

April 2013

Ear to the Crowd: Leaders Add Social Listening and Intelligence for Brand Management

According to Wikipedia, the “observer effect” is a term that “refers to changes that the act of observation will make on a phenomenon being observed.” For brand, company, or product sentiment analysis the act of observation has historically been fairly intrusive, mainly in the form of customer surveys. Today, the social web provides a rich opportunity for unobtrusive observation, potentially overcoming the “observer effect” for brand management. At the same time, it opens up new opportunities for engagement with brand advocates and detractors in an effort to positively impact the brand. Aberdeen’s PR & Brand Management survey of 70 marketing professionals in January 2013 shows that social listening and intelligence has gained prominence for brand management among top-performing companies, and is being coupled with efforts to identify and mobilize brand advocates.

Background

Whether it’s Zappos or United Breaks Guitars, by now most marketers have heard about the power of social media to make (Zappos) or break (United) brands. Whether alarmed by the potential for a negative experience to translate into negative brand equity, or thrilled by the opportunity to turn customer delight into lasting brand advantage, Leaders in the Aberdeen PR and Brand Management survey (see definition on page 3) are increasingly keeping an “ear to the crowd,” using social media listening for brand sentiment analysis.

While use of techniques like customer surveys and customer service analysis to determine customer sentiment are popular among top-performing companies, Leaders are greater than 2.5-times more likely than Followers to use social listening to capture brand or customer sentiment (Figure 1). One reason for this may simply be the accessibility of the data. As Twitter, Facebook, and other networks become the world’s water cooler and complaint department in one, they increasingly represent the broader population of customers in terms of sentiment. But that very accessibility can create significant noise, making it challenging for companies to make sense of a flood of comments.

Social media also presents other opportunities, even advantages, over alternative forms of customer feedback and sentiment analysis. The first is the observer effect. The second is the ability to affect customer sentiment through effective outreach with customers, and more broadly influencers (both customers and non-customers).

Analyst Insight

Aberdeen’s Insights provide the analyst perspective of the research as drawn from an aggregated view of research surveys, interviews, and data analysis.

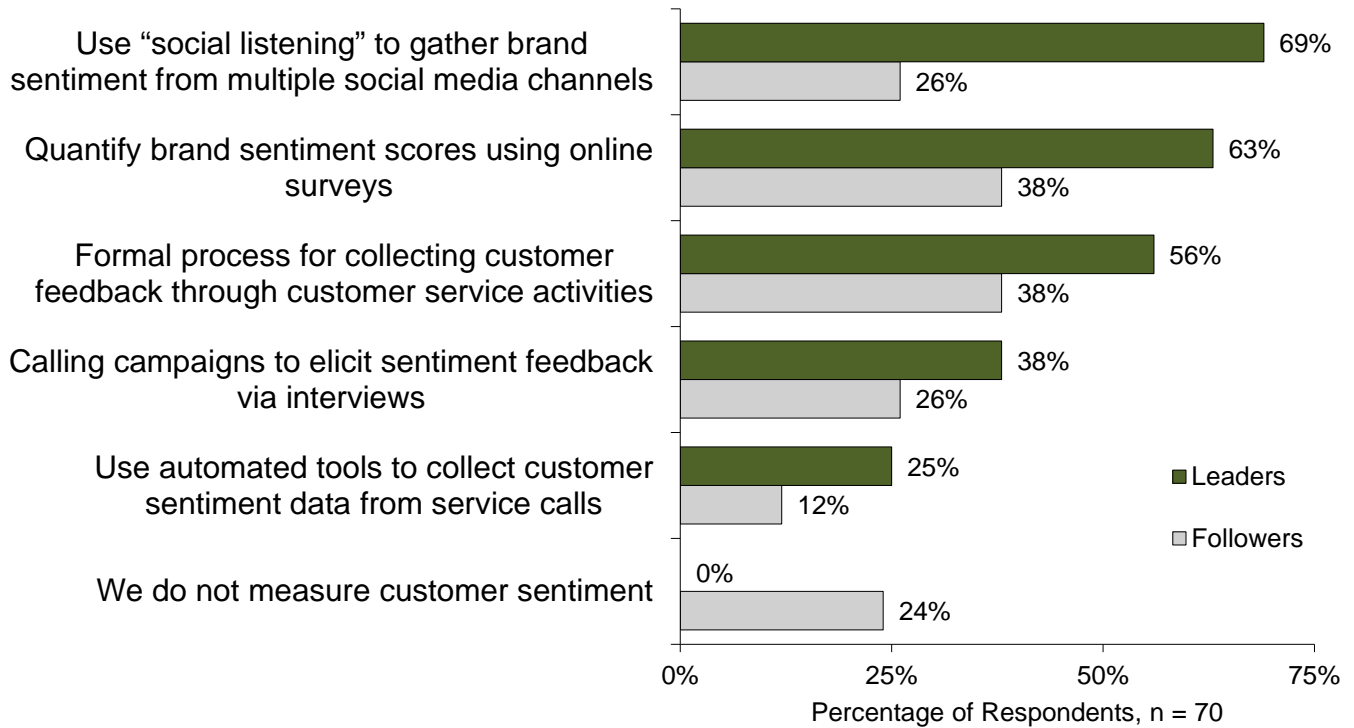
Pressures Motivating the CMO

Aberdeen asked survey respondents to indicate what factors shape their use of brand management within their marketing organizations. The top pressures cited included:

- ✓ Need to increase brand recognition and credibility in our market segments versus competition (44%)
- ✓ Lack of visibility into public sentiment of company, products, or services (35%)
- ✓ Share of voice / influence in the market (31%)
- ✓ Need to identify and reach new influencers in our market (27%)

While brand recognition is an obvious pressure impacting brand management, the notion of credibility, influence, and the impact of influencers has taken on new significance. Social media gives brands a platform to both monitor brand health and engage in a way that positively impacts it.

Figure 1: Social Listening is Brand Management



Source: Aberdeen Group, January 2013

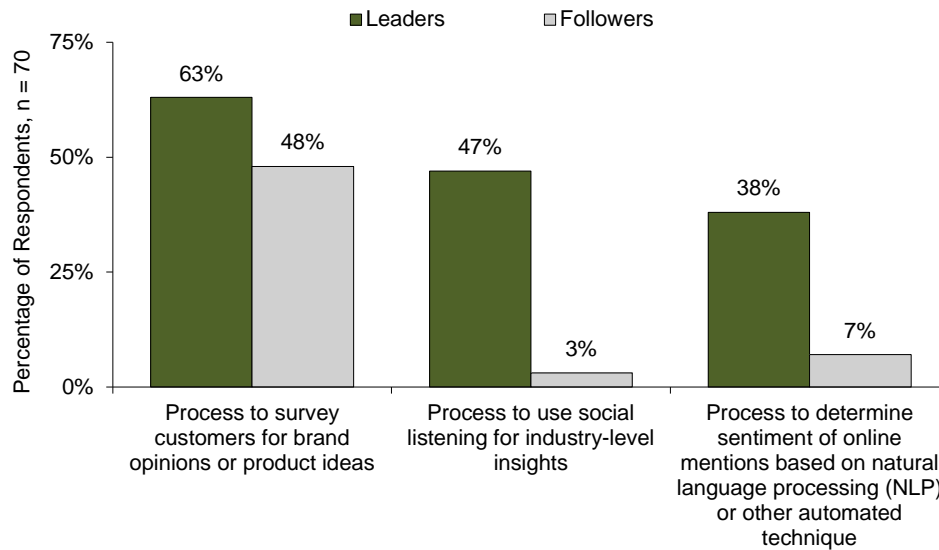
Social Listening Gap

As noted above, companies in our study aren't abandoning survey- and customer-service-based methods of capturing customer experience data and brand sentiment. In fact, as Figure 2 shows, Leaders are 31% more likely than Followers to survey customers for sentiment and product input (63% vs. 48%). However, we see a much wider gap in the rate at which Leaders and Followers adopt social listening capabilities. Leaders are more than 15-times more likely than Followers to use social listening for industry-level intelligence, and more than 5-times more likely than Followers to use natural language processing (NLP) or other automated techniques to determine online social sentiment.

NLP and other automated sentiment analysis tools allow companies to scale social listening, and provide aggregate level data about opinions, sentiment, and/or associations, as well as the ability to prioritize specific posts and users for follow up. Automated sentiment and language analysis sometimes gets a knock for its inaccuracy. For example, critics will note that NLP isn't very good at picking up on sarcasm and other language complexity (double entendre, play on words, etc.). But in terms of aggregate sentiment, it can be argued that any inaccuracy will have a normal distribution on both sides of the sentiment, in other words, language complexity is likely to fall on both the positive and negative side. It should also be noted that there are

some pretty amazing things happening in the world of natural language processing and artificial intelligence that improve accuracy.

Figure 2: Leaders Mine Intelligence Through Social Channels



Source: Aberdeen Group, January 2013

The ability to prioritize specific posts or individuals for follow up and action introduces several unique aspects of social media monitoring and intelligence: 1) the ability to (generally) uniquely identify individuals commenting and the relative digital influence of their comments and 2) the opportunity for the brand to engage directly with such influencers.

Leaders adopt several approaches to identifying brand advocates (as well as detractors). As seen in Figure 3, 40% of Leaders have processes in place to identify advocates and detractors via social listening and more formal or traditional customer sentiment analysis like net promoter score (NPS), compared with 23% and 19% respectively of Followers with such processes. A smaller percentage of Leaders have the ability to capture this sentiment in the customer relationship management (CRM) and/or marketing system, which shows the challenge of achieving a comprehensive view of the customer. These capabilities point to the blurred lines between social brand management and customer experience management (CEM), and indeed the extent to which these can actually be viewed as one and the same in the age of empowered customers. It also introduces the challenge of separating the wheat from the chaff in social sentiment. How does a brand separate chronic complainers from legitimate brand experience failures? Developing a model that connects the social identity of advocates and detractors with the customer or CRM identity of these individuals may provide a path to understanding CEM impact of the brand. This doesn't mean that every social commenter must be identified as a customer or not, but that some snapshot analysis to determine the overlap between the social audience and the

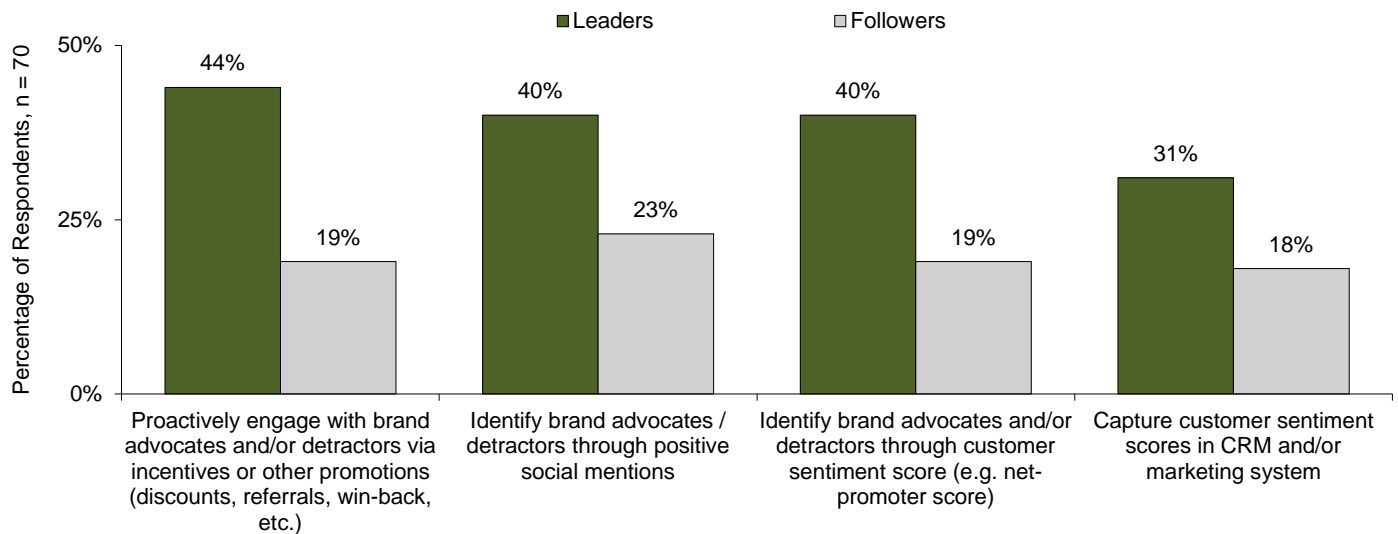
Defining the Leaders in PR and Brand Management

Aberdeen used four key performance criteria to distinguish the Leaders (top 35% of aggregate performers) from the Followers (bottom 65%). Leaders achieved the following performance metrics:

- ✓ 23% marketing-generated leads sourced through inbound or content marketing, vs. 10% for Followers
- ✓ 12% growth in year-over-year company revenue, compared with 3.5% for Followers
- ✓ 20% year-over-year increase in media mentions, vs. 2.7% increase for Followers
- ✓ 15% year-over-year increase in social media mentions specific to brand or products, compared with 2% increase for Followers

customer base can prove useful. To call up a famous example, it would have been extremely useful for United to understand the sentiment of its high-value, frequent flier customer around the United Breaks Guitars video as a proxy for its potential impact on future bookings and brand value.

Figure 3: Leaders Listen, Then Act



Source: Aberdeen Group, January 2013

Once brand advocates and/or detractors are identified, Leaders are more than twice as likely as Followers to proactively engage with them via promotions, discounts, and other offers to sustain good will. For example, some brands will prompt satisfied customers it identifies to recommend its product or service, or simply to “Like” the brand on Facebook (though disgruntled customers may wish for a “Dislike” option). These are intended to reduce the friction for satisfied customers to express their pleasure with a brand experience. And while some might suggest this is gaming the system, it can be argued that it’s a necessary countermeasure to the natural tendency for Twitter and Facebook to be used as the world’s complaint department. However, companies should be mindful of the optics when it comes to incentivizing positive mentions, reviews, etc. Any form of direct compensation, rather than something like a discount coupon or product preview, is likely to smack of “AstroTurf-ing” (versus grass roots) with negative brand implications.

Key Takeaways

Social media monitoring and intelligence provides several advantages over traditional brand health management techniques. Ironically, two of the advantages are 1) the ability to minimize the observer effect by capturing the opinions of customers “in the wild,” while 2) providing the opportunity to selectively or generally intervene to remediate customer experience

failures and/or amplify customer delight. Leaders seem to complement traditional approaches with social listening and intelligence. Firms should analyze the resonance and dissonance between brand management channels to determine the statistical significance of social media mentions (i.e. how accurately do they reflect the customer experience reality?).

Companies should put processes in place to identify brand advocates (and detractors), and responsibly encourage their participation in the social discussion. Consumers identify strongly with brands they care about and will often come to their defense with very little prompting. Cultivating such “super fans” through special programs (product sneak peeks, early access programs, VIP treatment at company events, etc.) can ensure they’re ready, willing, and able to join the fray on your behalf.

Keep in mind that perception is reality in social media, and the way a firm responds to negative comments or reviews can generate a secondary brand reaction, both positive and negative.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research

[*Publish or Perish: Content Marketing is the New PR*](#); March 2013

[*Content Marketing Comes of Age*](#); October 2012

[*Lights, Camera, Call-to-Action: Trends in Video-based Marketing*](#); September 2012

[*Web Experience Management: From Content to Customer*](#); June 2012

[*B2B Social Media Marketing: Are we There Yet?*](#); March 2012

Author: Trip Kucera, Sr. Research Analyst, Marketing Effectiveness
(trip.kucera@aberdeen.com) [LinkedIn @TripKucera](#)

For more than two decades, Aberdeen's research has been helping corporations worldwide become Best-in-Class. Having benchmarked the performance of more than 644,000 companies, Aberdeen is uniquely positioned to provide organizations with the facts that matter — the facts that enable companies to get ahead and drive results. That's why our research is relied on by more than 2.5 million readers in over 40 countries, 90% of the Fortune 1,000, and 93% of the Technology 500.

As a Harte-Hanks Company, Aberdeen's research provides insight and analysis to the Harte-Hanks community of local, regional, national and international marketing executives. Combined, we help our customers leverage the power of insight to deliver innovative multichannel marketing programs that drive business-changing results. For additional information, visit Aberdeen <http://www.aberdeen.com> or call (617) 854-5200, or to learn more about Harte-Hanks, call (800) 456-9748 or go to <http://www.harte-hanks.com>.

This document is the result of primary research performed by Aberdeen Group. Aberdeen Group's methodologies provide for objective fact-based research and represent the best analysis available at the time of publication. Unless otherwise noted, the entire contents of this publication are copyrighted by Aberdeen Group, Inc. and may not be reproduced, distributed, archived, or transmitted in any form or by any means without prior written consent by Aberdeen Group, Inc. (2013a)