

# Activating Your Socially Connected Business

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## Social Media Metrics

# SECRET



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JOHN LOVETT

# Activating Your Socially Connected Business

CHAPTER 3 FROM SOCIAL MEDIA METRICS SECRETS

John Lovett

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# A Note from the Author

Hello and thanks for downloading the third chapter of my book, *Social Media Metrics Secrets* (Wiley, 2011).

While it's true that 80 percent of all businesses today are using at least one form of social media, most are doing so without a clear vision of what they are trying to accomplish. Further, only a precious few companies are measuring their social media efforts in any type of way that's meaningful to the business. This deadly combination often allows ineffective social media programs to cause irreparable harm to the brand and to their business.

Luckily, you're ahead of the curve because of your interest in learning the Secrets of Social Media Measurement. The information within this chapter will either tell you how to get a jump-start on activating your social business - or - it will validate that you're already on the right track. In this chapter, I encourage you to start with a people-centric approach and keep focus on why you're participating in social media in the first place. From there, I share some great stories from the field about organizations that overcame skepticism within their companies and not only developed successful programs, but also enlisted internal champions that truly support the burgeoning social media activities within the enterprise. And finally, I leave you with the Business Value Metrics that will allow you to grow your measurement programs beyond counting clicks, fans and followers - to delivering real insights and recommendations to your key stakeholders.

After reading through this chapter, I encourage you to do as many others have done and reach out to me with examples of how you're using and modifying the metrics and frameworks I offer throughout this book. Additionally, if you are interested in evaluating your current social media measurement strategy, I've developed a *Social Analytics Audit* that will identify where you are today with your social media measurement efforts; and where I recommend you focus to improve your offerings and maximize your investments in social media channels.

Please contact me at [john@webanalyticsdemystified.com](mailto:john@webanalyticsdemystified.com) to learn more.

Sincerely,

A handwritten signature in black ink, appearing to read "John", followed by a long horizontal line extending to the right.

# Foreword from the Sponsor

IBM is pleased to share with you “Activating Your Socially Connected Business,” the third chapter of a new book authored independently by John Lovett, Senior Partner and Principal Consultant at Web Analytics Demystified.

John’s book, *Social Media Metrics Secrets*, addresses concerns that IBM has heard loud and clear from thousands of customers across industries—*what should be doing with social media?* How can we take advantage of the social media channel to interact with our knowledgeable and empowered customers, deepen customer engagements and ultimately build long-term and profitable relationships? Virtually every company recognizes that social media has transformed the CRM and marketing landscape, yet few have in place sound, comprehensive strategies to capitalize on its potential.

In the book, John shares how leading companies have implemented robust programs to manage and measure the business value of social media, delivering deep insights that directly impact the bottom line. Much depends on an organization’s ability to track critical social media metrics, and use those insights to optimize its programs. When you’re ready to learn more about how IBM solutions for web analytics and social media marketing can equip you for success, contact us at [emmrfp@us.ibm.com](mailto:emmrfp@us.ibm.com), or visit the following website: [ibm.com/software/marketing-solutions](http://ibm.com/software/marketing-solutions).



## CHAPTER 3

# Activating Your Socially Connected Business

### IN THIS CHAPTER

- ▶ **Focusing on a people-centric approach**
- ▶ **Organizing your business for social media**
- ▶ **Gaining and sustaining social media buy-in**
- ▶ **Deciding where to start with social media metrics**

The point at which you fully activate your socially connected business will determine if you hold any semblance of competitive sustainability or if you're destined to be a laggard within your industry. Although many, many organizations are already knee deep in social media, I honestly believe that it's not too late for new entrants. In fact, at this stage in the game, launching into social media with a well-defined strategy that includes the metrics necessary to quantify your desired outcomes is exponentially better than jumping in with a half-baked effort. Organizations that do the latter will inevitably end up losing more ground than they gain, or worse yet, they'll get brand-jacked by social savvy consumers. The imperative for activating your social organization will strike consumer-facing businesses first, but it will indeed filter through to business-to-business environments, non-profits, NGOs, and our global political and socioeconomic systems as well. Organizations that falter with social media will do so because they fail to recognize the power that social media bestows upon consumers.

► News flash: Your brand is already activated in social media because customers have done it for you. Catch up quick by listening first.

For these reasons, it's critical that you approach social media with a people-centric mentality. Remember that you're here in the first place because this is the new mode of communication between people. As individuals are figuring this stuff out, you need to be there to ensure that you have a voice in the conversation. That's a genuine, authentic voice, *not* the traditional interrupt method of marketing to customers. You may as well retire that tactic because shouting at customers ain't gonna work. Additionally, as a socially connected business you need to have your resources, technologies, and metrics tuned into your entire business. This chapter explores how to create a people-first perspective, how to organize for analytics, and how to demonstrate the value of social media across your entire organization using metrics. Once you achieve all this, your business will be primed for social media.

## PARTICIPATING WITH A PEOPLE-CENTRIC APPROACH

This book is all about the metrics of social media and how to measure digital activity by understanding what it means to your unique business. However, I would be remiss if I didn't mention that metrics can sometimes interfere with your ability to connect with the real issues of importance. And in the case of social media, the real issues are people. The metrics are analogous to the gauges and dials you use to ensure that you're going in the right direction, but it's the interactions with people that constitute the essence of social media. Connecting with people requires getting out from behind the numbers and talking to them in a real and meaningful way.

### Humanizing Your Approach

I've been a long time proponent of humanizing social media efforts by engaging in authentic and genuine actions. Regardless of the size of your brand, consumers will ignore you with vehement objection if you attempt to condescend to them from up on social media high. Further, if you try to dupe consumers with dubious tactics, they will inevitably find out and you'll be left looking foolish. Instead, you must relate to people across social media channels in a humanistic way. That's not to say that exuding professionalism and authority isn't required, because it is, but simply treating people with dignity and respect trumps all other cards in the social media deck.

When I started digging into humanizing the social media experience I called on Katie Paine of KD Paine & Partners to ask her to enlighten me with some of her knowledge on the topic. For those of you who aren't familiar with Katie's work, she's regaled

as the Queen of Measurement and is definitely one of the sharpest social media measurers that I know. And she lives just up the road from me in New Hampshire. When we talked on a chilly winter day, Katie shared with me some fresh insights from a recent client interaction. Her client was just beginning to actively read Tweets and respond as part of their social listening strategy. For budgeting reasons her client wanted to do it themselves, which Katie was thrilled about because in her opinion, all organizations need to understand first hand what's being said about them and who is saying it.

We bantered a bit about the fact that today's social media tools are great for listening, but with commercial solutions it's too easy to watch the high-level trends and lose sight of who is really talking about you. In Katie's words, "These tools hide the people." They aggregate data and streamline consumption of information into pretty charts and graphs, but often the individual voices are muted. Katie went on to say that the way to remind social media measurers is to go in and look at people's Tweets or individual Facebook comments to see what people are saying about you. This is the social media equivalent of taking time to read open-ended customer survey responses.

**NOTE** Katie Paine is the CEO and founder of KD Paine & Partners LLC and author of *Measure What Matters* and *Measuring Public Relationships: The Data-Driven Communicator's Guide to Success*. Check out her awesome blog at <http://kdpaine.blogspot.com/>.

During our conversation, Katie shared a dirty little secret of her own with me that was pretty sobering. She believes that the vast majority of companies out there don't need a commercial social media monitoring tool for listening to their top 100 influencers (as ranked by high authority or high influence). Katie offered that the top 5 percent of brands get mentioned enough to warrant a tool, but with a little effort even big brands can track and monitor their social activity manually. She explained, "Mentions of all these brands and their competitors can be read without a tool. Once you actually read these things you can code them." When I pressed for more information, Katie revealed, "What's really important in social media is to understand not whether consumers like us, but do they trust us? Well, you can define the taxonomy for trust and actually start looking for that stuff."

What Katie was explaining gets to the heart of what you should be trying to accomplish from social media. If you're out there squawking on Twitter or putting up fancy Facebook pages, fine, but what's your objective? Aside from ultimately driving more sales, for most it's getting consumers to develop an affinity for the brand. Social



media is a conduit for establishing that affinity and doing so in a very human way—by establishing trust.

When we eventually brought our conversation back around to metrics, Katie and I agreed that the tools are great, but in some cases, we (as social media measurers) do stuff that the tools cannot do. We look at sentiment for trustworthiness, we evaluate issues like green responsiveness or social good, and we look for key marketing messages that are subtly inserted between the lines. Ultimately, what we do is communicate with each other and the metrics must help us understand whether that communication leads back to our stated goals and objectives.

► The tools are a good way for a brand or company to get started and they're fun, but on the people side of social media, you need humility.

### OFFERING GENUINE AUTHENTICITY

Companies that don't take the time to understand social media and attempt to treat social interactions only as sales opportunities are at serious risk of alienating their customers. Further, those that offer disingenuous social media efforts will ultimately draw scrutiny and lose credibility. Because of these reasons, embarking on a corporate social media journey is hard work. You can't simply set up a blog, campaign, or web page and then walk away and wait for individuals to flock together and sing your praises and offer you money. Instead, social media requires the tenacity of building and maintaining a presence and tending to individuals whenever and wherever they come, even when it won't result in a sale.

Yet, in numerous cases, brands are outsourcing their social response efforts to someone far removed from the brand who doesn't have a clue. These companies and their hired guns do nothing but surf around and deliver marketing messaging across social channels. It's a travesty, really, and you should avoid these tactics. Yet, there are ways to leverage offshore resources to delegate tasks to actually solve customer issues using social media without attempting to sell anything in the process. Positive examples stem from companies like Home Depot that respond to customer inquiries over social media channels with rapid response and relevant answers. Service issues are bound to happen, but the ability to address them in whichever channel a customer chooses is the new reality. Consumer Tweets directed at @Homedepot are met with near immediate response. Companies like Home Depot and many others both large and small are investing in service agents who are well versed in social media. These frontline agents who are tuned to the brand and the channels they support will have a resounding impact on the overall perception of their brand in the eyes of social consumers. Most importantly, they'll be satisfying customer needs and elevating the customer experience.

Ignoring customers is disingenuous and likely to dissuade customers from working with you. There are many opportunities to sell, but when it comes to social media, take the time to listen and learn enough about every social media inquiry to determine an appropriate response. This extends to working with agencies or external partners to educate them on how to do this also. It's worth pointing out the ramifications of #FAIL actions to your partners and coworkers as examples of what not to do. These issues will continue to become more apparent as brands toe-dip their way into social media. But unless they do so with a genuinely human approach, they run the risk of tarnishing their reputations.

The consequence is that it's very easy for a consumer to turn off social media today by blocking out disrespectful or non-empathetic brands. This is a real threat because it's a shift in behavior. Before, when consumers received junk mail, they could simply toss it, and marketers would continue to blast them with offers until eternity, or the timing was right, whichever came first. **But with digital media, tossing it means blocking you from contact, placing you on a do-not-call list, or relegating your e-mails to the spam filter forever.**

## ADMITTING YOUR MISTAKES

There are a lot of wrong ways to do social media. Sites that are attempting social media forays often neglect the offerings they create, or worse yet, make serious blunders when it comes to interacting with people. Take Nestlé, for example, which was under fire in 2010 for using palm oil harvested by suppliers who were purportedly destroying orangutan populations in Indonesia. Although this may sound like the start of a bad joke, the activists at Greenpeace took it very seriously and started a social media fiasco of epic proportion.

The issue came to a crescendo on Nestlé's Facebook page, which up until that point didn't receive much traffic and boasted only a modest following. As illustrated in Nestlé's public Facebook page in Figure 3-1, the Nestlé moderators threatened to censor any comments from people using altered versions of the Nestlé logo as their avatars. When individuals began criticizing the questionable tactic, they were met with hostile comments and downright rude behavior from Nestlé. Of course this created a social media firestorm that forced Nestlé back on its heels. As the company retreated to formulate a social strategy to deal with the current crisis on their hands, their Facebook page was effectively brand-jacked by consumers, who had a field day. Since then, Nestlé has cleaned up its act, but perhaps more importantly, with the help of social media Greenpeace was able to expose a problem to an audience that actually created change. This is just one example of how social media is impacting our world.

► If you make an enemy of a digital native, you've probably got no chance of getting him or her back. The dialogue is killed. That's a new paradigm that social media marketers must contend with.



**FIGURE 3-1:** Nestlé's Facebook comments just hours after posting a censorship threat.



<http://bit.ly/RS3IBh.qrcode>

**NOTE** Greenpeace has fully embraced social media tactics within its arsenal of attention-grabbing tricks. In many cases, they're succeeding. Read more at [http://bit.ly/Greenpeace\\_SocialSuccess](http://bit.ly/Greenpeace_SocialSuccess).

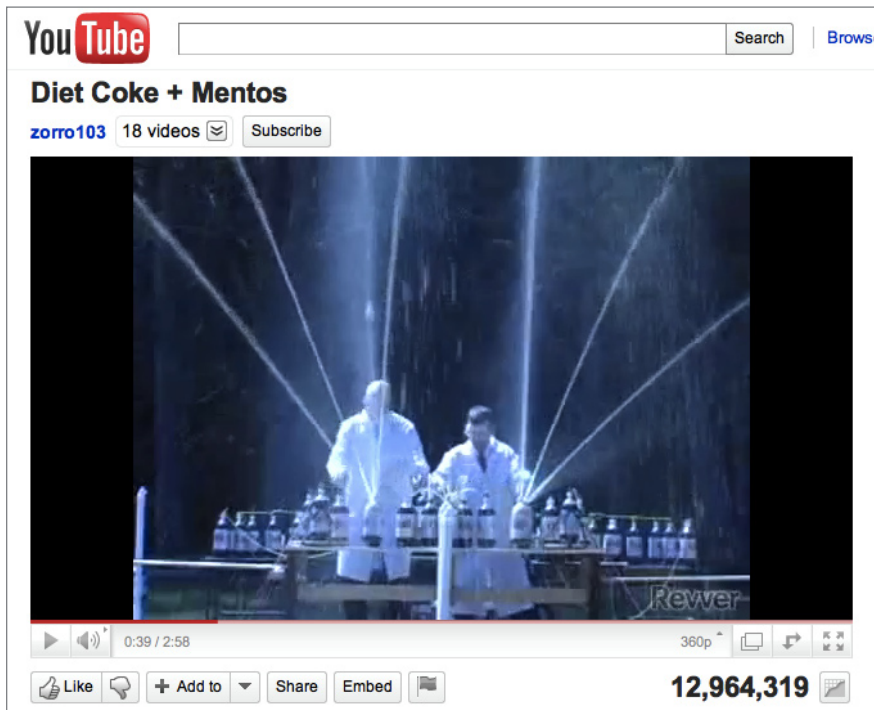
Other examples of social media blunders are readily available. But, it's important to note that while some mistakes are social media *faux pas* that take place on social networks, other social disasters are simply exacerbated—or made public—by social media. For example, United Airlines committed a serious breach of trust by throwing and subsequently breaking a passenger's guitar. This now infamous event didn't originate online, but after hours of talking to United employees to gain some restitution, the victim was unsuccessful in resolving his rightful dispute. So, the musician/victim, Dave Carroll, took it upon himself to write a song about the incident and post

it on YouTube. The “United Breaks Guitars” video was an instant viral hit and is now perhaps the most famous social media video exemplifying bad customer service (see the video at <http://bit.ly/Unitedbreaksguitars>). This cautionary tale shows how consumers are now empowered to tell their stories using social media channels.

The folks over at NVI, a Canadian web design and interactive agency, developed an interesting construct of the potential ways that companies can screw up social media. The idea was spawned in a blog post by Simon Abramovitch, who categorized actual events as captured by Michael Yeomans of *Advertising Age* in his SlideShare presentation called “Social Media Screw Ups” (<http://www.slideshare.net/socialmediainfluence/social-media-screw-ups>). Yeomans calls out significant events that opened companies’ eyes to the power of social media. Examples in the presentation include:

- ▶ Dell’s awakening that resulted from one consumer’s rant on “My Dell Hell,” which educated Dell on the pains of customer service in a socially equipped world. (2005)
- ▶ Chevy’s learning experience, during its “Design Your Own Tahoe” experiment, that consumers are fully in control and will often take your well-intentioned social media ideas to far off (and sometimes detrimental) places. (2006)
- ▶ Coca-Cola’s explosive discovery that Mentos plus Diet Coke would equal the 12-million-view viral video phenomenon depicted in Figure 3-2, which was enough to teach them that social media places consumers in control. (2006)
- ▶ The unfortunate Comcast tech who was photographed sleeping on the job (on someone else’s couch), which was broadcast across the Internet, forcing the telecom giant to focus efforts on customer service. (2006)
- ▶ Walmart’s bust called “Walmarting Across America,” where travelers Jim (a professional photographer) and Laura (a freelance writer) were in fact sponsored by Walmart to embark on their travels and report on the rosier side of Walmart’s effort. (2006)
- ▶ Sony’s ousting for their fake blog and accompanying YouTube video called “All I Want for Xmas Is a PSP,” causing them to retract the blog (now defunct) and issue apologies. (2006)
- ▶ Target’s early attempts at ignoring social media, which prompted a written response to a blogger’s concern that read, “Unfortunately we are unable to respond to your inquiry because Target does not participate with nontraditional media outlets.” (2009)

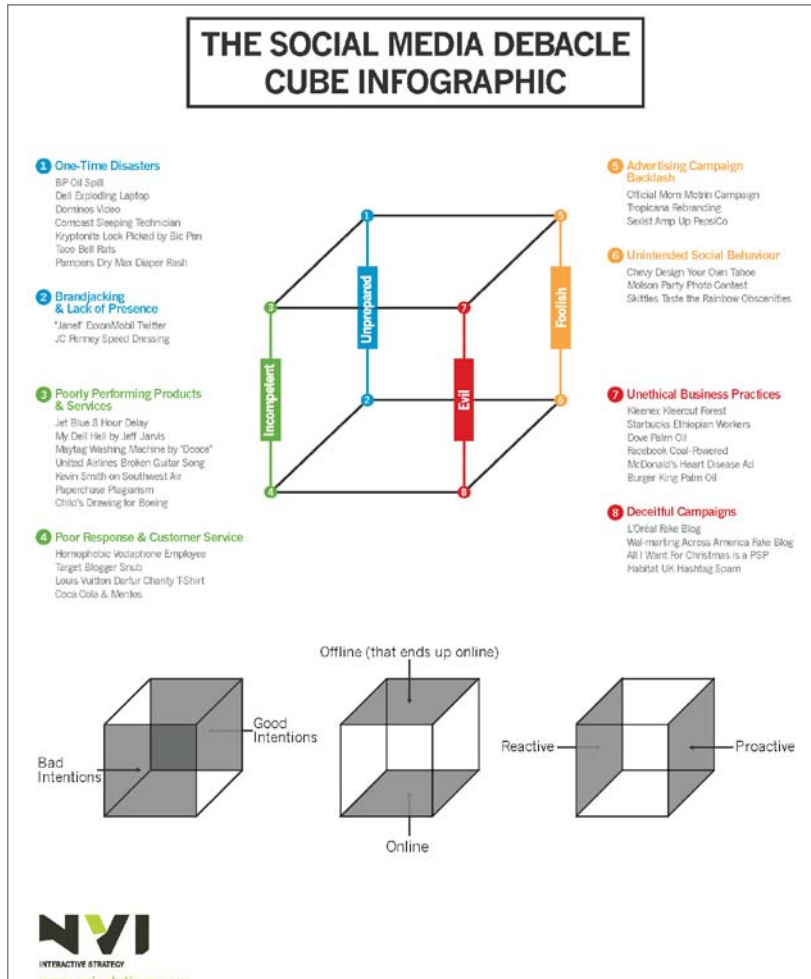
The list of social media infractions goes on and on. But, the good news is that most of these misadventures forced the marketers—and their senior executives—to become more responsible about social media and to sit up and take notice. These events, whether triggered by social media or exposed as a result of it, sparked a realization that social media would profoundly affect their business. As a result, most of these brands have developed strong, if not leading, social media efforts subsequent to their early failures.



**FIGURE 3-2:** Diet Coke + Mentos YouTube video that racked up 12M views.

Simon Abramovitch of NVI spent some time thinking through each of the documented social media screw-ups and created a visualization, depicted in Figure 3-3, that classifies and organizes them. He identifies company behavior leading to the screw-up as Unprepared, Incompetent, Evil, or downright Foolish. In his blog post, "Social Media Debacles: 8 Ways to Screw Up Socially" (<http://www.nvisolutions.com/blog/social-media-optimization/social-media-debacles-8-ways-to-screw-up-socially/>), Simon does a good job of describing three pairs of variables that he observed and how they relate to each of the events. In essence, by classifying screw-ups as either proactive or reactive, whether the screw-ups began online or offline,

and whether the underlying intention was good or bad, a framework for describing social media screw-ups is developed. With this framework, people can analyze their current social media situations and learn from past mistakes stemming from the same combination of variables which they now face.



**FIGURE 3-3:** The Social Media Debacle Cube Infographic.

What I found particularly interesting in Simon's analysis was the determination that there are eight potential ways to blunder and get caught with social media. His screw-up synopsis includes:

- ▶ One-time disasters
- ▶ Lack of presence
- ▶ Poor performance



- ▶ Poor response
- ▶ Advertising backlash
- ▶ Unintended social behavior
- ▶ Unethical business practices
- ▶ Deceitful campaigns

Here's my take on what you can do to mitigate these social media screw-ups and how to measure your way out of trouble.

- ▶ **Problem: One-time disasters:** Events like the BP oil spill and reprehensible behavior by Domino's employees do not usually originate on social media, but that's typically how disasters gain mainstream awareness and where the drama plays out.

**Solution: Create a social media disaster response plan.** It's time to expect that any misadventures of your brand, your employees, or your executives will show up online. Following disingenuous contempt, the second worst possible response is no response at all. Develop a plan to get out a message and participate in the fallout, but also enforce your plan by proactively measuring your own employees' social media activity.

- ▶ **Problem: Lack of presence:** This category could also be called slander or parody response because it includes examples like the JCPenney "Speed Dressing" commercial (<http://theinspirationroom.com/daily/2008/jc-penney-speed-dressing-down/>) that was produced and submitted to the Cannes International Advertising Festival unbeknownst to JCPenney! Examples of misrepresentation of brands are popping up everywhere with disparaging results.

**Solution: Start listening.** Although you may not be able to prevent others from attempting to cash in on your brand's cachet, you can certainly be watching for it. This is especially true if you're not ready to launch your own presence yet. Begin by listening and learning to observe the tenor and cadence of your brand's social presence. Do this with proactive alerts triggered from your social listening technologies that will prompt your legal department to break out the cease-and-desist letters.

- ▶ **Problem: Poor performance:** Shoddy workmanship, sub-par customer service, and non-performing products have no place to hide in today's socially exposed world. Citizens like Heather Armstrong, author of a popular mommy blog called Dooce, aired Maytag's dirty laundry when she expressed her dissatisfaction

with a dysfunctional new machine to her Twitter following (<http://www.forbes.com/2009/09/02/twitter-dooce-maytag-markets-equities-whirlpool.html>). Next thing they knew, Maytag had a boycott on its hands.

**Solution: Set expectations and make it right.** This example was a tough one because Maytag was there to respond with a new machine within a day, but the stains had already set with Armstrong's following and the press. To add insult to injury, Bosch, the rival manufacturer, swooped in and delivered a new machine. Take back the reins by creating internal service level agreements (SLAs) for social media response times. Rapid replies will demonstrate to consumers that you are not only listening, but also sympathetic and responsive to their social cries for help. This includes welcoming the opportunity to make something right before consumers revert to social slander.

- ▶ **Problem: Poor response:** Official corporate communications like Target's blogger response or individual employee messages like the unfortunate Twitter missive sent by one oblivious Vodafone UK employee reflect on an entire organization.

**Solution: Institute enterprise-wide social media training.** Organizations are past due to realize that any individual using a corporate account—from intern to general counsel—speaks in the company's voice across social media. Develop a social media policy similar to the ones referenced in Chapter 9. Yet, having a policy alone is not enough: ensure proper training and compliance with social protocol to mitigate embarrassment.

- ▶ **Problem: Advertising backlash:** Motrin admitted that they blew it with the Motrin Moms ad that showcased Moms wearing youngsters as "accessories" and suffering pain as a result. But only after the Twittersphere, blogosphere, and YouTube simultaneously erupted.

**Solution: Test market to your core audience.** Social media is the new focus group, so before putting something out there to face scrutiny from the masses, test it. Develop satisfaction metrics and ask your influential fans and brand advocates before launching mass social media to gauge invaluable opinions. A *New York Times* article effectively re-Tweeted some good advice: "note to self ... never piss off moms ... especially Twitter moms... they can be a nasty bunch ;)" (<http://parenting.blogs.nytimes.com/2008/11/17/moms-and-motrin/>).

- ▶ **Problem: Unintended social behavior:** With the best of intentions you hand-craft a marketing campaign, only to have callous deviants stamp obscenities

▶ Jeremiah Owyang created a revealing Brand Backlash category structure to rank just how poorly some efforts fare (<http://www.web-strategist.com/blog/2008/11/17/categorization-of-brand-backlash-storms/>).

► Social media is most certainly about connecting with people, but with the media properties you own, you control the conversation.

all over it. That's what happened to Skittles when they allowed Tweets to post uncensored on the homepage of their web site. After a sweet initial launch (couldn't resist the pun), the site was littered with negativity and off-color remarks, causing the company to recoil (<http://econsultancy.com/us/blog/3374-skittles-launches-an-amazing-social-media-campaign>).

**Solution: Never relinquish total control.** It's one thing to accept that consumers dominate the conversation, but another thing entirely to let them rule your owned media. **It's your site: own it.** That doesn't mean that you shouldn't listen and take part in the conversation or allow consumers to voice their thoughts and opinions in other places. Kudos to Skittles for rebounding from this episode and continuing to boldly venture into new media.

- **Problem: Unethical business practices:** While buying palm oil from an unethical supplier is certainly unjust, businesses today need to be extra diligent when it comes to not only their own practices, but those of their partners as well. There are just too many ways to go wrong today, and it's not worth taking the risk.

**Solution: Become accountable to your customers.** Shaking out the skeletons from every organization's closet won't be something that happens anytime soon. What can happen, however, is a new level of awareness when choosing business partners and engaging in business practices about the consequential effects a broadcast society has upon exposure. Use your social measurement tools to do your homework.

- **Problem: Deceitful campaigns:** The cosmetics brand L'Oreal learned a quick lesson from consumers after an agency launched a contrived blog on their behalf. The blog featured a supermodel-esque character that complained to be in need of anti-aging cream. Consumers realized it was fake within hours after the blog launched and the company scampered quickly to the powder room to try again.

**Solution: Just don't do it.** Consumers can increasingly spot fake social media in a New York minute. Transparency is the name of the game here. And if you've learned anything so far from this chapter, let it be that you don't want to get burned by consumers across social media. The backlash is detrimental. Measure this by keeping tabs on your agencies, partners, and internal colleagues with a system of checks and balances to not only figure out how they're tracking, but also what they're up to.

Social media participants are human beings and when they engage in social media, they expect humans to respond. Every marketer I know is also a consumer, so take the time to think like a consumer before launching your next campaign. Ask yourself, “Is it genuine?” Then put yourself in their shoes. When you ask a question, do you want a response in the form of a press release? Or do you want a human to respond? Of course you don’t want a PR person—or worse, a salesperson—selling you something that doesn’t solve your immediate problem. You really just want someone who can answer the question. As social media managers, you need to make your colleagues live in your customers’ shoes to make them understand this stuff.

## TRAINING YOUR BUSINESS

One of the better stories I’ve heard about training your business was from Anna O’Brien, former VP Social Media at a major U.S. financial institution. Anna was the community manager who was responsible for social media communications at the Fortune 50 company. As all good community managers are apt to do, Anna was creating a plan for addressing comments aimed at the bank via Twitter. Her plan included detailed metrics such as quantifying incoming inquiries, calculating response times, establishing conversation volumes based on product line, and generally tracking social media interactions in a meaningful way to the business. Upon developing the plan, this community manager approached her legal department for clearance to proceed, which was a required step in developing communication plans with the bank’s customers.

The legal department took a very literal approach in their line of questioning about Anna’s plan for interactive communication. Their first response was “What will you Tweet back to these individuals when they write questions via Twitter?” Of course Anna answered that it would depend on what they asked. But legal insisted, “What exactly will you respond to these inquiries?” Uncomfortable with the newness of the channel, they forced the issue by insisting that Anna create a list of responses that she might offer to Twitter queries. As crazy as this sounds, Anna complied with the request and hatched a clever plan to prove a point about the error in their ways. Upon presenting a list of approximately 100 or so possible answers to customer questions and comments, the legal team got out their pens and began redlining. The result was a short list of about 24 corporate-approved answers that were permissible to send to customers via Twitter. Feeling frustrated but not surprised by the legal team’s lack of understanding of the social universe, Anna left to begin amassing evidence of why this type of engagement would not work. You see where this is going, don’t you?

As Tweets began rolling in, the “approved” messages didn’t come close to answering customer questions. For example, when a customer asked, “I am a college student with limited credit history. I don’t know which credit cards to apply to,” Anna’s best response option was “We’re sorry for the inconvenience; I will share that information with our internal team.” When she gathered enough evidence for her compelling case, Anna brought some poignant examples to the team of legal eagles and very politely asked which of the inadequate approved responses she should use? Anna’s example made an impact, and with time she was granted approval to answer Tweets with appropriate responses using a real human voice. Although not every organization will require this degree of hoop-jumping, it’s a pretty good example of a business being disconnected from the potential of social media. Yet, it’s also an example of an organization that’s protecting itself with a calculated approach. Luckily the legal team was able to learn about social media and has since become one of the organization’s greatest internal proponents. This was all thanks to the help of one savvy community manager. Nice work, Anna.

## Growing Social Relationships

So, hopefully you are beginning to see that social media requires a people-centric approach for both delivering and managing it within your business. Once you master this mindset, it’s imperative to find ways to judge the value of your social relationships to determine which people can help you and which are better at helping each other. That’s where the metrics come in. Metrics can help you to discern relationships that work and those that don’t. They can also give you a sense of where you need to focus and how to accomplish your social objectives. Yet, it’s also about the strength of your relationships and how far and wide they go. It’s my belief that the social graph will play a profound role in identifying individuals and how important they are to any given initiative. If you think about social media across your owned digital properties as a web of interconnected relationships, that’s just the beginning. The social graph extends well beyond your control to the farthest reaches of the Internet. The attitudes, affinities, and ties between individual relationships will provide immense insights into how consumers relate to one another and how their behaviors can be influenced by their social graph.

### HARNESSING THE SOCIAL GRAPH

Mark Zuckerberg, founder of Facebook and *Time* magazine’s 2010 Person of the Year, is credited with coining the term “social graph.” He used the phrase to describe

relationships between people and ultimately his vision for the Facebook platform, of connecting people across the globe. Yet, Brad Fitzpatrick originally defined the social graph as “the global mapping of everybody and how they’re related” in his 2007 blog post called “Thoughts on the Social Graph” (<http://bradfitz.com/social-graph-problem/>). With the explosive growth of Facebook, over half a billion users, and a rapidly burgeoning Facebook Connect, it’s quite possible that Facebook could own the social graph. But this manifestation of the social graph and others, such as Google’s social circle, means that connectivity will affect your brand because it’s ubiquitous.

Yet, the social graph isn’t about Facebook or Google or Orkut or any single social network. These are enabling technologies that allow consumers to connect with one another using social media. The challenge today is that there are too many choices for how to interpret social graphs and where to apply them to business. Jeremiah Owyang summarized the issue way back in 2007 in a blog post he called “Explaining what the ‘Social Graph’ is to your Executives” (<http://www.web-strategist.com/blog/2007/11/10/what-is-social-graph-executives/>) as follows:

The Social Graph is the representation of our relationships. Today, these graphs define our personal, family, or business communities on social websites. Unfortunately, we’re duplicating our same Social Graph on multiple websites, resulting in inaccurate data and time spent managing it. Despite many challenges, our Social Graphs should be self-managed from a single trusted source, replicated to websites of our choosing, thus resulting in accurate, efficient, relationship management.

Social graphs have the ability to relay information about individual users and the networks of people that they associate with. As Jeremiah points out, one challenge is that social graphs are often replicated across multiple networks, creating seemingly more information when in fact much of the data is duplicated elsewhere. Yet, despite the fact that multiple social graphs may exist, the value of the social graph for a business lies in the ability to recognize a connection between individuals and their social graph. For example, a group of people may be included in a common social graph simply because each individual “liked” a brand’s new social media campaign. These individuals don’t know each other, but they’ve explicitly (and publicly) indicated an interest that links them to each other. As a marketer or data scientist, you could begin to explore this information and look for other similarities within the data to identify segments of the social graph that are most likely to purchase, those that are affluent and likely to become valuable customers, or those that indicate behaviors that are indicative of less profitable customers. This information can empower you with knowledge about how to market to these different segments of individuals and which social networks they’re most likely to spend time on.

► Think about social media across your digital properties as a web of interconnected relationships.

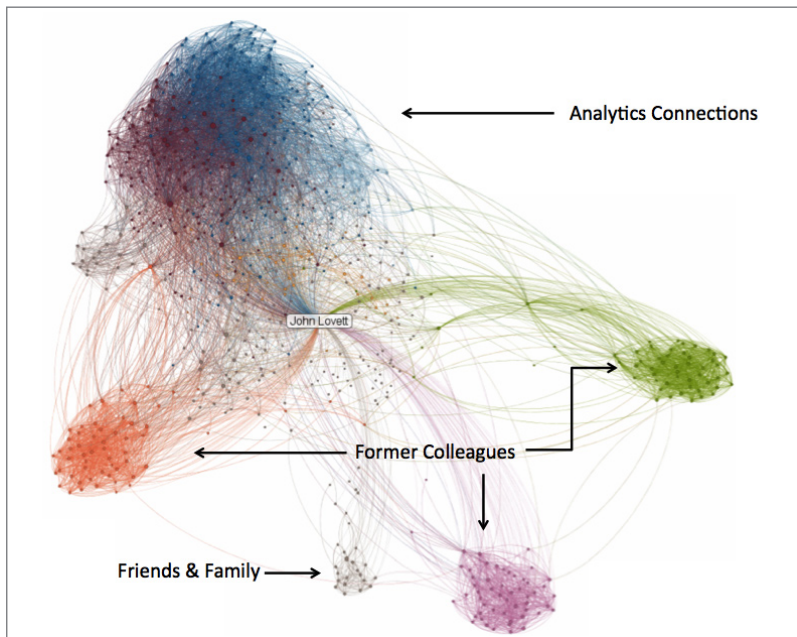


► Check out the social graph InMaps and other cool stuff at LinkedIn Labs:



In other cases, you might have information about an individual's social graph like the one depicted in Figure 3-4. This is a visualization of my personal social graph from LinkedIn (visualize yours at <http://inmaps.linkedinlabs.com/>), and it makes sense to me because I know *how* I'm connected to each of the individuals on this visualization. The majority are connections I've made from my work in analytics and measurement, yet I've also got pockets of former colleagues that represent networks of individuals. Additionally, you can see that my social graph of actual friends and family as represented here on LinkedIn is quite small in comparison to the other groupings of individuals. While this all makes sense to me because I know these people represented on this visualization, as a marketer or measurer of social media, your job is to find the connections between different nodes and the strengths of those social connections on any individual's social graph. Once you hold that nugget of information, then you can start to leverage the power of the social graph to strengthen the connections between people and your brand by keying into their interests and behaviors.

**NOTE** Recognize that bonds between individuals within any social graph carry varying degrees of strength that aren't always readily apparent in digital communications. My ties to friends and family are stronger than my ties to business acquaintances, yet a social graph visualization doesn't reveal this fact.



**FIGURE 3-4:** A visualization of a LinkedIn social graph and the context for each node.

The relevance of the social graph becomes immediately apparent when you identify the context of the graph and the information contained within it. Thus, by recognizing that each of the individuals connected in the top grouping in Figure 3-4 have analytics in common, you can begin to utilize that information for marketing purposes. Moving forward, this contextual relevance will have a profound impact on marketing and business as people inevitably become more interconnected through social media. Early signs are already appearing. If you've been paying attention to Facebook advertising lately, you may have noticed ads popping up with your friend's faces next to them. The savvy marketers at Facebook determined that seeing your friends' avatars next to advertisements that they "liked" significantly increases the chances that you'll click on the advertisement as well. That's using the social graph.

## RECRUITING COMMUNITY MANAGERS

Here's an analogy. Imagine, if you will, a party planner. A good party planner starts with an idea and shapes it into an event. This requires understanding not only how to effectively plan a party, but also what topics, themes, elements, and people go together to ensure that guests enjoy themselves and all have a good time. Regardless of the occasion, party planners must think about many details that will ensure a successful event, from planning the timing of the event, the desired attendees, the entertainment, and numerous other details right down to the flavor of cake served at any good party. And planning the party is typically only where the work begins. During the event, the host or hostess is quickly consumed with greeting guests, making introductions, and sparking conversations by finding commonalities among attendees.

Community managers are much like party planners in that their jobs require diligent planning and tireless effort. But unlike party planners, who typically receive respite following a big event, social media community managers aren't so lucky. During my research on community managers I caught up with Connie Benson, Director of Community Strategy & Social Media for the vendor Alterian SM2. Connie was fresh back from a trip to India, where she had been doing some training, and she shared with me some secrets about the day-to-day responsibilities of a successful community manager.

Connie dove right in and began explaining that a key role for any community manager was to facilitate the cultural shift internally within an organization by training the staff and empowering employees to use the social web. Immediately I was puzzled because I thought that being a community manager is all about interacting with the outside community, but here Connie was explaining to me the

► Being a community manager isn't all about interacting with the outside world. The first task of a good community manager is often evangelizing for social media within the organization.

importance of circulating within an organization and floating between business units to evangelize for social media. As we talked it became apparent that this made complete sense. The business needs to understand social media and the ways in which it can be used to connect with consumers. And this works best if the internal communications occur before interacting with actual consumers.

The community manager is the liaison between the business and consumer and effectively knows both. They make the introductions. In a traditional lead-generation organization, a sales team may set up hundreds of meetings and convert only a small fraction of those meetings into business. When interacting across social channels, salespeople can tune in to the conversation and approach prospects at the right time during their buying cycle, which can be entirely more productive. Connie explained that community managers can help to identify these prospects and recognize when they're ripe for the picking. Once an organization begins to see the effectiveness of this type of sales approach, they begin to fully embrace social media as a feeder channel for their business.

Measuring these activities is largely dependent upon the team—for sales, it may be more qualified leads, or for product marketing, it might be new ideas. Yet, the role of the community manager is to determine how each internal team within the business might benefit from social media. In an ideal world, a community manager would know everything about every product to identify marketplace cues and conversational chatter that might be relevant to a specific part of the organization. But in the real world that's nearly impossible, so empowering the staff about the capabilities of social media and training them what to look for is a realistic and infinitely more scalable approach.

Most community managers and social strategists will find that they need to interface not only with consumers and their internal peers, but with their agencies as well. Depending on who your company works with on the agency side, you may find that they're either very innovative with regard to social media or decidedly traditional. Traditionalists may try to sell you ideas and even create blog posts for you and suggest that you submit them to your community as byline articles. Yet, according to Connie, this is a bad idea.

- First of all, it treads pretty close to deceit (see the previous information about deceiving your customers).
- Secondly, it's unlikely that their style will adhere to your own.

Other issues arise, such as who will respond to the comments. The agency? You? Rather than taking this approach, Connie suggests that a substantially more effective alternative is to connect the agency with a specific line of business to determine their needs and develop a social media story around the product. In fact, Connie's secret belief is that the future for public relations is that they create the story and use social media as the distribution channel. The role of the community manager is to ensure a genuine fit with the brand and to make the connection between internal teams and the agency. This method shifts the burden of work from the community manager and succeeds in getting the business directly involved with social marketing programs. If done correctly, this approach can produce very **effective content that resonates across social media.**

► Good things happen when content is genuine and not placed.

When it comes to metrics, community managers in many cases default to the lines of business that they support. In the role of liaison, the community manager simply looks to make the match and then gets out of the way to allow the newly introduced parties to do their thing. Yet, according to Connie, if there was one single underlying metric, it would be brand visibility. She stated, "Without brand visibility what are you? In my company our executives want more and more brand visibility...so that's my KPI. And I'm trying to empower my people to talk to me and to each other to help increase it."

Connie went on to talk about soft metrics (brand visibility) versus hard metrics (revenue) and described how she works to relate the two. By showing increases in conversations from last quarter to this quarter, Connie can demonstrate which of the company's social efforts are working. With data as evidence, no one argues that it's not. And by overlaying this data with sales revenue and making correlations where there are spikes, it becomes really compelling. Of course, in B2C organizations with short sales cycles, this is substantially easier, but it's still possible to do in a B2B sales environment with a sales cycle that extends 6 months or longer. Fundamentally, using social media facilitates a shift in strategy for many organizations. It's a shift from outbound cold calling to warming up leads and enabling them to easily find inbound avenues. With enough inbound volume that's tuned in to relevant and timely messaging, some companies may be able to discontinue their cold calling entirely. Yet, this will only happen in organizations that are connected to their prospects and customers across social channels in a very meaningful way. Community managers can play an integral role in seeking out these connections and hooking their audiences.

## CELEBRATING BRAND ADVOCATES

A whole lot has been written about social media influencers and brand advocates, but when it comes to growing your social media relationships these two groups are likely to be critical to your success. The distinction I make is this:

- ▶ **Brand advocates** often have no official connection to the brand except that they are product users.
- ▶ **Social media influencers** are often individuals who have been sought out because of their ability to sway a specific audience toward a given predilection.

Although influencers may hold an audience, brand advocates typically hold passion. This passion is often very contagious as it spreads through the power of word of mouth. Advocates are the ones who will recommend your product to friends and relatives without provocation. They also tend to write reviews and offer support to their social networks without any thought of compensation or recognition. These characteristics can be an extremely powerful voice for your brand because they typically have no bias and almost always reflect the authentic and genuine attitudes of individuals.

Companies engaging in social media are beginning to embrace their brand advocates because they are extremely powerful allies. At a time when consumers are bombarded by advertising from every channel, the last thing they need is more marketing speak directed at them. Research conducted by InSights Consulting found that among consumers surveyed, the most credible sources of social media information about a brand are fellow consumers. No surprise here. But after their peers, consumers look to the brands themselves. This actually represents a migration from previous thinking indicating that brands are gaining credibility within social channels. Next on the list of sources of credible information, the believability meter sinks dramatically to journalists and then marketers, finally sinking to competitors. Brian Solis writes about this in his blog post “In Social Media, Consumers Offer Rewards to Deserving Brands” (which you can find at <http://www.briansolis.com/2010/05/in-social-media-consumers-offer-rewards-to-deserving-brands/>). It shows the credibility slide of trust where consumers listen to each other first. Yet, if you’re a brand manager, take this as a good sign, because you may have a fighting chance. Nonetheless, consumer advocates still dominate the credibility factor and as such, they’re people you want on your side.

If you want an example of a brand that has enthusiastic brand advocates, check out LEGO. Figure 3-5 shows the LEGOFan homepage (<http://shs1.org>). It’s a non-sponsored, non-authorized, non-endorsed, “official fan-created LEGO site.” These

▶ Building trust is a key social marketing function where Advocates and Influencers can help.

fans have taken it upon themselves to build and maintain a site dedicated to their passion of stacking tiny blocks. Here, you can join a LEGO User Group (LUG), find out about the latest news on LEGO video games, or recover building instructions to your long lost LEGO set. Now that's dedication! But LEGO isn't sitting back and letting their brand advocates do all the work. The LEGO Group recently launched its own LEGO Click community that brings together inventors, explorers, tinkerers, artists, and idea people of all ages. They're embracing social media by linking out to both Twitter and Facebook, while also providing an iPhone app that will turn your photos into LEGO creations.



The screenshot shows the LEGOFan.org homepage. At the top left is the logo, which consists of three stylized human figures in blue, red, and yellow, followed by the text "LEGOFan" in a large, bold, black font. Below the logo is a navigation bar with five tabs: "GET STARTED", "NEWS", "HOT TOPICS", "LINKS", and "AMBASSADORS". The main content area features a four-panel comic strip. In the first panel, a male LEGO minifigure asks a female minifigure, "IT'S INTERESTING HOW PEOPLE CAN BE SO LOYAL TO A PARTICULAR BRAND." She replies, "WHAT DO YOU MEAN?" In the second panel, he lists various franchises: "WELL, FOR EXAMPLE, THERE ARE PEOPLE THAT THINK FORDS ARE BETTER THAN CHEVYS, MACS ARE BETTER THEN ACS, COKE IS BETTER THAN PEPSI, MARVEL COMICS ARE BETTER THAN DC COMICS..." In the third panel, she replies, "OH RIGHT, AND YOU LEGO FANS AREN'T LIKE THAT AT ALL?" He replies, "NO..." In the fourth panel, he is cheering with his arms raised, saying, "WE THINK LEGO BRICKS ARE BETTER THAN EVERYTHING!"

**Welcome to LEGOFan.org!**

We are a web portal dedicated to helping adult fans of LEGO become more involved online and offline. Check out our [Get Started](#) section for more information about other websites, events, and groups created by fans like you!

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FIGURE 3-5: LEGOFan official fan homepage.

## Bringing It Back to the Business

When it came time to connect all the dots and see how companies are actually executing within their respective businesses, I called on Eric Beane, who is the Director of Analytics & Optimization at the agency VML, to gain his perspective. Eric put me in touch with James O'Malley and Mikey Cramer on his Emerging Media Team in New



York. They work with brands like SAP, Hershey's, and Gatorade to help develop, execute, and measure social media campaigns. The team tackles a broad range of activities ranging from activating events across social media to guiding the overall social strategy for their clients. They work to quantify their efforts using metrics, which they monitor on behalf of their brand partners.

One of the key secrets that the Emerging Media Team shared with me was that despite meticulous planning and diligent efforts, the social media metrics they create tend to change over time. For them, it's an iterative learning process because the tools, metrics, and initiatives are changing constantly. They use metrics to drive content strategy and media buying, but as much as their efforts are working, they succeed because they look at data from many perspectives and can evolve to meet the flow of ideas and initiatives stemming from their clients. In some cases, this is challenging because many brands have multiple sub-brands, and the target market for each one is very different. What works for VML is identifying content that drives specific conversion events. Whether it's an actual online conversion that includes a transaction or simply a conversion like consuming content, registering for an event, or sharing with another individual, they focus on measuring these consumer activities.

One of the challenges that VML has with some clients is that they want to correlate social media numbers to their traditional measures of success, like television ratings. Although some brands are beginning to include calls to action in TV ads that include vanity URLs for Facebook Fan pages, measuring the direct impact of online social activity from television is still largely a harlequin's trick. Instead, teams can establish baseline measures for normal traffic and growth patterns and evaluate that against time periods when non-digital campaigns are active. Additionally, using advertising data, they can determine markets where ads play and map those against web traffic as identified by geography. Using these tactics, brands can begin to understand the impact that television and other media have on digital channels.

Although VML works with some of the largest and most sophisticated brands on the planet, sometimes there is a disconnect between the organization and the social media managers within it. The social managers are typically very engaged with the agency when it comes to planning the metrics for measuring the success of every initiative before things go out the door, but the rest of the organization isn't always as cooperative. At times, campaigns launch without tracking codes or campaign IDs in place, thereby making measurement extremely difficult. When situations like this occur, the VML team has to scramble to get the right metrics and tracking in place because ultimately measuring this stuff is their responsibility. Although these are worst-case

► Metrics change over time! Don't get stuck in your ways and be prepared to modify and optimize your measurement efforts.

scenarios overall, clients who work directly with the agency tend to get it, but in many cases at the company-wide level, their organizations are not there yet.

One of the tools that VML uses to help their clients activate their social organizations is communication of metrics through dashboards. They develop and use their own custom dashboards such as the one depicted in Figure 3-6. They develop these dashboards by talking to clients and determining the best ways to display information according to their key performance indicators. This typically involves several data views including an executive overview, a marketing channel view (which includes social media, e-mail, Facebook, searches, and so on), and then a performance view that demonstrates success. Dashboards are extremely useful and relevant for VML clients in supporting their strategies because they are developed using the same language that their clients use and include specific measures of success that apply across the business. Using these tools, marketing managers can evaluate the impact of social media activity resulting from a newsletter drop or isolate individual user segments to determine the success of Facebook ads by demographic characteristics.

► Organizations often launch campaigns and expect metrics to magically appear, when really analytics pros have to make metrics happen. Don't launch an effort without measures of success; plan ahead and collaborate on metrics and measurement tactics.

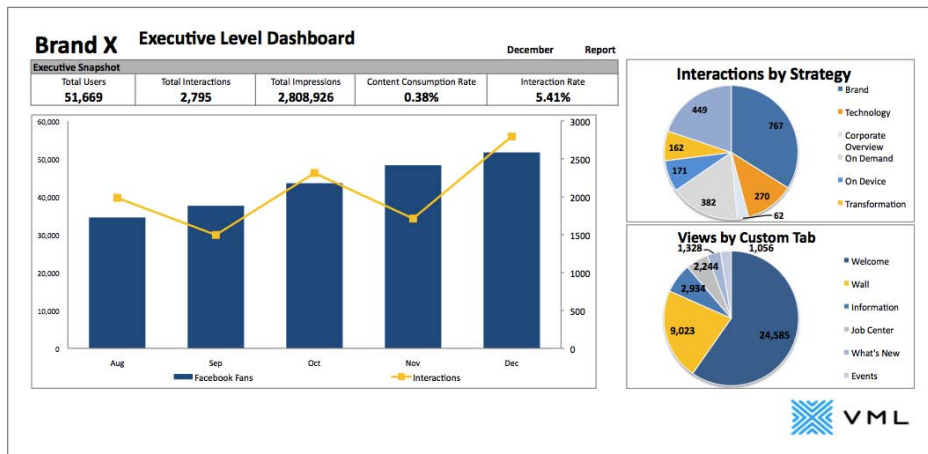


FIGURE 3-6: An example of VML's custom executive level dashboard.

When I asked the Emerging Media Team at VML to share some thoughts on what lies ahead for digital measurement across the spectrum of clients they work with, the immediate answer was “mobile.” More and more mobile devices and social mobile applications like FourSquare are changing the game for social media measurers. Incorporating the logistics of mobile into their strategies in terms of how it's reported, and how these location-based services are overlaid onto other metrics, starts to show very interesting trends about customers and the networks that they're in. Yet, for most brands the lines are blurring between mobile, social, and fixed web properties.

Increasingly, it's about the ability to provide a brand health report that reveals metrics from multiple channels. Although clients may request a seemingly simple social media report, there is data hidden behind overlays that provide web analytics traffic information, sales data from another system, and customer profile information from yet a third solution. More and more, their job is about breaking down data silos and convincing organizations to look at data holistically, rather than isolating success in individual channels.

## ORGANIZING FOR SOCIAL MEDIA

As you work to activate social media within your organization, it's a good idea to start with an honest assessment of the challenges that lie ahead. For some, instituting a social media program will be a joyous occasion that meets with widespread acceptance, whereas others will undoubtedly meet with resistance and criticism. In reality most companies fall somewhere in between, but understanding the organizational allies you have and where internal detractors reside will allow you to navigate the corporate ranks more easily. Additionally, depending on where social media fits within your company, you'll have to know whom to influence and who's likely to understand what you are working toward. In nearly every case, someone needs to champion the cause for social media and, more specifically, for social media measurement to ensure that programs have the greatest chance of making it out the corporate front doors.

In my experience, this is an educational journey at every step.

1. First you need to educate the organization on the big picture of social media and how it's changing the world around you.
2. From there, it requires a game plan to determine how your organization—whether large or small—will contend with these changes.
3. And then of course, once your plan is under way, you will continually need to reiterate the values and demonstrate the fruits of your efforts.

Using metrics allows you to do this more easily because metrics become the proof points that indicate where you were yesterday and where you are today. Further, they can also be used to indicate where you're headed. But many companies still need a wake-up call to jump start their thinking and to spur them into action. For the individuals who lead these organizations, I wrote the following letter to the C-Suite.

## DO YOU EVEN KNOW YOUR CUSTOMERS?

This letter originally appeared in Exact Target's "10 Ideas to Turn Data Into Results" report. It's part of their "Letters to the C-Suite" series and this is my letter.

To The Executive Team:

Do you even know who your customers are anymore? Chances are you probably don't. You catch fleeting glimpses of them as they open your emails or pop onto your website for a quick visit. You might even momentarily engage with them when they drop into your store to browse around or see your products firsthand. Or maybe you meet them ever so briefly as they feign interest in your brand by "liking" something you posted on Facebook. If you're doing it right, your business is collecting feedback across many customer touch points.

But you only really hear them when they shout from the rooftops, irate and full of vim. That's probably where you begin to learn what's on their minds. But do you even know that it's the same person who was showing you all that love during your last promotion? Probably not.

In actuality, few companies really know their customers. Whether your customers are end users or other businesses, how they interact with your brand, where they discover new information, and how they communicate are changing at an astounding rate. Customers are increasingly unaffected by traditional marketing conventions, and their tolerance for redundant messaging, static content, and conflicting brand information is nonexistent. They don't see your organization like you do—in departmentalized silos of categories, products, business units, and operating divisions. To them, you're just that brand they either love, hate, or treat with ambivalence. That is, until you knock their socks off by impressing them with your service, support, and relevance. Yet, to really deliver value to your customers, you need to get to know them. This starts by remembering the interactions you have with them and building off of these activities.

Digital communication is the new reality, and treating customers through digital channels is synonymous with how you'd treat someone you meet in person. Listen to what they're saying and respond with appropriate dialogue. But most importantly, remember these things (because upon your next conversation, your customer might just remember you).

(continues)

## DO YOU EVEN KNOW YOUR CUSTOMERS? *(continued)*

Your memory of customers exists at the database level. By maintaining customer profiles and appending them with attributes that contain history, activity, and propensity (among other things), you can truly begin to have meaningful interactions. To do this effectively, the database must contain information from all your touch points.

This includes transactional systems, web analytics, call centers, mobile devices, social media, ATMs, stores, email systems, and whatever else you're using to reach out. Bringing your data together through integrations enables you to achieve a holistic picture of your customers. A little scared by this? Well, you should be.

Customer behaviors are going to fundamentally change the way you engage with your audience. If you're not equipped, they're going to take their conversations (and their wallets) elsewhere. By integrating your data, you open opportunities for new customer dialogues.

Take my word for it—it's happening now.

Your Agent For Change,  
John Lovett

## Selling Social Media Internally

I had the good fortune of hearing Lizzie Schreier of Allstate Insurance speak on a number of occasions. Lizzie tells a fascinating and entirely entertaining account of activating social media in a highly regulated, risk adverse environment such as the one at Allstate Insurance. A few years back, the organization made a commitment to become more focused on its customers and to enable them to connect with one another using social media. At the time, Lizzie was part of the web team and became the internal champion for developing the organization's first social media experience.

Lizzie's undertaking meant that she had to find a way to institute social media that would adhere to the high standards of the Allstate brand and conform to the requirements of the insurance industry. As such, she determined that the best place to start was to get legal on board by getting them comfortable with the value that

social media could bring to the organization. According to Lizzie, the legal team at Allstate is top-notch and their thorough understanding of the risks and rewards associated with social media was a prerequisite to getting any idea or initiative off the ground. When I talked about her process, she commented that the rigor of the Allstate legal team made her step up her game to develop a compelling case and to formulate a bulletproof social media strategy before any outbound communication ever occurred.

Lizzie informed me that she approached her task of seeking internal approval for social media by planning things in bite-sized pieces. Doing this made the moving parts of her social media strategy easier to control and easier for others to understand. While she had formulated a long-term vision of what the big picture looked like, she also knew that she was only capable of taking on so much at one time. Part of this strategy was introducing social media in business-friendly terms. Lizzie exemplified by telling a story about scheduling an initial meeting with the head attorney to discuss the concept of a new message board that she was thinking about. Going into the meeting, Lizzie wasn't sure what to expect so she hoped for the best and prepared for the worst. The topic was certainly of interest because the short meeting Lizzie intended drew significantly more attorneys than she expected. But instead of trying to bulldoze them into a social media plan complete with buzzwords, PowerPoint slides, pros and cons, and amazing benefits that the organization would realize, Lizzie did something revolutionary. She simply talked to them. She went in and started a conversation about social media to determine how much the legal team knew about it, what their fears were, and what she needed to do to assuage their concerns. She also knew that because Allstate hadn't participated in social media previously, there would be hesitation. Thus, she looked at it differently and instead of walking into the meeting with her social media guns blazing, she associated social media with "content syndication" and other terms that the legal team was already familiar with. When she was satisfied with her initial fact-finding mission, she adjourned the meeting and left to revise her strategy. But not before she fully understood what the lawyers viewed as red flags when heading into social media.

**NOTE** Visit [http://bit.ly/Allstate\\_TwitterStream](http://bit.ly/Allstate_TwitterStream) to see Twitter comments that posted during Lizzie Schreier's eMetrics presentation.

As it turns out, social media has some serious implications for industries like insurance because if individuals deliver and take advice from one another on a company-hosted web site and there is ever a tragedy that occurs, the company could be legally responsible in a court of law. Thus, this first meeting was very valuable in

refining the social media strategy because Lizzie was able to see from the legal team's perspective, work within their guidelines, and get things approved more quickly. Armed with this information, Lizzie developed a plan and formulated an education strategy that would enable her to gain buy-in for the social program and indoctrinate the Allstate staff on what it means to participate and actually connect users to one another using social media.

The new program was dubbed "Syndicated Content for Organic Search," which was entirely brilliant, because a "social media" program didn't align with corporate culture and could have been denied before it ever got off the ground. In Lizzie's wisdom she realized that to get the program moving, she needed to not only exemplify the benefits that Allstate would receive, but also emphasize that it would flourish through organic growth. This was her method of communicating to her internal stakeholders in a language that they understood, a language that also indicated that customers would be involved in growing the social media program. Since the legal team was already familiar with SEO, an effective program that had shown great results for the organization in the past, she hitched the two together. While this may seem like a stretch, really the social aspects of creating the message board that was Lizzie's initial plan truly was syndicated content, and it would ultimately be searchable.

By collaborating with her legal team and other internal stakeholders, Lizzie discovered what the lawyers were concerned about and how they needed to manage social media in order to protect their assets and the Allstate brand. So she did her homework and uncovered nice examples that explained what she was talking about, using comparable industries. By selecting businesses that were similar to insurance in terms of the issues that they might have to deal with, she built a compelling case. And looking at those other industries and explaining with examples helped to elevate their comfort level. Her strategic plan included setting up guidelines, defining terms, and creating filters that legal was 100 percent comfortable with. She went on to identify things to look for and point out potential red flags. This strategy also included an escalation procedure borrowed from pre-existing e-business teams at Allstate. The legal team was instrumental in helping other areas of the organization to build processes for handling customer complaints, so Lizzie jumped on the chance to leverage their processes and guidelines—this was a comfort zone for legal because they helped create them. All this happened before anything went live.

Through diligent planning and by getting to know her own organization, Lizzie was granted approval to proceed with her plan to develop the site that appears in Figure 3-7. Syndicated Content for Organic Search was launched with the approval of leadership and legal. The kicker was that you couldn't talk about insurance on



the insurance forum. For the first few weeks, people talked about vinyl siding, potty training, and all sorts of topics that had nothing to do with insurance. But after a month or so, there was talk about insurance. During this time the team began to grow comfortable with the concept, and Lizzie was diligent about feeding them information and reports on the progress of the effort. She realized that in order to continue with the program and keep it running, she had to establish a trust level. When there was a problem, legal needed to know that she was there and accountable with a plan, a goal, and a benefit. Once it was live, the proof of what was happening and constant communication made the program work.

So here's the recap:

1. Do your homework.
2. Educate your audience.
3. Tailor your language for internal stakeholders.
4. Walk before you run.
5. Prove, communicate, enhance, repeat.

The screenshot shows the Good Hands Community website. At the top left is the logo and tagline "Good Hands™ Community brought to you by your friends at Allstate". To the right is a login section with fields for "Username" and "Password", and buttons for "Login" and "or Register". Below this is a navigation bar with links for "Help", "Email Preferences", "Agent Search", and a search box labeled "Search all content" with a "GO" button.

The main content area has several sections:

- Navigation Tabs:** All Things Wheels, Daily Spending, Making a Difference, Personal Finance, Events.
- Connect. Share. Learn.:** A blue box with text: "Welcome to the Good Hands™ Community. Lend your voice. Share your thoughts. Express your opinions—about topics that matter to you. That's what the Good Hands™ Community is for, and that's how it will grow." Below this is a "LEARN MORE >" link and a small image of a group of people.
- Ask the Community / Start a Discussion:** A form with the text "Share your story, or get your questions answered by community members." It includes radio buttons for "Question" and "Discussion", a text field for "Enter title...", a dropdown for "Choose a topic...", another dropdown for "Choose a category...", a text area for "Enter question / discussion...", and a "Post" button.
- ANNOUNCEMENT:** A dark blue banner with white text: "ANNOUNCEMENT: Please check out our new Terms of Use and Privacy Policy. Show Details".
- Recent Discussion Activity:** A section with "View All" and "Add New" links. It lists four recent discussions:
  - "What are you thankful for?" 1 day ago in Making a Difference by siteadmin04
  - "Allstate Forecasts" 1 hour ago in All Things Wheels by siteadmin04
  - "old" technology 1 hour ago in Daily Spending by siteadmin04
  - "Life Insurance" 1 hour ago in Personal Finance by siteadmin04
- Recent Blogs:** A section with "View All" link. It lists four recent blog posts:
  - "Keys to Successful Corporate Presentations" 1 hour ago in Making a Difference by siteadmin04
  - "Teen Driving Safety at Night" 1 hour ago in All Things Wheels by kristahoffman
  - "Needs Wanted" 1 hour ago in Daily Spending by rogerichang
  - "DIY Apartment Decorating and Furnishing" 1 hour ago in Personal Finance by kathyd

FIGURE 3-7: Allstate Insurance community site.

I offer this story about Lizzie and Allstate primarily because I found it entertaining and because it worked for her. Keep in mind that this may not work for you. There's lots of great advice in here, but Lizzie was successful because she took the time to understand her company and determine how social media would fit within their organizational guidelines. If your business has fewer limitations you may have an easier time, or perhaps there's more you have to contend with. In either case, this is an example of a well-planned approach.

## Finding a Home for Your Social Programs

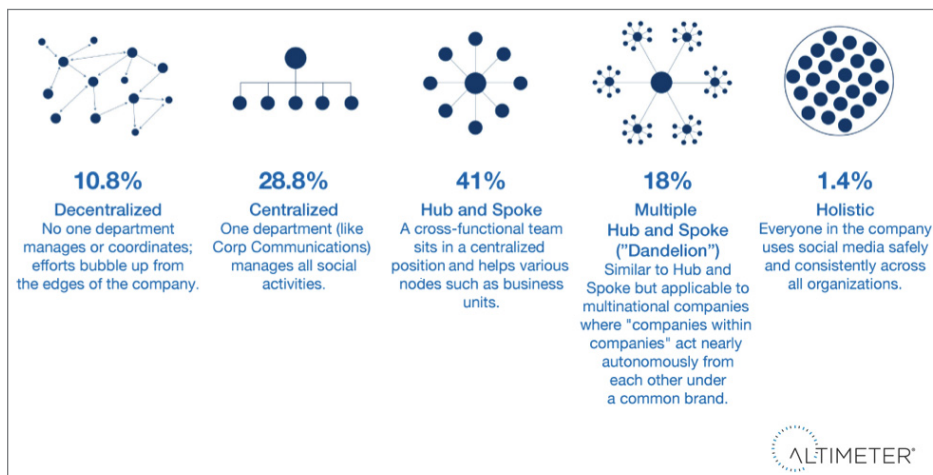
► Because social media encompasses all aspects of your business, no single department or team should own it. Instead, implement social media as a shared service.

A lot of people ask me where social media should live within the organization. I often get this question about more traditional digital measurement functions as well. And the short answer is that no single department or team can—or should—own social media. It's bigger than any individual group because social media will encompass all aspects of your business. Although marketing may be the first to grasp the flash of social media, it will pervade public relations, customer service, human resources, market research, IT, and the legal department of your organization. It's not a question of where it should live, but rather it becomes a question of how social media can become a shared service across your entire business.

Building this shared service requires that social media managers work closely with many groups across the organization. Although social media activities may be the outward-facing efforts that consumers see and interact with, they should be orchestrated internally to ensure that they reflect the goals of the organization and match the agendas of disparate groups across the company. Operating in this way mandates that programs launch with consistent frameworks and measures of success in place so that companies can quantify their efforts and track the results of social media. This is important because all too often, measurement is an afterthought and analytics pros are discriminated against as “those web guys,” who operate at arm's length from the business. In these unfortunate cases, which I see a lot of, digital measurement is perceived as a skunkworks project that would be lucky to kick out a few innovative ideas. Yet, in reality, the success of many social media programs is determined by teams of centralized resources that understand how technologies work, and more importantly, how consumers interact with the outbound efforts. And most definitely that success is quantified by the metrics that are inherent in well-designed programs. The alternative is launching programs without indicators of success and questioning whether any given effort had an impact on the organization. Not a good way to operate.

Organizations that do leverage a centralized team of resources effectively manage social media efforts across the entire company. This team typically works with different lines of business to shape their ideas for reaching customers in new and innovative ways using social media. Oftentimes, ideas can work congruously with existing programs already in the field, thus creating efficiencies and leveraging existing networks. By managing social operations through a centralized resource, organizations have the ability to see the big picture of social efforts to ensure the most effective opportunities.

Jeremiah Owyang conducted some fascinating research on this topic by interviewing 140 corporate social strategists to ask where their social media programs reside within their respective organizations. Not surprisingly, marketing was the number one answer, followed by corporate communications. However, what was most interesting in his findings was the organizational structures applied at these companies. Figure 3-8 illustrates the five ways that companies organize for social media. The most popular and the one I suggest using is the hub and spoke model. This construct employs a centralized team of cross-functional social media resources that manages technologies and processes while supporting the lines of business as spokes. The hub effectively acts as a Center of Excellence and distributes knowledge, information, and best practices to the supported business units within the spokes. Following the hub and spoke model, companies use centralized (29 percent), multiple hub and spoke (18 percent), decentralized (11 percent), and holistic (1 percent) models to manage their social media efforts. Jeremiah does a marvelous job of explaining his findings in great detail in his research and on his blog (<http://www.web-strategist.com/blog/2010/11/09/research-most-companies-organize-in-hub-and-spoke-format/>). I highly recommend that you take the time to read his work.



**FIGURE 3-8:** A centralized/decentralized social media operations construct.

Ultimately, there's no single place that social media will fit within every organization. In some cases, marketing owns it because they're using social media in the most outward-facing ways. In other cases, public relations grabbed it because they were supposed to be good at interacting with the public. But for many companies, the answer to where social media should live within the organization can be answered by a cross-functional steering committee that governs the Social Center of Excellence. Organizations that use this construct for the measurement and management of their social media operations gain a global perspective on performance and impact across their companies. It's a system that enables continuous monitoring and response that places accountability on every part of the organization by having a designated representative that takes part in the planning and activation of social programs. This certifies that all parts of the business remain informed about social media initiatives and that each has a say in their execution. Granted, this situation won't work for all organizations, but for those that need to force collaboration and dictate participation across a diverse group of people, it is a viable answer. The challenge is ensuring that decisions get made at the governance level and that there is an execution function with adequate resources to actually do the work required.

## Integrating Social Media within the Enterprise

There are a great many ways to integrate social media within your business, but success will largely depend on the corporate culture inside your company. Hopefully, the fact that you are reading this book means that you're ready to take the corporate plunge and are amassing a case to demonstrate how social media can impact your entire organization. But a critical step in the process, as demonstrated by the lessons learned from big brands cited in this chapter, is that training and education must be a part of the process.

As I was reflecting on stories and experiences of how to integrate social media within the enterprise, I called on my good friend Judah Phillips to gain insights on his experiences working within large organizations. Judah is a digital measurer extraordinaire and has unique experience managing analytics at some of the world's largest media and Internet companies. We agreed that education is a big part of successfully incorporating social media within an organization. Yet, one of the secrets that Judah shared with me was that training and education in social media is both an in-work and out-of-work activity. In-work activities include understanding why the business is using social media, the strategy and tactics, the goals, the team, the stakeholders, the tools, and the measures. Each of these things helps an organization assimilate social media and develop a level of assurance that the activities are contributing to the success of the business.

► Social media is still new to nearly everyone. Prudent businesses will take the time to understand what they're getting into so that their practices don't wind up on a list of what not to do with social media.

Yet, outside activities enable organizations to see how social media is transforming the ways consumers interact with businesses. This includes understanding how social media is playing a role in macro business strategies through experiential learning. In contrast to the inside view, where the business develops assurance that social media is helping the cause using metrics and pragmatic means of validation, outside activities assuage fears about the uncertainties of social media by establishing a level of comfort through utilization. As social media in the form of networks, applications, and location-based services pervades our daily interactions, the importance of these solutions becomes more apparent. What this means is that the more exposure managers, directors, and executives have to social media in their daily lives, the more comfortable they will become with utilization of social media in business.

As I steered our conversation back to metrics, I asked Judah how social media measurers can communicate the value of social media within large enterprises. He began by offering that from a measurement perspective, you need to ensure that the social media metrics are defined, standardized, and agreed upon by consensus. This means working within a construct (similar to the hub and spoke model) where collaboration between brand managers and social media measurers is not only possible, but paramount. Additionally, Judah went on to say that your metrics must be accurate and verifiable. If you are providing access to tools with data and reports, you need to ensure people are trained to use the tools and understand the data and how to interpret the reports, or at minimum have access to well-resourced analytical teams to do so. This alignment is key to ensuring consistent understanding of the data. Within any organization, as the social media measurement strategy evolves and new people participate, strategies and tools change, training activities and overall corporate resourcing for social media need to accommodate.

When I pressed Judah about communicating the value of metrics and data across the enterprise, he shared that value is communicated across two dimensions: brand and direct response. According to Judah, modern Internet companies have little choice but to participate at some level in social media. Thus, the impact on the brand is measurable at the simplest levels (followers, fans, percent of social media–exposed unique visitors), but is still hard to measure in the context of multiple channels. For example, social media “fans” may likely engage with your brand with or without social media, thus how do you understand the incremental impact of social media on an established brand—and how do other channels (such as paid search) impact and/or complement it? Judah communicated that the contribution of social media needs to be understood “incrementally,” because 80 percent or more of your customers in the social channel may likely buy from you regardless of social media, and the majority of them probably already know your brand.

Judah went on to say that direct response is easier to communicate because you can measure registration, membership, conversion, revenue, and profit contributed directly from social media—in the context of first or last click or other attribution models. Where direct response for social media gets trickier is trying to estimate the incremental impact across a multichannel marketing mix—in other words, attribution across multiple advertising exposed touches during a given time period.

Based on our conversation, we agreed that the way you communicate social media within a large enterprise is:

1. Carefully
2. Within context
3. Based on business need
4. Focused on incrementality
5. Dedicated to improving profit or brand equity

Typically a business needs to create internal alignment to agree on what constitutes critical information about social media. Do this first at the highest levels and then widen your focus accordingly to meet the needs of specific groups or teams at both the macro and micro levels. You then make the overall corporate social media data available in a common, easy-to-access location (such as on an intranet or standard report on a SharePoint or network share) and ensure that the group/team needs are delivered on an agreed-upon schedule and method (perhaps in sync with or separate from the overall corporate media reporting/analysis).

## Soliciting Executive Buy-In

As with any program that spans the reaches of your corporate organization, social media efforts should gain support and endorsement from senior executives. In stalwart organizations this is more challenging than in innovative young ones, but each holds its own obstacles. But it's changing today as media consumption patterns morph and new modes of conversation become commonplace. Because social media is so pervasive, no one—not even executives—can gloss it over. Just like data, it's everywhere.

My belief is that universal change will occur when digital natives come of age within the workforce and social media becomes ingrained within everyday tasks. We are starting to see this now as internal corporate communication tactics are reliant upon social applications like Salesforce.com's Chatter. Yet, we're also seeing the digital elite begin to rise up the ranks at major corporations. Companies like Barnes

& Noble are shuffling their ranks by appointing e-commerce veterans like William Lynch to leadership positions. Lynch is the current CEO who is charged with leading Barnes & Noble (nyse: BKS) into the future. The 39-year-old executive joined B&N in early 2009 as president of BN.com, and in just over a year he was promoted to CEO. His pedigree is pure digital; he has held roles such as EVP Marketing & General Manager of HSN.com, and before that he co-founded Gifts.com in 2004. After Lynch's appointment to CEO in March 2010, one TechCrunch writer summed it up nicely in a March 18, 2010 article, "Barnes & Noble CEO Steps Down, BN.com President William Lynch Takes Over," by stating: "In short: he's all about digital, baby" (<http://techcrunch.com/2010/03/18/barnes-nobles-ceo-steps-down-bn-com-president-william-lynch-takes-over/>). This new breed of executive will be much more receptive to social media tactics and likely to support their use in overall corporate strategies.

Another digital native is Raul Vazquez, who works for Walmart. Some might say that the \$204 billion enterprise is traditional in its ways, but now it's partially in the hands of Mr. Vazquez, who holds the title of EVP and President of Walmart West. His previous post was President and CEO of Walmart.com, where he received accolades from Bill Simon, EVP and COO, for effectively managing Walmart's fastest-growing marketplace segment. This 39-year-old was also featured as #4 on *Fortune Magazine's* "40 under 40." It's young executives like Lynch and Vazquez who will become agents for change within their organizations. These tuned-in executives will not fear data and social activities, but instead they will embrace them and look to ways that new media can bring their organizations into the future.

However, many organizations that are still dominated by old-world mentalities have social initiatives sequestered within marketing teams that fail to effectively gain an audience with the C-Suite. Even worse, there's no connection to the business. Despite the growing recognition of the value of digital data and analytics, these diminished perspectives are still a reality today, and measurement and analysis professionals find themselves working to prove the value of their efforts. This is especially why analytics—social or business—need to inform your business and why the business needs to corroborate with digital measurement and analysis teams. This is the feedback loop that enables the business to become connected with social initiatives and priorities by giving them a chance to weigh in on what matters to their respective roles within the business. This is similar to the way that consumers offer feedback, direction, and new ideas for curators of social media. But to do this, you must present a panoramic view of what you're capable of delivering and how it will help your organization, as well as have a seat at the table and an opportunity to showcase the benefits of social media.



## SOCIALIZING YOUR BUSINESS

The outlook for measuring social media within your business is promising. The good news is that marketers and social media planners are building on their efforts and driving forward in a progressive manner. Even if many companies are not measuring all that well today, they're finding value and reasons to keep building upon their successes. But it's a challenge to know what they want their metrics to tie back to. Although it's really easy to use metrics as a means to count things (such as people, posts, visits, and views), this fails to quantify business value. Yet, marketers can only get away with this fuzziness for so long without having something to show for it. Therefore, measurers of social media need to dig deeper to investigate what matters to the business and identify ways that social media efforts can contribute to those causes. Most measurers are sticking with it and surpassing the fad stage of social media to incorporate it into their overall businesses. And they're proving it, because 2009 investments in social media increased in 2010 and even greater increases are expected for 2011.

People managing social media need to proactively reach out and talk to HR departments and customer service teams to make connections happen. The fact is that working relationships with these teams are not well established.

Steps toward socializing your business:

1. Listen
2. Collaborate
3. Engage
4. Facilitate
5. Learn

While thinking about ways that organizations can socialize their businesses, I caught up with David Berkowitz, the Senior Director of Emerging Media & Innovation for agency 360i. David is a social media veteran and, among other things, he helps businesses to understand that social media is a measurable asset.

When I asked David how organizations are gaining executive buy-in for social media, he commented that oftentimes buy-in is gained from outside the organization. According to David, "The rock stars and social media foot soldiers who make organizations more social are typically resident within marketing departments. They have to work hard to plug in the rest of their organizations." He went on to comment that from the agency side it's rewarding when he can bring parties together to show

them the value of social media. In his experience, when agencies can get the ear of senior management, it's an incredible opportunity, and you need to be selective about how you use it. But it's where a lot of nudging can come from. Agencies, consultants, and even new blood can bring credibility to social media ideas and concepts that insiders have been advocating for all along. Yet, sometimes higher-ups just need to hear it from someone on the outside. A lot of change can come from the outside and many organizations are in need of external expertise. Of course, companies can nurture buy-in from the inside as well, but inside it's murkier because it requires figuring out who is connected to whom.

At this point, social media isn't slipping under the radar of any executive's vantage point. As David Berkowitz said, "Social media itself needs no PR." Companies today are primarily struggling to determine how it fits within their organizations. Other organizations are still wondering how much they need to care about social media—but there is a growing consensus that it's a big deal. There isn't much concern that social channels like Facebook won't be around, but there's still the question of how much you have to deal with this stuff. For some marketers, social media is just a pain. They're not used to the conversation and don't have a tightly planned program to handle social media. And consumers don't do themselves any favors by engaging in mob behavior—or swarming over deals—or even engaging in bribery. Offering cheap deals is a great way to get people to like you, but it can devalue your brand. According to David, generally there's a learning curve for figuring what works, and most companies are still finding their way.

## KICK-STARTING YOUR SOCIAL MEDIA METRICS

I would be doing you a disservice if I simply provided a big whopping list of metrics and sent you on your merry way. I very much want and encourage you to use metrics for every program down to the countless details, but setting you loose with a bag full of metrics would ultimately come back to haunt you. Instead, I urge you to consider your audience. Whether you work for a Fortune 50 brand, a mid-sized business, or own your own shop, some metrics will matter more for your company than others. You're exploring social media for business here and the impact that it can have on your organization. As such, you need to think about why your organization is involved with social media in the first place. It's not simply to say that you have a Facebook page or a Twitter presence. It's because somewhere along the way you recognized that social media can have a dramatic impact on what you do as an organization. Take this realization and transform it to metrics that showcase your success as a corporate entity.

► Resist the temptation to start your social media measurement efforts by counting. Trust me, you will rely on these granular metrics, but it's a poor way to showcase value across your organization.

## Detailing Your Own Detriment

Many measurers of social media will gravitate to readily available counting metrics to showcase the progress they're making with social media. You can easily immerse yourself in the low-hanging fruit of counting metrics because they are there for the taking. But that's essentially what you're doing when using these data. You're counting. Although it's great to know that your Facebook page has 100 or 100,000 fans, it's just a number. **Without context that number doesn't really add up to much.**

The specific details that reveal nuances of your social media campaigns and programs are indeed very important. But mostly, they are important to you. You are there to determine what's working and what is not, and you can demonstrate this through metrics. But metrics at that most basic level are designed to help you understand your efforts and ultimately to take action. Hopefully those actions are designed to improve your business. But remember that you are the specialist here. While social media will undoubtedly impact your entire business, not everyone will know how to—or even care to—measure its effects. Thus, creating the measures of success, identifying metrics that will allow you to recognize issues, and establishing benchmarks to determine when an initiative is overperforming are all part of the behind-the-scenes work of a measurer of digital media.

Imagine, if you will, a mechanic who takes great pride in fixing your automobile. When you complain about sputtering or improper acceleration, he may describe for you in the greatest detail how the inner workings of your engine were not performing and how he recognized these issues and valiantly fixed them. If you're not a car person, somewhere during the part where your mechanic is describing the imbalanced ratio of air to fuel passing through your carburetor, your eyes glaze over. He'd still be talking about the fact that a ratio that should have been 14.7:1 was actually 13.5:1 and that was building carbon deposits on your spark plugs, causing them to turn black and, thus, the sputtering, which of course would be described in the most mechanically detailed iteration you've ever heard. Additional factoids regarding the negative effects that this scenario had on your automobile would be forthcoming and would likely result in a spontaneous combustion lecture. Yet, all the while, the only thoughts running through your mind are these: "Did you fix my car? How much will it cost? Is the problem resolved?" In many cases, this is how your managers and senior executives will feel if you attempt to drag them down into the minutia of every social media metric. Sure, some will be interested and you should be able to pull metrics to appease the most curious managers. But for the vast majority, simply telling them what you found and how you fixed it is the preferred method of communication.

## Speaking Business Value

Communicating to your organization about the gritty details of social media without boring them to death is a skill indeed. In fact, it's one that you will utilize throughout your digital measurement career. Moreover, your ability to communicate this information in business terms will very likely be the difference between ascending the ranks to decision maker or hovering somewhere slightly above number crunching miscreant.

Social media metrics must deliver business value to the recipient. This means that you should stop in your tracks before skipping into your boss's office to report that your Twitter following increased by 13 percent this week. Ask yourself why that matters. It could be that increasing awareness in microblogging channels is a top priority, but what do those additional followers really get you in terms of business value? In Chapter 4, I detail ways to align your social media measures with business objectives, so feel free to skip ahead if you just cannot wait. But here, I offer metrics specific to different roles within your organization that should help to kick-start your thinking about what and how to report progress using social media metrics.

**WARNING** The metrics that follow do not represent a comprehensive list of all things to measure. This is a starting point to get you thinking about metrics that apply to specific roles within your organization. Yet, organizations will differ dramatically in their analytical needs. Use the following metrics as a guide to help develop measures that matter to your business.

### METRICS FOR EXECUTIVES

Business metrics must start at the top. The senior executives at your organization will no doubt be interested in social media, and they're going to want to know what you are up to. Business metrics are the language that you will use to communicate. While you're doing the busy work of detailing measurement plans for specific initiatives and educating the organization on how to think and use social media to their competitive advantage, formulate a plan for how to summarize for your most senior executives.

This plan should hit squarely upon the metrics that matter most to your top decision makers. Although this will vary across organizations and industries, there are a handful of issues that every executive that I've ever worked with really cares about. The following list discusses three social media metrics that are suitable for senior executives.

- ▶ **Revenue:** Determine whether the social media efforts that you put forth have an impact on the top or bottom line of your organization. Doing this requires analytics to identify activities that lead back to dollars. This absolutely dictates work on your part to plan, track, and reconcile social media activities. Although you may not be able to attribute sales directly back to every social move, it is entirely possible to make correlations for many activities. Your ability to quantify this impact will make an impression on your top executives.
- ▶ **Market Share:** Size up the opportunity in the market by knowing how much market share your organization owns and how much is owned by your competition. This is critical information for any executive. It reveals how well you are doing from a competitive perspective while exposing what's there for the taking. Competitive intelligence is key information for any senior executive, and social media measurement offers unique opportunities to quantify your advantage.
- ▶ **Satisfaction:** Remember where this chapter began: with a focus on people. Businesses function because of their ability to service people, and social media presents a means to do this in contemporary fashion. Keeping customers happy is a primary concern for most executives because it reflects upon their ability to earn revenue. Satisfaction is also a leading indicator for loyalty, long-term sales, and ultimately success. By rolling up social media metrics to formulate a satisfaction score, you can keep your executives informed.

## METRICS FOR LAWYERS

As Lizzie Schreier from Allstate showed, lawyers are a nervous bunch. And social media can extend their fears by orders of magnitude simply because for most, it is the great unknown. Yet, corporate legal departments must have a vested interest in social media because serious fallout can occur for companies with inattentive practices. I strongly recommend taking the time to understand the fears of your legal department and working with them rather than against them.

Working with legal is also critically important because there are realities of liability, risk, and infringement that present genuine threats for organizations. One of my clients is a pharmaceutical company that must comply with “Adverse Events” laws as governed by the FDA. These laws state that if an identifiable patient reports an adverse event about a specific drug, such as nausea or bleeding, in any public or private communication, the organization is required to report these side effects to consumers in all of their warnings. Technically, this would include instances when an identifiable patient Tweets out side effects they’re experiencing with any given drug.

While the criteria for this example are more detailed than I explained here, it represents a liability issue for organizations that decide to even listen to social media conversation. If you hear it, see it, or read it, you are responsible.

Given these considerations, social media managers should arm their legal teams with information. I suggest creating the following metrics for apprising lawyers of your corporate social activity:

- ▶ **Social Liability:** Understand the events that can be construed as liability concerns, such as customer confidentiality, competitive assaults, and defamation of character, and chart them over time. When liability situations arise across social media channels, keep your legal teams apprised of the situation using metrics that indicate frequency, origination, and resolution. This can be very helpful at mitigating issues before they become problems.
- ▶ **Social Risk Quotient:** Taking the liability metric one step further, chart your company's risk over time to illustrate your actual exposure to risk and where it surfaces.
- ▶ **Infringement Alerts:** Watching the marketplace for intellectual property infringement, copyright infringement, and other types of brand borrowing activities is the legal department's responsibility. Social media monitoring tools can make this infinitely more accessible by scouring the social web for brand infractions or other instances of infringement. Limit these activities by identifying them with alerts and then issuing cease and desist letters.

▶ Keep the Social Risk Quotient metric to yourself until you have stable metrics. It has the potential to educate your organization about the realities of operating in a socially connected world, but you don't want to get your programs shut down because of a high risk quotient.

## METRICS FOR HR

Since I'm talking about managing risk and watching social channels for liability, I thought that I would introduce metrics for the biggest source of liability that you have, your coworkers. Human resource workers aren't new to social media. In fact, a little social research is a great way to determine whether your prospect is worthy of hiring in the first place. And prospects can be downright oblivious. Just ask one job prospect that Tweeted the following: "Cisco just offered me a job! Now I have to weigh the utility of a fatty paycheck against the daily commute to San José and hating the work." Cisco employees happened to be listening and responded with a Tweet of their own, "Who is the hiring manager? I'm sure they would love to know that you will hate the work. We here at Cisco are versed in the web."

Although this may be a cautionary tale, the fact is that employees—even after they're hired—will do foolish things. All organizations should create a social media policy and enforce compliance across their entire organizations. HR pros will be

forever indebted to you as the measurer of social media if you create metrics that alert them to dubious behavior. This will allow your company to track policy compliance as well as keep tabs on how your brand is represented in public. The unfortunate reality today is that all employees, whether officially endorsed or not, represent your organization. There's too much transparency not to protect your brand, and using social media to do this can be entirely effective.

Table 3-1 showcases the metrics that come in handy for business leaders, legal departments, and human resources staff.

**TABLE 3-1:** Social Media Metrics for Business Leaders, Legal Departments, and Human Resources

Metrics for Executives	Revenue Impact Market Share Satisfaction
Metrics for Lawyers	Social Liability Social Risk Quotient Infringement Alerts
Metrics for HR Pros	Policy Infractions Conduct Alerts Social Recruitment

### METRICS FOR SALES, SERVICE, AND CRM

When you begin to look at areas of your business that can be profoundly impacted by social media, sales and customer service should rise up pretty quickly. Although sales teams aren't likely to abandon their dialing tactics and in-person meetings altogether, social media is proving to be an effective feeder channel for leads and opportunities. Once you've hooked your sales team up to the power of social media, it's likely that there will be no turning back. Similarly, once you offer consumers a taste of social customer service, there's no turning back either. However, you may not have much choice in activating the latter because the competitive environment is dictating that social customer service is a must-have for any organization. For me the real beauty of interacting across these social channels is the opportunity to build closer and stronger ties with customers.

The list of business value metrics starts to expand for each of these roles within your organization. Although I recommend that senior executives receive only a handful of metrics on a recurring basis, directors and managers can do with a few more. These metrics should still be laser focused on the value that social media

► Doing this allows you as a brand to build trust and advocates that will do your bidding for you. Sometimes all it takes is a single positive interaction to build a lasting relationship.



brings to their part of the business. And of course, at each level, additional metrics will be available to appease the curious.

Table 3-2 offers a sampling of metrics that are likely important to sales professionals. The ability to identify leads and referrals from social media will become increasingly important as more and more opportunities are sourced in this way. Metrics will enable sales pros and the social media measurers that support them to identify where the best leads come from and how to chase down the biggest-ticket, fastest-closing deals out there.

**TABLE 3-2:** Social Media Metrics for Sales, Service, and CRM

Metrics for Sales	<ul style="list-style-type: none"> <li>Social Referrals</li> <li>Social Leads</li> <li>Cost per Social Lead</li> <li>Percent Qualified Leads</li> <li>Percent Closed Leads</li> <li>Lead to Close Duration</li> <li>Lead to Close Touches</li> <li>Average Social Transaction Value</li> <li>Social Customer Value</li> <li>Social Win Rate</li> </ul>
Metrics for Customer Service	<ul style="list-style-type: none"> <li>Social Inquiries</li> <li>Inquiries by Category</li> <li>Resolution Rate</li> <li>First Response Resolution Rate</li> <li>Resolution Time</li> <li>Inquiry to Resolution Touches</li> <li>Percent of Satisfied Customers</li> <li>Revenue per Service Inquiry</li> <li>Cost Savings per Inquiry</li> <li>Churn Rate for Social Customers</li> </ul>
Metrics for CRM	<ul style="list-style-type: none"> <li>Percent Social Customers</li> <li>Most Effective Channels</li> <li>CRM Campaign Response Rate</li> <li>CRM Campaign Conversion Rate</li> <li>Active Advocates</li> <li>Advocate Influence</li> <li>Advocate Impact</li> <li>Loyalty Strength</li> <li>Customer Value by Segment</li> <li>Social Customer Lifetime Value</li> </ul>

Social media is firmly planted within customer service for many organizations at this point already. Although some consumers abuse the transparency of social media

by simply griping about poor service and generally detracting from a brand, many are genuinely looking for issue resolution. The onus is on organizations to balance these two sides of the community and treat each with a dignified response.

I recommend keeping a log or tagging all customer service inquiries that originate via social channels to first get a sense of the volume that you're dealing with on a regular basis. This will give you a sense of the resources needed to manage this new stream of customer interactions. From there it's a good idea to categorize your service inquiries to recognize any patterns and trends that could alert you to bigger issues with your products and services. Following these metrics, traditional call center metrics apply to social media. Table 3-2 offers a list of metrics that can help you to understand the performance of service across social media channels and deliver a strong comparative for effectiveness and costs of taking care of customers using social media versus other channels.

The ability to build deeper and more meaningful relationships with customers using social media channels delivers an entirely new mode of interaction. Not only is it new, but it's also powerful. As quickly as customers can flame your brand, they can also spread goodwill. Managing the relationships you have with customers will impact the things that they say about you and ultimately determine if they recommend you to a friend, or throw you under the bus. Avoid this latter scenario by getting to know your customers, understanding their preferences, and reaching out with meaningful marketing messages.

Savvy social media measurers will track their ability to sidle up to customers with metrics that reveal the growth of social media channels that they operate in and campaigns that they respond to. Table 3-2 illustrates these metrics as well as advocacy metrics that can help quantify the results of your social relationships.

## METRICS FOR MARKETERS

Data from the Altimeter Group's survey of Corporate Social Strategists (<http://www.altimetergroup.com/2010/11/altimeter-report-the-two-career-paths-of-the-corporate-social-strategist-be-proactive-or-become-social-media-help-desk.html>) showed that social media resides with the marketing departments at 41 percent of organizations they surveyed. Following this group, 30 percent reported that corporate communications is responsible for social media, and 11 percent place it within the web or digital department. Yet, when you strip away the specificity from these departments, aren't they all really marketing functions? If you agree with me on that account, that's 82 percent of organizations that place social media in close proximity to their marketing teams. As such, it's no wonder that marketers will have the most metrics.

There's a ton of value in social media for brand marketers, PR pros, product teams, and all aspects of marketing. Yet, in many cases, public relations professionals grasp social media more quickly than others within an enterprise. This is because social media is really just an extension of what they already do. The only difference is that it's the newest channel and there are still kinks to be worked out. Yet, PR in general is about getting out the message and working to plant that message in all the right places. Of course, there's also damage control, so that comes with the territory as well.

Table 3-3 identifies a set of metrics for public relations professionals and marketers.

For public relations, understanding the volume of chatter is important to gauge just how much ground you'll need to cover when listening and responding to social media. From there, determining just how much of that conversation you own and how far it resounds is also important. And PR pros also hold responsibility for getting their company name in lights, so monitoring citations, both positive and negative, will be good metrics for them to watch.

**TABLE 3-3:** Social Media Metrics for Marketers

Metrics for Public Relations	<ul style="list-style-type: none"> <li>Social Mentions</li> <li>Share of Voice</li> <li>Conversation Reach</li> <li>Press Release RTs/Mentions</li> <li>Influential Press Citations</li> <li>Detrimental Press Citations</li> <li>PR Disaster Response Time</li> <li>Disaster Recovery Rate</li> <li>Influencer Mentions</li> <li>PR Referrals/Leads</li> </ul>
Metrics for Marketing	<ul style="list-style-type: none"> <li>Brand Awareness/Visibility</li> <li>Customer Acquisition Growth</li> <li>Campaign Effectiveness</li> <li>New vs. Returning Visitors</li> <li>Interaction Rate</li> <li>Engagement Rate</li> <li>Conversion Events</li> <li>Campaign Virality</li> <li>Brand Sentiment</li> <li>Community Growth</li> </ul>

So remember that I am talking about business value metrics. When I created this short list of metrics for marketers in Table 3-3, as well as all the lists in this section, I was thinking about the most fundamental business functions and how social metrics

► All the metrics presented in this chapter are merely primers to get you thinking in the context of business value metrics. There are certainly more, and there is definitely overlap among corporate functions for what's important to watch.

would highlight their performance. I emphasize this because there are infinitely more metrics that will be of significant importance to marketing.

Yet, when you get right down to it, branding, acquisition, engagement, and growth are really the elemental functions of social media marketing. Now, don't make the mistake of thinking that there won't be other functions that are also important because it's likely that you will need additional measures of success. This is the list I arrived at when boiling it down to the most basic functions. Like all good calculated metrics, there are lots of individual measures of success that make up each of these metrics. Take engagement, for example. I go into great detail about the complexity of calculating engagement in Chapter 5. These kick-start metrics should put you into the right frame of mind to understand business value metrics. And these are just a few of them.

## Connecting Metrics to Managers

Although the entire list of 59 business value metrics that I offer to kick-start your social measurement program is important, each metric is not imperative for every job function. For this reason it's critically important to align metrics with individuals who care about them. The challenging work is opening the conversation to understand what it is that each stakeholder cares about and translating these cares into actual measurable metrics. In most cases, it requires education, conversations, and collaboration to enable managers across your business to articulate their needs. To do this requires understanding what social media is capable of delivering and then having clear and articulate goals to work toward. In environments where this isn't present or where collaboration isn't forthcoming, it becomes very challenging to truly spread the power of social media.

The good news is that most companies are opening their eyes to the possibilities and embracing social media at all levels within their organizations. Managers are hungry for social media metrics, and offering them a short list of metrics that matter to their job function will be infinitely better received than telling them how many followers the company brand has on Twitter. You possess the capacity to dazzle your colleagues by first listening to their fears, needs, and opinions about social media and then shaping a program that fits those criteria. Marching into a manager's office and telling her that you've found the answer to her troubles is not a recommended starting point. Take the time to listen, explain what's possible, and then formulate a plan with the manager's participation. In my experience this is a solid way to gain acceptance, buy-in, and ultimately favor with your colleagues.

## SUMMARY

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I'm here to tell you that social media can impact multiple areas of your business, but you will have to sell it internally. From HR to finance to market research, social media metrics have that capability to offer insights and revelations to teams that aren't yet aware of the possibilities. However, it's exceptionally difficult to expose these potentialities by communicating in trivial metrics that don't matter to your organization. Although the most basic measures are undoubtedly important to you and to understanding tactical performance, you must communicate the value of social media efforts in business language. This requires translating your lowest level metrics into measures of success that matter to key stakeholders across your company.

Creating these business value metrics requires understanding the goals, fears, and aspirations across your company. Once you understand this, the secret is to translate internal objectives to consumer facing initiatives. Your success as a measurer of social media will ultimately be determined by how well you communicate these efforts in business terms. Organizations that do well with social media begin by taking a people-centric approach and working to develop a genuine and meaningful conversation with their customers. Additionally, by organizing for social media in a way that enables all aspects of the business to become involved and participate, companies are reaping rewards. Yet, most important is the ability to translate business objectives into measurable metrics. The lists that I've provided in this chapter are a starting point, but each list needs to be tailored to your organization and the individuals within it.

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