

Getting the Competitive Edge with Social Media



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CHAPTER 1

INTRO

With the incredible technological advancements of today, and the birth and rapid growth of social media, “Getting the Competitive Edge with Social Media” has never been easier.

One way you can gain that competitive edge is by listening to, and about, your competitors in real time. This real time, current information allows you to make definitive, today-based decisions about where your company is heading, and how to best directly compete in your marketplace. This EBook - “Getting the Competitive Edge with Social Media” - will ask you to ask yourself some important questions, such as:

- *What departments will be directly affected by information about our competitors?*
- *Will you be using this information immediately? During the next quarter? Long term?*
- *How much of this information will have an effect on your choices? 20%? 50%? 80%? 100%?*
- *Would you be willing to change your original plans if the information you gained went against them?*

“Getting the Competitive Edge with Social Media” will map out the concepts behind how to use social media for competitive intel; why strategic social media engagement and listening - about your own brand as well as your competition’s brand - will give you a competitive leg up; and why analysis of the information you do glean about your competitors is so vital. Should your company invest in a social media listening and engagement platform? Or would it be best from an economic standpoint to simply make use of the myriad free web services out there? There will also be some practical tips on how to complete the concept/process side with social media monitoring tools and tracking. Plus, don’t forget, if you’re engaging in a little friendly competitive intelligence gathering, you can be certain that your competitors are doing a little friendly competitive intelligence gathering on you! We’ll look at some simple things that you and your employees should be aware of, in order to keep your online digital footprint smaller, at least when it comes to revealing too much sensitive product and company information.

So sit back and dig into this handbook on “Getting the Competitive Edge with Social Media”.

CHAPTER 2

THE IMPORTANCE OF COMPETITIVE INTEL AS A BUSINESS STRATEGY

Touchdown!

Generally speaking, competitive business intelligence is: the act of gathering information which is useful to analyze a company's position in a specific industry. But why is it so important to make corporate intel part of your business strategy? Simple. Business is a competition. Think of your organization or brand like a sports team. Football, let's say. The greatest NFL coaches are extreme managers. They know exactly what resources they have access to, and they will wring every last drop out of each and every one. Their goal - Superbowl. Not all of them make it, but they all utilize similar basic strategies to try and achieve that goal. They think in one of two ways - offense and defense. Any new game plans they develop, or changes they make to current plays or player lineups, are not only strategically built based on their team's strengths and weaknesses, but also on the opposing team's strengths and weaknesses. On top of that, they must be creative and flexible with new offensive and defensive approaches, constantly adapting to changing situations. The greatest coaches spend hours on end, post-game, scrutinizing what other teams are doing, what plays they are making, even who's saying what to whom on the sidelines. Heck, they probably even know what the opposing team is eating for breakfast. They know that the best defense is a good offense. And that knowledge is power. And they use competitive intelligence gathering to get it.

Keep Your Friends Close....

Ok, take off your NFL coach mask and get back to being a businessman. After spending a few years at a high profile software company in strategy and development, you do what we all dream of: you follow your dreams and launch your own tech firm. Through chats with contacts in your industry, you begin to get the feeling that one of your direct competitors is poised to launch a version of what was to be your first big product: a Web application designed to streamline hiring practices in HR departments. Slow and steady might win the race, but in business, especially tech, first out of the gate allows you to grab those early adopters and get a foothold in the market. So, you begin strategically listening to your competitor. You devise a system of tracking every email blast, tweet, Facebook update, and change to the company LinkedIn profile. You keep a special eye on the CEO in these spaces. Sure enough, you soon notice a pattern - the frequency of the positive company messaging begins to ramp up, and the online social media chatter from your rival's C-Suite increases. Your years in the software industry aren't for naught - you sense that they are stage setting for an imminent

product release. And you're right. You are already prepared, so you push it into high gear and manage to release first, gaining that valuable first spot and ensuring that your product is the 'first name' people think of when discussing increased hiring efficiency. Congratulations, you've just engaged in a very successful competitive intel campaign for competition related gain. In your case, knowledge wasn't just power, knowledge gave you a head start in dominating the market share.

Puzzle Pieces

Don't confuse market research with competitive intel. While competitive intel might incorporate some of the same tactics used in market research, the intel answers you want to find are highly targeted and specific, rather than reflecting broad market or product trends. The corporate environment is multi-layered, and includes, but certainly isn't limited to; competitors, customers, suppliers, social and economic trends, technology, and the possibility of mergers and acquisitions. The level of success you achieve in your area of business is directly related to how intimately you know your competitors, and what's going on around them. Knowing - or having a fairly well researched and analyzed idea - what other companies are going to do before they do it might be the most important part of your business puzzle. And just like when you were in school learning the three Rs - reading, writing and 'rithmetic - corporate intelligence gathering also has an easy, R themed list of steps to keep in mind. The 6 Rs of competitive intelligence are: The Right information, at the Right time, in the Right place, delivered the Right way, by the Right contact to the Right person (see source below). And as was illustrated in the story above, there are myriad easy and above board ways for you to access information, and stay one step ahead of your rivals, instead of constantly trying to play catch up. You just need the right skills - or people in place - in order to source out those puzzle pieces, determine what they all mean and how they fit together to your benefit. You can find a detailed list of those puzzle pieces here - we've selected a few for you to keep a special eye on:

- *Product/market/demographic changes*
- *Actions of competitors, suppliers, regulatory agencies, customers*
- *International industry trends*
- *Advanced technologies and processes on the horizon*
- *Critical factors in bids, proposals and sales tactics*
- *Entry strategies and marketing plans of competitors*

Like any good radar system, a strategic Social Media corporate intel action plan can quickly alert you to blips within your industry, thereby allowing you to make informed decisions around what direction and with what speed you want to move your company forward.

When you are starting to build out a competitive intelligence strategy it's important to build out two sides, a conceptual side and a practical side. In the next chapters we will expand on the above anecdote and explore how social media can be used to collect tactical information about your competitors, how you can analyze that information to use it to your advantage, and we'll also take a look at the flip side of the coin. Because if you've got a competitive listening/intel strategy in place, you can be sure your competitor's have one as well. And it's aimed right at you.

CHAPTER 3 CONCEPT/PROCESS

What's the Concept of Concept?

This is your strategy and where you are going to want to plan out every phase of what you'll be doing with your competitive intelligence plan. While it may seem a little much to plan out how you'll gather information, perform your analysis and make actionable items out of the information, it will help to make sure that your efforts are a success, especially in the ever-evolving world of social media.

You can think of the competitive intelligence process as being broken down into four parts:

- *Gathering Information*
- *Analysis of Information*
- *Creating Actionable Items*
- *Flipping the Coin*

Let's go through each of these areas to fully understand the concept behind each of them.

Gathering Information

The first step is determining what information you want to gather. Of course the simple answer to this is information about your competitors, but not everything that happens related to your competitors is going to matter to you or your business efforts. It's important to look at your business model and determine what it is you are trying to gain from this competitive information. With the amount of data that is available in social media you do need to narrow your efforts to specific areas that you will require in-depth information on.

Think of the areas that you would like to use competitive intel for. These can be considered as your major questions to ask.

Marketing Efforts – Will you alter your efforts based on what you do or don't see competitors doing?

Product Enhancements – Will you change your product enhancements or dig in to other areas based on what your competitors are announcing?

Customer Interactions – Will how your competitors interact with their customers play a part in your engagement?

For each of the major questions, walk through the following questions to shed even more light on what you are hoping to gain.

- *What departments will be directly affected by information about our competitors?*
- *Will you be using this information immediately? During the next quarter? Long term?*
- *How much of this information will have an effect on your choices? 20%? 50%? 80%? 100%?*
- *Would you be willing to change your original plans if the information you gained went against them?*

By walking through these questions and others like them you should be able to start seeing what information it is you are looking to gain. Whether you're a company looking to learn from someone else's customer engagement and willing to change your efforts 100% or a company that wants to know about another company's product announcement with 10% impact on your efforts, the answers to these question will start to take shape once you begin your analysis section.

Analysis of Information

Once you've figured out the information that you want to be looking to gather, it's important to know in advance how you will be completing the analysis on this information. The Analysis is best reviewed in aggregate where you will look at the information as a whole, compare data over time, and find the why behind the shifts. This is where you will start to build out insights out of your competitive intel. While social media standards, especially in the analysis, are still developing as the industry grows, it's important to set your own standards for analysis in advance. Ways to perform measure on competitive data include looking at some areas like the ones below.

Share of Voice – This is an overall metric that looks at the number of your total mentions compared to your competitors. You can look at the shift in percentage over time and determine how much this shifts between you and your competitors.

Share of Conversation – While this metric looks more at an industry view of how many of your mentions are found within your industry, you can use this in a competitive

manner by tracking how large a share of conversation your competitors have, compared to you.

Trend Analysis – Looking at a volume trend of mentions over time is a great way to see the spikes in volume, so why not take a look at your competitor's spikes? What are causing those spikes?

Conversation/Theme Analysis – Looking at the make up of the conversation and what themes are happening around your competitors will help to understand areas in which your competitors may be mentioned and you are not.

Once you've analyzed the data and arrived at a few summary points, it's time to move to a conclusion on your actionable items.

Actionable Items

Conclusions, insights, summary, all of those different names really mean the same thing, which is to take the information and build out a series of actionable items that you can make your business decisions based on. This area will relate back to the questions you asked yourself about how much you are willing to have your competitive intel affect your planning, and how quickly you'd like to see those changes in effect.

Here's a few things to keep in mind:

Base it on the data – Always make sure your actionable items are based off of what you actually see in the information you've gathered. This is to make sure it's factual and accurate.

Stick to your plan – The reason you ask yourself questions like how will we use this information is so that you're not panicking over things you see your competitors doing. Don't over react - evaluate and alter your planning if need be.

Fit new insights into your business strategy – Insights are great, but if they don't mean anything to your overall business strategy then they never become things you act on, and simply get added to that long list of information we all are waiting for the right time to use. If it doesn't fit your goals, or it doesn't make sense to adjust your goals to take it into consideration, move on to more valuable action items.

Flip Side of the coin

So let's be realistic, if you haven't considered the fact that your competitors could possibly be reading this exact information, well hey, your competitors could be reading this exact information. So just to be fair let's tell you all the same conceptual tips for keeping yourself safe for the Flip side of the Coin when you take a look at your own counter competitive intel planning.

Have a counter intel plan – Just like you should have a plan around your competitive intel gathering, you should have a plan for defending against competitors finding out information about you.

Tie into your Engagement Guidelines – Keep things the same across the board and tie in to your social media engagement guidelines on what employees should and shouldn't talk about. Things like product announcements, financial info and customer details are pretty standard, but also remember things like "Exciting meetings with all the whole office today!" can say a lot right before the end of quarter or a major event. Educate your employees before those situations as to what's acceptable.

Don't be surprised when your competitors learn about you – It will happen. Your competitors will be able to pull out information about you. Don't be surprised and over react. Have a plan in place for evaluating risk and next steps when this does occur. Making rash decisions and unnecessarily escalating time lines are just two of the dangers of weighing the impact of their knowledge too heavily.

CHAPTER 4 PRACTICING THE PRACTICAL

This is where you put your strategy into action. While this can mean using a social media monitoring platform, it also refers to the reporting and analysis around the information you gather. If you've taken the time to plan out what you are trying to accomplish then putting it into practice will go much smoother in the long run.

Again, that's go through the practical side by looking at our four areas:

- *Gathering Information*
- *Analysis of Information*
- *Creating Actionable Items*
- *Flipping the Coin*

Gathering Information

Once you've figured out what information it is you want to find, you'll now want to work on the how. For some that can mean purchasing a social media monitoring platform but not always. Looking at your answers from the conceptual questions, do you see yourself using competitive intel for all three areas suggested with more than 20% impact on your immediate and long term plans? Then, yes a paid solution may be your first choice. But if you're just planning on looking at one area with little impact and only for indirect

information, consider starting with a variety of free solutions to do your research.

Before we dive into specifics, let's go over one thing. While looking at brand mentions of your competitors will give you ideas like total volume of mentions and general tone of the conversation, to really make good use of social media and monitoring platforms you need to spend the time and do the research. That means using what's available right at your fingertips to understand what your competitors are doing. Take a few moments and check out their website, read their information and find the areas and keywords that suit for what it is you are looking for. By doing this first initial step, it will help throughout your process.

Let's look at some ways to gather information for the areas we've been discussing.

Marketing Efforts

If you want to keep an eye on your competitors marketing efforts, make sure you are searching for the keywords they are using in their marketing. What we mean by this is often times companies use different terms for the same things. If you try and search for your words and not theirs, you may not get the results you want to see. Learn their marketing language and search using those terms.

Product Enhancements

Sure it'd be great to do a search for "Competitor X's next big product" but that's probably not going to show you the information you need. Instead, read between the lines of the conversations that are happening and focus your attention towards how they respond to product reviews of their current offerings. If a company is shying away from a topic, it could be a sign of an area they don't want to discuss because they haven't found a solution or because they have. Either way, it's a sign that you can use to improve your product offering.

Also, make sure to pay attention to what your competitors aren't saying. If you notice that when a competitor is reviewing the amount of suds that their soap produces they never respond, it could be a sign that's worth looking at.

Customer Interactions

If you aren't watching how your competitors interact with their customers in social media you are missing a great opportunity to get an insider view of exactly how their company works. We are not saying to jump on top of these customers and try to hard sell your product, because no one wants that. Rather, learn from how they talk to their customers and compare it to your methods. How do they handle negative issues? Do they handle negative issues? Is there a chance for you to offer a discount based on

certain issues that customers are having with a competitor? These are all things you can glean by watching their interactions. One of the simplest ways to do that is to monitor your competitors' twitter, corporate blogs and other social media channels.

Analysis of Information

So how do you analyze information? We highly suggest checking out some of the great resources that are out there in social media where analysis is discussed openly amongst experts. It's a great way to start gaining exposure to the proper methods. To help get you started let's break down the practice of some of the metrics we described.

Share of Voice

So let's take your total mentions and compare it to competitor mentions. You'll want to make sure that when you do a comparison like this that you are looking for all variations on your company name and your competitor(s) company name(s) as possible to ensure accurate results. By looking at these figures in a specific time frame, you'll be able to calculate a percentage or share for your and your competitor(s) social voice. One of the best ways to view this is in a nice pie graph that will show you quite visually who's dominating being the most talked about brand and/or company.

Share of Conversation

So just like with Share of Voice, you are looking to compare total mentions with Share of Conversation. In this case however, you'll be looking for your total mentions compared against the total mentions in your industry. To make this valuable from a competitive standpoint you'll want to build out a few different pie graphs, as many, in fact, as you have competitors. What you're looking for here is the shift over time in the industry not just compared to yourself. Maybe you lead all your competitors in Share of Voice, but what if slowly but surely someone is starting to creep up in industry conversations? Well this is the way to look for exactly that.

Trend Analysis

A trend is looking at total volume of you and/or your competitor(s) over time. What you will see are spikes and valleys, which show the highs and lows of the conversation. What you'll be looking for are times when your competitor(s) spike higher or remain trending higher than you. From these spikes you can find valuable information about why your competitor(s) are above you.

Another great way to use Trend Analysis is by using specific keywords, like similar marketing campaigns or product launches, and looking at reasons why you have gone above or below your competitor(s) volume.

Conversation/Theme Analysis

When you are trying to determine the drive behind spikes, volume and why a competitor(s) campaign is being discussed more, that's where analyzing the theme of the conversation, will come in to play. There are many different ways to do this from the most basic, reading tons of posts and making notes on what people are saying, right up to gearing your search towards larger volume such as using social media monitoring platforms that provide word clouds and insights engines. Whichever way you choose, the important part of this analysis is to ensure that you are reviewing enough of the information present to form a solid conclusion. If you read 1 post out of 100 that says the answer to 1+1 is 3, concluding that 3 is the answer based on public opinion is very well supported. The larger the data set the better results but be realistic and choose a constant level that you will be able to maintain while being accurate.

Another thing to keep in mind with conversation analysis, is to put yourself in your competitor(s) shoes. Don't think like an outsider looking in reading how customers are reviewing your newest product. Imagine you are that competitor(s) during your analysis so that you can think about what you would do after reading this data. It will help you once you build out your actionable items.

Actionable Items

So how do you build an actionable item off of something like numbers and graphs? The important thing to keep in mind is to take the information you gained from your competitive tracking and apply it to your business objectives. With the pre-planning you've already done, this task will be much easier because as a team you have already discussed what actionable items are important to you. Let's use an example to explain this.

Brand X has a Share of Voice that runs steady at 6% per month. Their main Competitor (Competitor A) comes in at about 5%. Over the last few months Brand X has noticed that Competitor A has been increasing their Share of Voice by 0.2% each reporting period, which was found to be connected to spikes caused from their new Marketing campaigns. Brand X wants to remain the top brand talked about in its customer base and Marketing is a very important component to them.

If we were Brand X what actionable items could we pull from this information? Depending on their business goals some of those action items might include:

- *Brand X will evaluate the language used in Competitor A's advertising to see if there are any areas for improvement for Brand X.*
- *Brand X will look at the breakdown of media type that Competitor A's volume is rising in to see if there's a community Brand X is not competing in.*

- *Brand X will maintain their own marketing efforts but devote more time to intensifying brand awareness.*

All of these are actionable items that would eventually help Brand X meet their marketing goals. The big thing is to pull out real actionable items that will be achievable by you and your team.

Flip Side of the coin

To make sure you are protected from your competitors here's a few practical tips to follow:

- *Cover competitive intel in your employee training*
- *Have a record of all of your employee social media accounts to ensure you know what's being put out in the space*
- *Make sure your social media guidelines clearly outline what should and shouldn't be said online*
- *Monitor your own brand by putting yourself in your competitors shoes and seeing what you could learn about your own company online*
- *Be sure to answer all questions of the same type in the same manner to prevent people from gleaning insights*

Through all your practical applications, it's important to remember to always be willing to shift your methods to best fit your situation. Make sure to set aside some time every quarter to review your process to keep your analysis successful.

CHAPTER 5 WRAP-UP

So, to wrap up this month's EBook, Getting the Competitive Edge with Social Media - we have gone over the ways that you can improve your competitive intelligence efforts as well as protect yourself from others who may be trying to gain intelligence against your company. We covered the basics of the importance of competitive intelligence and also the methods that can be used for concept and practical methods. Some of the major things to keep in mind is that competitive intelligence gathering is a process that involves gathering information, analyzing information, building actionable insights off of that information and then flipping the coin on yourself to ensure you are following the same methods internally.

Now, we'd like to leave you with the questions to discuss how you are currently using social media for your competitive intel efforts and whether there are ways you can improve those efforts. Do you have a strategy in place? Have you talked about the concepts of gather information and how you will analyze that information? Do you have a platform you will be using to help with the analysis or will you be using free solutions? All of these are questions that you should be asking yourself before diving into the competitive intelligence space. If you are already in the space, take some time and review your current procedures. Let us know what road blocks you have hit in the space or ways you have over come them. We appreciate your feedback and would love to hear your thoughts and read your comments on this issues.

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