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Start Measuring What Matters

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Start Measuring What Matters

In a recent survey conducted, a staggering 86% of brand managers revealed that they do not know how to effectively measure ROI in the social space. What's more, they called this the single most significant obstacle to using social media effectively. Additionally, a recent study stated that nearly 2/3rds of CMOs think return on marketing investment will be the primary measure of their effectiveness by 2015. This raises a critical issue - most marketing heads and brand owners don't know what marketing success looks like in the social web. They have no way to benchmark if they're winning, and are unable to course correct if things get off track.

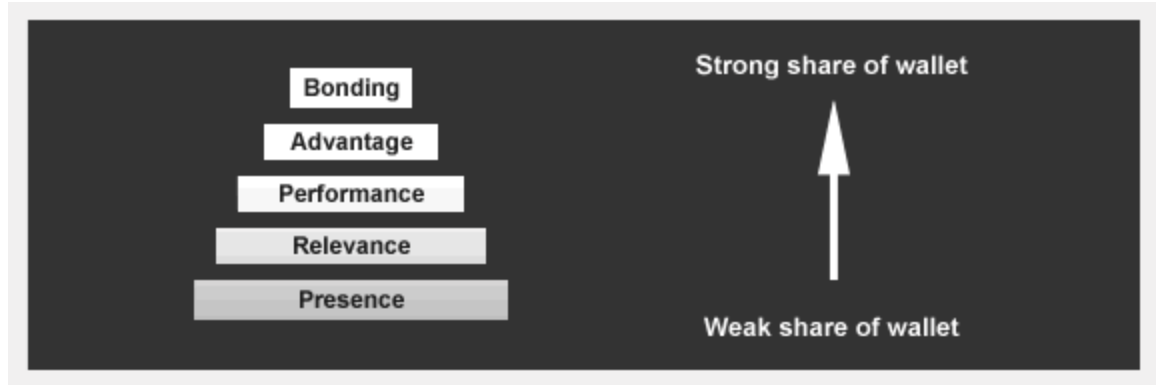
LIMITATIONS OF CURRENT SOCIAL ANALYTICS:

Social media dashboards prioritizes the things that are easy to report, not the things that are actually important to a brand. It's no surprise that brand managers can't make sense of reports full of click through rates, fan counts, downloads and page views. None of these numbers align or even correlate with a brand's objectives--driving sales, increasing affinity, and building brand value.

Marketing managers recognize this disconnect but assume that results-focused analytics are both expensive and complicated. Actually, measuring what matters doesn't have to be either. The secret lies in identifying the handful of key metrics that truly propel your brand, and never losing sight of them throughout the measurement process. Often, these metrics can be analyzed through the platforms you already have.

HAPPIEST MINDS APPROACH:

The Happiest Minds Social Computing Console has been developed based on the *Brand Dynamics Pyramid*. This enables a company to build as large a group as possible of truly loyal consumers by sustaining a suitable relationship with them. In addition, by assimilating customer activity in the social web with internal customer and sales data, it helps brands increase customer loyalty and advocacy.



Note that purchasing loyalty increases at higher levels of the Pyramid - consumers at the level of bonding are likely to be active advocates of the brand. There is also an increase in share of wallet - the proportion of consumer expenditure within the category on that brand - as you ascend the Pyramid. Some key performance indicators (KPIs) are highlighted below:

Bonding - Rational and emotional attachments to the brand to the exclusion of most other brands

KPIs: time spent, engagement, Conversation Reach, number of products purchased vis-à-vis competition, share of voice, share of conversation, duration of customer engagement/life, usage frequency, share of wallet, sentiment analysis, active number of advocates, advocate influence, Net Promoter Score, Advocate Impact

Advantage - Felt to have an emotional or rational advantage over other brands in the category

KPIs: time spent, engagement, Conversation Reach, number of products purchased vis-à-vis competition, share of voice, share of conversation, sentiment analysis, share of wallet, active number of advocates

Performance - Felt to deliver acceptable product performance and is on the consumer's short-list

KPIs: Conversation Reach, Media consumption, Time spent, engagement, comments, Conversation Reach, sentiment analysis

Relevance - Relevant to consumer's needs, in the right price range or in consideration set

KPIs: Fan group size, fan demographics, time spent, engagement, page views

Presence - Active familiarity based on past trial, saliency or knowledge of brand promise

KPIs: Click-through-rates, Page Views, total fan/follower count

CONCLUSION:

The important rule is to focus on just a few metrics for each business objective so that program evaluation remains simple and one does not end up in “analysis paralysis.” The process should force the prioritization of only key performance indicators – in addition to clicks, # of fans, page views, etc. Another attribute of the Console is the mix of both qualitative measures (discussion topics and sentiment) and quantitative measures (counts of reach, chatter mentions, site engagement events). Social media is unique in bringing both types of insight together to characterize performance and the value derived from social media efforts.

1 The BrandDynamics™ Pyramid was created by Millward Brown and it provides a graphic representation of the strength of relationship consumers have with your brand.

About Happiest Minds Technologies

Happiest Minds, the Mindful IT Company, applies agile methodologies to enable **digital transformation** for enterprises and technology providers by delivering seamless customer experience, business efficiency and actionable insights. We leverage a spectrum of disruptive technologies such as: Big Data Analytics, AI & Cognitive Computing, **Internet of Things**, Cloud, Security, SDN-NFV, RPA, Blockchain, etc. Positioned as “Born Digital . Born Agile”, our capabilities spans across product engineering, digital business solutions, infrastructure management and security services. We deliver these services across industry sectors such as retail, **consumer packaged goods**, edutech, e-commerce, banking, insurance, hi-tech, engineering R&D, manufacturing, automotive and travel/transportation/hospitality.

Headquartered in Bangalore, India; Happiest Minds has operations in USA, UK, The Netherlands, Australia and Middle East.

To know more about our offerings. Please write to us at business@happiestminds.com

About the authors

is a Senior Business Analyst in the Happiest Minds Social Computing Practice. She brings over 7 years of experience in Brand Management, Marketing Strategy, Digital and Social Media Marketing, Brand Integration, Content Strategy and Customer Experience Research. Most recently, she worked at ITC Limited, where she spearheaded opportunities for consumer engagement in digital and social media spaces for all ITC personal care brands. Prior to that, as an Analyst, Customer Experience, at Forrester Research, she created research that focused on the future of digital customer experiences—specifically, how companies organize, staff, and create design processes that help them deliver breakthrough experiences via websites, mobile, and other rapidly emerging digital touch points like tablets and apps.

Shahnawaz Khan (s.khan@happiestminds.com) is the General Manager and Practice Head of the Happiest Minds Social Computing Practice. He brings in-depth experience in leading cross functional teams for conceptualization, implementation and rollout of social business platforms. Most recently, he was responsible for building & managing various social computing platforms at MindTree, which were critical in winning multiple MAKE awards. Prior to that he led product development for various parts of Wisdom & Acumen—a next generation knowledge management & collaboration framework, at Srishti Software; for which it won the NASSCOM Innovation award. He is passionate about social computing and believes that, when leveraged in conjunction with mobility and analytics, it presents opportunities to create paradigm shifts in business enablement, differentiation & customer engagement.