

Major brands fail to capitalise on consumer passion through social media

30 April 2008 – Major brands across the travel and financial sectors could be missing out on potentially massive revenues by failing to engage and capitalise with large numbers of consumer support groups on social networks, according to the 2008 Social Media Sectors report from Tamar, the search conversion agency. In contrast, major brands in the retail sector take a far more proactive approach to engaging consumers through social media.

The Social Media Sectors report analyses the levels of official and unofficial social network groups in relation to the top 10 travel, retail and financial services brands to determine opportunities for brands to engage with their customers through social networks.

The report assesses unofficial group levels for and against top brands on three of the most popular social networks.

“More vociferous consumers are using social media as a platform to highlight positive experience, not just the negative” comments Henry Elliss, Head of Social Media at Tamar. “Failure by brands to engage with groups set up by consumers could see opportunities to engage with customers and boost revenue slip by, where a proactive strategy is not in place. However social networks need to be much clearer in their differentiation between official and unofficial activity so that it is clear to consumers and brands what exactly it is that they are engaging in.”

Financial services failing to profit from social networks

The *2008 Social Media Sectors Report* reveals that leading financial services institutions are failing to capitalise on growing numbers of customer support groups. Where only 30 per cent of major organisations from the financial services sector have an official presence on social media, 80 per cent are the subject of unofficial consumer groups. Although many of these unofficial groups support the brands, two of the organisations are the subject of over 70 consumer groups with negative related content, and a poor official presence will do nothing to help this.

“Customers expect excellent assistance from financial services organisations and portraying a secure and trustworthy image of their brand is crucial,” comments Elliss. “With financial organisations aiming to persuade consumers about the security of online transactions, it is hardly a time to neglect online brand reputation. Failure to counter mounting criticism will result in a loss of consumer faith for financial brands.”

Social Media fails to take off with travel brands

The *2008 Social Media Sectors Report* reveals that all the leading organisations from the travel sector have a great deal of consumer support on social networks through unofficial groups, but few brands have registered an official presence to capitalise any support that is evolving from social media. The report found that the few organisations (30%) from the travel sector that registered an official presence on social networks were the subject of on average 59% more unofficial supporter groups than the brands that did not have an official presence.

“With many travelling consumers purchasing tickets on the internet, the travel sector has an established online presence,” comments Elliss. “Travel brands are currently experiencing positive feedback on social networks as a result of the many unofficial consumer led groups supporting brands in this sector. But where organisations continue to be slow to enter the volatile social networking arena they could be missing out on taking advantage of this support.”

Retail companies value their social network friends

The *2008 Social Media Sectors Report* reveals that retailers are most in touch with Social Media, with all top brands holding an official presence on at least one major social network. Brands from the retail sector are also the focus of large amounts of social network comment with more than 16 times the number of dedicated unofficial groups as travel brands and over 10 times as many as financial brands.

In addition the report reveals that 80% of brands from the retail sector were the subject of over 100 customer support groups.

“With most retailers keen to push their product sales online, they have moved faster than other sectors to implement a strategy that engages with the social media environment,” comments Elliss. “The industry’s proactive stance on social media will boost ROI and help maintain these encouraging trends.”

- Ends -

Research methodology

The 2008 Social Media Sectors Report analysed 10 top brands from each of the travel, retail and financial services sectors and their positive and negative presence in groups on Facebook, Myspace and Bebo. The research was conducted in April 2008

About Tamar

Tamar (www.tamar.com) is the international search conversion agency that specialises in driving search and social media traffic to web sites and converting more visitors into customers.

Tamar's joined-up approach is to use its 13 years of online expertise and experience and combine this with clients' customer intelligence to maximise client revenues.

Tamar specialises in working with major, international financial services, travel and retail brands. Its extensive, high-profile client base includes Direct Line, B&Q and Saga.

For further information please contact:

Tamar

Jon White

Jon.white@hotwirepr.com

020 7608 4677