Changing the Game: Social Media’s Impact on Market Research
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The market research industry is all abuzz about social media – will it reshape the industry? Or is it useless as an information source? Most social media analysts believe consumer-generated media will broaden the horizons available to a market research team, and within two years, insights gleaned from social media intelligence will be an integral part of every market research study.

**Why Social Intelligence is Effective**

First, it can help provide an understanding of the conversations already taking place. This understanding can be useful in two ways. It can help shape what questions to ask and ensure the terminology matches that of the customer. Within the telecommunications space, for example, many of the online conversations tend to center around dropped calls. Asking questions about sound quality will only anger this audience, but if you ask about dropped calls, you’re likely to get a very complete response. Similarly, if your phraseology doesn’t match the consumer’s, you’re likely to get a lot of confused responses, or lose respondents who don’t understand your question. A bank that asks its customers their opinion on interchange rates will get very few responses. Ask about credit card fees, though, and the bank will be overwhelmed with feedback.

Second, social intelligence can provide real-time insight into the mind of the consumer. Traditional verbatim are processed, organized and analyzed over days or weeks. Social media provides immediate, real-time feedback.

Third, social intelligence can also provide a more detailed view into the audience. Typically, all survey respondents are weighted equally – as, say, women living in Chicago above age 50. If one of those respondents is Oprah, though, and she’s planning a talk show around your product, you will be far better off if you give her response stronger weight.

This leads to the fourth advantage of media intelligence: it can predict opinions and behavior. Oprah is a media force. If she tells customers to buy a product, they will buy it. Monitoring and measuring her comments will let you predict what her audience will think and act on; just as monitoring People Magazine, Aston Kuchar’s tweets, and the plethora of other media mentioning your brand. By tying that media to its impact on your target audiences, you’ll be much better positioned to predict consumer opinion.

Finally, social media enables you to reach out directly to your customers or targets and address their concerns in a media type and manner comfortable to them. You can respond to them in real time, on Twitter, if they’re complaining about a problem. You can collect data from them using your Facebook pages. Blogs and forums are also effective ways to share information customers might be looking for.

**Addressing the Concerns**

Social media may offer advantages, but there are a number of concerns that should be addressed before beginning a social intelligence program.

*People aren’t talking about the questions I’m asking.*

One common complaint is social media discussions may not align with what you want to know. There’s an easy solution to this: ask the question yourself. Social media, in all its aspects, is a great tool for two-way conversations. Post a question on your Facebook page and see what responses you get. Better yet, use a listening platform to ensure you’re collecting all conversations. If you’re just monitoring one or two feeds, say Twitter and Facebook, you’ll miss quite a few conversations. A platform designed to mine all data relevant to your industry will provide
much more detailed information. If you’re still missing the answers you’re looking for, it might make sense to re-evaluate and confirm the questions you’re asking are indeed relevant to the consumer. If you’re asking about hotel design, for example, and all the conversations are about location, it might be time to refocus.

It’s not a representative sample.

It depends on the sample you need. A recent Forrester study found that 80% of online adults are engaging in social media. Sophisticated social media measurement tools will allow you to drill down into audience segments, so you can control who’s generating the information. These tools also allow unique opportunities to eliminate selection bias. Rather than asking someone if they’re interested in health, for example, you can choose to focus on information from sites discussing health issues, or specific conversations about health-oriented products.

As mentioned earlier, sometimes a representative sample isn’t necessarily the right answer. In some audience segments, a New York Times article will have a strong persuasive effect on consumers. If you can weight and measure that effectively, you’ll gain insights above and beyond what a standard sample might provide.

The metrics aren’t accurate.

It depends on the metrics you’re applying. Automated sentiment, across the board, is around 40-60% accurate. This is true of all text analytics tools, though sentiment scores tend to be slightly lower in social media because of the slang used and the shortness of the conversation. A good social intelligence firm will offer native-language human scoring in addition to the automated scores, but be prepared to pay extra for this. Ideally, though, sentiment will be just one part of a broader equation used to weight social media results. The visibility of the message, the credibility of the forum and media where the post originated in, and the relevance of that publication to the target audience should all be weighted along with sentiment.

The applicability of other traditional market research metrics is still an open question. Sometimes media data can be correlated; other times it cannot. This does not mean there is a flaw in social media data. Rather, think of it as a new system with new metrics. Social media is a new tool; old measurements may not apply. That doesn’t mean it’s useless; it means new metrics must be used. In telecoms, the number of telephones per house was formerly a measurement of penetration. Now, while it’s still measurable, other metrics (including dropped calls, coverage, etc) have become equally important.

Social media is owned by another department.

This is a great opportunity for organizational change. The insights an integrated media platform can provide apply across an organization. Market research, customer satisfaction, integrated/web marketing, digital strategy, customer care, communications, R&D, sales and even HR teams can all gain useful intelligence. Social media measurement initially “belonged” to communications, but that is changing rapidly. Now, many firms are creating crossfunctional social intelligence teams to ensure this data is shared appropriately across departments.
How to Choose a Provider

Choosing the proper social media intelligence partner will help mitigate many of the concerns market research teams typically face in adopting social media. Many tools are not designed to provide measurements or insights and will not be a good fit for a metrics-focused market research team.

To find the right platform for your team, start by asking yourself a few questions:

• What are your overall goals for market research? What are you looking for, and how could social media tie into that? If, say, you’re a B2B manufacturer of a very specific widget, one that sells directly to a few technology-oriented customers, your market research may be focused solely on identifying cutting edge technologies. If so, a social media measurement tool may not be useful. If you’re hoping monitoring brand performance, seeking new product ideas, considering new markets, working to ensure existing customer satisfaction, or targeting new audience groups, a monitoring platform will be a valuable addition.

• How does this tie into what other departments are doing? It makes sense to work with other departments, especially those within the marketing and communications team, right away. Together, look for an enterprise-wide platform that can provide metrics and insights that can be used across the organization. You’ll have the advantages of maximizing your budget and ensuring the data you’re measuring is consistent across departments.

• Will you need help developing these insights? As with market research, it takes time to put together truly useful recommendations from social media. Does your team have the capacity, the ability, and the flexibility of learning new ideas to do this properly right now? If not, look for a partner that can provide reporting, recommendations and strategic guidance along with their monitoring toolset.

• Does the social intelligence provider understand the market research space? This is a critical question for market researchers. A firm with ties to the market research industry will be able to define how media intelligence can tie into traditional market research questions. They’ll be able to show you how the data can be applied, and can help your team truly master the information.

• Finally, do the provider’s strengths align with your needs? Many social media monitoring firms are light on measurement and insights, and won’t be a good fit for a market research tool. A firm that understands measurement, and knows how to find the data necessary to make those measurements relevant and insightful, will most likely be a better fit.

The social media world can seem like it’s not living up to the hype. However, firms that are able to recognize the value of this intelligence, avoid the common pitfalls, and find a trusted partner in this area will find their results and insights are far more powerful than before.

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