



## Listen, Measure, and Engage

Is Social Media part of your CRM strategy?

Value | Driven

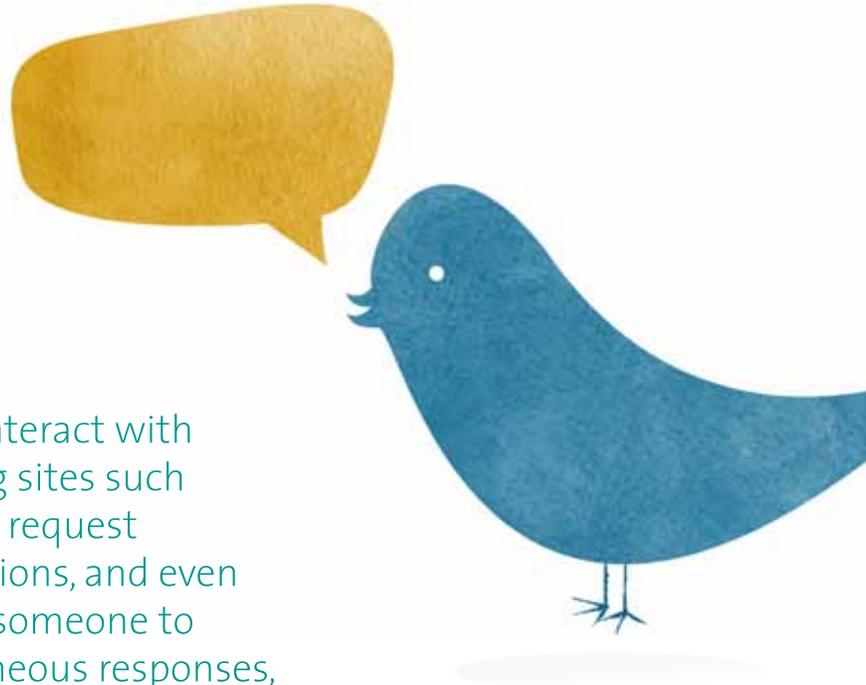
 **SPi Global**



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**Ken Lamzon**

Vice President of Strategies,  
Solutions and Integration  
SPi Global



More and more consumers expect to interact with companies through social media. Using sites such as Facebook and Twitter, they expect to request customer service, get answers to questions, and even conduct transactions – and they want someone to listen to them, provide nearly instantaneous responses, and resolve their problems.

This landscape spells a significant opportunity for customer relationship management (CRM). With the right strategy, companies can use social media not only to attract new customers but also to increase loyalty, improve customer satisfaction, boost sales, and attain a competitive advantage.

However, even with these benefits, many companies continue to treat social media as a mere one-way marketing tool, using Facebook and Twitter to push promotional messages. Few have embraced social media as a critical two-way channel for CRM.

According to SPi Global, a business process outsourcing provider that specializes in CRM, more than 90% of companies do not have a strategy for social media response

management – which is the process of monitoring, measuring, and responding to positive and negative comments.

The slow uptake is due in part to varying levels of maturity in social media. For example, some companies have no social media competency at all; they have no presence on Facebook or Twitter, and they may not be sure what social media is or how to use it. Others have begun using Facebook and Twitter to disseminate marketing messages, while some are experimenting with a two-way dialogue, assigning staff to respond to social media users' questions and comments. Only a few companies have fully integrated social media into their customer service strategies.

Where is your company on the maturity curve? Are you engaging customers with a response management strategy for social media?

As you think about the right path for your company, Ken Lamzon, Vice President of Strategies, Solutions and Integration at SPi Global, offers these key considerations:

**1. Decide whether to embrace social media fully or not at all.** Unlike a private, one-to-one interaction, social media is a public forum, which means that what you say on a social networking site is very visible to your current and potential customers. Every interaction is an opportunity to instill a positive or negative perception among a large group of people.

So it's imperative that your company decide whether or not to commit 100% to the cause.

“If you are not using social media as part of CRM, you are potentially missing out on a huge opportunity for engaging customers and improving satisfaction, and you could lose out to competitors,” Lamzon said. “If you are using social media, it’s important to completely embrace it as a customer service channel. It’s hard to casually experiment with it and expect any meaningful results.”

After all, many customers base their perception of a company on how that company behaves on social media sites. For example, customers who “like” you on Facebook or “follow” you on Twitter can see how you respond not only to their comments but also to those of others. If they see you treating customers well, they’re likely to have a positive perception. But if they perceive you as mishandling a problem or showing a general lack of responsiveness, they may question their relationship with your company and take their business elsewhere.

## 2. Remember that an effective social media strategy is a two-way street.

For the companies that do have a social media strategy, that strategy is often focused on promoting products and attracting customers. But social media can also be an effective way to engage and retain customers, improving their relationship with the brand.

“Sometimes companies set up their Facebook and Twitter pages as one-way communication vehicles,” Lamzon said. “They bombard their followers with marketing information, but they don’t necessarily respond to them when they start asking questions.”



Both positive and negative sentiments are opportunities to engage customers and build the brand.

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Those questions can range from general to specific. If you’re an airline company, for example, users might ask about promotions for flying from the U.S. to Europe, the cost of a ticket from Manila to Hawaii, or how to redeem frequent flyer miles. Other users may ask whether flight No. 357 has arrived in Heathrow, how to get a credit for an unused ticket, or the status of their refund.

How will you respond to these kinds of questions? Some questions are opportunities to (1) respond publicly, (2) send your brand’s message to a large group of people in one fell swoop, or (3) educate the general public about your policies. For example, you might respond to a question about refunds by explaining to all followers that refunds are typically processed in two to three weeks – and then offering a phone number or website link for more information. Other more personal questions—such as those involving the collection of credit-card numbers or other sensitive data—may necessitate a private response, such as sending a direct message on Twitter or moving the conversation away from social media.

“Whether you respond publicly or privately, the important thing is to listen to customers and engage them in conversation,” Lamzon said. “That’s what strengthens the customer relationship.”

## 3. Note that social media is a valuable channel for customer satisfaction.

In addition to listening to customers and engaging them in the relationship, you can use social media as a valuable channel for measuring unsolicited feedback. That is, unlike a survey via email or interactive voice response, in which you solicit feedback from customers, social networking sites like Facebook and Twitter are places where customers can share their thoughts at will.

For example, if you have 1,200 posts per day on Facebook and Twitter, you can measure the positive and negative sentiments to generate a customer satisfaction score that you can compare against your other research, while keeping in mind that unsolicited feedback is often more frank and authentic.

“In this way, your customers’ comments on social media can serve as an effective validation of your overall CSAT index,” Lamzon said. “You can compare the unsolicited sentiment score with your monthly survey score and develop strategies for reducing the variance.”

Both positive and negative sentiments are opportunities to engage customers and build the brand. For example, if a consumer tweets a positive comment—“The service at the restaurant was amazing”—you

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can take advantage of that positive feedback across all followers by re-tweeting the comment, thanking the customer for their loyalty, and potentially rewarding him or her with coupons for a free meal.

Even a negative sentiment—“The service at the restaurant was lousy”—nonetheless could be an opportunity to respond publicly to the comment, help manage perception, and potentially win back the dissatisfied customer, while demonstrating to all followers that yours is a company that listens.

“Another reason that social media is a great engagement channel is that your audience is very targeted,” Lamzon added. “These are people who want to communicate with you, because they’ve liked you on Facebook or followed you on Twitter. You can harness that army of fans and followers to your advantage.”

The most valuable social media channels are Twitter and Facebook, because they have the largest number of users and because users have opted in to your company’s communications. Additional channels—including blogs and customer forums such as TripAdvisor or Yelp—can also be sources for measuring sentiment about your brand, though these sites are less targeted and, since you don’t have an integrated brand presence, it can be harder to respond to comments.

**4. Once you embrace social media as a customer service channel, consider the elements for your social media response strategy.**

Lamzon said an effective strategy generally includes three key components: monitoring—or “listening to”—consumer posts; measuring positive and negative sentiments; and engaging consumers with real-time responses and dialogue.

As you develop your strategy, consider the following:

- What social media sites will you monitor and how?
- Will you treat social media as a standalone function, or will you integrate it with other customer communication channels, such as voice, email and chat?
- Will you respond to all posts? If you only respond to some, how will you decide which ones?
- How quickly will you respond? Will all posts be treated with equal urgency, or will responses be prioritized based on certain factors?
- What controls, if any, will you put on your responses? How will you manage quality and accuracy?
- How will you handle cases in which you need to collect sensitive or confidential information to resolve a problem?
- How will you manage the productivity of responders? How will you deal with high volumes of customer comments?



**5. Consider whether to outsource your social media response or manage it in-house.** When it comes to staffing the social media function, some companies are managing it in-house – due to the nuances of public communications and customer service culture. For example, what’s the best way to respond publicly to a complaint? How could that conversation affect your brand image or product liability? Are you setting a precedent by posting a certain response? Because of these kinds of concerns, some companies are not yet comfortable outsourcing social networking to a third party.

However, Lamzon said, if you’re already working with a service provider for customer email, voice, and chat, then outsourcing the social media function can be a natural evolution.

“One way to get started with a service provider is to outsource the monitoring and measuring components while handling the responses internally,” he said. “That way, you give your provider an opportunity to learn about your customer service philosophy before they take on the engagement piece.”

Service providers such as SPi Global are developing platforms for social media response management. These platforms, different from one-way marketing tools, are designed for CRM – through monitoring, measurement, and engagement. The SPi Global solution, for example, integrates social media response for both marketing and customer service, and the platform can be customized to your company’s level of maturity with social media. In addition, the solution is cloud-based, so it can work alongside other technology.

SPi Global’s platform enables your social media response team to:



### Listen

- Monitor and collect real-time posts from social networking sites
- Categorize and prioritize posts for efficient handling and reporting



### Measure

- Measure unsolicited CSAT results through positive and negative sentiments
- Determine which themes are generating the most conversations and track the corresponding followers
- Analyze negative sentiments to identify opportunities for improvement
- Analyze positive sentiments to identify opportunities for re-posting of messages to build brand value
- Report performance metrics for social media response



### Engage

- Route posts to responders with the right skills to handle the issue
- Automatically respond to some posts based on certain parameters
- Provide mechanisms for taking the conversation offline as needed to collect confidential or sensitive information
- Turn negative posts into opportunities to win back customers and protect the brand
- Reinforce positive posts to reward loyalty and attract new customers

### Final thoughts

Ultimately, social media is changing the way many consumers do business, and companies are wise to embrace it as a critical channel for CRM. Remember, however, that social media works best when it’s part of a strategy based on two-way communication, consumer engagement, and brand value – which is why the concept of

social media response management is so important. Properly executed, such a strategy can help you attract and retain customers, improve customer satisfaction, increase revenue, and drive competitive advantage.

In short, social media is a valuable way to get closer to your customers. Are you embracing it?

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## About SPi Global

SPi Global, BPO Company of the Year in the 2011 International ICT Awards, is a leading globally recognized, full-service BPO provider with 30 offices and facilities around the world, including the US, Europe, Philippines, India, Vietnam, and Australia. It has over 18,000 employees delivering a wide range of solutions in Customer Relationship Management, Content, and Healthcare.

SPi Global is a wholly owned subsidiary of the Philippine Long Distance Telephone Company (PLDT), the leading telecommunications company in the Philippines. PLDT is listed on the Philippine Stock Exchange (PSE: TEL), and its American Depositary Shares are listed on the New York Stock Exchange (NYSE:PHI).