

WHITE PAPER



# SOCIAL MEDIA INTERCONNECT WITH PLM SYSTEM

*ITC INFOTECH is a leading Product Lifecycle Management (PLM) service provider and is a long-standing partner of PTC (Parametric Technology Corporation)*

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# Introduction

**“A brand is no longer what we tell the consumer it is – it is what consumers tell each other it is.”** -- Scott Cook, member of the board of directors of eBay

The advent of social media has seen good old word-of-mouth acquiring a whole new dimension. The clout that the social media wields digitally is changing the ways in which people are interacting and transacting in the online world. The consumer now is unflinchingly airing his views about products and services. This, in effect, is influencing the purchase decisions of millions of customers across the globe, who are fed up with marketing palaver and are trusting online reviews more than ever. With this shifting of powers from marketers to customers, can businesses really afford to bury their heads in the ground and cold shoulder the customer sentiment or should they keep their ears to the ground and listen attentively to the conversations going on about their products in the social media sphere?

It would be an oversight to think that opting out of social media is a way to avoid negative conversations about you and that too on your own turf. In reality, conversations could be happening elsewhere, presence or no presence! And if you solicit those conversations, pay attention to the advices and integrate them into your Product Lifecycle Management (PLM), you could save yourself those wasteful marketing dollars.

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# What is Social Media?

The term social media refers to Blogs, Twitter, Facebook, YouTube, and countless other web applications that collectively offer a platform to facilitate a two way dialogue between a business and its customer. Social media allows organizations to not only provide information about new products and services to prospects and customers but also get feedback from customers about existing products in an effort to constantly improve.

## Social media can help an organization in:

- **Sharing** information about new products and services.
- **Analyzing** reviews, comments, and feedback for an in-depth understanding of customer needs.
- **Quickly responding** to prospects and customers through comments, tweets, and other ways, there by bringing the organization closer to the customers.
- **Accelerating growth** by taking inputs directly from the customers.

For an organization, the success of social media lies in understanding the 4 Cs. It begins with understanding the customer behavior and the social media consumption pattern, zeroing in on the context, and delivering the most appealing content through the most appropriate channel. There is an additional C which is an incentive for following the 4Cs correctly-community. A community of evangelists is what you get, if you do it all right.

# Corporate Social Media Interaction: Driving Business Value

Social media offers an interesting platform for organizations owing to the power it wields in connecting businesses with existing and potential customers. A tweet could provide information on whether or not customers like a product; a comment could give helpful insights regarding customers' actual needs; and a like and subsequent visit to a page could offer helpful insights into the popularity of a product.

More and more organizations today are applying these concepts and lessons learned from social networking to improve business interaction. Businesses are implementing social computing and Web 2.0 capabilities to take advantage of social interaction, creating corporate social networks and bringing together communities around a common business goal. This shift towards corporate social interaction guarantees considerable business value, particularly as social computing technologies are applied to PLM.



# Social Media Collaboration in Product Development and Lifecycle Management

Aided by the social media boom, collaboration has become the new buzzword in product development and lifecycle management, and it is extending beyond enterprise boundaries to include all the stakeholders in the product development process.

Organizations are increasingly using social computing techniques to build and retain product development dialogue, and to create and leverage empowered virtual teams. These teams interact in real time and use tools such as instant messaging, alerts, status updates, subscription as well as other techniques to contribute to the product development process. Manufacturers are increasingly realizing the importance of a common community space wherein people can contribute to the central idea pool, especially in the early phases of a project which is categorized by frequent interactions and less formal results.

Collaboration can smoothen out product development process by contributing to the following areas:

- **Requirements gathering:** Social space can be an excellent environment to find what your potential customers are looking for. It allows organizations to establish a set of keywords that can be used to find prospects and customers. Social connections (i.e. Twitter and Facebook) can also be used to communicate new products with advanced features to the existing customer base
- **Quality monitoring:** Using their social network, businesses can see multiple users communicate their experiences about a product they use. Proactive monitoring of customer experiences can provide insights to the quality department, helping them fix product problems in the early stages of usage.
- **Competitive analysis:** The competition is a significant threat for most of the manufacturers these days. Organizations can use the same social tools to monitor competitor's activity as used for monitoring customer sentiment.



# Benefits Social Media Offers to the Fashion Industry

With mounting pressures to lower development costs, generate new revenue streams, and keep up with changing customer expectations, one industry which is constantly facing the heat of globalization is the fashion (footwear, apparel, accessories) industry. Industry leaders are setting the theme for others to follow by adopting PLM solutions to counter forces that drastically impact planning, creative, and supply processes.

Integrating social media into their PLM solutions can present innumerable opportunities to the fashion fraternity by offering them a platform to gather valuable information on:

1. What trends or colors are in demand?
2. In which segment a particular style would be popular.
3. What would be a suitable price for the customers?

And eventually, this information can help organizations in making a plan for the season, in increasing the consumer base, and most importantly, in ensuring a long term presence in the market.



# Social Media – Redefining Product Development

*“P&G had results with their Social media strategy which were 4 times more effective than traditional marketing.”*

Charlene Li, Social Media  
Research Analyst at Forrester

Usually, companies invest a lot of time and money in developing a product, which in many cases does not meet the requirements of its intended audience. With the advent of social media, such cases can be reduced as companies can develop successful products by using social media to understand the pulse of their audience. Social media tools help in building relationships with prospects and customers and also aid in product development and market research.

The social product development approach is quite different from traditional approaches of product development. It involves:

- **People centric approach:** Somewhere along the way, PLM seems to have overturned its priorities from “people, processes, business systems, and information” to “information, business systems, processes, and people.” The result is a data-cataloging system that forces people to conform to a rigid IT infrastructure. Social media, on the other hand, puts people at the forefront. In a social network, your profile is your greatest asset. Consequently, you put considerable time and effort to develop it with contacts, photo albums, notes, and links. This approach literally puts a face on collaboration.

**Burberry** @Burberry London, England  
A 155-year-old global brand with distinctly British attitude  
<http://www.Burberry.com>

1,088 Tweets | 126 Following | 578,333 Followers | 5,970 Listed

Recent Images

**Burberry** Burberry  
Watch video of the Burberry Prorsum AW11 Campaign featuring British models Thomas Perfound and Jourdan Dunn  
[youtu.be/IRVjg4JnIQ](http://youtu.be/IRVjg4JnIQ)  
18 hours ago

## Social Media: Helping Companies save Huge Bucks

Social media can help save companies from reputational and financial loss. This is evident from the story of one guy, who goes by the handle “Predator”. He saved Dell at least \$1 million by answering technical questions in its community forum.

- **Proactive sharing and feedback:** The design culture of the past is defined by protectiveness—you don’t let anyone else see what you and your team are working on. But the next wave of designers belongs to a culture of sharing—they’ll post online a detailed description of their concept, along with a high-resolution JPEG, in return for constructive feedback from friends, colleagues, and even anonymous commentators. To them, file sharing is probably more important than file locking.
- **Collaboration to deliver results:** Usually, companies use e-mail for discussions. However, after the third or fourth “reply to all,” an e-mail chain involving six participants or more invariably devolves into an incomprehensible mess. By contrast, social networks like Facebook and Friendster have found ways to organize and display multi-user discussion threads in a digestible fashion.

# Social Media- PLM Roadmap for Businesses

Using social media for product development involves various steps right from conceptualizing and testing ideas to finally gathering feedback post product launch. Social Media- PLM roadmap for businesses includes:

1. Creating broad ideas and concepts and monitoring those ideas through social media tools. This helps you to form the scope and direction for the development process.
2. Identifying trends and audiences. This helps to identify the largest demographics for your product.
3. Monitoring scope and direction to understand how your audience is using and responding to similar products. This helps in the planning process.
4. Monitoring potential features and making a features list based on potential customers responses and conversations.

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5. Analyzing competition and identifying gaps and customer pain points. This helps in creating a marketing strategy in which you can highlight your key differentiators and position your product as a better solution than your competitors.
  6. Developing the product on the basis of the inputs gathered from social media monitoring.
  7. Launching the product to view customers' responses.
  8. Gathering feedback after the product launch. This helps in identifying flaws and areas of improvement so that you can incorporate the feedback in your next version of the product and add extended features in the product to ensure that you meet and exceed customer's expectations.

## Social Media- PLM Solutions: The Way Forward

If we talk about the future state of social media and PLM, then social media will surely take the PLM to a different level which would equip the retailers or brands to always be in touch with customers. Currently, many organizations perceive social media as spending time on non-business activities. However, the organizations, sooner or later, will realize that social media will explicitly provide the collaborative platform among the various individuals and groups working together within the context of product development.

Undoubtedly, the social networking technologies offered by today's PLM solution are relatively new and basic in nature and is the biggest reason why the investors are reluctant in taking the approach. Today, forward-thinking PLM solution suppliers are cultivating their own customer communities while others are offering social networking enabled technologies to analyze interactions on social media forums.

However the challenge still remains - How creatively and proactively can social media provide insights to the organization and involve customers in the development of new products.

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## About the Author



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An MBA in International Business Rajnish has an experience of 14 years in Manufacturing, Sourcing & Retailing; He has worked with Wal-Mart for 5 years prior to joining ITC Limited. Currently he is responsible for leading a team of business process consultants for FLEX PLM that helps organizations in their product development initiatives. His global team works directly with the Customers in Retail, Footwear and Apparel Industry to map their current processes and offer future state solutions that drive business strategy goals.

# ITC INFOTECH

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ITC Infotech is a global IT services and solutions company. The company focuses on developing industry specific solutions aimed at client's unique business requirements and challenges in critical performance areas. ITC Infotech has also established technology Centers of Excellence (CoEs) to deepen capabilities and incubate cutting-edge technical competencies.

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