

Five Best Practices for Achieving Social Media ROI

From Facebook and Twitter to blogs and videos, social media has become part and parcel of modern marketing efforts. However, convincing the C-suite to spend resources on social media can be a tough task for marketing trailblazers. Some executives have yet to be convinced that social media is a worthy marketing strategy; some wonder if it's not just the latest black hole for marketing dollars.

A marketer's best course of action is managing social efforts to generate demonstrable return on investment. Let's look at five best practices to help you do just that.

1. Listen to your buyers; determine their needs and preferences for consuming content.

You need to know your buyer inside out, and you need to understand how they consume content. Social media comes in many forms now, so which formats are they most comfortable with? And at what stages of the buying cycle do they want which different types of content? At the end of the day, the most important thing is that you're on the same page as your buyer. Find the channels your best buyers aggregate in, and focus your efforts there.

Once you've identified the correct channels, listen hard for the conversations and trends. Then, publish useful information that prompts questions that your experts answer. Make everything you do on Facebook, Twitter, multimedia, the corporate blog and so forth, elicit a unified behavior that gives you the opportunity to provide an insightful response to customer need. Begin prompting customers to signal

what they're most interested in, when, where and why. Take action on each response. If you're asking the right questions and engaging them the way they'd like to be engaged, then you're on your way to building key influencers on the social graph and ramping towards a strong ROI.

2. Align social media efforts with traditional marketing activities.

Social media needs to be recognized as another communication channel – one with a built-in capability to capture consumer feedback, often in real-time. Align your social media strategy with the broader product marketing strategy; one supports the other. The key is to coordinate these activities.

Your alignment can come through targeting, compelling key messages, a strong differentiator, and a coordinated communication plan. If possible, structure this so your social results are trackable. As an example, if you do an email campaign for a white paper, you should support it with social outreach. Use unique tracking URLs for each communication channel so you know which vehicle is responsible for driving the most traffic.

3. Map social media efforts to business goals and determine metrics of success.

Make sure you are clear about what ROI means for your company and your efforts. Is it total number of sales or qualified leads? Is it total number of conversations or growth in number of influencers and advocates? Or is it time saved by customer support not having people wait in a phone queue? Establish the goals and clear metrics you're looking for, then determine what strategies and tactics will help you achieve those goals. Think hard about how to broaden your

definition of metrics from the traditional captured analytics from Omniture, Google Analytics, and so forth (page views, time on site) to other measurements.

For example, take Facebook “Likes.” If you are measuring Facebook Likes, be sure to define what the Like means from a business perspective. What will you do to keep the community engaged after the initial like? What is the conversion? When and how might that conversion happen?

A conversion could be a sale. Or, depending on your typical buyer’s journey and the length of your sales cycle, it could be the download of a white paper, or participation in a webinar or event. It could also be a compelling post by a customer that compliments your company or your product, providing positive influence to a whole network of people. Work with your pipeline to determine how these measures will be captured and reported on before the campaign is launched.

4. Don’t neglect qualitative results when determining quantitative ROI.

It might be easier to track your progress with qualitative measures such as comments, or even case studies and stories. Here are a few examples of benefits you might realize every day from social media marketing:

- Customer feedback
- Market insight
- Brand advocates and influencers
- Publicity (reporters/bloggers are all over Twitter!)
- Brand awareness
- Solutions to problems
- Connections to new partners and suppliers
- Cost-effective customer service
- Event marketing
- Recruiting

Now, how many of these benefits would fit neatly on a control chart or spreadsheet? Almost none. See if you can gain agreement to consider a range of business benefits and qualitative measures as acceptable return on investment.

5. Become so useful customers turn to you first, out of habit.

Whole Foods Market’s mobile application helps shoppers create a meal based on food they’ve already got on hand at home. Tesco’s mobile application caters to wine aficionados’ desire to immediately buy a new discovery while tasting it at a friend’s party or a restaurant, simply by taking a photo of

the label. Ask yourself, “What problem can we offer a clever, unorthodox or novel solution to? Might this give us an excuse to talk about our product in creative ways that bring value to customers? Or stay in touch with customers in ways that allow us to prompt more behaviors?”

Blog, tweet, and post more to solve customers’ problems, and less to offer discounts, gain attention, or “share your culture.”

Summary

In the end, not every positive result can be measured, and social’s greatest contributions may lie in the difficult-to-quantify areas of awareness and trust. Prospects that don’t interact with you directly on social may still be influenced by repeat exposures to your brand and messaging, and predisposed to prefer you based on how they’ve seen you solve problems for other people. Customers that do engage with you socially are likely to post what they do love about your products or services, influencing others to look to you as well. Depending on how or when they make contact, social may not get the attribution for such an opportunity.

Determine the metrics that matter for your business. Define them as simply as you can, and track them. Look for trends you can correlate to social activity. Keep an eye out for active customers who advocate for you on and offline. Social media has value beyond just marketing; used to the fullest, it connects with every part of your organization’s business.

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