Market Intelligence Brief

Twitter Developer Platform
Spring 2022

Hello,

Welcome to Twitter's bi-annual market intelligence brief providing our observations and analysis on the state of the Twitter data ecosystem. In this edition, we share insights from both the brand (buyer) and vendor (supplier) perspective as well as promising new use cases.

Summary

We are currently observing numerous macro trends conspiring to drive the adoption of social intelligence - pandemic accelerated digital transformation initiatives, advances in AI/NLP, and growth in consumers' social media usage -- to name just a few. These trends are encouraging experimentation and innovation in the long tail of the ecosystem and are accelerating growth and consolidation at the more mature end.

In fact, the larger social vendors have never been healthier, reporting record revenue growth in 2021 ranging from 14% to 40% and customer growth exceeding 20%. To support this, vendors have gone on a hiring spree. For example, Twitter Official Partners have expanded their headcount by an average of 28% over the past year, including aggressive international expansion. Finally, we see social data continuing to break out of its traditional home in Marcoms departments and adding value across the organization by supporting many new use cases and users.

Brand (Buyer) Perspective

Over the course of 2021, we engaged with well over 100 brands, helping them gain insight and value from Twitter data. These consultations provided evidence of several important trends occurring in the market with respect to social data and social intelligence more broadly.

→ ### The continued consolidation of the social tech stack

Organizations have for many years allowed their various operating companies, regions, and teams to procure social media solutions to fit their specific needs. This has led to an abundance of social tools that do not always integrate with one another or have overlapping and redundant capabilities. Perhaps spurred on by the pandemic and the rush towards digital transformation, we have observed many organizations consolidating their social tech stack to a smaller group of solution providers. This is a trend we expect will continue as procurement and IT teams rationalize their companies' social software install base.

→ ### The integration of social data into VoC programs

Collecting real-time customer feedback was a huge challenge for organizations during the early days of the pandemic, an experience that seems to have persuaded them to expand their VoC programs to include more unsolicited and non-traditional feedback channels. To do this they often have to hack together their social listening tools with their survey platforms, a 'solution' that does not seem sustainable long term.

→ ### The push to democratize VoC insights across the organization

We learned of many projects underway to infuse a customer-first mentality across organizations by sharing real-time customer insights. The term 'actionability' came up quite often with numerous brands mentioning that they had lots of dashboards, but very few that were actually built with specific teams and users in mind who could actually do something with those insights.

→ The professionalization of social intelligence

We've observed hundreds of new job postings for social intelligence practitioners across numerous industries, roles that are typically sitting within the organization's consumer insights function as opposed to Marcoms. We've also witnessed the growth of social intelligence-related events and conferences and anecdotal evidence of support communities springing up around the globe.

→ The heavy investment in self-service customer care

Having spent much time and effort building out their customer knowledge bases, many brands have turned their attention to chatbots with the goal of deflecting as many inbound customer queries as possible. And, these new tools are being deployed across their digital estate, whether online, in-app, SMS, or via social. Thanks to vast improvements in Natural Language Processing, chatbot effectiveness has improved significantly thus providing a better customer experience.

→ The development of custom applications in-house

While the selection of SaaS applications on the market continues to expand, we see anecdotal evidence of more organizations developing custom applications built around their specific needs. With respect to social media management-related use cases, the build vs. buy decision has been firmly in the buy camp for some time, however, brands with sophisticated data capabilities are looking more and more to ingest our data themselves to apply their own machine learning models

Vendor (Supplier) Perspective

The disruption spawned by the pandemic has accelerated the adoption of software to support just about any persona or business need in the modern organization. And vendors have responded, taking advantage of record amounts of VC funding to launch SaaS solutions in Martech, Salestech, and ResearchTech to name just a few. Within the social tech space, 2021 was a memorable year that saw high-profile mergers, acquisitions, and an IPO.

First, the merger of traditional media monitoring with social media monitoring continued with Cision's acquisition of Brandwatch, Meltwater's purchase of Linkfluence, and Access Intelligence's (Pulsar) merger with Isentia. Secondly, a great many acquisitions fell under the CX umbrella. This included the customer feedback and voice of the customer vendors adding social expertise such as Qualtrics's acquisition of Clarabridge and Reputation's purchase of Nuvi. It also included customer care and engagement vendors adding social capabilities to improve their core offerings such as Verint's pickup of Conversocial, Hootsuite's acquisitions of Sparkcentral and Heyday, and Khoros's purchase of Topbox. We also witnessed a substantial IPO, with Sprinklr taking their 'Unified CXM Platform' public.

There are now very few 'best-of-breed' or point solutions remaining, with most having been subsumed into either social suites or adjacent markets looking to add social capabilities and expertise. In many ways, this marks the twilight of tools dedicated specifically to social media and the beginning of a new phase whereby social data is integrated with other data sources and workflows, supporting new personas and use cases. From our perspective, the demise of the 'social silo' is a positive development that will accentuate the strengths and value of social data to new users, thus driving the next phase of innovation. And, we are already seeing this play out across several emerging use cases.

Twitter Data Use Case Maturity Model
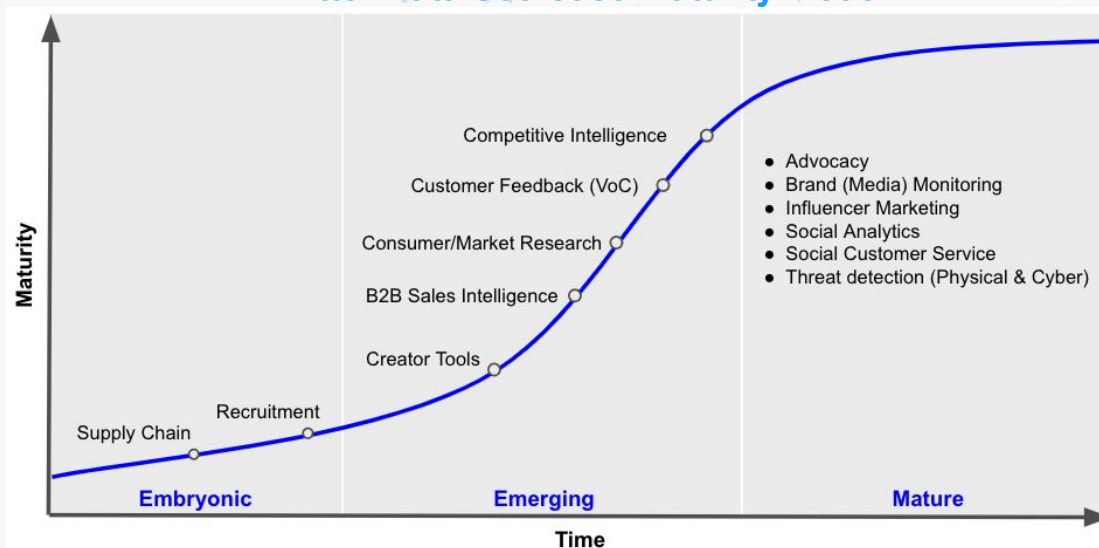
Emerging Use Cases

→ **Voice of the Customer (VoC)/Customer Feedback**

A recent Forrester study found that 70% of brands rely exclusively on surveys for customer feedback, a great majority of which is email initiated. Unfortunately, survey fatigue and data protection regulations are challenging customer experience professionals' ability to collect the always-on customer feedback they need to understand and improve their customer experience delivery. We believe this represents an opportunity for unsolicited feedback channels to fill the gap and that the combination of solicited and unsolicited feedback is the way forward. And while many of the larger feedback management vendors have social integrations, social data has often not been integrated in a robust, meaningful way. As a result, we see disruptors stepping in, many of whom are also serving market research-focused use cases.

→ **Market Research/Consumer Insights**

We continue to see growing interest in unsolicited or passive approaches to understanding consumer needs. The research world was already undergoing a transformation well before the impact of Covid began to hit, which only served to accelerate the adoption of new approaches to market research. This move, from question-based methodologies (such as surveys and focus groups) to observational approaches (such as social media data) has lowered costs and improved speed to insight. And having experienced these benefits, it's hard to see researchers going back completely to the slower, more costly techniques of the past. We observe instead, a movement towards using social data as a starting point for research, which can aid smart survey creation and the focusing of focus groups.

2021 witnessed an investment frenzy in ResearchTech, with an estimated $26B invested in the sector across ~140 transactions. For example, in just a three-month window last year, Suzy raised $50M, Attest $60M, and Disqo $85Mn. Some of these disruptors are automating manual research processes (survey creation, sample access, etc.) while others are fundamentally rethinking traditional approaches to primary research. In 2022 we expect to see continued investment into what is now a $90B turnover industry globally. And it seems that this is a key priority of research buyers as well. A recent GreenBook Report found that the analysis of social media data was their number one area of focus when it came to the adoption of market research automation.

→ ## B2B Sales Intelligence

SalesTech, as it is now known, includes [hundreds of vendors](#) supporting every stage of the B2B sales journey. And one of the largest components of SalesTech is Sales Intelligence, which are the tools that provide the data and insights that sales reps need to identify prospects and have impactful conversations. A recent [report](#) from Revenue found that 45% of sales teams have already invested in sales intelligence software and another 14% plan to invest this year. This subsegment alone is expected to be worth [over $7B](#) by 2030. The B2B buying signals found on Twitter are just starting to be fully appreciated and we expect further focus and innovation in this space, especially considering the [changing dynamics](#) of B2B sales.

→ ## Market & Competitive Intelligence

Intense competition across industries is highlighting the importance of making market and competitive intelligence accessible to stakeholders across the business, from product development and marketing teams to corporate development and operations. The real-time nature of Twitter data makes it a vital data source for this use case, albeit one that we feel is underutilized at present. And, given that market & competitive intelligence is a competency relevant to every business on the planet, we see this use case as having huge growth potential.

→ ## Creator Tools

Creators are individuals whose primary profession is to make original digital content in order to deliver value to an audience and monetize their craft or voice. More than 50 million people around the world now consider themselves creators, which has become the fastest-growing type of small business and represents a market, 'the creator economy,' estimated at $100 B. The idea of influencer marketing has been around for many years and it's important to note that while many influencers could be considered creators, only a small percentage of creators would consider themselves influencers. This distinction is important because while influencers have tended to monetize their personal brand via marketing deals, creators look to donations, tips, and subscriptions for their income and therefore require a new set of tools to assist with content creation, distribution, audience management, and monetization.

→ ## Recruitment

In much the same way sales professionals use sales intelligence solutions to identify prospects, recruiters are starting to use social channels to identify promising talent. Twitter in particular, as a platform for influence, provides thought leaders and creators the ability to share their content with the world and get noticed. And while Twitter has been used for some time to identify marketing influencers, we are in the early days of it being leveraged as a proper recruitment channel for candidate sourcing.

→ ## Supply Chain/Demand Planning

Supply chain professionals have been using social media for years as one of many sources of data to identify risks to their suppliers, retailers, and every other step in the supply chain. However, there has been less focus on using social data for the purposes of demand planning and inventory optimization decisions. Given the speed with which new trends emerge and consumer preferences change, we feel that Twitter data represents an important addition to traditional planning systems. Who can forget Popeyes, an American fried chicken fast-food chain, who famously ran out of chicken because they weren't able to accurately predict demand?

Interested to go deeper into these trends? Please get in touch with your success manager to book time with our market intelligence team.

Thank you.