

4 Metrics to Measure Social Media's ROI



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How do marketers begin to measure ROI in social media? After all, likes, follows, and repins are not among our usual business KPIs. At the same time, the standard business metrics we typically use to gauge digital success don't apply easily to social media; ROI can't be measured in clicks and impressions in this realm. It's still early days for social, and we haven't yet discovered a silver bullet to solve the measurement conundrum.

That said, there are a few metrics that marketers should pay close attention to in order to gauge whether their efforts and initiatives in social are moving the needle for their brands.

As you look to 2013 and start building your case for marketing dollars, consider the following metrics and related critical questions:

- **Share of voice.** How does your brand's presence stack up against your competitive set in terms of not just audience size (number of fans, followers, pinners, etc.), but level of engagement? How engaged are your customers compared to your competitors? How many people are talking about your brand, in what context, and how frequently?
- **Conversations.** Are you having conversations with your customers? If not, you need to re-examine your content strategy — conversations put the “social” in social media. Stop speaking *at* your audience and start speaking *with* them. Creating dialogues will increase your brand affinity and begin to tip the revenue scales in your favor.
- **Advocates.** Do you have any “super fans” or “super followers”? If you do, are you leveraging their passion for your brand? If not, you are missing out on a huge opportunity to dial up your earned media and tap into extended audiences who may not use your brand today, but may now be compelled to try it, thanks to Aunt Susie's glowing recommendation. These wonderful brand ambassadors may be among your fans, simply waiting for you to notice, engage and activate them.
- **Product guidance.** Are you asking your customers questions to learn what they like or dislike about your product or service? Social provides marketers and enterprises access to a huge, free real-time focus group.

Organizations need to leverage social networks to help guide product direction, because in the end it will save your company from making timely and costly mistakes. Often you don't even need to ask; simply listen. As an example, Lands' End recently changed the zipper on one of its popular children's jackets, and the comments about the poor quality of the new zipper were deafening in the social space. Lands' End may not have asked, but I can't imagine that it hasn't heard the overwhelming response. I strongly suspect it will be bringing back the old zipper next year.

Clearly, social ROI is far more complex than a simple cost vs. brand lift equation. Social just doesn't fit the current marketing funnel, so we need to stop trying to cram it in there. It's a square peg/round hole scenario. While social certainly can affect the funnel or customer journey (whichever model you subscribe to), it can't be superimposed over it. There are just too many touchpoints in too many places, and too many variables to limit social to one fixed point or another along the customer's path.

The ROI of social media is really delayed ROI. I know that's tough for a lot of marketers to swallow, but again it goes back to the marketing funnel. It's not just another advertising channel: it's a critical part of a company's overall communications platform, CRM solution, and research and development efforts. It goes way beyond marketing, touching multiple departments and roles within an organization, from customer support retweets all the way up to the CEO's blog posts.

So, when it comes to social, marketers need to stop being hyper-focused on the immediate ROI question (I know, it's hard!) and instead get management teams focused on another question: What have I learned today from my customers?

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