



# CRIMSON HEXAGON'S ANALYSIS GUIDE:

## Industry Analysis

The purpose of this guide is to provide high-level instructions and recommendations for analyzing an industry using ForSight. In this guide, you will find a breakdown of the planning and creation process for an industry analysis, including a practical example that applies each step. Keep in mind that every industry analysis is unique, and will depend on the business questions you are interested in exploring.

## STEP-BY-STEP ANALYSIS

- 1 Define the industry
- 2 Establish your business question(s)
- 3 Set up a Buzz Monitor
- 4 Optimize and run your Monitor
- 5 Extract industry insights
- 6 Set up an Opinion Monitor
- » Perform further analysis



# 1. DEFINE THE INDUSTRY

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## WHY DO YOU NEED TO UNDERSTAND AN INDUSTRY?

Industry analysis can be key in ensuring your business maintains its competitive edge. By analyzing your industry using Crimson Hexagon, you can help uncover unknown competitors, keep a pulse on industry trends, and be aware of news or campaigns pertaining to your competitors. A lot can be learned by listening to the customer reactions to all activity in your industry, and it provides you the opportunity to tailor your messaging accordingly.

## WHAT IS INDUSTRY ANALYSIS?

An industry analysis can be defined in two main ways: (1) by named brands or (2) by unbranded category keywords. For this project, we will be focusing on running shoes as an industry, highlighting how to approach the analysis from both branded and unbranded perspectives.

1. **BRANDED:** Define your industry by a list of brands.
2. **UNBRANDED:** Define your industry by category-related keywords (e.g. running shoes, sneakers, etc.)

You can also combine branded and unbranded conversation into an overarching industry monitor.

**RECOMMENDATION:** For a broader industry overview, include both high and low end brands. Alternatively, you can narrow down the industry definition to focus on either luxury or best value brands.

For this guide, we will use a combination of branded and unbranded keywords to define the industry at a high level. This will allow us to track conversation of known, niche, and unknown brands that surface organically in the industry conversation.

## 2. ESTABLISH YOUR BUSINESS QUESTION(S)

It is best to have a focus before tackling a broad topic like an industry. Start by exploring a business question relevant in the context of the industry of interest. For example, you can ask which brands dominate the conversation in your industry, or what elements drive their popularity.

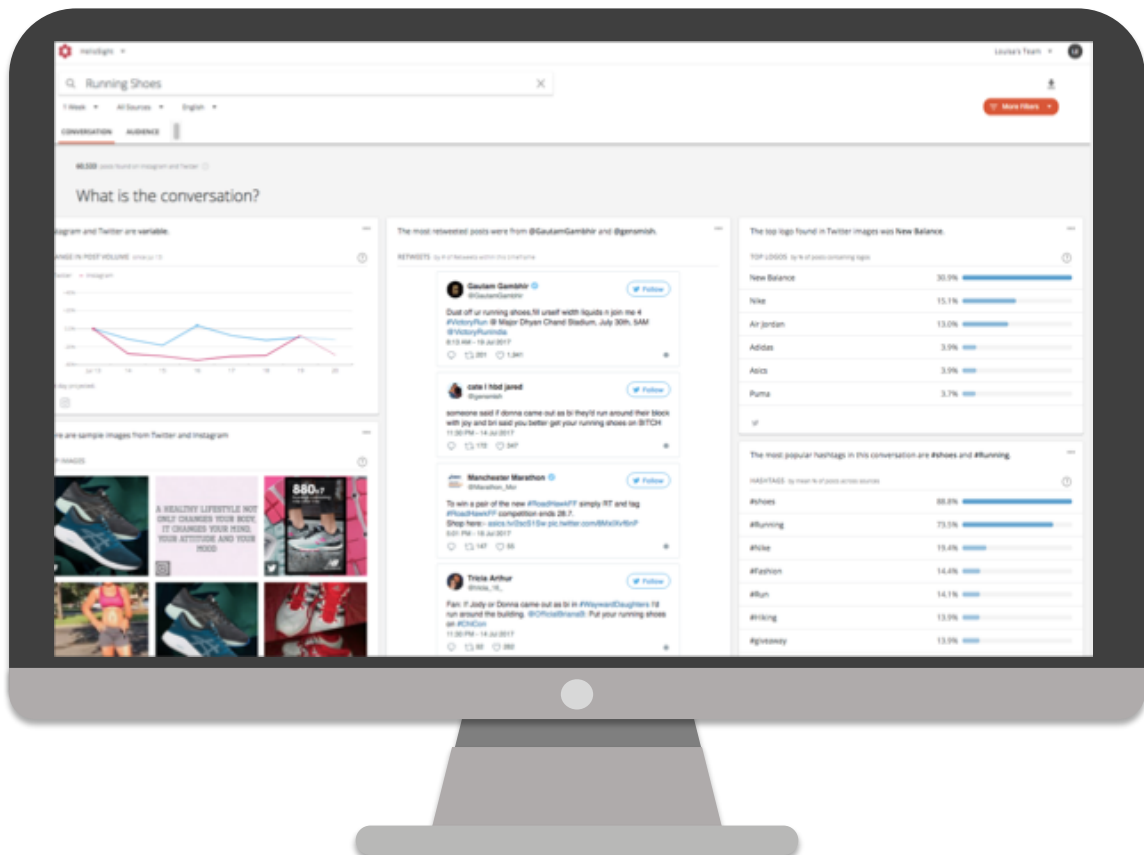
**RECOMMENDATION:** A good business question is **clear** and **targeted**, never leaving room for misinterpretation and ambiguity. As a starting point, consider the **5 W's** (who, what, when, where and why). For more information on setting up a business question, see our article [Foundations Training Series: Approaching Crimson](#).

### BACKGROUND

A manufacturer of running shoes is interested in understanding the major players in the running shoe industry and what topics are important to consumers.

### BUSINESS QUESTIONS

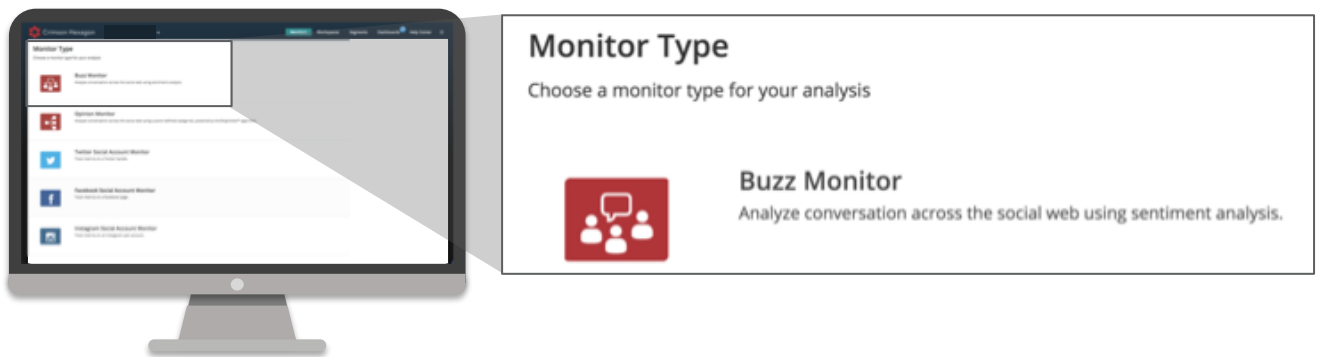
1. Is this industry becoming more popular on social media over time?
2. What are some of the top conversation trends in this industry?
3. Which brands are leading in the industry?
4. How do people choose running shoes?



### 3. SET UP A BUZZ MONITOR

**BEST PRACTICE:** As an initial step, a **Buzz Monitor** can be used to target and get a general pulse on a conversation. Buzz Monitors allow you to gain insight into the level of volume, as well as understand the general sentiment around your industry. After understanding how consumers view the industry, you can create an **Opinion Monitor** for further analysis.

What to consider during Monitor setup:



#### Content Sources

Twitter, Facebook, Reviews, Instagram



Industry analysis can be conducted across most content sources. We recommend Twitter, Facebook, Reviews, and Instagram to start with.

#### Keywords

((“industry category terms” OR  
(Brand A OR Brand B...))  
AND - (“irrelevant terms”)



Select keywords that describe your industry accurately and include all possible variants. These keywords combine branded and unbranded words to create an overarching industry analysis.

#### Timeframe

12 months



Since we are trying to uncover trends, consider a date range of 12 or more months to account for seasonal changes.

#### Language/Location

English / Global



As this industry conversation is very broad, it may be worth considering limiting your results to relevant languages or locations.

**RECOMMENDATION:** While it may be easy to identify which brand names have multiple linguistic applications (e.g. Express, Target, Tide, etc.), some brand names may have more obscure application (e.g. Cadillac is synonymous with higher quality and class). When deciding whether a brand or product is unique enough to be a stand-alone keyword, take advantage of our fast, social intelligence search tool, [HelioSight](#) where you will uncover immediate insights from Twitter data and learn of any other possible conversation related to your keyword(s). If your brand name is ambiguous, consider pairing it with category-specific keywords, e.g. (“Brand A” AND (run OR running OR shoes OR sports))

## 4. OPTIMIZE AND RUN YOUR MONITOR

After you have built out a keyword string and previewed your results, you can run your Monitor and start digging into the results. Using the **Explore** tab and its many features, you can explore some major topics and patterns relevant to your industry.



The **Topic Wheel** shows the key topics and phrases that are being used by your audience. With our example of “Running Shoes,” we see that some of the major conversation topics include “Comfort” or “Quality”. You may click on any one of the Topic Wheel sections to see the posts associated with the topic of interest.

Similarly, the **Word Cloud** gives you the ability to see how often keywords are used in this conversation based on its size. This is useful for seeing the recurrent themes. As you can see, some common color preferences for running shoes can be surfaced this way.



The **Authors** and **Daily Moments** sections (not shown) also allow you to see the way the discussion around your industry ebbs and flows and eventually transforms over time.

If you notice irrelevant words surfacing in the Explore section, return to the Monitor setup and make necessary adjustments to the keywords to filter out unnecessary content to hone in on relevant industry trends. Sometimes, Monitors may require a number of iterations to fully optimize the results.

## 5. EXTRACT INDUSTRY INSIGHTS

When analyzing an industry, we are trying to discover unknown trends and competitors, as well as validate the information we already know. Are our products really as well received as we think? Is Brand A really gaining momentum as fast as we imagine? Is this new trend popular enough to justify investment?

As a starting point we examined the volume of conversation by viewing the **Volume Tab** in the Metrics section. Is it noticeably changing over time? If yes, is it trending upwards or deteriorating, and why? If the volume is steady, can we assume that the industry is somewhat stagnating? Looking into peaks and troughs is also helpful in understanding whether there is new innovation or successful campaigns taking place in the industry. Try to understand what topics are driving the volume trends by reading through the posts.



We would also explore the sentiment associated with this industry by using the **Sentiment Tab** under the Analysis section. Is this an Industry that people are enthusiastic and positive about, or is there a high percentage of negativity associated with this Industry? Why is this the case?



We would hone in on the specific aspects of the conversation (e.g. Positive sentiment) using **Saved Filters** and leverage the Explore Section once again to further examine the conversation. This will allow us to understand the reasons behind the volume and sentiment trends associated with the industry. Is this in line with what you expected to see? Try to pinpoint mentions of topics, brands and products you have not seen previously. Then, create additional keyword-based **Saved Filters** according to these new topics and explore further.



## 5. EXTRACT INDUSTRY INSIGHTS

If you cannot immediately pinpoint topics that your team is not already aware of (i.e. the unknowns) in a broad conversation, you can instead use the **Filters** to exclude the known factors. For example, if you wanted to explore the unbranded conversation or discover unknown competitors, you could create Filters to exclude all of the brands and products you are currently aware of. By applying a Filter to remove known branded conversation, you should then be able to narrow the conversation down and discover new insights that you can then explore further.

The **People** section can be used to better understand who is involved in this conversation. You can uncover the demographics and interests of people participating in the discussion. Can you identify a certain persona associated with particular brands? Who is interested in emerging trends? What are some differences between the audiences discussing two different products?



You can also contrast between different date ranges to identify trends. Start off by initially conducting the above analysis using the entire date range of the Monitor. You can then look at smaller periods separately and compare the metrics for each increment. Did the percentage of female participants increase from the first half of the year to the second half of the year? This could indicate that running shoes are increasingly becoming more popular among female shoppers. What topics have emerged recently? You can use this comparison approach to understand whether new innovation/trends are becoming more dominant with time.

For instance, in our running shoes analysis we noticed that the industry conversation volume has increased by 43% in 30 months, and the sentiment in this conversation is predominantly positive with 38% positive mentions vs. 7% negativity. The audience is 58 % male and 42% female, suggesting a fairly even gender distribution. Digging into the branded conversation using Filters, we concluded that this conversation was saturated by mentions of two major brands, with other brands owning very small shares of the overall mentions.

Now that we have a good understanding of the conversation based on our Buzz Monitor, we can go a step further and explore this conversation in an Opinion Monitor.

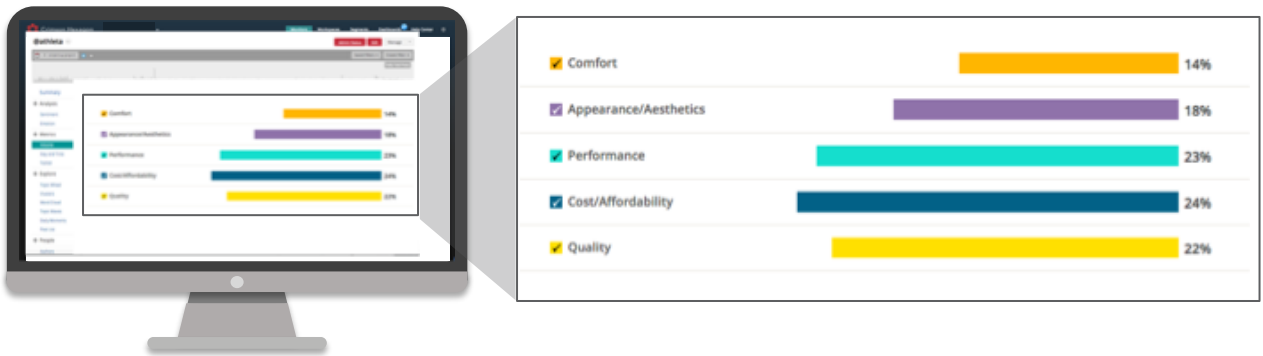


## 6. SET UP AN OPINION MONITOR

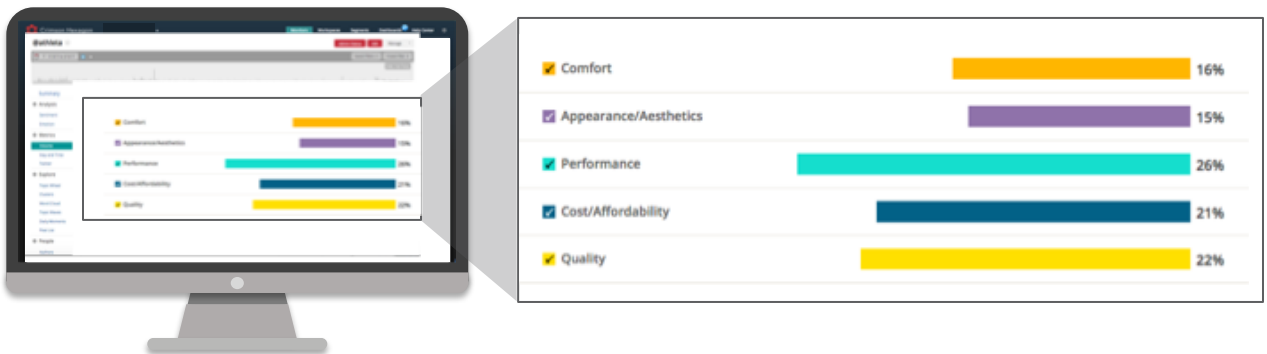
Now that you have analyzed your Buzz Monitor, you can dive deeper into insights by creating an Opinion Monitor to dissect the conversation even further. The Buzz Monitor provides a solid foundation in terms of understanding what is important to customers discussing various running shoes. You can implement the learnings from the Buzz Monitor to create a targeted Opinion Monitor to investigate further.

Consider setting up Opinion Monitor categories to identify what attributes are most important to customers while making a decision to purchase a new pair of running shoes. Is quality most important, or is price the key concern?

Looking at the category breakdown over the last one-year period, it is clear that cost is the most significant factor that customers discuss while evaluating new running shoes.



However, narrowing the date range to the most recent six months, we notice that the Performance category is more prominent. Does this highlight an emerging trend in the conversation? Are customers' priorities changing over time? Using an Opinion Monitor to analyze the industry conversation from various angles can help you uncover fresh perspectives.



You can also use Filters to dive deeper into the conversation around each attribute. For instance, you can create a Filter for the Performance category to understand what drove the increase in conversation.

Another way to effectively use Filters is to create brand-specific keyword filters to understand the volumetric Share of Voice of some of the leading players in this industry, as well as understand what drives brand loyalty for each of them.

## » PERFORM FURTHER ANALYSIS

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By this point we have a good understanding of the overall conversation around the running shoes industry, and the major players driving the discussion.

Here are some additional areas you can look into to further refine your analysis and glean even more insights:

### **Affinities**

By looking into the Affinities section you can establish other areas of interest amongst the authors of your conversation and identify complementary organizations or topics.

### **Identify key influencers in the conversation**

Under the Authors tab, you can view the most influential authors around your industry conversation. 'Most Prolific' authors will show you the people who mentioned the monitor keywords most often.

### **Revisiting our business questions:**

After reviewing the results of both our Buzz and Opinion analyses, we can now revisit our original business questions established at the beginning.

#### **1. Is this industry becoming more popular on social media over time?**

The volume of conversation around this industry has increased by 43% in the last 30 months, with over 25 million posts across Facebook, Twitter and Instagram in this time. The sentiment has consistently remained positive, and Joy remains the most common emotion expressed. All of these metrics indicate that the running shoes industry is gaining more and more traction over time, and may be reflective of higher demand for running shoes.

#### **2. What are some of the top conversation trends in this industry?**

Top conversation trends include the different uses of running shoes. It is apparent that consumers do not use running shoes simply for running, but also utilize them for other athletic purposes such as training at the gym, walking, hiking, etc. A surprisingly noticeable number of people mention pairing their running shoes with their outfits as fashion statements.

#### **3. Which brands are leading in the industry?**

Two major brands dominated the conversation and are leading in the industry.

#### **4. How do people choose running shoes?**

Performance appears to be the most important factor when selecting running shoes. This characteristic is closely followed by Quality and Price.