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The Forrester Wave™: Listening Platforms, Q3 2010

by Zach Hofer-Shall
for Customer Intelligence Professionals



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Converseon, Nielsen, And Radian6 Lead A Fragmented Market

by **Zach Hofer-Shall**

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EXECUTIVE SUMMARY

During the past year, listening platforms continued their evolution beyond basic brand monitoring tools into integral technologies that inform a variety of marketing and business functions like campaign measurement, market research, customer support, and sales enablement. In Forrester's 76-criteria evaluation of listening platform vendors, we found that Converseon, Nielsen, and Radian6 led the pack because of the range of product functionality and ability to meet businesses' needs beyond reactive brand tracking. The market has many strong performers: Cymfony with its strong services offerings, Visible Technologies with its myriad features, Alterian with its preferred dashboard, evolve24 with its strong data analysis, and Dow Jones Insight with its strong data coverage. Our evaluation uncovered a sole contender in Collective Intellect, an up-and-coming vendor with strength in its data processing technology.

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NOTES & RESOURCES

Forrester conducted lab-based evaluations in May 2010 and interviewed more than 25 vendor and user companies: Alterian, Collective Intellect, Converseon, Cymfony, evolve24, Dow Jones, Nielsen, Radian6, and Visible Technologies.

Related Research Documents

- ["How To Make Social Media Data Actionable"](#)
April 28, 2010
- ["Defining Social Intelligence"](#)
March 12, 2010
- ["How To Choose A Listening Platform"](#)
May 5, 2009

LISTENING PLATFORMS POWER SOCIAL INTELLIGENCE

Businesses have new opportunities to improve their strategies through Social Intelligence — the concept of informing marketing and business decisions with insights found in social media data.¹ Social Intelligence is not possible without a technology platform: As more businesses build out their strategies, listening platforms — technology and analytics infrastructures that mine and analyze social media to deliver insight — become essential tools within the enterprise.²

The Fragmented Listening Platform Landscape

The listening platform market remains in relative infancy. Vendors come in all shapes and sizes, rolling out new features and tools enabling customers to turn social media data into actionable insight. But all players face one significant challenge: They sit trapped in a constant stage of reactive development, due to the ever-moving target of social media, pervasive spammers, and buyers with constantly growing demands for their varied use cases. As a result, vendors bring a variety of products to the market and firms remain confused tools to power their Social Intelligence strategies.³ Buyers face more difficulty than ever choosing listening platforms because the landscape includes:

- **A plethora of startups.** The listening platform market contains hoards of social media monitoring and analytics tools, with dozens of competitive offerings. Social media startups keep popping up, claiming a low barrier to entry into the space. Although they infrequently compete for enterprise business, the listening platform landscape has a long tail of smaller vendors that obscure, confuse, and commoditize the landscape.
- **Software heavy weights.** The software business giants grasp the enormous implications of social data and its impact on analytics, business intelligence, enterprise resource planning (ERP), and customer relationship management (CRM). Not surprising then that giants like IBM, Microsoft, and SAS enter the playing field and give the market instant credibility. The downside? The software giants' presence further complicates the procurement process.
- **Experts in text analysis.** Listening platform buyers across the board demand high-quality insight from social media data but find that most of the leading vendors' insights do not meet their expectations.⁴ Customers complain about sentiment analysis accuracy, an abundance of spam, and too much irrelevant information. This increased demand for high-quality information brings text analytics companies — like Attensity, Clarabridge, and Overtone — to the listening platform market, offering competitive data analysis through superior text mining. However, these vendors, while well equipped for the linguistics job, face problems of their own: access to the requisite social media data sources, lack of social mindshare, and higher price points without comparable functionality.

- **Vendors specializing in specific functions.** As listening platforms expand across the organization, vendors either push toward becoming a horizontal play like the vendors included in this evaluation, meeting most of the business needs, or a vertical play, specializing deeply in one business segment. For example, with market researchers gaining interest in social media, the listening platform landscape experienced growth in more research-focused technologies, such as ListenLogic and NetBase.

LISTENING PLATFORM EVALUATION OVERVIEW

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

Buyers' Needs Vary

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 76 criteria, which we grouped into three high-level buckets:

- **Current offering.** We evaluated each vendor's existing product to determine how well it meets today's market demands. First, we looked at the vendors' data source coverage — their incoming data's breadth, depth, and cleanliness. Then we evaluated the vendors' text analysis, to determine how well their technology processes unstructured data. Next, we examined the vendors' dashboard functionality across many different standard feature sets like influencer identification, social media outreach tools, and customized report creation. Finally, we evaluated each vendor's consulting and analysis services to determine the strength of their professional service teams.
- **Strategy.** We evaluated each vendor's overall strategy, determining how well each addresses enterprise-level Social Intelligence needs. We reviewed the current management team and overall corporate strategy, to see how dedicated the vendor is to the listening platform space. Then we evaluated the vendors' road maps and partner strategies to score their future plans for competing in the listening platform market and proactively meeting customers' evolving demands.
- **Market presence.** We evaluated the vendors' footprints in the market, measuring their penetration of enterprise installations. We investigated each vendor's customers, including the number of currently active installations, customer retention percentage, and customer satisfaction. Then we evaluated each vendor's financial information — revenue, growth, and overall financial stability. Lastly we looked into the vendors' employee base — both the overall number of employees and the split between different teams, such as engineers, support, or consulting.

Evaluated Vendors Meet Enterprise Demands

Forrester included nine vendors in the assessment: Alterian, Collective Intellect, Converseon, Cymfony, evolve24, Dow Jones, Nielsen, Radian6, and Visible Technologies. Each of these vendors has (see Figure 1):

- **Products that scale across multiple business functions.** Listening platforms enable many different tasks across the enterprise, including marketing measurement, market research, customer support, crisis identification, and more. There are plenty of vendors in the fragmented market that apply strongly to one or two use cases, but for inclusion in this analysis, we looked for vendors that apply their tools and services broadly to meet many different business cases. When many CI professionals evaluate listening platform vendors, they do so with specific function in mind. However, most businesses will eventually grow their Social Intelligence initiatives throughout the organization. This growth requires a vendor with flexible offerings that meet the broader applications of social media data.
- **Leading software dashboard and services teams.** Listening platforms combine software and services. The vast landscape of tools includes many technology-only vendors, as well as a variety of services players, like agencies and consultancies. We limited our analysis to vendors that offer their own proprietary dashboard and analytics technology along with in-house consulting teams. Social Intelligence strategies require both ongoing and one-off support from external parties — leading listening platforms deliver both in one package.
- **Considerable presence in the enterprise market.** In an effort to evaluate the most relevant vendors to the market, we included vendors that focus on enterprise customers — those with more than \$1 billion in revenue. We evaluated vendors with more than 85% enterprise customers or more than 200 current enterprise customers. We also determined vendors' market presence based on Forrester client demand, vendor recommendations, and the size of the vendors' current revenue.

Figure 1 Evaluated Vendors: Product Information And Selection Criteria

Vendor	Product evaluated	Date evaluated
Alterian	SM2	Q2 2010
Collective Intellect	Social CRM Insights	Q2 2010
Converseon	Conversation Monitor, Conversation Miner, and Conversation Manager	Q2 2010
Cymfony	Cymfony Maestro Platform	Q2 2010
Dow Jones	Dow Jones Insight	Q2 2010
evolve24	The Mirror	Q2 2010
Nielsen	BuzzMetrics	Q2 2010
Radian6	Radian6 Dashboard, Radian6 Engagement Console	Q2 2010
Visible Technologies	truCast Suite	Q2 2010

Source: Forrester Research, Inc.

MARKET DEMANDS BEGIN TO MATURE

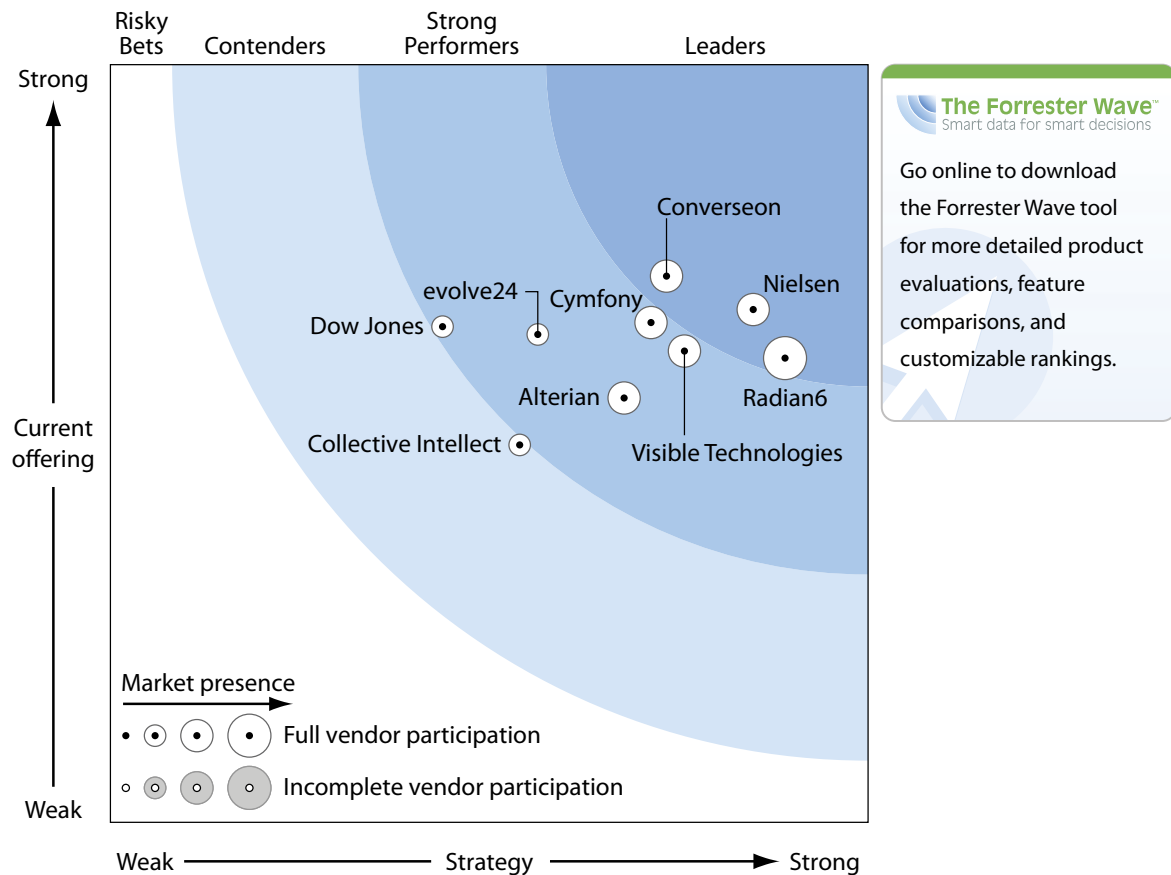
What were once basic brand tracking tools for PR teams now inform marketing budgets and messaging, guide product development life cycles, support large market research initiatives, measure the spread of campaigns, and assist global customer support strategies.⁵ To keep up with the market's growing demands, listening platform vendors now offer more tools to serve professionals across the organization. Our evaluation of the listening platform market uncovered a landscape in which (see Figure 2):

- **Nielsen, Radian6, and Converseon lead the market.** Nielsen, Radian6, and Converseon sit as Leaders because they combine the best current offering and go-to-market strategy. But the three vendors differ from each other based on their balance of technology and services. Radian6 is a much more software-focused vendor with very few consulting offerings. Converseon resides on the other end of the spectrum with heavy services offerings on top of moderate technology. Nielsen leads by offering a middle ground, with a strong combination of both technology and services.
- **Alterian, Cymfony, evolve24, Dow Jones, and Visible Technologies offer competitive options.** Each of the strong performing vendors has its own unique characteristics but delivers a competitive product throughout many of the evaluated criteria. Alterian's SM2 product offers a strong dashboard, Cymfony is a leader in services offerings, evolve24 excels in data analysis, Dow Jones shows strength with its data source coverage, and Visible Technologies offers myriad functionality options.

- **Collective Intellect is a strong Contender.** Collective Intellect is the sole Contender as an emerging vendor with a strong overall strategy but has some limitations around its current offering. Its most notable attribute is data quality through text analysis, in which it currently leads the field. Collective Intellect furthers its focus on data quality by focusing development time and budget on text processing technologies but lacks some of the current dashboard functionality its competitors offer.

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 2 Forrester Wave™: Listening Platforms, Q3 '10



Source: Forrester Research, Inc.

Figure 2 Forrester Wave™: Listening Platforms, Q3 '10 (Cont.)

	Forrester's Weighting	Alterian	Collective Intellect	Converseon	Cymfony	Dow Jones	evolve24	Nielsen	Radian6	Visible Technologies
CURRENT OFFERING	50%	2.80	2.49	3.60	3.31	3.27	3.22	3.38	3.06	3.11
Background information	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Data sources	10%	3.08	2.89	2.70	3.68	3.35	3.18	3.55	3.04	2.56
Text analysis	15%	3.30	2.85	3.90	3.65	3.35	3.75	3.60	2.85	3.55
Functionality	45%	2.80	2.18	3.27	2.48	2.84	2.46	2.65	3.79	3.23
Consulting and analysis services	30%	2.45	2.65	4.25	4.25	3.85	4.10	4.30	2.10	2.90
STRATEGY	50%	3.39	2.70	3.67	3.57	2.19	2.82	4.24	4.45	3.79
Strength of management team	10%	3.00	3.00	4.00	3.00	3.00	3.00	4.00	4.00	4.00
Corporate strategy	30%	3.50	4.00	4.50	3.50	3.50	4.00	4.00	3.50	4.50
Product strategy	60%	3.40	2.00	3.20	3.70	1.40	2.20	4.40	5.00	3.40
Cost	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MARKET PRESENCE	0%	3.62	2.43	3.47	3.47	2.86	2.90	3.81	4.29	3.40
Customers	50%	3.90	2.75	3.05	3.25	2.25	2.75	3.60	4.05	2.95
Financials	30%	3.90	2.10	4.40	3.80	3.30	3.40	3.70	5.00	3.80
Employees	20%	2.50	2.10	3.10	3.50	3.70	2.50	4.50	3.80	3.90

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

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders Provide A Suite Of Social Intelligence Tools

- **Nielsen.** With a strong current offering, strategy, and market presence, Nielsen offers a leading listening platform that combines an equal combination of much of the evaluated criteria. Nielsen already delivered competitive professional services but recently launched a joint venture with McKinsey — NM Incite — to add industry leading consulting to its strong technology offering.⁶ To remain on top, Nielsen will have to continue to improve upon its dashboard interface and functionality, an area that drew negative customer preferences based on the overall user experience.
- **Radian6.** Radian6 delivers one of the most popular listening platforms in the market, with

the largest market presence of any vendor. Radian6 also leads the market with its dashboard functionality — providing more features and tool sets for a broad range of use cases across many business lines. With the recent addition of its Engagement Console — a social media outreach tool — and continued developments for data integration options into CRM and existing analytics systems, Radian6 ups the ante for what features listening platforms must provide. But Radian6 is not without flaws. Customers across the board complain of data quality issues and the vendor's service team is relatively new and untested. To remain a Leader, Radian6 must address its text analysis issues and build up its consulting practice.

- **Converseon.** Converseon offers a leading product with its “customized for your needs” mentality. There is no standard Converseon installation, the vendor builds a tailored dashboard for its enterprise installations and offers professional services around every step of the Social Intelligence process. Converseon's model of starting with technology and adding human analysis makes for highly effective data quality, leading custom reports, and strong functionality. But its customized approach also hurts its long-term strategy, as it increases the overall costs and slows down the pace at which customers can act on social media data and focuses more on an outsourced model of Social Intelligence.

Strong Performers Combine Software And Services

- **Cymfony.** Cymfony combines its Maestro dashboard and its team of consultants for a competitive listening platform. Cymfony, through Kantar Media, is a WPP entity, giving it firm backing to focus on the social media space. The vendor's customers praise the dashboard's ability to manage multiple topics and profiles, something customers find cumbersome with most other vendors. Cymfony is especially well suited for large enterprise-level installations, with many existing customers using the technology and service offerings across many business lines with hundreds of end users. But to remain competitive, Cymfony must address its current offering's weaknesses, mainly around its social media outreach tools and influencer capabilities.
- **Visible Technologies.** Visible Technologies offers the truCAST product suite, an array of offerings for nearly every Social Intelligence function. The vendor increased its customer base quickly during the past year and sits well positioned for continued growth in the listening platform market. Visible Technologies' customers share positive reviews about the data quality and support experience. But to move from a Strong Performer to a Leader, Visible Technologies must turn its separate products into a connected platform, to give businesses a more consistent

experience between modules. It must also improve its data source coverage and expand its international offerings, two areas that may have led to its below-average customer retention.

- **Alterian.** Alterian purchased Techrigy in mid-2009, giving the marketing technology company a foothold within social media. Techrigy evolved into SM2, and with the backing of Alterian's string channel partners, is now one of the more popular listening platform dashboards in the market. SM2's real strength is its potential within the Alterian umbrella by integrating the social media data it collects and analyzes directly into Alterian's existing marketing technology platform. But for Alterian to remain competitive in the listening platform market, it must figure out how to integrate the product, as well as address its current shortcomings — its service offerings and consulting team, much of which Alterian currently sends out to its partner channels.
- **Evolve24.** Evolve24 is a competitive listening platform offering that specializes in reputation management but offers a full technology dashboard and services to meet many Social Intelligence functions. Evolve24 is a smaller player in the market with only about 20 customers but generates comparable revenue to its competitors with almost its entire customer base being large enterprise-level installations. In its current form, evolve24's primary strength is data quality through its text processing, but to remain competitive in the market, it will have to improve its overall dashboard interface and continue to build out tool sets for marketers.
- **Dow Jones.** Dow Jones Insight delivers a solid product through its impressive data sources and feature sets. As part of the Dow Jones brand, owned by News Corporation, Dow Jones Insight has strong financial backing and access to impressive data sources. This makes Dow Jones Insight best fit for a combination of social and traditional media monitoring. The vendor excels in its international offerings, touting a wide array of languages and geographies, as well as a large existing footprint globally. For Dow Jones to remain competitive in the market, its main focus must be improving its overall data quality issues and improving its online interface, two areas its customers specifically called out. The vendor must also evaluate its future strategy to determine whether it will compete — and likely lead — in the media monitoring space or push more deeply into the Social Intelligence market.

Contenders Show Real Promise

- **Collective Intellect.** Collective Intellect is not new to the social media space but is emerging as a competitive listening platform for the enterprise this year. The vendor is a small, independently funded company that has picked big name customers, such as General Mills and NBC Universal. Collective Intellect's real strength is its data quality. It applies leading spam management techniques and text analysis to clean data sets, delivering customers rich insights. Collective Intellect focuses on becoming a leading social analytics data provider and has potential to drive future integrations with CRM, analytics, and marketing technologies. To keep growing in the listening platform space, Collective Intellect must address its dashboard's shortcomings and continue to build its consulting offerings.

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.
- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.
- **Product demos.** We asked vendors to conduct demonstrations of their products' functionality. We used findings from these product demos to validate details of each vendor's product capabilities.

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 Social media presents businesses with vast amounts of customer information, as well as a lot of irrelevant discussion. But by harnessing social technologies, mining for insights, and informing their marketing decisions, brands have opportunities to make the most from social media. Source: Zach Hofer-Shall, “What Is Social Intelligence?” *Zach Hofer-Shall’s Blog*, March 12, 2010 (http://blogs.forrester.com/zachariah_hofer_shall/10-03-12-what_social_intelligence).
- ² Without the four P’s — people, purpose, platform, and process — Social Intelligence plans will fail. Teams embarking on Social Intelligence strategies must evaluate their preparedness within each P, to ensure they can turn social media into actionable insight. See the April 28, 2010, “[How To Make Social Media Data Actionable](#)” report.
- ³ When selecting a listening platform, buyers must begin by selecting their goals around Social Intelligence and then evaluate the vendors’ source coverage, text analysis, and insight delivery methods. See the May 5, 2009, “[How To Choose A Listening Platform](#)”
- ⁴ Based on the vendors’ customer reference surveys, we found that listening platform users report unsatisfactory data quality and insights. Although the data complaints vary between vendors, the complaints are consistently below a satisfied level across the majority of vendors.
- ⁵ Social Intelligence applies to many business functions, as well as proactive and reactive strategies. For example, PR teams use social media data for tracking their brands across social channels and identifying influential sources, customer service uses this data for identifying dissatisfied customers and potential product fixes, and marketers use social data to measure campaigns and research their messaging. See the March 12, 2010, “[Defining Social Intelligence](#)” report.
- ⁶ In June 2010, Nielsen and McKinsey launched a joint venture under the name NM Incite, focusing on “Social Media Intelligence.” This combination of technology and services brings together data from Nielsen’s My BuzzMetrics dashboard with McKinsey’s business consultants. Source: Zach Hofer-Shall, “Nielsen Joins Forces With McKinsey For Social Intelligence Consulting” *Zach Hofer-Shall’s Blog*, June 14, 2010 (http://blogs.forrester.com/zach_hofer_shall/10-06-14-nielsen_joins_forces_mckinsey_social_intelligence_consulting).

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