


Engagement: Measuring the Impact of Social Media

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**Social media will change
how marketing engages
with customers – and
demonstrates results.**

Key questions

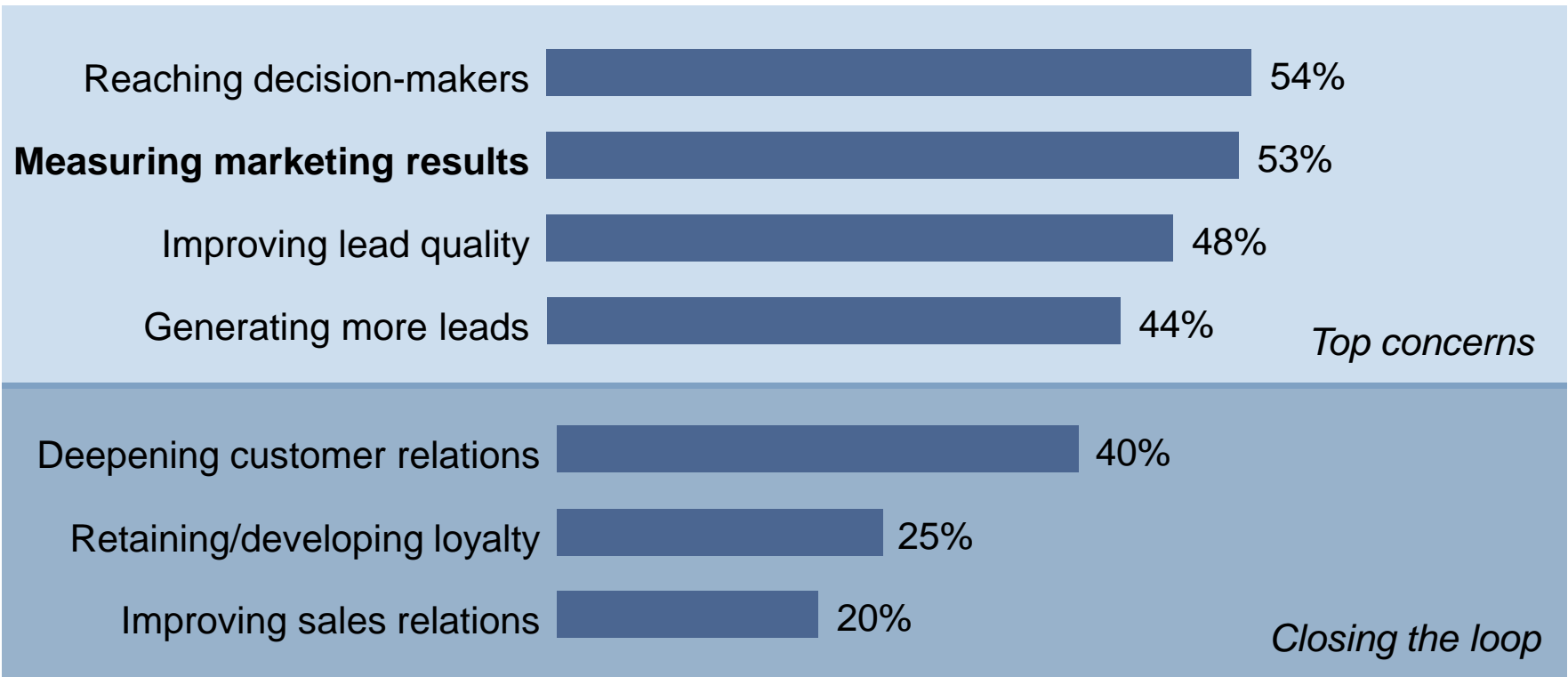
- What are the key challenges measuring marketing and social media?
- What is engagement, and is it the right way to assess the impact of social activity?
- How do you justify social media investment as part of the marketing mix?

Pop Quiz: Are these questions familiar?

- We've started using social media — how do we justify continuing to do this?
- How much budget/effort should I dedicate to social media in my marketing mix?
- What benefits have other firms received from using social media?
- What's the value of using social media?

Measuring marketing impact is a top concern

“What are your top five B2B marketing challenges?”



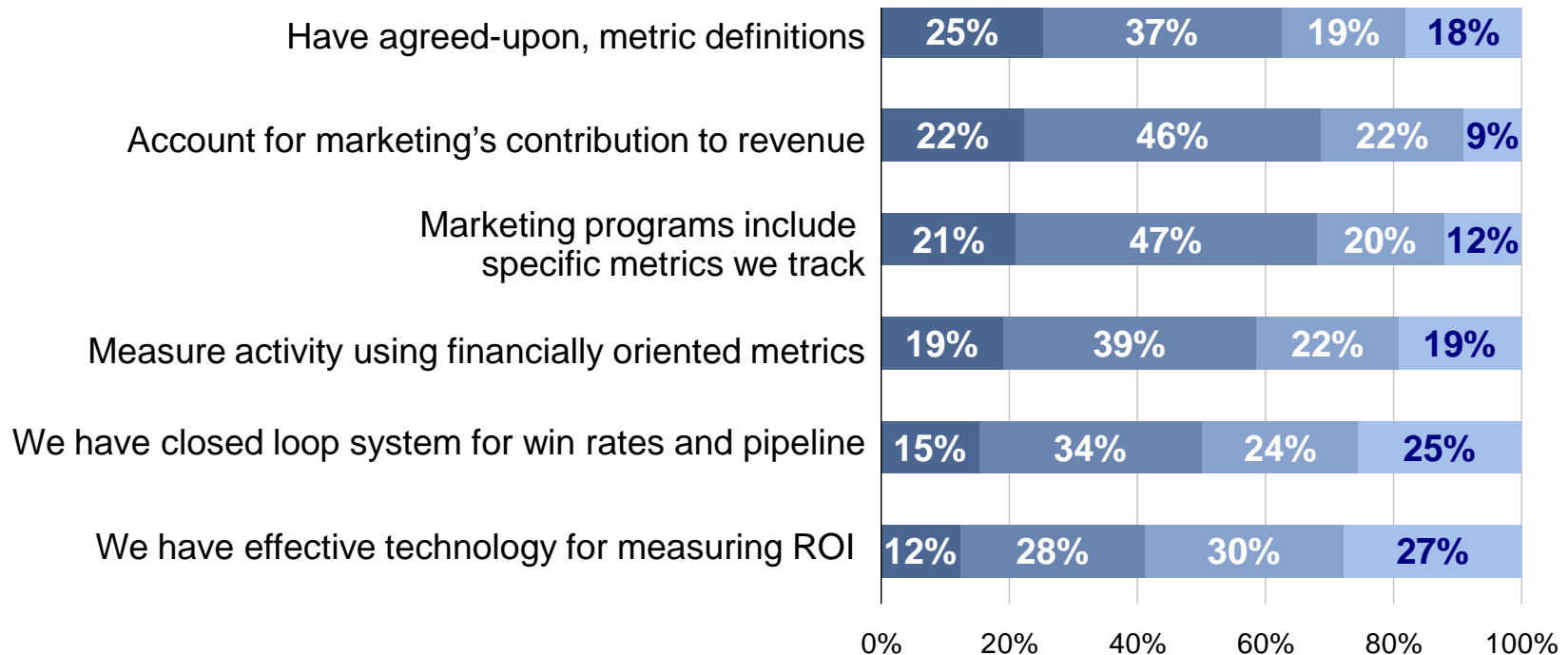
Base: 569 B2B marketers
(multiple responses accepted)

Source: Forrester's Q2 2006 Business-To-Business Marketing Effectiveness Online Survey

But B2B marketers don't practice it consistently

“Regarding your marketing measurement practices today, state your level of agreement with each of the following:”

■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree

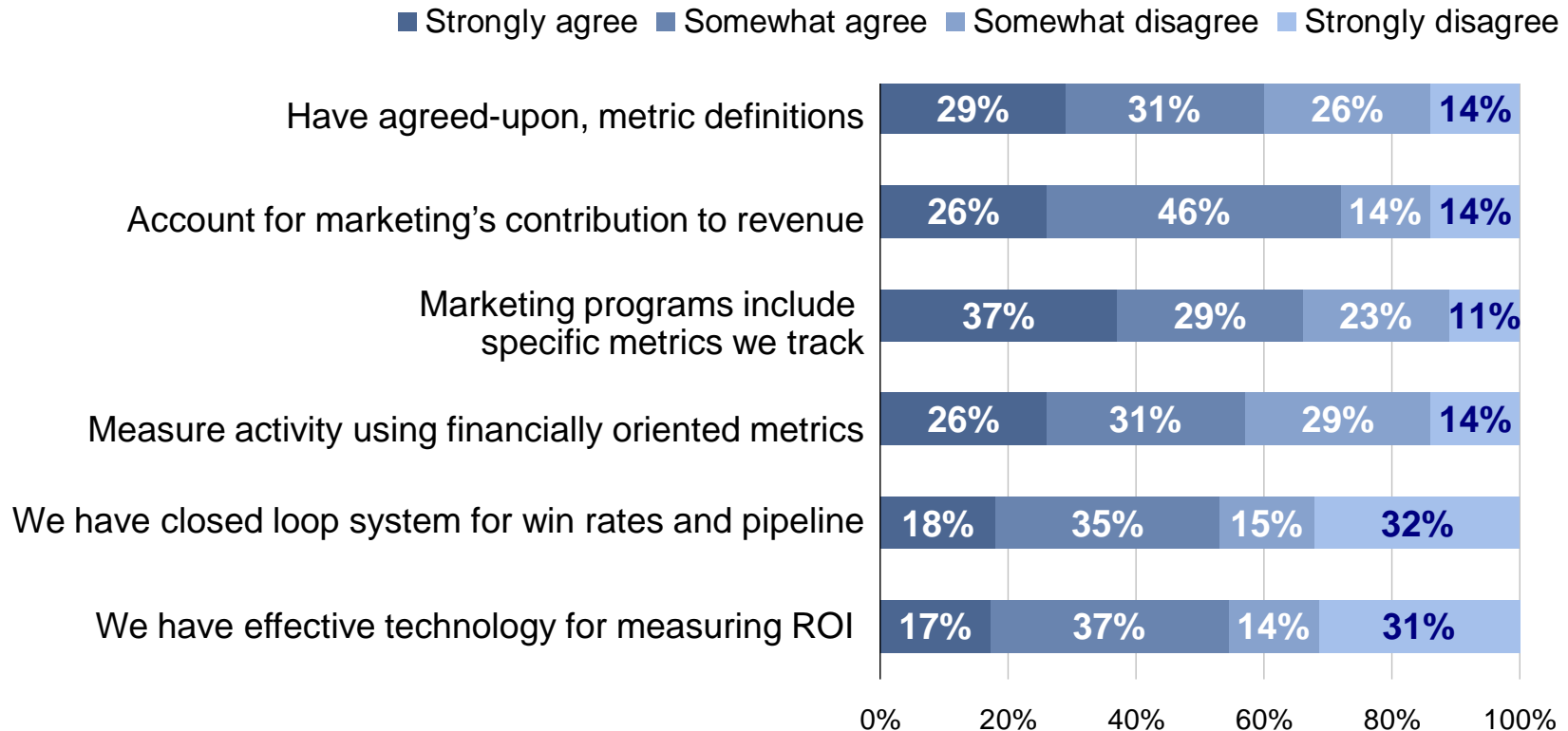


Base: 101 B2B marketers

Source: Forrester's Q1 2007 B2B Marketing Measurement Online Survey

Same question, MOCCA audience answers

“State your level of agreement with each of the following:”



Base: 35 B2B marketing operations professional

Source: MOCCA Q2 2009 B2B Marketing Performance Online Survey

Enter social tactics; which cost little to start

Application	N	Deployed (mos)	2007 budget (\$K)
Corp. blogs	111	17	\$42
Participate in Soc. Network	97	15	\$76
Videos in YouTube	88	15	\$106
Public forum	86	18	\$30
Private, gated community	71	21	\$127
Podcasts	68	20	\$62
Ratings/reviews	58	18	\$62
Brand monitoring	54	22	\$226
Widgets	45	15	\$77
Brand ambassadors	22	20	\$98

Source: May 2008 Global Measurement Of Social Applications Online Survey

Yet social media results are difficult to capture

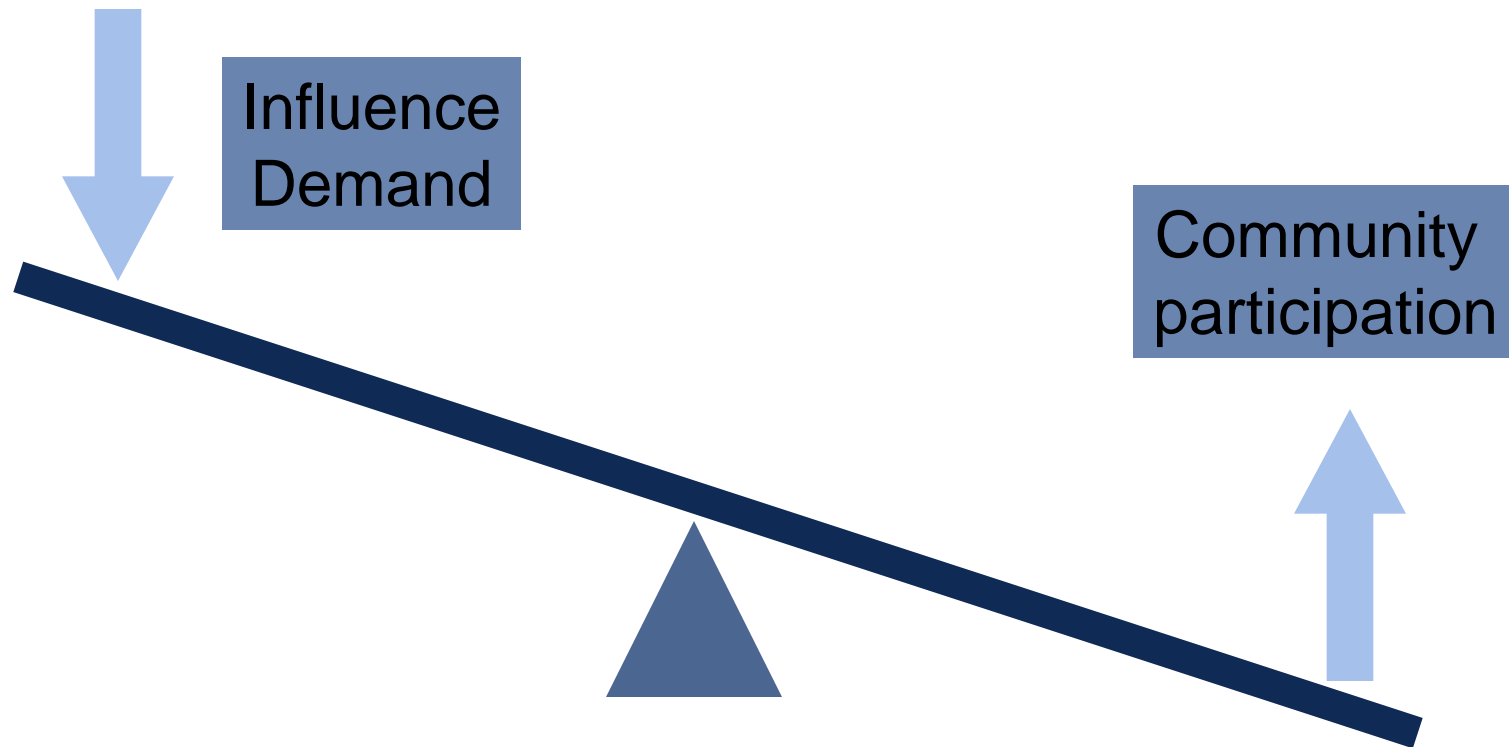
“Of the Web 2.0 tactics used, how would you describe the success your firm has experienced with each ?”

Video marketing	31% - Too early to tell
Social networks	25% - More online traffic
RSS feeds	36% - Too early to tell
Online display ads	25% - More online traffic
Online communities	34% - Too early to tell
Blogs	34% - Too early to tell
Email newsletters	25% - More online traffic
Rich media apps	30% - Too early to tell
Podcasts	22% - Too early to tell
Webinars	25% - Leads
Branded microsites	25% - Leads

Source: Q2 2008 Forrester Webinar Poll, Base: 120 B2B marketers

Choices include: Too early to tell, online traffic, awareness, more inquiries, leads, greater loyalty, goodwill, other

With social media, measurement priorities must change



Social tools unproven track records makes it hard to know where to start or what to do.

Engagement is a long-term initiative

- Engagement is:
 - The deep connection a company or brand creates with customers that drives purchase decisions, interaction, and participation over time.
- As measured by:
 - The level of involvement, interaction, intimacy, and influence with the brand over time.
- This means:
 - Providing useful, goal-oriented experiences that satisfy buyer needs or motivations.

Engagement

- Involvement — the presence of a person at the various marketing touch points.
- Interaction — the actions people take with respect marketing touch points or social connections.
- Intimacy — the affection or aversion a person holds for product or brand.
- Influence — the likelihood a person is to advocate on behalf of the brand.

Degree to which companies can foster a relationship with the customer on the customer's terms, not on their own terms.

Focus measurement on the moments of truth

Dimension	Activity	Why It Matters To You
Involvement	Visit to a store	Requires the customer to drive, walk, or ride to get there
	Visit to a Web site with no referring campaign or search on a branded keyword	Shows a proactive interest in engaging with the brand, not prompted by company communications
	Attendance at a Webinar	Requires the prospect to register, schedule, attend at a specified time, and field follow-up sales calls
	Participation in a focus group	Requires effort on the part of the customer, and signals a strong interest in the future of the brand
Interaction	Purchase	Directly affects your firm's bottom line
	Take a sales call	Requires that the decision-maker schedule time for participants to meet, engage, and – following the meeting --discuss the results
	Use an in-store demo	Indicates a high level of interest in the product
Influence	Submit a product review online	Requires effort by the customer to complete, and is likely to influence potential buyers
	Forward content or a product via email	Ties the customer's reputation to the brand, and may raise awareness among prospects
	Record a testimonial	Associates personal and company reputation with the brand
	Post about the brand to a personal blog	Associates the customer's personal reputation with the brand

Source: "How Engaged Are Your Customers?," A commissioned study conducted by Forrester Consulting on behalf of Adobe, September 2008 -- See: www.adobe.com/engagement

Why measure social engagement?

- Traditional media metrics don't capture B2B buying process.
- Complexity reigns across the B2B sales funnel.
- Social activity will continue to create more brand transparency.
- Some valuable customers may not buy a lot.

How do you measure social engagement?

B2B Social Objectives	Functional Alignment	Success metrics
LISTENING	Research	<ul style="list-style-type: none"> • Customer insight • Improved segmentation • Reduced pain; alignment of offering with need
TALKING	Marketing, education	<ul style="list-style-type: none"> • Changes in reach, impressions, brand awareness • Increased share of voice • Higher quality of responses to offers
ENERGIZING	Sales	<ul style="list-style-type: none"> • Increased velocity of messages in market • Increased recommendation, promotion, advocacy • Higher trust, brand trust perception
SPREADING	Professional services	<ul style="list-style-type: none"> • Faster deployments at new customers • Existing customers create new business capacity
SUPPORTING	Customer service, technical support	<ul style="list-style-type: none"> • Reduced support costs • Higher customer satisfaction • Less churn
EMBRACING	Development, Product Marketing	<ul style="list-style-type: none"> • Deliver products faster to market • Increased loyalty, increased advocacy

Economic impact should include:

- Direct costs of social strategy or program
 - Consider lost opportunity: cost of doing nothing
- Benefits: quantitative, qualitative, and deferred costs needed to achieve benefit through conventional means
- Risks: cost of mitigating any possible risks
- Flexibility: other possible future benefits — or risk reductions
- Stage gates: what you will achieve, and by when, to continue to the next step

Example: “ROI” of executive blog (year one)

Cost

Planning and training	\$35K
Platform and IT	\$30K
Brand monitoring service	\$50K
Content production and review	\$170K
Total costs	\$285K

Value

Advertising visibility	\$7K
Press stories	\$240K
Blog word of mouth	\$37K
Support savings	\$69K
Total value	\$353K

Constructing specific social activity metrics

- Using *(social activity or approach)*, we help *(primary audience)* do *(target objective)*
- To make *(specific business process or goal for this audience)* better
- As measured by *(metrics and KPIs)*
- Which is worth *(business value + assessment of future value and possible risks)*

Use a value chain to substantiate social media investment and associated value

Validation Chain: if social media makes “it” ...

- Better
- Different
- Observable/Measurable

You can assess this because “it” is...

- Different in relevant way
- Observable/Measurable
- Able to be valued

What a social value chain looks like:

- Using *discussion forums and blogs* we help *Web and interactive marketers* (do) *learn how to improve their Web presence.*
- To *expand their firm's reach online* (make reach better)
- As measured by *increased traffic, search click-throughs, and registrations.*
- Which is worth *better qualified leads who purchase faster or more often.*

Summary

- Social media measurement must start with objectives, and take a long-term perspective.
- Social media metrics should track community engagement.
 - Use engagement to see beyond traffic and clicks
- Marketing's job is to communicate and educate about social media's impact on the business.
 - Align metrics to social objectives: listening, talking, supporting, etc.
 - It's not the result, but the process.

Forrester research referenced here

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Thank you

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