

## **PART I**

# **ADDRESSING THE SOCIAL DATA DILEMMA**

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## CHAPTER 1

# Going Pro with Social Media

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*Welcome to the wonderful world of social media metrics!*

Social media has unquestionably entered the mainstream as consumers flock to jump on every social bandwagon, buggy, and freight train that drives past. This frenzied enthusiasm has helped the largest social networks to amass hundreds of thousands of users that rival the world's most populous countries, while new platforms and channels emerge unabated. The early sparks of social media innovation have flourished into a raging inferno of opportunity for consumers and businesses alike.

These businesses include everyone from the largest global fortune 100 to the smallest mom-and-pop shop, who are winning and losing every day with social media. The losers are detached from their customers because they are unable to hear the

outpouring of ideas and feedback over the drone of their antiquated toiling. Conversely, the winners are tapping into consumer needs and wants and using social media as a method to:

- ▶ Increase their brand exposure
- ▶ Initiate dialogue with customers
- ▶ Generate interactions with their owned media
- ▶ Facilitate customer support
- ▶ Assemble legions of loyal advocates
- ▶ Spur corporate innovation
- ▶ Do much, much more

As consumers race to nascent social media channels, businesses are impelled to embrace the medium or risk losing their competitive edge. And most are electing to comply with the masses.

Research from numerous sources indicates that nearly 80 percent of organizations doing business today are using at least one form of social media for their marketing efforts. However, usage does not always include measurement, which leaves companies who deploy social media without measures of success effectively running blind. According to data from the Web Analytics Association, 35 percent of survey respondents cited measuring social media as the biggest challenge they will face in 2011. Among organizations in this group, nearly 65 percent are *still* planning to establish and implement social media Key Performance Indicators (KPIs) in 2011—meaning that they haven't deployed these measures yet. Thus, while social media is rampant, many organizations are still working to get their measures and metrics in place to quantify this powerful new medium. And hopefully, that's why you're reading, too.

Throughout this book, I will detail what it takes to measure the many facets of social media. I'll introduce you to concepts that will allow you to construct a foundation for understanding the impact of your social media efforts. I'll reveal the details behind social media metrics that go beyond just counting fans and followers to identifying real business value. I'll offer methods to create a collaborative working environment whereby social media spans your entire organization. And I'll help you elevate your social media game plan to truly benefit your business.

The secrets of social media metrics that I share will save you countless hours of time and frustration by allowing you to employ metrics that help identify social media activities that are critical to your business. Although the pages of this book

▶ Going pro with social media requires a level of accountability that is only present with a program of measurement securely in place.

hold many secrets and strategies to get you started on your way to a professional career in social media measurement, *you* are the key ingredient. By understanding what it takes to apply a holistic program of social media measurement, you can use social media as an instrument for success. Yet, make no mistake, it's a big job, and there's no shortcut to going pro with social media. Making the jump from amateur to professional requires not only the skills to go pro, but also extensive planning and preparation. Entering the world of social media as a professional means having a plan for success and the metrics to quantify it. It's hard work, but the benefit of going pro is that you get paid. At the same time, social media is fun, exciting, and ever-changing. With the guidance and secrets offered in this book, you'll be equipped to execute your social media endeavors with well-defined metrics that can accelerate your brand awareness, increase your customer pipeline, and elevate your bottom-line sales. So, if you're ready and want to learn more, let's go.

## DEMYSTIFYING SOCIAL MEDIA METRICS

Almost since its inception, the entire genre of social media has mystified businesses and individuals alike. To many, it's foreign, it's ambiguous, it's not exactly clear what social media is and what it isn't. Confusion and bewilderment are common emotions evoked in businesses working to understand and participate in social media. And this makes measurement all the more challenging. Yet, making sense of measurement is what I do. Although I do not claim to be a social media guru, a shaman, a ninja, or a virtuoso by any account, I have built my professional career on measuring online properties. In fact, my business partner Eric T. Peterson wrote the original book called *Web Analytics Demystified*, and that's the name of the consultancy that Eric founded where we both ply our trade today. Much of the knowledge that I have and the secrets that I share throughout this book emerged from my years as an industry analyst at the world's leading research organizations; from what I learned from Eric about KPIs, metrics, and measurement; and from experiences with clients in my years of consulting. Thus, the secrets of social media measurement don't come from guru-ism, but rather from diligence, experience, and hard work.

You'll quickly see that I take a pragmatic approach to social media metrics, which is steeped in the fundamentals of measurement. To attempt to measure social media in any other way is akin to chasing the newest shiny object. All too often in my consulting practice, I encounter organizations that do just that. They approach social media as if it's some kind of three-headed hydra that they've never encountered before. Although it may be true that they haven't seen the specifics of the platform or

the behaviors of their customers, social media is just another channel for your business and it should be treated as such. To approach it any differently creates an unwarranted mystique that typically needs to be unraveled before starting on the real work of measurement. Yet, with all this said, the “newness” of social media creates opportunities for organizations to deliver metrics, insights, and simply beautiful information that often slip through the grasp of many traditional digital measurement technologies.

## Starting from a Solid Measurement Foundation

I can tell you with complete confidence that measurement can be simplified, but it’s not easy. It’s challenging because to measure effectively, you must not only understand the mechanics of the digital properties and be able to evaluate data with statistical rigor, but you must also comprehend the desired outcomes of your efforts from a strategic business point of view. These diametrically opposed skills require a balance of art and science in measurement. Finding individuals who have the technical chops for measurement along with the business acumen is exceedingly rare. What’s even more uncommon is finding an individual who has these qualities and the ability to effectively communicate results and findings to a wide range of stakeholders across an organization. These are rare skills indeed.

Thus, after spending the past decade focusing on online businesses and the art and science of measuring them, there’s one construct that I’ve identified that really works. We use this construct as a foundational element in our consulting practices at Web Analytics Demystified, and it has helped countless organizations to approach and understand digital measurement. It’s called the “Trilogy of Measurement,” and it includes People, Process, and Technology. Each of these elements is critical to building a solid foundation for digital measurement, and the absence of any single one can be debilitating. We’ve applied this trilogy to our consulting practice with great success because it offers the basic building blocks for any measurement effort. This is true for social analytics as well. Let’s take a look at each of the components within the “Trilogy of Measurement.”

► People are your most important asset in any measurement initiative. Everything else becomes secondary if you don’t have people capable of creating measures of success, conducting analysis, and delivering insightful recommendations.

### ALLOCATING PEOPLE

One of the most important secrets that I can share with you is that people are the most valuable asset in any measurement initiative. Although many businesses will look to technologies and tools as the panacea for their measurement woes, technology alone cannot deliver insights, nor can technology answer the tough questions about your social media programs. And it certainly cannot shape data into stories

that resonate with the goals and aspirations of your business. These tasks require people. Metrics can help you to present the facts and communicate them in a way that transforms data from numbers on a page to meaningful recommendations for operating a successful business, yet metrics are not the endgame. The endgame is communicating across your organization about the successes (and failures) that you experience by participating in social media. The reality is that you will have failures, and the metrics you instill will help you to learn from them and to avoid them in future endeavors.

Additionally, the people responsible for measurement within your organization will hold the knowledge. Successful measurement programs have analysts who not only collect and analyze data, but also educate the business on the metrics that matter. People are the liaisons that translate business needs into meaningful metrics and key performance indicators (KPIs). They also transcribe raw data from low-level metrics to business value. Yet doing all of these things requires that organizations recognize the value in the data and the analysts who make sense of it. Historically, the role of data analyst has been a thankless task that conjured up visions of statisticians crunching numbers with slide rules and pocket protectors. Yet, as data proliferates and digital channels become a mainstay for conducting business, measurers of digital media are gaining their rightful recognition. Organizations that are on the bleeding edge of innovation have voracious appetites for data, and their consumption is making them healthy with knowledge. As social media increases in importance for everyday business operations, the data that emerges from it and the measurers that create, manage, and analyze the metrics that arise will be the rain-makers within their respective organizations. It's people who make this happen.

## **BUILDING PROCESS**

Having the right people and adequate numbers of them is paramount to attaining success with your social media measurement endeavors. Yet, another critical secret that I'll share with you is that no one individual can build a successful program of measurement singlehandedly. Measurement requires a chain of individuals because effective measurement originates from strategy, and then flows through a management process to operations; from there measurement is embedded within execution and evaluated across all stages of an initiative. The loop is closed when measurement surfaces back up at the strategic level and is assessed in terms of performance. This cycle is a continuous exercise that is made possible through process. Process dictates how measures are created, how they are socialized and shared, and how they're implemented within an organization. Further, process ensures that all efforts are

measured and that they support the strategic initiatives set forth by the organizations. Process makes measurement scalable and process brings together the appropriate stakeholders to ensure that programs can be evaluated in a business context.

The problem is that most businesses don't have processes in place for measurement. Nor do they take the time to ensure that measurement is consistently applied in a manner that is meaningful to the business. Companies that operate in this way tend to launch social programs, experiment with ideas, and deliver inconclusive results. This fails to benefit the organization and often results in program termination or constricted budgets. Operating in this manner is the quickest route to market and often the easiest for companies getting started with social media. However, this is shortsighted and flat out wrong. It will end up hurting individuals in the long run, as measurers will struggle to find value in trivial metrics and executives will fail to recognize the benefits that social media can deliver to their organizations. It doesn't have to be this way. You can circumvent the pitfalls of failed efforts that came before you by insisting upon a big-picture view of your social media activities and how they will ultimately fit into your business strategy. Although every detail and nuance doesn't need to be perfect at launch, by developing a process for measurement that utilizes a framework that is both scalable and repeatable, you will achieve greater gains. Using process is the best way to foster collaboration and facilitate an environment where knowledge is transferred across a diverse group of people.

## UTILIZING TECHNOLOGY

Technologies are perhaps that sexiest of the three parts of the trilogy. Who doesn't like a new technology solution? But as I stated earlier, technologies are typically not a one-stop solution for measurement problems. The technologies are only as capable as the operators who guide them and pull the levers and switches to calibrate them to your unique business. In social media measurement, so much can be accomplished using free tools and creative ingenuity that technologies can often hamper an organization's ability to build a solid platform for measurement. Don't misconstrue this; technologies are important and in many cases essential to effectively measuring the progress of social media. But often technologies can get in the way of seeing the realities of your social media progress. The advice that I offer to my clients and to the readers of this book is to select your technologies after you've secured adequate staff for conducting analysis and developed a strategic plan for measurement. I offer this guidance because any measurer of social media worth his or her salt will go to great lengths to identify business requirements for technologies that will serve their measurement needs. I go into much greater detail on this subject in Chapter 8, so feel

► Social media measurement technologies change and evolve quickly. Be sure to develop key business requirements and take the time to find vendors that meet your needs, because switching vendors can be costly.



free to skip ahead if you need to find a vendor ASAP. Just ensure that it's not the first thing that you do.

The reality is that to effectively measure social media, you will need a technology assist. There's simply too much information pouring in every minute to process everything using makeshift tools and Excel spreadsheets. You may find that basic technology resources are part of your social media measurement toolset, but in my experience, organizations (and especially large enterprises) typically require multiple tools to measure all the moving parts of their social media activities. This is true because so much of what we do in social media is stretched across platforms and channels. For example, you may initiate a social media campaign with a video, where data about the number of views and embeds may come from your video player of choice. From there, if the video is embedded within your Facebook page, you may use Facebook Insights to garner information about the demographics of your viewers—how many “liked” or commented on the video and who they interact with inside the Facebook platform. But, let's assume that you have a call to action within the video that leads viewers back to your primary web site. Here you may require Web Analytics tools to understand referral source, content viewed, and conversion events. Each of these steps in this hypothetical example requires you to measure your initiative with a different tool.

## Using Metrics and Measures of Success

I want to make something crystal clear before diving any deeper into the world of social media metrics: **metrics must have meaning**. Without meaning, otherwise known as context, metrics are just numbers. For this reason, it's critical that measurers of social media know what they are working toward. It's also important to understand that any good program of measurement will have multiple layers of metrics used to assess, explain, and manage social media operations. I go into greater detail about how to do this throughout this book, but I think it's worthwhile to lay out the groundwork here.

► All your social media metrics must have meaning that's revealed by presenting metrics in the context of what they represent and what they mean to your organization.

### UNDERSTANDING THE FOUR TYPES OF METRICS

Effective measurement programs almost always include metrics that work from the top of the organization on down. When I talk about working from the top down, I'm referring to the fact that everything you do from a measurement perspective should support the goals at the top of your organization. As such, it's often important to create metrics that are designed for communicating to the top of the corporate ladder and across senior executives that preside over each of your departmental areas.

Additionally, it's imperative that the metrics you use are consistent and repeatable because in many cases, advanced metrics will build upon the base metrics that you apply to measuring your social media programs. Following these high-level and foundational metrics, you need operational metrics that provide insights into the success of individual initiatives, which hopefully are designed to support your big-picture goals. These are the key performance indicators that should fire off bells and whistles when they deviate from predefined thresholds. From there, you should have tactical metrics as well. These are the granular details that shed light on the day-to-day execution of your social media efforts and allow you to measure progress in micro detail. These tactical metrics are important because some days the needle doesn't move too far and you'll need detailed measures that give you the boost you need to come into work the next day.

To help you wrap your head around these different types of metrics, allow me to elaborate on four types of metrics that I believe are key to the success of any measurement program:

- ▶ **Foundational measures:** Nearly all measurement programs will rely upon a handful of metrics that persist across channels and apply almost universally to measuring all sorts of social activities. I call these the foundational metrics because many of the business value and outcome-based metrics that follow are calculated based on the definitions created within your foundational metrics. While I go into much greater detail about the foundational metrics in Chapter 5, five key metrics that I've identified include interaction, engagement, influence, advocates, and impact. The nature of foundational metrics is such that you will need to use the calculations you build to define other measures of success, so in a way they are the building blocks of social analytics. As such, they must be defined in a way that applies to your business, and they must be calculated consistently each and every time.
- ▶ **Business value metrics:** Depending on your organization, your senior leaders may want the excruciating details of your social media activities (especially if they're investing in them), but in most cases, executives should only receive a handful of pertinent metrics that reflect how your social media efforts are contributing to overarching corporate goals such as revenue, market share, and customer satisfaction. I describe these as business value metrics because they hold significant meaning for key stakeholders across your organization. For example, metrics that matter to your chief officers will differ from those that are important to your legal team or to your human resources department. Further still, marketers will require different metrics than your salespeople.

As a measurer of social media, you will quickly realize that aspects of social interaction with consumers extend well beyond the confines of any single platform or channel and that social will pervade the recesses of your entire organization. As such, you need to develop business value metrics that hold meaning for different departments and managers within your company.

- ▶ **Outcome metrics (KPIs):** Following business value metrics, the next level of measurement detail that I typically advocate for is outcome metrics, also known as Key Performance Indicators or KPIs. These metrics take into consideration an objective that you are working toward such as generating awareness, creating a dialogue, encouraging interaction, facilitating support, promoting advocacy, or spurring innovation.

**NOTE** I also refer to outcome metrics as Key Performance Indicators (KPIs), which is a commonly used term in traditional Web Analytics. I use the terms synonymously throughout this book.

Outcome metrics can vary according to your business needs and they will fluctuate depending on the type of social campaign that you're working on, yet the metrics contained within this category typically enable you to manage progress toward your desired outcomes. In most cases, outcome metrics enable you to evaluate social media activities from varied perspectives such as before, during, and after a campaign goes live in the field. Outcome metrics also require social media measurers to collaborate with stakeholders to determine success factors up front so that you know what you're measuring toward. This method of establishing and predetermining measures of success is key to aligning strategies with tactics and provides a means to track performance over time. When deployed correctly, outcome metrics (as well as business value metrics) can be tracked over time and used to create benchmarks. These benchmarks can be used to gauge the performance of one campaign against another or the effectiveness of one channel over another.

- ▶ **Counting metrics:** Finally, counting metrics are the lowest level of measurement and usually represent the minutia of social media metrics. Here, I'm referring to fans and followers, visits and views, and clicks and click-throughs. The list goes on and on, with rows of data that may or may not have an impact on your business. Although I do believe that counting metrics are critically important, I also know that far too many organizations use these low-level metrics as their primary source of information and they wonder

why they cannot determine the value or success of their social media efforts. Counting metrics can answer questions such as how much, how many, how often, and how far, but they usually can't tell you how successful you are. The important thing to know about counting metrics is that they reveal the tactical details of your social media campaigns. But they must be trended over time and presented in context. Simply knowing how many is irrelevant if you don't have a basis for comparison, such as percent change or competitive share. This is why placing metrics in the context of your business is paramount for any organization.

Armed with these four types of metrics, you'll be ready to tackle the biggest challenges in social media measurement. And quite possibly you'll make the jump to a professional program of measurement.

## GRADUATING BEYOND EXPERIMENTATION

To a great extent, businesses have been forced to view social media as experimental. You haven't had much choice. The intent, design, and execution of numerous social platforms were founded on creativity and inspiration rather than clear financial motivation. Take Facebook, for example; Mark Zuckerberg didn't create "The Facebook" with the intention of generating the largest advertising platform in the world. Instead, he developed a method to enable college students to find one another online. On Facebook, Zuckerberg was initially opposed to advertising and any forms of monetization in favor of growing the network of participants. This model didn't leave room for business participation. Or consider Twitter—the notion of broadcasting your thoughts to the masses in 140 characters or less is a foreign concept to many. Businesses are challenged to recognize the value in this new medium. I recently heard Guy Kawasaki speak at a measurement conference and he quipped: "If your first reaction to Twitter was, it's stupid, then you passed the IQ test." My point is that many social media platforms are experimental at first. Yet, the good ones build substantial user bases; they survive beyond their initial growing pains and often constitute the basis for thriving marketing opportunities. As part of an organization, or even as an individual building a personal brand, it's your responsibility to differentiate frivolous platforms from those that will serve your business aspirations.

► Many social media opportunities may appear shallow at first glance because it's often difficult to recognize business potential. But don't underestimate the power of social media when a platform attains critical mass.

## Getting Serious about Social

Regardless of whether you recognize their potential at first glance, the reality is that many forms of social media are not frivolous at all; they're opportunities lying in wait. Although this certainly isn't true for every emergent social medium that hits the streets, there are channels that will become indispensable to businesses. Finding these solvent channels isn't a matter of identifying the most populated networks, but rather distinguishing online habitats that resonate with your unique audience. Fortunately for businesses, the need to be an early adopter of the latest social channel *du jour* isn't paramount. Yet, the need to do it right is imperative. For this reason, I recommend resisting the temptation to rush into participation in every new social media activity; instead take a considered and strategic approach that will pay long-term dividends.

► Don't assume that just because Facebook is the most popular social network, you need to focus on it. Your audience may not be there. Take the time to identify channels that work for you.

### WITNESSING A DIGITAL TRANSFORMATION

One of the first steps to participating in and measuring social media must be taking the time to recognize what's occurring within your macro environment. This includes understanding your changing customer base and your evolving competitive set as both change with social media. Collectively, we're undergoing a tectonic shift in behavior because of social media, which is transforming the way that businesses operate. The way I see it, there are three distinct phases that lead to social media transformation. These include emerging platforms, participating consumers, and assimilating businesses. Let's take a look at how these phases emerge:

- **Platforms emerge:** Whether you take examples from Mark Zuckerberg (co-founder, Facebook), Biz Stone (co-founder, Twitter), or Dennis Crowley (co-founder, Foursquare), building a social media platform from concept to fruition requires not only genius, but also perseverance. Although many undoubtedly questioned the value of these solutions, others recognized the potential that each held for connecting people in new and meaningful ways. The platforms provided a catalyst for interaction among individuals and eventually for businesses to interact with their audiences in inventive ways. Much as the industrial revolution enabled machinery that produced an infrastructure to spur innovation, social media is giving rise to new methods of interconnectivity that will forever transform the way humans coexist.
- **Consumers participate:** For the most part, social networks thrive when the number of people participating reaches critical mass sufficient to sustain the population without significant outside intervention. This means that

conversations and interactions are forthcoming from the user base and the creators can allow the community or network to evolve within the construct they set forth. That's not to say that you should allow your users to run amok without guidance or supervision—you shouldn't. But you must allow consumers the latitude to create, develop, and collaborate. The most successful social initiatives are ones where consumers champion the cause and become active participants. When this occurs, an effort is successful in moving from a unidirectional monologue to a bidirectional or multidirectional conversation.

**NOTE** Much of social media is about facilitating a dialogue between brands, customers, and other consumers. Many of the metrics in this book identify ways to quantify these *interactions* between people and the distances their conversations travel.

► The game has changed and it's time to interact with consumers in a more meaningful way.

- **Businesses assimilate:** The final stage of transformation is when businesses participate (or are allowed to participate) in social networks via participation, advertising, content creation, or other means. As you'll learn later in this book, business participation is contingent upon transparency and genuine interactions. Used-car salesperson tactics won't work here, as consumers don't want to be sold to in every social interaction. Instead of putting on your sales hat, initiate a dialogue with customers and add value by offering information that comes with the authority of your brand. Too many failed attempts exemplify that businesses cannot treat social media as yet another broadcast medium.

## ADAPTING TO SOCIAL SAVVY CUSTOMERS

The challenge that most businesses and the marketers that serve them face is keeping up with their ever-changing customers. Back in the day when customers had only three channels to choose from and audiences were captive, changes could be anticipated and, to some extent, influenced by marketers. Yet, today the bars of captivity are nonexistent and a proliferation of choice is the norm. Further, consumers have embraced social channels as a means to gain information about brands, products, and services without the bias of the marketers behind the message. Instead they turn to their friends, families, and social networks to gain information and awareness about products and services. The result is that businesses must work harder to

satisfy their customers and to control the message they put forth from their respective organizations. However, this is much more easily said than done. Organizations are struggling to adapt to the new social customer.

According to a report produced by Forrester Research called “The CMO Mandate: Adapt or Perish” ([http://www.forrester.com/rb/Research/cmo\\_mandate\\_adapt\\_or\\_perish/q/id/57245/t/2?action=5](http://www.forrester.com/rb/Research/cmo_mandate_adapt_or_perish/q/id/57245/t/2?action=5)), marketers are struggling to keep up with the frenetic pace of consumer change. According to the research, the evolving ecosystem of media, technology, and devices is forcing change for marketers. In response, 75 percent of marketers surveyed are planning to reorganize their teams in 2011 in an attempt to better deal with consumer actions in a transformed digital environment. (See Chapter 3 for more on organizing your business for social media metrics measurement.) These reorganizational measures are a direct response to shifting digital and social marketing activities for 65 percent of organizations surveyed. Yet, Forrester points to another study by Accenture Interactive that calls out a “crisis of confidence” affecting two-thirds of organizations that faced problems when implementing digital marketing initiatives. The primary fear reiterated by Forrester is that only 4 percent of marketers claim that they are prepared to tackle the digital marketing opportunities before them. This is a direct reflection of the complexity of marketing across new and emerging social media channels.

Yet, despite the gloom and doom painted by research organizations, as a measurer of social media, I can assure you that you do have a fighting chance. Bear in mind that you will need to evangelize for social media within your organization and to indoctrinate the uneducated, but you can succeed if you approach social media as a business activity. Throughout several sections of this book, I will elaborate on what it takes to measure social media and expose your organization to the value of this important task. Yet, the primer is summed up with the following:

- ▶ **Embrace the digital transformation:** There’s no question that the social media train is rolling fast. Your chances of chasing down your customers and asking them to revert to your antiquated ways is futile. Thus, you may as well embrace the social media craze and determine how you can effectively use social media to drive your business into this century. However, this is no easy task for many old-school organizations that still fail to recognize the consumer metamorphosis to digital. If you work at an organization that is impervious to change, you will undoubtedly meet with resistance and continually battle against a prove-it mentality. Throughout the chapters of this book, I offer secrets to initiate the skeptics. You’ll learn to establish a bulletproof social media measurement plan that maintains the culture of your

▶ Consumers today not only hold a position of empowerment, but many also feel entitled to use (sometimes abuse) social media as a service channel for unwarranted gain. Don’t pander to consumer bullying, but do recognize that the tables have turned.



organization and aligns with the goals of your senior leadership. Using the framework I offer, you can demonstrate the value of social media while minimizing exposure to the pitfalls and risks of social media. These are the secrets that will enable you to make the transformation and bridge the digital divide.

- ▶ **Use measurement to understand behavior:** As you work to keep pace with consumer activities across digital channels, you will quickly find that their digital footprints cover much ground. This means that you must understand customer and prospect behavior, not just on the digital properties that you own (such as your web sites and mobile properties), but also on proprietary social networks (such as Facebook) and distributed channels (such as Twitter and Yelp), which likely extend beyond your “controllable” comfort zone. Measuring these earned media outlets becomes increasingly more difficult because you often cannot simply place tracking codes on the page to watch as visitors come rolling into your digital stores. Instead, you need to listen and get creative about the ways in which you assemble digital data and measure the implicit and explicit preferences of consumers. Throughout this book, I expand upon the ways in which you can collect digital data and reveal secrets about the complexity of understanding behavior through measurement. Although these are not simple tasks, the importance of measuring behavior across social channels is critical. These acts of measurement not only reveal behavioral characteristics, but also inform you about what works with social media, which channels are most effective, and where revenue can be generated from social media activities.
- ▶ **Hold on by letting go:** Whether you’ve already gone pro with social media or are working toward that end, one of the key concepts to grasp is that consumers are empowered by the shift to social technologies. For businessperson or marketer who has spent the past decades reaching customers on their terms with controlled messages and carefully crafted campaigns, this is a foreign land. Yet, these newly minted consumers who emerged from digital liberation don’t want to be boxed in with one-sided marketing messages and generic sales collateral. In fact, they’re averse to these tactics. Instead, they’re conditioned to ask their networks for guidance or to call out brands directly when they have a problem. These new digital consumers do not want to be shown the way; they want to lead. And for a brand working to retain any semblance of connection with customers, compliance is the only option. Thus, many organizations have opened their brands to consumer ideas and empowered them by sincerely valuing their opinions. These organizations are succeeding



with social media not because they're clutching to consumers, but because they are letting them go. With the secrets and examples I share within this book, you too can strengthen ties with your customers by offering them more freedom and strengthening your relationship with social media.

## INCORPORATING 10 SOCIAL MEDIA MUST-HAVES

If I haven't scared you off yet, allow me to share with you what I believe to be the 10 social media must-have secrets. These indispensable elements are so important to social media participation that **your organization cannot be serious about social media until you adopt these 10 must-have items**. Anything short of this list means that you're either struggling to prove to your company that social media is important (if so, keep reading) or still testing the waters with social media (if so, read on to change your outlook). In either case, take my word for it, social media will impact your organization, and adopting this list by assigning action items for your business will raise the stakes for any social media program.

- 1. Strategy:** Venturing onto the social media playing field without a strategy will almost certainly result in failure. Social strategies can take myriad forms that need not be extraordinarily complex, but they do need to portray a clear plan for what you're doing and why. A sound social strategy will provide validation for your social activities and a reference point to keep you on track.
- 2. Audience:** Understand that social media is about connecting with people. If your business doesn't command an audience or if you don't have the need to interact with individuals, social media may not be for you. Alternatively, if you do have a need to connect with people, understanding your audience—whether niche or mainstream—and where they spend their time online is key to deploying any social initiative.
- 3. Commitment:** Launching a social media program requires multiple levels of commitment. For starters, know that any social activity that you undertake will require commitment. A Facebook page needs content and curation; a Twitter account implies that you'll respond; and any other effort will mandate interaction. If you're present on social media, consumers will find you, and failure to respond is fatal. Further, commitment from your organization to support social media is a must-have. Organizations that engage in social media without backing from the business will continually struggle.

4. **Content:** A steady stream of content and creative ideas is critical for social media programs. Whether you sell blue jeans or big ideas, your participation in social media requires giving your audience something to talk about. The most successful social media campaigns start by seeding conversations and then stepping back to let their customers take their ideas and run. This typically leads to productive interaction, but be sure to keep the guardrails on your social activities so they don't go too far astray.
5. **Staff:** To effectively participate in social media requires people to deliver, manage, and interact with the outside world. Although small organizations may be able to get away with a limited staff dedicated to social media, don't expect that you can assign an intern to manage your social media programs. This is not only shortsighted, but also irresponsible. Social media is just as important to your business as customer service or product development. Even if this isn't the case for your company today, social media has the potential to eclipse other channels in terms of its criticality to your business.
6. **Identity:** Social media requires a genuine and authentic approach, which is often determined by the identity your organization portends. As you'll see within the pages of this book, consumers trust each other more than they trust your brand because of social media. Faking it, pretending to be something you're not, or even offering a callous face via your social media programs will often result in consumer outcry. When developing your social media programs, give careful consideration to the identity that you want to put forth.
7. **Metrics:** Of course, this is my personal favorite and the impetus for writing this book. If you're not measuring your social media efforts, you're wasting everyone's time. Measurement not only allows you to put a stake in the ground for what you're working toward but also creates milestones and checkpoints to determine how successful you are. Any social media initiative that launches without measurement is effectively a blind effort.
8. **Policy:** Social media will potentially span to the farthest reaches of your organization, meaning that it will become an indispensable tool for interacting with—and learning from—customers. Yet, as social media becomes accessible to many within your corporate environment, there must be a common understanding of what's acceptable and what is not. For these reasons, a corporate social media policy is a must-have for any organization. I go into greater

► Measurement is a must-have of the highest priority.

details about policy in Chapter 9, where you'll learn to build one that sets the standards for conduct and holds your peers accountable for their social media actions.

9. **Crisis management:** Despite best-laid plans, you will inevitably encounter a snafu or two along your social media journey. Have a crisis-management plan in mind that documents standard operating procedures and includes escalation steps up to DEFCON 1, which can get you through the worst of times. Action plans can be borrowed from other, pre-existing plans within your organization, and they will mitigate unexpected social surprises and give you a jump on any fire-fighting activities that come your way.
10. **Fortitude:** This social media must-have is important because social media practitioners will inevitably meet with skepticism, resistance, and failure. Fortitude is a must-have because you will fail. The vast majority of social efforts are built on the foundations of failed ideas. Though social media has moved beyond the experimentation phase, there is still a great deal to be learned from failure. And the best experts around will advise you to fail fast and fail often so that you can learn from the bad ideas and progress quickly to the good ones.

Once equipped with these 10 social media must-haves, you'll be ready to attack the plethora of social challenges that lie ahead. I do, however, want to call your attention to the fact that my list of social media must-haves doesn't include any channels or technologies.

I differ from many social measurers and strategists who will rattle off must-have channels for your social business. It's my strong belief that social media channels (that is, Facebook, Qzone, Bebo, Orkut, Twitter, and so on) are secondary to your strategy. I'm wary of anyone who recommends a channel before they understand your business. And clearly I don't understand your business yet. Channels are important and I will certainly address them throughout this book; however, no single social media channel is pervasive and they don't belong in a list of social media must-haves.

For me, technologies are similar to channels. All too often, I witness organizations that get wrapped up in technology decisions and place the importance of technology in front of other aspects of their social media programs. I am a proponent of using social technology for discovery, analysis, engagement, delivery, and

► Channels will come and go, but key social media program elements—including strategy, audience, commitment, content, staff, identity, metrics, policy, crisis management, and fortitude—are timeless.

management, which I discuss in detail in Chapter 8, yet placing your technology before your strategy is a mistake. Organizations are advised to develop their strategies to define clear and actionable goals for social media, as well as to identify the staff and support necessary to fortify a robust social media program before considering technologies. The technologies will help, but they are not a panacea for staff or planning.

## Matriculating to the School of Social Media Measurement

Even before you embark on your social media journey by putting out social media campaigns and building social programs, it's relatively safe to assume that somebody out there is already talking about you in some social sphere. (Well, unless of course you're working for a stealth startup or an obscure off-the-map organization, in which case you'll have to attract your own attention with social media.) But most corporations—brands, products, and even individuals—have some notoriety online. However, to find this you need to start measuring. I call it “measuring” because that's the way that I think of capturing conversations about your company, products, and/or services. It's a way to quantify what is being said about you and your brand and who's doing the talking. If you already know that measurement is a hard sell within your organization, feel free to adopt your own vernacular to make it more familiar or appealing to your stakeholders. Call it listening, call it learning, call it research, call it what you will, but understand that what I'll be focusing on throughout this book is quantifying your social media escapades and the impact that they have on your organization.

Measurement starts with paying attention to the world around you and then, when you do get around to putting your own initiatives into the field, measuring their effectiveness with precision and purpose. Measurement offers a straight line to accountability. Regardless of what type of company you work for, this should resonate. If not, I suggest you start taking notes now to build a business case for social media and amass ammunition for your internal argument. For those of you who are already on board, let's take a look at the “curriculum” for the school of social media measurement.

### ACCEPTING LEARNING AS A PRIMARY OBJECTIVE

As a brand, or even as an individual, the primary objective for social media should be to learn. Although some may argue that this isn't their primary objective (“I'm in this for the money!” or “I'm working to gain more customers!”), I maintain that

► Find ways to introduce social media measurement to your organization in familiar terms. This may mean calling it “listening” or “research,” but be sure that your terminology resonates with key decision makers.

for every social media effort, the underlying goal should be to learn. Any effort designed to generate revenue will also bring lessons about what worked, what failed, who responded, and who didn't. Similarly, if you're working to build a bigger customer base, you'll want to note which tactics attracted new prospects, which new prospects proved to be qualified, which channel performed better than another, and so on. These informational tidbits provide knowledge about how to perform better on subsequent actions. Any social media effort that's worth putting forth is worth learning from—without question.

To accomplish this and actually benefit by learning from your social media efforts, you need to measure. Although this is basic measure 101 material, you'd be amazed at how many organizations forget that quantifying success is a critical component of evaluation. All too often, companies push initiatives or campaigns out the door without taking the time to identify success or to implement measures that will determine acquisition of their desired outcomes. This is a travesty of time and resources! Failure to measure your social media activities is the cardinal sin of contemporary marketing. Measure with the intent to learn and work toward delivering better products, services, and messages to consumers. Doing this will not only enable you to get smarter about your social media activities, but it will also allow you to prove what worked and to showcase your success in order to gain more resources or funding for ongoing opportunities.

► Every social media effort that leaves your organization is a learning opportunity. Measure to learn what works, how you can do better, and what not to do in future activities.

## OPTIMIZING EFFORTS WHILE UNDERWAY

For many readers of this book, your social media efforts are already in flight, and you're looking to find ways to effectively measure your progress. That's great, but it's also hard to do. I tend to use the analogy that creating measures of success while a program or campaign is already in the field is similar to attempting to change the wing of an airplane while it's flying at 30,000 feet. Luckily for measurers of social media, you can often do this without resulting in a crash-and-burn scenario by learning how to implement a pre-flight plan for even the toughest measurement projects. This will force you to plan ahead and will ultimately make life easier on you and your business counterparts for future social media itineraries.

Think about social media measurement as a work in progress. The good news is that you can continually refine your practices and embellish upon specific tactics to incrementally improve your offerings. The bad news is that your work is literally never done. Once you think you've got something figured out, you can dig deeper into the data and find anomalies or trends that will require you to adjust your course and completely change direction. Yet, accepting learning as a primary objective and

becoming a student of social media measurement takes the frustration out of these hurdles and hopefully makes them fun. Done right, measuring social media allows you to become a hero within your organization, because you'll be able to report when things are going well and you'll be able to predict when the train is about to run off the tracks. And if you're optimizing along the way and doing this effectively, you will be able to make a profound impact on many aspects of your business.

## BECOMING A PERPETUAL STUDENT OF BEHAVIOR

If there's one guaranteed constant in social media, it's change. I can assure you that no matter how well you think you've got things figured out, they are destined to change. Technologies are changing at an astounding rate. With emerging social media platforms and a proliferation of devices with which to connect to these new media, change is interminable. Consumers are fickle in this way, too. They'll change their devices, their minds, their attitudes, and their loyalties faster than you can say "Jack Robinson." What's worse is that in my experience consumers will tell you one thing and then act in a way that is entirely discordant with what they told you they'd do. Stopping short of plugging every customer into an fMRI (functional Magnetic Resonance Imaging) machine and reading their brainwaves with neuroscience, you're reduced to listening to what they say and watching what they do. Yet, these two methods of understanding customers can be incredibly powerful if applied correctly.

Successful measurement pros not only understand human behavior, but in many cases, they can also anticipate it. This has been going on in traditional analytics for years, with the ability to build predictive models and look at segments of individuals who behave in a certain way. By using this knowledge and learning from it, measurers of social media can identify cues that indicate a propensity for action. You would be amazed at how consumer behavior follows recognizable patterns when you start to look at the data. Yet, this is possible only if you are measuring your efforts and spending the time necessary to become a student of human behavior. I'll emphasize this throughout the pages of this book, but fundamentally, social media is about people and the way they interact with businesses and each other. By studying these traits and nuances of these behaviors, you can learn a lot about your social efforts and determine how to deliver and build the most efficient and effective social media campaigns. But first you need to recognize that behavior is an ever-changing thing and getting ahead requires planning and diligence.

► Social media in some respects is a giant focus group that allows you to hear and see what customers think about your company, your products, and your services. Don't miss out on an opportunity to understand what others think by failing to listen.

## MOVING BEYOND COUNTING METRICS

As you read earlier in this chapter, companies are becoming more aware of the need to measure their social media efforts, which is increasing competition and leading to better overall measurement awareness. Yet, many organizations erroneously take only the metrics they're offered and assume they're done. Out-of-the-box measures delivered by platform providers, social media channels, and even listening tools are just the foyer into the world of social media metrics. Organizations that take the time to develop outcome metrics and calculate business value metrics do more than just count the number of individuals that enter their social media properties. They begin to understand how their initiatives are working in the context of their unique business goals.

I'm already on record as saying that **the vast majority of businesses today are using the wrong metrics** for tracking social media. This statement was based on the fact that most companies look to fans, followers, visits, and views as the primary metrics by which they track social media. These metrics represent what I call the digital trivia of social media. Yes, they are important numbers, but by most accounts they are just numbers.

Unfortunately, nearly a year after I first made this statement, things still haven't changed much. Organizations commonly fall victim to reporting counting metrics as the measures of success for their social media initiatives. Not only is this potentially misleading for your organization, but it could be placing your social media programs in jeopardy. As budgets shift toward social media activities, the priority should be on demonstrating accountability and producing results—not counting up fans and followers. No program of social media should exist without a means to quantify whether or not it's working. And by and large, organizations that rely solely on counting metrics are hard pressed to demonstrate value.

► Most measurers of social media begin and end their metrics by collecting digital trivia. If you want to deliver business value, you must go further.

### COUNTING METRICS BY CHANNEL

Despite the derogatory things I've already said about counting metrics, they are a necessary evil. Counting metrics will provide you with some value if you recognize them for what they're worth and ensure that you work to place them into context (as in percent change month over month), while also aspiring to develop outcome metrics and business value metrics as you get comfortable with measuring social media.

So, think of counting metrics as the freebies of social analytics. Most platforms make this data widely available and I, too, will give up a slew of counting metrics that will give you a reference point for what to expect. The following metrics are the

basis for understanding the volume, activity, and demographics of users interacting with your social media endeavors.

SOCIAL NETWORKS	MICROMEDIA	BLOGS	MEDIA SHARING
Users	Followers	Posts	Visits
Active users	New followers	Comments	Views
Fans	Unfollows	Views	Followers
Page views	Updates	Time spent	Uploads
Tab views	Mentions	Bounce rate	Downloads
Updates	ReTweets	Engagement	Likes
Check-ins	Reach	Votes	Dislikes
Likes	Impressions	Shares	
Interactions	Amplification	Likes	
Comments	Velocity	Bookmarks	Comments
Discussions	Impact	Subscribers	Favorites
Reviews	Influence	Trackbacks	Trackbacks
Posts	Lists	Referrals	Shares
Referrals	Clout	Conversions	Embeds
Feedback	Generosity		
Impressions	Signal		
Video plays	Authority		
Audio plays	Engagement		
Photo views	Share of voice		
Video uploads	Topic trends		
Audio uploads	Sentiment		
Photo uploads	Keywords		
Age	Themes		
Gender	Relevance		
Location	Resonance		



Keep in mind that this list is just getting started. There are many more counting metrics available for different social channels, platforms, and technologies. This list is not meant to be comprehensive, and don't you dare stop reading here and assume you're done. Now that we've identified the low-hanging metrics, it's your job to shuffle, categorize, and apply these in ways that make sense to your business. Better yet, start combining metrics to create your own calculated metrics that can become the outcome metrics for your business.

## WORKING TOWARD PROFESSIONAL METRICS

Although measurers of social media certainly work at various levels of sophistication, I've found that most talk about counting metrics when they refer to measuring their efforts. You often hear about celebrities and the number of followers they have on Twitter, or when companies tout their Facebook presence, the number of fans is usually the reference point they offer for demonstrating success. Those that are slightly more conscious about driving value for their organizations may cite content metrics like page views, posts, or mentions. Yet, all of these are the granular details that represent program performance and not business performance.

Fortunately, this is changing for some chief marketers as they begin to align their social media efforts with bottom-line results. A recent study from Bazaarvoice and the CMO club found that marketing leaders were shifting their social media measurement focus from counting metrics to business value metrics. Table 1-1 reveals findings from studies conducted in 2010 and 2011, whereby executives were asked to report on how they plan to measure the effectiveness of their social media marketing activities. Although site traffic remains the top metric of choice, it shows promise that marketers are thinking about social media as a method to drive consumers back to their owned web properties. This jibes with the second most popular metric for 2011, which is conversion. Most often, conversions take place not on social networks but on a brand's owned web properties. Although this isn't always the case, the shift to directing traffic back to primary online destinations shows that marketers are working toward desired business outcomes. Further evidence of a shift toward value-based metrics is revealed in this data, with revenue and increased channel sales as the two metrics with the greatest levels of increased importance. Counting metrics such as fans, mentions, and contributors still rank highly in terms of importance, but it's reassuring to see that more organizations are thinking about the impact that social media can have on their overall businesses.

**TABLE 1-1:** The CMO's Social Media Marketing Value Metrics

	2010	2011	PERCENT CHANGE
Increased channel sales	4.0%	14.9%	272.5%
Other	2.9%	6.9%	137.9%
Conversion	32.6%	65.7%	101.5%
Revenue	29.1%	49.7%	70.8%
Reduced returns	12.0%	16.0%	33.3%
Number of positive customer mentions	52.6%	62.9%	19.6%
Number of contributors	42.9%	50.3%	17.2%
Number of fans/members	59.4%	62.9%	5.9%
Number of posts	40.0%	42.3%	5.7%
Average order value	22.3%	23.4%	4.9%
Site traffic	68%	68.0%	0.0%
Number of mentions	41.1%	41.1%	0.0%
Reduced call volume	11.4%	11.4%	0.0%
Number of page views	50.9%	43.4%	-14.7%
Do not track metrics	18.3%	6.9%	-62.3%

Source: Bazaarvoice and the CMO Club, "CMOs on Social Marketing Plans for 2011," January 27, 2011.

► Businesses are beginning to see the value in measuring beyond counting metrics.

Another positive sign is that the number of marketers not tracking social media metrics has dropped by 62 percent. This bodes well for measurers of social media, as a full 93 percent of organizations (at least those surveyed in this sample) are working to measure their social media efforts.

## BECOMING A CURATOR OF METRICS

As a measurer of social media, it is your responsibility to discern numbers from metrics and to ensure that everyone within your organization recognizes the difference. Metrics must always be presented within the context of your business, even at the lowest level. Better yet, develop and communicate metrics across the three levels I've laid out here to effectively manage social media and communicate your successes

throughout your organization. If you're successful, your colleagues will begin to ask better questions, and they won't tolerate hearing about fans and followers. Instead they'll be asking for percentage growth and impact on sales and delving deeper into the relevance of the metrics to their specific business needs. This allows you to elevate the conversations you have with peers and colleagues across your company and to demonstrate that measurement is a critical component in the strategic success of your social media activities.

It's important to understand that as a measurer of social media, you will need to collect metrics from all activities, including the trivial data that by itself doesn't offer much insight. Do this because the combination of metrics will often reveal important information about your organization and the ways in which you're interacting with consumers using social media. As a measurer of social media, you must become the curator of metrics to ensure that data is presented within the proper context and that your organization is using data in a meaningful and responsible way. By taking on the role of metrics curator, you assume the responsibility for defining, managing, organizing, explaining, and sharing metrics across your company. This is certainly no small task. With this responsibility comes the task of determining which metrics are comprehensible to various individuals across your organization and which are too confusing to share outside a small circle of data analysts. The role of metrics curator carries great responsibility in that the numbers you keep will eventually lead to the stories of social media success or failure. These stories will ultimately determine the longevity of many social media pursuits.

## SUMMARY

In this chapter I described the underpinnings of a pragmatic approach to measuring digital media that works for traditional channels, established social media and even tenuous social platforms that are still in their early days. The details of this methodology will unfold throughout the pages of this book. Yet, as a curator of metrics, you must discriminate to determine which social channels and platforms are the right ones for your professional pursuits and which need time to mature before you consider investments. Putting metrics and foundational measures in place is the smartest way to determine if any given social media opportunity is right for you. You should start this effort by making learning your primary objective and then escalating this mentality to include greater levels of participation when you identify the right opportunities for your business.

Also recognize that there are different levels of metrics that you will use throughout your career as a measurer of social media. Identify and establish your foundational metrics and use these as a basis for establishing a common vernacular for analytics. From there, tactical metrics will provide a wealth of details about the health, performance, and growth of your social media programs. Yet, these metrics often don't mean much to the managers, directors, and executives within your business. Instead of fighting to force them to understand your way of measuring social media, adapt to their way of thinking by developing and reporting on outcome metrics and ultimately develop a set of business value metrics that resonate with your unique organization. It will take time to calculate these measures of success, but you will be infinitely rewarded as the work you do will be widely understood and appreciated throughout your company. I encourage you to read on to learn the secrets of how to develop social media metrics and how to effectively utilize them to find success in your social media endeavors.