

5 Ways Sentiment and Popularity Boost Customer Experience and Profits



Index

- **01.** Introduction
- **02.** Understanding sentiment data
- **03.** Understanding popularity data
- **04.** Combining sentiment and popularity data for better customer experience
- **05.** Optimise your customer experience with Data Appeal



We've heard it said again and again, "happy customers are loyal customers".

After all, in world-famous marketing strategist <u>Seth</u> <u>Godin</u>'s words: "It's easier to love a brand when the brand loves you back". **And it's easy to see why.**

People appreciate feeling valued and important. Especially when they're paying money in exchange for services or goods.

And if there's one way of ensuring customer satisfaction, that's **customer experience**.

Customer experience is the entire journey and interactions a customer has with a brand.

"It's easier to love a brand when the brand loves you back"

- Seth Godin

Naturally, this will depend on customer satisfaction, i.e. **contentment and fulfilment with that experience**.

According to <u>statistics quoted by Forbes</u>, **87% of customers will make further purchases** from a company if they had a great experience the first time round. Just 18% would do the same if they had a very poor experience.

Similarly, a <u>study carried out by Salesforce</u> revealed that 88% of customers say the experience a company provides is as important as its product or services — rising from 80% in 2020. The same 2022 study showed that 71% of consumers reported they switched brands at least once in the past year, with 48% of them saying they did so because of better customer service.

"88% of customers say the experience a company provides is as important as its product or services"

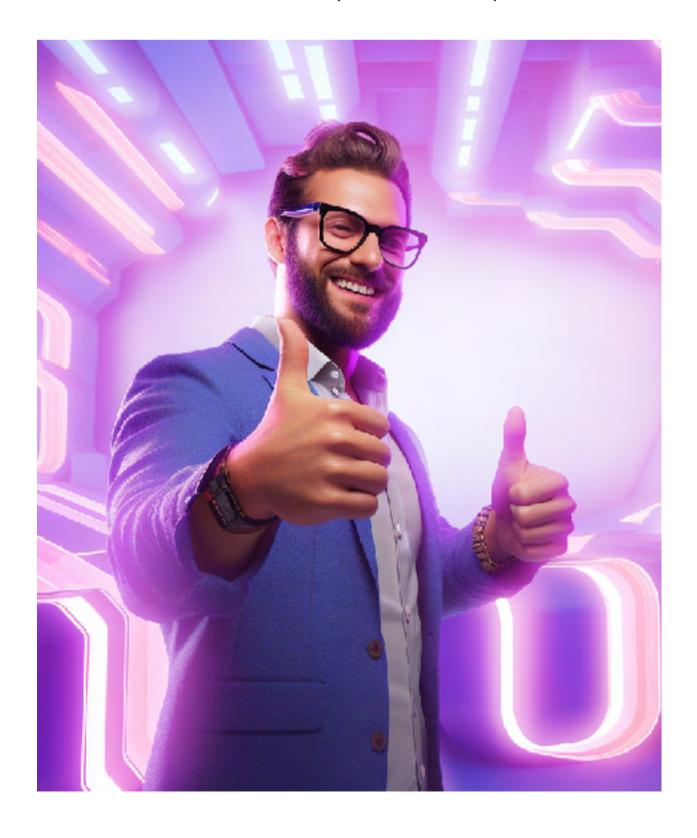
- Salesforce

A great customer experience doesn't just make happier customers. It makes happier businesses too. According to a <u>Hubspot article</u>, customer-centric companies are 60% more profitable than those that aren't. So it's not just a matter of customer satisfaction and loyalty, it's also a matter of profit, and overall business success

Great customer experience, whether spread through traditional word of mouth or virtual means, significantly improves the odds of people recommending a company, product, or service.

According to research by CustomerGauge, a 10+ increase in the Net Promoter Score (NPS), the leading market research metric for measuring the probability of customer recommendations, results in a remarkable 3.2% upsale revenue increase.

Similarly, Bain & Company's research indicates that a company's NPS can account for approximately 20% to 60% of the variation in organic growth, empowering businesses to thrive and outpace their competitors.







The stakes are becoming increasingly high, especially in today's competitive business landscape. This means **customer experience must be considered a top priority**, and treated as such.

However, navigating customer experience isn't as straightforward as one would hope.

Fortunately, there are numerous tools available that can significantly reduce guesswork and optimise resources and finances, for both brick and mortar business, but also for online businesses.

Among the most reliable solutions is **location intelligence**, a data-backed solution that can provide valuable insights into customer behaviour, preferences, and overall market trends.

Through this information, **businesses can make better informed decisions, tailor experiences, and allocate resources efficiently**, ultimately enhancing customer

satisfaction and driving business growth.

Plus, they can gain a fair competitive edge in meeting evolving customer expectations, making it a win-win for both parties: both your clients, and your business, too.

In this guide, we'll be providing you with five ways you can **boost your customer experience** with two types of data:

- **Sentiment:** reveals customer emotions and opinions, providing valuable insights for businesses
- Popularity: shows the most-frequented businesses, neighbourhoods and territories, supplying businesses with an overview of the volume, and demographic of people in the area

By the end of this guide, you'll have a comprehensive understanding of these data types and how to effectively leverage them, enabling you to stay ahead of the curve and establish your industry leadership in delivering exceptional customer experiences.





02 Understanding sentiment data

Have you ever wondered **what people truly think about your business or brand**?

Sentiment data aims to provide businesses with that precious, yet often unattainable information.

And, you don't even need to ask directly for it.

Sentiment data can be derived from various online sources, such as **social media platforms**, **customer reviews**, **and online discussions**. Through its analysis, businesses can get an in-depth insight into the real perception, opinion, and emotions of their current, or potential audience regarding that **business's products**, **service**, **and overall brand experience**.

This wealth of information is **gold for businesses**. Usually, directly asking for feedback can be laborious, time- and resource-consuming.

Using such traditional methods alone may also lead to **biassed feedback**. Not all respondents feel comfortable sharing their opinions about their customer experience.

Some may only provide socially desirable responses.

Similarly, certain feedback may not always be representative of the true sentiment because of the timing of the request, or because the survey is not representative of the entire customer base.

Through data-backed sentiment analysis, businesses can identify the true sentiment and opinion through a variety of online platforms, allowing them to gain a more accurate and nuanced understanding of their audience's needs, expectations, and preferences.



Sentiment data analysis and customer experience

Optimal customer experience. The more you understand how your customers feel, what they need, prefer, and eventually buy — both throughout their online and offline journeys — the more you can make decisions that reflect the way they make their choices.

Based on sentiment analysis, you can identify the **strengths and weaknesses** of each individual shop or online shop and act accordingly to improve the customer experience. You can, for example:

- Adapt the products and services available
- Improve customer service
- Offer new purchasing methods on an online store
- Create a more effective communication strategy
- o Improve the delivery service

By making these changes, businesses can deliver highly-personalised, and exceptional experiences by understanding what they're doing right (based on positive sentiment), and what they can improve (based on negative sentiment), and focus their efforts and budgets accordingly to enhance customer satisfaction, foster long-term loyalty, and boost their business health and success.







03 Understanding popularity data

Now, instead of getting to know what people think about your business, imagine discovering which neighbourhoods and territories have the highest popularity.

The great thing is, you won't need to be Sherlock Holmes or whip out a magnifying glass to investigate these areas.

Instead, you'll need popularity data.

Popularity data refers to the measurement of the **number** of people visiting a particular location, such as a store, event, or website, over a specific period.

Similar to sentiment data, popularity can give an invaluable look into customer behaviour, trends, and overall demand.

Popularity is mainly based on footfall data, that is, the number of visits in a real-world location. Through these figures, businesses can determine peak hours, understand customer traffic patterns, and use this information to **optimise their resources such as staffing, and budget allocation**. By measuring these figures, businesses can make better informed decisions about investment decisions such as where to open their store, or choosing their suppliers and distributors.

It's also an important factor to assess the effectiveness of marketing campaigns, promotions, or events — serving as a powerful tool to understand preferences, while enhancing operational efficiency and to cater to the demands of their target audience.

Popularity data analysis and customer experience

Customer experience depends on popularity data analysis. By understanding the number of visitors to a physical location, businesses can gain valuable insights into customer behaviour and preferences; which in turn is critical for optimising store layouts, product and resources placement, and creating a more intuitive and pleasant customer journey.

Additionally, businesses can use popularity data to measure the impact of marketing campaigns and events on customer foot traffic, and use this information to refine their strategies to **attract and retain more customers**.







Combining sentiment and popularity data for better customer experience

If sentiment and popularity data have such a big impact on customer experience on their own, **think of the** revolutionary power they hold when combined.

In this section, we'll look at five ways sentiment and popularity data can shape your customer experience, and take it to the next level.

1. Create a seamless omni-channel experience

The way people shop has been completely overhauled in recent years, mostly as a result of pandemic-related forced shutdowns and social distancing, the digital acceleration, and changing generational preferences.

Traditional in-store browsing and purchasing have given way to a more diversified approach, where customers expect a seamless experience across multiple channels. In fact, according to Harvard Business Review approximately 73% of customers said they prefer shopping through multiple channels.

This shift means businesses need to embrace an omnichannel strategy to meet and surpass customer expectations to deliver a superior, and forward-looking customer experience.

Here's how sentiment and popularity data can help **boost** your omni-channel experience:

1. Learn customer preferences: Analysing sentiment data through customer reviews and social media conversations can give you invaluable insights into customer preferences and expectations. Through popularity analysis, you can also understand what customers like and dislike about specific touchpoints — whether that's a physical store or your e-commerce — helping you align your omnichannel strategy by identifying your strong and pain points, and tailoring

your marketing and strategy efforts accordingly.

2. Identifying channel performance: A better omnichannel strategy isn't possible without optimal performance of every channel involved. By monitoring sentiment and popularity across all their omnichannel ecosystems, businesses understand which are generating positive sentiment and attracting popularity. Not only does this allow for resource and investment prioritisation — it's also an excellent way to understand

- which channels need improvement, and which are worth focusing on.
- 3. Consistent messaging and experience: Consistent messaging that's aligned with your audience's expectations and needs becomes more challenging when more than one channel is involved. By gauging sentiment and popularity data, businesses can identify strengths and weaknesses across all their channels to create a consistent brand experience, and strengthen their brand identity, customer loyalty, and drive business growth as a result.
- 4. **Customer journey optimisation:** By understanding which products or services are in high demand and where, you can ensure your inventory, investment, and staff management is aligned with customer preferences helping reduce stock and staffing mismanagement.







2. Personalise communication and marketing interactions

Personalisation is no longer a question of if, but rather one of how. According to a study by McKinsey, a staggering 71% of consumers now expect tailored experiences. A further 76% of individuals admitted feeling frustrated when businesses fail to deliver on this expectation.

"71% of consumers now expect tailored experiences"

- McKinsey

The same study revealed companies embracing personalisation **grow up to 40% faster than those that don't**, highlighting the growing significance of personalisation in customer satisfaction, and overall business success too.

So where do sentiment and popularity come into play?

1. Understanding customer preferences: Sentiment data gives invaluable insight into customer emotions and preferences. Through this information, businesses tailor their messaging to address specific preferences, needs and pain points, leading to more relevant and engaging marketing interactions.

- 2. **Personalised content:** Similarly, identifying popular trends and topics resonating with your audience means you can create products, content, and marketing campaigns that appeal to them. This also extends to the SMS or newsletters sent to customers each month, as well as the content shared on social media pages.
- 3. **Segmentation and targeting:** Both sentiment and popularity analysis can be used to segment customers based on their preferences and behaviour. This categorisation means businesses can personalise their audience's experience according to the group they're in, ensuring the maximum level of personalisation possible.
- 4. **Influencer marketing:** An essential part of every business's marketing strategy today is influencer marketing. By analysing sentiment from social media conversations and comments, for instance, businesses can identify relevant influencers that align with their brand image and values, as well as their target audience.

3. Offer exceptional customer service

Great customer service is the foundation of any business. And the customer experience it offers.

However, enhancing your customer service can get quite complicated without knowing what your customer wants, needs, and prefers.

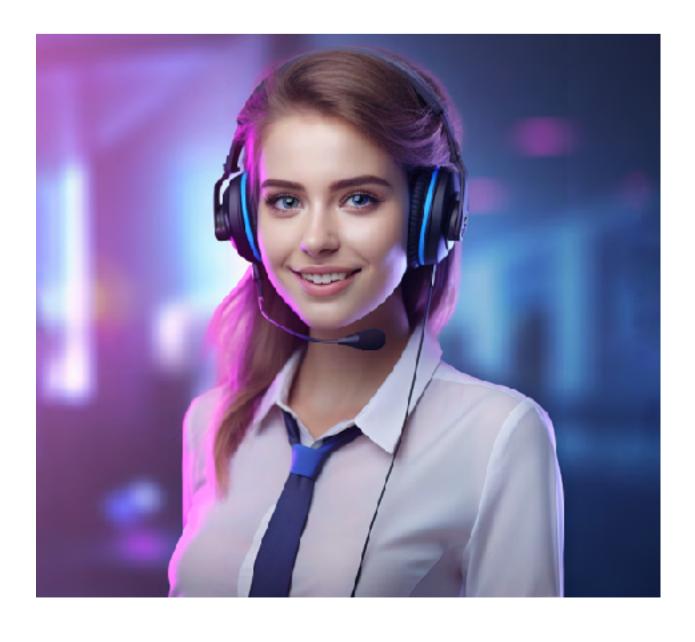
So, what does good customer service look like?

There isn't a one-size-fits-all definition of good customer service. After all, **each customer is a unique individual, and as such, their perception of great service varies**. As a result, we all respond differently to situations and require different forms of assistance.

And yet, the outcome of good and bad customer service is, more often than not, **universal**.

On the one hand, according to <u>Hubspot Research</u>, 93% of customers are likely to purchase again from companies with great customer service. Similarly, a <u>Zendesk</u> study revealed that almost 2 out of every 3 (64%) of business leaders say their business's growth was positively affected by their customer service.

That's pretty impressive. And yet, the negative impact poor customer service can have on a company is equally as impressive. Statistics by Microsoft show that more than half (58%) of consumers say they'd switch companies because of poor customer service. Similarly, up to 61% of customers say they'd switch to a new brand even after one bad experience (Zendesk).



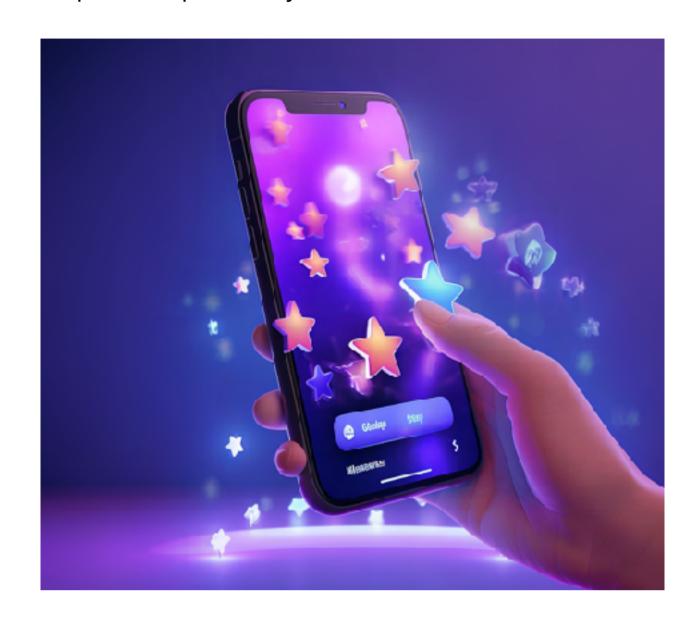




So how can businesses ensure great customer service? Sentiment and popularity data can be extremely useful throughout the entire process, such as:

- Customer feedback analysis: Analysing sentiment data can highlight areas, products, services and interactions with which customers are satisfied and identify pain points or issues that need to be addressed promptly.
- 2. **Enhanced customer interactions:** By understanding customer preferences and movements, you can enhance customer support at the most frequented touchpoints, while also providing dedicated and personalised assistance tailored to their preferences.
- 3. Employee training and performance evaluation:
 Feedback sheds light on specific areas in which
 employees may require particular training or support.
 With adequate adjustments, businesses can ensure
 their staff is better equipped to handle all situations, and
 deliver exceptional customer service as a result.

4. **Proactive issue resolution:** Real-time feedback means businesses can identify potential issues before they escalate. In doing so, they can identify the early signs of customer dissatisfaction, intervene and resolve problems proactively before it's too late.



4. Spot trends to continuously innovate and improve

While deciphering current customer preferences is already a daunting task, **predicting their future desires and needs presents an even greater challenge**.

This is perhaps one of the reasons why predictive analytics and customer experience are inseparable partners in modern business strategies.

"The best way to predict the future is to study the past, or prognosticate" - Robert Kiyosaki

Embracing predictive analytics allows companies to leverage historical data to gain valuable insights into customer behaviour. By studying past interactions, patterns, and behaviour, businesses can proactively forecast future needs, enabling them to create personalised and tailored experiences. In the wise words of Robert Kiyosaki's, "The best way to predict the future is to study the past, or prognosticate." The American entrepreneur and author perfectly encapsulated the link between predictive analytics and customer experience.

Historical data can often reveal information through which businesses can better anticipate shifts in customer preferences and evolving trends — empowering them to make informed decisions that lead to enhanced customer satisfaction and loyalty.

Sentiment and popularity data in particular become potent tools for businesses seeking to elevate their customer experience strategies to new heights. When combined, they give businesses several opportunities, such as:

- 1. **Identifying emerging trends:** Spotting trends early allows companies to capitalise on them, while staying ahead of their competitors. If, for example, customers frequently mention terms like "organic" or "sustainable" in their content, it may be an indication that it's time to align with those trends and adapt accordingly.
- 2. **Spotting niche opportunities:** Similarly, niche opportunities mean businesses can tap into new customer bases to gain a competitive edge.
- 3. Early detection of customer behaviour shifts:
 Customer behaviour changes quickly, and by
 monitoring sentiment and popularity, businesses can
 spot any fluctuations, and proactively adjust their
 strategies and offerings, aligning them with evolving
 customer needs and securing a competitive
 advantage.
- 4. **Demand forecasting and inventory management:**By forecasting customer demand for specific products or services, businesses can improve their inventory management, ensuring the right stock levels to meet customer needs and avoiding stock outs or overstocking.





5. Improving products and services

Ultimately, the product (or service) is king.

Customer experience is undoubtedly essential for any business, and it plays a crucial role in building brand loyalty, attracting new customers, and fostering long-term relationships.

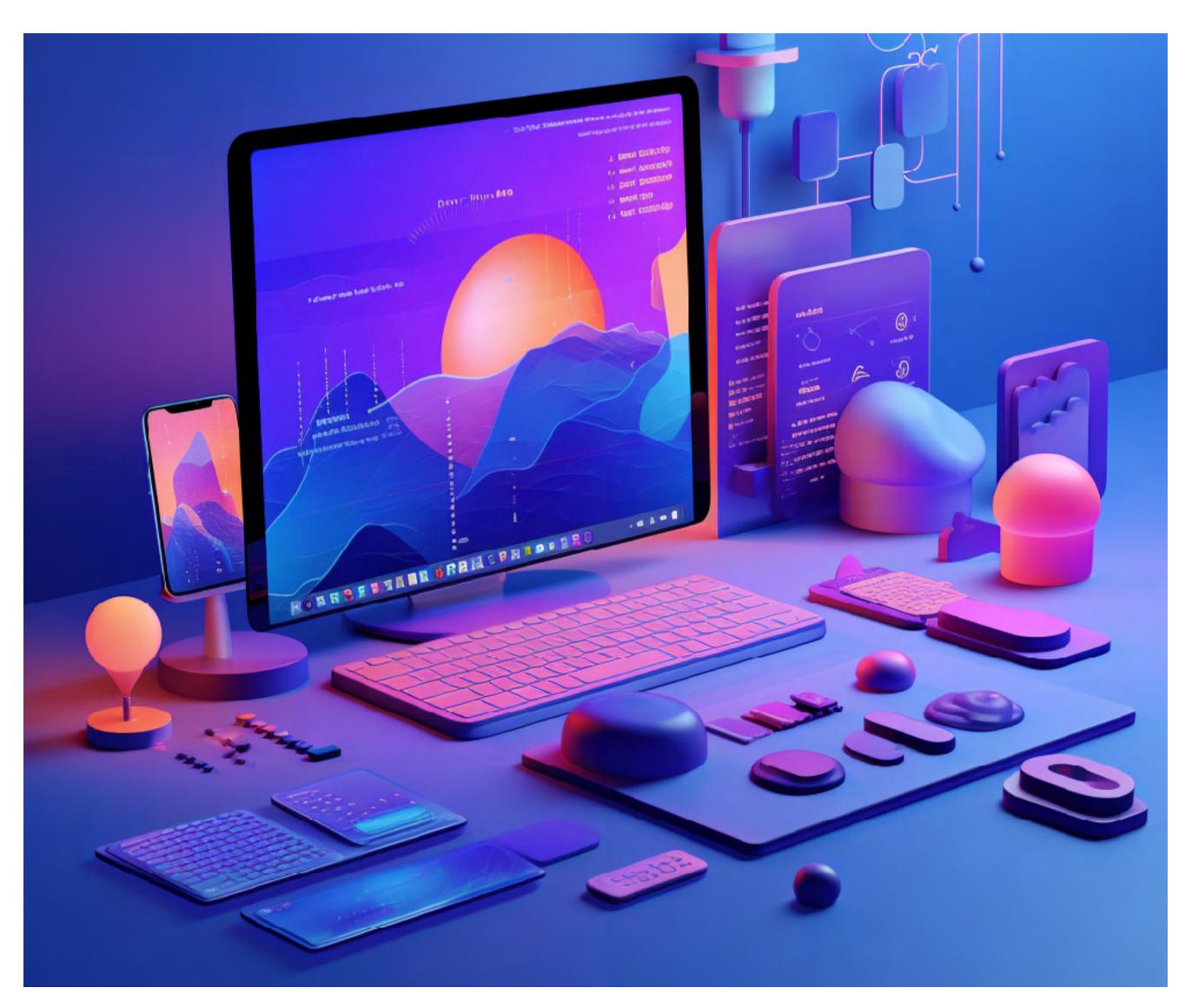
However, customer experience alone is not enough to sustain success; it must be built upon a strong foundation: the product or service you offer.

Great products and services are at the heart of satisfying customer experience, and constantly improving your offering means you're consistently working towards a better customer experience, too: with all the advantages that brings with it.

Sentiment and popularity data are invaluable throughout this process, empowering businesses to:

1. **Benchmark your products:** Understanding how your offering is measuring up against your KPIs can uncover

- which of these are resonating well with customers, helping you align your offerings with customer preferences and allocate resources more effectively.
- 2. **A/B testing and experimentation:** By experimenting and testing out different combinations, placements and offerings, businesses can track sentiment and footfall changes to determine which strategies are driving positive outcome, to focus on and replicate in the future.
- 3. **Product development insights:** Identifying gaps in current offerings, or potential opportunities is essential for product development if businesses want their offering to develop aligned with customer preferences.
- 4. **Competitor analysis:** By benchmark their performance against competitors, businesses can decipher how customers respond to different competitors' offerings, and identify areas where they need to improve to stay competitive.





O5 Elevate your customer experience with Data Appeal

Regardless of the industry you operate in, embracing sentiment and popularity data is the way forward to shaping your customer experience according to the modern customer's needs.

As the world changes rapidly, so do the needs and preferences of people around the world. And gauging their emotions, opinions, and behaviours in real-time is making the difference between businesses that remain relevant, and those that can't keep up with the rhythm at which industries are evolving.

Similarly, the urban landscape is under constant shift. Neighbourhoods change their composition, reputation, and overall identities in a matter of years, if not months. As a result, businesses must adapt to not only thrive in this realm of change, but also optimise their budgets and resources to customer flows to enhance shopping experiences.

Data Appeal's sentiment and popularity data have already revolutionised hundreds of customer experiences businesses offer all around the world.

Our **Sentiment Score** provides you with a complete overview of your business's online reputation by analysing all **content posted by users on over 130 online sources, normalising scores and producing a synthetic index from 0 to 100**.

Our Popularity Index, on the other hand, estimates attendance in any given area — territory of business — through digital content, with a time slot projection where available. When available, you can filter points of interest by peak time, discovering the time of day they are most frequented.

All our data is available either as a **data pack and API**, through our versatile options: D / Al Data Ready and D / Al API Connect, as an indexing solution, or in data visualisation format using common **GIS systems**, such as Esri, QGIS, Carto, and other similar platforms.

For more information, <u>visit our website</u>, or <u>reach out to us</u> <u>directly</u>.

