

**marketing zen**

# **50 WAYS TO MEASURE SOCIAL MEDIA ROI**

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How to Propel Your Marketing and Transform Your Brand in the Digital Age*

## 50 WAYS TO MEASURE SOCIAL MEDIA ROI

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Once viewed as a curiosity or novelty in the world of marketing, businesses and corporations of every size and from all industries are beginning to realize the power of promoting their brands through social media. According to research published in McKinsey Quarterly, 39 percent of companies surveyed report that they already use social media services as the primary digital tool for reaching their customers – a number expected to reach 47 percent within the next four years.

There's little doubt that social media has the potential for incredible benefits, including driving brand awareness, improving public perception, and increasing sales results along multiple steps of the sales process. But with the responsibility for marketing your brand or business online comes the need to understand the full impact of social media on the bottom line.

### REMEMBER

Do not start using social media just because you think you should, or because your competitors are doing it.

THERE ARE MANY DIFFERENT REASONS YOU COULD CHOOSE TO START USING SOCIAL MEDIA:

- INCREASED VISIBILITY
- BRAND AND REPUTATION MANAGEMENT
- CUSTOMER SERVICE
- SOMETHING ELSE ENTIRELY

Whatever your reason for adopting social media, the important thing is that you have a reason. As with any aspect of business, if you do not begin with your goal in mind, you're much more likely to fail. You should have a long-term plan for your social media presence before you even sign up for the sites to help ensure your success – whatever that success means to you.

Remember that the definition of social media success can mean different things to different people or departments within your company, so communication is key at the planning stages. Discuss what benefits each and every person involved expects to receive from participating in social media.

**Different types of campaigns have different types of ROI. For example, how you measure a social media PR campaign will be different from a social media customer service campaign.**

That is, the ultimate goals of a social media marketing campaign may be to increase new customers and sales. However, a successful social media customer service campaign could be defined by reduced customer service costs or increased customer retention. Meanwhile, a successful social media recruiting campaign would likely be measured using metrics that wouldn't even be considered in the previous two examples.

This goes back to beginning with your goal in mind: what are you trying to do? The metrics will be defined by your goals. Here are 50 ways of measuring ROI to gauge a social media campaign's success.

## 01 Change in sales and/or revenue

This is probably the simplest metric in our list. Has there been a significant increase in your sales and revenue numbers since you began utilizing social media marketing? Accounting for other factors that impact your business including other marketing campaigns, take a look at your sales figures and how they correspond with a new or increased social media presence. For non-profits, you can measure the number and size of donations.

## 02 Quantity of fans and followers

Some will argue that this metric doesn't tell you much, and to some extent they're right. A large number of followers is not an automatic indicator of a successful social media campaign, and getting fans and followers is only the beginning when it comes to social media participation. Once you've got them, you need to be able to create some sort of tangible benefit – whether you're trying to sell more products, recruit more employees, or reduce your volume of customer service calls. However, a large fan base can be a very significant component of determining social media ROI, as a larger audience means a broader reach and more opportunities to engage with a customer base.

## 03 Quality of fans and followers

The quality of a social media following can generally be measured by their participation. Do you have a huge group of thousands of fans that don't interact with your posts very often, or do you have a few hundred fans that "like" and comment on your content on a regular basis? While a large following is good, a smaller but more active number of fans could be argued by some to be more valuable. What do we think? Aim for quantity and quality.

## 04 Number of comments or replies per post

How followers respond to your posts on social media is a reflection of engagement and visibility by your community. Comments and replies on a post serve as quantifiable evidence that fans are not only receiving your message, but that they are interested and engaged with your content enough to want to connect and interact with your brand. A higher number of responses can generally be taken as a sign of effective communication.

## 05 Amplification rate (shares and retweets)

The amount of fans and followers you have is important, but even more valuable are the fans who have large groups of followers themselves. These people – your followers' followers – comprise your second level network, a group of people you don't have access to unless your social media content is deemed valuable and engaging enough to be shared by your primary network. Suddenly, you gain exposure to a much larger audience.

### 06 Number of favorites, likes, and per post

Taking these statistics into consideration can give you insight into whether your content and posts align with what your audience wants. If a post or topic receives few to no likes on a social network, it's probably a good indication that the content you're sharing isn't effective with your audience. On the other hand, if a post gets a large number of "likes" on Facebook or retweets on Twitter, you'll want to take note of what you did to succeed in getting this response. Fans giving approval to your posts can have an additional benefit: when a user "likes" one of your posts on Facebook, this action may show up in a friend's activity feed, increasing your reach.

### 07 Number of social media mentions

This is a pretty basic measurement: how often are people talking about your brand? If you're rarely mentioned in social media, the good news is that nobody on social media sites has anything bad to say about you – however, it also means that nobody wanted to share anything positive about you, either. An increase in social media mentions can be a sign of a growing awareness of your brand.

### 08 Sentiment of social media mentions

Although some people are fans of the idea that there's no such thing as bad press, we tend to disagree. This is another instance in which quality is just as important – if not more so – than quantity. A social media campaign should at some level, depending on your ultimate goals, strive to increase positive reception of your brand and company. If your social media goals are reputation or customer service oriented, this may be a major factor in your ROI equation.

### 09 Number of mentions in news media

Although people now consume their news in vastly different formats than they did in the past, mentions in the news are as important as ever – though the media and the delivery methods may have changed, people are still active consumers of information from news outlets. A successful, innovative social media campaign may earn news coverage – and news coverage can also influence the success of a social media campaign. Just as with social media mentions, news mentions can be a gauge of how often people are talking about your brand and your social media efforts.

### 10 Facebook fan loyalty

When a Facebook fan "likes" or comments on one of your posts, how likely are they to continue to engage with your brand? You may find that some users comment once or twice, only to fall inactive, but others will "like" or comment on almost every single post. This ratio of active followers to inactive followers will determine how far your content is likely to travel.

### 11 Fan and follower growth rate over time

Even more important than the number of your fans and followers is steadiness in your fan and follower growth rate. As your business grows, so should your audience. If you see a large growth of fans and followers at the beginning, only for those numbers to hit a plateau and hold steady or decline, you'll need to reevaluate your efforts to connect with your audience.

### 12 Unsubscribe and unfollow rate

At regular intervals, you'll want to track your unfollow or unsubscribe rate (services like <http://who.unfollowed.me> can be used to track unfollows on Twitter, while Facebook Insights can give you information on people who've hidden you from their News Feeds). Why is this information important? While even successful social media campaigns will often have a fairly steady rate of people who subscribe and then unsubscribe, especially while running a contest or promotion, keep an eye out for a spike in people unsubscribing or unfollowing your brand on social media. When this happens, you'll want to evaluate your recent activity: have you changed your posting frequency? Did you decide to try a new strategy? If you start to do something that drives fans away, these metrics will let you know.

### 13 Votes cast or polls taken

Customers enjoy knowing their input and opinions are being heard and valued. Create public polls for your fans. These polls are an excellent way to gain insight into consumer opinions – and the response rate is also a good measure of fan engagement.

### 14 Number of brand advocates

A brand advocate is someone every company would love to have a fleet of: a vocal, loyal customer who routinely shares your content with their network. These people are an important part of your social media strategy, as they're passionate and loyal. Additionally, the fact that they routinely share opinions on products and services means that their network likely views them as an influencer, and looks to them for insight before making a purchase – a benefit to your brand whether their network is made up of 100 people or 1 million people. The more customers that you are successful in converting to brand advocates is likely related to the level of success of your social media strategy.

### 15 Contest participation rates

Contests and sweepstakes run through social media should encourage your audience to share photos, videos, or stories with you. They may even attract new fans or followers, or bring new subscribers to your email list. It's important to measure the click-through rate of any links you posted to promote the contest in order to measure its success. Participating in contests and sweepstakes, especially the type in which users must create their own brand-centric content, has been shown to increase engagement and build brand loyalty. When more of your fans are actively participating in these promotions, you're building a more engaged audience.



### 16 Email subscription conversions

One of the goals of many social media campaigns is to increase traffic to the company website. Once your social media visitors make it to your website, you should be striving to capture their email addresses – after all, email marketing can be an incredibly effective marketing tool. By measuring your email subscription conversions among traffic driven to your site (or a specifically created landing page) by social media, you can see which channels lead to more successful conversions, and even measure your social media conversion rate against the conversion rate of your blog, for example.

### 17 Email open rates

Of course, your email subscription list doesn't really matter if nobody is actually opening your emails. A low email open rate will let you know if your subject lines could use a little more spice, or if you're bombarding your subscribers with an overwhelming influx of information. Comparing the open rates of subscribers who were driven by social media with the open rates of subscribers from other marketing efforts can give you insight into the engagement generated through your social media campaigns.

### 18 Quality of leads

The definition of a high quality lead will differ depending on your individual business goals. However, your company should agree on one definition of a high quality lead at the outset of a social media campaign. If you're gaining less than stellar leads from social media, try to determine why: are you targeting the wrong people? Is your ideal customer on a different network than the one you've focused on?

### 19 Website bounce rate

Take a look at your website's analytics: when people click through from your Facebook page or Twitter profile to your company website, do the majority of them leave right away? Remember that ultimately, your website is your most important marketing tool. It's great to get those fans and followers, but you really should be compelling them to click through to your website – a high social media visitor bounce rate can indicate a huge problem. You'll want to reevaluate your site content and design to figure out why you're not capturing their interest, as well as your social media campaigns to reexamine the customers you're reaching.

### 20 Average time spent on website

The time a visitor spends on your website is another metric that can easily be tracked through your site's analytics. See how much time your social media visitors are spending on your site. You can then compare this to the time spent on site of other referred visitors. If your social media referrals are spending significantly more time on your site, then you're on your way to showing positive ROI.

### 21 Pages per visit

The number of pages a social media referral visits on your website is another metric that can be useful in determining how to communicate via social media channels. Take note of the pages that your social media audience is visiting most often. The information they are seeking from you is probably similar to what they are most interested in hearing from you on Facebook and Twitter. Is this the information you are giving them? If not, it may be time to recalibrate.

### 22 Number of whitepapers downloaded

If a visitor downloads your whitepaper, it stands to reason that they're interested in your professional expertise on the subject you've written about. Not only that, but once they've downloaded it, the paper is on their computer for future reference – and so is your company's branding, helping you to stick in the downloader's mind as an authority on the subject in question. Take a look at not only the total number of whitepapers downloaded, but also the number downloaded by visitors referred by your social media campaigns.

### 23 Customer acquisition costs

To calculate customer acquisition costs, you first need an approximate number of customers a specific campaign has referred to your company. Next, you must calculate how much money you spent on this specific campaign. If you divide the money you spent on the social media campaign by the number of customers acquired, you get the cost per customer. Compare this to the amount it costs you to acquire a customer through traditional methods: is it more or less?

### 24 Ad value of incoming traffic

There is a relatively simple way to assign a monetary value to your social media referral traffic: use an assigned ad value as a benchmark. By calculating how much money you would have spent if those visitors had been referred to your site by pay-per-click (PPC) ads. Of course, this is only an approximate value, since social media and PPC are not the only two sources of site traffic.

#### **For example:**

- A PPC AD FOR YOUR TARGET AUDIENCE COSTS \$2.
- YOU RECEIVED 50 VISITORS TODAY FROM A LINK YOU POSTED ON TWITTER.
- THE VALUE OF 50 VISITORS REFERRED BY THAT PPC AD (50 X \$2) IS \$100.

In this example, you would have received approximately \$100 worth of traffic from Twitter today. You now have a standard against which you can compare your social media campaign to measure relative ROI.

### 25 Number of likes and re-pins on Pinterest

Pinterest is ideal for image-based marketing. Not only can you pin images from your own site, you can also check to see how often visitors are pinning content directly from your site: just type `pinterest.com/-source/yourwebsite.com` into your URL bar (for example, we would type in `http://pinterest.com/source/marketingzen.com`). Pins on Pinterest seem to have a long shelf life – whereas a tweet or Facebook post may be pushed out of a user's timeline within an hour, pins on Pinterest are often re-pinned across the site for weeks. Pins related to infographics, food, and ecommerce sites are all particularly well suited for Pinterest.

### 26 Change in brand perception

People often take to Facebook, Twitter, and the blogosphere to air their opinions. While you shouldn't necessarily directly engage with every customer who posts a complaint, your goal can be to try to change their perception of your brand. Although responding to negative comments on social media can be an important piece of a customer service strategy, posting about your community involvement and employee recognition can also help improve your brand perception. By tracking keywords your audience commonly uses in conjunction with your brand name, you can track the change in your brand perception.

### 27 Blog interaction rate

The interaction rate for your blog may be a combination of a few different measurements. For example, a user may choose to respond to your blog by commenting directly, or they may mention your blog or a specific post on Twitter instead. Remember that blog interaction is only a component of your ROI equation if your blog comments are turned on and you're encouraging readers to interact with you in every single post. Make sure that you're giving your followers every opportunity to help make your blog part of a successful social media campaign.

### 28 Number of blog views

While blog interaction rate can be an effective indicator of social media ROI, there are Internet users out there who rarely comment on blog posts, no matter how interesting the content may be. The fact that they aren't interacting doesn't mean that you're not effectively reaching them. Measuring your blog views, especially if individual visitors spend a significant amount of time on the blog and view more than one page, will let you know if your content strategy is currently succeeding or falling short.

### 29 Number of blog subscribers

Blog subscribers will tell you a lot about how successful your blogging efforts are, because these are the people who enjoy your content so much they've decided they need a direct feed of your updates. The better your blog content, the more blog subscribers you'll have.



### 30 How far your tweets traveled

#### REACH

**66,815** Accounts Reached

Using a free service like TweetReach or Crowdbooster, you can see how many Twitter users have been exposed to your last 50 tweets. For example, you can see from the image above that our CEO, Shama Hyder, has reached more than 66,000 people with her one tweet. This metric takes into consideration factors such as your Twitter followers as well as the retweets and mentions your posts have received, giving you a snapshot of one type of amplification.

### 31 Any change in search ranking

A social media marketing campaign should be integrated with all other aspects of marketing, including search engine optimization. Social media activity can affect search activity in a variety of ways, and this is especially true for your company's blog. When you adhere to SEO best practices while writing valuable and engaging content for your blog posts, you can help improve your ranking for some of your main keywords, or even rank for new ones. A higher search ranking means more exposure for your website and brand, and can be a good indication that your social marketing campaign is effective.

### 32 Number of clicks on posted links

Early on in the process of establishing a social media campaign, it's essential that you get in the habit of implementing tracking for all links you post on your social media networks. You most likely know that to increase fan engagement, you don't only want to post links that direct back to your own content – you also want to post information of interest to your target audience from other sources. However, you should be tracking all posted links to see which ones pique fan interest, and which ones are failing to generate responses.

If you use a social media dashboard to automate your posting, such as HootSuite or TweetDeck, this tracking capability may come built-in. In addition, many URL shortening services provide free or cheap link tracking features. This is an important step in figuring out how to interact with your audience – make sure not to overlook it.

### 33 Hits on social media landing pages

Many companies are now adopting the strategy of creating specific landing pages for referral traffic from each of their social media profiles. This allows you, for example, to provide different content to a LinkedIn referral than to a Facebook referral. You can track hits on these landing pages, and also track activity after a user arrives: bounce rate, pages per visit, etc.

### 34 Social media hits to store locator pages

This metric is extremely important for businesses with brick-and-mortar locations to pay close attention to. When tracking the activity of social media visitors to your website, take note of how many of them visit the store locator page of your site. This offers you a rough sense of how many of these users are planning to come visit you. Since customers now have Google Maps and GPS navigators for assistance, all potential visitors may not employ this method to get directions to you – but many still do, and it's a statistic worth paying attention to when figuring social media ROI.

### 35 Number of YouTube video views

When trying to determine the popularity of your YouTube videos, the more straightforward metric is the number of views each video receives. Video content helps your audience connect on a more personal level with your brand, so more views should be a representation of more social media-driven engagement with your brand.

### 36 Number of backlinks to your site

Google Webmaster Tools is one of the many existing services that allow you to monitor the sites that are linking back to your page. This allows you to track how often you're being mentioned on blogs, and how much traffic these links are driving to your page. You'll also be able to discover brand advocates and noteworthy bloggers to further develop relationships with, while getting a sense of how far your social media content is truly traveling.

### 37 Influence of bloggers reached

A good social media PR campaign will include blogger outreach, since bloggers are the new journalists. Who you target depends on your product or service, but nearly every niche has a handful of influential bloggers with a massive following – mommy bloggers, tech bloggers, food bloggers, or whatever your industry may be. When an influential blogger mentions you positively on their site, you may be exposed to their hundreds of thousands of loyal readers, so keep track of who is spreading the word about your brand and social media.

### 38 Number of check-ins on geolocation services

Geolocation services are great platforms for brand awareness and increased exposure for brick-and-mortar businesses. Check-ins on geolocation services like Foursquare, Yelp!, Google Places and Facebook can tell you which promotions are working. Users leave tips, which essentially serve as minireviews of your business. Often, people who check in on these services share their location on Facebook or Twitter, exposing your brand to their entire friend network and essentially indirectly (or directly) recommending your business simply by announcing their patronage. Although ROI for these types of services can be more difficult to measure than other social media metrics since the referral source isn't always clear, you should encourage people to check in at your location and keep tabs on check-in trends as you ramp up your social media efforts.

### 39 Sentiment of reviews on Yelp! and Google Places

If you're a business with a physical location, your ratings on Yelp!, Google Places, and other business review sites are very important. Many social media users now hold these ratings to the same standard as a recommendation from a close friend. Monitor what people are saying about your company. Repeat complaints starting to pile up may mean it's time to take a serious look at your operations, and reviewing the effects of your social media campaigns on your company's image.

### 40 Increased quantity and quality of job applicants

The main goal of the early stages of a social media recruiting campaign should be to increase the number of high-quality candidates who apply for your open positions. Your focus should be on recruiting both quantity and quality; if you're not getting both, your campaign may need adjusting.

### 41 Offline event impact on social media behavior

If you're a business holding an event in conjunction with a related hashtag (especially pertinent for tradeshow attendees), track how many offline visitors adjusted their online behavior to reflect your social media campaign. A high offline attendance rate with a low online participation rate will let you know that something's wrong with your digital PR.

### 42 Change in customer service costs or quality

By using social media to handle some of your customer service work, you may reduce some traditional customer service costs, such as inbound calls, emails, and live chats. By taking your average cost per call or email, you can easily calculate your customer service cost savings – just track the change in volume of customer service calls or emails. Additionally, you can send a follow-up survey to followers who've interacted with your brand's social media customer service accounts to find out if this method of problem resolution results in more satisfied customers.

### 43 How your efforts compare to your competitors

Checking where your social media measurements stand in comparison to those of the competition can help answer some questions about your social media campaigns. If you've set a goal for a number of Facebook fans you'd like to have and you've fallen drastically short, take a look at your competitors' Facebook pages. If they have a comparable amount of Facebook fans, it's possible that your specific niche is still developing in regards to connecting with your audience via social media. However, if your competitors are miles ahead of you, it could indicate something wrong with the way you're executing your campaign and warrant a review of your methods or content.

44

### Improved insight into customer wants and needs

Though not necessarily easy to assign a monetary value to, improved insight into what your customers want is an invaluable benefit: by tapping into where your customers are having conversations, you can learn more about their wants and needs than you ever could before. You could use this as an inexpensive form of market research, supplementing or replacing often expensive traditional focus groups. By evaluating how your understanding of your customer base's desires has changed, you can gain a valuable insight into the effectiveness of your social media campaign in this respect.

45

### Social feedback that led to implementation of policy or service changes

With this improved insight into customer wants and needs, you may be bombarded with customer feedback – positive, negative, and constructive criticism. Often, companies will take negative feedback or constructive criticism and use it to implement change that benefits both the company and its customers in the long run. By doing this, you have improved customer satisfaction and – again – saved money that you would have spent on research and development to reach the same conclusion. Positive changes due to social media feedback are one important way of gauging effectiveness of social media campaigns.

46

### Social media exclusive coupon codes

For ecommerce sites, it can be difficult to attribute individual sales to a social media site or campaign. However, offering an exclusive coupon to your Facebook fans or Twitter followers can help you directly track your social media sales. When a user inputs this coupon code at checkout, you'll immediately know they were referred from a social media site. You can also do this if you're a business with a physical location by sharing printable coupons, or share a "password" that customers can mention to the cashier to receive a discount – just ensure all your salespeople fully understand the promotion. In addition to how many codes are redeemed, take note of overall traffic and sales numbers during the time period that these coupons are being redeemed.

47

### New customer referral surveys

Just because customer referral surveys seem low-tech doesn't mean they're not an effective means of measurement. For example, a physician or similar service provider could overhaul your new client paperwork to include a place to indicate where these people heard about you. Similarly, e-commerce stores could provide a drop-down menu of referral options for customers during checkout. These responses can help you get an approximation of how much of your new traffic is being driven through your social media efforts as opposed to other referring sources or campaigns.

48

### Customer retention rate

It is often more profitable to keep current clients happy and loyal than to acquire new ones. If your business maintains a database of clients, measuring the retention rate of social media followers and referrals versus other customers is one of your most valuable metrics when measuring ROI. Why? Once you've created customer loyalty, you can calculate customer value: the average amount a repeat customer spends, multiplied by the average number of times a year a repeat customer shops with you. This gives you an idea of how valuable the individual customer will be – and that's just for the next year.

49

### Improved customer experience

By monitoring brand sentiment or sending out surveys to those who've interacted with your social media customer service team, you can track how your campaign is affecting overall customer experience. A happy customer is more likely to be a loyal customer – it's that simple. Loyal customers can eventually become brand advocates, and brand advocates can help you reduce the cost of customer acquisition through recommendations and viral sharing. A social media campaign that is effectively improving your customers' experiences with your brand is providing an extremely valuable service.

50

### Your online reputation

Customers who've had a bad experience with a company now often take to Facebook, Twitter, Google Places, or Yelp! to air their grievances. Not only that, but potential customers increasingly rely on social media recommendations from their friend networks. Basically, think about it this way: often, an angry customer is more likely to tell their friends about you than a satisfied customer.

If you intercept a customer complaint, the least you're doing is protecting your reputation in the eyes of everyone else that sees that complaint. However, you could be protecting your good name and changing brand perception for this customer, ensuring repeat business – or at least ensuring the negative feedback about your brand doesn't spread. The value of retained customers and prevented damage is something that needs to be factored into the value of your social media campaigns.

### Need help increasing your social media ROI?

Looking for more guidance or implementation help with your social media or online marketing campaign? We can help.

**The Marketing Zen Group** is an award winning full-service web marketing and digital PR firm dedicated to providing turn-key services for businesses and organizations looking for more leads, higher online visibility, and a better brand reputation.

Contact us today to see how we can help you! Visit <http://www.marketingzen.com/contact-us/> or call us right now at 1 (888) ZEN-2476.



Known as the “Zen Master of Marketing” by Entrepreneur Magazine and the “Millennial Master of the Universe” by Fast Company, Shama Hyder is a visionary strategist for the digital age. As CEO of The Marketing Zen Group, she has led the organization through explosive growth, averaging 400% growth annually since its start in 2009.

Under her leadership, the company has grown to include a team of 30 employees, and clients that range from publicly held, Fortune 500 companies to privately-held small businesses and non-profit organizations across the globe.

She is the bestselling author of The Zen of Social Media Marketing, now in its 4th edition, and recently released her latest book, Momentum: How To Propel Your Marketing and Transform Your Brand in the Digital Age.

To receive a weekly dose of Zen marketing advice and curated resources guaranteed to elevate your business, sign up for the MZ newsletter today at <http://www.marketingzen.com>.