

Chapter 8 Cutting through the Online Chatter

It has become a staple in American politics that in just about every speech or debate, presidential candidates manage to work in a story about the struggles of Mr. and Mrs. John Smith from a swing state. Candidates talk to thousands of voters on the campaign trail. But these are the stories that they remember and choose to retell because, to them, they represent the stories of the larger population.

It is easy to understand why politicians latch on to these anecdotes. On a daily basis, teams of advisors and crowds of voters share their stories and offer their opinions on everything from taxes to foreign policies to healthcare reform. Even what they wear comes under scrutiny and often garners volumes of unsolicited feedback. How do politicians and other decision makers parse through all of these suggestions to identify the handful of opinions that are truly important and relevant to the larger population? Put bluntly, how do we know that the average American cares about Mr. and Mrs. John Smith's stories?

In years past, candidates carefully selected advisors who kept their ears to the ground and had a sense of what was important to the voters. Over the years, these advisors started turning to opinion polling to gauge public sentiment. And more recently, social media monitoring has been added to the mix.

A similar evolution has occurred in corporate America. Brands were once led by charismatic leaders with an intuition for what would or would not work with consumers in the marketplace. Later, sophisticated market research methods complimented their intuition. And now, market researchers engage in social media monitoring as another source of market intelligence.

A New Paradigm for Market Research

When conducting traditional marketing research, organizations typically start with a clear objective that defines the information needed before setting out to collect data. The research program is then designed around this objective. Before investing in a new product concept, for example, a brand would design a research study to gauge the likely market demand for it. Before launching a new advertising campaign, a brand would copy test messages to determine how the target audience will respond to the language used in the ads. In both cases, the researcher sets out to measure a specific response to various elements of the organization's strategy. Are consumers more or less likely to buy the product if the price were a little higher or if the product's design were a little different? Are consumers more or less likely to remember the ad if it features a female spokesperson or a male voiceover? Historically, we've known exactly what we wanted to measure, and we set out to collect that piece of information before finalizing our strategies. However, the nature of social media data has forced us to rethink the standard approach to research. Instead of researchers seeking out

potential consumers to participate in a study, these consumers are already expressing their unsolicited opinions online, and all the social media researcher needs to do is to compile these opinions.

A business that has recently made significant investments to improve their customer service might evaluate how the changes they put in place have affected customer satisfaction by monitoring social media. One approach to doing this would be to compare the volume of negative comments posted to various social media platforms before and after the changes were implemented. In this case, as in the case of traditional market research, the business has a clear research objective in mind, and social media simply provide the data that surveys and focus groups have provided in the past.

However, social media data have also opened up new research opportunities. Not only can researchers look to social media to answer specific questions, but they can also turn to them to identify issues that might have otherwise been overlooked. Because of their freeform nature, online opinions don't always map perfectly onto the questions that organizations are asking. Social media chatter around a brand may focus on an issue that the organization hadn't thought was all that important; and social media monitoring can uncover issues that might have slipped through the cracks if a more traditional market research approach had been used. For example, a computer manufacturer might be convinced that their recent price increase caused a

precipitous decline in sales. But the social media chatter might indicate that their customers haven't really noticed the price change at all and that the company's focus on price was misguided. Instead, potential customers have been dissatisfied with the customer service that had recently been outsourced to another country, an issue the company hadn't considered.

While social media data are rich with potential, the enormous volume of data presents real challenges. Chief among these challenges is distinguishing signal from noise. In 2012, President Barack Obama had over 21 million followers on Twitter and, in a 24-hour period, was mentioned hundreds of thousands of times by other Twitter users. McDonald's had over 25 million fans on Facebook and over 3 million comments posted to their fan page. With this volume of information, how can any decision maker efficiently extract insights to guide the decision-making process?

One answer is to monitor and track "everything" – every comment, from every contributor, with information on every contributor, going as far back in time as possible. While such data have the potential to provide rich insights, simply warehousing massive volumes of social media comments is not a strategy. It is just the first step toward developing social media intelligence capabilities. The key to social media intelligence is not the data. The data are, in fact, nothing more than the raw ingredients of a complex recipe in which tools and analytic methods take the data as inputs and turn them into a rich source of intelligence.

A number of organizations are already taking steps in the right direction by compiling quantitative metrics that characterize and describe the body of comments posted online. But many analysts amass collections of metrics based on what calculations are possible instead of thinking about what measures are useful in our decision making.

To transform online chatter to social media intelligence, organizations should employ the following **five-step process to measurement**.

1. Measure what matters
2. Cast a wide net
3. Analyze the text
4. Understand the biases
5. Establish links to performance metrics

