

## Are we engaged yet? How to develop your engagement metric

Monitoring Social Media, Boston

October 5, 2010

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## Why Measure Engagement?

**“The main reason to measure objectives is not so much to reward or punish individual communications manager for success or failure as it is to learn from the research whether a program should be continued as is, revised, or dropped in favor of another approach ”**

*James E. Grunig, Professor Emeritus, University of Maryland*

**“If we can put a man in orbit, why can't we determine the effectiveness of our communications? The reason is simple and perhaps, therefore, a little old-fashioned: people, human beings with a wide range of choice. Unpredictable, cantankerous, capricious, motivated by innumerable conflicting interests, and conflicting desires.”**

*Ralph Delahaye Paine, Publisher, Fortune Magazine ,*

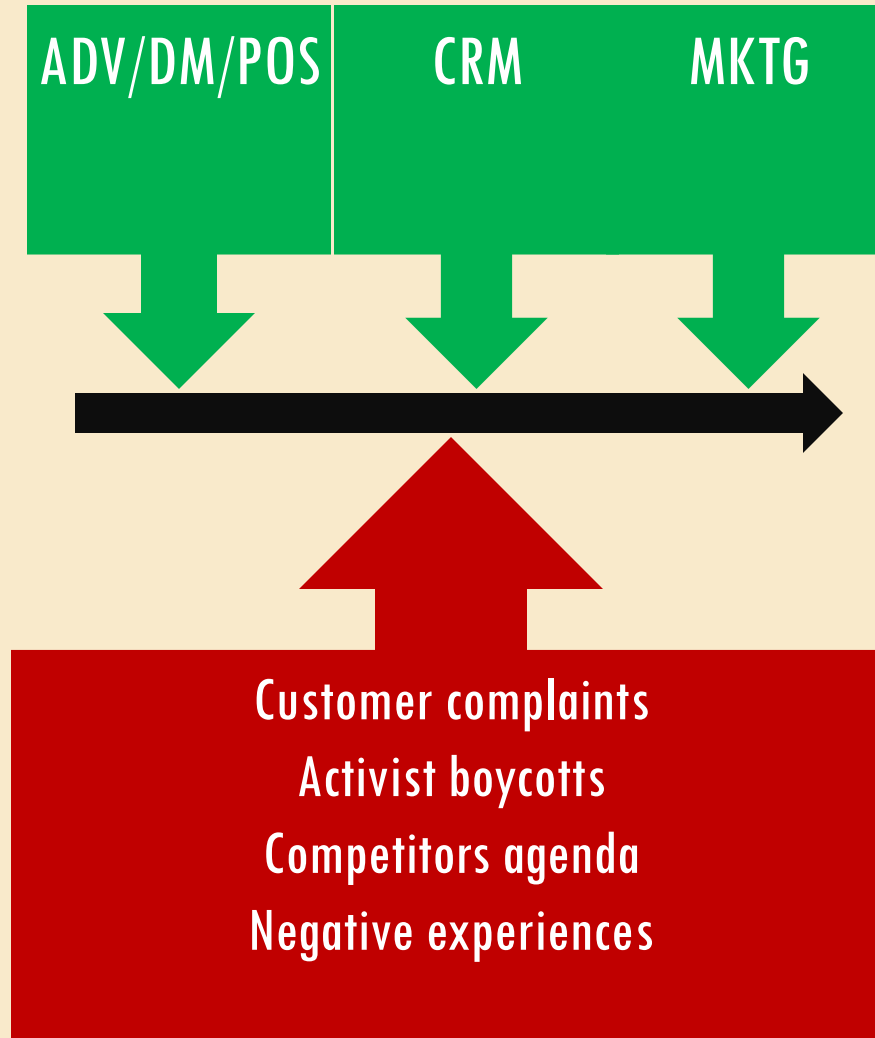
*1960 speech to the Ad Club of St. Louis*

## 10 Signs that it's the end of ROI as we know it

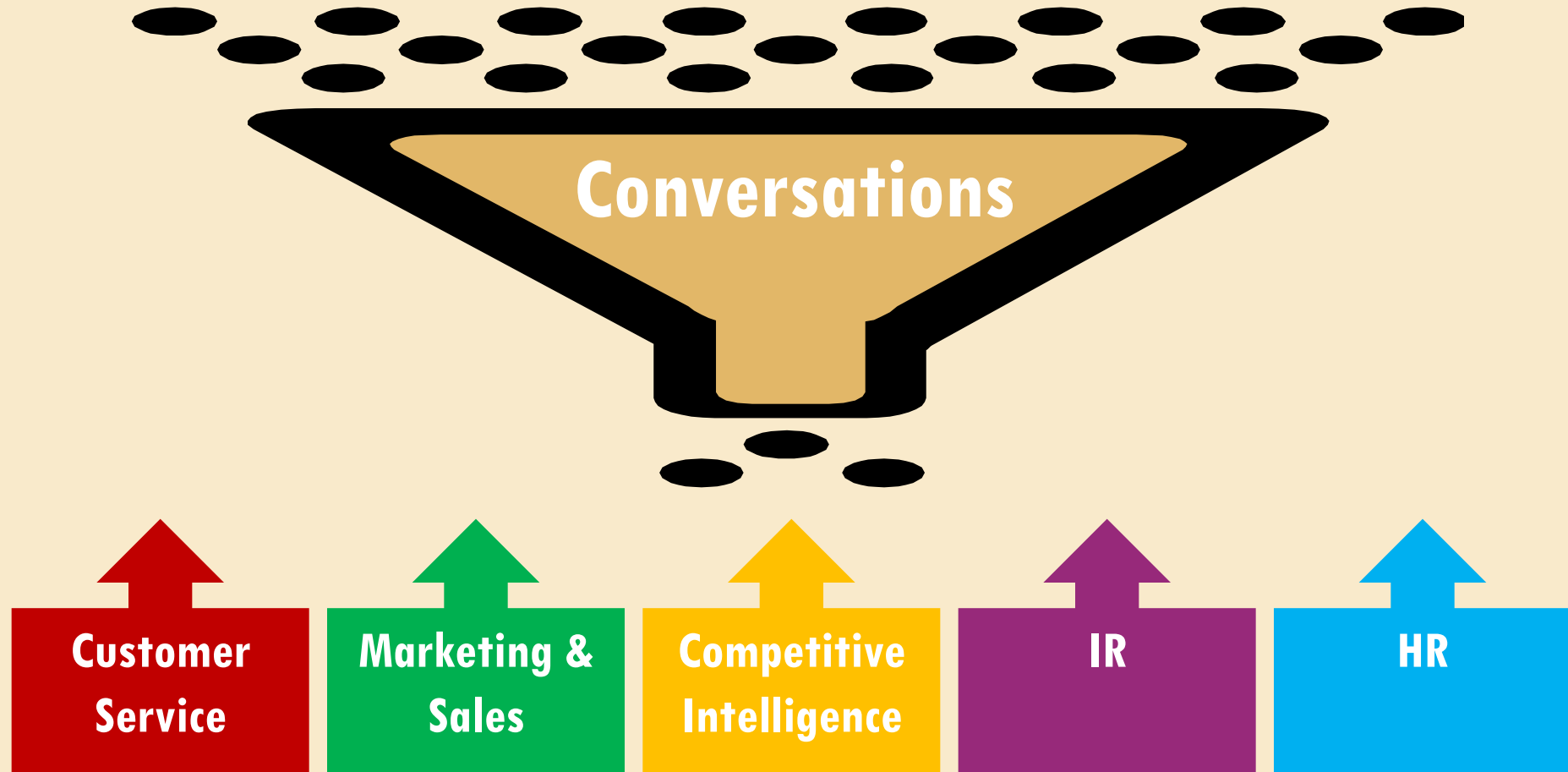


1. AT&T responds to angry posts, rationally and kindly. “People don't really expect a response when they do leave some obscene kind of comment like that. But you want to see why that person really said what they said.”
2. Dell has 1000 people trained to listen to customers on line
3. 1 person --Dave Carroll ([United Breaks Guitars](#)) cost United \$180M—the cost of more than 51,000 replacement guitars.
4. Goodwill can tie donations to specific on-line promotional activities
5. USO saw revenue skyrocket after they hired a community manager
6. Procter & Gamble is now paying for engagement, not eyeballs
7. Sodexo cut \$300K out of its recruitment budget using Twitter
8. HSUS generated \$650,000 in new donations from an on-line photo contest on Flickr
9. Army video game is measurable more successful in recruiting than ads
10. SAP made \$1 million from its small business community

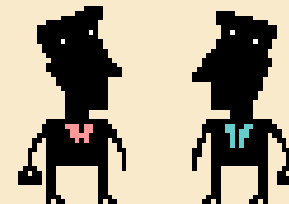
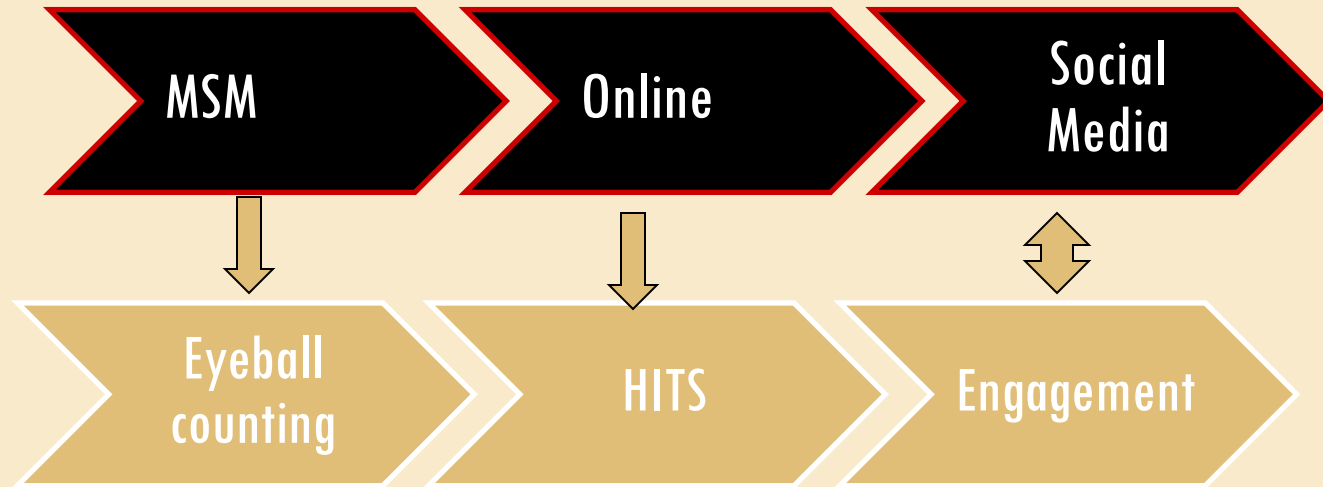
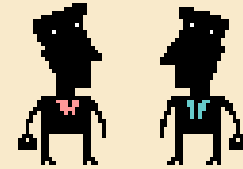
# Social Media Disrupts the Marketplace



# It's not just about marketing anymore



# A measurement timeline



# Social Media renders everything you know about measurement obsolete



## Old School Communications



The definition of timely has changed



The definition of reach has changed -GRPs & Impressions are impossible to count (an irrelevant) in social media



Demographics will soon be irrelevant



The definition of success has changed -- The answer isn't how many you've reached, but how those you've reached have responded



## 21<sup>st</sup> Century Role

# Old School Metrics



AVEs



Eyeballs



HITS (How Idiots Track  
Success)



Couch Potatoes



# of Twitter Followers  
(unless you're a celebrity)



# of Facebook  
Friends/Fans (unless they  
donate money)



# New School Metrics



**Influence = The power or ability to affect someone's actions.**



**Engagement = Some action beyond zero**



**Advocacy = engagement driven by an agenda**



**Sentiment = contextual expression of opinion — regardless of tone**



**ROI: Return on Investment — no more no less. End of discussion**

# The New Engagement Decision Tree

Awareness

Consideration

Preference

Trial

Purchase

Find

Observe/  
Lurk

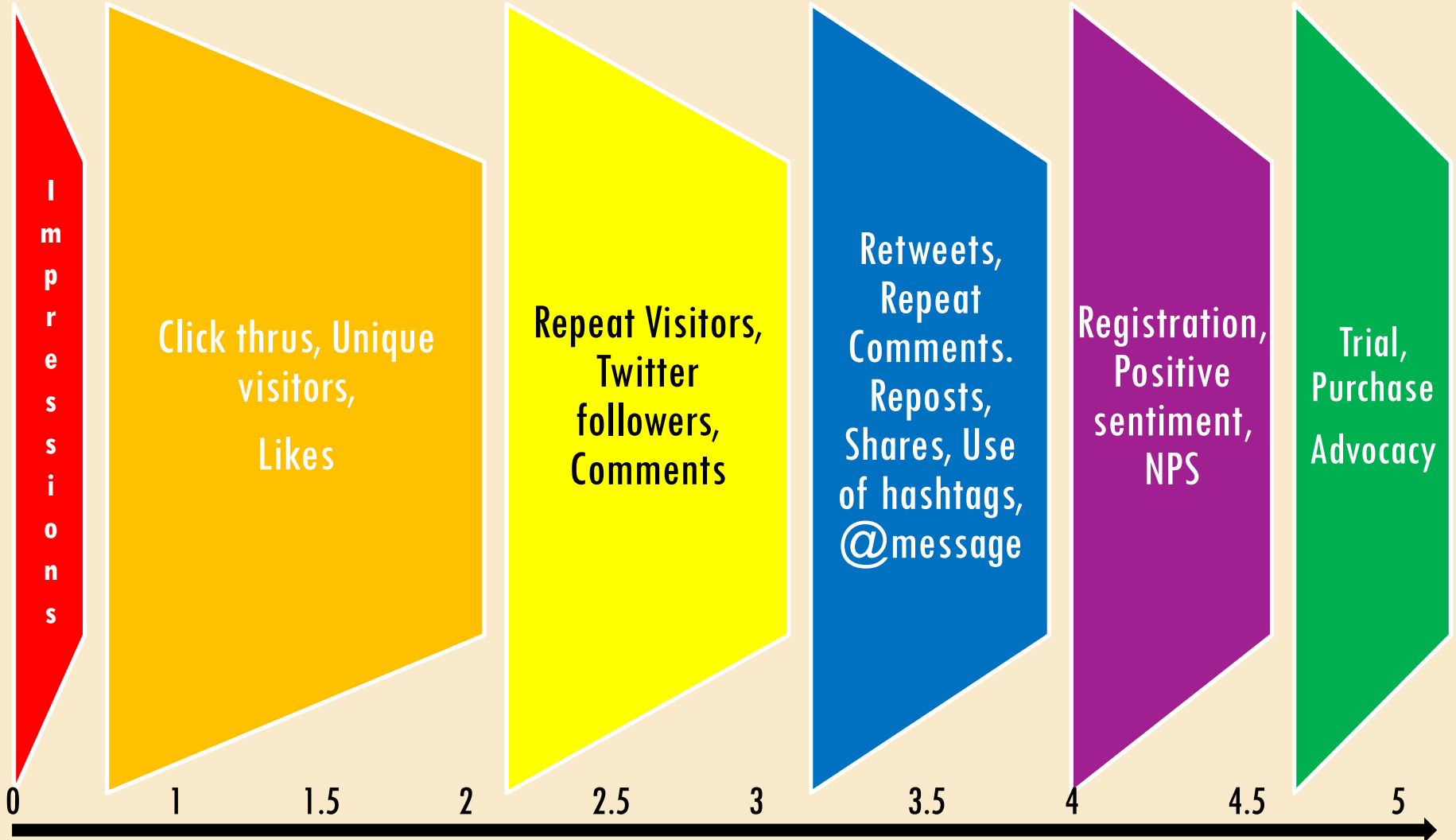
Participate

Engage-ment

Purchase/Act  
/Link/WOM



# The Phases of Engagement



# Why you need a Kick-Butt Index?



Get clarity about what to measure



You decide what's important:



Benchmark against peers and/or competitors



Track activities against KBI over time



Understand the cost of perfection vs. good enough



# The 7 steps to your Kick Butt Engagement Index

1. Define the “your KBI” — What are the expected results? So what if they’re engaged? What does that mean to the organization?
2. Define the “I” -- What’s the investment?
3. Understand your audiences and what motivates them
4. Determine what you are benchmarking against
5. Define the metrics (what you want to become)
6. Pick a tool and undertake research
7. Analyze results and glean insight, take action, measure again

# KPIs lead to goals

## Metrics

Exposure  
Friends + Engagement + \$\$\$  
Followers raised



Start



Goal



# Engagement leads to one of three outcomes:

1. Marketing/leads/sales/
2. Mission/safety/civic engagement
3. Relationship/reputation/positioning



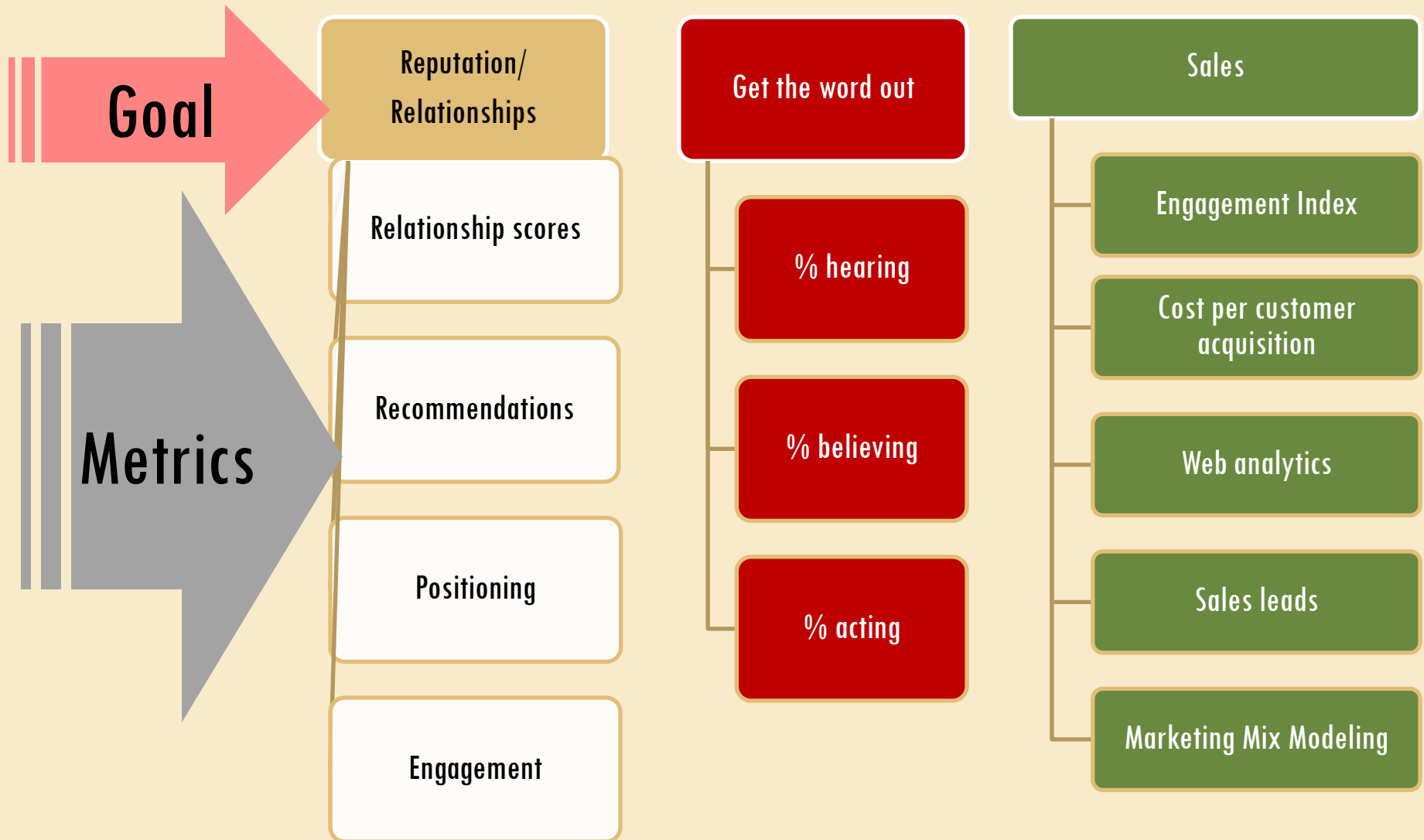
To fix this



Or get to this



# Goals drive metrics, metrics drive results



# Defining your Key Performance Indicators (KPIs)



You become what you measure, so pick your KPI carefully



The Perfect KPI

- ✦ Gets you where you want to go (achieves corporate goals)
- ✦ Is actionable
- ✦ Continuously improves your processes
- ✦ Is there when you need it



KPIs should be developed for:

- ✦ Programs
- ✦ Overall objectives
- ✦ Different tactics




# Step 6: Pick a measurement tool

 Content analysis: Do they sound engaged?

☀ Listening tools for places you can't control

☀ Evaluation tools for places you can control.

 Survey research: Are they aware? Do they feel engaged?

 Web analytics: Do they act?



# Step 6: Selecting a measurement tool

Objective	KPI	Tool
More efficient customer acquisition	% decrease in cost per customer acquisition % increase in leads vs. activity	Web Analytics + CRM
Reduction in churn	% renewal rate by activity % repeat traffic	Web Analytics + CRM
Engage marketplace	Conversation index greater than .8 Rankings % increase in engagement	Web analytics or Content Analysis: TypePad, Technorati Omniture, Google Analytics
Communicate messages	% of articles containing key messages Total opportunities to see key messages Cost per opportunity to see key messages	Media content analysis —

# Biggest trends



## Integrations of various streams of data



Traditional + Social + Demographics + Web

Analytics + News + Sentiment + Influence + Conversions



## Priority shifts:



Online over traditional



Listening vs. monitoring



Correlations vs. counting



## Beyond tone & sentiment analysis

# Analysis - -Research without insight is just trivia

## Transforming Data into Actionable Insights



**A**sk for money

Get **C**ommitment

Manage **T**iming

**I**nfluence decisions

Get **O**utside help

Just Say **N**o

- Look for failures first
- Check to see what the competition is doing
- Then look for exceptional success
- Compare to last month, last quarter, 13-month average
- Move resources from what isn't working to what is

# Thank You!



For more information on measurement, read my blog: <http://kdpaine.blogs.com> or subscribe to The Measurement Standard:

[www.themeasurementstandard.com](http://www.themeasurementstandard.com)



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