



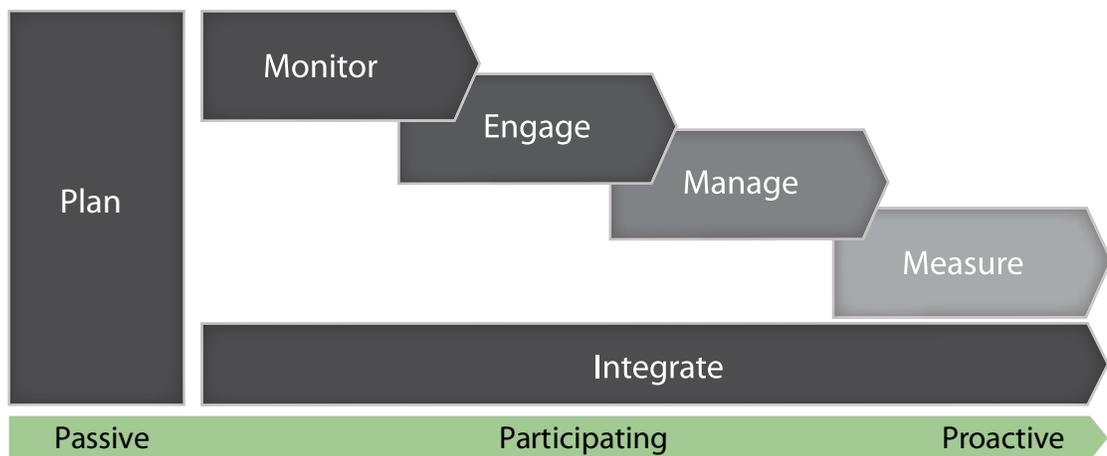
## How organizations can use innovation and integration to engage with the digital marketplace

In a series of articles Cognizant's Customer Solutions Consulting Practice explores how organizations can use innovation and integration to engage with the new breed of technology fuelled customers of the digital marketplace.

Cognizant works in association with Henley Business School as a lead sponsor of research into Social Media and these articles are extracted from a Henley Centre for Customer Management research report into

Social Media strategies. This fourth article explores the Monitor phase of the Six Stage Social Media framework.

Many attempts have been made to define the "best" framework to depict how to plan, run and improve the use of social media as a part of the marketing strategy. In this article, we have rationalised these models to create a simple but effective framework that covers most situations and can be deployed in most B2C or B2B companies.



The 6 stage social media model



## Monitor

The fundamental question for companies to address when considering their social media strategy is: "How well do you know what is being said about you?"

An enormous amount of information can be gleaned, at a very modest cost, by monitoring or "listening" to on-line discussions about the industry, company, product type and other specific areas of interest. Research (see table below) has identified that 80% of companies contacted are already monitoring conversations related to their company and almost 70% are also monitoring their target audience and its influencers.

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### Who's doing what?

Monitoring Activities	No	Plan	Start<	1Yr1	Yr+
Conversations about our company on the internet and in social media channels such as blogs on-line communities and social networking sites	8	12	27	27	26
What the target audience is reading, saying, and discussing on the internet and in social media channels	15	16	26	27	16
What the target audience's influencers are saying and discussing on the internet and in social media channels	15	15	27	24	19

### How to identify and address influencers

Not all people are equal in social media circles, or at least their opinions are not equal. In traditional media it was easy to identify the key influencers for an industry by their publications, magazine title or TV show. In this medium people are professional reviewers, paid to research and assess products and provide consumers with independent opinion and guidance. While they remain key influencers today, they have also been joined by a new and more subtle set of reviewers and consumer champions who have unofficial positions and are often referred to as "social" influencers. We may not know who they are but there is a tendency to believe people in the social media world who establish credibility by sharing views and opinions but who do not have an axe to grind. Their influence can be explained by the finding that a significant number of people (61%) are highly influenced by "a person like you" and this is in turn defined as someone with shared interests (9th Endelman Trust Barometer).

There is no single method of finding the key influencers for a particular industry sector or product. The general approach adopted by the leading companies is to use monitoring tools over a period of time to identify the most prolific sites, blogs, forums etc. A metric can soon be developed classifying the amount of activity, such as the number of postings, and the quality and depth of the discussions. By focusing on the most promising sites the key individuals will then become apparent over time. A good example of how Unilever addressed and courted its key influencers is the Marmite example as discussed in the previous 'Planning phase' article.

The impact of these "social" influencers is high, therefore despite the difficulties, it is important for companies to engage with these people in an attempt to harness their potential.

Research by Gupta, Lyengar & Han, 2009, HBS Working Knowledge mapped how social network members are influenced by social pressure; this is presented in the table below.

Group Status	Proportion of membership	Influenced
Low	48%	Low
Mid	40%	High
High	12%	Negative

### How are Social Network members influenced by social pressure?

What this research demonstrates is that:

- Almost half of members (48%) of a social network are fairly inactive (low status) and are not influenced by others in the network.
- The 40% who are mid status members are highly influenced by others, in particular the high status members
- The high status members are not influenced by other members, and any attempt to influence them will result in a negative reaction. This 12% regard themselves as the “experts” or “gurus” and are proud of their status and jealously guard their independence. They believe they are the influencers and would not value the opinions of lower status group members.

The sophistication of the monitoring undertaken by the companies interviewed varies from simple Google alerts through to significant IT applications based around specialised commercial tools. These specialised tools are designed to analyse large volumes of comments from consumers posted on all manner of internet based media. Measurement will be considered in a later section but it is worth noting that both hard metrics (how many, where, increase, decreases etc) and soft metrics (sentiment analysis) will guide the way companies look to utilise and deploy social media.

### Monitoring Tools

There are a large number monitoring tools that have appeared over the last few years and these range from free-to-use alerts on Google through to sophisticated commercial analytical products such as Radian 6 (recently acquired by Salesforce.com). Research conducted by ITSMA in March 2010 found that 59% of companies use free search tools for Facebook or Twitter and 57% of companies use free blog search tools. About 50% of companies use free services such as Google Analytics and Google Alerts. The use of paid commercial tools (such as Radian6, Omniture and Techrigy) has been increasing and now 27% of companies are using these. In addition, 20% of companies have developed bespoke tools and a similar number have service relationships with agencies who have invested in monitoring tools.

Having listened and monitored the social media conversations already taking place and gained a feel for the sentiment expressed, companies are well placed to develop the strategy required to move from being a passive listener into a participator. This next stage is called “Engage” and forms the basis for our next article as we continue to build our effective Social Media Framework.

## About Cognizant

Cognizant's Customer Solutions Practice is dedicated to building stronger customer relationships for our clients through business, technology and delivery expertise. Cognizant brings together the advantages of domain understanding, best practices and industry templates to a critically important area of business technology.

Cognizant's European Customer Solutions Business Consulting Practice led by Jonathan Brigg and has strong industry focus and expertise in each of its target sectors: Banking & Financial Services; Healthcare; Information Management, Media & Entertainment; Insurance; Manufacturing & Logistics; Life Sciences; Retail & Hospitality; Technology & Communications.

Cognizant is a member and sponsor of Social Media research at the Henley Centre for Customer Management.

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## About Henley Centre for Customer Management

Customer Management is at a crucial point in its development. It is emerging into, potentially, a management tool of great strategic importance. The future development of Customer Management depends not simply on more investment in IT, but on understanding how Customer Management really works; building transferable knowledge and turning it into effective practice.

The primary objective of the Henley Centre for Customer Management is to promote Customer Focus and Service Excellence best practice. It does this by observing practice in leading companies and synthesising this into useful knowledge that helps members to improve their own Customer Management and Customer Service plans and implementations. This aligns with the aim of the Henley Business School to deliver high quality contributions to thought leadership, through research into the management of organisations.

For further information visit:  
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## About Cognizant

Cognizant (NASDAQ: CTSH) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world's leading companies build stronger businesses. Headquartered in Teaneck, New Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 50 delivery centers worldwide and 118,000 employees as of June 30, 2011, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world.

Visit us online at [www.cognizant.com](http://www.cognizant.com) for more information.

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