SOCIAL ENGAGEMENT:
TRENDS, CASES & THE NEW MODEL IN ACTION

PART FIVE

Social Media Performance Metrics

SOCIAL MEDIA PERFORMANCE METRICS

If there is anything that differentiates the personal use of social media from its business use, it is the accountability for measuring impact (though, anecdotally, one gets the impression that even individuals are beginning to ask themselves whether the hours they spend looking at cat pictures and reading "listicles" is really worthwhile). Naturally, organizations want to ensure they are getting a return for an increasingly significant investment of time and money. Of equal importance, however, is the need to know whether the desired impact is being made: is the message being delivered, is it being delivered to the right people, is it influencing the conversation in intended ways, is it contributing to shared belief and so forth. The data analysis skills required of the CCO by the New Model for listening and monitoring are equally applicable here. They are important not only because they are an essential tool in evaluating the value of specific social media initiatives, but because that data is the currency with which the CCO can persuade other members of the C-Suite to do the things necessary to activate corporate character. If, as *Building Belief* urges, the CCO is to "engage the C-Suite in establishing progressive social business policies, programs, and management systems," the most persuasive cases will be data-driven and focused on the contribution to the company's financial performance.

By all accounts, the world of social media metrics is rapidly evolving, and the tools available to measure social media remain in many cases useful but inexact. Most obviously, there are many social media interactions that, due to privacy settings or other limitations, are beyond the reach of measurement tools. The content of personal Facebook pages, for example, often cannot be accurately measured. And many measurements, such as the "volume" of conversation based on the frequency of the appearance of identified words, or the number of "likes," tend to be quantitative rather than qualitative. Users say that currently available tools are not as accurate as they would like on sentiment, requiring significant human intervention and adjustment to weed out false positives and negatives, limiting their value. Nevertheless, social media metrics are becoming more sophisticated over time, as are the strategies for employing them. The most successful, socially engaged companies are getting beyond "likes" and simple individual metrics, and are using a blend of analytics linked to the business objectives of their social media program.

Tie to Business Objectives

Of paramount importance is measuring what is important to the business. This may seem obvious, but it is important not to simply pull metrics off the shelf. For example, one company built its approach to metrics around the three key objectives of its social media program: 1) to drive advocacy, 2) to drive sales conversions, and 3) to support issue management. For example, with respect to the third, the company seeks to measure "how many outcomes did we change because of intelligence gained through social media?" A broader range of business objectives would include:

- protecting and enhancing brand reputation;
- providing and supporting customer services;
- increasing sales and revenue; and
- reducing recruitment and retention costs.

What Gets Measured

There are three basic levels of social media metrics:

1. Real-time measurement of the online conversation, such as moment-to-moment changes in volume around a particular topic. This measurement is important to spotting real-time opportunities and to course-correcting activity as needed. Indeed, this is one of the biggest advantages of social media versus other media – users don't have to wait until a program is complete to modify or improve.

2. Measurements aggregated over a period of time, used to glean insight – for example, shifts in sentiment over the course of a month or a year.

3. A unified strategic index based on business interests that takes into account all metrics, tracked over time, essentially producing a measurement that indicates "what all this stuff is worth." To a great degree, this theoretical number, the outcome of some weighted combination of micromeasures, remains the Holy Grail of social media metrics.

Each of these types of metrics should be used in an overall program that, at a minimum, measures six aspects of social media engagement:

1. **Volume:** How many conversations/posts is this program generating?

2. **Interactions:** How many "likes," comments, shares, retweets, etc., is the program generating?

3. **Followership:** How many people (particularly in the target audience and among key influencers) are subscribing or engaging with content?

4. **Sentiment:** Is the reaction to the content or the brand favorable or unfavorable?

5. **Reach:** To what extent are followers sharing the content and extending its reach?

6. **Conversions:** Does our program encourage additional action? Does it send customers further through the sales process?

Beyond the Basics

Of course, some organizations are moving beyond these basics. One commentator suggests five additional metrics most C-Suite social media managers overlook, though tools for measuring them are not ideal and the value of some of these – particularly Klout scores – may be debatable:

1. The follower and fan growth of your competitors, both as a benchmark against your own efforts and as a form of intelligence gathering on the competition.

2. Average number of retweets per tweet: While total number of retweets is helpful to know, measuring the average per tweet tells you how efficient your tweets are and how engaged you are with your audience.

3. Cross-channel membership. A cross-channel brand fan is committed across multiple touch points and may warrant exclusive content and distinct offers for each channel.

4. Your fans' Klout scores: This is a quick way of determining how likely your fans are to influence others.

5. Demographic changes through Facebook analytics: A breakdown of gender, location and age can help you measure the effect of targeted promotions.

In a May 2013 *Forbes* article,[1] Christine Moorman, a professor at Duke University's Fuqua School of Business, noted the following results of The CMO Survey:

Metrics	Aug-2010	Feb-2013	Change 2010-2013
Hits/visits/page views	47.6%	40.9%	-14.08%
Repeat visits	34.7%	24.9%	-28.24%
Conversion rates (from visitor to buyer)	25.4%	21.1%	-16.93%
Number of followers or friends	24.0%	30.5%	+27.08%
Sales levels	17.9%	8.7%	-51.40%
Revenue per customer	17.2%	9.2%	-46.51%
Buzz indicators (web mentions)	15.7%	16.2%	+3.18%
Customer acquisition costs	11.8%	10.2%	-13.56%
Profits per customer	9.4%	4.5%	-52.13%
Online product/service ratings	8.2%	6.0%	-26.83%
Customer retenion costs	7.7%	3.0%	-61.04%
Net promoter score	7.5%	9.8%	+30.67%
Other text analysis ratings	6.6%	8.5%	+28.79%
Abandoned shopping carts	3.8%	2.8%	-26.32%

Moorman notes that the earlier emphasis on pure financial metrics is giving way to metrics that recognize social media's impact on non-purchase behaviors that build knowledge, generate attitudes, etc. She says "voice" metrics, such as referral and buzz indicators (like those mentioned earlier in this chapter), are increasingly used to measure the impact of social media as these go more directly to its unique benefits, such as people sharing opinions about companies or brands rather than directly prompting a purchase.

More sophisticated approaches to measurement involve tagging outbound content (like Facebook posts or Tweets) with multiple meaningful variables. Once these variables are connected to the content, performance can be quantified based on variables. The best analytics programs are beginning to automate this tagging, and it is expected to play a major role in the future of social media measurement.

Whichever approach to metrics the organization takes, presentation of the metrics in a readily understandable and useful format is essential. "Dashboards" that visually present key metrics on a single page, showing both a snapshot of current status and change over time, are essential and are in widespread use.

Looking Ahead

More integrated social media platforms may come as the result of mergers and acquisitions (such as Twitter's acquisition of Vine, the short-form video sharing app), and better analytics are likely to come with it. Companies will become more sophisticated at identifying and measuring correlations between social media engagement and the achievement of business objectives, which in turn will increase expectations on the part of senior management for explicit measures of ROI. For marketing and communications executives, this will require increasing skill and comfort in data analytics.

---

1 *"Measuring Social Media ROI: Companies Emphasize Voice Metrics"* – Forbes: http://www.forbes.com/sites/christinemoorman/2013/05/21/measuring-social-media-roi-companies-emphasize-voice-metrics/

PRACTICE POINTERS

- When pulling metrics from a query, the first decision that must be made is the time frame from which data should be gathered. Filters can be applied to only show metrics from the past day, the past week, the past year, or any customized time period. For emerging issues, events and hot topics, real-time analysis is necessary. When analyzing content reach or performance, it would be more appropriate to look at the past week. An aggregated, monthly view would be useful when examining long-term strategy.

- The next step is to gather information. Listening tools offer in-depth analysis of the overall conversation on the metrics listed earlier in the chapter and help illustrate insights with graphs, pie charts and word clouds.

- Avoid random acts of measurement. Once gathered, the metrics and insights must be packaged into a concise dashboard that is visually appealing and tells a story. This should feature only those insights that may impact strategic decisions. The initial organizational goals should guide every step of the performance metrics gathering process.

CASE STUDY

Listening at AT&T:
The Creation & Evolution of the PRNOC

The Challenge:

As AT&T's social spaces grew along with the customer expectation for a brand presence, there became a need to better analyze real-time conversations and display data in an easy-to-understand format. The resulting question: how can the brand improve listening and engage current and potential customers in the digital space to benefit both them and AT&T?

The Solution:

The establishment of the Public Relations & News Operations Center (PRNOC), an eight-screen social media command console. The PRNOC provides an in-depth snapshot of real-time conversation related to AT&T and its competitors across traditional news sites, blogs and social media, and can be used to track trending topics at a national and regional level. The PRNOC can be viewed remotely by anyone with access and displays the following:

- News Impact: The first monitor displays top articles from online news outlets and blogs. The list is curated by the Corporate Communications Team. This screen can be categorized by AT&T, competitors and the telecommunications industry. Each article is clickable and can be expanded into full view.

- Mentions: Social media is commonly referred to as the modern-day canary in the coal mine. On the second screen of the PRNOC, AT&T is not only able to see the exact moment conversation bubbles up surrounding a specific topic, but also when a high-impact influencer has mentioned the brand. Mentions are categorized by color to determine sentiment (positive, neutral, or negative), and each mention is visualized by a circle whose size indicates the relative influence of the individual who made the comment.

- Share of Voice: The PRNOC is able to divide the conversation among AT&T and its main competitors to quantify who is seeing the highest traffic across multiple platforms including social media, forums and traditional news sources. The overall sentiment of each carrier's mentions across these platforms is then calculated based on custom algorithms. The senti-

ment is displayed as a percentage for each carrier to indicate whether the conversations are primarily positive or negative. Additionally, the top keywords for each carrier can be displayed to reveal the primary topics of conversation.

- Markets & Trends: The last monitor of the PRNOC gives a view of trends and conversations taking place across the United States and are drilled down by city. When one specific city is analyzed, trends for that area are automatically populated, allowing for easy identification of what regional audiences are discussing.

Key Learnings:

Listening is the heart of content strategy for successful social media. It allows AT&T to react to customers on an immediate basis. Listening not only gives unique customer insight but also plays a vital role in the types of content created.

The PRNOC produces a significant amount of data and AT&T is continuously finding new ways to leverage it across the company – beyond PR, advertising, marketing and customer care.

"The beauty of the PRNOC is that it gives us a better understanding of conversations taking place on a grand scale as well as with individuals. We are able to address individual needs while still being able to take in the overall conversation taking place across many different platforms."

- Larry Solomon
  Senior Vice President, Corporate
  Communications, AT&T

ARTHUR W. PAGE SOCIETY

317 Madison Avenue, Suite 1607
New York, NY 10017
Phone: 212/400-7959
Fax: 347/474-7399
www.awpagesociety.com