

Building Your Brand's Voice Through Social Media

*Harness Social Networks as Responsive,
Real-Time Focus Groups*

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In today's age of social existence — including everything from social networking, social commerce, social customer service, and all of the social engagements still being dreamed up — we cannot make the assumption that the thinking, strategy, and even metrics we applied to advertising before holds the same weight and relevance today. While conversations five years ago centered around the shifting dynamics between traditional and new media advertising, the issue today is that even new media is largely being tracked, placed, and measured using similar, if not identical, thinking as traditional media. Now social media enters into the marketing mix and breaks all the rules, making understanding how to interpret, measure and evaluate an ad campaign's success a daunting task for marketers.

Social is a new breed of engagement, and we must revolutionize our thinking to make the most of the engagement and medium. Marketers have the opportunity to truly leverage the power and real-time interactivity of social media to drive brand equity and impact revenues. Social data can provide deep and truly actionable customer insights, opening a new window into the behaviors and drivers of customer behavior.

Tomorrow's great marketers will not be measured on brand recognition, but on how effectively their campaigns leveraged data and insights to reveal preference, intention, and reaction of the consumer. I call the culmination of this set of analytics Active Consumer Preference Insights (aCPI) modeling. A sophisticated and powerful new technique that combines machine learning, algorithms, data mining, predictive analytics and artificial intelligence and pulls together key points of insight, including:

- Who a brand's best customers are at a demographic level
- Who are the brand's best advocates (those who engage with the brand and share with their circle of friends)
- Brand sentiment – how do customers feel about your brand
- What's top-of-mind – what are your customers talking about and what are their behaviors
- How to identify relevant customer subsets who are ripe for engagement or conversion
- Where to find these consumers online and in their digital lives—what television shows they watch, what websites they frequent regularly, what are their behavioral habits, patterns, and preferences

In practice, the aCPI model will have the ability to pull all of this available data together so that marketers can quickly act on opportunities to increase brand affinity and make an impact on sales. Most importantly, the aCPI model can provide brand advertising via social channels a competitive advantage through an ongoing process of continuous improvement and progressive learning every time an ad is placed and a consumer reacts to a message.

Early on in the advent of social media, we saw that unlike other mediums, people were consuming media and then actively using social networks to talk about what had just been consumed. We also instantly recognized that the content of these conversations held commercial value. People were talking about products, ideas for product improvement—a wish list for a developer—and recommendations of what to buy, where to buy it, and how to use it. These conversations were not staying confined within known networks. In fact, these conversations were linking completely unknown clusters of consumers, transferring information, and sharing content across the traditional lines of conversation and disclosure.

But what if you could understand and extract the meaning of this vast compilation of live social discourse? For the marketer, the value in understanding the true insights and patterns in social media could mean the difference between a targeted, effective, and impactful ad and one that simply met a list of demographic targeting options available to any number of brand advertisers. Extraction and understanding of preferences would actually improve outcomes, turning targeting into a predictive, constantly evolving model aimed at optimizing outcomes and maximizing the value of spend.

This is where we begin at Compass Labs. Rather than viewing social media advertising as solely a targeted connection or “just another channel,” we look to get as precise as a compass, pointing to better ways to engage across the social web, maximizing budgets, and learning from every engagement. Social media is the first medium that provides marketers access to what is essentially a real-time focus group, allowing marketers to engage their audience.

As the CMO Council pointed out in their whitepaper “The Social Consumer Brand Compatibility Model,” social networks open an opportunity for a brand to identify their ideal customers. The analogy of matchmaking—finding a match based on parameters for ideal compatibility—is not a far off goal. As more marketers struggle to apply old standards to a new consumer world, identifying your match is more critical than ever. This is where the concept of the aCPI becomes so powerful. Advertising must listen to the voice of the social consumer, but also to the behaviors and patterns of that consumer. Suddenly, instead of segmenting spend in an individual channel, social media becomes a rich insight tool that can make social media advertising far more effective by identifying key characteristics, patterns, likes, dislikes, and even new venues for engagement that can and should be translated across all other advertising and engagement channels.

Let’s use an online ecommerce merchant who is selling watches as an example. The traditional mindset for how to leverage a channel like Facebook would be to look at the population of people who buy watches, like watch brands, or have indicated that watches are a passion. Then, this merchant might typically deliver ads to these users, paying on performance to this segment. But what if, after running that ad, you began to look for those people who were engaging with your ad and identified key patterns? Maybe those people who were buying watches were disproportionately former military personnel? Maybe the most engaged consumers were also disproportionately located in the Midwestern United States and consistently tuned into specific history-based television programs. Knowing and understanding where the most engaged customers are spending time and engaging will enable a brand to know where to focus media spend across a multitude of channels and potentially identify more valuable targeting insights to best match a product to a social consumer.

The aCPI model looks to transcend competitive landscapes by identifying the most effective and efficient ways to communicate with the right customers. And this new mindset, where content is served based on predictive analysis and conversation mapping rather than loose demographics that hold little water in this new social world, must be how senior marketers begin to view the social consumer.

With Compass Labs, we leverage our proprietary platform called Compass Labs IQ (CLIQ). As social media usage continues to explode, CLIQ takes social advertising to the next level, arming agencies and marketers with the ability to precisely target their audiences on Facebook, Twitter, LinkedIn and other social networks and applications, optimize the execution of their campaigns, and gain actionable insights into their best customers.

The Compass Labs IQ platform answers that call through three unique value propositions:

- **Precise Targeting:** build audience segments that reach precisely the customers you need based on an in-depth understanding of social behaviors and what's most important to them now
- **Optimized Execution:** achieve superior ROI by sophisticated micro-targeting, creative variance testing, and audience optimization
- **Actionable Insights:** extract rich and actionable insights about your best customers; use that information to better optimize your media mix and strategy

The result is that Compass Labs allows advertisers to transform advertising into an ongoing dialogue with customers and harnesses social networks as responsive, real-time focus groups, providing advertisers with unmatched insights into their best customers and how best to reach them, including outside of social networks. Advertisers using Compass Labs spend less overall, target with higher accuracy, and obtain superior information and insights.

About Compass Labs:

Compass Labs is a pioneer in developing technology to extract insights and value from public social content, with patent-pending artificial intelligence and predictive analytics algorithms and techniques. A dramatic step forward in knowledge-based marketing and advertising, Compass Labs' IQ platform (CLIQ) enables marketers and advertisers to effectively harness the interactivity and power of social media and better engage, activate and acquire customers on social networks.

Headquartered in San Jose, CA, Compass Labs was founded in 2009 by industry veterans and scientists. Investors include New Enterprise Associates (NEA), Triple Point Capital, Jim Clark and others. For more information, please visit www.compasslabs.com or contact us at sales@compasslabs.com.