

Word of mouth is a well-known but, arguably, poorly understood phenomenon, which has proved notoriously difficult for marketers to monitor, influence and manage, but times are fast changing.

IGNORE THE ONLINE BUZZ AT YOUR PERIL



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Create an enthusiastic customer in the new digital age of user-generated web content and you have an unpaid evangelist who can authentically speak about the merits of your brand. Upset them at your peril.

Publish on demand

A few years ago, poor service or a defective product triggered a letter of complaint, which may have sometimes reached the local media. If you were very unlucky, it may have attracted national attention. C'est la vie. You wait a few days; the papers are pulped and then it's "business as usual". Do you recall the oft-quoted conference statistic about the unhappy customer who tells 13 people about their negative experience? Well, welcome to 2007 where they now go online and tell not 13, but 1.3m people about the experience. Upset a "tech-savvy" customer now and you potentially unleash a digital diatribe with a warts-and-all account posted on dozens of review websites and personal web logs (blogs), which is captured by the search engines within a few hours. Phase two of the complainant's strategy is to set up a protest website and web log and forensically critique and expose any and every customer-facing issue since the company was formed.

With the number of personal web logs now conservatively estimated at 55 million – and an average of 75,000 started in the past 24 hours – the power of companies to control organisational or brand sentiment has suddenly vanished. And, with computers now sold next to the bakery in supermarkets and broadband being given away free, the number of people expressing sentiment online about companies will proliferate.

There are more than one million personal web logs already in the UK and these nouveau-journalists are now "blogging" on last night's hotel stay (do not book rooms 17-21 as they suffer from road noise), dinner at Brighton's latest hip restaurant (beware of Friday and Saturday as

they have two dinner sittings and you feel as though you are being rushed) and a health club chain that insists on four months' notice before you can leave.

Perhaps you are thinking that people do not trust these "user-generated" reviews – after all, it is just one person's opinion. Think again. In a recent Ipsos/Mori survey, customer reviews were significantly more trusted than company statements. The survey also found that one-third of UK adults have read negative online sentiment about a company's product or service.

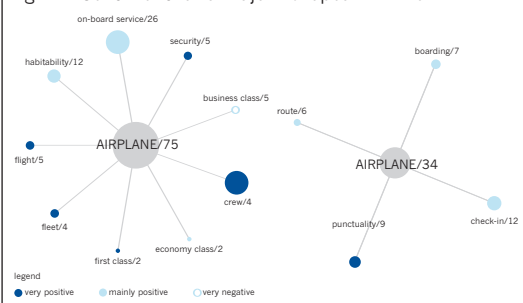
Online sentiment analysis unravelled

Even though we cannot control what people (existing and prospective customers, staff, competitors, suppliers) publish online about our organisations, we can now, at least, begin to monitor the internet "buzz" with the help of companies such as Nielsen BuzzMetrics, ASOMO, WaveMetrix and Cymfony, who operate in the field of online sentiment or "social climate" analysis.

What are the issues?

Any robust research project commences with a clear understanding of the primary objectives. For example, to investigate member sentiment to the recent acquisition of Holmes Place health clubs by Virgin Active. What are Holmes Place members saying about the merging of the two brands? Do they agree with the decision to rebrand all clubs to Virgin Active? Do Holmes Place members like being a part of the Virgin "family"? With a clearly defined brief, online sentiment analysts or information brokers identify the relevant online discussion forums, web logs and websites where member opinion is being expressed. Comments in online discussion forums tend to be more candid, as they are unprompted by a researcher. Specialist sentiment monitoring software and analysts passively monitor the internet, never contributing or influencing the digital dialogue.

Fig 1 – Sentiment for a Major European Airline



What are the insights?

Figure 1 shows the online sentiment from customers of a major European airline. Opinion is captured on the airport and actual airplane experience. The circle size denotes the volume of comments relative to another topic. The larger the circle, the greater the conversational “buzz”. This figure shows more comments about on-board service than airplane security. A turquoise circle denotes that at least 75% of all expressed comments were positive, turning black if 75% or more expressed negative sentiment. Reports are viewed through specialist software that sits on the client’s computer. In order to explore why there was negative sentiment relating to business class with this airline, a user simply drills down to actual customer comments. In this instance, customers felt the cabin temperature was too high and the in-seat televisions too small.

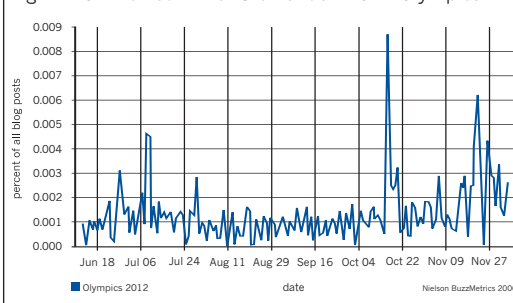
Comments can also be filtered by different types of opinion holder; eg, regular customers, staff and prospective customers. Users can “mine” the data at any time as analysts are harvesting the internet for opinions on a daily basis.

Immediate insight

Figure 2 shows the online discussion for the London 2012 Olympics for the six-month period June-November 2006. You will see three key spikes in July, October and November when online comments peaked. The announcement by Tessa Jowell, the Culture Secretary, of an extra £900m (1.3bn) for the new Olympic park is the type of public announcement that will lead to a spike in online comment.

However, issues such as a new product launch, price increase or product recall announcement can all be tracked within days, if not hours. You can imagine the “internet buzz” when Sony announced they were recalling laptop batteries that may suddenly explode. Dell was just one company affected – they alone have so far recalled 4.2m

Fig 2 – Online “buzz” for the London 2012 Olympics



laptop batteries. Word quickly spread that other laptop manufacturers, using Sony batteries, would be affected and some airlines stopped travellers using laptops on flights, unless directly plugged into an external power supply.

Spot new opportunities

When a former US Marine began blogging that Starbucks was unpatriotic, because it was not providing coffee to troops in Iraq, the company saw an opportunity rather than a threat. Within a month, it had donated several million dollars’ worth of coffee.

Getting started

To get your internet monitoring programme under way, consider the following:

- Identify the key websites that discuss your company.
- Begin to understand the degree of sentiment being expressed about your company.
- Identify an individual or organisation responsible for understanding your online corporate image and provide them with the authority to post online comments on public sites. Not having a proactive web response is analogous to ignoring a phone call from a journalist.
- Determine how online sentiment should inform your marketing plan.
- Create ways for stakeholders to converse directly with your company via web logs and discussion forums.

We are living through a communications revolution and it does take time to understand how to harness the power of this new phenomenon. Who could have anticipated Google paying £846m (1.2bn) for YouTube, an 18-month-old company that shows amateur short videos. However, one thing is very clear. Companies no longer control the communication platform, so they need to stop shouting at customers and find ways to collaborate with them.

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