EXECUTIVE SUMMARY

For a growing number of consumers, social media is the preferred means of gathering product information and interacting with companies. Therefore, it is critical that organizations implement effective social media programs as soon as possible. This paper explores the impact of social media on the marketplace and customer behaviors, and provides a six-step “road map” that guides organizations through the process of implementing a social media program. This paper also encourages companies to carefully consider which department in their organization is best suited to lead their social media efforts, and shares best practices organizations can leverage to help develop and sustain a comprehensive social media program.
INTRODUCTION

The marketplace is evolving rapidly in response to the ongoing revolution in digital communications and consumers are embracing these technologies as quickly as they are available. The proliferation of the internet, personal computers and mobile technologies has transformed how consumers acquire product knowledge, make buying decisions and access customer service. Consumers now have at their fingertips information to evaluate product features, compare prices and identify which vendors are carrying the products. With 24/7 access to information, consumers no longer depend on companies for product information, thus, dramatically increasing their buying power.

The digital revolution has also spurred the growth and acceptance of social media as a channel to exchange and share information. Consumers are increasingly using social media to gather product information, consult reviews and make purchase decisions, and to interact in real-time with companies, especially regarding support and post-purchase matters. The popularity and reach of social media means that companies have little control over what is said about their products. To remain competitive, companies must adapt to changing customer behaviors and engage effectively with consumers in this new environment. Companies need to leverage social media to engage their customers.
Even so, most enterprises do not yet have a comprehensive social media program in place; therefore, their traditional Customer Service and Contact Center organizations are not aligned with today’s customers’ practices and preferences.

The bad news is that this gap can quickly lead to customer dissatisfaction and churn, brand damage, and decreased competitiveness. The good news is that bridging this gap can just as quickly increase customer loyalty, increase sales, and give organizations a competitive advantage.

To bridge this gap, organizations must intelligently Connect with social media, Analyze the data they gather, Integrate actionable insights with structured data available in the organization, intelligently Route the data to appropriate resources within the organization, and Report insights to key agents across the organization, in the formats that best meet their needs. The following roadmap details each of these steps and helps organizations put them into action.

**STEP 1: FRAMEWORK**

Implementing a successful social media program begins with a strategy to make social media a priority and a commitment of the resources necessary to launch and sustain such a program. Today’s technology savvy consumers expect organizations to engage with them in the sphere of social media. Failing to establish a presence in social media—or making only a token effort—can have significant negative consequences. For example, dissatisfied customers can quickly and easily broadcast their opinions about a product or organization across extensive networks, and broadly influence perceptions of the company. Customers whose expectations are not being met will quickly turn to a competitor. With its reputation tarnished, the company may experience decreased sales, increased churn, and loss of market share. This lack of brand loyalty reflects the fact that consumers today have more product and service options available to them than ever before, and can access these options quickly and easily with the push of a button.
Engaging with customers via social media channels yields numerous benefits. In addition to the treasure trove of customer information, it allows organizations to monitor perceptions of their products and to proactively interact with customers to address their pain points—an important capability given organizations’ diminishing control over product messaging. Social media exchanges contain several types of customer information including their wants and needs, pain points, cries for help, attitudes, opinions, experiences, and advice. These exchanges can also contain early indicators of nascent trends and growing problems. By gathering and analyzing this data, organizations acquire a holistic view of their customers.

Social media data can also provide valuable competitive intelligence. By listening carefully to what consumers are saying about a competitor’s products, organizations can proactively respond to their customer needs, identify dissatisfied customers using a competitor’s products and reach out to them directly via social media to prevent churn.
ORGANIZATIONS CAN LEVERAGE THIS KNOWLEDGE TO:

1. Address product and service problems before they become widespread;
2. Respond more quickly to customer inquiries and their cries for help;
3. Increase customer satisfaction, loyalty, and market share.
STEP 2: CONNECT

Connecting is taking a genuine interest in people and building meaningful and enduring relationships that are grounded in trust and mutual benefit. It is listening to customers to better understand how they use products, actively participating in the conversation and adding value whenever possible.

Connecting deeply in this way yields numerous benefits for customers and organizations. First, it satisfies customers’ expectations that companies will engage them in the sphere of social media, and contribute meaningfully to the social community. Customers tend to favor those organizations that are more accessible, that listen to them and value their feedback. Secondly, organizations can monitor customers’ perceptions of their products, identify features resonating with customers, and gather suggestions for product enhancements. Thirdly, connecting allows organizations to monitor competitors and what customers are saying about them. Connecting in this way enables companies to strengthen brand loyalty, acquire new customers and tap into a fountain of creative ideas that can fuel process, product, and marketing innovations.

Connecting is of limited value if organizations don’t gather all the Voice of the Customer (VOC) data that is relevant to their brand, and extract actionable insights. This means listening across as many touch points as possible, both external and internal to the organization, and forming a detailed, 360-degree view of customers. In addition to social media platforms such as Twitter and Facebook, external sources of customer data include review sites such as Yelp and Trip Advisor, blogs and online product forums. Internal sources include call center notes, chats, e-mails, surveys, and CRM. Given the volumes of data generated daily, organizations may feel overwhelmed by the notion...
of acquiring a holistic view of their customers and may choose instead to focus on collecting data from only a few select sources. While certainly easier, this strategy can bias an organization’s view of their customers leading to erroneous conclusions and flawed business decisions. Fortunately, several data gathering and analysis solutions are available to help companies capture the right data and make sense of it.

**STEP 3: ANALYZE**

VOC data captured from social media listening posts contain valuable nuggets of customer information that, when isolated from the surrounding “noise,” can yield insights that organizations can leverage to improve processes, products and customer service. While organizations can learn much from the structured data (e.g. who, when, and where) contained in the posts themselves, a more detailed analysis is needed to determine what is happening and why.

Text analytics is the most effective means of extracting this level of understanding from raw customer data. Sentiment and text analytics solutions filter out the enormous volume of SPAM in social media data, extract critical customer data, and quantify customer sentiment. Customer sentiment provides a valuable context for interpreting customer feedback and prioritizing company responses. This is critical.
Organizations cannot immediately respond to all customer inquiries and issues, and need to prioritize what issues should be addressed now from those that can wait, or may require no interaction at all. Sentiment and text analytics solutions ensure that feedback requiring engagement “bubbles up” and is addressed within an appropriate response time.

For example, a categorization model can organize social media data by topic so that the Customer Service knows exactly what it is they are preparing to respond to. This approach is akin to placing feedback into different buckets that map to a particular business or customer. Such a model could be used to escalate urgent issues such as “cries for help.” As organizations evolve, custom models can be built to fit the changing business.

Additionally, a sentiment and text analytics solution needs to be scalable; it should be able to handle increased operational demands from new social media sources. With a scalable solution, organizations can rest assured that their investment can accommodate their ever growing business needs.

**STEP 4: INTEGRATE**

While customer insights gleaned from social media exchanges are valuable in their own right, their full potential is unlocked when they are integrated with an organization’s Customer Service infrastructure. Sync’ing up social data with structured customer data stored in an organization’s Enterprise Data Warehouse (EDW) extracts maximum benefit from both sources. For example, sync’ing up social and EDW data enables organizations to determine if they already have data on customers such as purchase history, purchase locations, loyalty levels, etc. With these correlations, organizations instantly gain a wealth of knowledge about a customer. For example, companies can identify customer that has made an inquiry via another channel (e.g., phone call or survey response), thus enabling them to provide a more personalized response.

Organizations can also feed social media data into traditional CRM systems. Allowing them organize the information and control workloads for each agent providing responses through these channels. Social data can also be integrated with the Contact Center infrastructure and social engagement platforms.
STEP 5: ROUTING CUSTOMER FEEDBACK INTELLIGENTLY

To respond effectively to customer feedback and requests, companies must be able to quickly route inquiries to those agents in the organization that are most qualified to address the specific content areas. For example, issues with products or services would be routed to a Product Issue agent or the Product Management team. Sales leads and competitive information would be routed to the Sales team. Complaints or follow-ups regarding previous Customer Service interactions would be routed to a Customer Service specialist. A variety of criteria can be used as the basis for intelligent routing including topic area (e.g., cries for help), structured data, and attributes (e.g., sentiment, location, and language). Intelligent routing ensures that the right customer comment is directed to the right agent at the right time, so that the customer is engaged via the communication channel of their choice. This approach optimizes the use of organizational resources and expertise, and thereby improves customer service, satisfaction, and efficiency.

STEP 6: REPORT

Not all departments in an organization are equally impacted or involved in the company’s social media program. Nonetheless, social media programs are an enterprise-wide endeavor, and many departments across the organization benefit by having access to social media data. Thus, reporting is an essential component of the social media strategy. Different stakeholder groups (e.g., Marketing, Sales, Customer Service, Product Development, Customer Experience, Operations) can benefit from the information derived from social media sources. Social media data reports are more powerful when combined with internal Customer Service reports. While social media reports are informative and valuable in their own right, even more powerful insights are generated when they are combined with internal data such as customer service data. The combination of external and internal sources of data provides holistic view of customers and allows for more advanced reporting.
More advanced reporting is also possible. A single report can be generated from social media and CRM systems and distributed to the different stakeholders in the organization. Analytics portals can be created that allow agents to find specific data on their own and perform ad-hoc queries. By allowing insights to be displayed in multiple ways, these advanced reporting capabilities make it possible for organizations to analyze customer insights from a variety of perspectives and quickly understand the implications of customer feedback. For example, organizations can drill down from high-level reports to specific comments to examine their original context, correlate data across categories, summarize categories by volume and percentage of total, and identify the most frequent co-occurrences between categories or attributes.

CONSIDER WHO SHOULD LEAD SOCIAL MEDIA

For most organizations, there are several departments capable of effectively leading a social media program. Which department is best suited for this role depends on the specific dynamics of each company. For example, organizations that have customers who frequently use social media to address Customer Service-oriented issues may want to have the Customer Service department assume day-to-day leadership of the social media program. On the other hand, if most of the issues are related to product and product enhancements, the Product Team may be better equipped to handle them.
SUCCEEDING WITH SOCIAL MEDIA

No matter who is at the helm, developing and sustaining a successful social media program is challenging. By implementing the following best practices, organizations can develop an effective social media program:

1. CREATE A COMMITTEE TO DEVELOP A SOCIAL MEDIA STRATEGY. AS PART OF THIS PROCESS, COMPANIES SHOULD IDENTIFY DEPARTMENTS ACROSS THE ORGANIZATION THAT MONITOR AND INTERACT WITH CUSTOMERS VIA SOCIAL MEDIA.

2. ESTABLISH GUIDELINES FOR INCORPORATING SOCIAL MEDIA-DERIVED INSIGHTS INTO THE DECISION MAKING PROCESS.

3. COMMUNICATE SOCIAL MEDIA POLICIES AND PROCEDURES THROUGHOUT THE ORGANIZATION.

4. IMPLEMENT A SENTIMENT AND TEXT ANALYTICS SOLUTION TO ANALYZE, INTEGRATE, ROUTE, AND REPORT ON RELEVANT SOCIAL MEDIA DATA.

5. MEASURE THE EFFECTIVENESS OF THE SOCIAL MEDIA PROGRAM WITH KPIS AND USE THE RESULTS TO IMPROVE ONGOING SOCIAL MEDIA ACTIVITIES.
CONCLUSION

Armed with cutting-edge digital communication technologies, consumers are reinventing how they shop and interact with companies. To flourish in this new marketplace, companies must embrace social media with the same enthusiasm as their customers, and learn how to use these tools to make better decisions, create more innovative products, optimize processes, and provide better customer service and experiences. Simply put, today’s hyper-connected social customer expects nothing less, and has little patience for organizations that fall short. And, why should they? The marketplace is more crowded and competitive than ever, and consumers can switch to a competitor without breaking stride. This state of affairs creates new pressures, but it also provides new opportunities for organizations to connect deeply with customers. How skillfully organizations leverage social media and the customer insight it afford will be one of the most important factors in determining success.
Clarabridge is the leading provider of intelligent Customer Experience Management (CEM) solutions for the world’s top brands. As the premier provider of CEM, Clarabridge enables Global 1000 businesses to intelligently listen to, analyze, operationalize, and measure multi-source customer feedback through intelligent sentiment and text analytics. Insights extracted through Clarabridge enable organizations to create a universal understanding of their customers, partners, and employees; make actionable business decisions with measurable ROI and collaborate on those decisions both internally with stakeholders and externally with customers. With hundreds of CEM implementations, Clarabridge is the 7th fastest growing software company, powering the CEM programs for companies such as B/E Aerospace, Best Buy, Charming Shoppes, Inc., Choice Hotels, Dell, Expedia, E.ON, Fidelity, Gaylord Hotels, Government of British Columbia, Intuit, J.D. Power, L’Oréal USA, Marriott International, PetSmart, QVC Inc., Sage North America, United Airlines, Walmart, Walgreens, and Wendy’s International. Clarabridge is privately held with offices in Reston, VA, San Francisco, CA, Miami, FL, and London, UK.

For more information, visit www.clarabridge.com or on Twitter: @clarabridge.