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The Forrester Wave™: Listening Platforms, Q1 2009

by Suresh Vittal

for Interactive Marketing Professionals



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Nielsen BuzzMetrics And TNS Cymfony Lead A Pack Of Strong Performers

by **Suresh Vittal**

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EXECUTIVE SUMMARY

In response to marketers' changing needs, brand monitoring vendors are evolving to offer a more strategic and comprehensive platform. Forrester refers to this category of vendors as listening platforms. Listening platforms differ from brand monitoring vendors in one fundamental way: They deliver insights to shape marketing strategy rather than simply tracking metrics. Forrester's evaluation of leading listening platform vendors across 62 criteria revealed an emerging category still maturing in its capabilities and vision. We found that Nielsen BuzzMetrics and TNS Cymfony established early leadership — thanks to their strong balance of data collection, analytics, and consulting services. Dow Jones Insight, J.D. Power & Associates (JDPA), and Visible Technologies are all Strong Performers: Dow Jones Insight for its strong data coverage, JDPA for text mining and market segmentation capabilities, and Visible Technologies for a strong technology backbone. Biz360 is also a Strong Performer with an innovative product offering — Opinions Insight. This study's sole Contender — Radian6 — lacks the ability to identify sentiment but offers a solution with an easily customizable user interface tailored for PR teams.

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NOTES & RESOURCES

Forrester conducted lab-based product evaluations in October 2008 and interviewed more than 30 vendor and user companies.

Related Research Documents

["The Listening Platform Landscape"](#)

January 22, 2009

["New Uses For Brand Monitoring"](#)

April 16, 2008

["The Forrester Wave: Brand Monitoring, Q3 2006"](#)

September 13, 2006

BRAND MONITORING GROWS UP

Two years ago, in Forrester's brand monitoring Wave, we evaluated vendors that help marketers monitor mainstream and consumer-generated media in order to identify key trends in the market. But social forces have gathered plenty of momentum since that evaluation. Today, consumers actively participate in the dialogue around the brand — witness the power of the consumer in shifting marketing strategies of brands like Dell, Motrin, and Wal-Mart. To add insult to injury, advertising distrust grows as consumers turn to their peers for product and brand recommendations.¹

The broad shifts in influence, trust, and control of marketing messages from brands to consumers forces marketers to do more than just monitor their brands. How are vendors evolving to meet marketers' shifting needs? While brand monitoring platforms faithfully report on brand conversations and competitive news, they do not go far enough to turn this information into marketing insights. Enter the next evolution of this market in which listening platforms not only listen to conversations but also extract insights and deliver those insights in ways to facilitate a change in marketing strategy.² Forrester defines listening platforms as:

A technology and analytics infrastructure that mines a wide variety of traditional, online, and social sources to extract and deliver insights that shape a firm's marketing strategy.

LISTENING PLATFORMS EVALUATION OVERVIEW

To assess the state of the listening platforms market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of seven leading listening platform vendors.

Evaluation Criteria

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 62 criteria, which we grouped into three high-level buckets:

- **Current offering.** We examined each vendor's breadth, geography, and multilingual coverage of data sources. We also looked at the vendor's core functionality — from setup and monitoring to dashboards, reports, alerts, and external integration. Finally, since marketers need more than passive monitoring, we added two new criteria: 1) text analysis to better understand how vendors analyze data, extract concepts, and identify sentiment; and 2) consulting and analysis services to assess how vendors delivered insights to support specific use cases like influencer analysis, new product development, and market segmentation.
- **Strategy.** We evaluated each vendor's go-to-market strategies and how well each articulates the move from passive brand monitoring to active listening in order to assess how well each vendor is positioned for future success. We also evaluated the strength of management teams to understand the vendor's ability to make the shift into a more strategic function.

- **Market presence.** All vendors in this evaluation are either privately held like Biz360 or are smaller divisions within large conglomerates like Dow Jones Insight. This made it particularly difficult to break out revenues and growth rates. The figures used in our analysis are Forrester estimates based on speaking to clients about deal sizes. As a result, we also emphasized customer information including feedback from customer references, active accounts, and client growth. To help prospects assess companies in a trying economic climate, we also focused on financial stability.

Evaluated Vendors Show Promise On Three Key Dimensions

Forrester included seven vendors in the assessment: Biz360, Dow Jones Insight, J.D. Power & Associates, Nielsen BuzzMetrics, Radian6, TNS Cymfony, and Visible Technologies. Each of these vendors has (see Figure 1):

- **Frameworks to support multiple marketing scenarios.** To be included in this evaluation, vendors had to show that their data collection and analytical infrastructure was extensible to support a number of marketing use cases including segmentation, new product development, market research, and influencer analytics. This broader support is necessary as marketers move to become more customer-centric and opportunistic in applying insight to drive a wide range of activities.
- **Significant market presence.** We were also looking for vendors with considerable market share, which helps them to support large brands and enterprises. We defined share as: 1) annual revenues of more than \$5 million annually, and 2) an installed base of more than 50 clients with no less than 75% enterprise-level relationships. We defined enterprise-level relationships as relationships with large — greater than 999 employees — companies.
- **Access to broad and deep set of data.** We looked for vendors that monitor multiple information sources across geographies and languages — a prerequisite for brands that need customer insights from various countries and ethnicities. We excluded vendors that focus on a single channel, such as offline print (e.g., PR clipping services) or consumer-generated media (e.g., blog monitoring) only, since brands increasingly require comprehensive, multimedia coverage.

LISTENING PLATFORMS ARE IN THEIR INFANCY

This is our first Wave evaluating listening as opposed to brand monitoring platforms. Not surprisingly, it revealed that this category is generally less developed than other interactive and direct marketing categories like enterprise marketing software, Web analytics, search, or email. While vendors aspire to deliver strategic insights to support the marketing organizations, they are often stuck in the world of tracking, monitoring, and delivering dashboards centered on operational metrics like mentions, reach, and discussion volume. The evaluation uncovered a market in which (see Figure 2):

- **Nielsen BuzzMetrics and TNS Cymfony take top honors.** Nielsen BuzzMetrics and TNS Cymfony lead the category because they offer the best balance between technology, insight delivery, and strategy. But each vendor has a distinct set of strengths — Nielsen BuzzMetrics offers a strong analytical and insight capability while TNS Cymfony excels in data collection and media coverage. Both vendors have exceptional text mining capabilities and strong strategy. Many client references commended Nielsen BuzzMetrics for the level of strategic insight it offers. As one brand marketer for a large consumer products organization stated, “Nielsen BuzzMetrics is a critical extension of my social insights function.”
- **Biz360, Dow Jones Insight, JDPA, and Visible Technologies fill the second tier.** While Biz360, Dow Jones Insight, JDPA, and Visible Technologies filled the top half of the strong performers’ category, their individual strengths and weaknesses vary. Dow Jones Insight offers unparalleled data collection strengths but has limited strategic services. JDPA excels in social media monitoring and marketing segmentation but is limited by its data coverage. Visible Technologies delivers the most technology-focused solution set but needs to improve its strategic services. Biz360 has a solid offering characterized by balanced data coverage, strong reporting tools, and cross media coverage.
- **Radian6 lacks insight and strategy delivery capabilities beyond PR.** Radian6 is an emerging vendor in this category, but it’s currently limited by a focus on the Public Relations function only. Radian6 focuses on keyword analysis but offers no capabilities for text analysis and natural language processing. This hinders Radian6’s ability to offer sentiment analysis. Radian6 offers a strong user interface and monitoring setup capabilities for PR teams.

This evaluation of the listening platform market is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 1 Evaluated Vendors: Listening Platforms' Information And Selection Criteria

Vendor	Number of active customers	Date evaluated
Biz360	More than 50	October 2008
Dow Jones Insight	Did not disclose	October 2008
J.D. Power & Associates	More than 50	October 2008
Nielsen BuzzMetrics	More than 125	October 2008
Radian6	More than 200	October 2008
TNS Cymfony	78	October 2008
Visible Technologies	98	October 2008

Vendor qualification criteria

The vendor's annual revenue has to be more than \$5 million.

The vendor has to have an installed base of at least 50 clients.

At least 75% of the vendor's clients must be enterprise-level (defined as greater than 999 employees).

Source: Forrester Research, Inc.

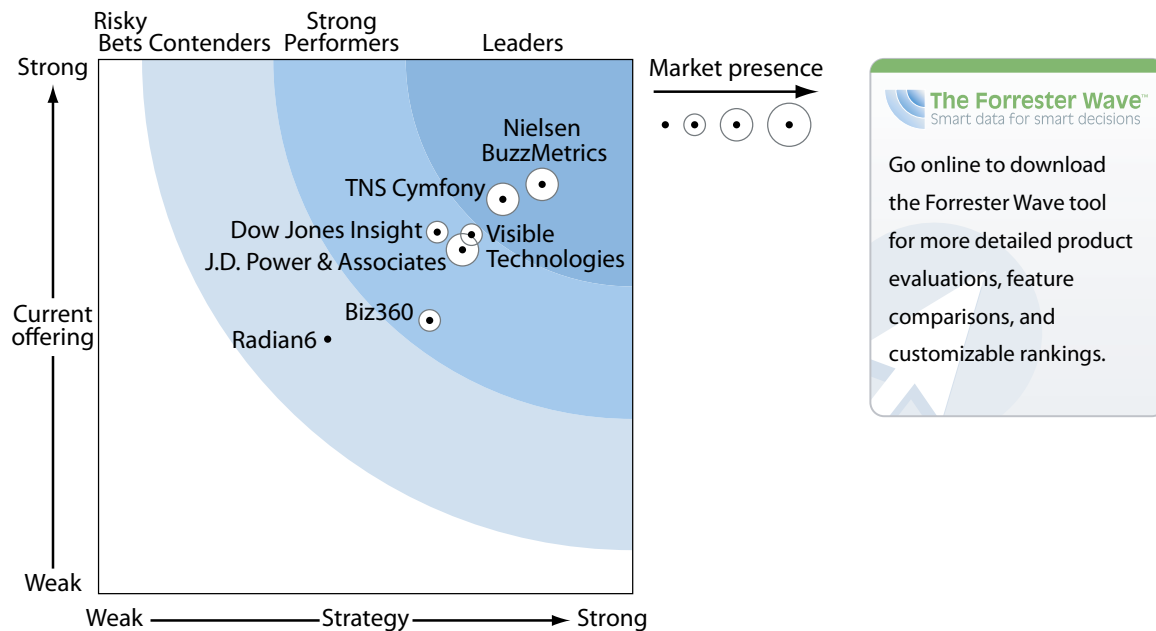
Vendors Must Show Improvements In Three Key Areas

The Wave evaluation identified two leaders and three strong performers. But as marketing's requirements for listening platforms evolve and the market gains critical mass, vendors must focus on three key functional areas to drive adoption. Vendors must improve:

1. **Sentiment and influence analysis to understand customer engagement.** If marketers cannot trust platforms to correctly identify sentiment and influence, they will ignore or discount insights derived from listening. This means platforms must cut through the spam, improve their ability to extract nuances in conversations, and assign both incident- and topic-level sentiment value. As one marketer explained, "Too many solutions use the 'neutral' rating too liberally. I find 'neutral' ratings hard to believe. Consumers who are unaffected by our brand don't participate. It is the happiest or unhappiest customers who willingly share information and insight with others." Similarly, the platforms must correctly identify influencers and assign higher value to their feedback. Failure to do so is costly: Marketers will lose faith in the insights and abandon underperforming platforms.

- 2. Product road maps to emphasize integration.** Today listening platforms are self-contained silos of data that are focused on tracking a brand and its competitors' presence in a wide variety of media. But marketers don't operate in siloed channels. Firms use a variety of interaction tools like call centers, Web sites, branch offices, POS systems, and direct mail to communicate with their customers. Listening platforms must deliver the extracted insights to one or more channels to inform interactions and improve customer decision support systems. But today's platforms don't go far enough or deep enough to establish these integrations and facilitate multichannel communications. The product road maps of the best listening platforms should extend to identify integration points with CRM systems and other traditional customer environments.
- 3. Consulting and analytical services to improve the value of listening.** Software alone does not deliver the insights marketers need to inform decisions. To fully understand the impact of the ever-changing social landscape, marketers need vendors to offer comprehensive consulting services. Good consulting organizations must be involved in all aspects of listening — from topic identification to data discovery and setup to sentiment and influence coding, market segmentation, and innovation. While today some vendors offer consulting services, these offerings are relatively immature. The best consulting organizations will be able to help marketers apply the insights generated from the platform to specific programs and projects across multiple channels. The net result of this involvement? Marketers will embrace listening platforms and accelerate the business case for automation of insights across channels.

Figure 2 Forrester Wave™: Listening Platforms, Q1 '09



Source: Forrester Research, Inc.

Figure 2 Forrester Wave™: Listening Platforms, Q1 '09 (Cont.)

	Forrester's Weighting	Biz360	Dow Jones Insight	J.D. Power & Associates	Nielsen BuzzMetrics	Radian6	TNS Cymfony	Visible Technologies
CURRENT OFFERING	50%	2.54	3.37	3.20	3.80	2.37	3.67	3.32
Background information	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Data sources	25%	2.84	3.85	1.82	3.07	2.63	3.75	2.52
Text analytics	25%	3.00	3.70	4.40	4.40	1.00	4.10	4.10
Functionality	25%	2.71	3.21	3.57	3.94	3.73	3.42	3.87
Consulting and analysis services	25%	1.60	2.70	3.00	3.80	2.10	3.40	2.80
STRATEGY	50%	3.10	3.16	3.40	4.16	2.16	3.78	3.48
Strength of management team	30%	2.00	3.00	4.00	5.00	2.00	4.00	3.00
Corporate strategy	20%	4.20	3.00	4.00	4.40	4.20	4.00	4.00
Product strategy	40%	3.40	3.40	3.00	3.70	0.80	3.70	3.70
Cost	10%	3.00	3.00	2.00	3.00	4.00	3.00	3.00
MARKET PRESENCE	0%	2.44	2.70	3.94	3.92	1.68	3.16	2.80
Customers	40%	3.35	2.75	3.60	3.55	3.65	3.10	2.85
Financials	40%	1.60	3.10	4.40	4.00	0.45	3.10	2.40
Employees	20%	2.30	1.80	3.70	4.50	0.20	3.40	3.50

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders Balance Software And Services

- Nielsen BuzzMetrics.** Nielsen BuzzMetrics delivers a market leading listening platform that includes sophisticated sentiment analysis capabilities, strong international coverage, and multilingual support. It leverages its exclusive relationships with other Nielsen subsidiaries like Nielsen//NetRatings to deliver critical insights to marketing organizations. Furthermore, the re-write of the reporting and user interface — My BuzzMetrics — extends its market leadership. Clients are positive about the strong vertical practices. However, to extend its lead, Nielsen must build on its consulting practice to support segmentation and innovation.
- TNS Cymfony.** TNS Cymfony continues to deliver very strong support for marketers with their listening initiatives. TNS Cymfony offers a strong technology platform, Orchestra, that delivers comprehensive reporting and analysis capabilities. Orchestra is well complemented by a strategic and consulting services organization that offers advanced support for understanding sentiment and influence. However, two question marks remain: 1) the lack of multilingual natural language processing (NLP) hinders the expansion of its international presence, and 2) two rounds of acquisitions in the past two years distract from product road map progress.

Strong Performers Extend Listening Capabilities

- **Dow Jones Insight.** Dow Jones Insight, a division of Dow Jones, has made great strides in its data coverage capabilities since the previous Brand Monitoring Wave. Automated sentiment analysis coupled with strong multilingual capabilities makes Dow Jones a good choice for PR professionals and marketing communications specialists for large global organizations. On the flip side, Dow Jones Insight has room for improvement in the creation and delivery of strategy and insight. Client references were generally PR professionals using the platform for tracking and monitoring purposes. The next step for Dow Jones Insight? Extend its visibility beyond PR and deliver strategic insights to the entire marketing organization.
- **J.D. Power & Associates.** J.D. Power & Associates, which acquired Umbria in 2008, offers good coverage of social media sources but continues to offer limited: 1) coverage of mainstream media like print, radio, and TV; 2) multilingual support; and 3) user interface support for the advanced analytical marketer. Still, J.D. Power & Associates impressed us with its grasp of sentiment analysis and the use of tribe-analysis techniques to drive market segmentation projects. Client references are generally positive, but relationships are one-off exercises rather than sustained partnerships. J.D. Power & Associates is a good fit for consumer product companies looking to integrate existing segmentation efforts and social analysis.
- **Visible Technologies.** Visible Technologies, a new entrant to the listening platform category, offers an impressive technology stack. Visible Technologies delivers strong reporting capabilities and is the vendor best positioned to extend social media analysis data and attributes into CRM systems. Visible Technologies is a good fit for the self-sufficient and socially aware marketer. But the vendor must bulk up its consulting and strategic insight delivery capabilities to play a bigger role in a firm's social strategy.
- **Biz360.** Biz360 is a solid solution that offers good data coverage, strong reporting, and cross-media comparison capabilities. The solution is best suited for consumer product goods and multichannel retailers; Biz360 also has a strong presence in the high technology sector. Biz360 introduced an innovative solution, Opinions Insight, aimed at supporting brand and consumer product goods marketers to mine, understand, and act on consumer feedback delivered in myriad sources. This is one of the early instances of applying listening to drive new product development and innovation.

Contenders Are A Work In Progress

- **Radian6.** Radian6, the new kid on the block, has managed to rapidly add a growing group of clients and partners. The biggest reasons for rapid adoption? A quick, easy-to-use tool that allows the PR professional to set up and define topics is an asset when combined with the ability to easily define custom influence metrics and reports. But to deliver full-fledged listening capabilities, Radian6 must improve in several areas like sentiment analysis, NLP, insight generation, and integration and consulting services.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 2 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of three data sources to assess the strengths and weaknesses of each solution:

- **Hands-on lab evaluations.** Vendors spent one day with a team of analysts who performed a hands-on evaluation of the product using a scenario-based testing methodology. We evaluated each product using the same scenario(s), creating a level playing field by evaluating every product on the same criteria.
- **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.
- **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with five of each vendor's current customers.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

- ¹ Before a purchase decision, consumers increasingly turn to each other for product information rather than advertisements. Nearly one-third of US online adults want to hear a recommendation from a friend/family member before deciding what to buy. See the June 20, 2008, "[How To Connect With Bloggers](#)" report.
- ² Consumers continue to use social technologies to wrestle control of brands away from organizations. Marketers operating in this hyper-inclusive environment must go beyond simply tracking brand mentions and impressions and get at the root of the discussion. Enter listening platforms. Listening platforms are an emerging technology solution category that allows marketers to track discussions, understand sentiment, identify influencers, and use the resulting insights to improve market research, positioning, and overall marketing strategy. See the January 22, 2009, "[The Listening Platform Landscape](#)" report.

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