

The Social Dimension of Business Analytics

Extracting Value From the Voice of the Customer

A White Paper

WebFOCUS iWay Software Omni

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Introduction

As marketing departments ramp up their social media efforts, they find themselves swimming in a mountain of new data about existing and potential customers – wall posts, “likes,” Tweets, and comments that contain vital nuggets of insight about how people behave, and what they think, want, and need. Chief marketing officers, campaign managers, customer retention professionals, and other marketers are left struggling to filter through all the noise and determine what’s important and what’s not.

For companies seeking to leverage social media’s full potential, they need to make social media intelligence a part of an analytics strategy that casts a much wider net. They need a strategy that can provide meaningful insight about the factors that drive social media activity, and how that activity impacts brand equity, profitability, customer retention, and other crucial business goals. Perhaps that’s why a July 2012 study by the Altimeter Group cites the inability to tie social media to business outcomes as the greatest social media challenge.¹

This white paper will demonstrate the significant impact that advanced social media analytics can have on various aspects of marketing and customer experience management. You will learn why you need to go beyond basic social media metrics and leverage advanced solutions that will allow you to truly listen to your customers. We’ll also discuss the importance of combining social media with other enterprise data to create a singular “voice” and identity for each customer, to gain deep understanding into how their social media activities drive business performance, and share tips for choosing the right platform to consolidate and analyze how this big data will be shared.

Finally, we’ll highlight Information Builders’ comprehensive portfolio of solutions, which provides a unique approach to social media analytics. With Information Builders, companies can seamlessly incorporate social media analytics into broader-reaching enterprise business analytics initiatives to extract maximum value from the voice of the customer. As social media is a two-way dialogue, we also help organizations to strengthen and tune the voice of the company via its social media and marketing outlets to spur more positive conversations and initiate beneficial actions.

The Growth of Social Media Value

- According to Forrester, 86 percent of the adult population in the U.S. interacts with at least one social media site²
- 80 percent of social media users prefer to connect with brands via Facebook³
- Approximately 39 percent of marketers have generated leads through Twitter⁴
- 77 percent of business-to-business companies and 43 percent of business-to-community companies acquire customers through Facebook⁵

¹ Etlinger, Susan. “The Social Media ROI Cookbook: Six Ingredients Top Brands Use to Measure the Revenue Impact of Social Media,” Altimeter Group, July 2012.

² Hofer-Shall, Zach; Frankland, Dave; Vittal, Suresh; Smith, Allison. “Leverage Social Data to Elevate Customer Intelligence,” Forrester, May 2012.

³ Jorgensen, Kevin. “Facebook Marketing Statistics You Need to Know,” Business2Community, September 2012.

⁴ “Infographic: Social Media Statistics For 2012,” Digital Buzz Blog, January 2012.

⁵ Jorgensen, Kevin. “Facebook Marketing Statistics You Need to Know,” Business2Community, September 2012.

Marketing Operations and Social Media Analytics

Through social media, the voice of the customer has become clearer than ever. Marketing professionals have come to realize that if they listen carefully, and use what they hear strategically, there will be almost unlimited advantages. In a recent Yesmail and Infogroup study, 25 percent of marketing professionals saw the opportunity to leverage social media data in the near future, with an additional 19 percent expecting to tap into it within the next 12 months.⁶

“Social media analytics] is intended to help organizations understand what’s being said about them on the social web at any given time, typically in real time. Ultimately, the goal is taking action.”⁷

***Susan Etlinger
Industry Analyst
The Altimeter Group***

Which areas of marketing and customer support can benefit the most from social media analytics? How do those benefits grow when social media data is combined with vital information from other enterprise sources?

Customer Experience

Social media analytics provides deep insight into customer experience and satisfaction that can’t be obtained solely through traditional metrics such as sales volumes, first call resolution, or retention ratios. It gives greater context to buyer behaviors by tapping into the voice of the customer to explain why those actions are taking place.

For example:

- Initial sales of a new product are high, but do customers like the product once they use it? Are they recommending it or criticizing it?
- A call center is meeting its performance targets in terms of hold times, call lengths, etc. Do customers feel they are being treated fairly and professionally, or just being rushed off the phone?
- Customer defections are at an all-time low, but is it because clients are truly satisfied, or because there are no better options out there?

⁶ “Marketers Use Social Media Data to Drive Campaigns,” e-Marketer.com, February 2013.

⁷ Stackpole, Beth. “Social Media Analytics Software Pulls Useful Info Out of Online Muddle,” SearchBusinessAnalytics.com, November 2012.

With the right social media analytics strategy in place, one that seamlessly blends social intelligence into an enterprise-wide analytics environment, companies can better decipher trends in sales, marketing, and support by collecting and assessing real-time expressions of customer sentiment. They can identify what interactions are taking place and measure how customers perceive those

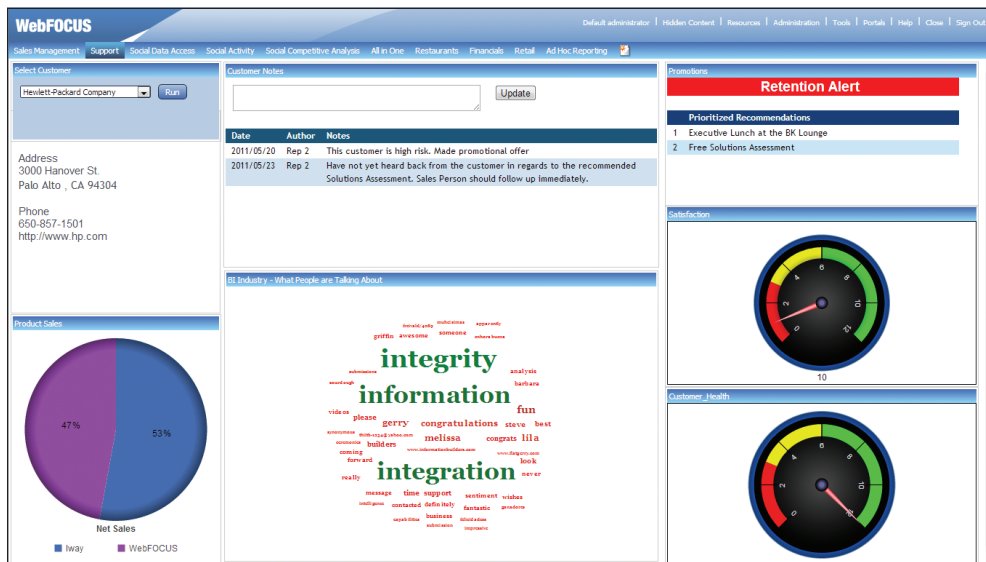
"[Companies] need to monitor comments and take positive action about them and do whatever is possible to not let the things that generated the complaints happen again."⁸

Richard Snow

Vice President and Research Director

Ventana Research

interactions. More importantly, they can compare that data to other relevant enterprise information to determine the driving forces behind those opinions and understand how that sentiment affects the achievement of revenue goals, campaign targets, and other critical objectives.



A dashboard providing simultaneous insight into sales, call center activity, and social media content allows marketing teams to clearly identify high-risk customers so steps can be taken to enhance experience and prevent defection.

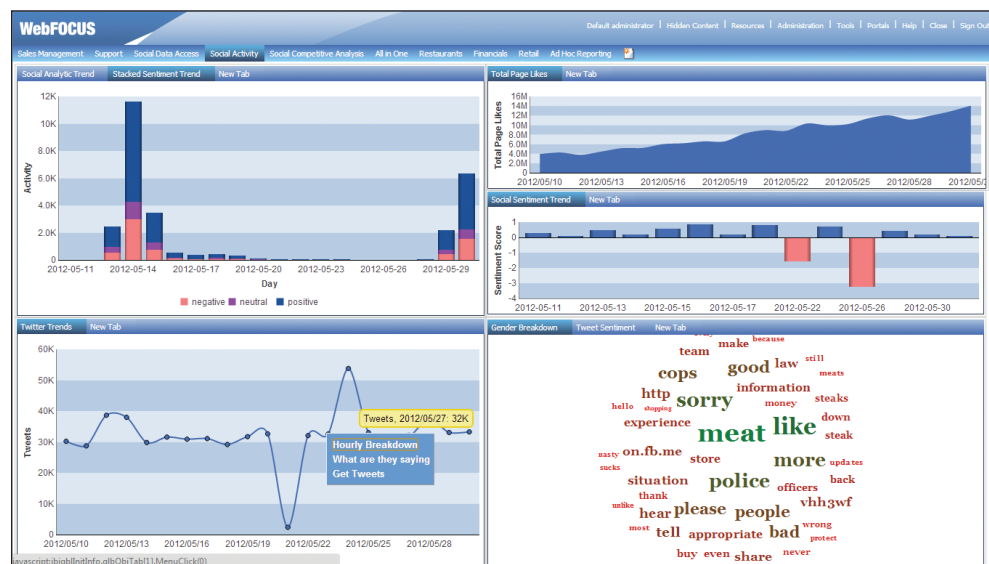
Having the insight needed to enhance the customer experience becomes even more important, given the influence of today's social media users. In other words, it can take just a handful of happy or unhappy customers to significantly persuade the masses.

⁸ Snow, Richard. "Conference Highlights Social Media, Analytics, and the Customer Experience," Ventana Research, May 2011.

By embedding social media intelligence into business analytics, companies can optimize the customer experience – and drive higher levels of retention and value – by identifying happy and profitable customers and developing plans to keep them, or by determining which customers are likely to churn and proactively taking steps to prevent them from defecting.

Campaign Planning and Management

Campaigns and social media go hand in hand. As companies continue to launch social media-based campaigns – such as discount codes that can be obtained by simply “liking” a page, then shared among friends – it will be important to measure the success of those initiatives. The need for intelligence, however, goes far beyond that. Traditional listening tools may tell a campaign manager how many “likes” were garnered as a result of the promotion, but won’t demonstrate how many sales were generated, who converted from a “like” to an actual sale, or what kinds of products were purchased using the promotion code. This kind of intelligence will only be available when social media analytics are blended with broader-based business analytics.



A combined view of social media activity, sentiment, and transactions gives marketing professionals the ability to fully understand the link between campaigns and sales.

Social media analytics can also be applied to see the correlation between traditional promotions or advertisements and social media activity to determine, for instance, if certain campaigns are driving an increase in Facebook posts or Twitter activity. For example, are shoppers tweeting to their friends about a great sale? Are customers complaining because a popular item that was advertised is out of stock?

More importantly, campaign managers need to listen to the voice of the customer across the web to understand what a target audience needs and wants, and what is likely to drive them to act. This knowledge, combined with the insight gathered through market basket analysis, campaign analysis, and other types of reporting, can aid in the development of more targeted, and ultimately more successful, lead generation and sales initiatives.

Brand Equity

Social media sites house a treasure trove of information about a company's brand. Monitoring and listening tools make it easy to track likes, engaged users, comments and wall posts, shares and tags, retweets, and so on. While this enables the measurement of awareness, it does little to shed light on perception and image.

More advanced social media analytics are beginning to emerge, empowering marketing professionals to go beyond measuring brand recognition for an understanding into whether consumers have a positive or negative opinion of it. Instead of simply tracking how many people are talking about their brand, companies can determine what they are saying, and what kind of tone and emotion lies behind those messages.

This is particularly important as trust in social media content continues to grow among the public. In Nielsen's 2012 Global Trust in Advertising report, an astonishing 92 percent of the 28,000 users polled indicated that they trust recommendations from friends and family above all other forms of advertising. This represents an 18 percent increase since 2007.⁹

What people say about a brand is far more impactful than ever before. Therefore, social intelligence is essential in promoting positive sentiments or containing the spread of negative ones. For example, new technologies are allowing marketing teams to view visual depictions of word frequencies and text from social media sites. That information can be combined with and compared to written content from blogs, e-mails, etc. Businesses can understand what people talk about most in relation to their brand, and – more importantly – highlight any content that can cause harm or benefit if it goes viral, and take appropriate action.

Product Testing and Development

The voice of the customer is particularly critical when it comes to product quality assessment and future product roadmaps. What customers are saying on social media sites can provide vital insight into problems with existing products, and the features and enhancements they may want to see in offerings down the road.

“For product development teams, monitoring and analyzing social media data can provide a window into white-hot consumer trends and a funnel for customer feedback on desired product features and for ideas that could spark plans for future products.”¹⁰

Beth Stackpole

Industry Columnist and Author

SearchBusinessAnalytics.com

⁹ “Consumer Trust in Online, Social, Mobile Advertising Grows,” The Nielson Company, April 2012.

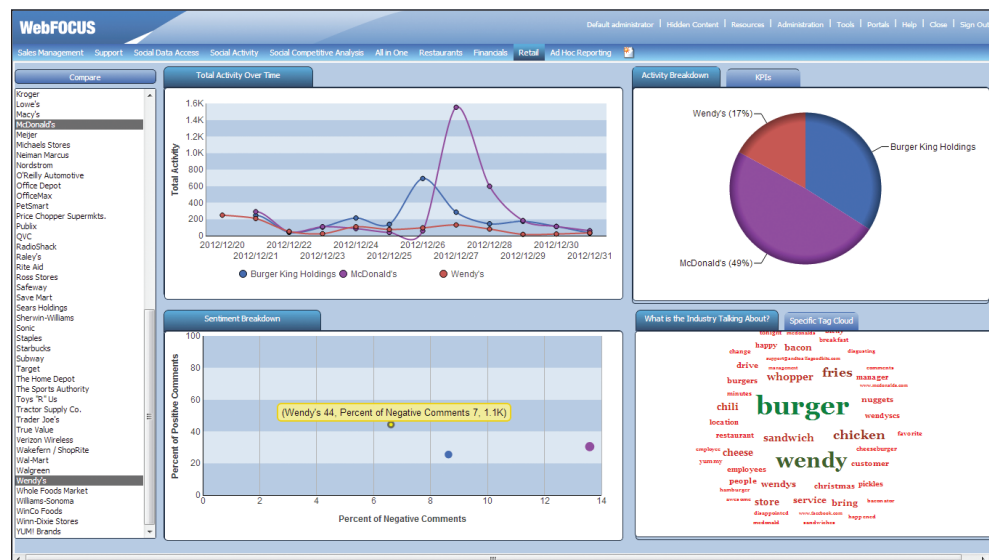
¹⁰ Stackpole, Beth. “Social Media Analytics Software Pulls Useful Info Out of Online Muddle,” SearchBusinessAnalytics.com, November 2012.

Social media feedback alone is not enough to provide product development teams with a holistic picture. Similar intelligence also resides in other systems used to track interactions with customers. For example, information about competitive losses contained in sales force automation systems may help uncover product deficiencies that give other vendors an edge. Complaints about defective products may be stored in call center or help desk systems. Ideas for future product enhancements may be contained in survey or focus group information stored by third-party research companies. Social media monitoring and listening tools can't get to this data – another reason why it is so important for social media analytics to be combined with enterprise business analytics to deliver maximum returns.

Competitive Intelligence

Many companies that gather social media data are looking beyond their own base of existing and potential customers. A Forrester Research poll of 150 companies that monitor social media shows that 82 percent are primarily searching for competitive intelligence.¹¹

Companies can leverage social media data to learn not only about their own customers, but also about those who purchase from their competitors. They can gather competitive insight – in real time – to learn more about the frequency of activity on competitive sites and determine what people are speaking about. That information can then be compared to activity on their own site, providing intelligence that can be used to tweak and refine social media plans and – more importantly – competitive strategies. Organizations can also analyze spikes in positive and negative attitudes towards competitors, and measure how those spikes affect their own sales.



With the right tools in place, marketing professionals can track competitive social media content to determine what customers say and how they feel about other vendors, and compare it to their own activity.

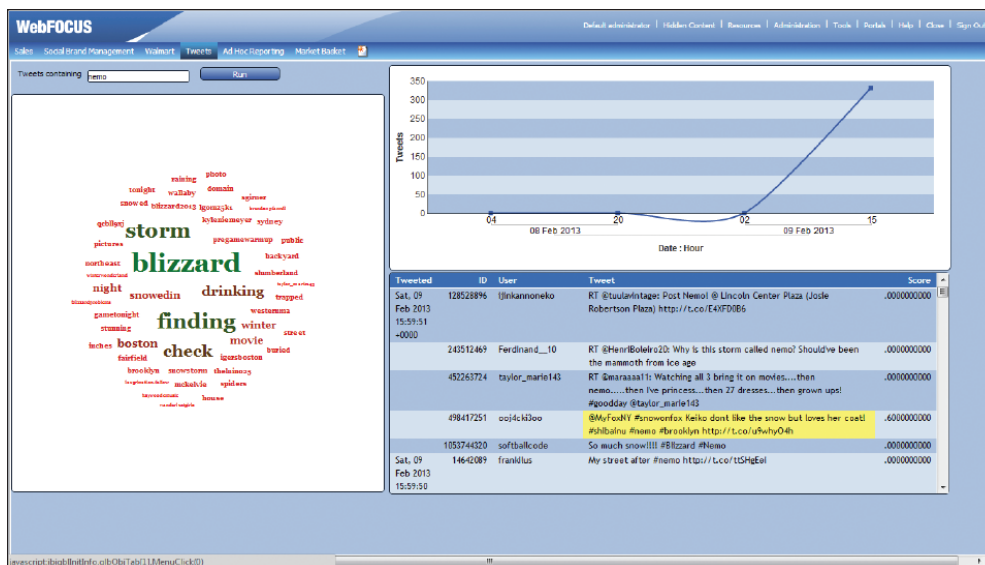
¹¹ Tobak, Steve. "The Hazards of Being Too Social in the Age of Social Media," CBS News.com MoneyWatch, September 2011.

Social Network Monitoring Tools and Listening Platforms: Are They Enough?

Plenty of tools on the market provide high-level insight into social media efforts. These solutions allow marketing professionals to track basic engagement data, such as the number of likes, fans, and retweets, or to measure things like sentiment, share of voice, and influence.

This, however, provides only a small piece of the complete picture. These tools enable the tracking of activity levels, or may even offer a glimpse into what people are saying and feeling about a product or service. The factors that lead to those comments, as well as the impact those comments have on certain other business functions, remain unclear.

The real value of social media intelligence comes from a deep understanding of how mediums such as Facebook and Twitter are affecting the rest of the business. For example, is a spike in comments or tweets the direct result of a specific campaign or promotion? What impact do positive and negative sentiments have on sales and revenues? Does assistance provided through Facebook reduce overall support costs? Are there higher levels of retention among those customers who post most frequently? How does customer sentiment expressed via social media vehicles compare with emotions expressed in call center, e-mail, and other support interactions?



The real value of social media is realized when what people are saying on Facebook and Twitter can be monitored in real time, and the business impact of those comments can be easily understood.

Social network monitoring and listening tools alone can't answer these questions. The data required to make these types of comparisons and correlations resides in other structured sources, such as customer relationship management (CRM), call center management, help desk, and sales automation systems, as well as unstructured sources like e-mail and customer surveys – sources these tools simply can't get to.

Many traditional business intelligence (BI) tools aren't necessarily cut out for the job either. Few have the ability to collect all the needed structured and unstructured data from various social media sites and other sources. Additionally, the big data scenarios created by gathering so much information from so many sources are often too much to handle for most BI solutions, which are limited in scalability.

To truly leverage the intelligence gathered through social media sources, companies must take a new approach to business analytics. Social media analysis can't be performed in a vacuum. It must be part of a broad-reaching business analytics strategy that combines, correlates, and compares social media data with customer information from a variety of other sources. Social media content alone does not truly represent the voice of the customer. It must be treated as an exciting new dimension to business analytics, one that – when blended with other sources – provides the most comprehensive view of customer needs, opinions, and behaviors, and sheds light on how those actions and sentiments impact business performance.

More importantly, this unique new strategy must be supported by a robust and comprehensive platform that enables the efficient gathering, processing, consolidation, and analysis of that big data – no matter where it resides, what format it is in, or how much of it there is.

A Unique Approach to Social Media Analytics

Information Builders takes a unique approach to social media analytics, providing a comprehensive suite of solutions designed to help marketing and customer support professionals tap into the real-time consumer expressions that exist in social media data. That information can then be combined with any enterprise or third-party data, empowering organizations to hear the voice of the customer more clearly than ever before.

Today's social media monitoring and listening tools offer only a high-level overview of social media activity. Most traditional BI and reporting tools provide insight into what is being said through these channels, but may not be able to combine it with other needed information from structured or unstructured sources, or may be limited in their ability to handle the big data environments created by doing so.

Only Information Builders' solutions provide the data reach, scalability, and flexibility needed to easily tie what customers are saying across all channels directly to business value. This eliminates the piecemeal approach to data collection and analysis, with a single platform for seamlessly accessing, consolidating, and interacting with customer data – whether it comes from social media sources, third-party databases, cloud-based systems, unstructured sources such as e-mails and documents, or on-premise applications.

Unparalleled Data Reach

No other business analytics solution can access vital customer information from as many sources. With Information Builders, marketing professionals at all levels can collect and consolidate information from any source or combination of sources – both structured and unstructured – including social media data, sales data in electronic resource planning (ERP), and point-of-sale applications, campaign responses in marketing automation and CRM systems, support details in call center and help desk environments, or survey results kept by third-party research vendors.

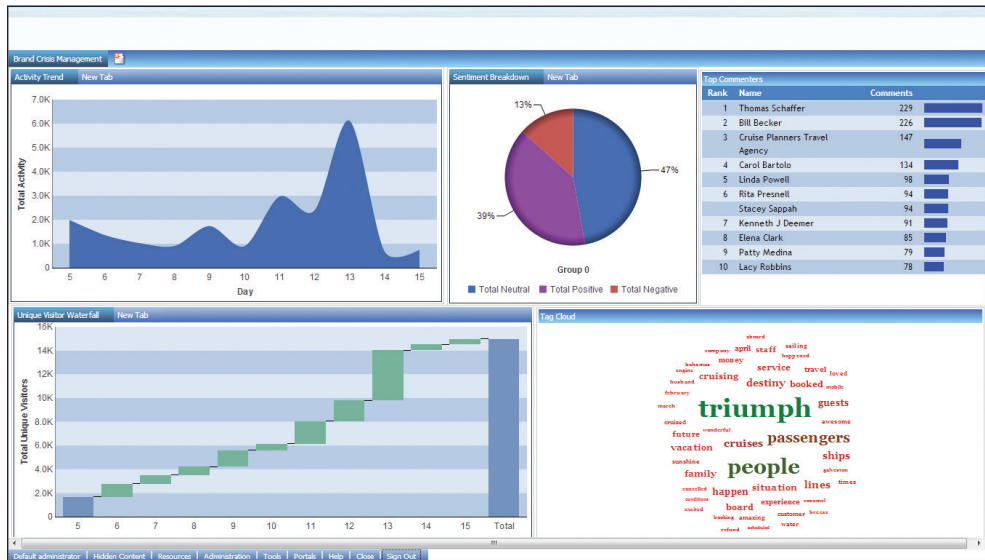
This allows for a more holistic view of the voice of the customer, and provides immediate detection of correlated patterns and trends across channels, categories, geographies, and customers. More importantly, it allows marketing teams to link social media activities directly to business outcomes to understand the relationship between social media and sales, marketing, product development, and other core business functions.

Deep Social Media Intelligence

Innovative social media analytics gathers data from sources such as Facebook, Twitter, and Salesforce.com. Customer information can be collected over time to enable historical trend reporting or time-dependent analysis. Users can also:

- Visualize cross-media trends, with slice-and-dice and drill-down capabilities
- Conduct sentiment analysis on all posts, blogs, and written communications to capture the tone and emotion of every message
- Score messages based on the sentiment detected, then tightly integrate those scores into workflows to trigger automatic escalations that will help reduce churn

- Extract word frequencies and view visual depictions of written content. Views can be customized to indicate what people talk about most, or to highlight emerging mentions that can cause harm or benefit if they go viral



Marketing professionals can closely monitor activity and sentiment in real time.

Search-Based Insights

A robust search engine works in conjunction with a powerful BI engine, so users can index all structured and unstructured content to obtain heuristic answers to any business question. For example, a social media manager can search to locate a negative Facebook comment, identify the product being discussed, and then drill down to see if the sentiment had an impact on sales.

Users can also:

- Locate positive and negative posts, correlated based on content
- Understand the impact of sentiments by filling in the blanks with numerical analysis
- Leverage faceted navigation and tag-cloud content visualization to quickly filter search results and hone in on the most relevant information

Conclusion

Marketing and customer support professionals at all levels – from senior executives to social media managers – can derive substantial benefits by closely listening to the voice of the customer. By employing advanced tools that incorporate social media analytics into broader enterprise business analytics strategies, these professionals can enhance the customer experience and improve all facets of marketing operations including branding, campaign planning and management, and competitive intelligence.

Social media monitoring and listening tools, however, can't deliver the needed level of insight. Additionally, most BI solutions don't have the required data reach, or the ability to handle the big data that results from combining social media data with other enterprise information.

Only Information Builders provides a single, scalable platform for social media analytics, business analytics, and enterprise search, along with master data management capabilities to create a single, consistent customer voice across all information sources. This gives marketing and customer retention/support teams an intuitive, unified way to monitor and analyze social media activity, and link it directly to real business value.

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