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Measuring The Immeasurable

Branding, Buzz & Social Media

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Are Traditional ROI Methods
Applicable To Social Media?

Are Traditional ROI Methods Applicable To Social Media?

- Apply (or retrofit) traditional metrics
 - CPM
 - CTR
 - GRP
 - Works if the communication is a true branded one-way mass media message
- New ways to measure for new means of communication
 - Peer-to-peer, unmediated messaging
 - Horizontal and exponential

Revisiting Old Branding Metrics

- Reach & frequency
- Brand recall
- Ad recall
- Purchase intent
- All are fuzzy and outdated relics from print, radio and TV
- Survive because of the lack of new and better metrics

CPM



- Not an ROI measurement
- Useful for calculating your marketing expense
- Never useful (even in print) for determining actual exposure to your marketing message
- Even less accurate for online because of cookie deletion, “below the fold”, etc.

CTR

- Possible value as a measure of search marketing but irrelevant for the 1/3rd of online ad spending allocated to branding ads
- CTRs for online ads are less than .001%
- Mercifully, studies show that adding display boosts search activity (“attribution modeling”)
- Lift from branding into direct response (such as search) is 20% (for packaged goods/higher for travel, health, personal finance)



On Branding

- Branding works best when the path to purchase is longer and subject to continuous consideration by the end consumer
- eMarketer's Geoff Ramsey: "People don't just see an ad or billboard and do something immediately – it happens over time"

Online Retail Sales* from US Internet Users Exposed to Online Display and/or Search Ads, 2008

	Control	Test	Lift
Display only	\$994	\$1,263	27%
Search only	\$1,548	\$2,724	76%
Search and display	\$2,723	\$6,107	124%

*Note: home, work and university locations; *monthly sales per thousand exposed consumers ranging from two weeks to three months after the initial exposure*

Source: comScore Brand Metrix, "How Online Advertising Works: Whither the Click," December 5, 2008

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www.eMarketer.com

GRPs

- GRP = Gross Rating Points (A TV metric)
- 100 GRPs is equivalent to the number of impressions you need to reach everyone in the population at one time
- If your digital target is women 18–34, and you know you bought 26 million impressions against that target online, then since there are 35 million women are 18–34 in the U.S.—you’ve just bought 74 GRPs of Women 18–34

GRPs

- The GRP emerged as a way to express the audience to an aggregate of spots (a schedule)
- GRP = the sum of the program ratings for all the spots in the schedule
- If an advertiser bought ten spots across ten different programs, and each program had a rating of 7, then the Gross Rating Points—the sum of the ratings of the spots in the schedule—would be 70
- If an advertiser had run two spots in that landmark episode of *I Love Lucy*, they would have bought 144 GRPs (a reach of 72, with a frequency of 2.)

GRPs

- GRPs are a known, fundamental, derivative measure of the tonnage of advertising bought, and the metric allows that tonnage to be compared across media: “I bought 200 GRPs of TV and 75 GRPs online”
 - ComScore’s Josh Chasin

Other Metrics

“Brand Awareness” statistics:

- Ad recall
 - Intent to purchase
 - Like/dislike
 - Preference
 - Would recommend
- Generated out of panels, online marketing questionnaires, focus groups, and the like
- Of these, only one factor has proven to be a reliable measure of future sales—“would recommend”

New Metrics

- Rather than searching for true ROI, purveyors of media have an incentive to count that which is easy to measure
- For online video these countable items may be downloads or completed plays
- For social media it may be the number of fans, friends, or followers.
- These are sometimes thought to be measures of “engagement” or “interactivity” - but they are at best directional.

How Do You Measure Online Buzz?

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- 4 Strategies

- Strategy #1: Don't bother to measure it - let it flow
- Strategy #2: Give responsibility (and budget) to public relations staff
- Strategy #3: Make every social media outreach trackable to ROI
- Strategy #4: Measure everything you can measure, but as proxy only

#1: Don't Bother to Measure It - Let It Flow

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- Steven Woodruff (of Impactiviti): “Social media is serendipitous, it’s holistic, and it’s not linear. It can’t be planned. And, it’s not long-term enough for measurement.”
- Historically, word-of-mouth advertising has no ROI
 - While seeds can be planted for conversations, there is no control over how the public views your organization
 - What changed the game is that peer-to-peer conversations on the web are easily recorded and can remain in online archives in transmittable forms—perpetuating brand perceptions, good or bad, to successive waves of peers.

#2: Give Responsibility (and Budget) to
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- Tracking and helping to direct public conversations about the organization has long been the turf of the corporate public relations department, either in-house or outsourced to a public relations professional
- Does social media belong to a PR team (either internal or external)?

#2: Give Responsibility (and Budget) to Public Relations Staff

- Social Media is just PR on steroids (“technologically enhanced”)
- WOMMA (Word Of Mouth Marketing Association)
- SM arguably better for retention marketing than acquisition
- Best for building loyalty & fostering “Brand Evangelism”

#2: Give Responsibility (and Budget) to Public Relations Staff

- Which segment of the organization *has the resources* to devote to “listening” to web conversations?
- Which segment of the organization is responsible for correcting erroneous information circulating through rumor and re-tweets?

#2: Give Responsibility (and Budget) to Public Relations Staff

- PR and Social Media (and SEO) are “bread on the water” – initiatives taken in the hope (but not certainty) of return
- Traditionally thought that 7 mentions = impact
- PR industry now speaking in terms of “earned media” – hoping that a mention is equal in value to an ad placement
- There is a fundamental lack of a “call to action” and impact (if any) is cumulative

#2: Give Responsibility (and Budget) to Public Relations Staff

- Tools for “Listening”:
 - Google Alerts
 - Synthesio
 - Radian6
 - BrandWatch
 - Sysomos
 - SAS
 - Social Mention



#2: Give Responsibility (and Budget) to Public Relations Staff

- Tools for “Listening”:
 - Adobe Social Analytics (Omniture)
 - Facebook Measurement
 - Facebook App Measurement
 - Mobile App Measurement
 - Viral Video Measurement
 - Twitter Measurement
 - In Beta – Q3 launch



#2: Give Responsibility (and Budget) to Public Relations Staff

Countable SM Stats:

- *Company blog*: Page visits, return visits, number of inbound links from other blogs.
- *Independent blogs*: Number of mentions that include site links to your website.
- *Facebook*: Page visits, return visits, number of fans for corporate or product page.
- *Twitter*: Retweets of a company tweet message by others.
- *YouTube*: For individual videos, views; for multiple videos, visits to corporate channel.
- *Widgets or Apps hosted on third-party sites*: Number of downloads.

#3: Make Every Social Media Outreach Event Trackable to ROI

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- It's entirely possible to make every corporate tweet, every bulletin board submission, and every Facebook update trackable and clickable
- Just add a link or URL to make the offer actionable and offer something of value or a treat
- This can be a downloadable coupon, a secret coupon code for special discount, free content in the form of a widget, useful application, industry sales report, or cool video—even a pass-along joke or a photo that's been tagged so it can be counted.

Case Study: Dunkin' Donuts



- The promotion was “Win Free Coffee for a Year”
- The tweets are typical—140-character notices of special deals or contests, answers to queries, and frequent invitations to join a special “DD Perks” by sign-up
- Users who sign up are entered into a company database; the company assigned a *quantitative value* for database members. This group of opt-in fans could be given special offers, which were then trackable to ROI when the offers were redeemed at local stores.

Case Study: Macy's



- Macy's has about 400,000 Facebook "friends"
- They keep potential customers coming back with several tempting offers each day.
- The majority of postings relate to a specific product SKU that may be purchased in store or online
- Other postings lead readers to website activities such as games, contests, sweepstakes, and tie-ins with celebrity promotions that involve print and television

#4: Measure Everything That Can Be Measured,
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- To make all of your social media trackable misses the whole point of social media - it's a conversation, not a variant of an email blast
- Communication in the social space is best used to extend brand awareness, foster brand advocacy, build a fan base, and build your brand
- Forget the hard sell—use the channel to build community around your organization

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Best Practices:

- Allow peer-to-peer communication to happen around you
- Use the conversation for feedback
- Lurk, listen and learn (refrain from responding to pans and punches)
- When you do post, always give folks stuff to talk about

#4: Measure Everything That Can Be Measured, but as Proxy Only

From 360i's David Berkowitz' "100 Ways to Measure Social Media"

Mainstream media mentions • Fans • Followers • Friends • Growth rate of fans, followers, and friends • Rate of virality / passalong • Change in virality rates over time • Second-degree reach (connections to fans, followers, and friends exposed—by people or impressions) • Embeds / Installs • Downloads • Uploads User-initiated views (e.g., for videos, ratio of embeds or favoriting to views) • Likes / favorites • Comments

#4: Measure Everything That Can Be Measured, but as Proxy Only

CPSA, or cost-per-social-action (Berkowitz)

- “Any action with a distinctly social quality that leads to either new relationships (such as viral referrals or acquiring new followers or fans) or deepening existing relationships”
- Actions considered to deepen relationships would include a user making a comment, writing a review or promoting someone else’s comment on a social site.
- The cost for the action might be the money lost on a discounted coupon, or the cost of the human monitoring and updating social media postings for your company. When such postings result in comments, a comment can be counted as a CPSA.

#4: Measure Everything That Can Be Measured, but as Proxy Only

- Berkowitz: “The main benefit of CPSA is that marketers know they’re paying for something social and relationship-oriented. More importantly, marketers know that they’re not specifically paying for exposure, traffic, conversions, or interactions.”
- It’s estimated that only one percent of community members who visit social media destinations take any action at all. The other ninety-nine percent will simply view content or comments. While not “active” they may be absorbing a brand-related message.

Case Study: Tiffany & Company



- Tiffany & Co, has 300,000 followers on Facebook
 - They do push new products, but you'll never see a coupon code promotion
 - Instead, the daily feeds show celebrities decked out in jewels, and offer tips for gift giving in season.

Case Study: Wal-Mart



- Wal-Mart doesn't even have an official fan page
 - Instead, the buzz is on a renegade page called "Screwing Around in Wal-Mart"—devoted to postings that showed people running around the store, playing games with the sports equipment, eluding the security guards, and acting in infantile ways
 - Some 236,000 followers comment and post on the antics.
 - A link to the chain's website is prominent, and the message is clear: Wal-Mart is a fun place to visit

Case Study: Blendtec

- November, 2006 – Blendtec launches the “Will It Blend” videos, blending iPods, iPads, 2 x 4s, golf balls, etc.
- Videos have been viewed more than 100 million times since
- As a result of the campaign, Blendtec retail sales have increased by over 700%.



Case Study: Pretzel Crisps #1



- Pretzel Crisps monitors buzz on Twitter and delivers samples to the offices or homes of those who are talking about salty or sweet snack foods
- “Social sampling”: monitoring conversations on Twitter and engaging with consumers through dialogue and just-in-time product sampling
- Since the launch of the social sampling strategy through Twitter in July 2010, Pretzel Crisps has built up more than 4.2 million earned media impressions

Case Study: Pretzel Crisps #2



- The impression number identifies tweets to followers from someone who samples the goods -- and if any of the followers' following re-tweet the message
- From July 2010 through March 2011, Pretzel Crisps gave away about 3,600 units of freebee samples to consumers
- Due to the “social sampling” campaign, dollar sales rose 87% compared with the prior year

Question-and-Answer Session



Bob Heyman



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