



The Influence Engine

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Influence Engine: Introduction

- Markets and societies are increasingly shaped by a vast army of bloggers, website authors and social media users that have created a massively complex 'online ecology' of opinion, content and debate.
- There is a growing recognition that some aspects of this online ecology, like social web activity, have an uncanny ability to reflect hidden patterns of relationship and behaviour within human activity.
- But perhaps even more surprising is the growing body of evidence that suggests the same online ecology can accurately predict (or at least pre-figure) the future of brands and markets.

Influence Engine: Introduction

- This isn't science fiction or some kind of digital voodoo, but a natural outcome of the latest complex systems science and network analysis technology.
- Dollywagon has been studying this phenomena and has used its Influence Engine to map the structure and patterns of social web activity within many different markets, communities and fields of interest.
- This case study presents our recent R&D efforts to investigate the ability of social web data to predict market and brand outcomes.

Can Twitter predict brand health and market momentum?

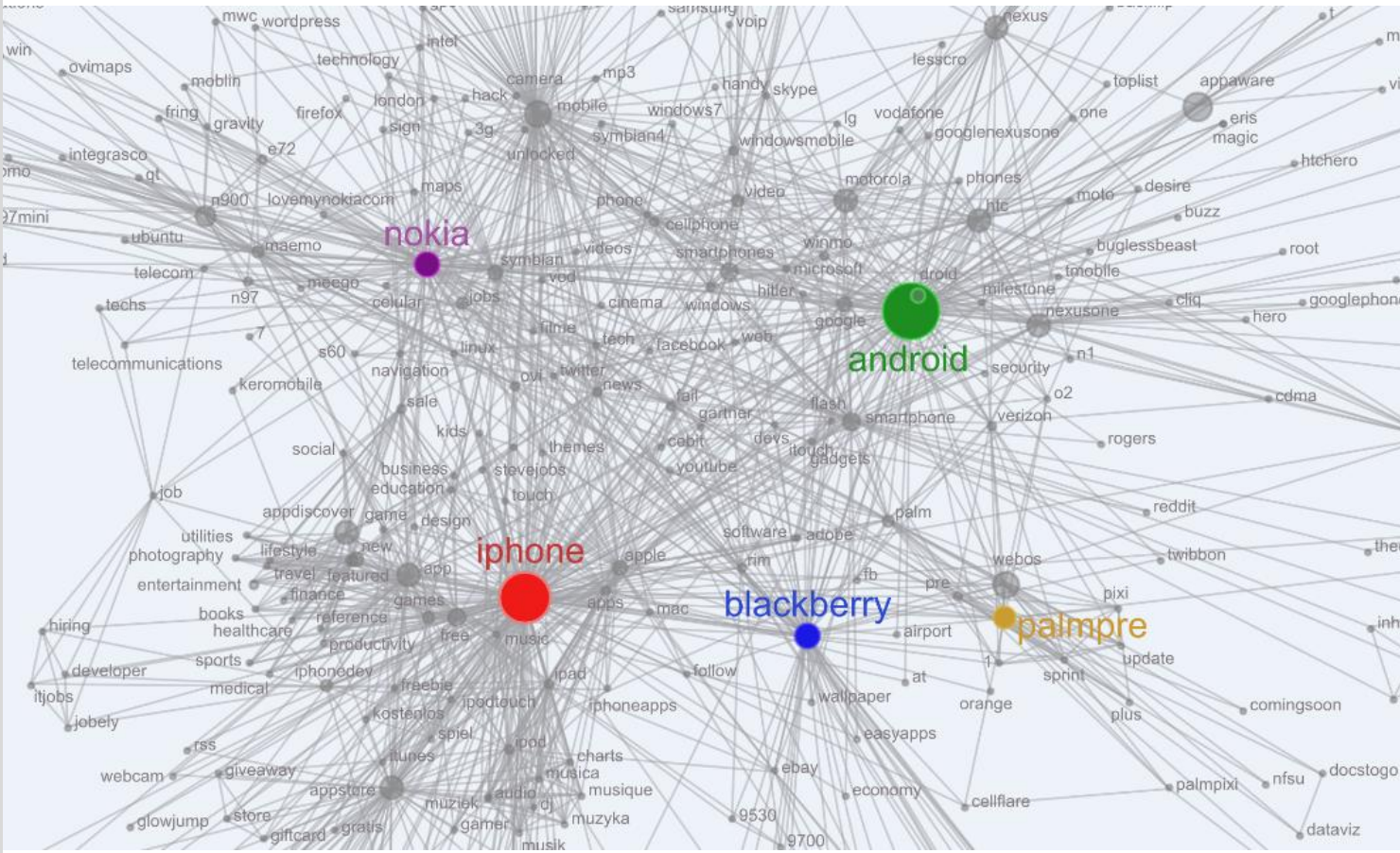
Smartphone market: Twitter case study

This is a hash tag network map representing debates and conversations about the subject of Smartphones on Twitter.

(note: this technique isn't limited to using just hash tags).

The data driving this image was collected back in April 2010 over a four week period. With the benefit of hindsight we've discovered it contains two key vectors of information that help us predict the future development of this market.

The most frequently used Smartphone-centric hash tags used on Twitter appear as the largest coloured 'nodes' on the map, with the two biggest being <iPhone> and <Android>.



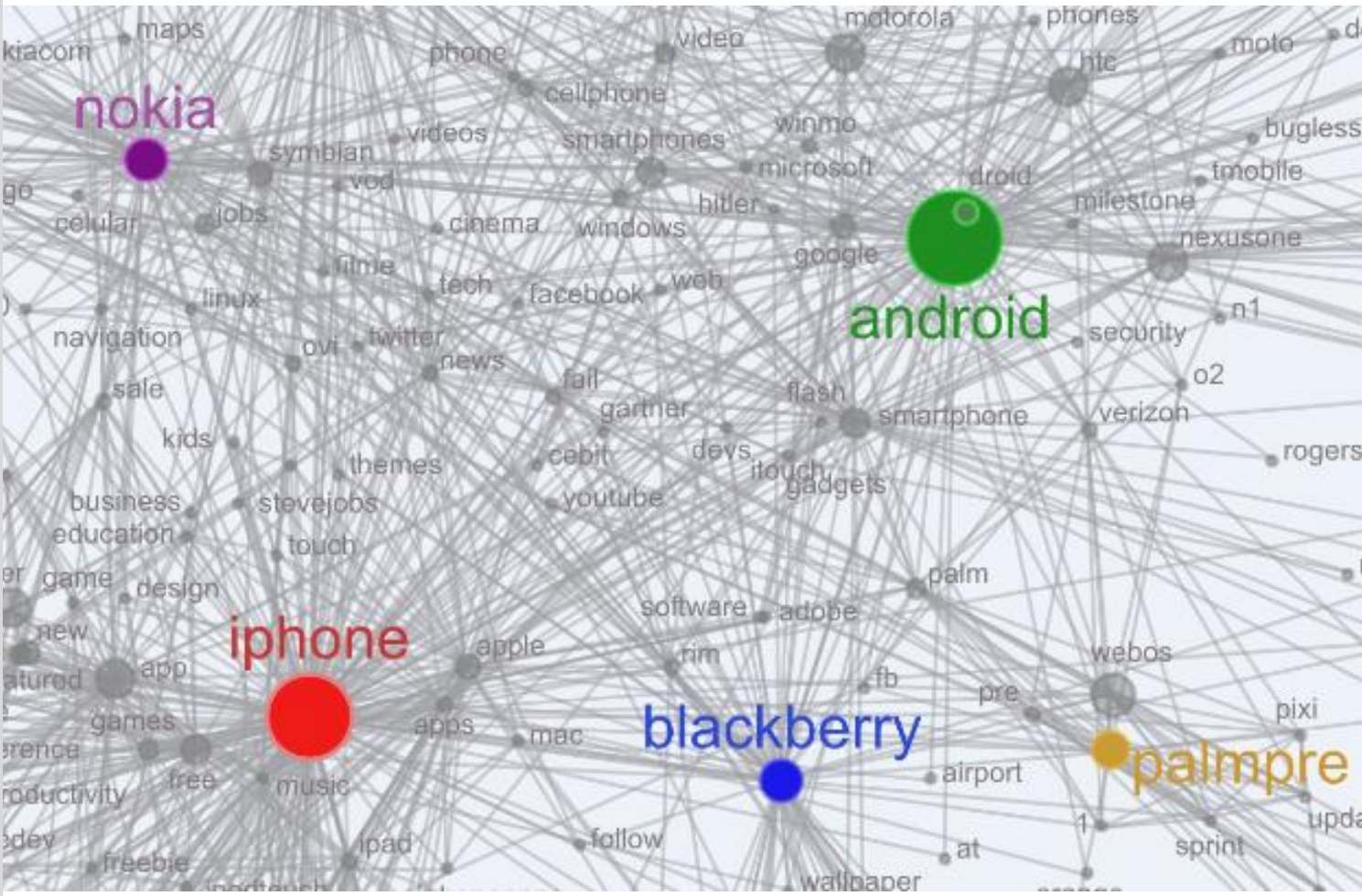
Can Twitter predict brand health and market momentum?

The size of a node in our image is the first key vector of information about future market direction and brand growth.

Back in April 2010 Android was still a pretty unknown development in mobile telecoms technology.

When we saw the size of this Android node we were surprised Google's new open source OS had made such a splash. Android's "share of dialogue" appeared to be comparable or even larger than the iPhone's.

The other surprise was that the node for Nokia (the current market leader in smartphone handset sales) was relatively small.



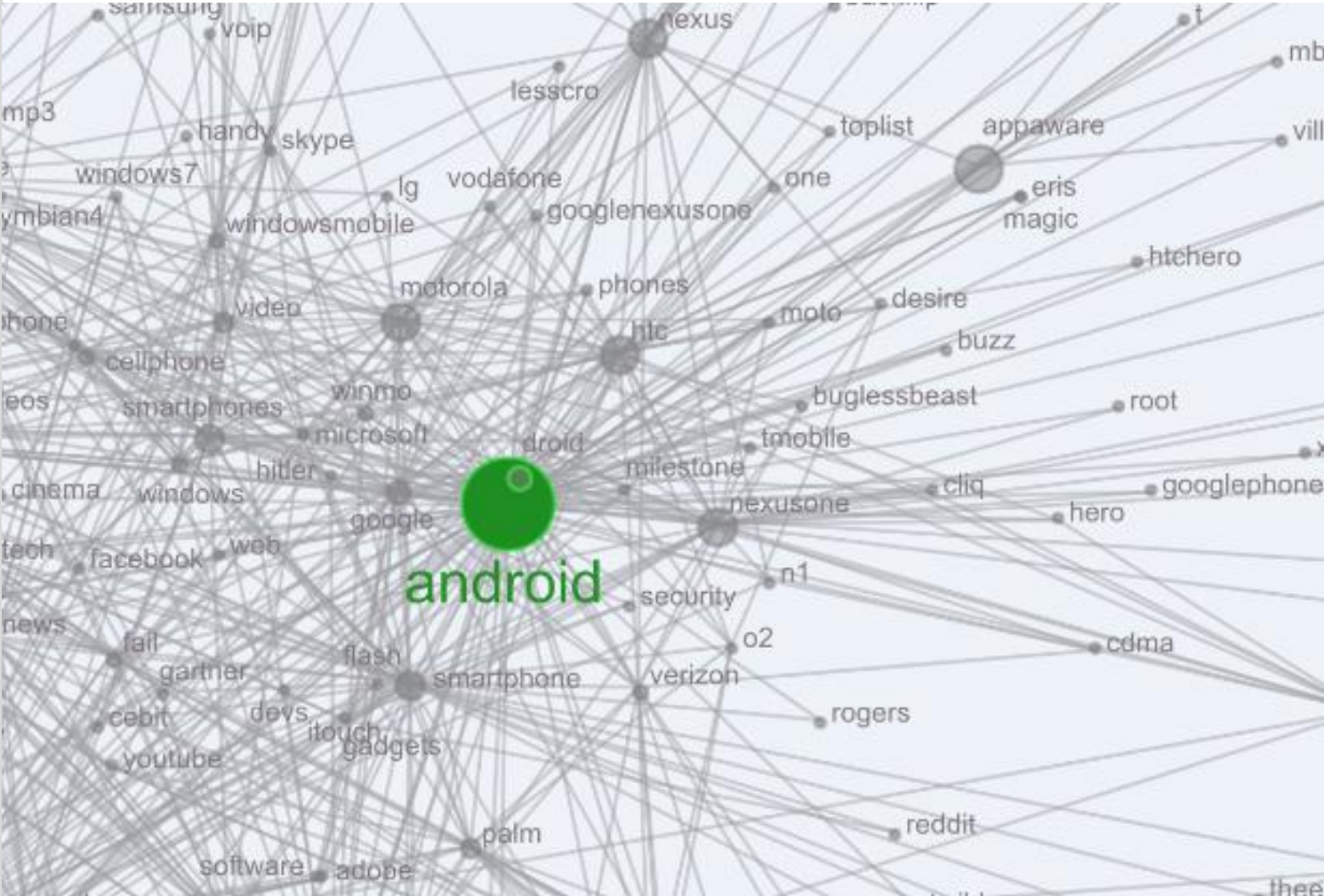
Can Twitter predict brand health and market momentum?

At first we suspected Twitter was being used as a soap-box for Android fan-boys & girls. But an examination of Android-related tweets didn't entirely support this theory.

The key to understanding this issue came to us four weeks after we collected the data, when it was announced that Android-powered handsets had out-sold iPhones in the US for the first time.

Put simply, until this moment we had misinterpreted our own data. We had failed to notice that the Android node had actually been growing over time.

In effect, the growth of this hash tag node pre-figured, **by 4 weeks**, official market data that confirmed Android shipments had overtaken iPhone sales in the US.

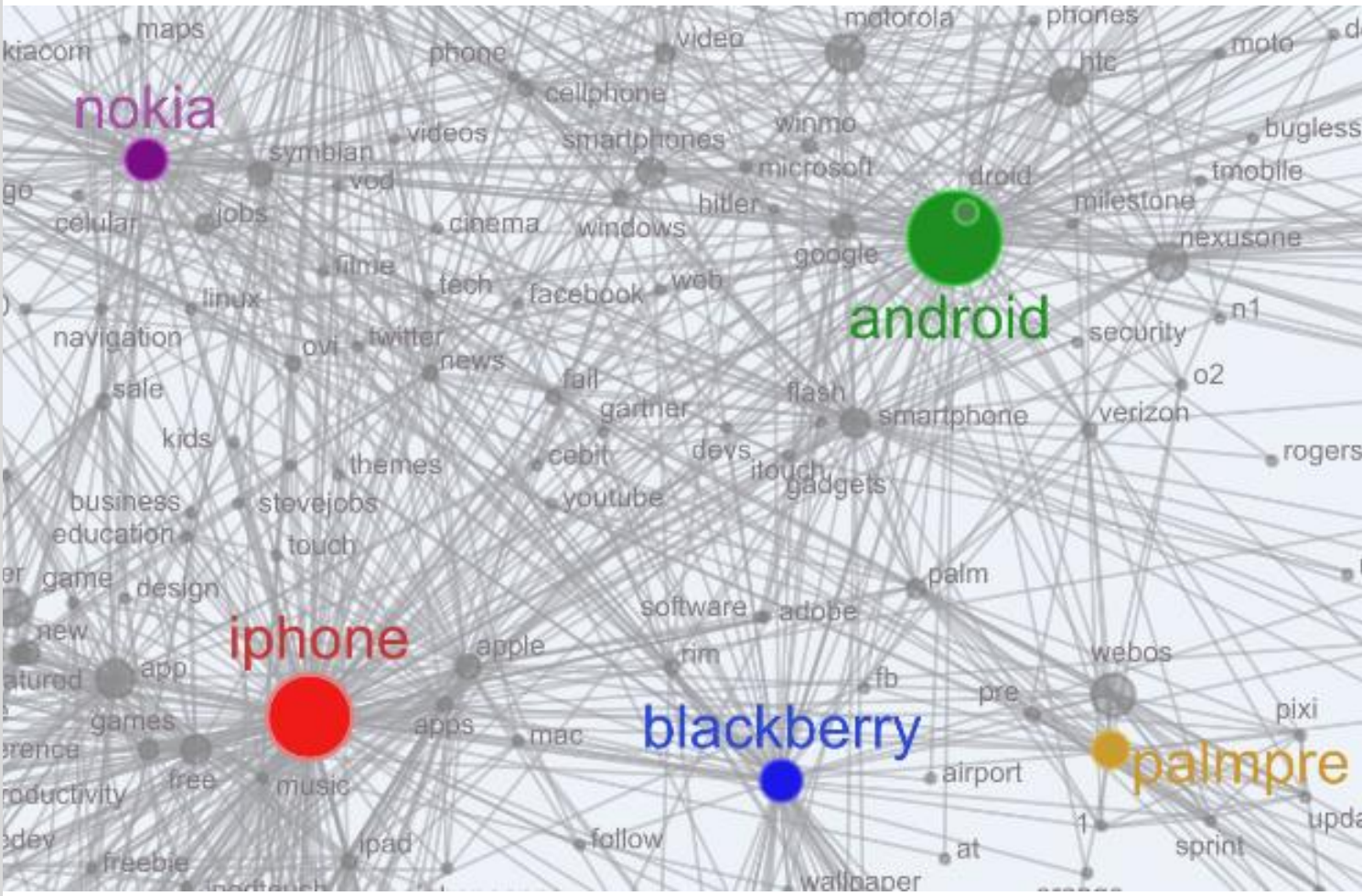


Can Twitter predict brand health and market momentum?

Once it was clear this growth in the Android node mirrored a real-world rise in Android handset shipments we concluded that a brand's share of smartphone-specific dialogue on Twitter was actually the first of two key indicators or predictors of current brand health and future market momentum.

To capture this phenomenon more clearly we now track this and other market sectors on Twitter and then animate these maps to observe how they change and develop over time.

It then become very easy to see who's in the up and who is on their way down.



Can Twitter predict brand health and market momentum?

This map makes it immediately clear that the iPhone has a denser and more richly variegated local network of debate and conversation than any other major smartphone brand or OS in the market.

For instance, we can see in this image several blue hash tags representing a vibrant dialogue about iPhone app development and distribution.

The numerous orange hash tags denote conversations about music, which none of the other smartphone brands can match.

Finally, we also see a dense cloud of green hash tags that refer to conversations about diverse kinds of consumer content. If nothing else, this tells us people perceive the iPhone to be much more than just a device for making phone calls.



Contact details:

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