

MEASURING SOCIAL MEDIA AND COMMUNITY BUILDING INITIATIVES

An Overview for Analysis
of Social Media (10-802)

Delivered by:

Ari Lightman
2//2011



95-800 Measurement and Analysis of Social Media

- CMU Class:
 - 95-800 Measurement and Analysis of Social Media
 - Semester long graduate course
 - Experiential setting – case studies, projects, presentations and panels
 - TOW – Diaspora Project, Quora, Hunch, Rapleaf, SM in Crisis (Egyptian Unrest), Ping
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Project Based Course – Some of our Sponsors



THOMSON REUTERS



i n v e n t



▶ SM History and Issues

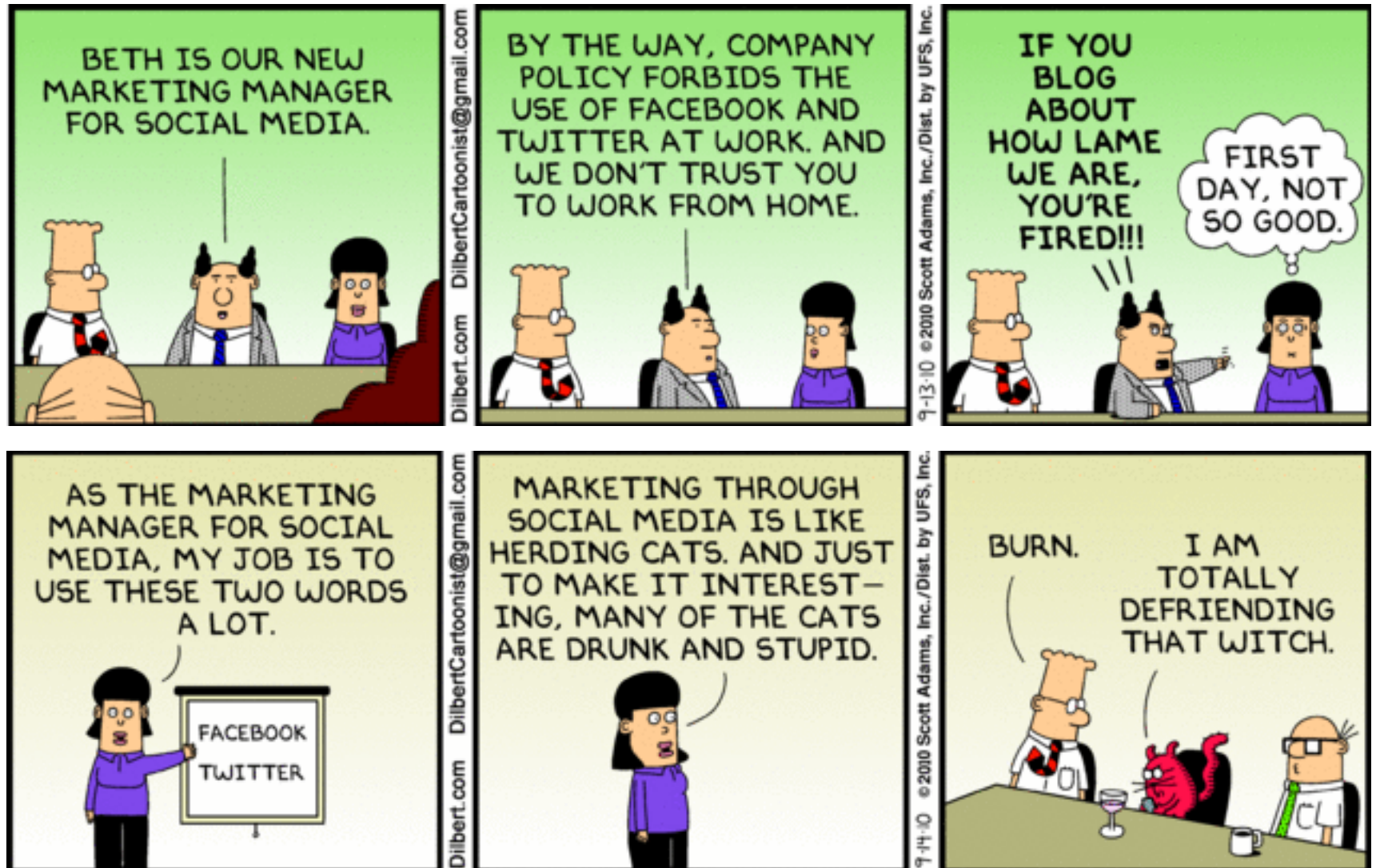
▶ Tools and Platforms

▶ Cases

Introduction to Social Media



Lets start off with something amusing



Social Media Justification (only one)



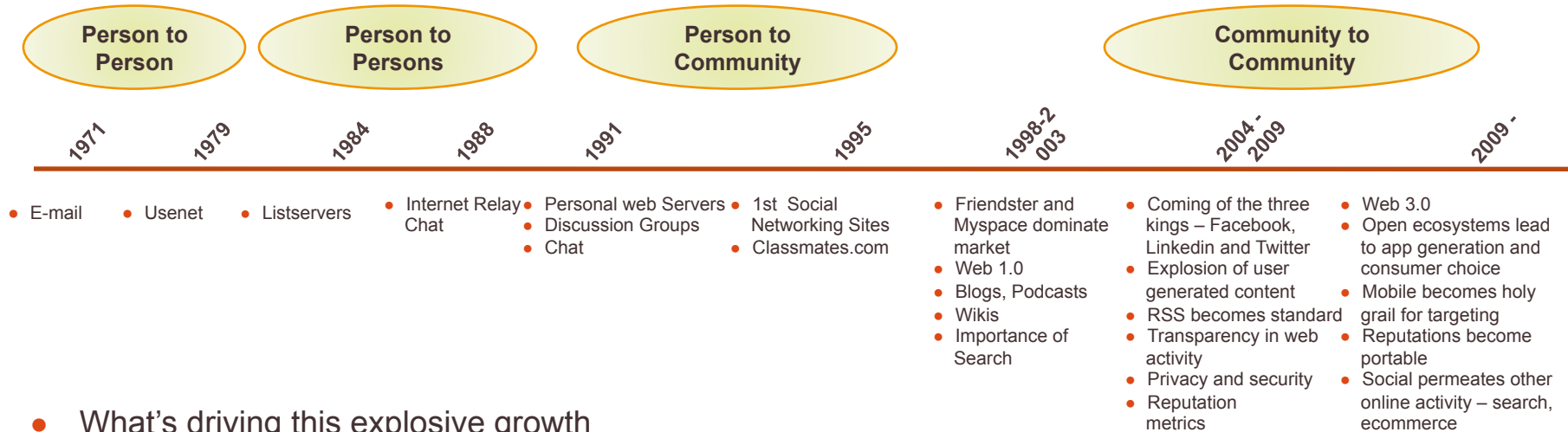
* Social Media Refresh, Eric Qualmann, 2010



Social Media Evolution

“Social media describes the online technologies and practices that people use to share opinions, insights and perspectives with each other” - wikipedia

Enabled through blogs, feeds, media sharing, networks, and mobile technologies, people are meeting, sharing, organizing and collaborating



• What's driving this explosive growth

- People feel empowered, engaging directly in conversations with brands
- Growing disbelief in top-down driven messaging driving collective wisdom of crowds
- Added levels of engagement with application (widgets), contests (debates, quizzes, challenges) and content (podcasts, webcasts, chat with featured commentators)
- Reputation rules – need to engage to build trust
- Open ecosystems and data portability
- Better connectivity through the mobile channel

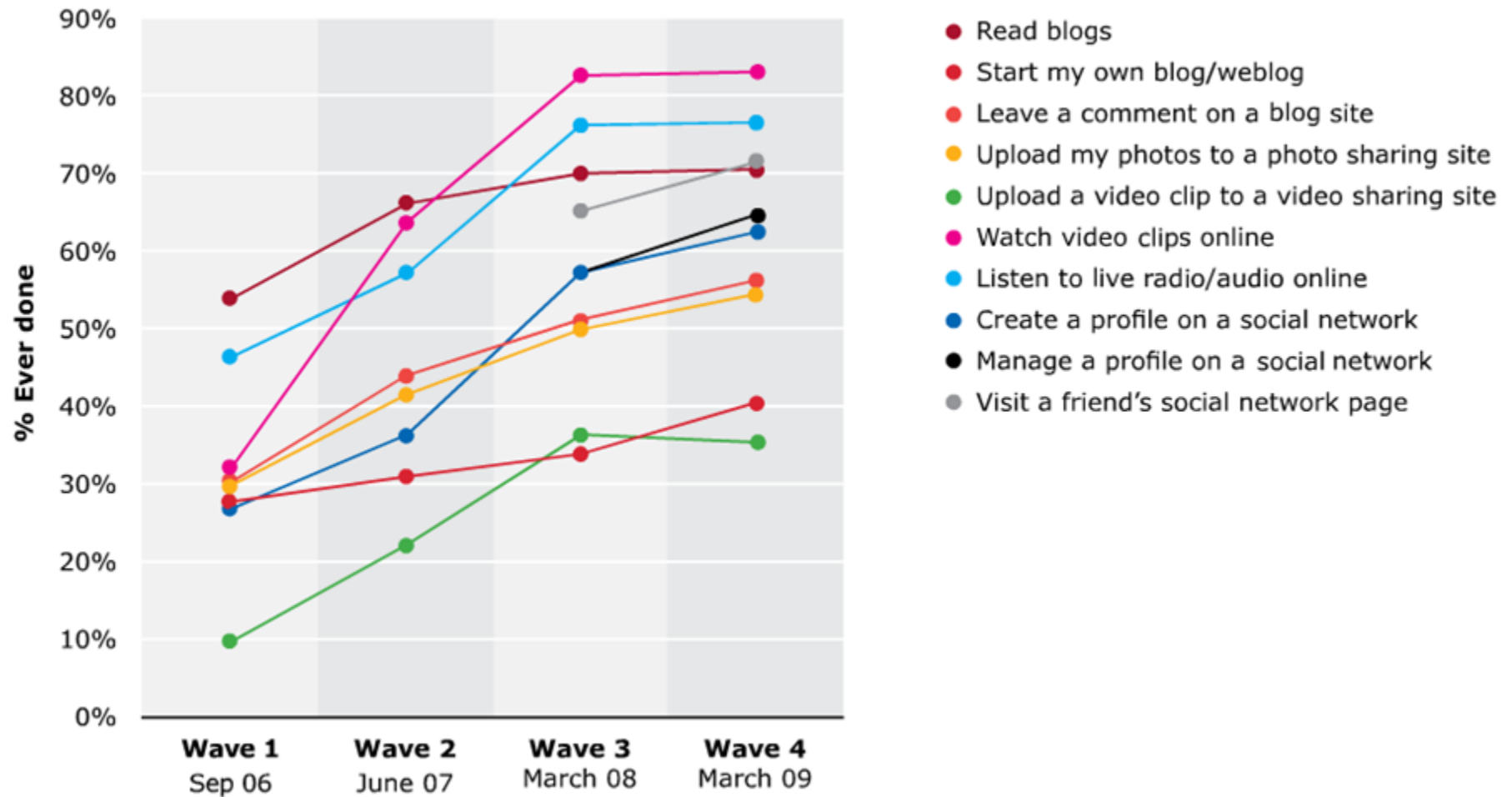


Heading into 2010...

- The Recession
 - Spurred social media utilization
 - Unemployed rediscovered networking and tools to uncover jobs, highlight qualifications, connect to recruiters and research companies
 - People with more time on their hands engaged in more social media activity which included blogging, micro-blogging, submitting reviews on products and services, etc..
 - Marketers found social offers bigger returns for lower costs. More brands began to engage directly with customer
- Data Portability became a reality (well not really)
 - Social networks started connecting with other systems
 - LinkedIn allowed third party applications to share community members data
 - Facebook connect allowed individuals to use their Facebook login for other sites
- Real time became just in time
 - Influential bloggers and content creators found that by voicing their disgruntlement with products and services they could inflict brand and company based damage
 - 8/09, prominent tweeter inflicted brand and reputation damage to Whirlpool even though they responded within hours
 - Twitter found out that this was important and signed a deal with MS and Google for access to its real time content
- Privacy and Security issues took front stage and even curtailed usage
- The social web went hyper local engaging long tail

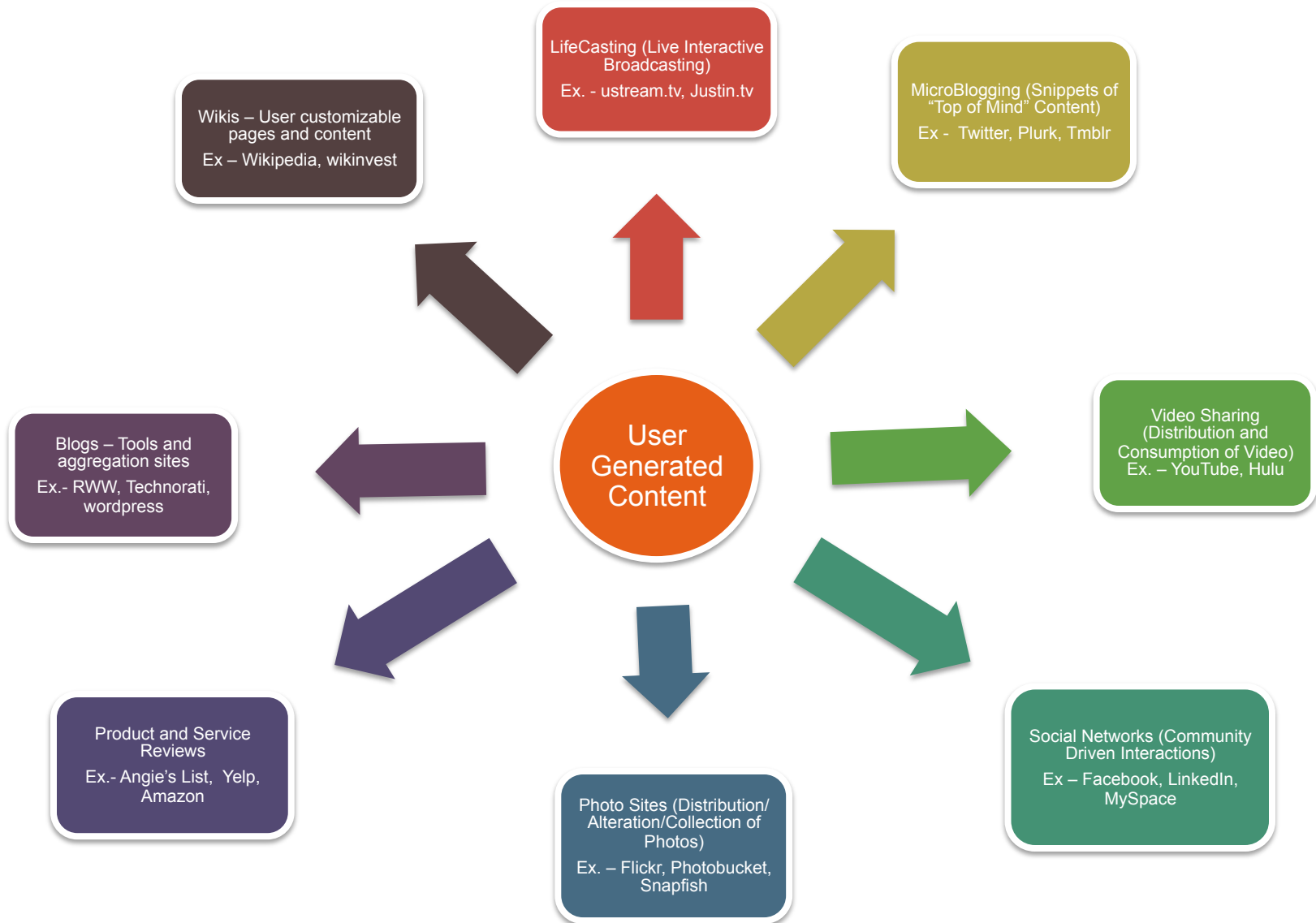


Social Network Adoption Increases



* Universal McCann, Power to the People Social Media Tracker Wave4 2009





Source – Overdrive Interactive, 2009 <http://www.ovrdrv.com/maps/>



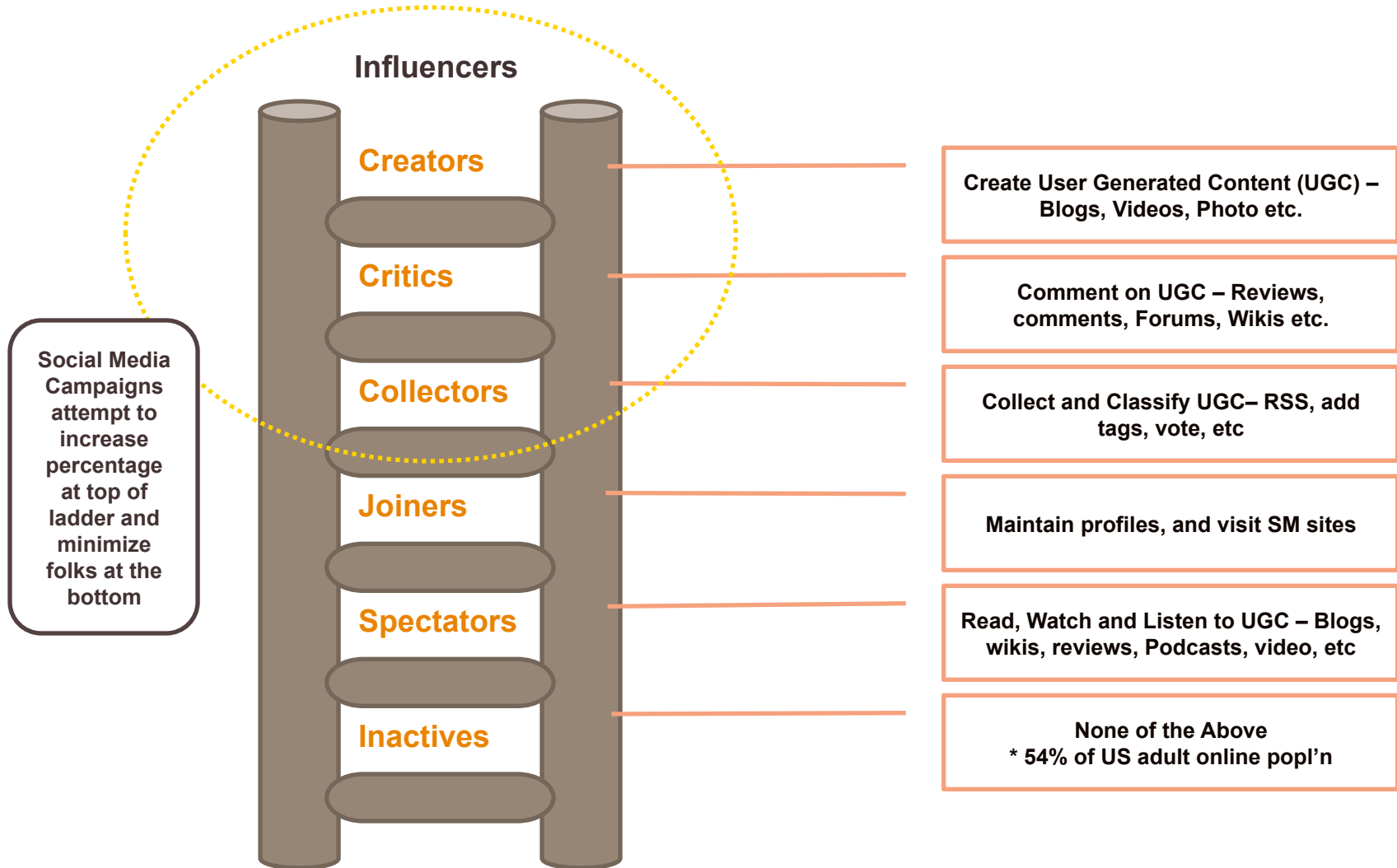
Examples of Network Proliferation

Community	Description	Numbers
aSmallWorld	European jet set and social elite	270,000 *Invite only
Badoo	General	37 M
Bebo	General	40 M
BlackPlanet	African-Americans	20 M
CouchSurfing	Travelers and local communities	1.5 M
devianART	Art Community	9 M
eons	Baby-Boomers	
Facebook	General	350 M
Flixter	Movies	63 M
Foursquare	Location Based Network	170 K
Friendster	General	90 M
Geni.com	Ancestry	15 M
Haboo	Teens	117 M
hi5	General	80 M
imeem	Music, video	24 M

Community	Description	Numbers
Last.fm	Music	30 M
LinkedIn	Business	53 M
LiveJournal	Blogging	17.5 M
Mixi	General	24 M
Multiply	Real World Relationships	10 M
MySpace	General	471 M
Netlog	General	59 M
Odnoklassniki	General	40 M
Orkut	General	67 M
Plaxo	Business	15 M
Qzone	General	200 M
Skyrock	General	22 M
Tagged	General	70 M
Twitter	Micro-blogging	44.5 M
Windows Live Spaces	Blogging	120 M



Technographic profiles of Community Members

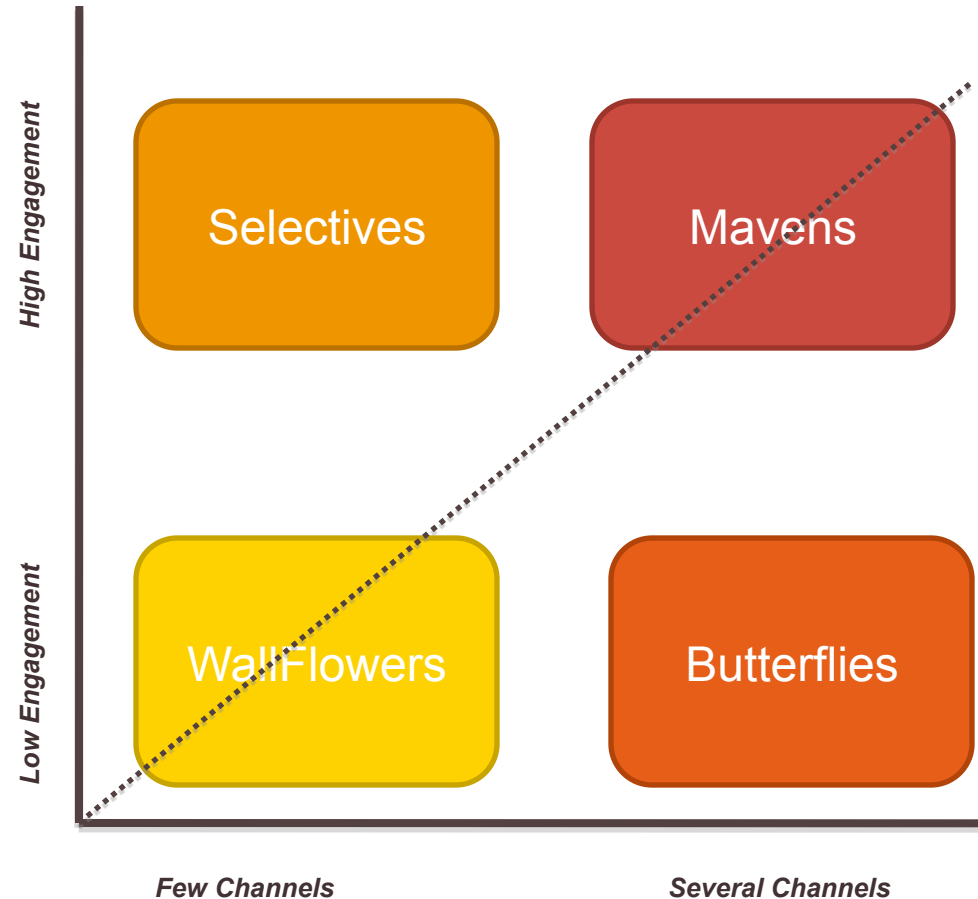


* Forrester, 2008



Spectrum of Engagement Profiles¹

- **Mavens** – engaged in several channels sustaining high level of engagement. Make social media a critical part of a go-to-market strategy (e.g. Dell, Starbucks)
- **Butterflies** – engaged in several channels but with lower than average engagement. Struggling to get full buy-in and are spreading themselves too thin (e.g. American Express, Hyundai)
- **Selectives** - engaged in few channels with higher than average engagement. Social media efforts often started by an evangelist on a shoestring budget (e.g. H&M, Philips)
- **Wallflowers** – dipping their toes in the social media waters. They are trying to figure out this new medium, cautious about the risks and uncertain of the benefits (e.g. BP, McDonalds)



¹Charlene Li (Altimeter Group) and Wetpaint, 2009



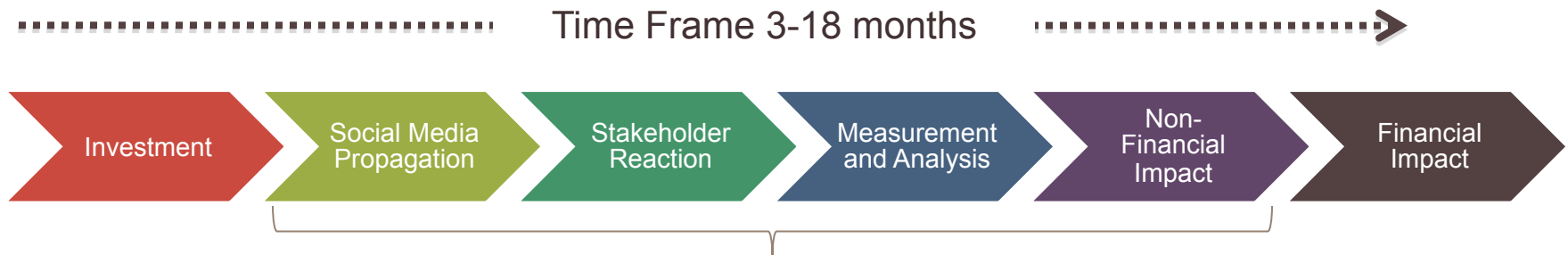
Benefits of Tapping into Online Content

- Create more effective market campaigns and measures by capturing prevailing sentiment (CI)
- Reduce risk of wasting marketing \$\$ on marginally successful campaigns that fail to create ROI (CR)
- Fine tune programs to strategically address changing consumer sentiment (PR)
- Augment strategies and tactics through deploying crowd sourcing initiatives (MI)
- Assess response to marketing/new product ideas prior to launch (MI)
- Identify gaps in perception and messaging (PR)
- Track consumer sentiment to drive strategies (MI)
- Reduce cost associated with service (CS)
- Gauge performance vs. peers and other competitors (MI)

PR	CI	CS	MI
<ul style="list-style-type: none">• Public Relations• Extension of current Activities	<ul style="list-style-type: none">• Customer Insight• NPS, WOM, Referrals	<ul style="list-style-type: none">• Customer Service• Reduction in cost, better service	<ul style="list-style-type: none">• Market Int.• Customer insights, real time



Sequence of Steps



Not involved in Fin Impact Assessment

- IT
- Marketing
- Accounting
- Legal
- Advertising
- Consulting
- PR
- Cost vs. Results vs. Trade offs

- Social Media Strategy
- Twitter Presence
- Facebook Page
- LinkedIn group
- Influential bloggers
- Forums
- Review sites

- Followers
- Friends
- Views
- Mentions
- Reviews
- Content

- NPS
- Influence
- Engagement
- Share of Conversation
- Sentiment/Tonality
- Thresholds/Alerts

- Website Traffic
- Click throughs
- Press Mentions (Pos. & Neg.)
- WOM (Pos. & Neg.)
- Increase in Engagement

- Cost reduction
- Revenue Generation
- Establish a baseline and look at progress
- New customers from social channels
- Volume (Frequency and Yield) of transaction from social channels

Mine through activities, social data, web data, transactions and loyalty metrics to find the true benefit associated with social media activities (signal through the noise)



Is This Class a Community?

- Why? What sort of community? Moderated?
- How would you measure activity?
- How would you differentiate key stakeholders?
- What content are we creating?
- How would you communicate this community to outsiders?
- What metrics would be important to monitor and analyze?
- How would you define engagement and influence?

Tags –

Social Media Class, 95800, MISM
Class, Hamburg Hall 1502
Wednesday Nights, Professor
Lightman

Demographics –

- School: Tepper, Heinz – PPM/
MISM/ MSIT/MEIM, CS
- Region: NA, SA, Asia, Europe
- M/F
- 1st Yr/2nd Yr
- PT/FT

Reach -

- Within Team
- Within Class
- Outside of Class - Network,
sponsors, guests

Sentiment/Tonality

- Positive
- Neutral
- Negative

Technographics -

- Creator
- Critic
- Joiner
- Collector
- Inactive
- Spectator

Constituents –

- Students
- Professor
- Project Sponsors
- Invited Guests
- Teams



▶ Introduction to Social Media

▶ Tools and Platforms

▶ Cases

Tools and Platforms



Company Profiles – Scout Labs

Background: Founded in 2006 and HQ in San Francisco, Scout Labs provides cutting-edge technology and a collaborative platform for companies and their agents to listen to customers and engage with them out across the Internet

Strategy – provide a subscription service that allows customers to monitor blogs, news articles, forums and SN sites for trends in opinions about products, services or news topics

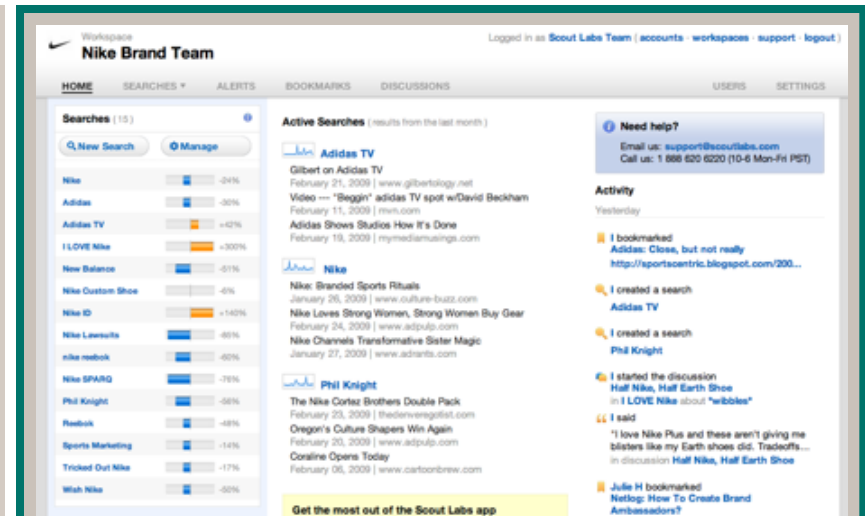
Services –

- Brand managers start by creating concurrent searches for each brand they want to track
- Users can then see each blog post, video or image that has to do with the brand, and the interface shows how mentions increase and decrease over time

Toolset –

- Six main sections to the Scout Labs dashboard: Blogs, Sentiment, Graphs, Photos, Videos, and Twitter
- Analyze each blog post. Their software decides if it is negative, positive or neutral towards the brand. They are also able to rank the source of the content to highlight more influential sources

Notable – Each workspace costs \$250 and lets you monitor 25 concurrent “searches” (aka keywords or phrases)



The Scout Labs dashboard is designed for use by teams of brand managers. When you sign up for the service, you're allowed to invite an unlimited number of colleagues into your workspace

Results: Scout Labs is one of the new breed of social monitoring and analysis platforms focusing on brand managers and examining sentiment across multiple outlets and content types



Case Studies – Jive Software

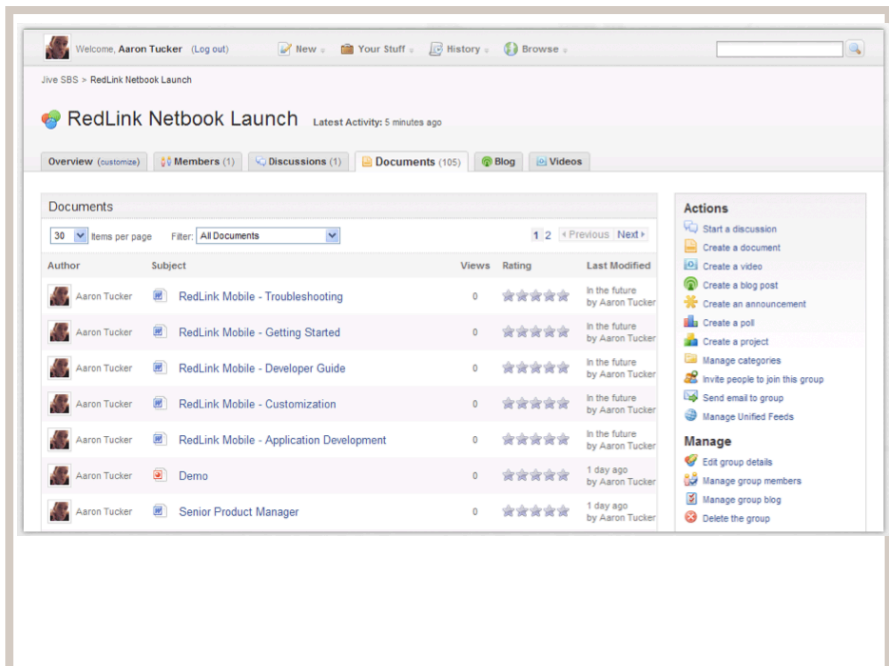


Overview

- Founded in 2001, Jive is one of the largest and fastest growing of the all comprehensive social business platform vendors
- They have raised a total of \$57 M in funding mostly from Sequoia
- Combine community software, collaboration tools, SNS, and social media monitoring within one platform
- High level customers like Intel have created highly interactive communities - [OpenPort](#)

Products, Applications and Features

- **Jive SBS** – Team member blogs, wiki docs for group editing and discussion tools
- **Clearspace** – Enterprise-level team collaboration software with features like discussion tools, blogs and group-edited wiki-docs.
- **Openfire and Spark** – Open source server software with features like archiving, voice & telephony, reporting, shared groups and group chat. Spark is an Open Source, cross-platform IM client optimized for businesses. It features built-in support for group chat, telephony integration, and strong security



Jive is one of the leaders in the enterprise social platform space, recent integration with Sharepoint will accelerate adoption and reduce barriers to entry



Case Studies – Pelago

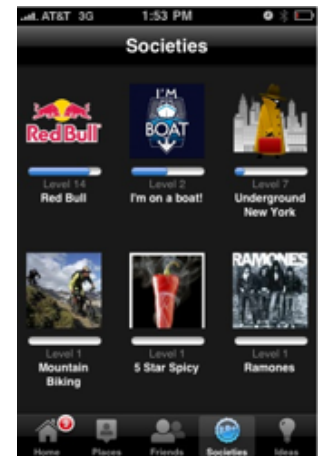
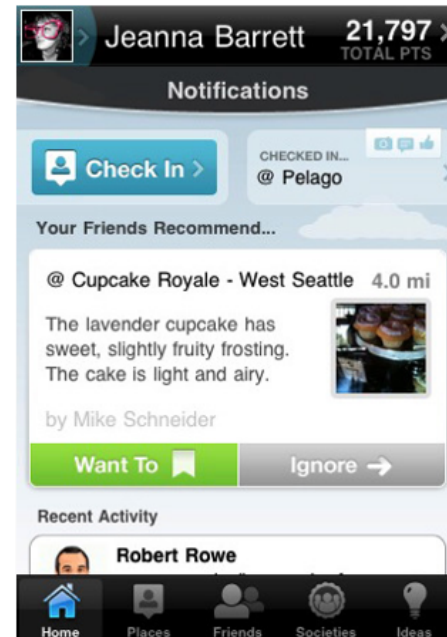


Overview

- Founded in 2006 in Seattle, WA. Has raised over 22 M in funding (Kleiner)
- Main product is Whrrl, location centered discovery app, with about 350K users
- Nearly 30% of users engage with service on a daily basis
- Adding 2 to 3 K users/day
- Currently, only available on the US and on the iPhone

Products, Applications and Features

- **Societies** –Groups for networking in the real world – food, art, outdoor pursuits, hobbies, etc. Members provide recommendations and photos/notes to capture real world experiences
- **Points** – members receive points as they try new things and inspire others, prove their adventures by sharing photos and text. Leveling up in societies unlocks rewards from merchants and brand partners
- **Business Opportunities** – Offers to reward loyalty. Encourages members to get merchants to join the network



Pelago (Whrrl) is one of the legacy location based social services but gaining utilization points over Gowalla and Foursquare, what will that mean associated with B-opportunities?



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Cases



Case Studies – Motrin

Motrin®

Background: Johnson & Johnson, the makers of Motrin, posted an online video ad in 11/08 suggesting that Moms who carry their kids might get back pain and benefit from the drug for relief. Mommy Bloggers and other social media leaders were outraged and took offense to the Ad's messaging

Issue – Bloggers began calling for boycotts. Bloggers asked their readers to alert the mainstream press

- Became the most tweeted subject on Twitter
- Video response to the Ad virally disseminated around the web, viewed 12K times

Tactics –

- Launched campaign right before weekend and was not prepared to respond to backlash
- Company sent personal messages to influential bloggers
- Company eventually took down ad and issued apology

Lessons Learned –

- Test your campaign with a small segment first
- Respond ASAP
- J&J did not know how to approach and provide the right messaging to their target audience
- Leverage opportunity – Motrin mentions, website activity, community



Results: This Ad campaign could have led to a robust social media strategy for J&J but they failed to take advantage of it



Case Studies – The Ranger Station (Ford)



Background: On 12/9/2008, The Ranger Station, a Ford Fan Site, was issued a cease and desist letter asking them to take down their URL and provide \$5k in compensatory damages. Jim Oaks (owner of TRS) posted to the site's online forum "TRS is being attacked by the Ford Motor Company"

Issue – Jim Oaks received a incriminating letter from Ford and asked his community for help

- Jim's post received 916 of heated responses
- Scott Monty, Ford's Global Digital and Multimedia Communications, found post 1 waiting for him
- Escalating oil prices and Government bailout of auto industry compounded issue leading to poor sentiment and mistrust

Tactics –

- Scott monitors Twitter regularly and responded promptly with post 2
- Scott kept his 5500 followers abreast of the situation and provide continuous updates as well as enlisted his followers to RT reaching close to 14K followers (post 3)
- Scott paid close attention to negative sentiment generated through twitter, post 4

Lessons Learned –

- Post 5 explained Ford's position from a marketing and branding perspective. Scott worked out amicable solution and told community
- Ford's customer service department answered 1000 e-mails that day related to the post

- *@ScottMonty This is about as bad as PR gets for Ford right now! Very bad move thats going to cause loss of sales: <http://tinyurl.com/5o6jb8>*
- *7:29 a.m. @JRegner Thanks for letting me know. I'm looking into that this morning.*
- *11:31 a.m. For anyone asking about the Ford fan sites and legal action: I'm in active discussions with our legal dept. about resolving it. Pls retweet*
- *4:32 p.m. How do you repay your online evangelists? Well if you're Ford Motor Company, you step on their necks & demand \$5,000 <http://snurl.com/7r12q>*
- *4:56 p.m. Here is Ford's official response to the fansite cease & desist debacle <http://is.gd/b3qd> #ford Please retweet*

Results: By proactively monitoring social media, keeping the community addressed of the situation and resolving the situation, Scott effectively put out a PR fire storm in 24 hours that may have alienated very vocal fans



Case Studies – Proctor & Gamble

Background: Proctor and Gamble is a Fortune 500 CPG manufacturer that spends \$7.9B/year to advertise its products WW. But how do you create a campaign to sell feminine hygiene products to girls?

Strategy – Develop a community site about everything girls deal with, make it interactive and a way to learn while having fun. Adhere to social technographics of girls aged 12-18

Tactics –

- Girls can share their most embarrassing experiences
- Bring in a trained psychologist (Ask Iris) to answer questions
- Offer content that the target demographic would like i.e. music
- Provide interaction through sharing, games and other activities that draw in visitors and increase value

Lessons Learned –

- Leverage offline media , beinggirl.com featured at schools that company distributes for health classes
- Figure out based on technographics of target segment whether you can build a community or join one already in existence
- Make branding very subtly and tucked into the background
- Number make sense even with a professionally hosted WW community site that's about \$3M/year to run



Avoiding any direct sales effort and providing value to the community first was key to delivering a successful Web 2.0 marketing campaign

Results: 2 M+ visits/month, community approach 4x more effective than traditional marketing (P&G Analysis), BeingGirl.com has gone global and is now available in over 50 languages



Case Studies – Threadless

Background: Threadless was built as a site to run T-shirt design competitions. Community votes on the design they liked best and Threadless produces and sells the T-shirts. How do you grow the model and successfully build the community?

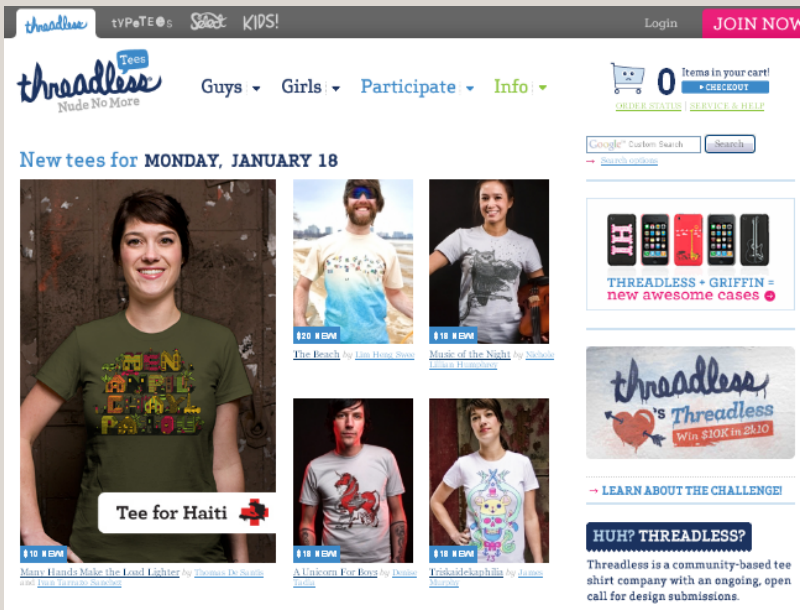
Strategy – Create a site with little overhead and little professional design expertise – no advertising, no agency, no designers, no sales force, no distribution strategy

Tactics –

- The first contest was held in November 2000, Shirts went on-sale in 2/01 and sold out immediately
- Hundreds of thousands of people were using the site as a kind of community center – blogging, chatting about designs, socializing
- Shirts sold for \$15 & revenue growth at 500%/Year (mid – 2008)
- Low costs led to 30% margins and listening to community resulted in every design batch being sold out
- Use social channels to send out news to people when new T-shirts are available and information on new sales when they start

Lessons Learned –

- Leveraged word of mouth, kept costs to a minimum and incentivized design submissions both virtually and monetarily



"Know what interests customers and build on that, whether it's a design challenge around innovation and technology for CES or Zombies and Monsters"

Results: 50 person company with \$30M in revenue in 2009 with 1.5 million followers on Twitter and 100,000 fans on Facebook garnering close to 300 submission/day



Case Studies – Greenpeace and Nestle



Background: Greenpeace developed campaigns of awareness around deforestation in the Rainforest and linked Nestlé as one of the contributors based on its partners within the value chain (guilt by association)

Strategy –

- Greenpeace used all social media channels and developed images, content and video for concerned citizens to share their feelings with Nestlé in a WW campaign

Objective –

- Old Fashioned “Letter Writing Campaign” using Social media to spread awareness and force company into compliance
- Developed Kit Kat Killer logo disseminated on Facebook
- Created viral video which received over 1.5 M views
 - Video removal from Youtube resulted in cries of censorship and the reposting on Vimeo
- Greenpeace focused on education around value chain, communities affected, harmful environmental practices, etc.

Outcomes –

- New policy - commits Nestlé to identify and exclude companies from its supply chain that own or manage 'high risk plantations or farms linked to deforestation
- Implications for the entire value chain including Cargill (Nestlé Palm Oil Supplier) and Sinar Mas (Palm Oil and Paper Supplier)



Greenpeace complimented its online content with demonstrations staged all across the world. This further promoted awareness and increased pressure on Nestlé to comply and reverse policies.

Results: Greenpeace is now working with TFT (The Forest Trust) to develop Responsible Sourcing Guidelines for Palm Oil. Studying the transferability of Guidelines to the Pulp and Paper it uses.



Suggested Reading

- Books

- “The Facebook Era: Tapping Online Social Networks to Build Better Products, Reach New Audiences, and Sell More Stuff “- Clara Shih
- “Socialnomics: How social media transforms the way we live and do business” - Erik Qualman
- “The New Influencers: A Marketer's Guide to the New Social Media (Books To Build Your Career By)” - Paul Gillin
- “Groundswell: Winning in a World Transformed by Social Technologies” - Charlene Li
- “Now Is Gone: A Primer on New Media for Executives and Entrepreneurs” - Brian Solis

- Blog Collections

- [Mashable](#) – The Social Media Guide
- [ReadWriteWeb](#)
- [TechCrunch](#)

- Individuals

- Jeremiah Owyang - [Web Strategy](#)
- Rob Cottingham - [Noise to Signal](#)

- Social News

- [Huffington Post](#)

