



harnessing the virtual megaphone

Social media's role in customer satisfaction and loyalty research

Much has been written about the role of consumer-generated reviews in guiding consumers' purchase decisions online and off. Many innovators like Dell and Best Buy have made waves by leveraging Twitter's immediacy and reach to handle consumer complaints. But how do social media channels affect customer satisfaction and loyalty research?

In this special *Marketing News* roundtable— assembled by AMA CMO Nancy Costopulos— Joseph Hopper, president of Evanston, Ill.-based Versta Research, moderates a discussion among industry experts about social media's efficacy and power as a customer satisfaction research tool. What follows is an edited transcript.

moderator



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participants



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Joe Hopper: There is consumer-generated social media, there is company-owned social media, there is broad-based social media—Twitter, Facebook and so on—and then there is more focused media, whether it be blogs or video sites, or consumer review sites [like] Amazon, Planet-Feedback [and] Yelp. Where do you see the most potential? How are you, right now, thinking about social media and customer satisfaction and loyalty research, and how all that fits together?

Justin Schuster: My take is that it's all those sources and it's important to listen across all those different areas. ... Even in those short, little [Twitter] posts, there can be a cry for help or a sales opportunity, and the opportunity to respond and shape the perception of the brand, so it's important to really take a look at all of those different channels. As companies get more familiar with what's being said about them in those different contexts, then they can begin to prioritize.

Christina Engelhardt: Twitter used to be just a public microphone for 140 characters worth of anything you wanted to say. Now I think people may be shifting towards, 'I'm tweeting because I'm hoping somebody's going to do something about it in real time.' That's a very different shift we're seeing. But in general, people don't have a lot of personal gains when posting to a review site. ... Understanding what the person's hoping to get out of that post, I think, is important.

JH: Is social media about research at all or is it another CRM? Listen to your customers, respond to them, put on a good face, don't make mistakes and send out the right message: Is that about research?

Tom Hartley: It's kind of like hot alerts or it's like customer complaints: It's a source of information that you can mine and you have to treat it that way. That said, [one of the uses] is research, finding out what the problems [are]. Maybe then, you shunt that over to the tracking research and find out: Is this a widely held problem or is it a few squeaky wheels we're talking about? At the same time, it's food for customer service, also, because one on one we see people on Twitter being addressed as customers: [Companies are asking,] 'How can I help you?'

Randy Brandt: On the research-related side, I think there are going to be things that we do with the content of various social-media-based messages that will be very similar to what we do with inbound customer communications, with what we do with other texts and qualitative data.

JH: To what extent do you think social media can start to supplant or replace other channels of information?

JS: I see it as a new data set that's available for everybody to take advantage of and it's free, so that's exciting. But I just don't see it supplanting [other research channels]. I think it's very difficult within social media to understand the demographic of the individuals that are providing information. It's very difficult to link that information to what you already know about those individuals with respect to things like purchase history.

Some people love responding to surveys and some people never will, and some people love writing posts on Twitter and others will never give that a shot, so I think that there is a danger in only using one form to derive your insights because you'll end up, inevitably, with some sort of a bias. It's important, instead, to look at this as a new opportunity for extending the insight that you can get by looking cross-channel.

The VOC integration, basically, is trying to make these multiple sources of data work together and that turns, essentially, on being able to come up with some uniform way of categorizing the content from these sources so that you can examine it on an apples-to-apples basis.

Once that's done, basically you have an opportunity to use the content in two ways: You can look at elements of the customer experience that ultimately drive loyalty in relationship to which multiple data sources are telling you the same thing. ... Then, what gets really interesting is when ... you're going through this triangulation process and ... you've got one data source that is leading you to one conclusion and a second data source that is not supporting it. I think that's where we, as market researchers, have to stick to our guns and say, 'Alright, if we've done our work properly ... until there's evidence to the contrary, we can probably continue to argue that the data we're getting are more projectable, more representative from surveys than these other sources.' That doesn't mean you ignore the other source or even subliminate it, but it means maybe you think about those discrepant situations a little bit differently.

JH: So correct me if I'm wrong but it sounds like all of you are arguing, in some way, that survey research is really the gold standard, the core, the place where we're really going to find the truth and land on our projectable numbers. And other channels—customer call centers, social media, complaint cards, whatever it is—are supplemental, interesting ... almost like focus groups: not projectable, but important and necessary. Would you agree with that or not?

Scott Waller: I wouldn't. ... It's a very important, inescapable part of the mix and researchers have to play in optimizing the management of that resource.

CE: I generally say that the more reliable is going to be the traditional research. That being said, I don't want to downplay the power of social media's agility not only as a research tool, but as an action tool. ... If I put out a certain kind of campaign through the same channel that's also my research channel, I can change the trend more quickly than traditional research can even measure it. So with viral campaigns and all different types of social outreach, I think its value comes in being able to play both sides of the fence.

I'd love to see some research on how comfortable consumers feel about their places being infiltrated by the company and how that affects how candid they are, and whether they feel that they're being

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JUSTIN SCHUSTER, MARKETTOOLS INC.

RB: Each of these data sources has the opportunity to be examined for convergence, so the focus that, certainly, we at Maritz have been vigorously pursuing—and I think it's going to become an industry-wide thing—is what I call VOC [voice of the customer] integration.

manipulated and watched, and how that changes their interaction and their incentive for writing in that place.

JS: And I'm sure individuals are going to start cluing in to the fact that by having larger networks, they receive a higher quality of service. ... People are less trusting of the messages that come directly from corporations and more trusting of the messages that come from peers and what they say about something. That creates the opportunity with social media for groups to rise to power who have an opinion and ... can help shape others' opinions. Organizations need to figure out how to engage with those types of influencers on a really proactive basis in order to shake the perceptions that are out there.

JH: Do you have any examples ... that illustrate the powerful impact of using social media on your customer satisfaction and loyalty research?

RB: Maritz has recently done an analysis in which we combined inbound customer communications that came in through the website and through the call centers with information scraped from a variety of consumer-generated websites—mainly third-party-focused like PlanetFeedback—along with analysis of traditional media combined with the analysis of survey data in order to do that sort of convergence analysis that we've described.

It has identified two specific action items that have become the top priorities for service improvement with this client. Those action items would not have risen to the top had the analysis only focused on highly influential bloggers or traditional media alone, or even the survey research alone. It was the confluence of all of them and the convergence of certain findings that enabled this organization to pinpoint two issues.

JH: Why wouldn't the survey research alone have done that? What was it about the social media that ... kicked it up?

RB: Well, it wasn't just the social media; it was the inbound customer communications along with traditional media. ... [The two customer service issues] would've been revealed by the survey research ... but it's the ability to reinforce and corroborate ... [the] survey findings with these other sources. With certain audiences within executive management in the organization, these other sources simply have more weight and [can help] make a persuasive case to the market-

ing management as a group based on showing them that a convergence of different data sources leads to particular conclusions.

TH: We've worked with a handful of different companies—airlines, telecom and consumer electronics—and we count the number of times that the brand is mentioned, [and] the positive and negative coding of those comments. ... One of the things that we found really important is to have the ability to drill down into those spikes to find out what they really mean so that you go beyond not just relying on the machine coding 100%, but being able to read them to find out what they're really about.

Honestly, at this point I'm not convinced yet that it's telling us anything that we're not finding from other sources. The spikes that we see are kind of the spikes that you'd see if you looked at Associated Press [articles] on the Internet. They're not wildly surprising, but on the other hand, the source is really very different, so we are expecting to get some surprises. We just haven't had them yet. It's very new, really.

CE: [Over] the last few years, I've worked with a number of clients who are trying to do what Randy's talking about: pulling together all of our internal sources along with the external Web to see how we can make a holistic picture here for management. But on a more tactical campaign basis or single-use basis, I've seen a CPG company use social media research as pre-qualitative to drive what we put into our quantitative streams, making sure that the attributes we have in our batteries are on target and that they represent the wide range of emotions people might be feeling.

I've also seen people do segmentation research and then say: 'Here are our eight segments; these are our four priorities. Let's do some social media research to tell us more about these segments than we can learn from just transactional data or survey data. Tell us what their hopes, their fears and their dreams are, where they're spending time online, what their friend profiles look like.' That has informed where they place ads [and] the type of language they use in marketing offers to those different segments ... and just gives more nuance to research segments.

JS: We've worked with consumer companies that are looking for brand insight, and we'll do [concept] tests or brand studies and then seek to augment that with some social media information that we gather from the Web. Primarily, we're looking at the number of positive and negative mentions, and breakdown of themes and coding of sentiment.

When it comes to more of the B-to-B side of things, it's, for us, been a bit more about helping to open social media as another channel for interacting with customers. ... There's opportunity that people find to expand their early warning networks, so they've got more sources of information that help to give them early insight into what might be a problem and what might be an area that they need to take some proactive action about.

JH: Is social media going to create a seismic shift in how we do customer satisfaction and loyalty research?

JS: Yes. It already is and we're having to factor in a new, rich set of data and figure out where it fits in the context of the greater whole.

TH: I would say, no, not a seismic shift, but it definitely is a great, new source of information. ... It identifies the differentiators that companies may not have known that they had. It identifies 'dissatisfiers' that they might not really be aware of.

The other thing that comes out of it is the ability to bring things to life the way that focus group videotapes sometimes do, so you hear what the customer says in their unedited language and then you hear the posts that respond to that in equally, you know, emotional kinds of terms.

CE: I'm not sure I would say seismic in that it changes the way the research exists, but I'd say seismic only in that it's a disruption to the status quo and it's forcing research to be more real-time, more agile, and to start thinking about new methodologies to incorporate these new data sources. Kind of a shake-up more than a redirect.

SW: If seismic is windows getting stuck or doors getting jammed and maybe a small foundation crack, I think yes. But if it's buildings falling down and societies crumbling, no. I think the main thing that it'll add is the element of speed and immediacy, but I don't see it having the richness and the safeguards of traditional research.

RB: I don't know whether that alteration in the landscape is going to be one that's more focused on simply the introduction of a new technology or a set of technologies by which people can convey messages and exchange information, or whether it's going to be the content itself, the messages themselves. I think the impact on the industry could be very different depending on which of those [alternatives] comes to the forefront. **m**

This roundtable discussion was hosted by Cisco TelePresence and AT&T.