Applying Social Intelligence to the Consumer Packaged Goods Industry
It’s Time to be an In-the-Moment Marketer

Today, social media no longer represents the cutting edge of consumer marketing. Consumers of all types have become part of your brand’s story. They express opinions about products and brands to their friends and followers. They engage directly on brand Facebook pages, tweet to your Twitter handle, and pin their favorite images on Pinterest. They are even co-creating campaigns and products.

For consumer packaged goods companies, investments in owned and earned social channels are the table stakes. To gain competitive advantage from social, you need to do much more.

IT’S TIME TO BE AN IN-THE-MOMENT MARKETER

The brands that are standing out are the ones that can create and orchestrate meaningful, relevant campaigns in the moment – as events are unfolding. Doing so requires not only a great deal of agility but also a real-time understanding of consumer wants, needs, and behavior. And the traditional methods for gaining that understanding take far too long. After all, topics go viral in social media in less time than it takes to review your agency’s campaign plan.

To innovate and succeed in this new era of consumer marketing, you must be able to:
• Instantly analyze large volumes of data from both owned and earned channels
• Dig into the metrics to truly understand what will engage consumers best
• Apply this information effectively to build deep, meaningful consumer relationships
It’s Time to be an In-the-Moment Marketer

Are you really doing enough to make sure that your social listening and analytics result in real action? And is it all happening fast enough? If not, this eBook will show you how. After all, the stakes have never been higher.

58% of Americans are on Facebook every day.¹

Roughly one-third of shoppers say that they were either introduced to a brand or product, or changed their opinion about a brand or product during the buying process, because of social media.²

About 65% of consumers expect brands to respond if they are spoken to in social media.⁴

When customers engage with a business through social media, they contribute about 5.6% more to the firm’s bottom line than customers who do not.⁵

Brand page following on Social Media sites has doubled in the last two years.³

SOURCES

5. Study by researchers at the University at Buffalo School of Management, Aalto University, and Texas A&M University, http://www.mediapost.com/publications/article/191791/social-media-affects-purchase-decisions-arf-finds.html#ixzz2LYnmeUO7
Campaign Optimization
Be Proactive About Measurement and Adjustment

Social intelligence gives you a way to make adjustments to your campaigns in the moment, when your actions can actually improve performance. You can’t figure out what to do just by measuring campaign reach (essentially, the number of impressions); You need to understand how consumers are receiving the message (their sentiment and passion about it) and why.

Use social intelligence to benchmark consumer opinions before the campaign launches so that you can measure changes. You can measure not only overall brand awareness but also consumer perceptions, sentiment, and passion about your key brand attributes or qualities.

Know which specific ads or promotions are causing consumers to spread the word and when to pull back spending on activities that are missing the mark. Increase your focus on the promotions and themes that resonate most to fuel higher engagement. Find influential people or sites to target, so that you can get the word out faster.

Discover great ideas for future campaigns that speak directly to your consumers’ wants and needs.

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**DRIVING A CAMPAIGN FROM THE SOCIAL COCKPIT**

A large beverage manufacturer created an integrated campaign centered around a major sporting event. The campaign included television, a song, a mobile app, and even a live broadcasting component. During and immediately after the live broadcasting events, it used the social response to identify specific portions of the event to re-distribute and promote via YouTube and social channels. These in-the-moment adjustments helped to make the campaign a major success for the company.
Product Launch Tracking
React to the Market the Instant You Launch

These days, as many as 75% of new product launches never reach their revenue or adoption targets.

Why? Because companies cannot effectively monitor consumer reception to the new product, and they can’t deliver fast, coordinated responses to the issues and complaints that may arise as people begin using the product. They struggle to learn what people like and dislike quickly enough to generate timely product improvements. They lose valuable time to make their products shine.

Syndicated data is the “gold standard” for tracking consumer products. This data is highly accurate, and it’s actionable. Indeed, Marketers have been using it for decades. But it has a big drawback: the seven-week lag between the time a product hits the market and the time that data first trickles back to the manufacturer. In seven weeks, the fate of the product may already be decided.

Social data is new and different, but it’s available the instant that word about the new product gets out. Every team in the your company—digital marketing, brand management, research & development, finance, and operations—can see how the product is doing and gain insights into how they can improve its success. You can track progress at a high level by measuring awareness, perception, sentiment, and passion. You can see what influencers think about your product and where the conversations are happening across the social web. You can understand what’s happening on your owned channels so that you can fuel higher engagement. You can even proactively reach out to dissatisfied customers or offer special incentives to key influencers to get them more involved.

Social intelligence gives you a way to make meaningful changes when they matter – at the critical period about your new product and your brand. when consumers are building lasting impressions

BRAND EXTENSION GOES OUT ON THE EDGE

A food company created a new, adult version of a child’s food item and launched with a very edgy commercial, which first aired on YouTube and subsequently appeared on television. Within the first day, the company received more than 2,000 complaints to its contact center. Before social media, this level of negative feedback would have probably led to the company pulling its ad. With social intelligence data at its fingertips, however, the company chose a different path. It learned that, in fact, the ad’s social buzz was huge and that sentiment was positive. Although consumers were saying that the commercial was “evil,” they were also saying that they loved it – a paradox the company decided to embrace. Furthermore, social intelligence indicated that consumers loved the taste and that they planned to buy/buy again. Initial sales data confirmed the purchase intent data from social media, so the company continued the campaign. Such insight and agility simply isn’t imaginable when making strategic decisions exclusively from POS data.
Digital Channel Intelligence
Improve Your Performance in Owned Social Channels

Virtually all CPG companies are increasing their investments in owned social channels. When asked why they create Facebook fan pages and other owned properties, most marketers will say that their goal is to engage with their most rabid brand fans.

They measure their success using accumulation metrics: views, “likes,” shares, the number of fan comments and posts, and combined measures such as People Talking About This (PTAT).

These measurements seem to tell you how people feel, but do you really understand the depth of their feelings and how to turn those feelings into higher sales? For example, when we have looked more closely at the net sentiment and passion expressed about individual brand posts, we have found that a post with 10,000 “likes” may actually have lower net sentiment than a post with 5,000 “likes.” Measuring engagement as a click is not the same as understanding what it really is that your fans like, so that you can take action to do more of it.

Why is this so important? As the volume of brand communications increases exponentially, it is going to get harder and harder to break through the noise and generate real engagement that leads to viral word-of-mouth marketing and real increases in sales.

Social intelligence looks not only at activity in your owned channels but also at the sentiment and substance of these social interactions – and it does so in real time. Instant social metrics tell you what is happening on your digital properties right now. Key influencers and detractors – consumers with large followings – emerge so that you can single them out for special treatment.

You have a way to make direct interactions smarter by understanding the full context of conversations before you respond to consumers who reach out to you. And finally, know what consumers are saying on your competitors’ digital properties so that you can learn from their successes and missteps.

One final point on digital channel intelligence: this new window into your consumers’ minds gives you a way to do real-time testing on concepts, messages, and campaigns. Try it out online before you roll it out in more expensive, less flexible channels. After all, your most rabid brand followers make up a test audience that’s brand focused, demographic agnostic, and more than willing to help you succeed.

You need to be able to make data-driven decisions about what works, and you need to do it immediately, while your social campaigns are in flight.


BE READY TO DEAL WITH THE SOCIAL LISTENING CATCH-22

If spoken to directly via social media, about 65% of consumers expect brands to respond. However, 41% of Millennials (ages 18-24) and almost 54% of Baby Boomers (ages 55+) say that companies that listen to online conversations are intruding on their consumers. When you design your social listening and engagement strategy, it’s important for you to take your shopper demographics into account. But more importantly, to be sure that you understand what your shoppers are saying, consider the context to their conversations, and engage with the intent of delivering mutual value.
Social Brand Health
Know What You Can Fix

You understand the value of brand tracking studies. Without a realistic picture of your position in the marketplace, it’s virtually impossible to make effective and consistent strategy decisions. But the cost and time involved in traditional brand tracking studies means that few brands get data more than once or twice a year. In the social era, a year is an eternity.

SAP Social Media Analytics customers have used trusted social intelligence to create monthly or weekly processes for tracking and reviewing social brand health. Here are the steps that they take:

• Establish a set of Key Performance Indicators (KPIs) around awareness, perception, sentiment, and passion as it relates to the brand, key brand attributes, and key consumer buying criteria
• Use historical social data to gain and understanding of what the “normal” values and deviations are
• Compare and contrast social KPIs with traditional, survey-based brand insights
• Benchmark by applying KPIs to competitor brands
• Define a process for analyzing anomalies as soon as they are detected

Social media represents a new source of customer satisfaction data. The SAP Social Media Analytics by NetBase Net Sentiment Score is the only social sentiment measure that has demonstrated a 70%+ correlation* with the American Consumer Satisfaction Index (ACSI) across a variety of industries and brands.

You might ask how social brand health metrics correlate to the measures from traditional brand tracking studies. In our experience, you won’t end up with exactly the same result, but you will see a common picture between traditional and social data sources. According to our customers, one of the biggest values of social brand health tracking is around “shrinking the cycle” – getting data more frequently and using that data to tune their marketing activities. The key is to start bringing social data into strategy discussions as quickly as possible and so that executives get the exposure they need to begin trusting this new data source – and to appreciate its value.

Typical consumer insights into ‘light beer’ across social media sites.
Risk Management
Act Early, Respond Intelligently, and Engage Strategically

You know that bad news can spread in an instant through social media. Public relations (PR) and communications teams, as well as regulatory affairs, social media teams, and even customer service, work together at the front line to guard a brand’s reputation against threats. But simple social listening that measures the level of conversation around predefined topics often isn’t enough. You need an early warning system that proactively helps you find issues as they originate in social chatter and clearly understand when and how to respond.

A trusted social intelligence solution can detect sudden changes not only to buzz volume but also to customer sentiment the instant they occur and immediately place those changes in historical context. Know what is “normal” for your business so that you avoid unnecessary actions. Track up-to-the-minute analytics and explore issue themes at all stages of an issue’s lifecycle. Know who is talking and how much influence the individual authors have. Understand geographical patterns and sites where the most conversation is occurring. These insights allow you to engage intelligently with a deep understanding of the issues.

By implementing an effective risk management strategy, you can:
• Cut the cost of issue containment by acting early
• Increase resource efficiency by ensuring that you don’t waste your people’s time on issues that don’t matter
• Reduce negative business impact by engaging appropriately, with a full understanding of issue origination patterns and underlying issues

Risk Management isn’t just about the brand
Some CPG companies use social intelligence to track consumer sentiment and opinions about high fructose corn syrup, aspartame, and other key ingredients in their products. Product packaging and manufacturing processes also may affect consumers’ purchase decisions. SAP Social Media Analytics alerts are an easy way to stay on top of these issues.

When you’re moving at the speed of social, you cannot make good decisions without having complete confidence in the accuracy of your data. However, traditional social listening technologies, which utilize basic text analytics that simply look for the mention of specific keywords, are generally less than 50% accurate in determining the sentiment of social posts. Their accuracy is even lower when brand names are ambiguous (e.g. Cheer).

Furthermore, recent tests by Millward Brown show that across over 30 million conversations, as little as 40% of the total volume of brand conversations may consist of actual mentions of the brand by humans.1

In order to realize the benefits of social intelligence, you need to carefully evaluate the data quality and accuracy of the social intelligence solutions upon which you are relying. And you need to be sure that your team of regular business people can get the information they need the moment that the information matters, without having to enlist the help of programming experts or statisticians.

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How to Get Started

#1: Benchmark
Create a quick health check. More than 90% of our CPG customers use this first step as a way to orient their team to social data and guide the evolution of their social intelligence capability.

Does the program have its own Facebook page or Twitter handle? If the volume of conversation is large enough, do a brand health check using your owned social content. If not, you can generate a brand health check from conversations from across the social web.

Often, a brand health check confirms what you already know about your brand from traditional information sources – and as a result encourages executive confidence in social data. SAP Social Media Analytics CPG customers also see “surprises” on a regular basis – brands they didn’t know people talk about (or don’t talk about), opinions they have, behaviors associated with products, and more. These surprises are actually what helps many CPG companies to figure out what to do next.

#2: Select Program
Choose an important campaign, product launch, or business issue to use to refine your social intelligence process. In our CPG customer base, we see approximately 60% of companies move on to campaign tracking, 20% move on to product launch, and 20% to risk management.

#3: Apply
Create metrics to answer the business questions about that campaign, product launch, or business issue and begin tracking. Look at volume of buzz, net sentiment, passion and the categories of conversation that emerge from the live stream of tweets and posts. Use the social voice to make course adjustments and see the changes reflected in your metrics.

Correlate social data with traditional data sources not only to build confidence but also to demonstrate the opportunities to operate in the moment.

#4: Plan
Put processes in place to regularly track metrics that are trending up or down, so that you can capitalize on opportunities even faster.

#5: Add Channels
If you started looking only at earned social media, use the same discipline to understand what’s happening in your owned channels. If you started in owned channels, begin to apply social intelligence to earned channels.

#6: Analyze and Understand
Conduct deeper conversation analysis to understand the “why” behind your metrics. Incorporate social intelligence into your long-term product planning and strategy development.

#7: Adjust and Expand
Extend social intelligence to additional campaigns and business issues. Continue to learn, react, and refine. Establishing a Social Media Command Center so that you’re always ready to act instantly during your critical campaign cycles and to respond to potential threats.

Ready, Set, Go
Why do the largest brands and the most innovative agencies and technology providers trust SAP Social Media Analytics?

**SPEED**

Social media is a big data issue; capturing all the social conversations involves mining a lot of data. Designed to operate at Internet scale, SAP Social Media Analytics processes tens of thousands of sentences per minute, 24×7, capturing customers’ conversations across owned social channels like Facebook and Twitter as well as the entire social web and online media sites. All this data is instantly accessible to business users through metrics and dashboards that are purpose-built to address specific business problems, from tracking a campaign to finding insights about advertising creative.

**ACCURACY**

There’s nothing more important than accuracy when you’re analyzing potentially ambiguous brand names to create social metrics that guide time-critical business decisions. Our Social Intelligence utilizes our proprietary natural language processing (NLP) engine, which is over 80% accurate in determining not only net sentiment but also granular insights such as opinions and emotions. Combining our NLP technology with text analytics and machine learning, we deliver the highest accuracy in the market.

For more information connect with us at:

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**EASE OF USE**

Our solutions are powerful, yet they have been designed for business users. You don’t have to “train” our platform to understand your data; our linguists have done the hard work for you. You don’t have to know Boolean logic or write complex rules to setup and modify the product. And you don’t need a PhD to make sense of the data and metrics.