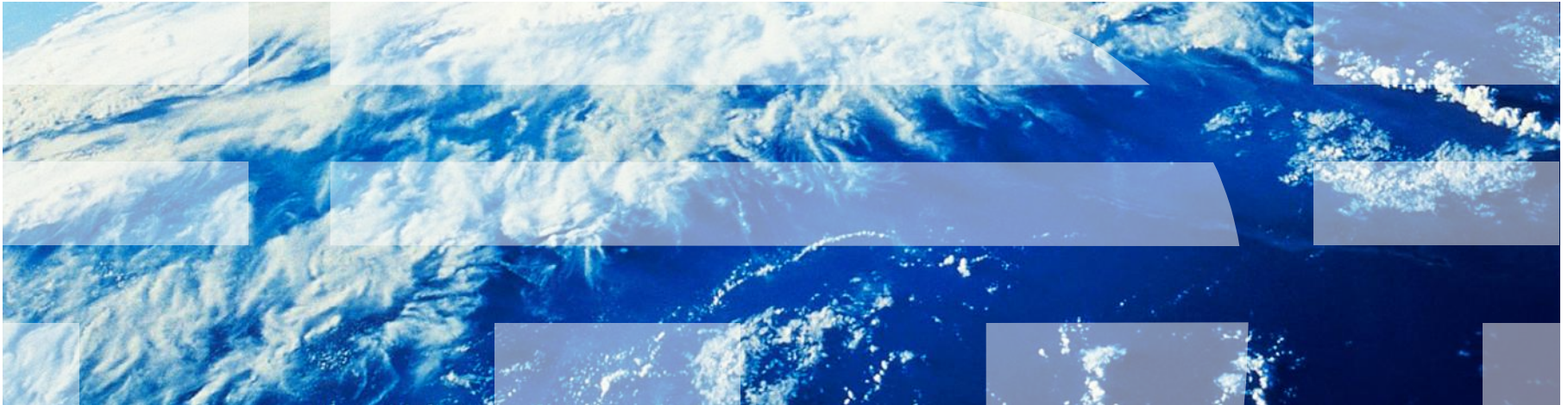


IBM Social Media Analytics (SMA)

Creating Relationships. Build Advocacy. Improving Loyalty.



What is SMA?

“SMA is the **use of insight**, derived through **social listening** and **predictive analytic** techniques, and **embedded** within **business as usual** processes, that enable an organisation to more effectively interact with consumers by leveraging the collective intelligence of the global consumer community.”

Why SMA?

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

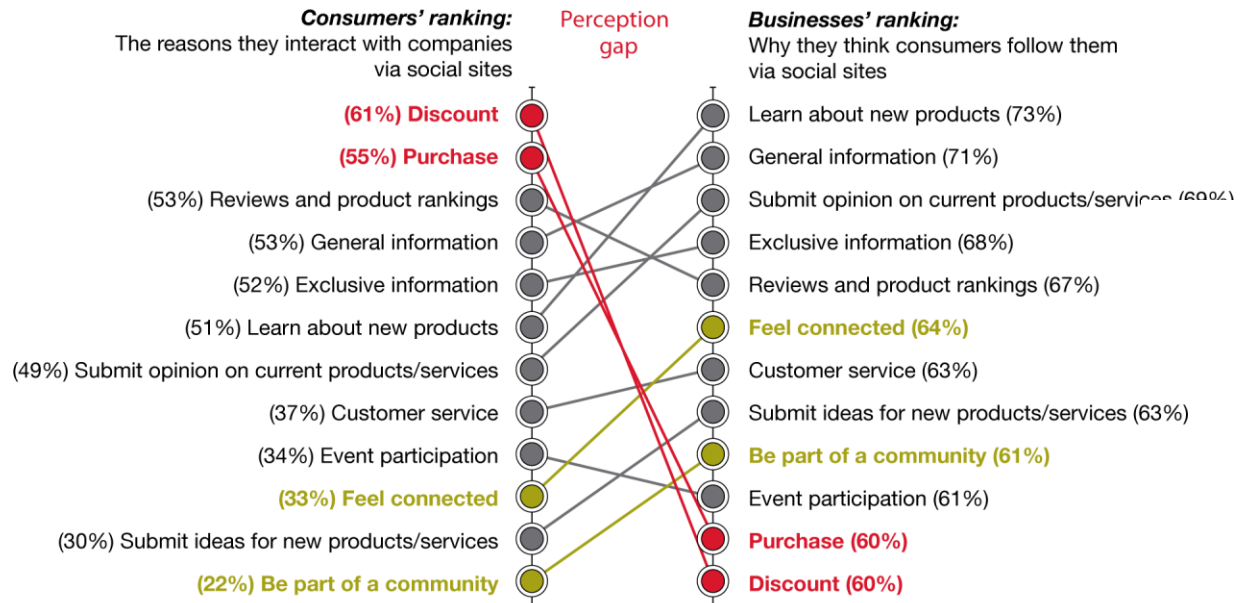
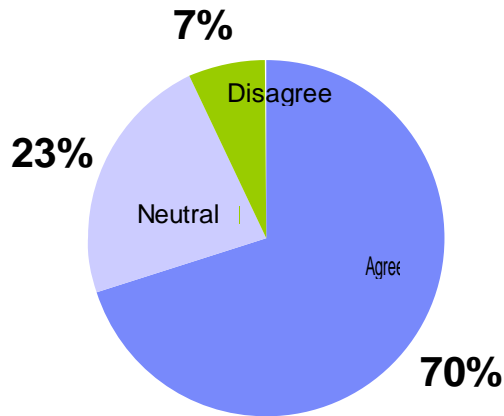
million people worldwide visited
a social networking site.

Source: comScore, Social Networking Phenomenon

CEO's believe social media can help them connect with customers but marketers fail to understand what social media users want

- IBM 2010 CEO Study: 88 percent of CEOs said **“getting closer to customers”** was top priority over next 5 years and viewed **social media** as a core part of that strategy
- However, a March 2011 IBM study identified that companies **fail to understand what customers want** from social advertising and outreach

Social media and social networking will increase customer advocacy?



Note: Consumer: N=1056; Business: Learn N=333, General info N=336, Submit opinion N=334, Exclusive info N=333, Reviews/rankings N=333, Feel connected N=331, Customer service N=331, Submit ideas N=332, Community N=329, Event N=332, Purchase N=334, Discounts N=331.
Source: IBM Institute for Business Value analysis. CRM Study 2011.



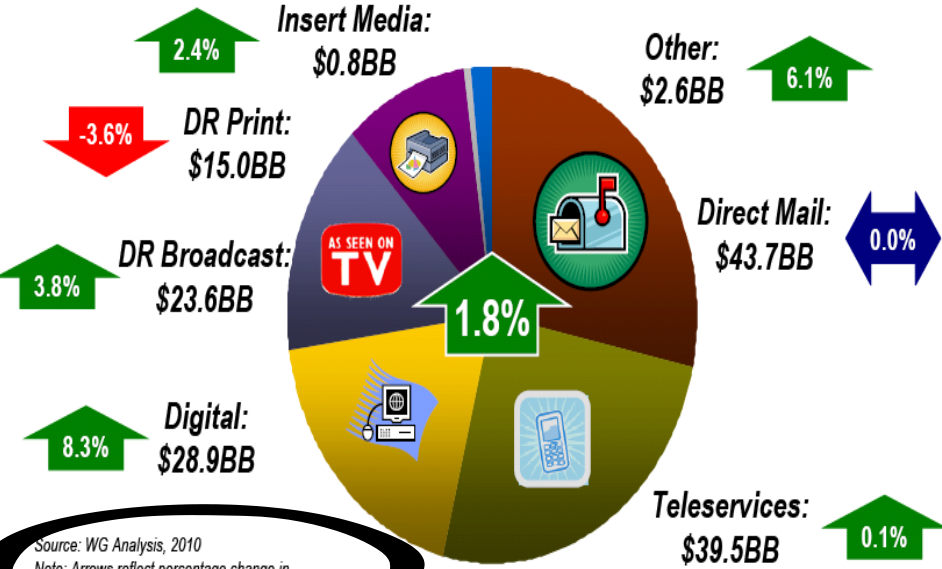
Source: “Capitalizing on complexity, Insights from the Global Chief Executive Office Study,” IBM Institute for Business Value, 2010

“What Customers Want”
First in a two-part series
IBM Institute for Business Value
Published March 2011



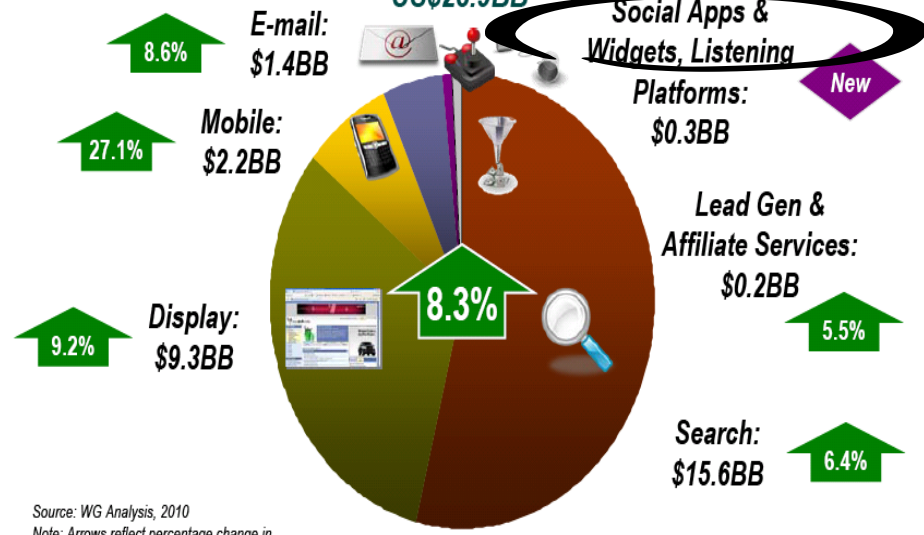
Why SMA?

2010E U.S. "Direct & Digital" Advertising Spending
US\$154.1BB



Source: WG Analysis, 2010
Note: Arrows reflect percentage change in spend, by channel, from 2009 levels

2010E U.S. "Digital" Advertising Spending
US\$28.9BB



Source: WG Analysis, 2010
Note: Arrows reflect percentage change in spend, by channel, from 2009 levels

30% + consumer media spending is through digital channels

Winterbury Group, October, 2010

Social media is taking over as the **primary** medium for **search**, **advocacy** and **customer service**. Businesses are **no longer asking whether** they should engage in social media **but how** they can take advantage. IBM's BAO Social Media Analytics solution establishes closer relationships between businesses and their customers and prospects by better understanding their opinions and their interactions with organisational touch points such as sales, marketing and customer services.

What does SMA allow customers to achieve?

Grow their Business



Understand their customer needs to **target new offers and products** more cost-effectively through different **social media channels** and then use SMA insight to predict impact of these introductions

Enhance their Reputation



Evaluate their corporate reputation and make **evidence-based messaging** decisions that **target the right stakeholders** at the right time and then use SMA insight to predict the impact on reputation

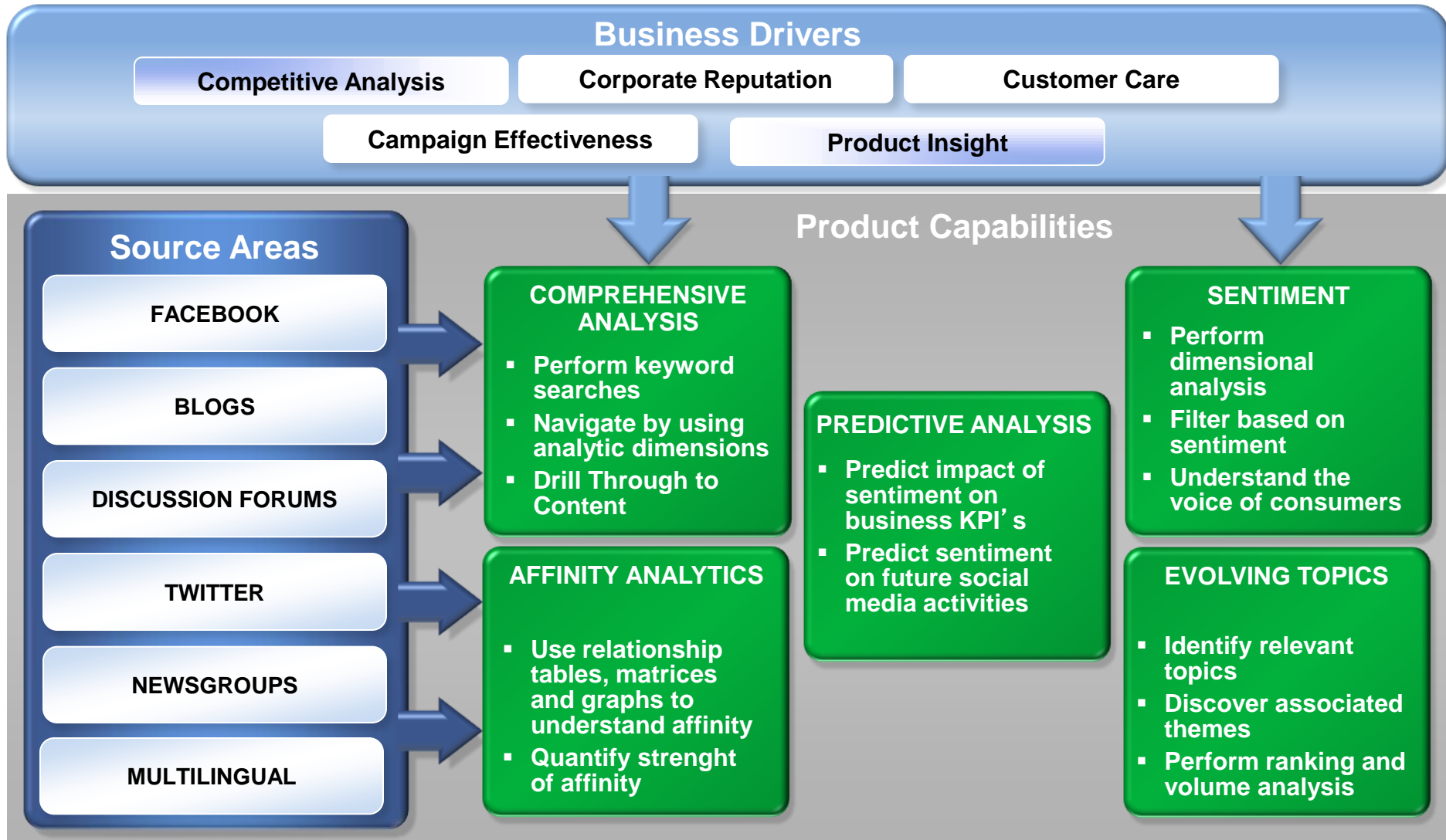
Improve their Customer Care



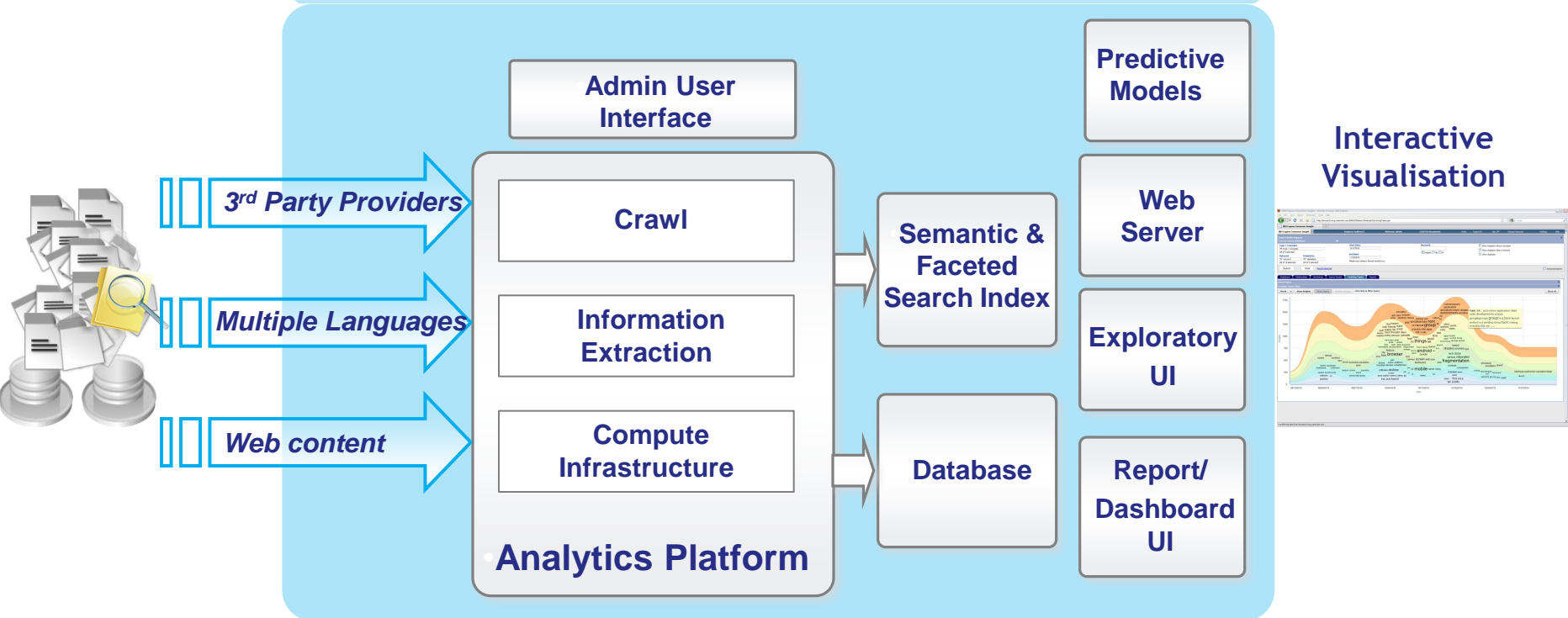
Respond more quickly with accurate, timely and relevant insight into **customer requests** to ensure a **consistent brand experience** across all channels and then use SMA insight to predict impacts on customer satisfaction

Creating Relationships. Building Advocacy. Improving Loyalty

SMA utilising Cognos Consumer Insight (CCI) & SPSS



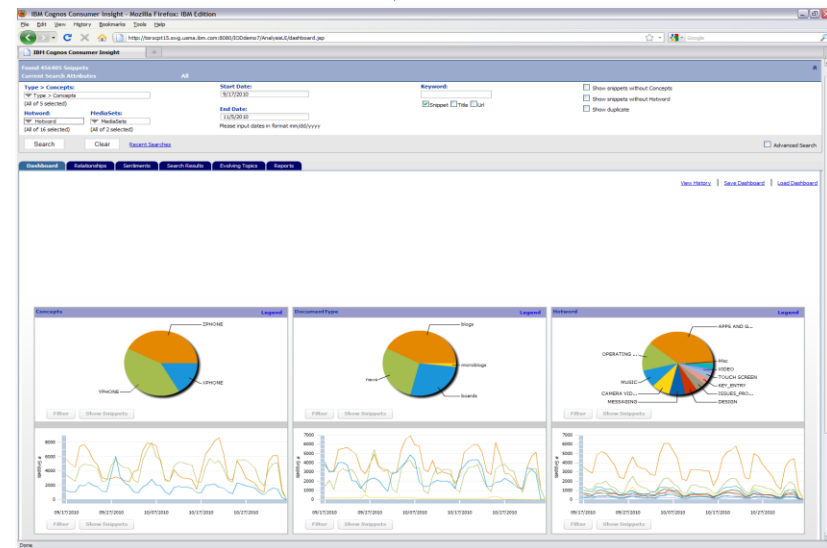
How SMA works?



Comprehensive Analytics –

Analyze billions of blog posts and hundreds of thousands of forums and discussion groups on publicly available websites “on the fly” to measure the effectiveness of your social media campaigns and the sentiment of consumer opinions of your brand and company

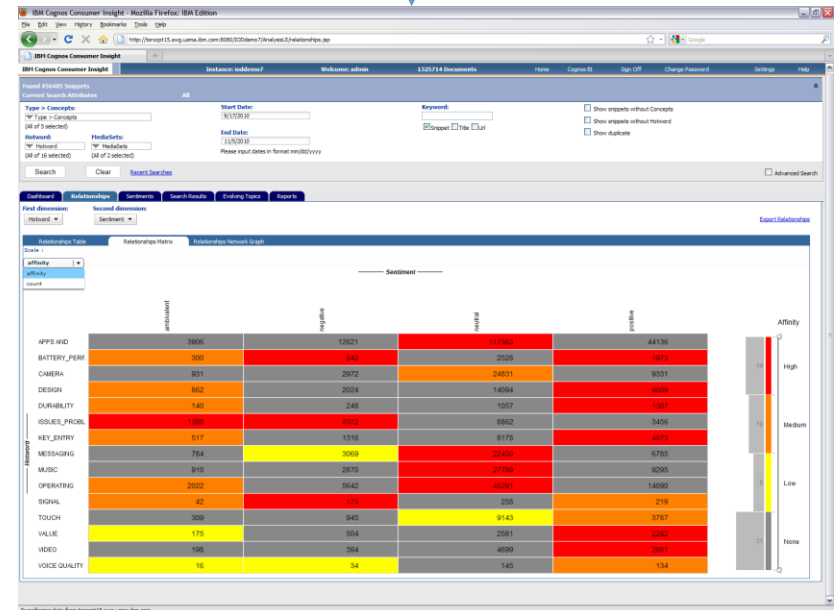
- **Highly scalable** and robust search that can pull snippets from multiple social media channels, such as blogs, posts and discussions forums, Twitter, Facebook and LinkedIn
- **Easy to configure** with user-defined business rules, or analytics, to create snippets of consumer opinions that can be searched by different dimensions, such as date, keyword or region
- **Flexible search** by specifying attributes for your analysis, while modifying sentiment to analyse the same content from a different perspective



Affinity Relationships –

Understand the relationship between different areas of analysis and view the snippets that are associated with their intersection to gauge impact and identify future messages among key audiences

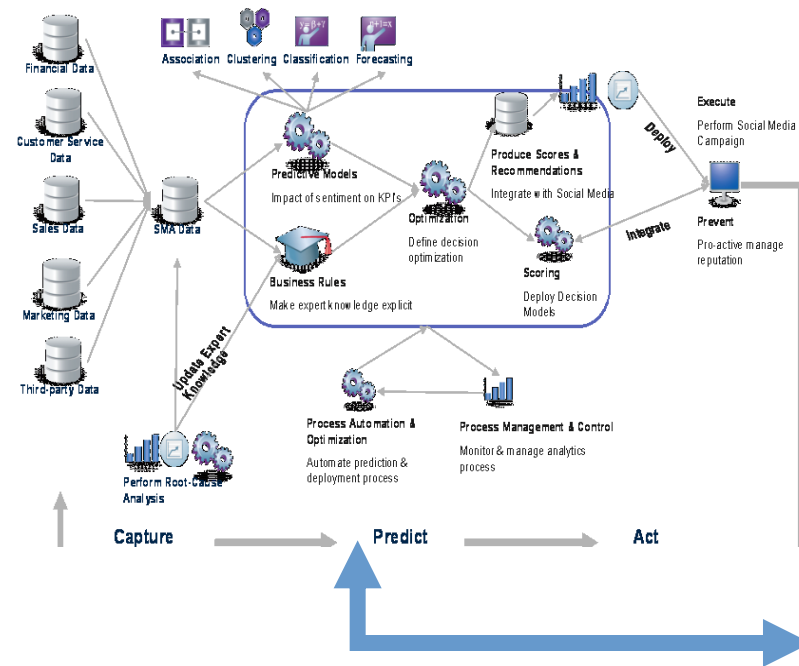
- **Gain insight** into affinity relationships in your search of your campaigns’ hot words to more agilely and precisely modify messaging for your campaigns
- **Anticipate new opportunities** to engage audiences on specific subject areas with the words and messages that resonate with and are specific to their interests and perspectives
- **Evaluate campaign messaging** by analyzing affinity contexts and associations with corporate and brand values to ascertain responsiveness and reaction to reputation, customer service and corporate social responsibility activities



Predictive Analytics –

Predict impact of positive/negative sentiment on current business KPI's and future social media activities

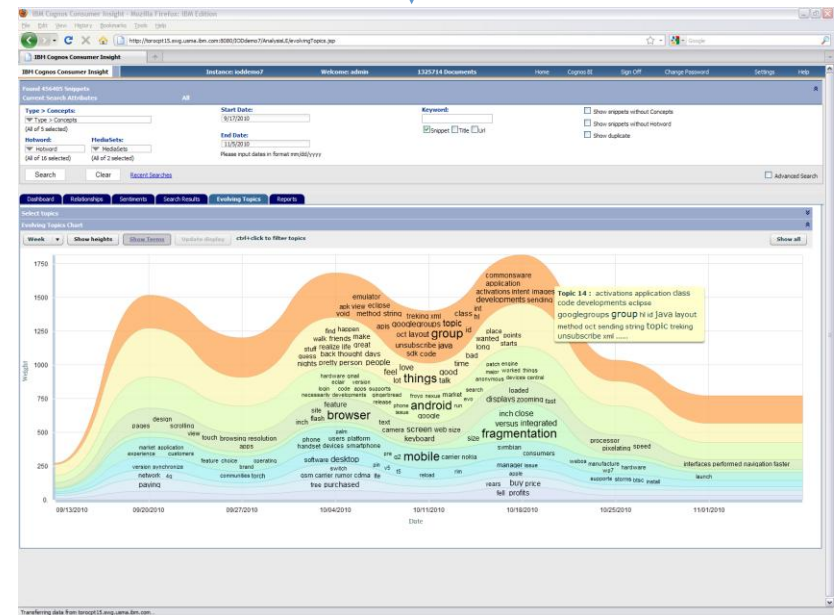
- **Predict impact on sentiment** of messaging decisions with analysis into consumer and stakeholder sentiment; Predict impact of changes in perception of your corporate reputation, potential reactions to campaigns and business KPI's such as revenue, customer service levels, customer satisfaction
- **Use predictive analytics to identify and target** new social media channels to drive greater advocacy of your products and services with key influencers based on predictive analysis of sentiment
- **Predict the effectiveness** of your campaigns' messages and their impact on consumers' purchasing decisions, as well as the resonance and believability of their promise.



Evolving Topics –

Capture a weighted summary of discussions to determine snippets that share the same terms and ascertain related topics above and beyond your analysis of trends and common discussion topics across time

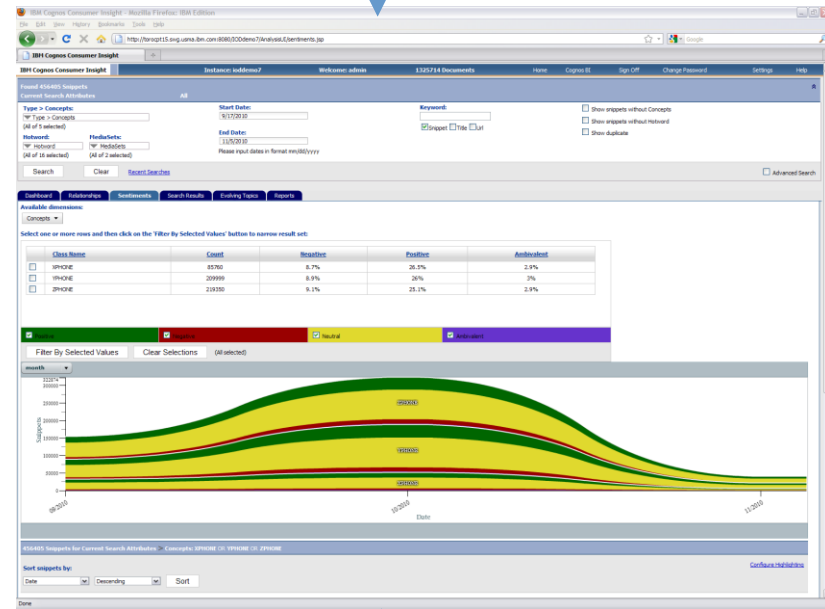
- **Determine risks and opportunities** of related topics to corporate reputation, campaigns and customer service
- **More effectively target** broader adjacent themes and events to link your product, services and corporate messages to, while prioritising and ranking their relevance and applicability for proactive campaigns
- **Expand your social media** campaigns to incorporate other discussion contexts by analysing evolving topics related to hot word sentiment and by targeting other social media communities or communication channels



Sentiment –

*Analyse sentiment and filter by concepts, hot words and media sets – among others.
Complete comparative analysis by comparing positive, negative, neutral, or ambivalent sentiment*

- **Make evidence-based** messaging decisions with analysis into consumer and stakeholder sentiment; Assess with precision trends and changes in perception of your corporate reputation and reaction to campaigns
- **Identify and target** new social media channels to drive greater advocacy of your products and services with key influencers based on an analysis of sentiment
- **Determine the effectiveness** of your campaigns' messages and their impact on consumers' purchasing decisions, as well as the resonance and believability of their promise

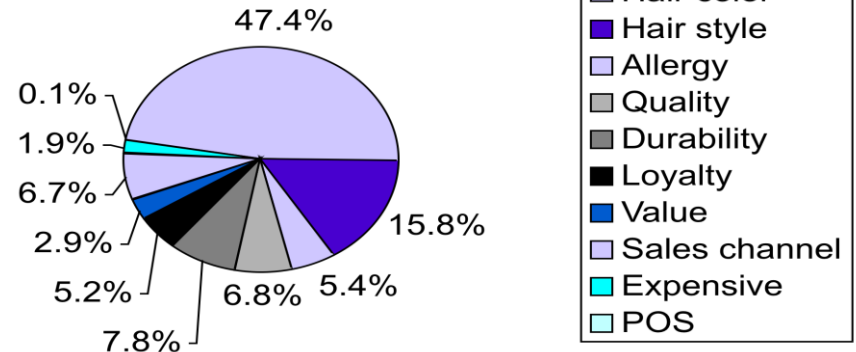
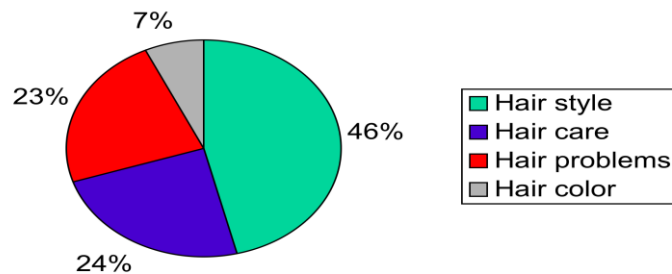


SMA use case - gaining insights

Hair care manufacturer finds out what consumers really chat about

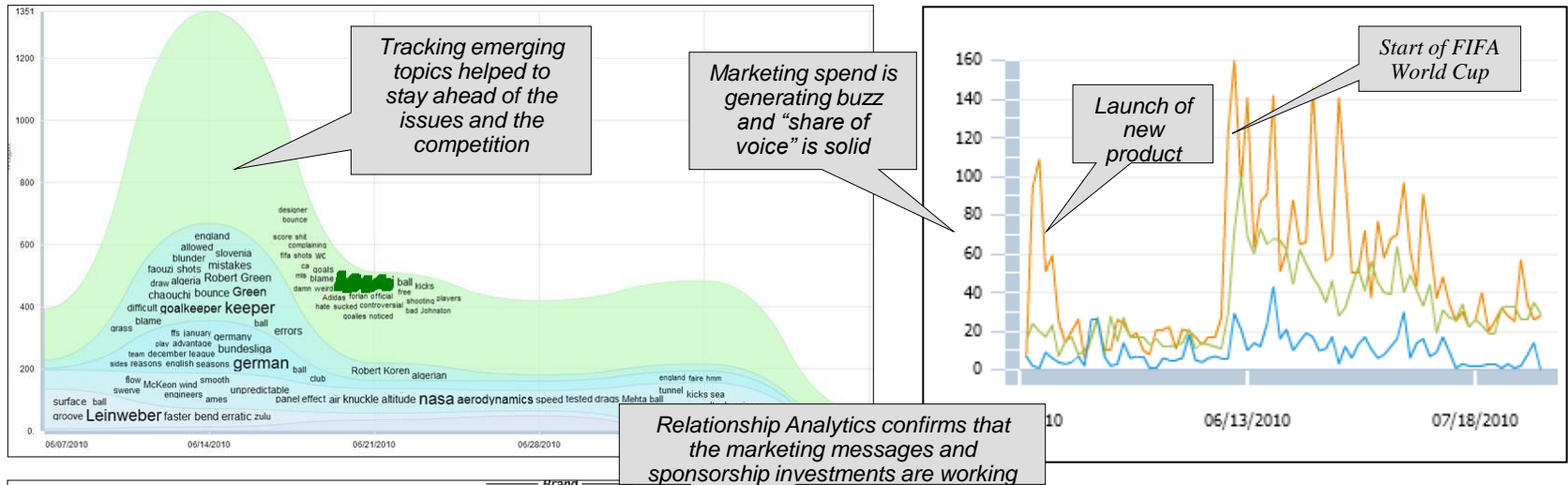


- Their earlier analysis of Google search requests suggested that hair problems formed a significant part of what consumers care about...
- ... but IBM Social Analytics showed that people rarely chatted about their hair problems when discussing and comparing hair care products



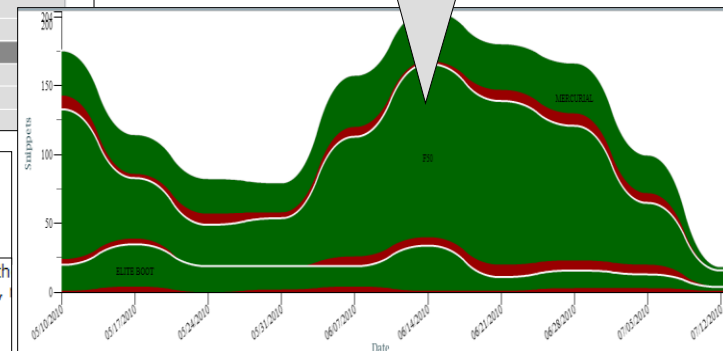
The marketing messages were re-focused in line with this more nuanced insight – promoting what customers want for their hair to harmonize with the social media agenda

SMA use case – relationships around an event, FIFA World Cup



	ELITE BOOT	brand	MERCURIAL
WORLD'S LIGHT...			116
LIGHTWEIGHT	42		74
CHAMELEON	8		4
FAST	2		18
THE SPARK			21
EVERY TEAM N...			21
165G			24
LIGHT SPEED			10
GRAPHIC			8
TOP SCORING...			6

The new product maintaining a good positive-negative ratio over time compared to competitors

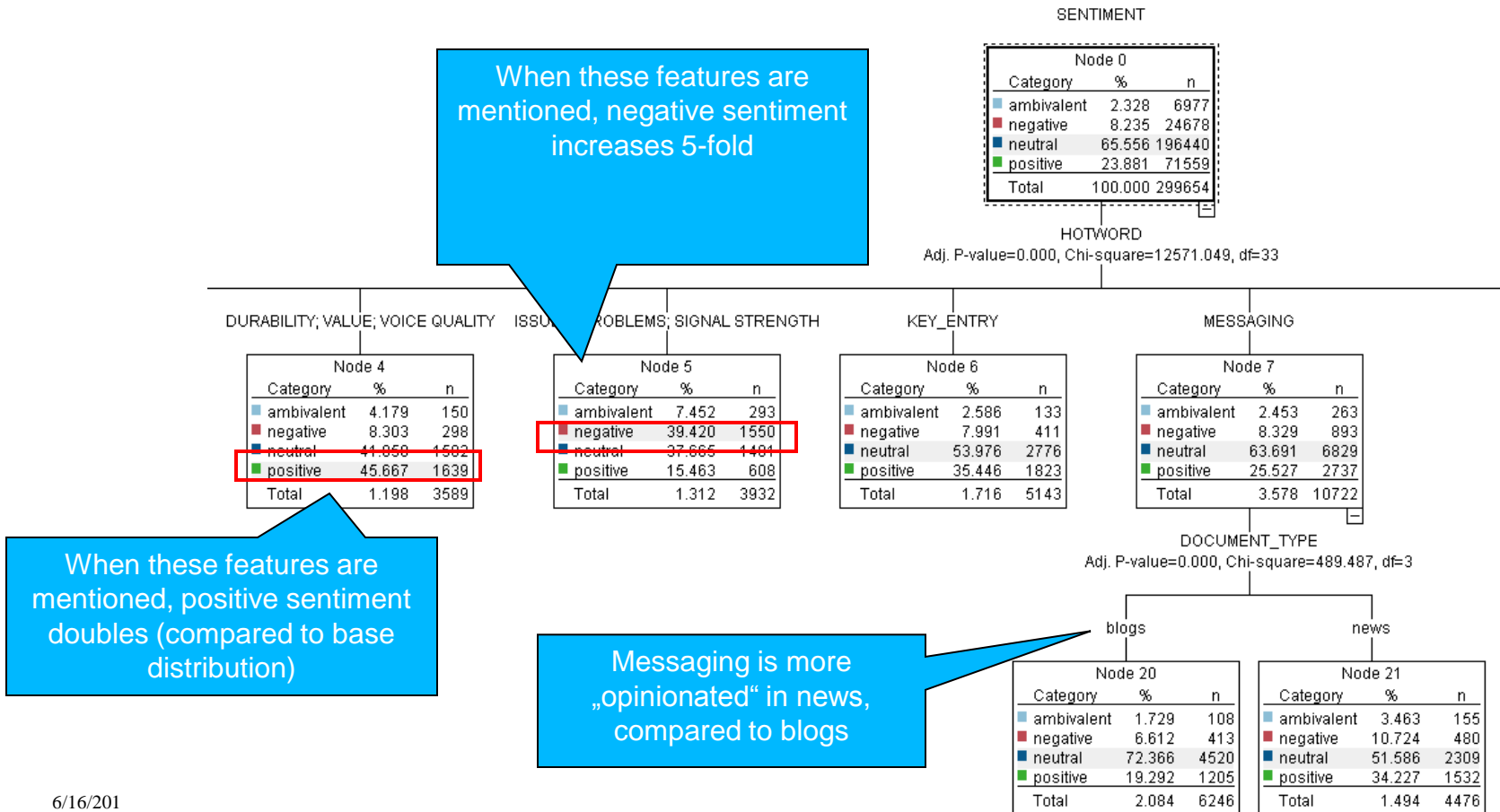


Snippet: RT @Heather_SBFC: Coming home from training. Been wearing the new **adizero f50** boots. **They are awesome!**
Sentiment: [positive](#)
Date: [07/07/2010](#)
Language: [Fnnlish](#)
Url: <http://twitter.com/JacquePitchford/statuses/17923838881>

Snippet: Who needs **SuperFly's**? There are a ton of **Vapor** Fanboys out there that would simply buy the new **SuperFly II** if th
 them and a unicorn on the toe. I've never purchased a pair of **Superfly's** in my life because I truly believe they are **overpriced**,
 money I make or what I spend on boots a year.
Sentiment: [negative](#)
Date: [07/06/2010](#)
Language: [English](#)

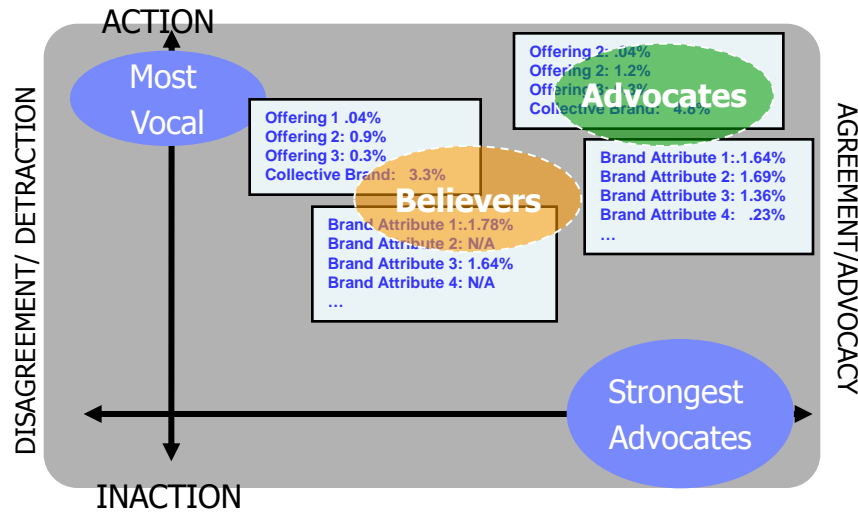
SMA use case – use predictive models for causal analysis

Identify the most causal variables driving sentiment. Develop campaigns to maximise positive sentiment.

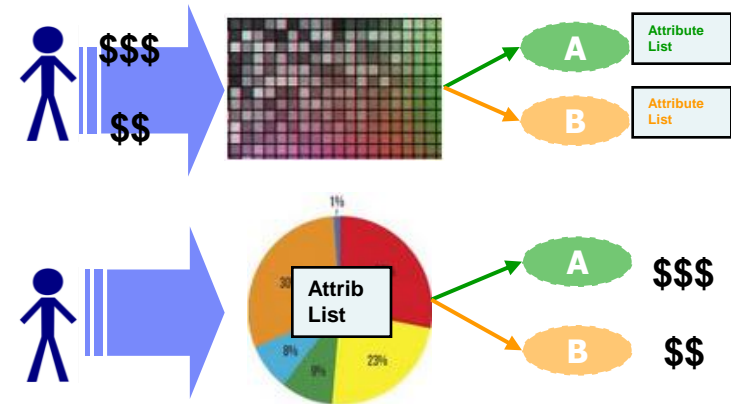


SMA use case – drive advocacy

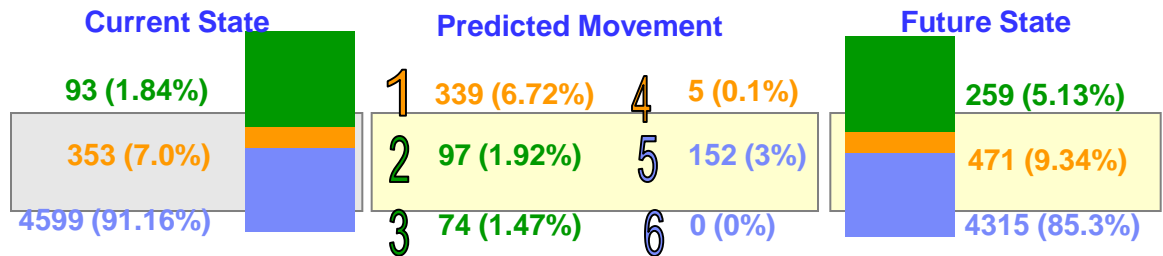
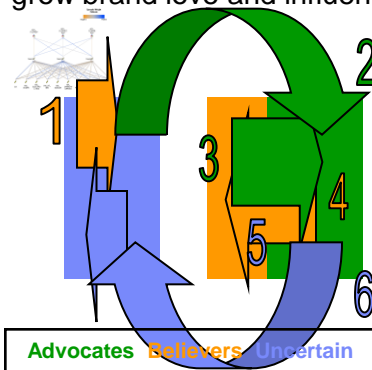
We modeled Advocacy and Action. This can be applied to micro segments



Defining attributes for brand advocates is not limited to social media, it can include loyalty, lift and transaction factors. Our work gave an equal weighting to all social attributes



We modeled the propensity to gain/retain advocacy. Marketing programs can now be evaluated based on their ability to grow brand love and influence others



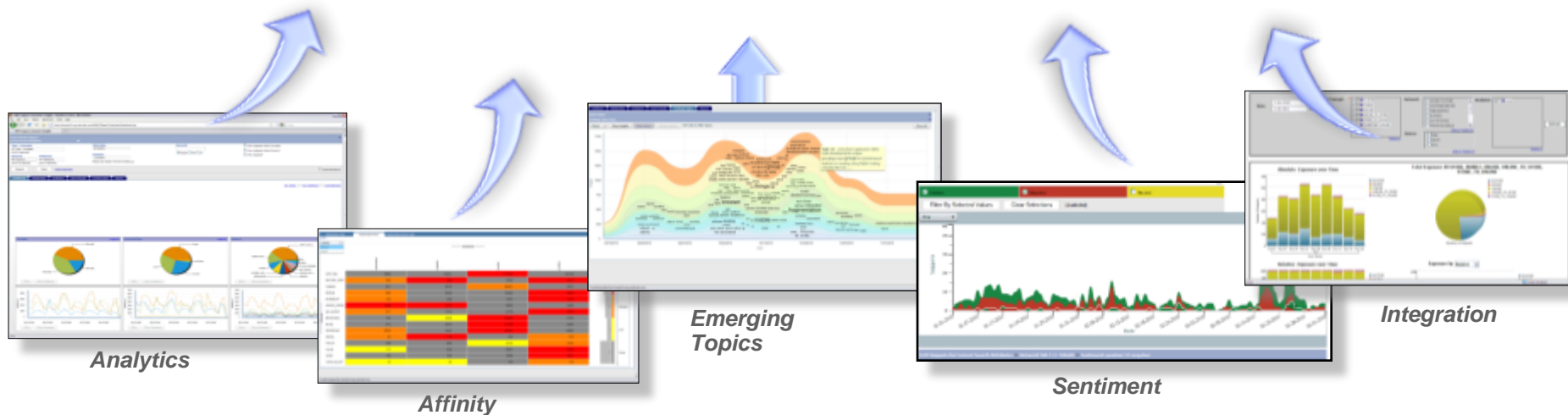
SMA use case – SMA mission control center

Company's 4-Point Strategic Plan for Social Media Analytics

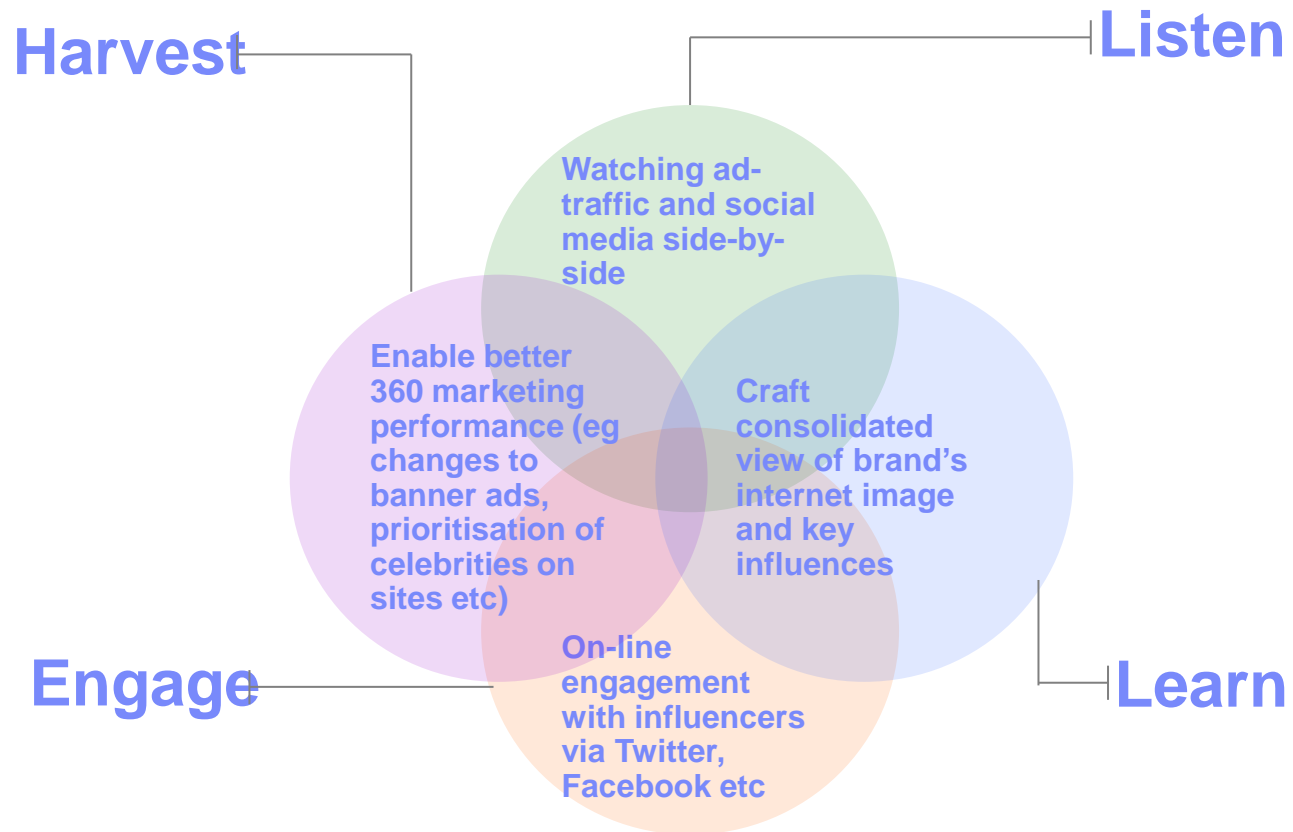
1. Establish Social Analytics Center of Excellence
2. Establish Advanced Social Analytics Capability for Brands, R&D, Strategy, and Public Relations
3. Progressively develop and roll out Social Analytics cockpit across Company Brands and Organisations
4. Train Business Analysts within each organisation to leverage tools & consumer insights

The Immediate Priority ... “Take Back the X Brand”

- Caught off guard by “healthy sports drink” competitors (eg. Vitamin Water)
- Huge brand equity and sponsorship spend requires protection and justification



SMA use case – SMA mission control center



Why IBM?

IBM's unique single-vendor solution, captures insight from consumers social media interactions and provides:

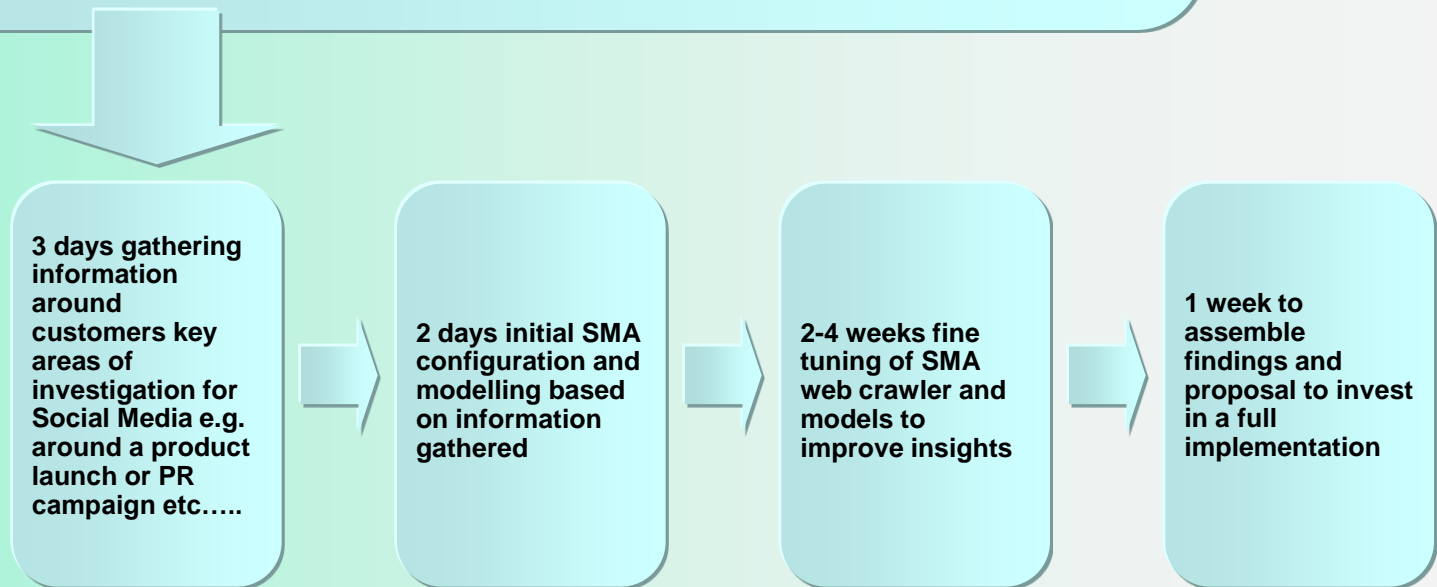
- **IBM's social media eminence**, laser focused on creating quantified value from insight and the use of predictive analytics.
- **IBM's expertise in implementing cross line of business processes**, designed to exploit the insight and then embedded business as usual execution.
- **IBM's use of a comprehensive SMA platform**, based on disruptive technology, that can be deployed cross lines of business.
- **IBM's Research & Development leadership** in social media and our advanced SMA / predictive analysis technologies.

Thus offering our customers and end-to-end solution, designed to exploit social media analytics insights right across lines of business.

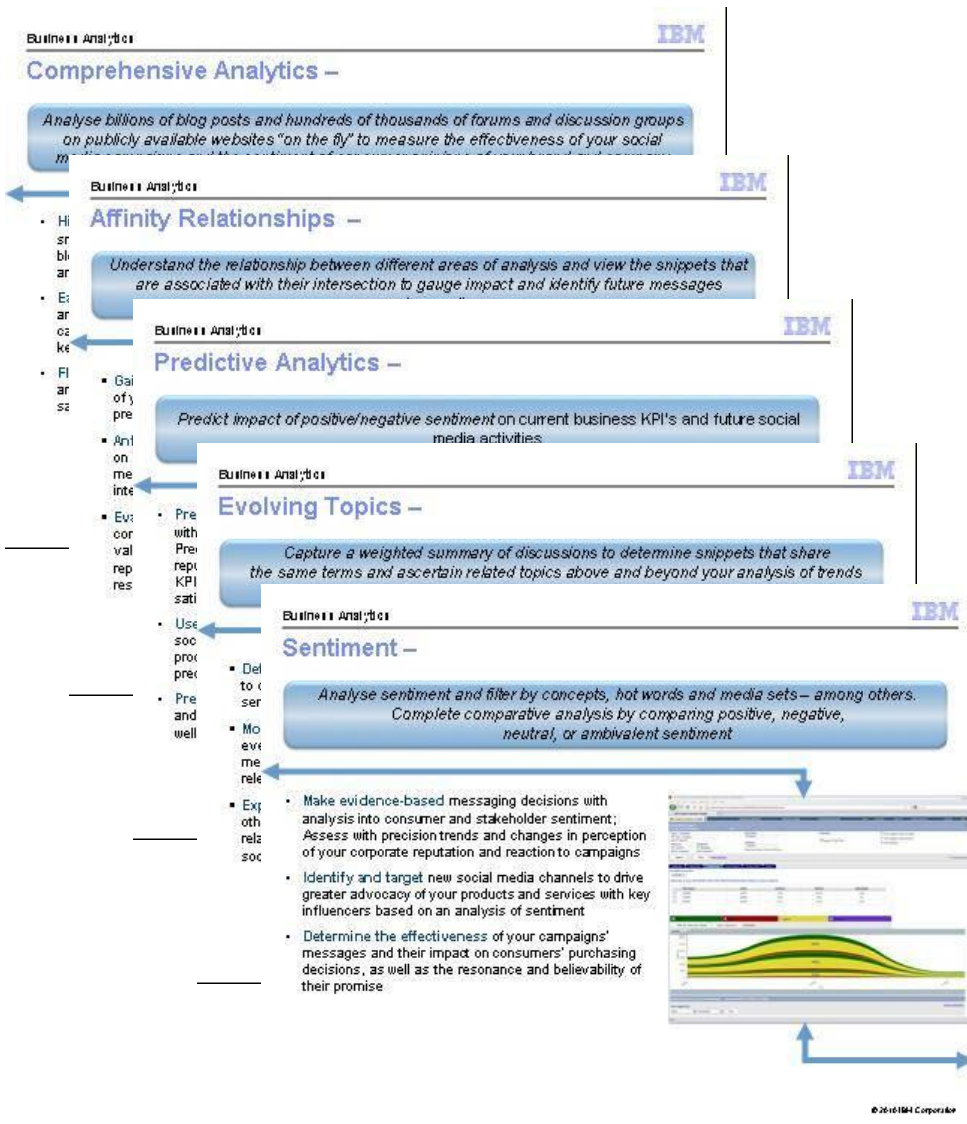
Next step - SMA BVA engagement

Example SMA BVA engagement:

A 4-6 week SMA BVA engagement based on demonstrating value of Social Media



Summary



- Extensive skills in working with customers to deliver value from Social Media insight
- World class eminence in embedding insights into business as usual processes
- Using predictive analytics to understand impact of Social Media
- Technology can be used to analyse billions of blog posts
- Technology can determine affinity to multiple analytic dimensions
- Technology can provide evolving topics above and beyond selected search topics

▪ Understand customer sentiment
 ▪ Make evidence-based messaging decisions
 ▪ Ensure seamless customer experience across all channels

Questions?





Thank
YOU

© Copyright IBM Corporation 2008 All rights reserved. The information contained in these materials is provided for informational purposes only, and is provided AS IS without warranty of any kind, express or implied. IBM shall not be responsible for any damages arising out of the use of, or otherwise related to, these materials. Nothing contained in these materials is intended to, nor shall have the effect of, creating any warranties or representations from IBM or its suppliers or licensors, or altering the terms and conditions of the applicable license agreement governing the use of IBM software. References in these materials to IBM products, programs, or services do not imply that they will be available in all countries in which IBM operates. Product release dates and/or capabilities referenced in these materials may change at any time at IBM's sole discretion based on market opportunities or other factors, and are not intended to be a commitment to future product or feature availability in any way. IBM, the IBM logo, Cognos, the Cognos logo, and other IBM products and services are trademarks of the International Business Machines Corporation, in the United States, other countries or both. Other company, product, or service names may be trademarks or service marks of others.