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TALKABILITY INDEX

WHITE PAPER
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"MAGIC MIRROR ON THE WALL, WHO IS THE FAIREST ONE OF ALL?"*

This is the question the queen is asking the magical mirror every day. She is looking for an answer that will please her, but the mirror, eventually, gives her an honest one, and so the queen threatens to destroy it...

Like the magical mirror, Social media is, as well, reflecting an honest truth, whether you like it or not...

SOCIAL MEDIA AS A LOOKING GLASS

Social media is the buzz word today. While many companies understand they can't ignore it and even integrate social media activity into their marketing plans, few are using it to understand consumers' thinking and implement crowd knowledge in their day-to-day business decisions.

The magic of social media is in its unprecedented access to the man in the street. While reading what people are writing, you can imagine their whole lifestyle, where they live, how they look like, what they like to eat, where they hang out and more - this is because people are involving others in their lives and not just writing sterile statements with no context.

This sharing allows us to understand how consumers really think – as opposed to getting an answer for specific questions – and understand their way of thinking, what drives them to do this and not that, how they talk, what expressions do they use and finally understand their influence on the way in which a brand\product is perceived.

RESPECT

Today, social media is the It girl, anyone in marketing knows they must understand it and be more involved in it. Social Media is still in the adoption phase but finally reaching critical mass of representation.

But as things happen to It girls, it will either reach fully fledged celebrity or fade out. If some methods won't emerge out of this vast river of information, that will show how social media insights can be used in day-2-day business decision processes, it will dissipate and be just another passing fad.

The bursting river will just go to waste, unless we know how to use it and derive insights that can be measured. And this will really be a shame, as social media is changing the way we look at market research. No more asking questions regarding what we think are important, but giving more respect to the consumers, and just listening to what they have to say.

LISTENING IS IMPORTANT, BUT DERIVING INSIGHTS IS CRUCIAL

So, more and more companies understand the importance of listening, but don't really know how to do this (Listening is also what some call Brand Monitoring – but while monitoring is more of a quantitative approach, listening implies to really hearing what the consumer has to say).

Listening enables companies to get indications on what's happening in the consumer arena, staying connected to the source. You can do some things with listening – for example identifying threats or opportunities and responding immediately. However, you can't reach deep understanding of your brand perception or awareness in the consumers' mind, or identify drivers to positive or negative sentiment through listening in itself. Basically, it allows you to get indications to your hunch or gut feeling, indicating that something is happening, but that's about it. It's difficult to use these indications without verification of who are they representing, is it a trend or something new we should follow. In the end of the day, companies don't make business decisions based on gut feelings but on facts and insights, backed up by data.

WHAT IS TALKABILITY?

And this leads me to our main course – introducing a way to understand social media insights and how to use them in the business process – the talkability analysis method, which is transforming social media insights into operational actions.

The essence of talkability is to understand the drivers that influence conversations - what drives us up in consumers' perception and what drives us down.

Talkability is a parameter which is indicative to the level of engagement and its content

More precisely, Talkability is a direct function of the level of sentiment and the volume of conversations:
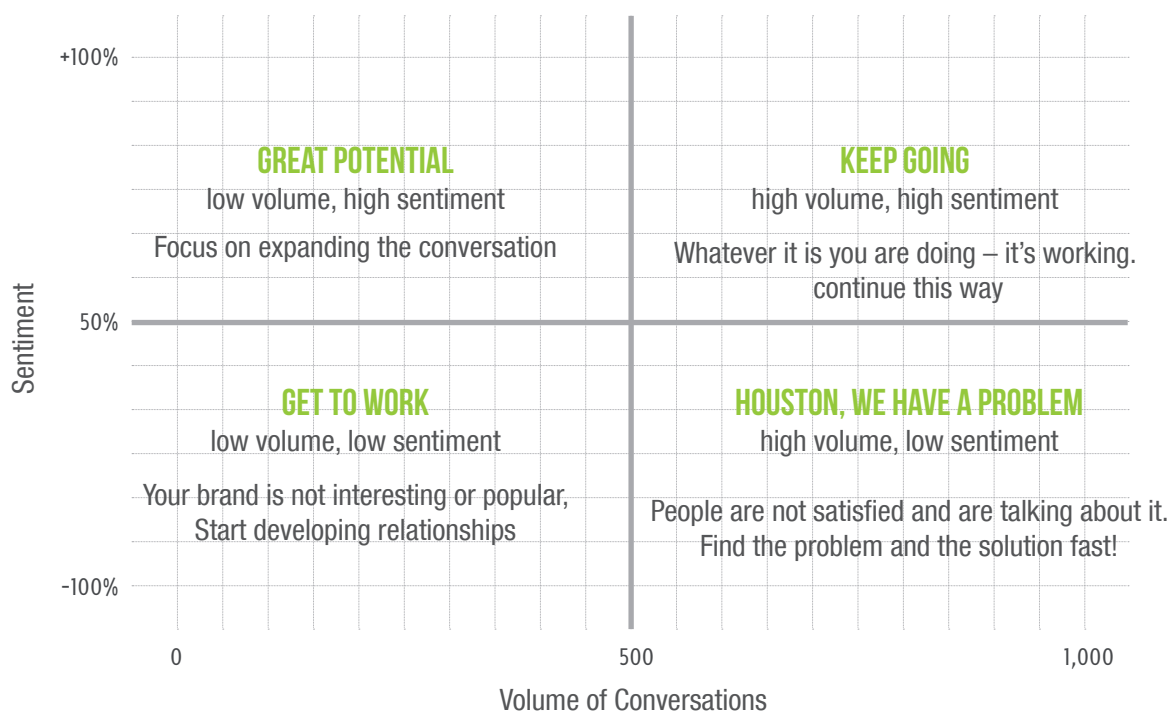
TALKABILITY(Z)=F{SENTIMENT(Y), VOLUME(X)}

We believe that these are the two vectors that most influence brand perception: Conversation means level of engagement and the more involved the consumer is in positive conversation the better. Basically what we usually want is for our brand to be talked about, by many people and in a positive way – and that's why you want to have a high and positive talkability score.

Once we define a criteria and a way to measure social media insights, it makes them much easier to use:

1. Understand what is the current situation of your brand (or any other subject defined) – Is it being talked about, how much, positive\negative – how can you participate in the conversation and what needs to be done
2. Where is the brand in the competitive landscape
3. What are the drivers, forces that got the brand to the place it's at in consumer perception – what topics or audiences drove it up or down and why, what were the most influential websites in the conversation?
4. Identify the potential – good and bad – for increase\decrease in Talkability

Talkability is a parameter reflecting a function of volume and sentiment: The function is based on the indifference curves model familiar from the economic theory.

A chart with Sentiment on the Y-axis (ranging from -100% to +100%, with 50% marked) and Volume of Conversations on the X-axis (0, 500, 1,000), divided into four quadrants:

- **GREAT POTENTIAL** — low volume, high sentiment. Focus on expanding the conversation
- **KEEP GOING** — high volume, high sentiment. Whatever it is you are doing – it's working. continue this way
- **GET TO WORK** — low volume, low sentiment. Your brand is not interesting or popular, Start developing relationships
- **HOUSTON, WE HAVE A PROBLEM** — high volume, low sentiment. People are not satisfied and are talking about it. Find the problem and the solution fast!

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This kind of analysis presents, through clear visualization, the drivers\vectors in the conversation and as such allows us to plan our approach. As part of the process, it dissembles the dot on the map into its vectors so we can handle each separately and in a more accurate way.

Below see an example of a Talkability index for Mazda 3

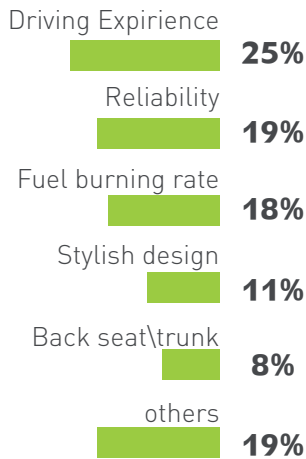## MAZDA 3 – A FAMILY CAR PREFERRED BY YOUNG DRIVERS
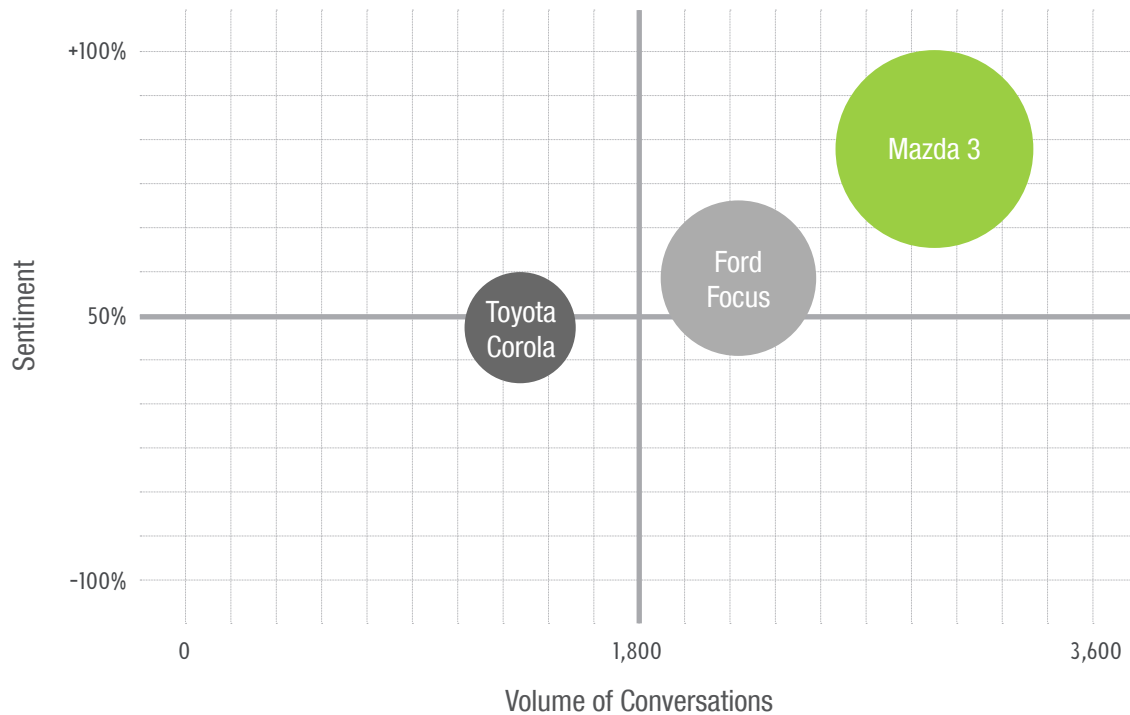
We analyzed the category of family cars in Israel, where Mazda 3 appeared to be an unparalleled leader in both Volume and Sentiment. The main competition, as appears in conversations is coming from Ford Focus and Toyota Corolla.
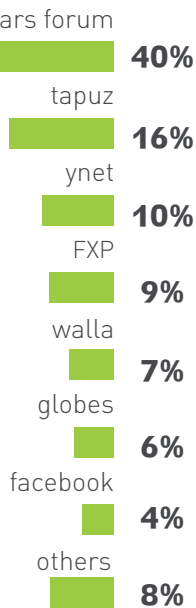
The positive drivers are coming from car features such as reliability, driving experience and stylish design. While in some other features it is lacking in comparison to the competition, such as spacious back seat, being too common (everybody has it) and a fuel burning rate. Mazda's real advantage comes from the audiences arena – while it was quite expected to find people with families interested in this car, it was more surprising to find young drivers interested in it and driving the buying decision within their families.

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One explanation can be the fact that these drivers, usually around 17-18 years old, are a dominant buying force in their homes and since this is a family car, they at least want it to be the most stylish one. In addition, they are interested in its performance and driving experience. (And yes, the stereotype is correct this time – mostly guys drove these conversations).
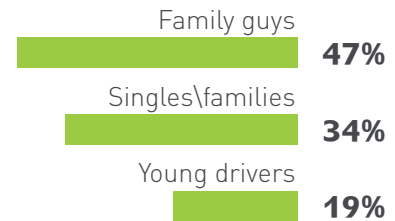
Topics of Conversation

Topic	%
Driving Expirience	25%
Reliability	19%
Fuel burning rate	18%
Stylish design	11%
Back seat\trunk	8%
others	19%

Web Sites

Site	%
cars forum	40%
tapuz	16%
ynet	10%
FXP	9%
walla	7%
globes	6%
facebook	4%
others	8%

Audiences

Audience	%
Family guys	47%
Singles\families	34%
Young drivers	19%

TALKABILITY INDEX

When used on an ongoing basis, the talkability analysis transforms into an index. As an index it provides additional value in terms of measuring changes over time, and allows us to see the impact of external activities, either conducted by the company or others.
Using it, we can measure the influence of marketing and other business initiative, in terms of engagement, while our goal eventually is to find the connection between level of talkability and level of sales.

Oh, the places you'll go!*
Having this kind of tool, social media is no longer a blur of words, ideas, jargon and what note. Social media now has a clear voice, expressing what consumers really want. The ideas are there, waiting, so… Get analyzing

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