: Differential Pricing for Speed

“AARP is examining a proposal to allow businesses to pay extra so their content could be delivered online faster. The Federal Communications Commission’s ‘fast lane’ proposal would modify the way the Internet works now, with all digital information treated equally, a concept called ‘net neutrality.’ Internet service providers deliver all websites, videos and movies to you at the same speed. Critics of differential pricing for faster speeds worry that companies will pass on the added costs to consumers and that innovation could be hobbled. Supporters say companies paying a bigger share of the system’s costs should be rewarded with faster delivery.” What do you think of this proposal and the issue of paying differently for speed?

Source: An Eye on Internet Pricing, July–August 2014, *AARP Bulletin*: Washington, DC., p. 34.

In chapter two, communication was defined as “a process in which participants create and share information with one another in order to reach a mutual understanding. This definition implies that communication is a process of convergence (or divergence) as two or more individuals exchange information in order to move toward each other (or apart) in the meanings that they give to certain events” (Rogers 2003, pp. 5–6). Another definition also says that communication is a process but differs in that it mentions creating, negotiating, and sharing meaning through verbal and non-verbal channels (Arnold 2008, p. 3). This latter definition adds the non-verbal aspects such as tone of voice, eye contact, appearance, gestures, eye contact, time management, and surroundings.

Communication and Socialization

Communication is an integral part of the socialization process. Socialization refers to the process of learning to interact with others, cooperating, participating in society, listening, and learning the ways of daily living. As social beings we have a *need to belong*, and we can express this in a variety of ways from the clothes we

wear to the cars we drive. As an example of this, an older gentleman who was working as a bag boy at a grocery store pushed a shopper's cart to her car. When he saw her car, he commented he had the same kind and pointed to his car across the parking lot. By saying this, he was communicating that they had a common bond and he went on to say how much he liked the car and why he bought it.

At the same time, most of us *desire uniqueness*. If scarcity exists for a desirable good or service, then the price and demand go up. Status consumption is part of the socialization and communication process.

Critical Thinking: Would You Pay More?

Kenneth Feld is CEO of Field Entertainment. His company operates everything from Disney on Ice to racing events. He learned that:

“Some customers will pay handily if they feel they are getting exclusive access or unique experiences. At an ice-skating show in Raleigh, N.C., the company sold out of a special dining package in which guests dine rinkside during the show, at tables decked out in white linen tablecloths. Those seats go for roughly \$100 apiece, vs. just \$12 for the cheapest seats in the arena. ‘Those go like hotcakes’ says Jeff Meyer, senior vice president of marketing and sales at Field. ‘We can’t put enough of those seats down there.’”

Would you pay more for these seats? Or, for something similar at a football game or other event? Explain why or why not.

Source: Becky Quick (October 6, 2014) “Marketing to Today’s Middle Class Requires Some Fancy Juggling.” *FORTUNE*, p. 88.

Communication affects all parts of our lives from financial well-being to physical well-being but most immediately to our social well-being. “The crux of social well-being is interpersonal relationships and the dynamics of familial interaction to fulfill six basic functions: procreation, socialization, economic consumption and production, social control, physical care and maintenance, and love and emotional support” (McGregor and Goldsmith 1998, p. 123).

We are socialized into cultures. We learn what foods to eat, what manners to have, what holidays to celebrate, what events to go to, and what to wear. Most fundamentally, children learn values and lessons from their parents and grandparents. Value chains, as discussed in the last chapter, are formed. Attachment theory is based on the idea that infants and toddlers need to believe their parents can be counted on to meet their needs and that this translates in later life to good psychological health and ability to attach and form relationships, with others (Bachman and Bippus 2005; Hollist and Miller 2005).

Attribution theory involves the way we explain our behaviors and how others behave. It often has to do with responsibility such as who was responsible for breaking the vase or failing to show up on time. Sometimes we attribute reasons and causes by observing behavior like a car swinging into a parking lot quickly and the person jumping out and running to a building at 8:15 a.m. Chances are that he is late and trying to get to work “on time.” Sometimes we are right on our

assumptions based on observation and other times we are wrong and need more information. Verbally communicating with others clarifies what is really going on regarding someone's behavior.

Communication Channels

We speak, on average, 150–200 words a minute. Is anyone listening? A dialogue implies two-way process of communication, whereas a monologue is singular, one person speaks another listens. We communicate in a variety of ways including the following:

- Face-to-face
- Electronic media
- Books
- Newspapers and magazines (“letters to the editor”)
- TV and radio (call-in shows)
- Networking
- Over the Internet, over the phone
- Over the fence or balcony
- Through music and performance

Families communicate face-to-face, over the phone, and through electronic media often checking on each other throughout the day. At grocery stores, one sees a family member shopping and talking on the cellphone with another to get the order right.

Consumer Socialization and Communication

The previous critical thinking exercise about paying \$100 for seats versus \$12 at an ice skating show is an illustration of the interplay between consumption and our social needs. As another example, nothing says communication and socialization like the phenomenon of Facebook. The little dorm room project that mushroomed into a communication channel turned ten years old in 2014 with Americans spending 114 billion minutes per month on Facebook. Worldwide, the innovation adoption has gone from twelve million users in 2006 to over a billion. It is used at work, at home, and elsewhere. Employers use it to prescreen job applicants. Law enforcement agencies use it in investigations. More examples will be given in this chapter.

Consumer socialization is an evolving process involving messages, heard, read, or sent. Think how much little children hear or observe before they start talking. “Over time, consumers’ cognitive structures are established through consumer socialization, observation or exposure, and social and personal experiences.

“Consumers internalize the information they receive this way and use those cognitive structures to make sense of the world around them” (Goldsmith and Goldsmith 2011, p. 120). Consumers are involved in networks of information. Certain situations such as a purchasing situation will evoke these networks and will awake consumer sensitivity to brands they like or dislike.

A consumer may or may not prefer organic foods or be sensitive to messages about them one way or another. A mother may always choose Peter Rabbit organic foods for her toddler and another may not know that this brand exists or care or she might want to try it. By observing one mother taking jars of Peter Rabbit organic foods and putting them in her grocery cart, the other mother may follow suit. “Social influence provides individuals with the information and the motivation to form new attitudes and adopt new behaviors...Social influence is a key element in shaping attitudes and behaviours” Goldsmith and Goldsmith (2011, p. 120).

Consumers when they repeat their consumption behaviors are following an internal script or schemata, a stereotyped sequence of actions or events about what they should do in a certain consumption situation. Tom always buys the same detergent so when he goes to the cleaning supplies section of his grocery store he always grabs the same orange box. He does not have to consciously think about his choice unless another manufacturer comes up with a very similar orange box and then he might hesitate and make sure that he chooses the preferred one. Much of consumer purchasing of day-to-day items is repetitive. Choices broaden when one is purchasing for special events or if one is in another city or country. Olivia drives two hours to go to another city to go to Ikea and Whole Foods—stores that don’t exist in her hometown.

Aspects of Communication

Between stimulus and response there is a space. In that space is our power to choose our response. In our response lies our growth and our freedom

Victor E. Frankl

Countless books and college programs are devoted to the subject of communication, so this section because of space can only provide a brief overview of the basics. Topics include channels, noise, and settings, sending and receiving of messages, listening, and feedback.

Channels are the means by which communication travels from sender or source to receiver. Noise is any unwanted sound that disturbs or interrupts. The setting refers to the physical surroundings. Online, it would refer to how the website and surrounding content looks. Sending has to do with a source putting out a message, something to be communicated. Receiving entails taking in the message sent by listening, reading, and observing. Listening is considered active rather than passive. There are different types of listening such as:

- Critical listening wherein the listener evaluates or challenges what is heard.
- Reflective or sympathetic listening involves listening to feelings expressed.
- Informational and pleasurable listening for knowledge, fun, and enjoyment.

Feedback can be thought of as a loop or process starting with the source sending a message that is received and responded to—it can be verbal or non-verbal. A look, expression, or sound can communicate as well as words. In short, feedback is the return of information.

Social Media

Social media has been mentioned in earlier chapters but deserves a special place here as front and central to this chapter. Media communicates to us in a variety of forms. With social media, *we have sprawling channels of conversation and information*. Social media or social networks can be defined as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of User Generated Content” (Kaplan and Haenlein 2010, p. 61). Examples and applications of social media to sustainable behavior are throughout this book with a particular emphasis in Chapter nine.

A central question is: What is the degree and quality of social media influence? A 2012 study of 7499 consumers’ online ratings of 114 hotels supported the hypotheses of the authors, Shrihari Sridhar and Raji Srinivasan, that there are social influence effects in online product rating specifically:

- product experience
- product failure
- product recovery (to address product failure).

According to the authors, managers seriously underestimate how important product recovery is to the on-going success of their hotels. It is not about pleasing one customer that person’s review can influence innumerable others.

The process starts with an online reviewer providing a qualitative assessment (online review) of the product experience which informs or influences those who read the review. These reviews can lead to an overall rating of the hotel that may be displayed on various websites about the hotel or travel industry. Online reviews influence many other areas besides the travel industry from books to video games. A comScore Inc. study in 2007 reported that 24 % of consumers use online consumer reviews before purchasing a product. The percentage is much higher today.

As noted in Chapter one, Elliott Aronson (1972/2008) says in *The Social Animal* that much of our behavior is predicated on the attitudes and behaviors of others. Social media has taken off for many reasons including convenience, an easy way to reach information.

When it comes to its application to consumers and purchasing behavior, a lot of it has to do with speed, endless variety of products and services, and availability.

In economics, satisficing refers to picking the first good alternative that presents itself. The search for a school uniform ends as soon as an adequate initial choice is presented, the parent clicks a few keys on the laptop, and the school uniform is paid for and delivered. In this case, efficiency is valued over going out and shopping for the uniform which is standard at their child's school. A local store may or may not stock their child's size. The recommended online source may offer a 30 % discount.

It has been posited that social media is a form of addiction and this is a worldwide phenomenon. In *Social Media Generation in Urban China*, the author describes his study of social media usage and addiction among adolescents (Huang 2014).

Advertising and Company Culture

The broadest definition of advertising is that it is an announcement. It can take the form of a paid non-personal communication about an organization, product, service, or idea by an identified sponsor. In recent years, this definition has broadened to include announcements that are not paid for, may not come from an identified sponsor, or may come from non-profit organizations. The audience may be everybody watching, reading, listening, or viewing or may be targeted (such as clothing for professional women ages 45–60 to mothers of boys ages 10–14 for back to school clothing). Companies are very interested in identifying brand influencers.

Mass media refers to newspapers, radio, and television, in short, advertising to large groups. Advertising can be classified as:

- Local or regional
- National
- Professional (such as advertising legal services)
- Political or cause-based
- Direct sales (such as on television shopping networks or infomercials).

Debate has raged for decades about the quality and quantity of advertising and its possible effects. Vance Packard (1957), author of *The Hidden Persuaders*, wrote in the beginning of his book:

This book is an attempt to explore a strange and rather exotic new area of American life. It is about the large-scale efforts being made, often with impressive success, to channel our unthinking habits, our purchasing decisions and our thought processes by the use of insights gleaned from psychiatry and the social sciences. Typically these efforts take place beneath our level of awareness, so that the appeals that move us are often, in a sense, "hidden" (1957, p. 1).

The advertising industry would say that they provide an important role in informing the consumer of new or improved products, brands, developments, and events. Without advertising, the only way someone would stumble on something new was by looking at all the choices in a category (and this is nearly impossible in toothpaste, for example) and reading labels or from word of mouth from

friends. Imagine a new mountain or lake view housing development on an isolated road in a rural area, out-of-state people would not learn about it unless from word of mouth or advertising or a chance drive down the road.

Advertising also tries to transform you from ordinary to extraordinary. Consider the following words from an advertisement for LA MER's moisturizing crème:

Capture the legendary healing energies of our Miracle Broth™. The Essentials, a targeted moisturizer, serum and eye treatment, visibly transform with the promise of new radiance, the look of youth. (Sources: LaMer.com, also *New York* magazine, September 22-October 4, 2014, p. 5).

Advertising agencies and channels of advertising are responding to the impacts of social media as the example from LA MER shows. This cosmetics company approaches the consumer through traditional print advertising as well as online. On July 29, 2013, it was announced that two large advertising agencies, Publicis and Omnicom Group, were merging to create the world's largest advertising firm (CNBC, 2:45 p.m. EST). The main reason given was that digital advertising accounts for 22 % of advertising today and that by 2017 it is predicted by the eMarketer company to go to 27 %. In order to succeed in this climate, advertising companies are regrouping. One of their challenges is that large companies like Google and Facebook are going right to their customers bypassing advertising agencies.

Before leaving this section, we should talk about a counterpoint to mass advertising which is the desire for uniqueness mentioned earlier. Mass advertising may be directed to the middle America customers shopping primarily in large chain grocery stores, Wal-Mart, Kohl's, JCPenney, or Target. A specialty store may want to sell a product that is more targeted to a smaller group, the customer who may want to buy, make, or build something no one else has. Uniqueness theory posits that individuals vary in the extent to which they wish to be different, so that certain consumers select or connect with products based on their self-realization, identity manifestation, and self-expression (Solomon 2003). Examples are custom-made sofas or suits or putting monograms on clothing or towels. Craft, sports, or hobby stores often speak to a person's uniqueness or special needs such as desire to compete or create.

Advertising including public service announcements often convey the non-profits' or the company's message. Green messages and products may have a psychological advantage.

Whole companies have organized themselves around a 'green' theme. Ben and Jerry's ice cream uses its environmental corporate culture as its guiding principle. Anita Roddick, in her book, *Body and Soul* (1991), describes how her humanistic and green beliefs have shaped her worldwide personal care business. Products that appeal to a consumer's environmental sensibility are thriving. Environmentally friendly products and behaviors are those that are perceived as contributing to the reduced consumption of natural resources. This evolution presents many challenges to social scientists. Because adoption of green behaviors and the purchase of green products may, in part, be due to the satisfaction of psychological needs such as altruism and goodness, behavior in regard to them may be different from typical 'consumer behavior' (Flynn and Goldsmith 1994, pp. 543-544).

Social Analytics: Klout and Challengers

When we look back at pre-Internet days we realize that surveys had to be distributed in person or sent by postal mail or conducted through phone interviews. With the advent of social media, social influence can be measured online in many ways. As discussed previously, political researchers and marketers have long mined data from social networks to find influencers. In the recent times, the focus has been on influencers whose favorable tweets and posts boost votes and sales.

Launched in 2008, a leading marketing tool has been Klout which had venture capital support and has clients such as well-known companies like Procter & Gamble and Audi who pay for the service, the information gleaned. The growth of Klout has been researched in several fields including communications as well as marketing. A score is assigned based on many factors including number of Facebook friends and LinkedIn connections.

Klout measures the social influence of people, groups and brands based on their activity and audience on social networks. The company weighs more than 400 data points – including the number of Twitter mentions and Facebook fans – and assigns a number from 1 to 100. President Obama currently leads all individuals, with a score of 99 (Finding a Haystack's Most Influential Needles 2012).

Naturally, when something is this successful and useful, there are competitors as examples Tellagence and Little Bird who say that they can also help businesses zero in on social influences but in a more targeted way. They could specialize, for example, on eating out habits or clothing spending behavior. Companies use different algorithms (measures or metrics) to find influencers. They may weight data points differently than Klout. Here are some of the surprises: People can have few connections, do not hold high positions, and have low Klout scores yet their comments move sales a lot more than one would expect. So it comes down to the subject of this book who are the social influencers and how do they affect consumers and sustainability efforts? It is not so easy to determine this, and as we know someone can be very influential in one area and have no effect or interest in another.

Sometimes high scorers have been contacted by companies and given incentives. One example of this was:

Recently, Chevrolet gave about 900 people with a Klout score of more than 50, a free three-day rental of the Chevy Volt, a move that resulted in more than 46,000 tweets and more than 20.7 million blog posts, most of them favorable, about the electric car. (Finding a Haystack's Most Influential Needles 2012).

Although Klout is a leading company, it has competitors and it could significantly change its business model. A new technology or system could easily change how social influencers are identified and measured.

The Model of Social Influence

In the first chapter, the Social Influence Model was introduced. It is revisited here because communication is all about creating “talk” and “buzz.” For example, a mom posts on Facebook a photo of her daughter dancing on stage at an Italian festival. She is sharing with friends how her daughter looks in a costume and about her new found talent. Friends respond by saying how grown up she is and so on. The buzz goes on for several days. It publicizes the Italian festival as well as providing news about the mother’s family. Her post may stimulate more people to go to the festival, thus moving them into the next step in the model “Buying/ Adopting.” According to attribution theory, behavior is ascribed to personal behavior and behavior having to do with others and events. We dance or sing because we hear music or catch the spirit of an event such as at a festival or wedding. Please see Fig. 1.1 on p. 20.

Influence Spiral

If you get it, you share it. Influentials are much more likely than others to share news about a product or service if they have had a good experience such as test driving the Chevy Volt. They do not hold back their opinions. Alice says, “I switched to Comcast because it was a better deal. I got more channels and services for the same monthly charge as my former company.” She announced this at an Olive Garden dinner of eight friends. They were there on a weekday night because she sent an email to them saying the whole table could get 25 % off on a weekday night if even one of them had a coupon—she had a coupon. So you see by this the spiral of influence it goes on and on. The day of the get-together she could not find her coupon so sent out an email asking the others if they had one. Jennifer said she did and so all was saved, the dinner went as planned. The spiral continued with one couple saying they could not come but would like to do it again so future Olive Garden get-togethers were planned for ten.

According to Keller and Berry (2003), about the power of influentials and their opinions:

We’ve seen this already in the high rates to which people turn to them for advice and opinions when they have a question. It’s also reflected in other research as well – most importantly, perhaps in their propensity to make recommendations when they find something they like. The research underscores the conclusion that the segment’s influence extends beyond political and civic concerns...Over the course of a year, Influentials have an aggregate impact of millions of word-of-mouth recommendations. The segment is particularly likely to wield a powerful word-of-mouth force through recommendations in areas that by now should be familiar areas of expertise, including restaurants and food, travel, technology, media, cars and personal finance. Almost nine in ten Influentials say that in the past they’ve found a restaurant they that they’ve liked so much that they recommend to others.” (2003, p. 146).

Influentials have a sense of discernment. They feel that they know how to pick through information and pass on the main points or issues to their friends, co-workers, and other acquaintances. They have a sense of what matters and tell others. Does influence run in families? Some would say in American politics that appears to be the case when one looks at the political dynasties of the Kennedys and the Bushs to name only a few in recent history. The same could be said for royal and leading political families in other countries. As a counterpoint, there are countless examples today and in history of people who have risen from humble beginnings to influential leadership roles.

Critical Thinking: Rise of Influentials

Can you identify a nationally known influential today? What was their past? How has social media allowed someone to become an instant celebrity in music, in performing arts, and in other ways?

Social Technologies and Economic Impact

Word-of-mouth conversations never end, but they have new channels of distribution. This section could be subtitled “Shifting Power to the Consumer.” A few years ago, most consumers used email, searched the Web, and did some online shopping. Fast-forward to today and consumers are doing so much more. Social technologies are a sweeping, growing phenomenon. They are changing how people live and who they interact with, friends they have never met but may feel closer to than their next door neighbor or co-workers. They post to complete strangers the details of their weekend, such as where they went boating, how the wedding went, jokes, what their dog did, what they ate, complete with photos. You could easily know more about a person in a few hours than you could possibly know in a lifetime.

Just as consumers are changing their behavior, business is as well. The goal of business is to maximize profits and to do so they need satisfied customers. In business, the “new media” platform is becoming more dominant, new hires have to be ready to expand capacities and know how to engage consumers directly through social media. E-commerce in the form of company websites, service providing, creating dialogues back and forth between consumers and service workers, daily and twice daily company sales messages or updates popping up on emails, product reviews, sports reviews, even sermon reviews, the list goes on and on. College networking sites have exploded into all kinds of networking sites. Facts to consider (from Chui et al. 2012):

- 80 %: Proportion of total online users who interact with social networks regularly
- 70 %: Proportion of companies using social technologies
- 90 %: Proportion of companies using social technologies that report some business benefit from them

- 28 h: Time each week spent by knowledge workers writing emails, searching for information, and collaborating internally.

And their untapped potential (what follows are estimates):

- \$900 billion—\$1.3 trillion: Annual value that could be unlocked by social technologies.
- 1/3: Share of consumer spending that could be influenced by social shopping.
- 3 %: Share of companies that derive substantial benefit from social technologies across all stakeholders such as customers, employees, and business partners.
- 20–25 %: Potential improvement possible in knowledge worker productivity.

Social analytics is the practice of measuring and analyzing interactions across social technology platforms to inform decisions (McKinsey Global Institute analysis cited in Chui et al. 2012). Key findings from report entitled “The Social Economy: Unlocking Value and Productivity Through Social Technologies” include:

- Consumers and companies have not captured the full potential of social technologies.
- Social interactions need to improve on speed, scale, and the economics of the Internet.
- Social technologies can enable organizations to be more networked within in both a technical and in a behavioral sense. (Are all those in-person meetings really necessary?)
- Social technology is just one channel among many to reach consumers.
- Social technologies can empower individuals to form communities of interest about specific products and causes and enable the spreading of “the word.”
- Social technologies encourage sharing and openness.
- There are risks involved with rapid change such as identity theft, loss of intellectual property, disruptions, and damage to company reputations. These can be avoided by companies (and consumers) thoroughly understanding social technologies, training, and putting secure practices in place.

Case Study: Company Employee Helps a Senior Citizen Avoid Scam

Companies and consumers can work together to reduce frauds and scams. Although this situation was started by and resolved by phone calls (it could just have easily involved email and other connections). In the end, face-to-face interactions saved the day.

“Our dad received a phone call requesting him to send \$1,475 to an international bondsman via Western Union to get his grandson out of jail in Atlanta. Dad’s memory isn’t what it used to be, and the caller did provide a first name that was familiar to him. Wanting to do the right thing, all he could think about was going to get that Western Union and sending it right away. Dad rushed to the Vineyard Publix on Mahan, filled out the Western Union form, and presented it to Sharon, a customer service representative. She had seen my dad in the store on numerous occasions and, because of Publix employee training, was aware of the

many scam attempts victimizing senior citizens. Sharon was observant enough to ask Dad several questions and then made a phone call to my sister (who has two sons) regarding the situation, and we were able to prevent dad from being swindled...”

Source: Christine Coble, Letter to the Editor, *Tallahassee Democrat*, July 29, 2013, p. 4A.

The Future of the Social Economy for Consumers

The future of the social economy is a large, all embracing topic. It is difficult to explain other than we are only seeing the tip of the iceberg about what social technologies and consumer response can deliver. One of the future tools will be improving education, allowing more interactivity and self-pacing. Another example is that online banking is well under way, and all sorts of partnerships and new ways to make payments are emerging. Apple offers Apple Pay mobile payment system in its own stores and with retail partners including McDonald’s, Macy’s, and Staples.

Health care will be influenced, test results reported immediately to the patient rather than waiting for a primary care physician to deliver the results, or perhaps it is through the physician’s office with interpretation added right there. Doctors in the UK are on networks where they discuss symptoms and treatments. Patients are on networks discussing symptoms and cures. Of course, there are lots of opportunity for misinterpretation and fraud. As discussed earlier, social media has many plusses but also opens the door to lack of privacy and identity theft issues.

On the legal front, attorneys can learn about potential jurors by what they say online such as blogging opinions about police, crime, laws, and their community and about group affiliations such as what clubs and organizations they belong to and political sway.

Sustainability and environmentalism will move forward with more messages at all levels in the future. One example, in the case study, of a pro-social, pro-environmental message was announced by the furniture company IKEA.

Case Study: IKEA Pro-social/Pro-sustainability Message

“OSLO, Oct 13 (Reuters) – IKEA Group, the world’s biggest furniture retailer, may introduce an internal carbon emissions price to help its drive to protect the environment and create a ‘new and better’ company, chief executive Peter Agnejail said. IKEA, seen as global trend-setter among retailers on green issues, is also on target to invest \$1.5 billion in solar and wind power by 2015, and bought a higher proportion of its wood and cotton from sustainable sources in 2014 to aid consumers shift to greener lifestyles. “We see sustainability as a driver of building a new and better IKEA,” Agnejail told the Reuters Global Climate Change Summit. ‘It is a driver of a renewal of our business, renewal of our products and a driver of innovation of all kinds.’”

Source: Alister Doyle (Oct. 13, 2014). Reuters Summit-IKEA may lighten carbon rules to protect environment, *NRF SmartBrief* at nrf@smartbrief.com.

Another pro-social outcome is that employees can become more networked talking with employees across the nation in similar jobs, discussing solutions to problems, and more efficient ways to move products or surpluses and serve consumers. Social technologies enable more interaction and exchange of information. They foster communication.

As the adoption of mobile devices such as smartphones and tablets accelerates, we will see more economic or marketing implications such as walking by a store and the smartphone makes a sound indicating a sales message. An old word for influencers was “tastemakers,” we see that word re-emerging in messages from jewelry retailers Tiffany’s and Cartier. Tiffany made the worldwide news in January 2015 when they ran an advertisement of a same-sex couple buying jewelry.

A social graph represents the personal connections between people. Connections can be reciprocal (back and forth) or one-way directional such as a Home Shopping Network spokesperson (Jasmine) describing pants for sale to customers at home. HSN becomes reciprocal when a phone call is broadcasted and Jasmine talks to Iris about a new offering of purple pants and asks “have you tried them in pink?” Iris responds she has the pants in five colors including pink and wants to try the purple. Viewers are impressed and consider doing likewise. “Most large consumer-facing companies, and a growing number of smaller ones, recognize that they must now use social technology to compete” (Chui et al. 2012, p. 15).

Summary

Communication is fundamental to any discussion of social influence. It is an adaptive process of exchange that takes many forms. It is a way to share meaning and has verbal and nonverbal elements. Facial expressions and touch communicate. Children are socialized in families, form attachments, and learn to communicate. When we observe people behaving, we often attribute their behavior to certain causes or motivations such as being late for work. Verbally communicating, talking, often clears up misperceptions. The crossovers between communication and consumers were discussed as being apparent in advertising, a form of information. Influentials have a sense of what is important and they pass that information on to others. They have a multiplier effect in that the voice of one is heard by many.

Social media has redefined who is a friend and has provided increased communications power to the consumer. Consumers can instantly post likes and dislikes, read reviews, post reviews—say what they want to millions. To summarize, consumers, online ratings, and reviews are growing in importance in decision making

about a number of products from hotels to books. Managers and CEOs are taking note. Rather than their formal advertising campaigns, the focus has shifted to following and responding to user-generated reviews. The search for influencers has become easier through tapping into exchanges such as Facebook, LinkedIn, blogs, messaging, and through tweets. Klout scores are given that measure the social influence of people, groups, and brands based on activity and audience. Competitors to Klout measure influence aspects slightly differently and with all new research refinements will come. Technology can totally change the picture of how people exchange information and impressions. The economic impact of interpersonal communication through social technologies is boundless.

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