Crimson Hexagon

Business Insights from Social Media Data

Applications of Social Media Analytics

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Introduction

This guide dives into the various use cases of social media analytics—from audience analysis to product development—and shows the different ways everyone across the enterprise can use social media analytics to make more informed, data-backed decisions.

If you're unfamiliar with the basics of social media analytics, we recommend that you read our "Fundamentals of Social Media Analytics" guide, where we introduce topics such as the types of data, the differences between social media listening, analytics and intelligence, and how social media analytics can help businesses gain valuable insights.

The following guide will go much deeper into questions like:

- How can I use machine learning to uncover deeper insights from social data?
- What are different frameworks for trainable data categories?
- How can social media analytics help me uncover trends in my industry?
- In what ways can I better understand my audience?
- And more...

From CMOs and category directors to analysts and product managers, our clients have seen how different departments throughout the enterprise can leverage social analytics for their own business goals. We hope this guide helps you better understand the different applications of social media analytics in various business environments.

Analyzing Social Data with Machine Learning

Three Frameworks of Custom Categories

When working with unstructured data, it's crucial that analysts have a high degree of flexibility so that they can create custom categories that apply specifically to their companies. In broad-scope landscapes like social media platforms, **the data has to be categorized in a way that's relevant to the researcher's question in hand. This is where custom categories come into play in social media analytics.**

What are custom categories?

In our recent blog post about Gaining Business Value from Unstructured Data, we defined custom categories as a Gmail filter.

"Fundamentally, filtering in Gmail is adding a label or tag to emails, so that it can count and group emails of the same kind together. If properly trained, Gmail's Inbox classifies emails into user-built Topics like Promotions, Downloads, Invoices, or whatever you need to categorize. This model looks for patterns in the content of every email—such as keywords, phrases, authors—and assigns it to the most pertinent category; it doesn't follow pre-defined parameters"

Through the creation of custom categories, machine-learning analysis provides a degree of flexibility and nuance that leads to more relevant insights and deeper results. From industry analysis to branding analysis, machine learning can provide key social media insights to organizations.

Two Approaches to Social Data Analysis:
Rules vs. Patterns

A keyword-based approach to data analysis, an example of a rules-based method, only analyzes a limited scope of data because of its rules and constraints. When analyzing unstructured social data, a keyword-based approach isn't enough to gain actionable business insights.

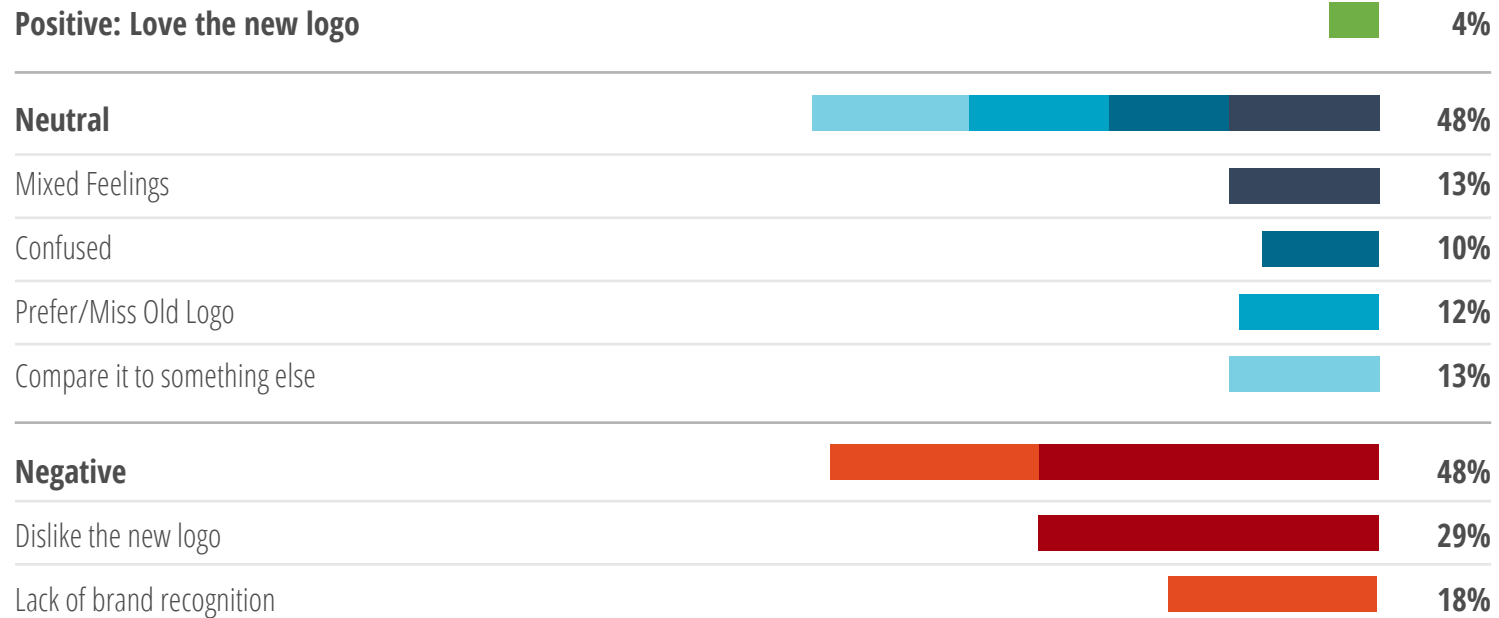An example of a keyword-based approach is the Google Search Engine:

When you're searching for information about a certain topic in Google, such as "what is social media analytics", the results shown in the search pages usually contain the majority of the inserted keywords (and don't provide results that don't but could still be relevant to the question), and this is why the traditional keyword-based approach can sometimes be limiting.

Unlike keyword-based analysis, machine learning classifies examples of data by looking at patterns to measure and group the social conversation into relevant categories.

When we talk about a pattern-based approach, we're referring to a method where a social media analytics tool is **trained with examples of what you're looking for in each custom category instead of categorizing data through fixed, specific keywords.**
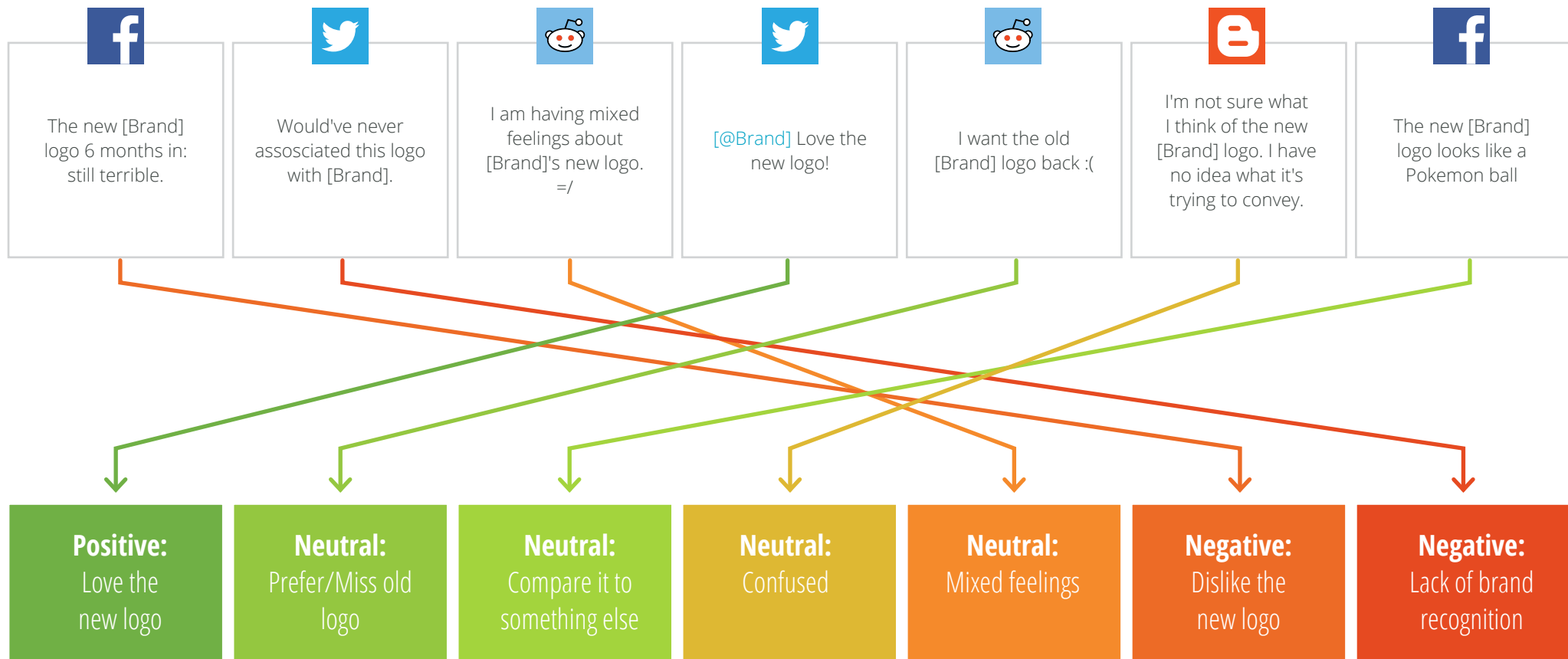
Sentiment Analysis: Reaction to New Logo

Positive: Love the new logo	**4%**
Neutral	**48%**
Mixed Feelings	**13%**
Confused	**10%**
Prefer/Miss Old Logo	**12%**
Compare it to something else	**13%**
Negative	**48%**
Dislike the new logo	**29%**
Lack of brand recognition	**18%**

In the example above, we've analyzed public reaction on social media to a company's logo redesign. **The different categories shown are created and customized by the researcher, and they describe the components behind the positive and negative sentiment.**

In this case, the tool would be trained by picking a few posts such as "I really hate their new logo" and "someone needs to be fired for this logo" and dragging them to the "dislike new logo" category. Through the pattern-based approach, the tool can recognize this pattern, and crawl the remaining untrained posts and place them in their respective categories.

Unlike focus groups and other market research methods, custom categories in social media analytics provide researchers an unsolicited, therefore unbiased source of consumer perceptions.

The new [Brand] logo 6 months in: still terrible.

Would've never associated this logo with [Brand].

I am having mixed feelings about [Brand]'s new logo. =/

[@Brand] Love the new logo!

I want the old [Brand] logo back :(

I'm not sure what I think of the new [Brand] logo. I have no idea what it's trying to convey.

The new [Brand] logo looks like a Pokemon ball

Positive:
Love the new logo

Neutral:
Prefer/Miss old logo

Neutral:
Compare it to something else

Neutral:
Confused

Neutral:
Mixed feelings

Negative:
Dislike the new logo

Negative:
Lack of brand recognition

This pattern-based solution provides the ability to measure the effectiveness of each category, and improve it by modifying the examples and the parameters in each category until it provides the most reliable results. For example, if we learn through the social media posts that an additional category is needed, or that one post is really a negative comment but not in reference to the logo specifically, we would have the flexibility to make the necessary changes to get the most relevant results.

The ultimate goal is to crawl and provide insights through the pattern the tool has derived from given examples. Providing examples to the tool gives it more flexibility, and allows it to identify these patterns on its own, and automatically classify them into custom categories for the remaining data.

Basic Frameworks of Custom Categories

In our article about Gaining Business Value from Unstructured Data, we discussed the value of using custom categories. Depending on the business goal, the use of these categories varies depending on the business goal. Although there are infinite frameworks researchers can work with, the following examples show how custom categories can help derive business insights.

In this section, we'll dive into the three following frameworks:

Product or Service
- ✅ Product qualities such as features, design, performance
- ❓ *What drives buyers to purchase or not purchase the iPhone 7?*

Brand
- ✅ Brand values, marketing, customer service
- ❓ *How does safety play a role in Volvo's brand reputation?*

Brand-Agnostic
- ✅ Sentiment around product category as a whole, industry research, trend analysis
- ❓ *What are the unique audience interests of greek yogurt consumers and how could this help inform brand strategy and messaging?*

How to Set Up Custom Categories

Custom categories still require Boolean strings in the beginning to define the overall scope of the conversation. By including keywords and elements such as AND, OR, or NEAR, the researcher can narrow the conversation so that it's relevant to the research question.

In the example of the company changing the logo, the Boolean string would use keywords such as "X" (company name) AND "logo". After deciding the scope of the conversation, the tool can be trained to include only results related to the company's logo.

Ultimately, machine learning allows analysts to group social posts into categories that are relevant to the strategic question at hand. By training machine-learning platforms and teaching them to focus on topics that matter and ignore irrelevant posts, the platform can provide a more profound level of insights.

Framework: Product or Service

Custom categories can be used to analyze social conversation around a particular product or service. In this category framework, basic sentiment around a product or service (such as positive, neutral, and negative) can be divided into several categories that will further drill down into the reason behind the sentiment.

This specific approach is applied when brands want to analyze the success of a new launch, the performance of a current product, or even their competitors' offerings.
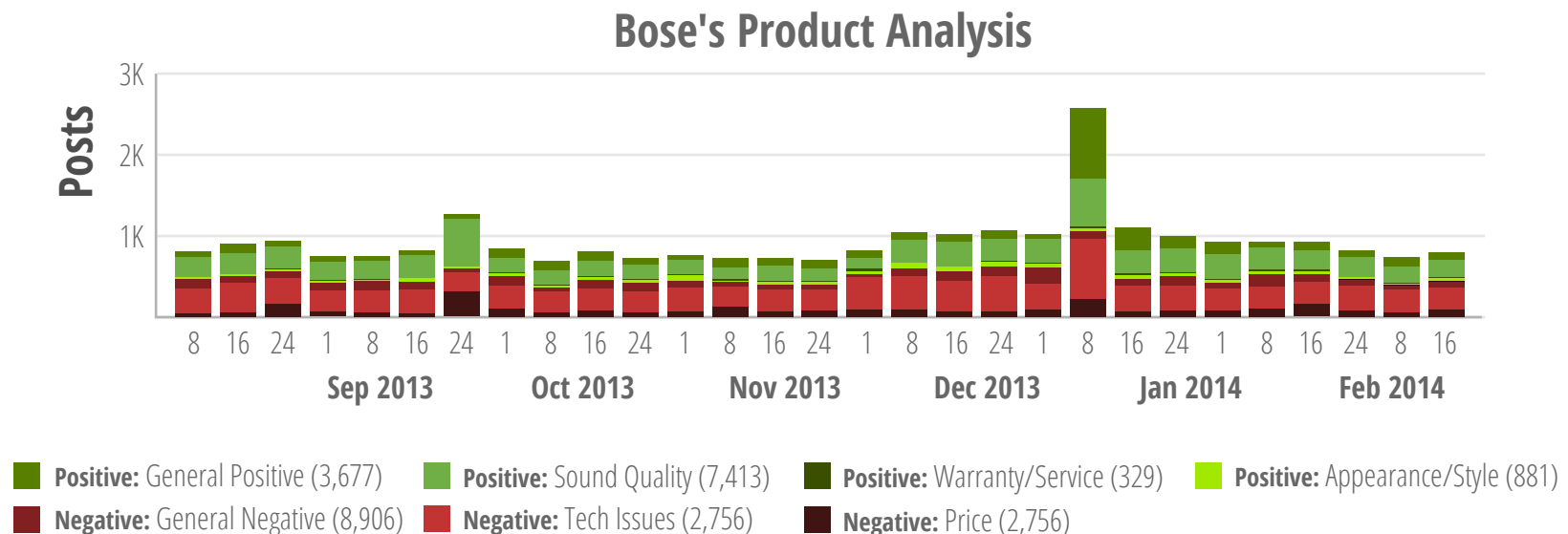
One of the most popular research queries around products or services is **purchase intent**. By creating a category that allows the tool to identify if there's conversation around purchase intent in social media, companies can understand the potential of their product or service and forecast for the future.

Another advantage is that the product development team can

search for product feedback in social media to understand how to fix common issues and improve their offerings. By knowing what issues or complaints arise in social conversations, they are able to offer the product that customers will be most satisfied with.

A viral example of this is the iPhone 7 and the removal of the headphone jack. Researchers can use social listening to dive deep into this specific feature, and find that most of the conversation is focused on users talking about the following: (1) the potential for losing the wireless headphones (2) not having a place to connect the aux cord (3) disliking the AirPod's design, (4) wanting to buy the AirPods (5) as well as loving going cordless.

Another example of this product framework is the following analysis of the social conversation around Bose's product in the Beats vs. Bose Case Study. In this case study, Bose's product analysis showed how positive sentiment was primarily driven by excitement with the exceptional sound quality from Bose products.

Bose's Product Analysis

Legend:
- **Positive:** General Positive (3,677)
- **Positive:** Sound Quality (7,413)
- **Positive:** Warranty/Service (329)
- **Positive:** Appearance/Style (881)
- **Negative:** General Negative (8,906)
- **Negative:** Tech Issues (2,756)
- **Negative:** Price (2,756)
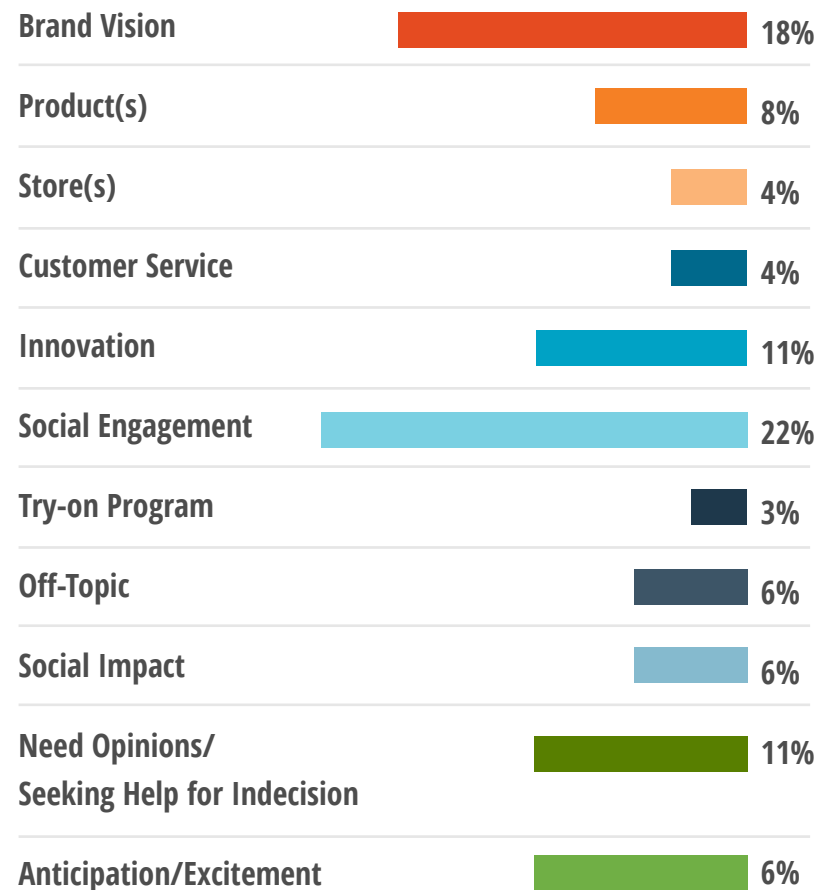
Framework: Brand

Another way to leverage social analytics tools is to create categories that provide insights about your brand. In this research, brands want to understand what people are saying about them on social media.

Many brands use custom categories to learn about specific areas of their business. For example, they might want to understand whether people are satisfied with their customer service, or if their most recent social media campaign was successful. With a specific research focus, brands can understand the core areas of their business, their weaknesses, and how to improve to optimize their brand identity.

One common use case for social media analytics is **"brand crisis monitoring"**. Think of Wells Fargo being sued for creating two million fake customer accounts to boost sales. By listening to social conversations, businesses like Wells Fargo can understand to what extent their illegal activity changed public perception of their brand.

In the following example from our guide designed to help agencies create data-driven pitches, we can learn the most prevalent topics of conversation around Warby Parker's brand. In this case the main topics were their social engagement, brand vision, and innovation.

Warby Parker Analysis

Category	Percentage
Brand Vision	18%
Product(s)	8%
Store(s)	4%
Customer Service	4%
Innovation	11%
Social Engagement	22%
Try-on Program	3%
Off-Topic	6%
Social Impact	6%
Need Opinions/ Seeking Help for Indecision	11%
Anticipation/Excitement	6%

Framework: Brand-Agnostic

Many organizations use social media analytics to search and understand the environment surrounding their brand performance. For this approach, brands have to be more forward-thinking and curious, looking for big ideas that defy their current understanding of their business.. This 'unbranded' framework has no pre-set definition and it purely depends on what organizations are trying to find.

One of the use cases for this category framework is **trend discovery within an industry**. Many brands are diving into social media to learn what's popular, and how they can incorporate that trend into their own offerings.
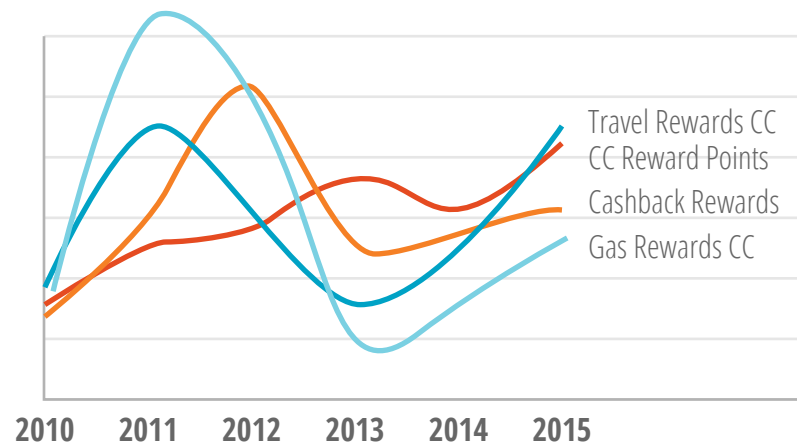
More specifically, understanding what consumers are looking for in a general product or service category can help inspire departments, such as product development and marketing, to market more desirable products or services to the right people.

Assume that your business doesn't exist; *what does the landscape look like without you? What external forces may impact your business?*

If you're a major brewing company, you would stick to a research topic that is relevant to your business, such as monitoring conversation around emerging beer flavors.

If you were a financial company offering credit cards, wouldn't you want to know what people say when they talk about credit cards? Wouldn't it be critical to understand why consumers choose one credit card over another? In the following visual from the Social Insights Financial Services Trend Report, you can see which type of credit card rewards led the conversation.

Trends in Credit Card (CC) Rewards Conversation: Twitter

Travel Rewards CC
CC Reward Points
Cashback Rewards
Gas Rewards CC

2010   2011   2012   2013   2014   2015

The possibilities and results you can get from using custom categories are not limited by these previously outlined frameworks, though the above represent some common use cases using social data. Applying custom categories to the research or business question can provide enterprises the flexibility to work with data that would otherwise be very complex to handle, or tediously difficult to gain insights from.

Custom categories, based on machine learning, can provide valuable insights on brand perception, purchase intent, competitors, industry-level trends, topic audience, and many, many other areas.

Spotlight: Industry Research

Many organizations use social media analytics to find unbranded conversations with the goal of understanding the **external environment aside from their own brand performance**. In this section, we will dive deeper into how to use social media analytics in brand-agnostic conversations for trend discovery within different industries.

Used as a tool for market research, social media analytics allows organizations to listen to broad, general industry conversations instead of focusing on specific brands or products. Think of it this way: **in unbranded analysis**, instead of researching "Bose's QuietComfort 35 wireless headphones", **you would simply conduct a general research about "wireless headphones"**.

Whether businesses are trying to grasp popular trends or sentiment towards a product in the market, this type of general research consists of a larger database relevant to their topic to help them understand the industry better and make better-informed decisions.

Imagine that you work for Nestle and you're assigned to create a new campaign for their latest Nespresso that will be available to the market in a few months. Before you get started, in order to have a clearer idea on how to create a successful ad, you'll have to do some market research to understand your audience, their buying behavior, as well as general research related to the Nespresso's main offering: coffee.
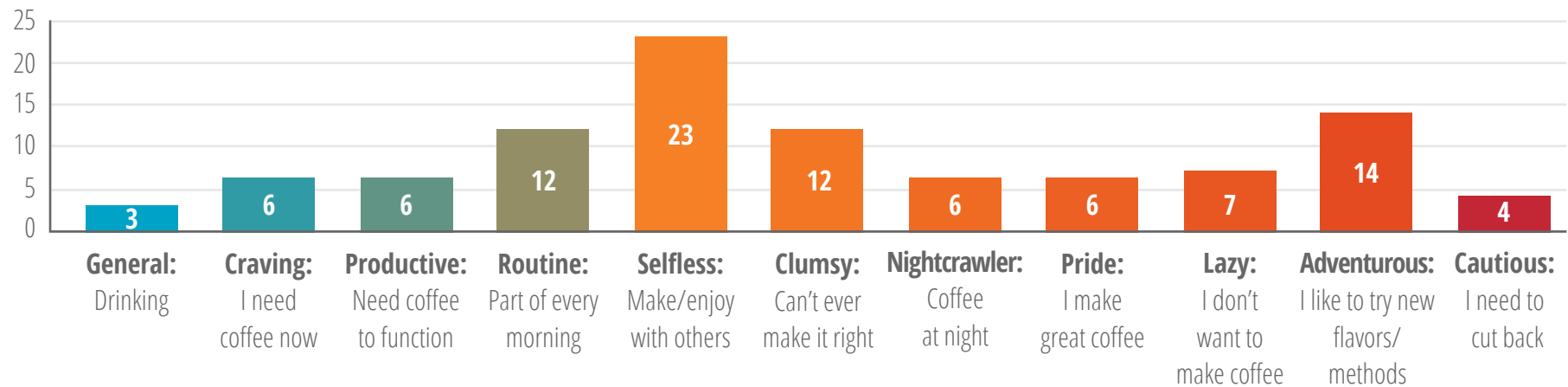
We all love coffee, or we know someone who can't live without coffee, but the reasons why people like drinking coffee vary depending on the individual. What are the main reasons why people drink coffee? Using social media analytics tools, you can find conversation around "coffee" and gain a general understanding of why coffee is an essential part of people's' lives, and therefore, apply this understanding to inform Nestle's marketing strategy.

Some of the questions that can be answered with unbranded analysis about coffee are:

- ✔ What do people say when they talk about coffee?

- ✔ How does the conversation around "coffee" compare to last year? What about 3 years ago?

- ✔ Are there any demographics that are unique to this conversation?

- ✔ Which side-along products are mentioned?

- ✔ Who are the key influencers in this unbranded conversation about coffee?

Coffee Conversation on Social Media (%)

General: Drinking	Craving: I need coffee now	Productive: Need coffee to function	Routine: Part of every morning	Selfless: Make/enjoy with others	Clumsy: Can't ever make it right	Nightcrawler: Coffee at night	Pride: I make great coffee	Lazy: I don't want to make coffee	Adventurous: I like to try new flavors/ methods	Cautious: I need to cut back
3	6	6	12	23	12	6	6	7	14	4

From the data extracted from the social media conversation around "coffee", we can see that a large portion of consumers value sharing coffee with loved ones. Another major coffee discussion topic pertains to the flavor of coffee, or alternative caffeinated beverages, being consumed.

Brands like Nespresso can take information like this and make strategic decisions centered around how coffee fosters authentic and meaningful relationships. Nespresso could also create campaigns centered on new recipes and flavor compilations to better cater to this market.

Analyzing the unbranded conversation is a great way to step back and observe the bigger picture of a particular industry. The nuance and the broad scope of conversations in unbranded analysis allow businesses to use social media analytics to further uncover new ideas for products as well as for creative campaigns, to find a potential product opportunity, and to support future business decisions.

Spotlight: Audience Analysis

In social media analytics, it is expected that researchers will learn what is being said in social conversations. However, it's not just the *what* in the conversation that is essential, but knowing *who* is doing the talking in the conversation is equally—or more—important.

Every department of an organization—product development, customer care, consumer insights, executive strategy, marketing, and more—can conduct audience analysis. This can help them to better understand traits and behavior of their current audience, to learn how to serve their current audience, and to potentially uncover new audiences.

Many social media analytics tools provide basic demographic and geographic information about audiences. However, with the advancement of new technology, such output isn't enough to really understand your audience.

Next, we will dive into two different ways that businesses can analyze their audience through social media analytics:

- Brand-Specific Approach

- Brand-Agnostic Approach: Segments

Brand-Specific Approach

When analyzing audiences of a particular brand, businesses can find information about their audience's demographics, geographics, influencers, and interests.
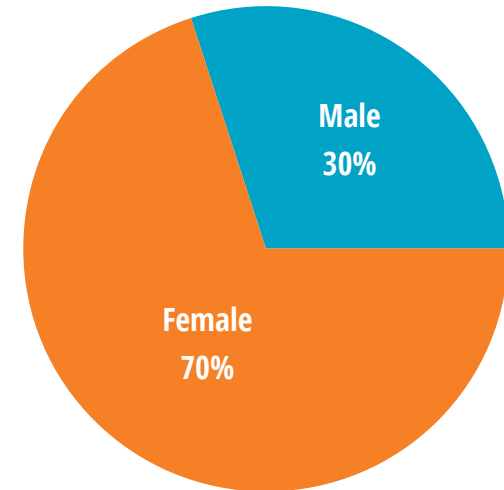
In this approach, brands are focused on learning more about an audience directly related to a specific brand, instead of analyzing an audience for an industry as a whole. For example, a researcher would analyze those who talk about the "Corona" beer on social media, instead of those who talk about beer in general.
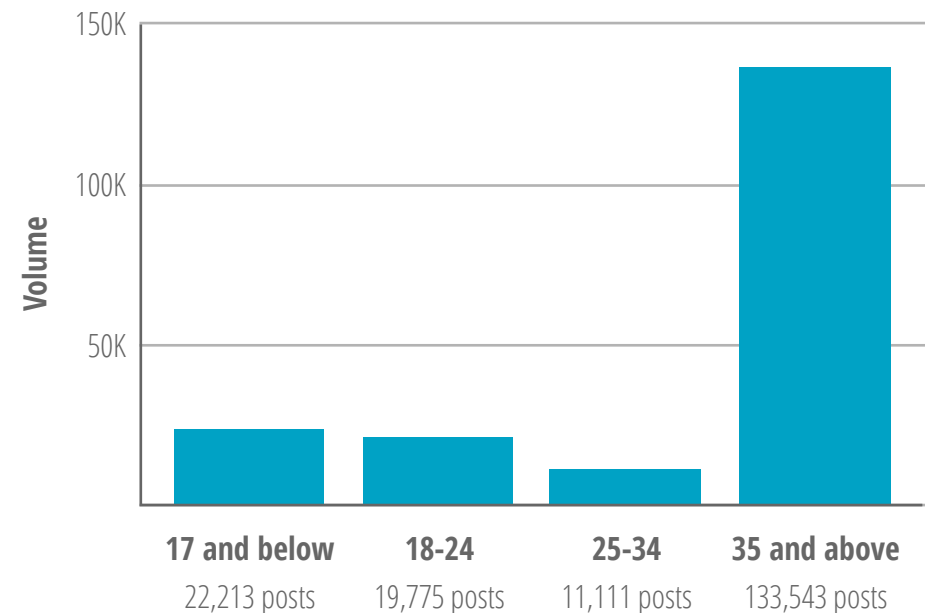
Demographics

The first step to understand who is doing the talking is to look at the demographics of this audience, and brands that do this will able to answer the following questions:

- ✅ Are we attracting millennials or an older generation?

- ✅ Which gender do we appeal to the most?

- ✅ What is their ethnicity?

Gender Breakdown

Male 30%

Female 70%

Age Breakdown

Age	Posts
17 and below	22,213 posts
18-24	19,775 posts
25-34	11,111 posts
35 and above	133,543 posts

Volume axis: 50K, 100K, 150K

Geographics

In terms of geographics, researchers can find where their audience is from. Using audience analysis, brands can answer the following questions:

- ✅ What country is doing the most talking?

- ✅ Which state is tweeting the most about us? What street are they tweeting from?
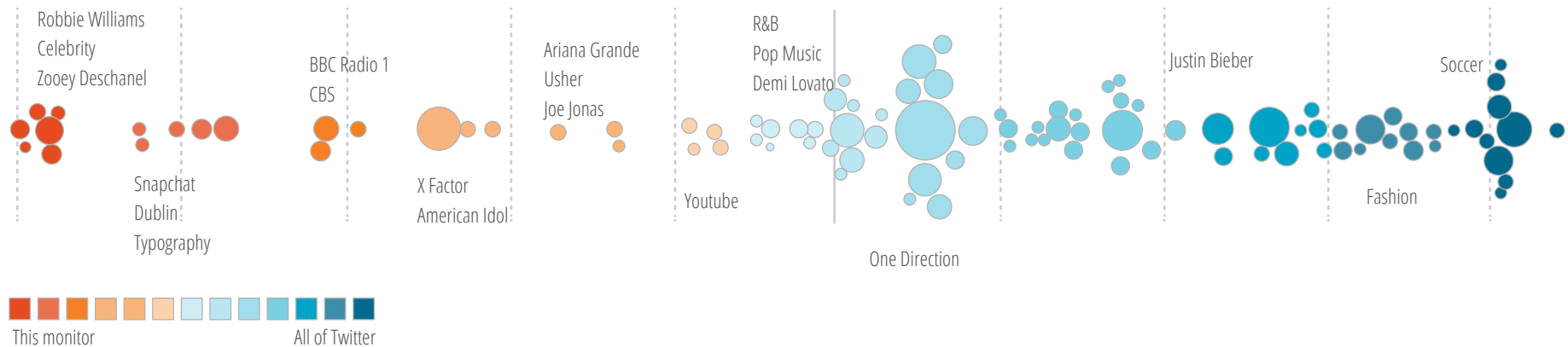

Although knowing the age and the location of the audience can be helpful, this information can be limiting when looking for behavioral patterns needed for business decisions, and it could lead to inaccurate stereotyping of the people they want to reach. Due to this limitation, we recommend diving deeper into influencers and interests to have a more holistic understanding of the audience.

Influencers

When analyzing social media platforms to better understand your audience, you'll be able to identify **Influencers**, often the most prominent and prolific authors talking about your relevant topics and themes. Some examples of one of the biggest influencers on social media conversations are celebrities and important figures, such as Bernie Sanders, Kylie Jenner, or Guy Kawasaki.

Audience Interests


Robbie Williams
Celebrity
Zooey Deschanel

Snapchat
Dublin
Typography

BBC Radio 1
CBS

X Factor
American Idol

Ariana Grande
Usher
Joe Jonas

Youtube

R&B
Pop Music
Demi Lovato

One Direction

Justin Bieber

Fashion

Soccer

This monitor   All of Twitter

Interests

One way to more extensively understand an audience beyond their demographics is by finding their Interests. To better understand how this concept works, consider the interest graph, which shows how a collection of signals and behaviors—what they like, who they follow, what they search for, what they share, and more—found in their social activity can help predict what these people might be interested in.
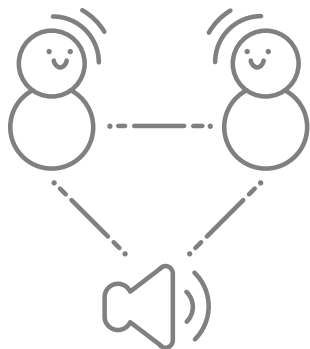
More advanced tools use this data they find in their audience's social activity to find their interests. In our blog on "Best Celebrity Guests for Carpool Karaoke", we looked into the Late Late Show's audience's aggregate interests to learn more about the psychographic interests of this audience, and this is what we found:

In the visual, we can see that interests are high for Robbie Williams, Zooey Deschanel, Ariana Grande, and Usher compared to all of Twitter. In this first example, we see how audience interests can help inform content creation. **These interests could provide insights on what Late Late Show viewers might want to see in future Carpool Karaoke series, providing valuable and relevant information for both the casting team and the business overall.**

Here's another case in which audience interest data is useful for ad targeting: An agency for a major movie studio had the goal to promote released feature films, attracting more fans to the movies' Facebook pages. Using social media analytics, the agency identified unique interests among people interested in the movies, from primetime TV shows to obscure indie bands. By knowing their interests, media buyers were able to create tailored ads targeting those people's interests, proving 16% better than campaign averages for click-through rate.

The following example is an insight from interest data that can give a more comprehensive understanding on the audience:

*"Consumers chatting about craft beer skew male, 25-34, are concentrated in the northeast and west US, **and are more likely to be interested in footballn compared to the average user on Twitter".***

Brand-Agnostic Approach: Segments

In this second approach, businesses essentially reverse their process of audience analysis. Instead of creating a query focusing on a brand-specific audience, the business analyzes a group of people with a common interest. This interest is the starting point for the analysis.

In the Machinima case study, you can see how this advertising company tried to understand more general behavior across gamers playing different games, rather than focusing on the audience for a specific game, such as League of Legends.

Starting off with interests, the researcher can get the same information as in the brand-specific approach: demographics, geographics, influencers, and other interests they might have.

This approach suggests that diving deeper into a broader audience allows the researcher to **find different layers of who those people are, discover a new target audience, understand other interests that they might have, uncover unexpected information from the audience that might be useful for future decision making.**

Knowing the demographics and geographics of your audience is helpful when you need to get an overall understanding of the audience, but we've come to the conclusion that it's too limited to base strategic decisions off of just these two factors. We believe that whether through the brand-specific approach or the segments approach, in order to gain comprehensive audience insights, you need their demographics, geographics, as well as their psychographics.
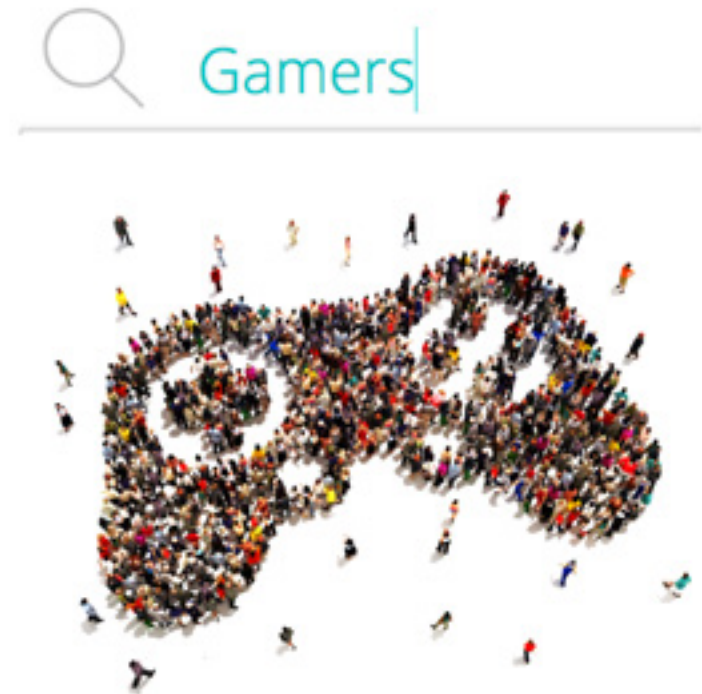
Demographics + Geographics + Psychographics

=

Comprehensive Audience Insights

In Summary

This guide was created to help you understand how social media analytics can be used for multiple purposes such as brand analysis, industry analysis, audience analysis, and many more.

As you can see from the different use cases highlighted, social media analytics is very versatile; different departments across enterprises can use trainable categories and audience data to answer an array of questions they might have, specific to their particular needs.

We live and work in a world that is hyperconnected. We have the ability to communicate, engage, and collaborate with people, organizations and brands by a few simple clicks. It's on the hands of the customers to generate the unsolicited buzz on social media, and in turn, drive the success of brands. Any enterprise corporation has the opportunity to tune into the social conversation and gain stronger intelligence on consumer sentiment, audiences, industry trends, and so much more to generate better business decisions.

To learn more about how social media analytics can help your business, visit www.crimsonhexagon.com.

Make better business decisions with customized social insights.

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Learn how Crimson Hexagon can help you use social media analytics
for better decision making