



Whitepaper

# SOCIAL MEDIA KEY PERFORMANCE INDICATORS

Guiding and measuring social  
media success

A white paper on determining and analyzing the metrics and key performance indicators for measuring success of social media platforms for brand promotions.

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## Introduction

As per statistics, As of January 2018, there are 4.02 billion Internet users around the globe — that's 53% of the world's total population. Active social media users make up 3.2 billion, or 42% of the population. These numbers alone prove that social media is here to stay, if not to flourish further.

Social media offers customers a bigger and better platform to collaborate, and exchange information and opinion. the shared information often plays an influential role in forming molding consumers' behavioral patterns across social media platforms. the rise of mobile technologies has taken this growth to the next level where information is exchanged in real-time.

According to We Are Social's Digital in 2018 Global Overview, Facebook is the second most visited website in the world, followed by YouTube, with Google leading the list.

Social media platforms enable marketers to dive into the details that can help them design a long-term marketing strategy. Social data is often different from the data derived from traditional marketing sources. With social media, marketers have access to:

- User information across social platforms
- Brand popularity and loyalty
- Emerging business trends
- Understanding behavioral patterns of customers

## The Key Performance Indicators (KPIs)

The trouble is that most companies don't realize that measuring social media metrics goes beyond tracking "likes." In the story of social media success, the rabbit hole goes a lot deeper

## How to choose KPIs

Social media KPIs help brands to understand how well their campaigns are performing and whether they might need to make changes to their strategy.

Although there are countless metrics to measure on social media, the most important ones for most companies include:

The rate at which engagement transforms into conversions (Goal Conversion)

How often people engage with your company (Traffic Trend)

The overall impact on your customer base (ROI/Effectiveness)

Here, we're going to look at some of the key social media KPIs, how you can measure them and what they mean to your business:

## 01. GOAL CONVERSION

**Gives you impact of Investment, which segment contains high-value customers, and which compromises**

### **ROMI (Return on Marketing Investment)Factor**

Gives Impact of Your marketing. Determination of revenue per dollar spent for each marketing activity.

Parameters: Initial Investment, Incremental revenue, margin on increment revenue

Formula:  $((\text{increment revenue}) * \text{margin\%}) - \text{initial investment} / \text{initial investment}$

### **GRP (Gross Rating Product)**

Measures the % of audience reached by specific media

Parameters: No. of posts or ads related to product, total population count

Formula:  $100 * (\text{impressions}) / \text{total population}$

### **TRP (Target Product Rating)**

Measure the % of target audience reached by specific media

Parameters: No. of posts or ads related to product, target population count

Formula:  $100 * (\text{impressions}) / \text{target population}$

### **Lead to Opportunity Conversion**

Gives a scenario of impact of marketing turning into revenue

Parameters: Total lead count, count (lead turned as sales)

Formula:  $\text{Total lead count} - \text{count (lead turned as sale)} / \text{total lead count}$

### **Cost Associated Per Lead Acquisitions**

Measures cost of campaign

Parameters: Cost/year, lead/year, customer converted/year, value generated/year, value of customer, initial investment

Formula:  $\text{Converted} = (\text{goal completion all} / \text{visits})$  (customer Value cannot be determined without monetary value)

## **Competitors Sale Check/ Variance**

Individual Revenue growth check, Growth Comparison with our Company, per year, per social media source

Parameters: Revenue of the competitors

Formula: (Company revenue-.....)

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