



# IBM Performance Event 2011

Smarter Decisions. Better Results.



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Smarter Decisions. Better Results.



# Social Media Analytics: A Catalyst for Richer Customer Insight

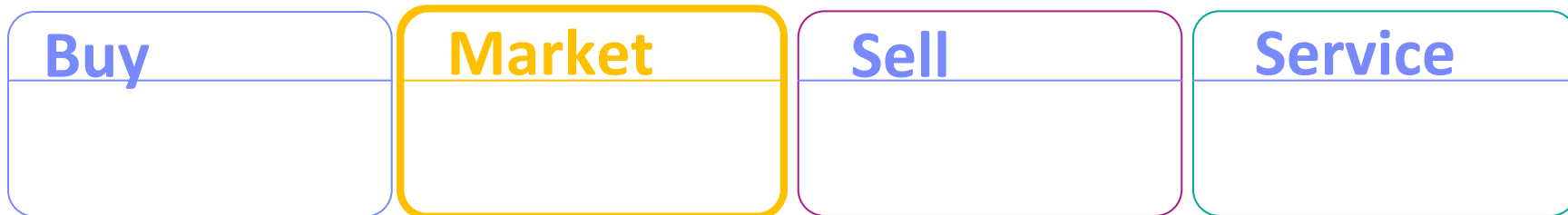
*Samuel Shiu*

*Senior brand Specialist, Business Analytics*

*IBM Hong Kong*



*“The purpose of business is to create  
and keep a customer” -- Peter Drucker*



*The purpose of marketing is to generate demand and be  
the steward of the customer brand experience*

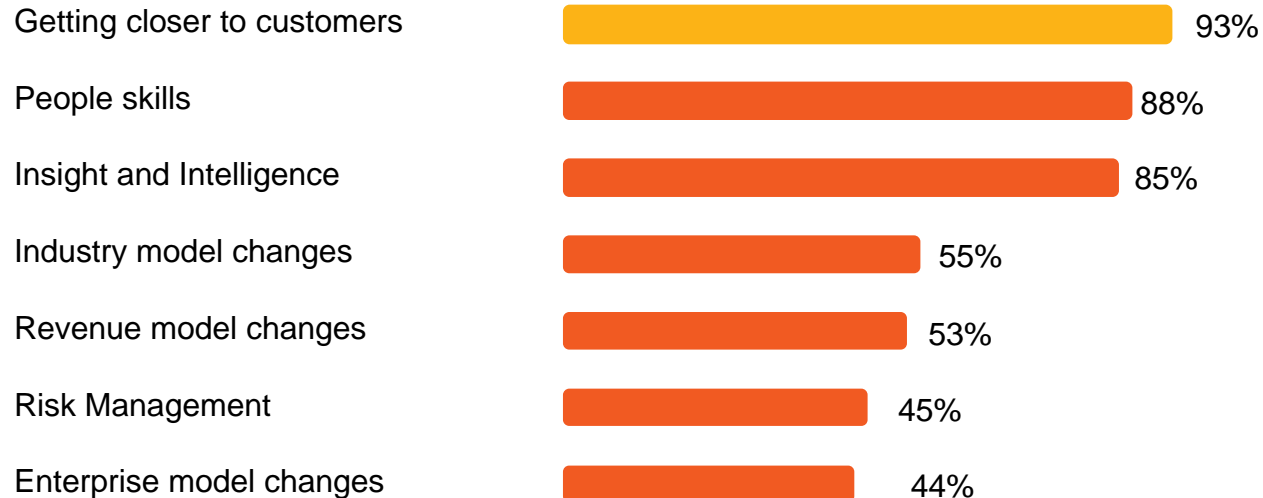
*...and this has never been more challenging*



## 'Getting closer to the customer' is top priority in the New Economic Environment

### Dimension to focus on over the next 5 years

#### Retail



*"Technology is already impacting our clients' behavior: currently clients are price checking over four continents using today's technology"*

Mike Ward, CEO, Harrods, United Kingdom

## The evolving role of marketing

### Today's CMO

#### Agenda:

- ✓ Understand the market and the customer
- ✓ Build awareness and demand
- ✓ Steward the company's brand experience
- ✓ Drive brand strategy and execution

### Tomorrow's CMO

#### Agenda: Today plus:

- + Drive **consistent interactions** across all channels
- + Steward the **complete customer experience**
- + Enable information & insight **across the business**
- + **Anticipate** customer needs
- + Monitor and **harness customer evangelism**
- + Optimize outcomes and **return on investments**



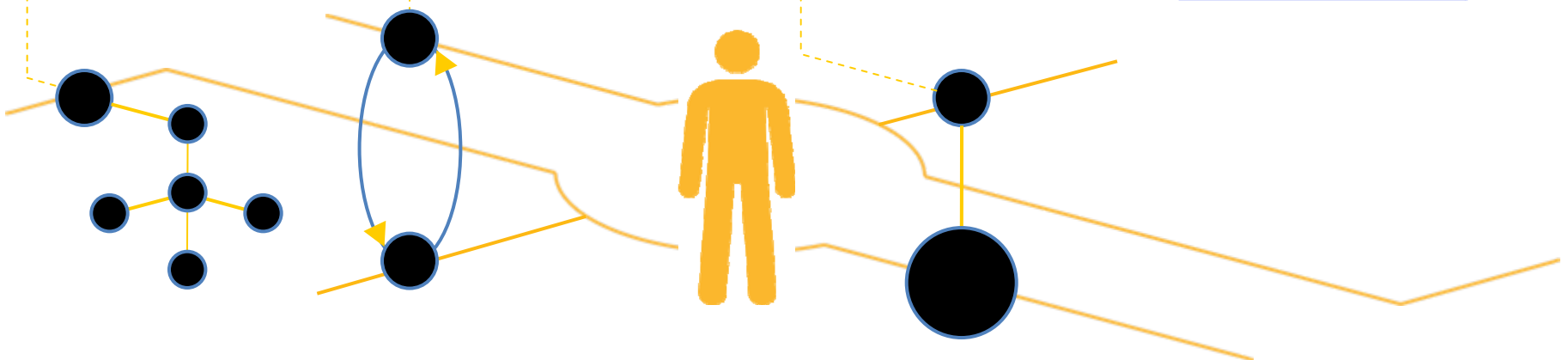
# We have entered the age of the empowered consumer

Leverage social networking

Expect consistent and relevant information

Demand exactly what they want

*Get it now or go elsewhere!*



95 million

Number of tweets sent via Twitter each day

75%

Percentage of people who believe companies don't tell the truth in advertisements

\$93 billion

Amount in sales missed due to out of stock inventory



The smarter consumer has four clear expectations for the shopping experience

## *Know Me*

Personalize promotions

Know my preferences for payment, receipts, etc.

Personalize assortments to my location

## *Listen to Me*

Tune into my channels

Value my feedback on products and services

Let me control the conversation

## *Serve Me*

Have the products I want in stock

Provide a valuable loyalty program

Have knowledgeable employees

Provide ordering for out-of-stock items



## *Empower Me*

Let me use my technology to:

- Discover promotions while shopping
- Compare prices
- Get more information
- Seek service, help, order, checkout, pay



## Winning organizations see the business opportunities provided by analyzing social media content

Percent of “Winners”\*) see as top opportunities:

**89%** Identifying customer needs helps us develop new approaches to them

**78%** Better insight into demand through customer sentiment analysis

**60%** Gathering customer reviews and suggestions shows we care/helps build loyalty

**56%** Social media provides a new way to validate assortment





## Analysts support cross enterprise use of social insights and analytics to drive value

*Customer intelligence (CI) professionals require more from their listening platforms because they **no longer just passively track online discussion**. Instead, they use their listening platform **to identify and act on insights found within social media**. Now, listening platforms must deliver insights — not just data — and the ability to act on the insights.*

*...social media sits in a silo with separate tools and technologies for analyzing the data. But, like any form of customer data, the future of social media is just more fuel for CI professionals. As firms progress their use of social media data, they'll begin to integrate it with their broader customer databases.*

**Forrester Research**

**The 2011 Listening Platform Landscape, December 2010**

*Enterprise marketers and IT leaders must work together to build out high-capacity analytic platforms that **combine traditional metrics and research methods with social-media analysis (SMA)** to meet the challenges of contemporary marketing optimization and ROI analysis.*

**Gartner Research**

**Social Media Makes Marketing Metrics More Meaningful, September 2010**



Social Media is not only influencing consumer behaviour but creating vast amounts of new and valuable information

# 78%

of consumers trust peer recommendations

Source: August 25, 2009, "The Broad Reach Of Social Technologies" Forrester report



## Stat Watch: 500 Billion

That's the number of impressions that consumers share with others online about products and services annually, say **Josh Bernoff** and **Ted Schadler**, Forrester Research analysts and the authors of *Empowered*. More than 60% of those impressions are shared on Facebook, and 16% of users generate 80% of messages and posts about products and services.



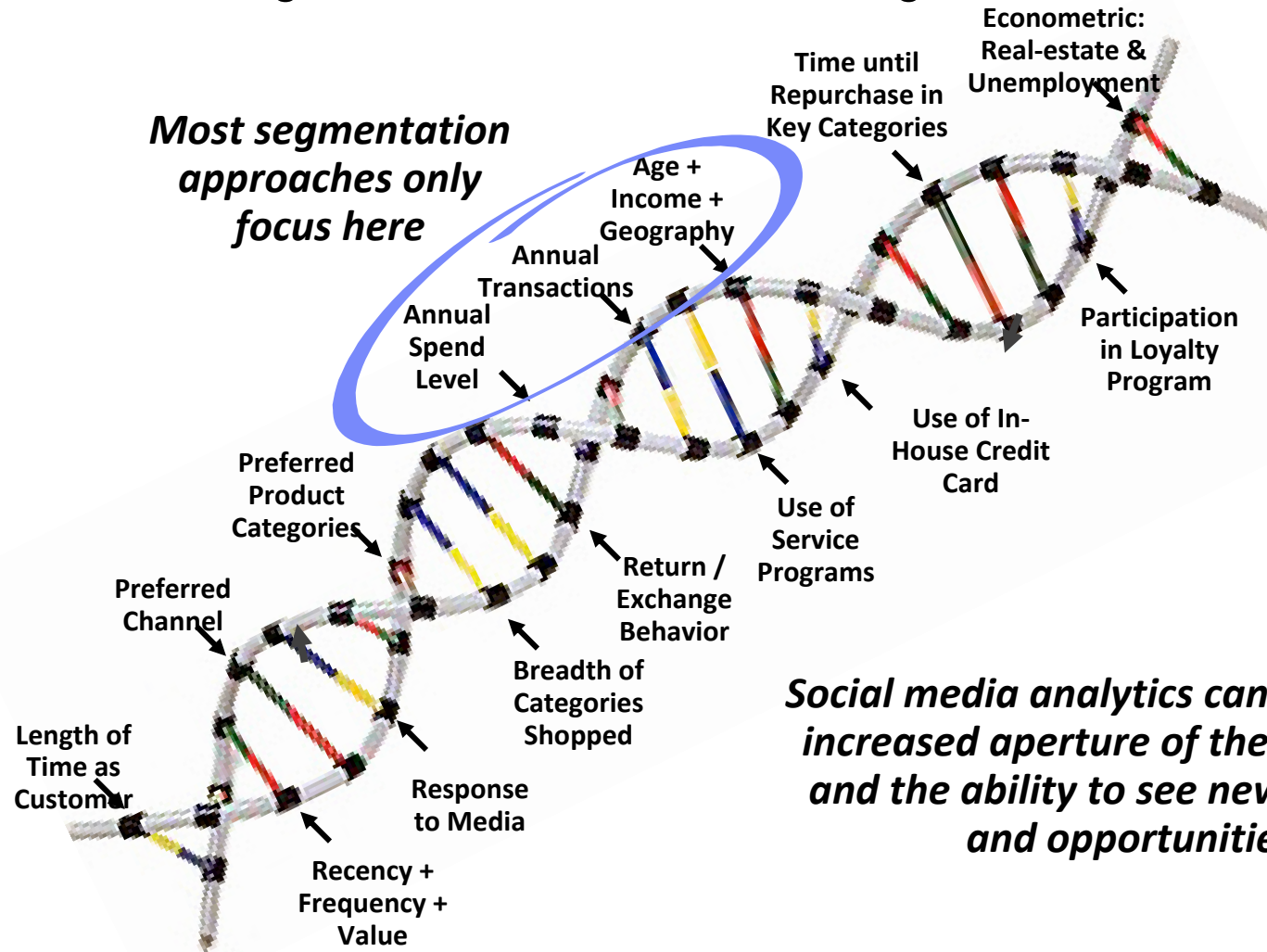
# 770

million people worldwide visited a social networking site.

Source: comScore, Social Networking Phenomenon



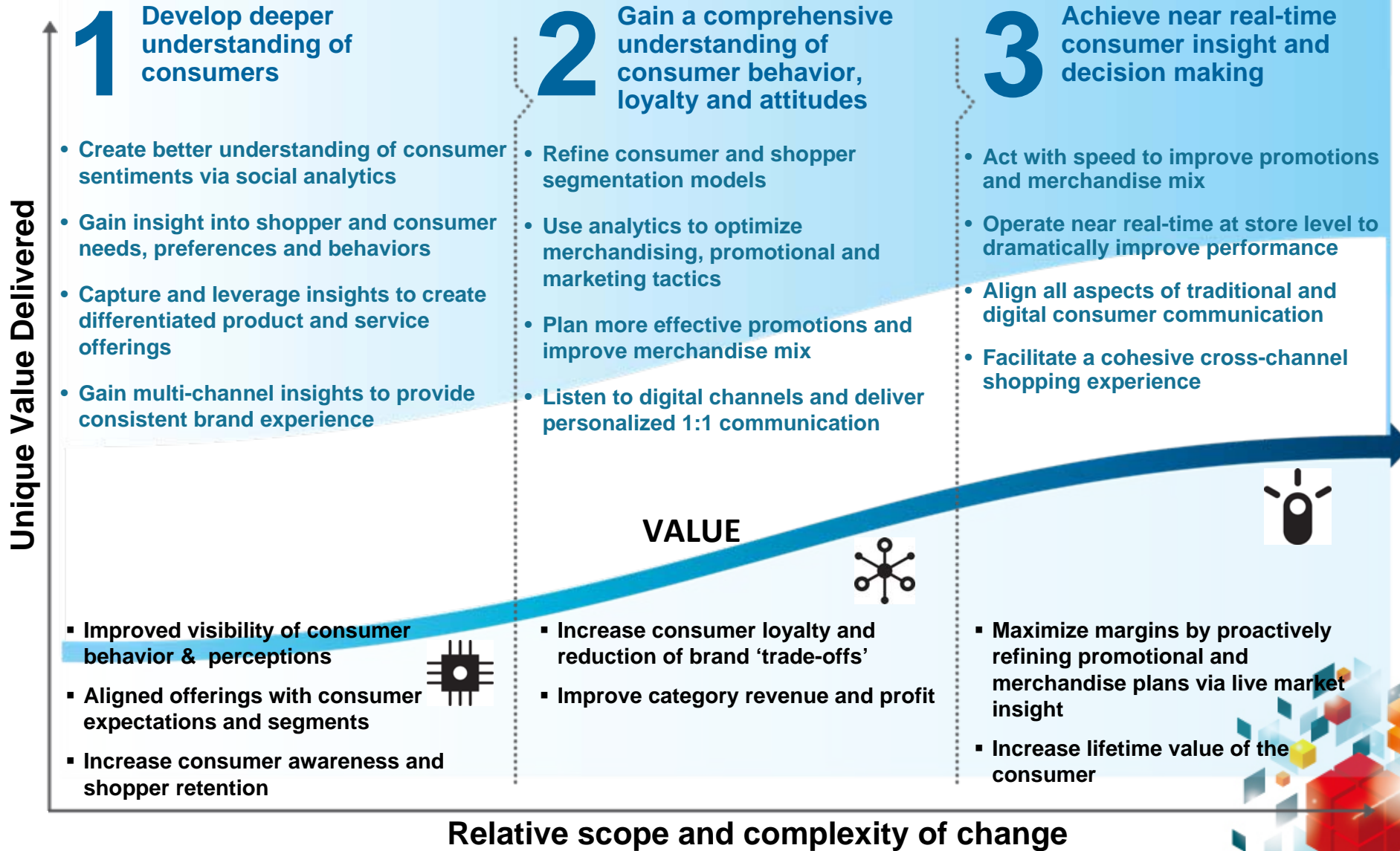
Social Media Analytics helps organizations extend beyond traditional segmentation and gain enhanced understanding of the consumer



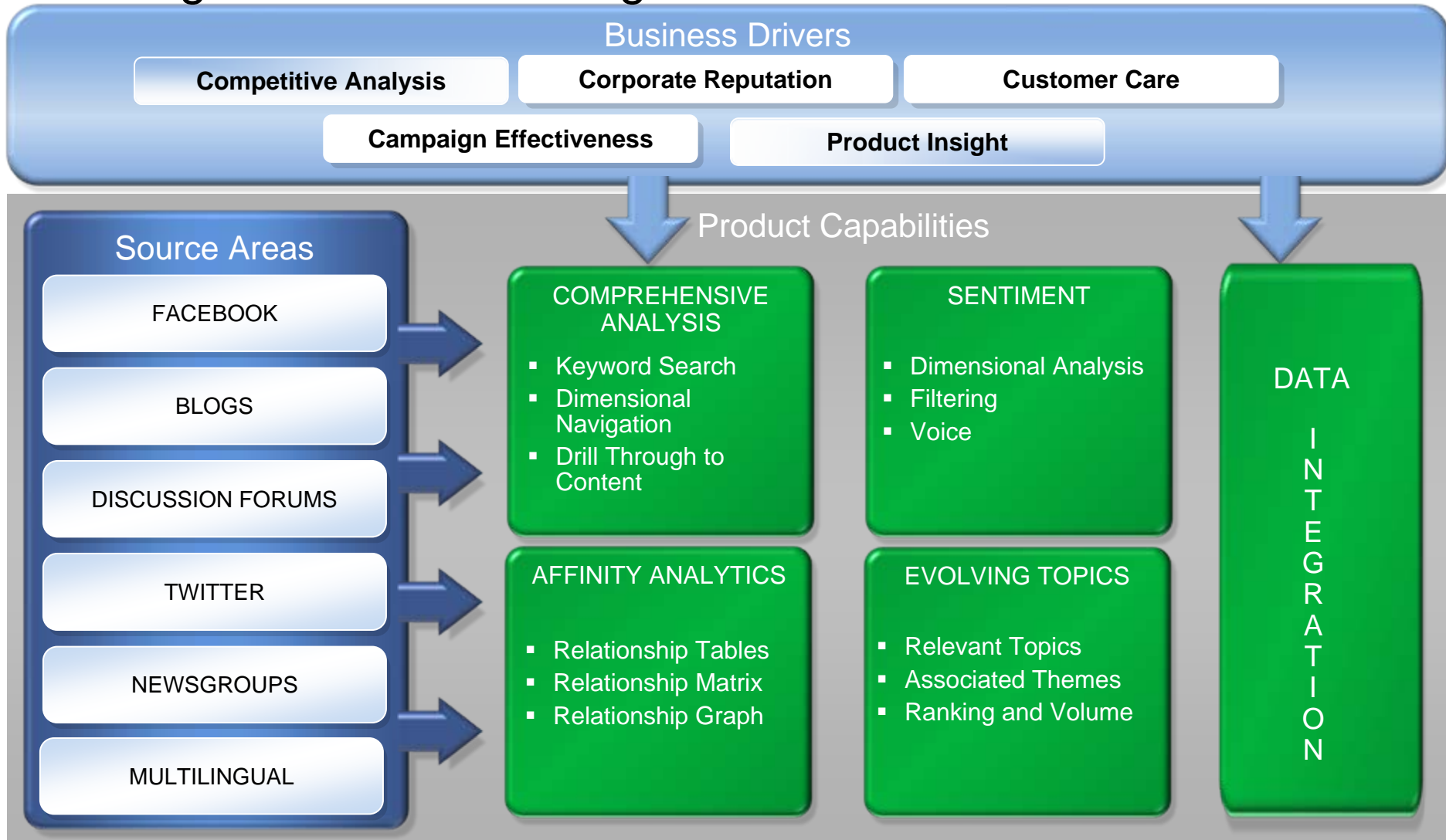
*Social media analytics can provide an increased aperture of the consumer and the ability to see new patterns and opportunities*



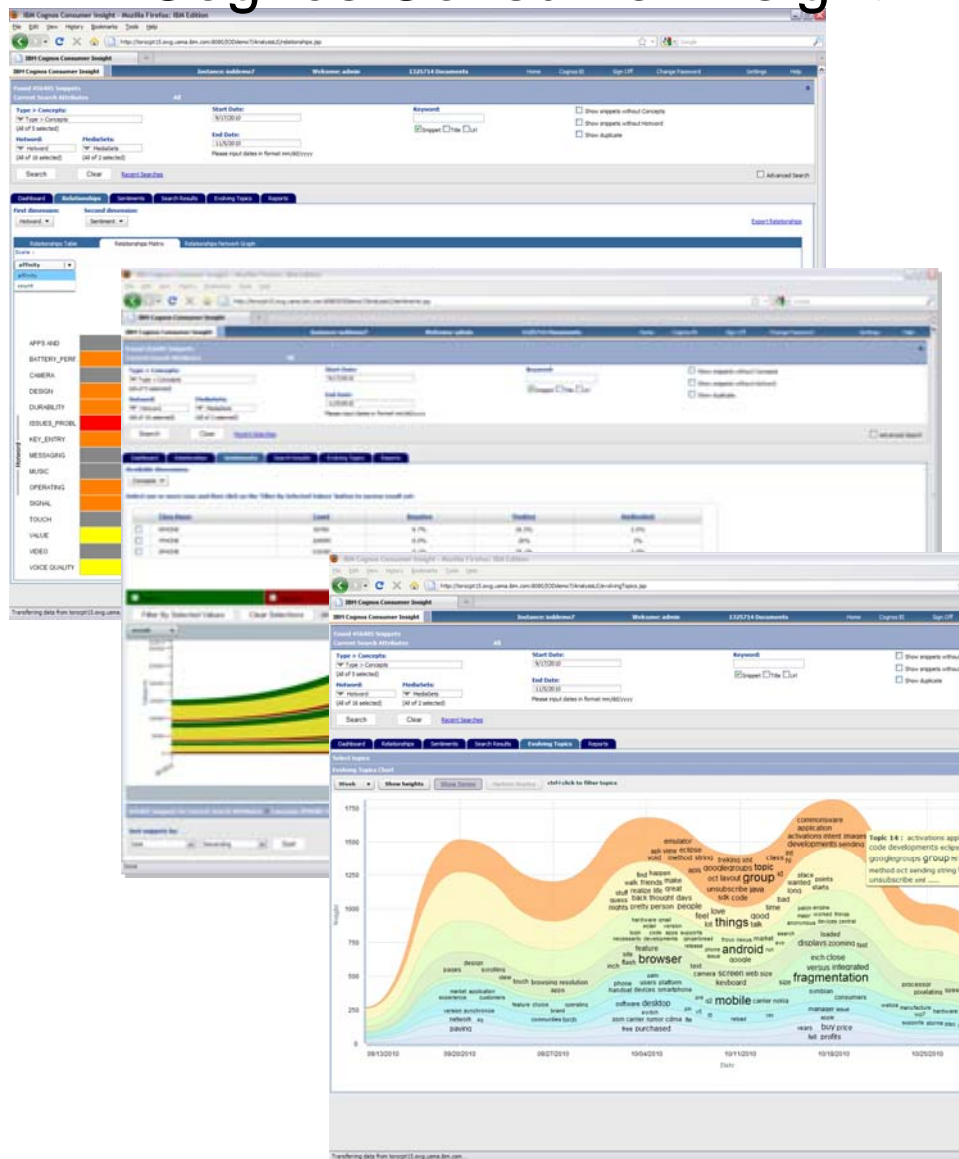
## IBM can help you on your path to customer value



## IBM Cognos Consumer Insight



## IBM Cognos Consumer Insight

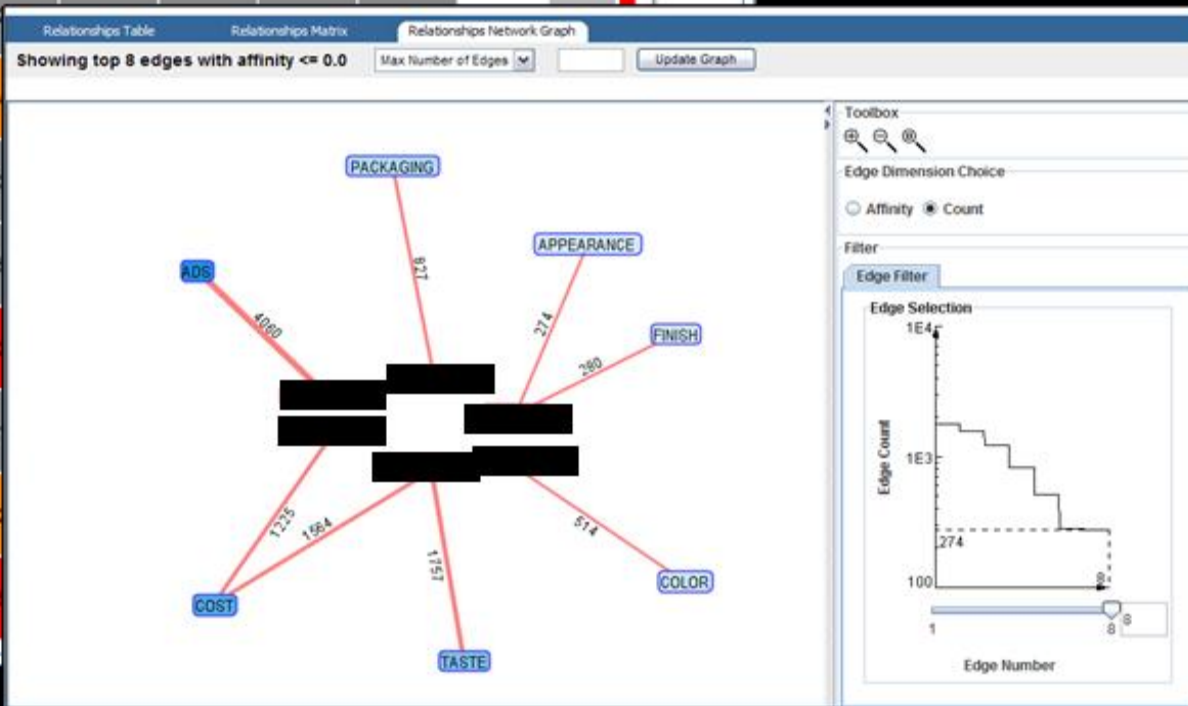
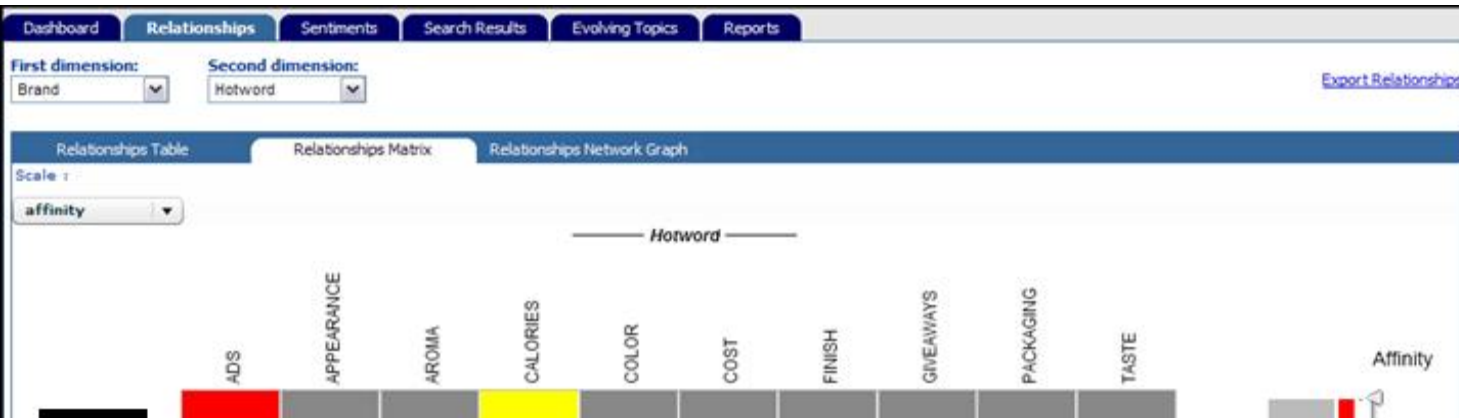


## Why choose CCI?

- The industry's most scalable social media analytic application
- Deep insight into consumer sentiment from billions of blog posts and discussion boards
- Sophisticated analysis of consumer preferences and interests (Affinity and Evolving Topics)
- The only solution capable of seamlessly integrating with a robust business analytics environment

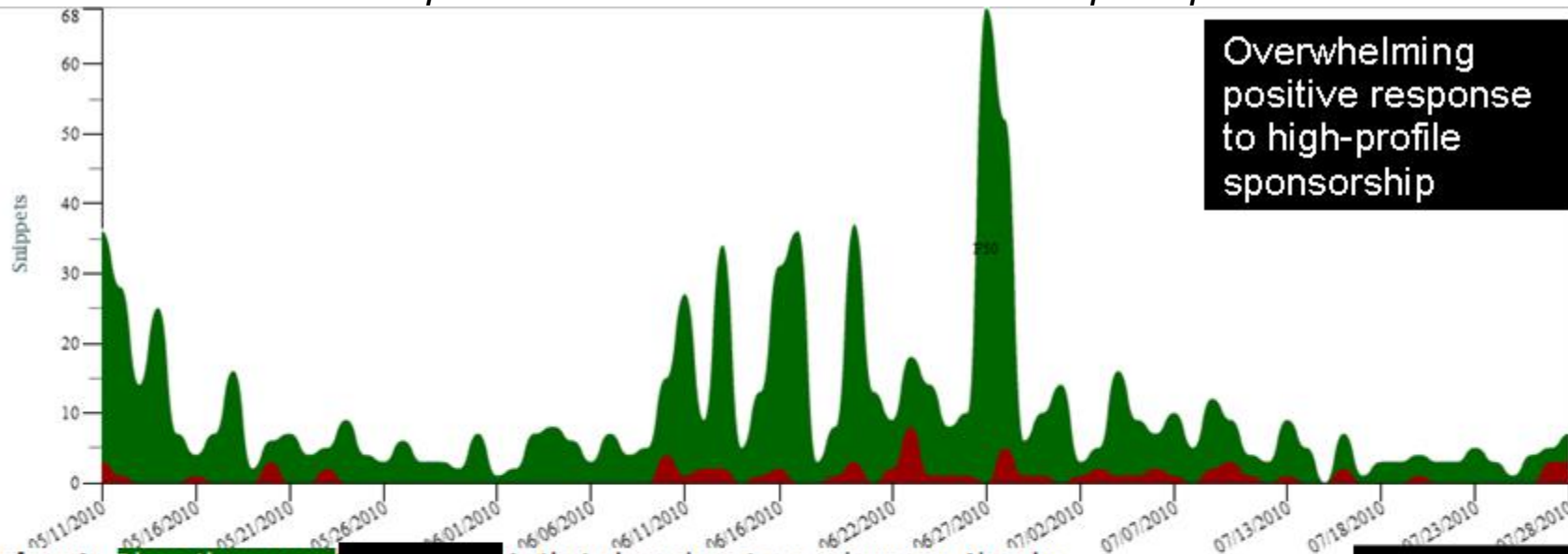
## Case story - Competitive brand analysis

Sophisticated analytics revealed which beverage attributes are being leveraged by the competition



## Case story - Marketing campaign analysis

Significant sponsorship investment in Global event and high-profile athlete. Company wanted to assess the impact of their investment on consumer perceptions.



Overwhelming positive response to high-profile sponsorship

Snippet: I love those new [redacted] in that chameleon type colourway. Already pre-ordered those in the leather version.

Model: [redacted]  
Brand: [redacted]  
Sentiment: [positive](#)  
Date: [05/30/2010](#)

Design feedback

Snippet: Getting [redacted]  
Model: [redacted]  
Brand: [redacted]  
Sentiment: [positive](#)

Campaign effectiveness

Snippet: RT @Heather\_SBFC: Coming home from training. Been wearing the [redacted]

Sentiment: [positive](#)  
Date: [07/07/2010](#)  
Language: [English](#)

They are awesome!

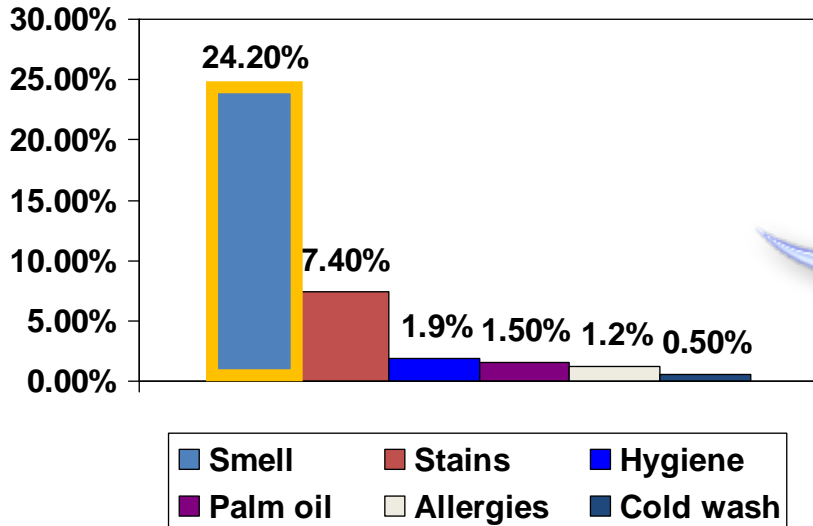




## Case story – Product preference analysis

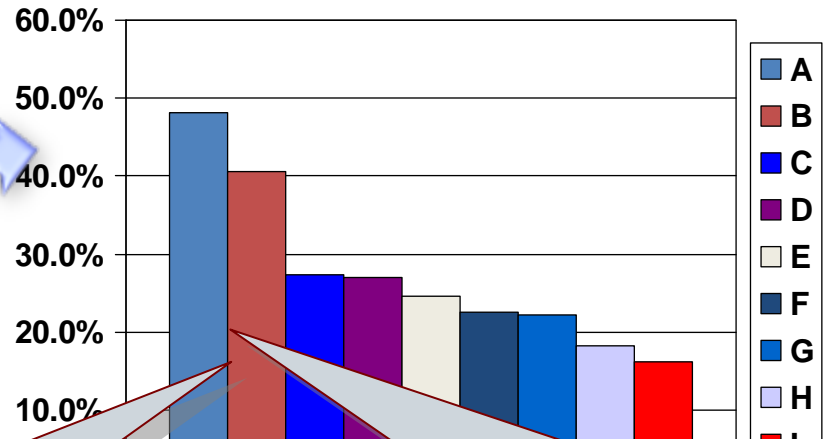
Washing powder manufacturer tunes into a new thread of dialog on what consumers like and dislike about the competition

Discussions by Topic/Concern



“Smell” Related Discussions by Brand

Competitive Brands



Drill down

“Seriously, I definitely can’t recommend [brand A] to anyone with a sensitive nose! After 2 wash loads, the whole house smells – urch!!”

“Have again bought [brand E]. I just can’t take the smell of [brand A] any more and fortunately the bottle is almost empty. Somehow, my clothes start smelling kind of sour after a couple of days in the closet, when I’ve used [brand A]”

Further drill down provides new insight for the product development lab on consumer sensitivities, and an opportunity to capitalize with a quick-response competitive campaign

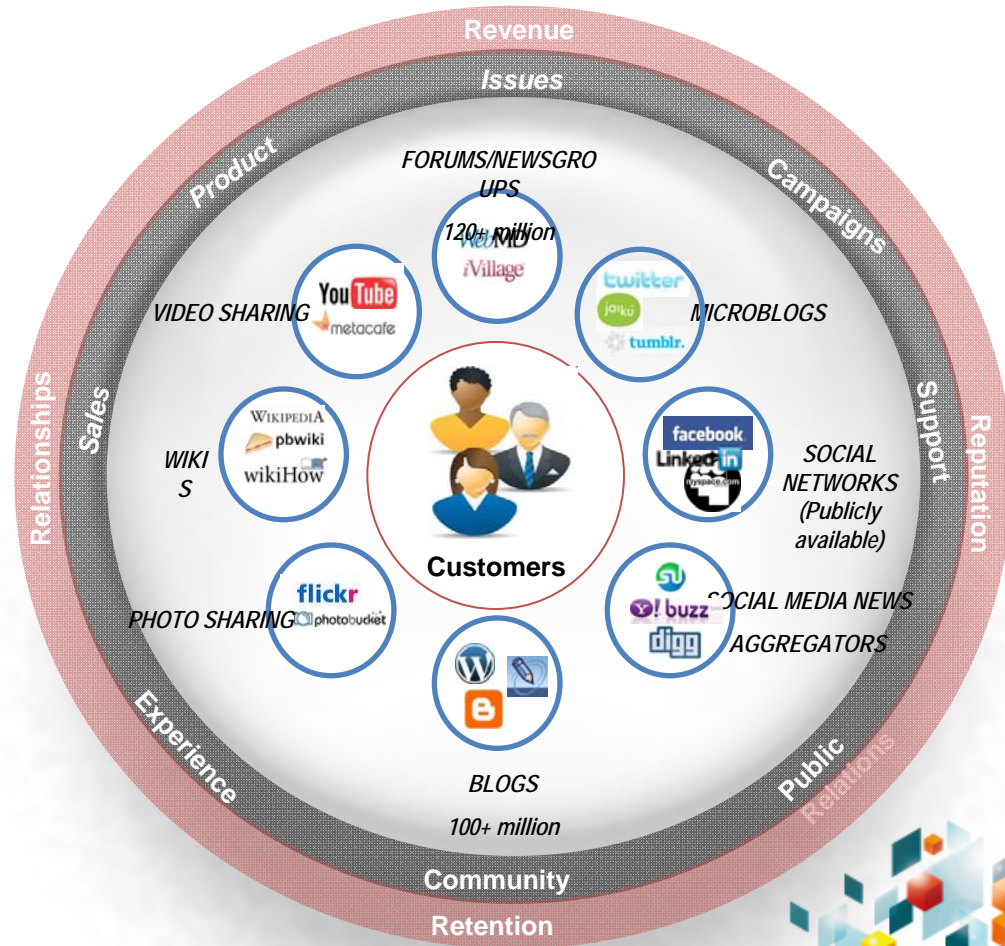




# Why Partner with IBM?

*Proven expertise* to help you become more *precise, agile and responsive* to customer demands and opinions expressed through social media by *listening, measuring and analyzing* large volumes of publicly available content on the Internet.

The **only company** capable of helping organizations *integrate* social media analytics into their *customer processes* through a combination of industry-leading technology and expertise, helping you proactively improve your customer relationships via social market insights to increase loyalty and customer lifetime value by leveraging a broader business analytics environment seamlessly.



Thank  
YOU

