Social Listening – A Review and its Use for Customer Engagement & Customer Retention by Organizations

Prof. Ruchika Garhwal (Asst. Prof. at Indira School of Business Studies, MBA, Pune)
Dr. Sunil Dhanawade (Director at Dr. D. Y. Patil Centre for Management & Research, Pune)

Abstract

In today's digital age, social media has emerged as a vital platform for businesses to connect with their customers. As of July 2023, there are 5.19 billion internet users worldwide, which amounted to 64.6 percent of the global population. Of this total, 4.88 billion, or 59.9 percent of the world's population, were social media users (Source: Statista). Tech and policy think tank Esya Centre has found that daily engagement of Indians in terms of time spent is the highest for social media at 194 minutes a day. This number for OTT and Online Gaming stands at 44 minutes and 46 minutes, respectively. Thus it has become important for organizations to be available on these social media platforms to connect with customers. Presence of organizations on Social media platforms has helped companies connect with common people, end users. Social listening, the practice of monitoring and analyzing online conversations and discussions, has gained significant attention as a strategic tool for understanding customer sentiments and preferences. This research article presents a comprehensive review of the concept of social listening and its pivotal role in enhancing customer engagement and retention strategies.

To provide a comprehensive perspective, the article also mentions about various organizations that have successfully integrated social listening into their customer-centric strategies.

In sum, this research article sheds light on the role of social listening in customer engagement and retention by making use of the insights derived from social listening.

Keywords: Social Listening, Social Media, Customer Engagement, Ethics

Introduction

In today’s era, businesses are looking for creative ways to interact with their customers and win their loyalty due to the digital interconnection and the widespread use of social media by the consumers. Platforms for social media have developed into vibrant centres of consumer activity where ideas are exchanged, preferences are expressed, and trends are created. Because of this change in consumer behaviour, "social listening," a significant phenomena with the potential to provide the current insights has emerged.

Social media listening is the practice of monitoring and analysis of online conversations and discussions across various social media platforms, forums, blogs, and other digital channels for key buzzwords and phrases. Social listening is a strategy used by brands to understand their customers and improve their products and services by staying up-to-date on what consumers, other brands or competitors are talking about. Through
Social Listening brands come to know how do customers feel about their product or service, and what content resonates with them most. As customers express their joys, frustrations, desires, and concerns in real-time, social listening provides businesses with a unique opportunity to eavesdrop on these conversations, decode their sentiment, and decipher their underlying motivations.

The emergence of social media has changed how companies interact with their clients and magnified the voice of the consumer. Customers today demand individualised service, quick responses, and a sincere appreciation of their wants and preferences. Social listening becomes crucial in this situation for bridging the gap between companies and their customers. It enables businesses to become aware of the constantly changing attitudes of their customers and change their tactics accordingly.

In this article, different organizations will be highlighted that have successfully used the power of social listening to enhance customer engagement, improve customer service, foster brand loyalty, and ultimately increase customer relationships.

**Types of Social Listening**

There are three main types of social listening:

- **Basic social listening:** This involves listening to and learning from the organisation's own audience, such as people who follow the brand on social media, engage with their content, or mention that brand on any of its social media page. This can be done by monitoring social media posts for the brand name, hashtags, and other relevant keywords. Basic social listening can help understand how the audience perceive a particular brand, what they like and dislike about products or services, and what topics they are interested in.

  Example: A clothing company could use basic social listening to monitor customer feedback on its new clothing line. This feedback could be used to improve the design of future products or to address any customer service issues.

- **Deep social listening:** This goes above and beyond simple social media listening to keep track of all posts on social media on a specific subject/topic, even if the brand name isn't mentioned. Understanding the competitive landscape, identifying trends and patterns in public opinion, and finding new business opportunities may all be accomplished using deep social listening.

  Example: A technology company could use deep social listening to track trends in consumer technology. This information could be used to develop new products or to improve existing products.

- **Combined social listening:** This combines basic social listening and deep social listening to give a more understanding of what people are saying about the brand and industry. Combined social listening can help in identifying key influencers, track industry trends, and measure the effectiveness of marketing campaigns.

  Example: A restaurant chain could use combined social listening to identify food bloggers and other influencers who are talking about its food. The restaurant could then reach out to these influencers to partner with them on marketing campaigns.
Social listening can be a valuable tool for businesses of all sizes. By understanding what people are saying about their brand and industry, businesses can make better decisions about their products, services, and marketing strategies.

**Research Objectives**

1. To review the existing literature on the concept of social listening
2. To explore how organizations utilize social listening to enhance customer retention strategies and customer engagement
3. To identify and discuss the ethical considerations and challenges associated with social listening

**Review of Literature**

1. The idea of social listening is examined by Margaret C. Stewart, and Christa L. Arnold, as a unique and developing aspect of the larger listening process. Traditional listening approaches need to be reevaluated in light of the ways that social media and digital technology have changed the listening landscape. Mass and interpersonal communication have been profoundly impacted by the spread of social media platforms. The value of social listening from a strategic business, government, and individual standpoint is highlighted in this article. Having access to the massive volume of information and discussions that take place on social media can help with decision-making, public relations tactics, and customer interactions. Social listening has brought up ethical questions about permission, surveillance, and data privacy.

2. Through the lens of social listening, Miguel Cuerdo-Mir and María Teresa Freire-Rubio investigate the relationship between sustainability and social media. The study is placed in the larger context of social media, sustainability, and the developing field of social listening in the article. In this work, the idea of social listening—a technique for tracking, gathering, and evaluating data from social media—is presented. It's a fresh way of looking at how people feel and talk about sustainability. The writers talk about how social listening can be used to find important voices in online conversations around sustainability. Influencers are extremely important in forming public opinion. The study highlights how important it is to take ethical issues like user consent and data privacy into account while doing research on social listening.

3. Academic libraries, like any other organisation, need to have good customer relations. Alongside technological improvements, the conventional form of library-customer interaction has changed. The use of social listening in the setting of an academic library is thoroughly examined in the study "Improving Customer Relations with Social Listening: A Case Study of an American Academic Library" by Margaret C. Stewart, Maria Atilano, and Christa L. Arnold. The importance of social listening in customer relations as well as the larger context of library services and user involvement are examined in this article. In this work, the idea of social listening as a tactical instrument for academic libraries is presented. By actively monitoring and responding to user feedback, social listening enables libraries to spot new problems or trends and improve the quality of their services. To demonstrate the usefulness of social listening, the writers provide a case study of a university library in America. The difficulties and moral issues of social listening in academic libraries are acknowledged in the paper. These include informed consent, data security, and privacy concerns.

4. The paper by Ariel Pomputius, "Can You Hear Me Now? In order to understand user needs, social listening can be a useful technique. This article, "Social Listening as a Strategy for Understanding User Needs," highlights this idea. In the context of digital communication and user-centric tactics, this literature review explores the importance of social listening in identifying user demands. In order to actively track,
gather, and examine user-generated content on social media, the study presents social listening. Organisations can spot possible problems, emerging trends, and user demands with this technique. Organisations may successfully adapt and respond by using real-time insights into consumer preferences and concerns provided by social listening. The study underscores the potential of social listening to enhance customer service, product development, and overall user satisfaction and calls for more research on the topic as a crucial element of user-centric initiatives.

5. Authors Benjamin Lucas and Todd Landman's paper, "Social Listening, Modern Slavery, (Saefudin Zuhdi, 2019) social listening in comprehending and combating modern slavery in the face of the world health crisis. The authors contend that social listening may help shed light on how contemporary slavery changed throughout the COVID-19 epidemic, leading to the development of more potent preventative, intervention, and support systems for survivors. The study offers a novel viewpoint on the current initiatives to fight contemporary slavery, especially in light of the worldwide pandemic. The study emphasises the significance of using technology for social good, especially in the face of huge global challenges, and promotes more research into the moral issues and useful applications of social listening in the battle against modern slavery.

6. Written by Saefudin Zuhdi, Anshar Daud, Rifki Hanif, Phong Thanh Nguyen, and K. Shankar, the paper "Role of Social Media Marketing in the Successful Implementation of Business Management" delves into the scholarly literature on the subject of incorporating social media marketing techniques into effective business management plans. The use of analytics and data in social media marketing is probably covered in the article. Data is being used by businesses more and more to guide their marketing choices. The article emphasises how crucial it is for firms looking to prosper in the digital age to incorporate social media into their marketing plans by placing the study within the framework of a quickly changing digital landscape. The work also underscores the ethical and strategic considerations necessary for the successful implementation of social media marketing practices.

Social Listening Tools used by the Organizations Namely: HubSpot, Sprout Social, Hootsuite, Talk walker, Mention etc.

The value of social listening is that it allows brands to monitor all conversations, both inside and outside of their company in following ways:

• Assists companies in fostering real dialogues with their target audiences.

• Assists with social media channel monitoring to locate and reply to all significant messages.

• Assists in identifying new trends pertaining to your industry, competitors, and brand.

• Assist in setting priorities for your social contacts and making the appropriate connections.

• Assists in creating marketing campaigns, automatically shares content to several social media networks, distributes content such as blog entries, and determines the optimal times to post.
Organizational Applications of Social Listening

L’Oreal

L’Oreal uses social listening to inform important brand choices. The brand faced a conundrum in 2011 while deciding which hair product to launch next: splat, tie-dye, or bomber. Typically, businesses would use standard research techniques, such as conducting consumer surveys, launching in-depth focus groups, or conducting interviews, to validate a trend or idea. But L’Oreal went in a different direction. In defiance of custom, the business used the internet to learn more about customer attitudes and opinions regarding the three new trends. To find out which trend is the most promising, they looked to social media. The business looked into YouTube to find user-generated material and to learn about the problems and viewpoints that their clients express on social media. They located industry thought leaders who might have influence. This, along with an examination of Google trends, assisted them in reaching a conclusion. Based on the ombre hair colour trend, the business created L’Oreal Feria Wild Ombre. The product was a big hit, and the fashion did stick around. Although product development is the primary use of social listening by the firm, L’Oreal has other objectives as well. In an interview with Brandwatch, Adrienne Rostaing, the manager of market insights and data, stated as follows: "Social allows us to refocus our actions on the present moment, tracking and adapting in real time to continuously improve the link with our consumers." The business benefits from social listening by being able to monitor conversations, reviews, and ratings. L’Oreal feels that since consumers are making purchases at a faster rate, it's critical for industry representatives to be everywhere. They collaborate closely with bloggers and social media influencers as a result.

Paytm

Brands frequently come up with creative ways to criticise each other's flaws. In response to a user's tweet about a bug in the digital payment software Google Pay, Paytm CEO Vijay Shekhar Sharma stated that if consumers go to Paytm, they won't make "such requests." A user complained about an issue on Google Pay, noting that they were unable to contact customer service to troubleshoot error code XV on the payments app. Sharma responded to this exchange by writing, "Try Paytm, and you won't post such support requests." Sure, paying with a bank account is simple and requires no KYC. Bonus: Customer service at the CEO level.
Instant Delivery Apps: Swiggy

Instant delivery brands may understand consumer sentiment by using social listening. It can indicate any shifts in consumer perception of the brand, allowing to promptly address the changes. A Twitter user asked Shah Rukh Khan whether he had eaten food. The Bollywood actor sarcastically asked him if he is from Swiggy and if he can send food over. Seizing the chance, Swiggy plunged headfirst into the dialogue and, within a few hours, dispatched its delivery staff to 'Mannat' bearing treats from multiple Mumbai eateries.

Pepsico India’s PEP Pulse

PepsiCo India's consumer-focused initiative, Pep Pulse, is an internal hub for real-time marketing and express information. It is inhouse social listening centre, monitoring celebrity lives and consumer comments, generating real-time insights.
Social Listening used by Government of India

The Indian government launched MyGov, a platform for citizen engagement, to encourage Indian individuals to actively participate in the governance and development of their nation. Indian residents are to be able to "crowd source governance ideas from citizens" on this single platform. Users converse about and participate in a range of government initiatives. Users can upload documents in a variety of formats as well. The National Informatics Centre (NIC) is in charge of managing and hosting the website. In order to facilitate the provision of government IT services and the implementation of some Digital India projects, NIC offers infrastructure. The goal, according to Prime Minister Narendra Modi, was to close the large distance that arose after election between the electorate and the Executive. The citizen-centric platform empowers people to connect with the Government & contribute towards good governance.

Ethical Considerations and Challenges

Organisations utilise social listening extensively to learn about public attitudes, behaviours, and trends. It does, however, bring up important ethical issues and problems that require serious consideration.

- **Ethical Issues with Data Privacy**: Gathering user-generated content without permission is a major ethical issue in social listening. Regulations pertaining to data protection and privacy must be followed. Examining how social listening techniques can abide by ethical and legal requirements, such as GDPR, HIPAA, and other data protection legislation, is the goal.
- **Openness and responsibility**: The absence of accountability and openness in social listening raises further ethical concerns. It is frequently challenging to determine who is gathering, utilising, and analysing social media data for social listening objectives. It may be challenging to hold social listening practitioners responsible for their acts due to this lack of transparency.
- **Bias and discrimination**: Biassed social listening algorithms have the potential to produce discriminatory results. An algorithmic social listening system employed for the purpose of identifying potential employees could exhibit bias towards specific demographic groupings.
- **Cultural Sensitivity**: Information from a variety of cultural backgrounds may be included in social listening. Misunderstandings and possible conflicts might arise from cultural insensitivity or misinterpretation in data analysis, which can have ethical ramifications.
Conclusion

Social listening raises client lifetime value, boosts brand loyalty, and increases customer happiness. As a result, in a world that is becoming more dynamic and linked by the day, businesses can stay informed about changing customer expectations, strengthen their competitive advantage, and cultivate enduring relationships with their customers.

As per the use of social listening by the organizations, social listening is an effective strategy that businesses may use to improve consumer engagement and retention. Through the acquisition of real-time insights into customer feelings, preferences, and behaviours, organizations can make informed decisions based on data and customize their strategies to efficiently address customer needs.

The ethical issues included in the literature review, however, show that social listening is not without its difficulties. Social listening involves a complicated ethical environment that includes issues with informed permission, privacy, data security, bias reduction, and handling sensitive content with care. Because of these difficulties, best practices must be created and followed to guarantee that social listening activities are carried out in a morally and responsibly manner.

Social media companies should be more open about how they gather and use user data. Social listening professionals ought to be more forthcoming with information about their procedures.

References


