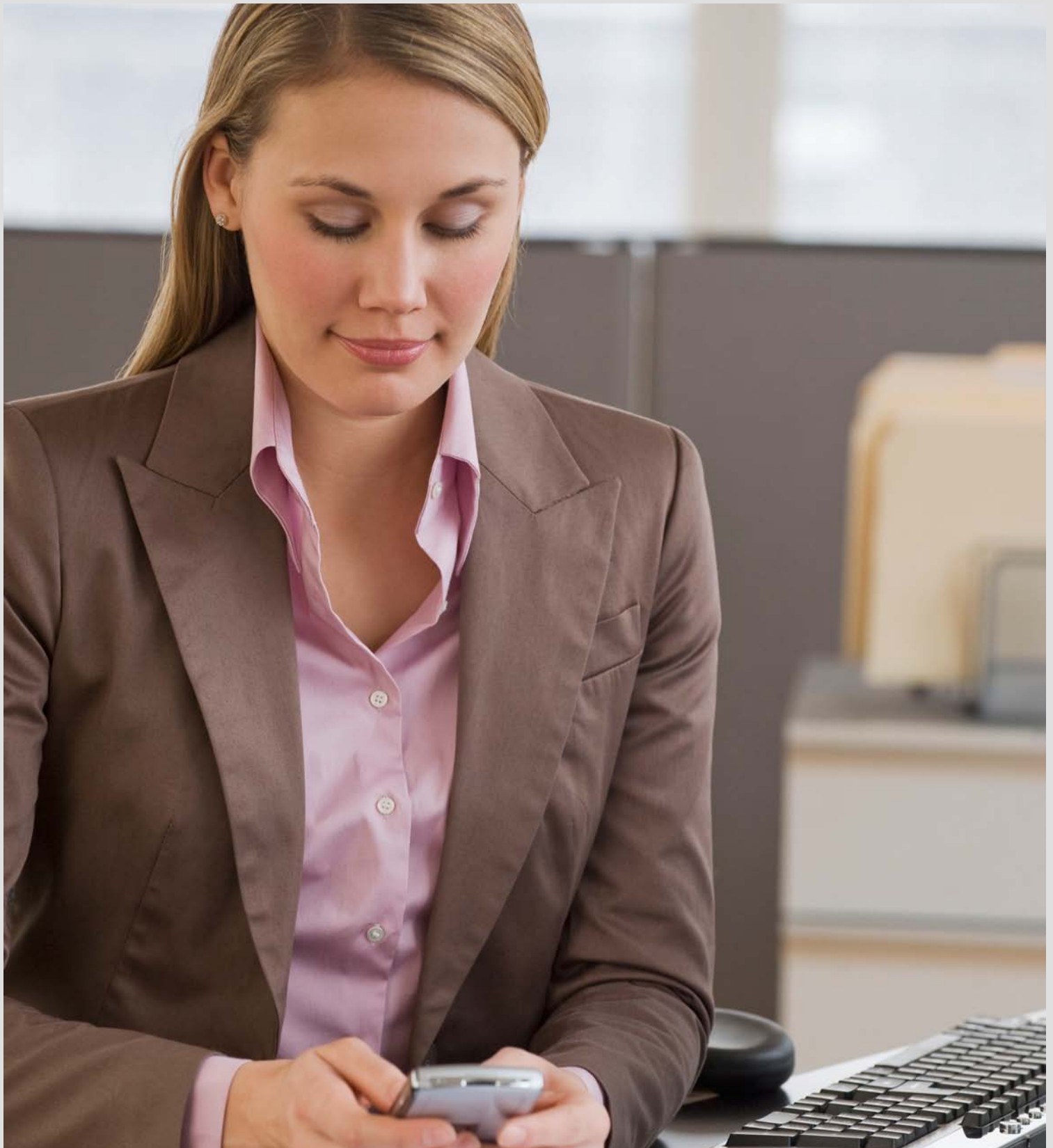




RETAILING IN A SOCIAL MEDIA WORLD

CONNECT WITH SHOPPERS TO BOOST MARKET SHARE

The ideal solution integrates software for analyzing customer sentiment with software for managing key retail processes – including customer relationship management and associated downstream retail business processes such as merchandising, supply chain management, and workforce management.



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Overview

Engaging in conversation with consumers through new social media channels is helping retailers strengthen customer relationships and enhance their brand. To manage this conversation effectively, you need solutions that help you capture and analyze a massive amount of social media data and prepare an appropriate, individualized response. The ideal social media solution integrates with your other business software through a unified IT architecture that brings information together across your enterprise.

EXECUTIVE SUMMARY

LEVERAGING SOCIAL MEDIA TO BUILD CUSTOMER TRUST AND LOYALTY

No industry is more susceptible to fickle consumers than retail. Despite the vast sums of money that retailers spend on marketing promotions and advertising, however, word of mouth remains the most powerful influence on consumer behavior. If a retailer wants to take the pulse of shoppers' desires, wants, needs, and perceptions to stay ahead of the game, they need look no further than Facebook, Twitter, or YouTube.

Leading retailers are engaging in conversation with their customers rather than simply talking at them. They are using social media to learn more about customers' opinions, needs, and desires and responding to that intelligence accordingly. By listening and responding effectively, you can control the message, evaluate and target marketing campaigns, and increase market share.

Connecting with Customers in a Web 2.0 World

Many retailers have yet to accept the importance of social media to their brand. Those who do often rely on yesterday's technology to read and react to tweets, blog posts, and other online conversations. Watching every tweet can be time-consuming and costly.

To build customer trust and loyalty in a market that is technically savvy, global, and diverse, you need advanced tools

for gathering intelligence on shoppers' needs, preferences, and interaction styles. You also need analytical tools that can help you develop products and services that address these attributes – as well as the marketing, promotion, and pricing strategies that deliver these offerings.

By applying effective technology to the massive amount of data at your fingertips, you can quickly and efficiently "listen" to the conversations your customers are having, filter key marketing signals from noise, analyze those signals, determine the most appropriate reaction, and trigger that reaction automatically. You gain a new ability to hear what people are saying about your brand. You can then use that intelligence for real-time decision making – from marketing campaigns and promotions to customer service and merchandise management.

GAINING INSIGHT

THE IDEAL SOCIAL MEDIA SOLUTION

To prepare an appropriate response, you must fully understand the conversations customers are having with each other. Social media is yet another channel that you must monitor.

The volume of unstructured content that comes from monitoring social media is overwhelming to most retailers. To handle this enormous amount of data effectively, you must streamline your processes for gathering and analyzing this information.

Today's solutions for making the most of social media input help you automatically extract, categorize, and summarize

information from social media conversations and measure the emotions in shoppers' dialogues. Such solutions also help you track customer (and even employee) sentiment on an ad hoc basis – over several weeks, several days, or several hours. These solutions help you analyze the root cause of sentiment and gauge its level of influence.

With the right technology, you can also break sentiment down by region (to identify geographic hot spots) as well as by product, competitor, or any other parameter that is meaningful to your business. You can visualize this sentiment with state-of-the-art dash-

boards and graphs and develop a consistent strategy for collecting and managing data derived from multiple sources.

The ideal social media solution alerts you by e-mail, instant messaging, or text messaging when a new sentiment thread begins. You can set alerts to occur at specific points – such as a sharp rise in negative sentiment.

As one of the leaders in social media best practices, SAP offers unified solutions to help retailers make the most of this new opportunity to communicate with customers.



JOINING THE CONVERSATION

ADDITIONAL KEY SOLUTION ATTRIBUTES

After capturing and categorizing customers' comments into easy-to-consume dashboards, it's important to decide whether the level of influence warrants a response. You can automatically trigger actionable follow-on steps within various lines of your business for timely decisions across the enterprise that align with your business objectives and enhance customer experience.

The ideal solution integrates software for analyzing customer sentiment with software for managing key retail processes – including customer relationship management (CRM) and associated downstream retail business processes such as merchandising, supply chain management, and workforce management. Integration with a CRM solution, for example, can help you funnel comments from a social media site into a shopper's loyalty history. Sales associates then have real-time information for offering the targeted advice and support that shoppers expect today. With the right tools, you can also:

- Integrate social media intelligence with marketing processes to respond quickly to changes in shoppers' needs and expectations
- Manage individualized responses from the appropriate line of business to engage a specific individual
- Link Twitter IDs to customer IDs to prepare individualized messages or service tickets

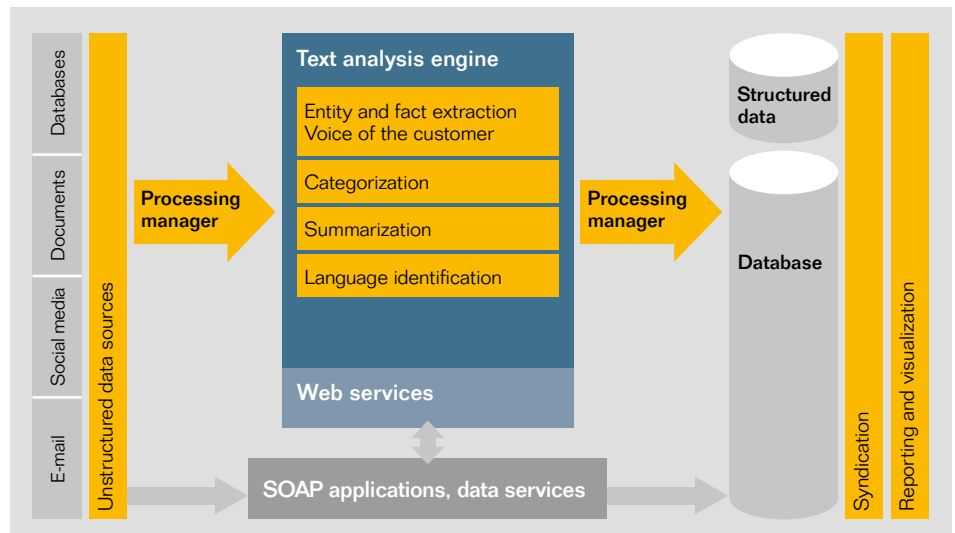


Figure: Integrated Analytics and Intelligence Solution for Retailers

- Tie Facebook pages to customer loyalty programs and other incentives that drive traffic to your Web site
- Quickly issue coupons or other incentives to disgruntled individuals when the comments turn negative

In addition to advanced analytic functionality, such capabilities require integration with other business software through a unified IT architecture (see Figure) that brings information together across the enterprise.

Decision makers in your enterprise can more quickly grasp information gleaned from social media and collaboratively act upon that information when the information is presented in interactive visual models. SAP BusinessObjects Dashboards software, a leading data visualization and dashboarding software solution, can help you aggregate views of customer sentiment for managers.

PUTTING IT ALL TOGETHER

A COMPREHENSIVE APPROACH TO SOCIAL MEDIA

As one of the leaders in social media best practices, SAP offers unified solutions to help retailers make the most of this new opportunity to communicate with customers.

Building a Flexible Intelligence Infrastructure

Built on a scalable, service-oriented architecture, the SAP® BusinessObjects™ Business Intelligence (BI) platform provides a flexible information infrastructure that helps you extend social media intelligence to any application or process – in any environment. Extensive functionality provides comprehensive support – from reporting, query and analysis, and dashboards and visualization to intuitive discovery and advanced predictive analytics.

This BI platform can accommodate increasing numbers of users and can process growing volumes of information – so vital to supporting the social media explosion.

Turning Unstructured Information into Useful Intelligence

To get the most from your social media program, you must be able to unlock information from unstructured data sources. SAP BusinessObjects Text Analysis software helps convert vast amounts of text-based information to a structured format that lets you process, classify, and summarize data and then integrate that data with broader informa-

tion management, business intelligence, and decision-making frameworks.

You can use the text analysis software with a third-party Web crawler to extract content in all major file formats and more than 30 languages. A Web crawler can help you extract, categorize, and summarize free-form text to identify specific concepts, sentiments, people, organizations, and places. You can extract and analyze key sentences to summarize any content.

Helping Managers Visualize Social Media Intelligence

Decision makers in your enterprise can more quickly grasp information gleaned from social media and collaboratively act upon that information when the information is presented in interactive visual models. SAP BusinessObjects Dashboards software, a leading data visualization and dashboarding software solution, can help you aggregate views of customer sentiment for managers.

The software provides a variety of menus, tools, and prebuilt components to present

complex data clearly and dynamically. Personalized dashboards let managers view data in the form that is most usable for them. This means that whoever needs to use social media information can fine-tune the way it is presented to them.

These SAP BusinessObjects solutions can integrate with the SAP for Retail solution portfolio as well as with the SAP Customer Relationship Management application, helping you make the most of social media analysis across your enterprise.

Conclusion

The possibilities are endless in this brave new world for retailers who are ready to capitalize on the social media phenomenon. Doing so can help you stay at the forefront of your competition and clearly demonstrate to your shoppers that they come first.

For more information about SAP solutions that can help you make the most of the social media explosion, contact your SAP representative or visit us online at www.sap.com/retail.

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