How Opinion Leaders Are Made by the Social Media

Kaichi Saito, Associate professor at Meisei University, Department of Economics.

He received his Ph.D. in Management from Gakushuin University in 2003. He was a full-time lecturer (00) and an associate professor (06) at Nihon University, prior to his current post. His main books are "Consumer Behavior and Network" (Chikura Publishing Company/2015), "Introduction to Retail Data Analysis" (co-authored/Duo Keizaiisha/2014) and "Pricing Science" (co-authored/Dobukan/2005) and his main articles are "WOM generation decision-making" (Journal of Marketing and Distribution, 2014), "What causes brand commitment?" (Advances in Consumer Studies 2012, co-authored), "Does an IT product bring another one?" (Journal of Marketing and Distribution, 2009) and "Modeling co-diffusion processes of multiple products." (Marketing Science, co-authored/2006).

Takashi Teramoto, Associate professor at Meisei University, Department of Business Administration.

He graduated from the faculty of commerce at Keio University in 1998 and received his Ph.D. in Business Administration from University of Tsukuba in 2011. He entered The Distribution Economics Institute of Japan in 1999 and became an associate professor of the Department of Economics at Meisei University after working as a senior researcher and a general manager of the in-store Marketing Research and Development Office. He has been in his current position since 2012. His main books are "Brand Communication from the Viewpoint of Retailing" (Chikura Publishing Company/2012/Won the prize of the Society of Marketing and Distribution Award) and "Shopper Marketing" (Co-authored/ Nikkei Publishing Inc./2011) and his main papers are "Contact to Information Media and Purchase Decision Making: Focusing on Attitude and Brand Switching about New Products" (Journal of Marketing and Distribution, 2014) and "The Long-term Effect of Brand Commitment in the Formation of Brand Loyalty" (Journal of Marketing and Distribution, 2012).

Atsuko Inoue, Associate professor at Seikei University, Department of Economics.

She finished Ph.D. program at Waseda University in 2005. In the same year, she became a full-time lecturer at Rissho University, Faculty of Business Administration and became an associate professor in 2009. From 2009 to 2010, she was a visiting researcher at University of Washington. She has been in her current position since 2013. Her main books are "Brand Strategy in the Era of Co-creation - a Challenge to Breaking with Commoditization" (Co-authored/Minerva Publishing Inc./2011) and "Marketing as a Customer Contact Point" (Co-authored/Chikura Publishing Company/2009) and her main articles are "Sampling Promotion When Launching New Products" (Journal of Marketing and Distribution/2014), "Consumer preference depends on the scarcity defined by the decrease, not fewness, of goods" (Journal of Consumer Studies/Co-authored/2013).
tend to be involved in a certain product category on a permanent basis and purchase new products in the category much sooner than others, (2) influence other person’s purchase behavior by conveying the extensive product knowledge acquired through their own purchase/usage experiences and (3) communicate with various kinds of people, i.e., they are network hubs in the social network.

Opinion leaders seem like gods that appear in mythologies. A brand will be a successful if it is accepted by them. Otherwise the brand will be a failure. According to Keller and Berry (2003), a brand cannot become a major trend in society without the support of influential individuals such as opinion leaders at an early stage. Influential individuals can even interrupt the market expansion of a promising brand that might gain currency in the future. Burson-Marsteller (2001) also state that influentials who have a wide-ranging influence in society can sometimes sway the fate of a brand and determine the course of both companies and consumers’ issues by establishing a strong opinion. Such claims strongly encourage companies to believe that influentials can be utilized when marketing their brands. In fact, Rand (2004) express this situation sarcastically as follows; “Influencers have become the Holy Grail, for today’s marketers.”

Does “the opinion leader mythology” really exist?

Does “the opinion leader mythology,” i.e., the belief that influentials greatly affect the purchase behavior of the general public really exist? Watts and Dodds’ (2007) simulation research indicates that the existence of opinion leaders is questionable. They performed simulation studies to test the “influentials hypothesis,” (Gladwell 2000) a hypothesis that a handful of opinion leaders play a vital role in the diffusion process of a new product. Simulation studies under various conditions show that cases where the widespread diffusion triggered by influentials occur very rarely, contrary to the influentials hypothesis. It is obvious that there is always a “first person” who makes the initial action before a massive behavioral sequence, or a large-scale cascade, occurs. The simulation studies, however, revealed that influentials do not have any special ability or distinctive characteristics, and the driving force behind most of the large cascades is the “easily influenced individuals” surrounding influentials. It can be said that the easily influenced people are playing the role of a “firelighter” that leads to the widespread diffusion. As shown in Figure 1, the widespread diffusion is not the process where an influential, or “opinion leader” who has an overwhelming “ignition power,” lights the general public on fire. Rather, it is the process where a small fire started by “ordinary individuals” spreads all over society with the help of easily influenced individuals. It is not easy to ignite firewood using only a lighter when no lighting material is used but a fire can be started very easily when a lighting material is present. The widespread diffusion happens in the same manner. The easily influenced people who function as a form of lighting material must play an important role in order to make the fire spread throughout society.

**Figure 1** Lighting material (susceptible people) that triggers popularization

The opinion leader mythology

<table>
<thead>
<tr>
<th>General public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watts and Dodds (2007)</td>
</tr>
</tbody>
</table>

A handful of opinion leaders
We may have overestimated the importance of opinion leaders because we expected too much from them. Thus, we should reconsider our presumption that the opinion leaders’ powerful influence drives a certain brand’s hit and come to the realization that such a hit is the result of interactions between various elements including characteristics of WOM receivers.

We have to say that opinion leader research to date has lacked the viewpoint of “WOM receivers.” An individual’s level of influence on others is determined by the interaction (i.e., multiplication) of (1) the volume of WOM information sent out and (2) the degree to which the WOM information is reflected in the receiver’s decision-making. What this tells us is that a consumer can never become an opinion leader if the WOM receivers are not influenced by him/her even though he/she sends out a number of WOM messages. In other words, opinion leaders are created by the people who are influenced by WOM messages. The opinion leadership is not an innate characteristic, but rather ordinary individuals turn into an opinion leader by gaining lots of followers (people who follow his/her activity or opinion). Note that this idea does not deny the existence of opinion leaders but states that it is required to redefine the influence of opinion leaders from the perspective of WOM receivers which many of the existing research focused on.

Come to think of it, we do not know where the opinion leaders come from. This is because the existing research has explored the characteristics of opinion leaders but not investigated the mechanism that opinion leaders are produced. An important perspective in examining the mechanism is that WOM receivers create opinion leaders.

How opinion leaders are created on social media

WOM on various brands is communicated actively on social media (hereinafter referred to as “SM”) which has become popular rapidly in recent years. Here, we are going to focus on how opinion leaders are being created on SM.

The most distinctive characteristic of SM is its high visibility. When communicating face-to-face, using telephone, or e-mail, a sender clearly identifies who receives the information from the sender since he/she can only communicate with the person in front of him/her or on the other end of the line/screen. While on the other hand, sending a message on SM means that stating an opinion to a group of friends/followers or many unspecified persons. Therefore, the content of the conversations can be seen by many people regardless of whether the senders are aware of it or not. In addition, many SMs provide tools so that receivers can voice their reactions including clicking the Like button (hereinafter referred to as “Like”). Such WOM responses are also visible to others. Specifically, Likes from receivers can be seen by not only the sender but also other members of the community.

Figure 2 shows the process of how opinion leaders are created on SM, which has the characteristics noted above. Consider that a post about a brand was submitted by a consumer and received by other consumers. A part of the receivers might get influenced by the post and purchase the brand or they might click Like lightly. Like can be seen by others. Thus, not only the post itself but Likes obtained from the receivers have a positive impact on other (subsequent) receivers’ purchase behaviors. This indicates that a brand mentioned in a post that gained many Likes is more likely to be purchased compared to a brand that did not obtain many Likes. Moreover, it is possible that WOM messages that obtained many Likes will be spread outside of SM. For example, people sometimes talk about the content of a WOM message which gained a number of Likes on SM in face-to-face. Also, the mass media sometimes introduce the brand with the advertising slogan such as “a brand that gathered much attention on the web recently.”

In this way, a consumer who sent out a large number of WOM massages that gained many Likes becomes an opinion leader. To sum up, the greatest characteristic of the opinion
leader-creating mechanism on SM where all communication is visible is that receivers’ WOM responses such as Like play a vital role (the red part shown in Figure 2). An opinion leader can be created on SM when the receivers are promoted to purchase a certain brand by getting influenced by others’ Likes (crossed arrows shown in Figure 2). Evidence that supports this idea is shown in many existing studies. One of them is the sequence of studies that investigate the relationships between the reviews posted on product review sites and the brands’ sales. You, Vadakkepatt, and Joshi (2015) gathered existing research and concluded that the volume and valence of reviews were positively related to the sales. Furthermore, according to Naylor, Lambert, and West (2012), fans of a brand on Facebook influence the evaluation and purchase intention of the brand. The music lab experiment by Salganik, Dodds, and Watts (2006) also indicates that people tend to purchase a product that is gathering great popularity, and the influence of popularity can sometimes exceed the effect of consumer’s preference.

Furthermore, the data we collected on the small-sized SM established for our research showed that peoples’ Likes are creating opinion leaders. The participants have online conversations about certain brands (Starbucks, Uniqlo and Yukimi-Daifuku for instance). After their conversations, we asked them which members influenced their purchase intentions of the brands that they were talking about (they were told that the answer can be more than one or even zero).

The person most mentioned about in this study was the brand opinion leader. An analysis of what factors influence the selection of a brand opinion leader revealed that a person who obtains a lot of Likes from other people is likely to be selected as a brand opinion leader.

**What creates Like?**

In our conceptual model shown in Figure 2, people who click Like frequently correspond to what Watts and Dodds (2007) call the easily influenced individuals. According to Watts and Dodds (2007), people who respond easily such as Like on SM play the role of firelighter in diffusion processes. What kinds of consumers click Like frequently then?

One of the characteristics of such consumers is that they accept or empathize with the opinions and thoughts of others relatively easily. In other words, consumers who are more likely to adopt the viewpoints of others spontaneously (Davis 1983) tend to accept the opinion of the WOM senders easily. Furthermore, belongingness needs and emotional commitment to the community also have positive influence on their WOM responses in social interactions like SM. The belongingness needs is the desire of forming a positive relationship or attachment with a small number of people (e.g., Baumeister and Leary 1995). People who have belongingness needs usually have a strong desire to maintain healthy relationships with others and are afraid to be rejected by...
others. The emotional community commitment is a bond with the community that is based on the member’s strong emotional attachment to that community (Bateman, Gray, and Butler 2011).

An empirical study we performed revealed that consumers who have these three characteristics tend to click Like frequently. What we would like to emphasize here is that the Likes generated from the tendency to taking other’s perspective, the need to belong, or the community commitment are aimed at considering other members. Therefore, people who are considerate of their community members are actually creating opinion leaders on SM.

The compatibility between the receiver and the sender of WOM messages also influences whether the receiver clicks Like or not. According to our empirical results, comments sent out by people with high opinion leadership are likely to obtain Likes from people who have a strong belongingness need. This implies that WOM messages sent out by people who are self-conscious about their influence on others often gains a lot of Likes from people who wish to maintain relationships with others on a long-term basis.

The characteristics of the WOM receiver and the WOM sender are not the only reason Like is clicked. The content of the WOM is also very important. An empirical research revealed that usage scenes, memories associated with brands, reputations among people surrounding the sender, and both positive and negative WOMs are likely to gain many Likes. In addition, the empirical research also revealed that when exposed to visible and convincing information like photos, people are likely to gain a deep understanding and feel empathy for the information. The reason why the receivers feel sympathy with both positive and negative information regarding a brand is that not only positive but also negative information can promote their knowledge about the brand. It can be predicted that usage scenes and reputations based on real experiences provide a hint of how to use the brand, and therefore posts included these content were likely to gain Likes.

As previously described, one’s power of influence on others is determined by the multiplication of the volume of WOM messages sent out as well as the degree to which these WOM information affect purchase behavior of WOM receivers. With regards to sending WOM messages, our empirical results indicate that people who are emotionally committed to their community frequently send WOM messages on SM. The results also show that concepts such as opinion leadership and the market mavenship, which have been gathering attention before SM came into existence, are not so useful when describing the volume of sent information on SM.

Conclusion

In this column, we have advanced the discussion of opinion leaders on SM based on the viewpoint that they do not have a special power, but rather are created by people who get influenced easily. In the present situation where communication between consumers is becoming more and more visible, Likes generated by WOM receivers stimulate the purchase behavior of other receivers and is now becoming the process of creating opinion leaders.

By summing up the results introduced in this column, we can highlight the brand opinion leader-creating mechanism on SM. This mechanism works in a way that a certain member (sender) of the community who is strongly committed to their community submits posts frequently and then, the members (receivers) who are strongly committed to their community, members who have the tendency to adopt others’ viewpoints voluntarily, or members who have strong belongingness needs click Like on a frequent basis. This kind of WOM response can be made by receivers even when they do not process and appreciate the WOM information itself because they put a great deal of effort into considering the sender. Even when a certain receiver clicks Like so as to maintain the relationship, other receivers have no way of knowing that. Therefore, even responses made in such a way can promote others’ purchase intention. This is how a mem-
member who submits posts frequently based on a strong commitment to his/her community becomes the opinion leader. People who play a vital role in such a process are people who create opinion leaders by clicking Like, namely, members of the community who are strongly committed to their community, members who adopt others’ viewpoints, and members who have strong belongingness needs. WOM responses made by these kinds of people create brand opinion leaders on SM.

There has been almost no discussion about the influence of opinion leaders from the perspective of the WOM receivers, in particular, their psychological aspects. We are expecting that our research introduced here will help in integrating the theories of opinion leaders and purchase decision-making which have been developed independently. Also, we are expecting that introducing the viewpoint of the WOM receivers will provide a new way of WOM marketing. In recent years, many companies are searching for a successful WOM marketing strategy because SM is now becoming popular and STP marketing is reaching a deadlock. The WOM marketing might become a dominant tool to avoid brands competing with each other brands instead of STP marketing. The traditional WOM marketing tries to find out the brand opinion leader and seed them. After seeding, they do not care where the brand opinion leader post his/her WOM messages, who clicks Like on the WOM messages, and who purchase their brands. This can be considered as a “top-down WOM marketing” which is based on the assumption that there exists a brand opinion leader who has a great influence on others’ purchase. Its effectiveness, however, is recently being doubted. By utilizing the knowledge obtained by the research we mentioned earlier, performing a WOM marketing that is totally opposite from the existing marketing methods is possible. For example, such WOM marketing includes bringing the ideas of segmentation and targeting to WOM marketing so as to target consumers who react to WOM easily. By expanding this kind of “bottom-upped WOM marketing,” we are sure that companies will be able to make opinion leaders on their own instead of trying to find them.

[References]
Burson-Marsteller (2001), The E-Fluentials, Burson-Masteller, NY.