

How advertising enhances viral marketing

July 12, 2012

In their attempts to maximize the impact of their campaigns by using online and social media channels, advertisers should not give up on traditional mass media like television.

Nike has just done it again. During the UEFA Euro 2012 soccer final, the company aired a TV spot in which promising talent take to the field against soccer superstars, claiming "My Time Is Now." A longer version, with interactive content, could be viewed on YouTube. The video received nine million hits in 72 hours, and exceeded 14 million after 10 days, not counting the millions of tweets, retweets, posts and "likes" on Facebook.

This is just one example of how companies are combining traditional advertising with online and social media channels to good effect, as highlighted in an article by [Julián Villanueva](#) (IESE) and Guillermo Armelini (ESE Business School, Chile) published in *The European Business Review*.

Advertising trends

Several important phenomena are changing the business landscape.

Younger consumers are snubbing television in favor of smartphones, laptops and tablets. Web 2.0 is giving consumers powerful outlets to express their opinions about products and brands like never before.

Firms cannot afford to ignore this, given the potentially devastating market effects that negative electronic word of mouth (e-WOM) can have on the bottom line.

Yet for those companies that do things right, online and social media channels can provide a unique opportunity to engage with consumers directly.

When it comes to conveying positive messages about products and brands, and seeing that those messages get shared and spread throughout a vast global network, online and social media channels may be the most effective and efficient type of advertising there is.

The price of electronic word of mouth

From an economic standpoint, viral marketing is very efficient. Designing and creating the campaign can be done with either a large or small budget. But provided that the message is compelling, entertaining or novel enough for people to want to share it, the cost of spreading it is almost nil, whereas the return on investment (ROI) will grow exponentially.

However, viral marketing is more than just a form of low-cost advertising, and it would be a mistake to measure its success by ROI alone, since its effect often goes beyond the impact of a certain action.

Among other things, viral marketing promotes brand awareness, fosters support among consumers and encourages the creation of virtual communities in which further content, whether created by the firm or users themselves, can be shared more widely.

Conditions for social contagion

Spreading a message through online and social media channels is much like spreading a virus.

The process of social contagion begins with a relatively small group of individuals, called innovators or seeds, who act as carriers and transmit the message to other individuals. Those infected become the new carriers, causing further contagion and spreading the message among members of their social networks, in an ever-replicating process.

In order for the message to be transmitted and diffused, three conditions are necessary: context, content and segmentation.

The confluence of the appropriate *context*, with catchy, well-conceived *content* that targets a *properly segmented audience*, raises the likelihood that a brand can benefit from the positive effects of viral marketing.

Yet even under the right conditions, there is no guarantee that the message will go viral or that the campaign will be wildly successful.

Advertising key to viralization

The researchers Duncan J. Watts and Jonah Peretti have created a simple formula for estimating the number of people influenced by social contagion when the reproduction rate is less than one, assuming an initial number of innovators or seeds, and a constant speed in the propagation rate of the message.

Under such conditions, the only way to increase the total number of infections is to increase the initial number of innovators or seeds. This is precisely where traditional advertising comes into play.

According to Villanueva and Armelini, this may be a deciding factor for the success or failure of a viral marketing campaign, as it offers a critical mass of propagators to ensure that the process of transmission is not going to burn out in a very short amount of time.

Would Nike's campaign have had the same impact if it had bypassed the TV spot? Probably not, say the authors.

By extending the initial message to more people — such as during the UEFA Euro 2012 soccer final — one increases the chance that the message will circulate, spread and be propagated through the networks of personal relationships of those receiving it.

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