Social Business Analytics

Gaining business value from social media
Overview
It's estimated that nearly one and a half billion people visited a social media site last year. And they all had something to say, whether good, bad or indifferent. Social media now affects virtually every area of life from journalism and entertainment to world politics and most certainly business. Social media has changed the relationship between business organizations and their customers, partners and employees. Here are some figures that provide a sense of the present scale of the rapidly growing social media phenomenon:

- 1.43 billion people worldwide visited a social networking site last year.¹
- Three million new blogs come online every month.²
- Last year, one million new accounts were added to Twitter everyday.³
- Facebook has 850 million active users every month.⁴
- 80 percent of internet users say they prefer to connect with brands via Facebook.⁵
- 65 percent of social media users say they use it to learn more about brands, products and services.⁶
How does social business analytics transform business processes?

**Marketing:**
- Easily see and measure the value of social media to justify a capital investment.
- Integrate and implement an end-to-end social media strategy.
- Provide insights into current campaigns and an input into future plans.

**Sales:**
- Develop personalized offers that resonate with customers to increase sales.

**Product management:**
- Understand consumers in new markets and their specific cultural attributes.
- Develop and evolve products and solutions from direct social media analysis.

**Customer service:**
- Understand real customer issues and identify trends versus one-of-a-kind issues.
- Respond to and resolve customer issues before they become major problems.

**Human resources:**
- Develop a deep profile to understand your corporate culture and what motivates valuable human capital.
- Understand what prospective employees think about the company and how to attract employees who would be a good fit.
United Stationers tracks social media insights

United Stationers, a leading distributor of business products, uses IBM solutions to help track both internal and external social media content. Through its ability to analyze and interpret data, the company is able to improve its internal social networks by reducing one-off communications, increasing group participation and delivering critical marketing messages to its sales staff. It can also monitor mentions of the company name in external social media such as tweets, blogs, Facebook and other online sources.

IBM solutions have enabled United Stationers to improve productivity through more effective employee social media communications, and improve its products and processes through intelligent interpretation and analysis of social media listening data.

Transforming social data into effective action

Most social media data exists as unstructured text data found in myriad networks, communities, blogs, forums and online comments. The challenge for a business is to access and analyze that data and then fully integrate it into its own enterprise data and organizational processes. Social business analytics can help organizations achieve this capability. It transforms social media insights into action by connecting analytic results with the communities of employees who can distill the information to deliver real business results. It also provides the foundation from which organizations can link the measurement and the tactical execution of social media strategies to their bottom line revenue generation. By integrating social media intelligence into their operational and decision-making processes, social business analytics helps organizations:

- **Understand what customers and employees are thinking.** Sentiment analysis provides businesses with fast, accurate and actionable insight into social communities and media to optimize marketing campaigns, enhance customer and employee relationships, build advocacy, encourage loyalty and use the insights gained to guide the development of better products and services.
• **Reduce the guesswork in decision-making.** Predictive analytics, used in concert with social media monitoring tools, help organizations anticipate which decisions and actions will generate the biggest returns in every area of the business, from sales and marketing, product development, finance, operations and human resources.

• **Find and enable experts to take action.** Internal, collaborative social platforms and reporting systems can help drive business growth by connecting the right resources and experts to respond quickly to customer and corporate needs that are identified in social media.

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**BBVA gains new customer insight**

BBVA is a global banking and financial services organization, based in Spain. BBVA uses IBM solutions to monitor the comments of current and potential customers on social media websites such as Twitter, Facebook and message boards. They also identify and track expert opinions about BBVA and its competitors on blogs and forums, and follow news stories where the bank is mentioned in order to gain insights and detect possible reputational risks.

Thanks to IBM solutions, BBVA can now consistently respond to and gain insight into customer needs and feedback, measure the success of its outreach efforts and approaches to engaging stakeholders and customers, and make better business decisions based upon insights gained from social media content.

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*Figure 1: Social business analytics can help companies understand customer sentiment, anticipate new opportunities and outmaneuver the competition.*
The benefits of social business analytics
Social business analytics provides the ability to capture opinions and preferences expressed in social media, and then apply predictive analysis to identify new opportunities and determine hidden patterns and trends. In this way, it provides substantial benefits across a wide range of functional areas mentioned below.

• **Marketing.** For marketing tactics to be relevant, persuasive and generate revenue, it is essential to develop them with a comprehensive customer profile in mind. The more comprehensive the profile, the greater the ability to craft a successful marketing program, and the more individualized the offers can be for customers. Social business analytics help businesses create customized campaigns and promotions that resonate with customers and social media participants.

• **Sales.** Sales organizations must be able to provide tailored offerings that match the needs and buying patterns of their target audiences. Social business analytics help sales organizations understand customers and focus on the opportunities that will create the most profit. It can also help them predict customer behavior and preferences, so they know the next best actions to take to keep customers happy and take advantage of cross-sell and up-sell opportunities.

• **Product development.** Most products are developed with little input from customers. Social business analytics allow product teams to crowdsourcing innovation, capturing and focusing on real customer requirements. The immediacy and breadth of social media content provides a valuable pulse indicating where new and emerging markets are likely headed, and which existing ones are likely to expand or yield diminishing returns in the future.

• **Customer service.** Using social business analytics, customer service teams can apply sentiment analysis and predictive modeling to hone in on existing and emerging problems. Service organizations can proactively address customer needs and complaints before they surface as significant problems. This approach not only improves customer loyalty and satisfaction, but also acts as a valuable safety net for managing threats to brand quality and a company’s reputation. Moreover, social media analytics can be used as an additional data source to forecast call center demand and ensure timely and accurate responses.

• **Human resources.** Human resources organizations often rely on surveys to gauge employee satisfaction and productivity. By mining social media, including internal collaboration communities, HR can develop sophisticated profiles that improve the corporate culture, enhance talent management and help the organization grow. HR can also mine data from external social media sites to develop an understanding of the organization’s reputation to improve recruiting efforts and attract the best talent for important positions.
A large hospital improves patient care

Using IBM solutions, a large hospital in China is able to leverage hospital data into actionable insight, mining patient data along several dimensions for optimal treatment and disease prevention. The solutions facilitate an environment of collaboration, enabling informed decision making through internal social networks, as well as creating the ability for doctors to engage in telemedicine to improve patient accessibility to healthcare. By collecting and analyzing disease trends and treatment outcomes from disparate data sources, the hospital can now implement evidence-based medicine to improve patient outcomes.

With IBM solutions, the hospital has improved patient care, patient satisfaction and operational efficiency, reducing wait times by 50 percent.

IBM Social Business Analytics solutions

IBM’s social business analytics solutions can help your company take full advantage of the actionable insights within social media to help you get closer to customers and employees. With a full range of innovative technologies including IBM® Social Media Analytics, IBM SPSS predictive analytics and IBM Connections, our solutions can be easily integrated to work with each other and help your organization to:

- Capture consumer data from social media sources to determine behaviors, attitudes and opinions.
- Analyze social media data to understand advocacy, social conversations and trends.
- Build models to predict behavior and recommend the next best action.
- Engage and act to monetize social media insight with highly personalized offers and promotions.
- Create your own social media network to help employees collaborate and share important information and business processes.
IBM Social Media Analytics

IBM Social Media Analytics is an analytics application designed specifically for social media. It uses sophisticated software to assess the volume, sentiment and trends in social media conversations across an expansive range of online sources across the globe. You can use this information to guide your organization’s marketing strategies to be more precise, agile and responsive to consumer demands, allowing you to target or calibrate marketing campaigns to grow market share, enhance reputation and improve customer experience.

IBM Social Media Analytics also provides valuable insights into other critical business functions such as supply chain, customer service and product development. It works by analyzing “snippets” of text that contain the user’s search terms and loading retrieved snippets into a database. You can then search this database by date, region, keyword, the sentiment of the feedback and other factors to gain insight and analyze attitudes toward your brand, products, services, employees and partners—both at a macro level, or by drilling down into the actual conversation.

Customized analytic results are provided in configurable, easy-to-understand, charts and dashboards that can be distributed to the right people across your organization. IBM Social Media Analytics integrates easily with existing analytic platforms and business processes to help you act quickly on social media insights to improve customer satisfaction, enhance brand reputation, mitigate problems and anticipate new opportunities.

Figure 2: IBM Social Media Analytics analyzes social media content from many sources to determine customer sentiment of your brand, products and services.
**IBM SPSS predictive analytics**

With SPSS predictive analytics solutions, you can take data from social media interactions and use it to analyze customer behavior in a way that helps you tailor marketing campaigns to attract new customers and increase cross-sell and up-sell potential. The content that IBM Social Media Analytics analyzes in the form of “snippets” can be fed into the powerful SPSS text analytics platform. You can then mine snippets to determine categories and groups of consumers and then survey identified segments, such as social leaders, to ascertain demographics, interests and preferences.

By combining social media data with predictive capabilities, organizations can go beyond 1-to-1 marketing—building marketing campaigns targeted at specific customer segments, and delivered at the right time, through the right channel and with the offer most likely to be accepted. Understanding the key concerns of a particular segment enables you to build “intervention” offers or messages designed to assuage and mitigate customer issues, preventing churn and making customers more loyal and profitable. SPSS predictive analytics help you augment your view of customers with additional critical data and analysis to help you predict what customers want and will do next.

**IBM Cognos Business Intelligence**

IBM Cognos Business Intelligence and performance management software provides you with the integrated dashboards, scorecards, reporting, analysis and planning and budgeting capabilities you need to gain and act on social media insights. With products for the individual, workgroup, department, midsize business and large enterprise, Cognos software is designed to help everyone in your organization make the decisions that achieve better business outcomes— for now and in the future.

Cognos software lets all relevant stakeholders across your organization understand what is working and what is not in your social media initiatives, so you can make smarter decisions, outperform the competition and ensure that customers remain satisfied and loyal.
IBM Connections

IBM Connections is an open and secure social software platform that helps organizations build collaborative social networks, share critical business processes and anticipate and respond to emerging opportunities. With the ability to deploy on premise, in the cloud and on any mobile device, it helps connect your employees and customers and deliver real business value through powerful social analytics and metrics.

IBM Connections can help you eliminate guesswork by discovering trends in content, social activity and expertise for better decision making across your organization. It brings mail and calendar into the social context by integrating key messages and calendar views and functions into your social environment. IBM Connections also provides access to business critical actions from a wide variety of applications, including third party applications. Employees or customer users can take action quickly on content and events through recent, relevant social and integrated business process activities occurring in their personal network or community. IBM Connections helps unlock creative collaboration everywhere with anytime access to professional networks and communities.
Conclusion

The richness of social media data found in networks, communities, blogs, forums and comments on the web can provide exceptional business value. By understanding what customers and employees are saying about your company’s products and services you can make smarter decisions and take more effective action to build a competitive advantage. IBM offers a full range of social business analytics solutions to help your organization capture, measure and analyze social media data and share those insights with the right people across your enterprise.

To learn more about how IBM solutions can help you gain the full benefits of social business analytics, please visit: ibm.com/socialbusiness.

About IBM Business Analytics

IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals. For further information please visit ibm.com/business-analytics.

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