Social CRM
The New Frontier of Marketing, Sales, and Service

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Author – “VALUE CREATION”
- Social Media Trends
- Customer Relationship Management (CRM)
- 4 Ps of Marketing - now 5 Ps
- Infusion of Social Media - Social CRM
- Social Media Strategy and Frameworks
Digital World is evolving rapidly...

Life Used to be easy...

- Banner
- Search
- Website
- Phone
- Call Center
- Direct Mail
- Rep
- Lead Gen

But the Consumer changed and integrated

- Web 1.0: Company → consumer
- Web 1.5: Company ↔ consumer
- Web 2.0: Consumer ↔ Consumer
Social Media Landscape

Expressing

- Publication: Twitter, digg, justin.tv, del.icio.us, identi.ca, odeo, feedburner, sociai, favicon
- Discussion: phpBB, myspace, hi5, myspace, hulu, myspace, myspace
- Aggregation: sociai, sociai, sociai, sociai

Sharing

- Content: YouTube, flickr, last.fm, slideshare, Video, Photo, Music, Links
- Product: Crowdstorm, feedback, Librarything, brightkite, lapp, haven, swistrek, whmii, eventful, socializr, zomato, Trip, DOPPLR
- Place: Recommend, Suggestions, Share, Addresses, Events, Trip

Networking

- Search: classmates, boomPA, LinkedIn
- Niche: boomer, Linked In, alumninet, patientakemen
- BtoB: groov, plaxo
- Mobile: iGoogle, XING, viadeo, Zannel
- Tools: Ning, Collective.com

Gaming

- Social Games: Facebook, Friendster, Bebo, Orkut, Skyrock, MySpace, Windows Live, hi5, MySpace
- Casual Games: Zynga, Zorpia.com, Facebook, CAFE.com, Pogo, PlayFirst, Neopets, Gaia, PlayFish, Sp(marker)

Source: FredCavazza.net
Rapid adoption of new social channels
- Facebook: 1.65 B active users, 200% annual growth
- Twitter: 800% annual growth

New customer behaviors
People trust the recommendations of others
Blog readers are 38% more likely to buy

Power shift introducing new risks
Brands can be damaged in hours
Lack of control over external social channels

Customer touch point fragmentation
Lack of unified relationship with the customer
Dozens of channels; new channels emerge in months
Social media – supported by technology – brings interactions and inter-connectedness between users to a new level. This change is foundational, not episodic or cyclical.

Everyone
- High accessibility
- “One-to-many” and “many-to-many”

Everywhere
- High scalability
- Enabled by Mobile technologies

Anytime
- High frequency
- Real-time, easy to use, create & disseminate

Anything
- User-generated contents
- Can go all direction, in un- or controlled way
Difficulties with Social Media

Social Media goes against ‘traditional’ ways of doing business

- **User-generated content** is often triggered by emotion
- Amplified via the “**viral effect**”
- Impact **cannot be stopped** or undone
- **Does not follow** the conventional rules of commerce
- Fast and truly **global**
- Forces companies to act in **shorter cycle times**
1. Major ‘shift of power’ to Consumers

Social CRM is not only about a new channel but rather about a fundamental shift in how to engage and interact with more empowered customers.

- Consumers become co-owner of the brand
- Individuals within a community with influencers, creators & consumers
- Lines between marketing, sales, and service are blurred
- Technology enables real-time agility, flexibility, security and repeatability
- Requires a proactive analytics approach
2. Fundamentally, a change in mindset

The new digital age is changing the set of constituent interaction channels drastically......

...from “Four P’s”

- Product
- Price
- Promotion
- Place

Traditional context

New Reality

People

...to “Five R’s”

- Reputation
- Responsibility
- Relationship
- Reward
- Rigor

- Sentiment Analyses
- Cross-Sell Opportunities
- Promotion & Targeting

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3. Marketing Paradigm

From Websites (Push)

- **2009**
  - Push: Company Brand to Consumer
  - Pull: Consumer to Company Brand
  - Peer to Peer: Consumer to Consumer

To Networks (Push, Pull & Peer to Peer)

- **2015+**
  - Push: Company Brand to Consumer
  - Pull: Consumer to Company Brand
  - Peer to Peer: Consumer to Consumer
CRM - How Customers buy things today

Companies Invested Here:

- Oracle
- SAP
- Amdocs
- Siebel
- Microsoft

Contact Center

But Their Customers Are Here:

- Discussion Groups
- Partner Websites
- Social Communities

Consumers...

- Contact reps for information...
- Voiced complaints directly to company...
- Attracted by digital advertising...

Consumers...

- Are self-directed, collecting info from all sources
- Post negative experience comments publically
- Rely on recommendations from peers
Goals of CRM systems

**Customer Acquisition**
Increase revenue and market share
- Brand building / Awareness / PR
- Word of Mouth / Viral Marketing
- SEO
- UGC reviews / ratings / testimonies

**Customer Insight & Innovation**
Create, improve and differentiate products and services
- Buzz Monitoring
- Sentiment Analysis
- Private & open communities
- Crowdsourcing

**Customer Experience & Service**
Improve customer loyalty and reduce or avoid costs
- Self-service resources
- Self-help communities
- Monitoring & Engagement
1. “Visual”:  
• Destination Guides  
• Ratings & Reviews  
• Photos  
• Articles

2. “Informational”:  
• Articles  
• Itinerary creation  
• Promotions & Specials  
• Collaboration with Co-Travelers

3. “Transactional”:  
• Search for Detailed Products  
• Compare Products  
• Purchase or Reserve Products  
• Trip changes

4. “Relevant”:  
• Trip changes  
• Maps, Directions  
• Activities & Attractions  
• Transfers  
• Insurance  
• Permits, visas, etc.

5. “Supporting”:  
• Maps, Directions, GPS  
• Guide Books  
• Mobile Guides (e.g. Zagats)  
• Support Resources (e.g. translation, insurance, concierge)

6. “Sociable”:  
• Photo Sharing  
• Blogs / Journals  
• Rating / Review Sites & Experience  
• Save Content for Future Travels
Integrated Marketing Ecosystem

Advertising Agencies
- Creative

Public relations agencies
- Earned media

Media buying agencies
- Paid media

Event agencies
- Experiences

Brands creating owned media
Digital media to social web

Multiplier effect via viral sharing
Conversations are measurable
Everyone is an influencer

Everyone is an influencer

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Social Media Strategy Framework

Envision & Realize Benefits

Social Media Strategy Kit

Social Media Solution

Listen
- Branded Social Media (on-board capabilities)
- Off-board Accelerator
- Monitoring & Analysis

Understand
- Seed Tracking & Attribution
- Engagement Management
- Influencer Management

Act
- Profile-based Optimization
- Cross-channel Integration
Framework - Social Media Strategy

“Listening Posts” - What people say

LISTEN

... Analytical Insight as to why they say/do what they do

UNDERSTAND

... convert this insight to action to measure results

ACT
1. Listen holistically

“Listening Posts”
What people say

- Emails
- Recorded Phone Calls
- Online Chats
- Letters
- Faxes
- …
- Surveys
- Focus Groups
- Interviews
- …
- Ratings & Reviews
- Discussion Forums
- Blogs / VLOGS
- Micro-Blogs
- Comments
- Social Networks
- …

Operational Data
What people do

- Customer Profile & Demographics
- Products/Services Consumed
- Contact & Behavior History
2. Understand - VoC Text Analytics

Listen

Understand

Act

Listening Posts

- Customer Service
- Solicited Feedback
- Social Media

Text Mining

Voice of the Customer Analytical Insight

Category & Sentiment Reports & Visualization

Ad-Hoc Analysis and Exploration

Early Warnings & Alerts

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What to measure - Social Media

- **Lead Generation**
- **Customer Retention**
- **Brand Awareness**

### Conversation rate
- **Conversation rate**
- **# of audience comments**
- **Per post**
- **Across social networks**

### Amplification rate
- **Amplification rate**
- **# of shares / retweets**
- **Across social networks**

### Applause rate
- **Applause rate**
- **# of favorites / Likes**
- **Per post**
- **Across social networks**
Using text analytics to understand data

Using Natural Language Processing (NLP) to understand syntax & context

“The EFTPS enrollment for my tax return was easy, but it took too long to get the confirmation package.”

Using advanced linguistics to understand topics and sentiment

“The EFTPS enrollment for my tax return was easy.”

“Return”

= Neutral for IRS
= Negative for Retail

“but it took too long to get the confirmation package”

Category Sentiment
= Positive for “enrollment”
= Negative for “timeliness”

“I had to return the product to the store”
3. Act proactively & optimally

Listen → Understand → Act

Data → Insight → Action

Validate Issue → ? → Stop

Determine Resolution

Prioritization Criteria
- # of customers impacted
- Severity of impact to customer experience (i.e. moment of truth)
- Severity of potential impact (e.g. legal liability)
- Level of control to resolve

Identify Issue or Opportunity Identified

Subjective Issue
Improvement Opportunity

Objective Issue

Volume
High
Low

Low
Medium
High

Sentiment

Monitor
Research
Address

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The Integrated Solution

The market is ready for a more mature and integrated approach to managing as a social business and compressing the learning curve.

Fragmented & Disjointed Social Efforts

- Marketing
- Sales
- Customer Service
- Innovation
  - Blogs
  - YouTube
  - Ratings & Reviews
  - Off-board Discussion Forums
  - On-board Community Boards
  - Twitter
  - Facebook

Identify & Aggregate Interactions on Purpose

- Company Strategic Objectives Using Social
- Cross-Functional Process Sync of Social Tactics and Objectives
- On-Board Social Media
- Off-Board Social Media
- Analytics Software
- Workflow Optimization

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Thank you

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Value Creation
Linking Information Technology
and Business Strategy

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