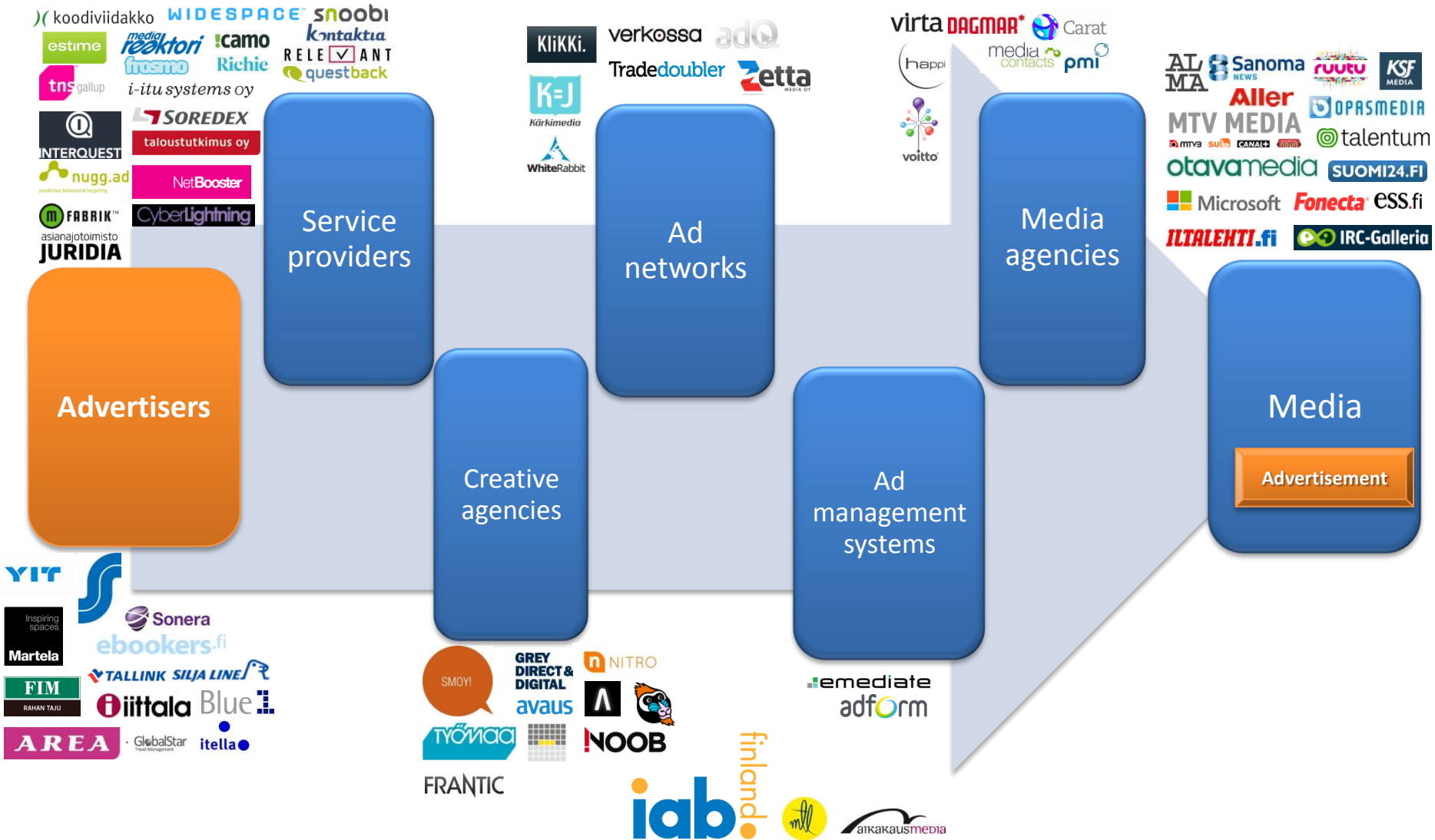




# IAB Finland

## Recommendation for Measurement of Social Media Marketing 1.11.2012

# IAB Network covers the whole Digital Ecosystem



# Mission

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*The main mission  
of IAB Finland is to emphasize the  
Meaning of Digital Advertising.*

- ✓ By enabling the Growth of Digital Advertising without any obstacles
- ✓ By creating common Standards and Recommendations



IAB Finland

Social Media  
Working Group

# Objectives for 2012

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- ✓ Increasing the Significance of Online Advertising
- ✓ Developing the Digital Marketing Industry
- ✓ Offering the Best Information and also Learning from it
- ✓ Intensifying the Co-operation with Key Players in the Market

# Projects and Cases

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- **Achieved Projects**
  - ✓ Ethical Guidelines for Social Media
  - ✓ Recommendation for Measurement of Social Media Marketing
- **In the works**
  - ✓ Social Media Glossary
  - ✓ Listing of the Finnish Social Media Services and Providers
- **Cases**
  - ✓ Nokia, Suomi24, IRC-Galleria, Muropaketti, Fazer, ST1, Iron Sky etc.



# IAB Finland

## Recommendation for Measurement of Social Media Marketing 1.11.2012

# Background

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*“Decision-makers are missing indicators for measuring the effectiveness of social media. The investment in social media has to produce a measurable increase in contacts and sales instead of just the number of likes, followers or web visitors.”*

states **Marko Karttunen**, the Director of Research,  
Viisikko-Communications VCA



# Recommendation for Measurement of Social Media Marketing Version 1.0

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- **The Purpose of this Recommendation**
  - ✓ To help businesses and communities develop comparable Measurements of Social Media Marketing Efforts
  - ✓ To support them in the planned measures
  - ✓ To supplement existing marketing guides
- **Additional Details to this Recommendation**
  - ✓ It is applicable to each company's own needs and requirements
  - ✓ It will be updated over time

# Recommendation for Measurement of Social Media Marketing Version 1.0

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- This Recommendation was created by IAB Finland's Social Media Working Group
- ✓ This Recommendation has been prepared by the Experts of the following Companies:  
*Aller Media, Alma Media, Carat, Fonecta, Genisys, i-itu systems, Itella, IRC-Galleria, Juridia, Kauppalehti, MTV Media, Mainostoimisto SMOY, Nettiapina, Nokia, Opasmedia, Otavamedia, SOK, Sanoma, Suomi24, Taloustutkimus, Tradedoubler, Zetta Media*
- ✓ This Recommendation has been reviewed by the following Parties:  
*Association of Finnish Advertisers, The Finnish Direct Marketing Association (Finnish DMA) and several Digital Advertising Companies and Social Media Service Providers*

# Definition of Social Media

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- **Social Media in this Recommendation refers to a Service, which**
  - ✓ Works on the Internet
  - ✓ Enables Users to Generate Content in Interaction with Other Users
- **Social Media Campaigns**
  - ✓ May be any kind of Marketing Communication
  - ✓ In a Digital Environment in which the Targeted User may also be a Communicator and/or Content Provider

# Recommendation for Measurement of Social Media Marketing Version 1.0

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- Important to establish Metrics that are tied to Pre-Defined Business Objectives
  - E.g. Sales Growth, Cost Reduction, Changing Attitudes and / or Customer Engagement
  - Digital Business Objectives are usually put into practice through Image Marketing or Tactical Marketing

# Social Media Metrics

	Visibility (Attention)	Engagement (Interest)	Sharing (Desire)	Performance (Action)
Earned	<ul style="list-style-type: none"> <li>Views/ Impressions</li> </ul>	<ul style="list-style-type: none"> <li>Collected Audience</li> </ul>	<ul style="list-style-type: none"> <li>Bring with/ Amplification</li> </ul>	<ul style="list-style-type: none"> <li>Sales</li> </ul>
Owned	<ul style="list-style-type: none"> <li>Unique Visitors</li> </ul>	<ul style="list-style-type: none"> <li>Audience Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Shares</li> </ul>	<ul style="list-style-type: none"> <li>User Generated Content/ Submissions</li> </ul>
Bought	<ul style="list-style-type: none"> <li>Dwell time</li> </ul>	<ul style="list-style-type: none"> <li>Audience Reach</li> </ul>	<ul style="list-style-type: none"> <li>Discussion Threads</li> </ul>	<ul style="list-style-type: none"> <li>Registrations</li> </ul>
Offline	<ul style="list-style-type: none"> <li>Frequency</li> </ul>	<ul style="list-style-type: none"> <li>Comments</li> </ul>	<ul style="list-style-type: none"> <li>Reach of Shared Discussion Threads</li> </ul>	<ul style="list-style-type: none"> <li>Appreciation</li> </ul>

# Visibility

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- **Owned Media**  
Own Content in Social Media, e.g. official fan pages, profiles, videos, pictures
- **Earned Media**  
User Content, e.g. blogs, fan pages, discussion platforms
- **Bought Media**  
Purchased Visibility and Traffic Control, e.g. display advertising
- **Offline Media**  
Social Media Related Offline Measures, e.g. sales, discussions, events

# Views / Impressions

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- **A One-Way Visibility of the Brand in Social Media**
  - ✓ User encounters and receives Information of a Product/Service
  - ✓ Guides the user to Action, e.g. to share and participate
  - ✓ Used as Measure like in Traditional Online Advertising

# Engagement

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- **Two-Way Relationship with Brand**
  - ✓ User adds Value to Content by Participating in Social Media
  - ✓ E.g. by commenting, creating content and participating in contests, sweepstakes and other types of promotions
- **Engagement is advised to be**
  - ✓ User-oriented
  - ✓ Associated with the Content
  - ✓ Inclusive of the collected audience, e.g. Facebook likes, Twitter followers
  - ✓ Qualitatively noted that Engagement and Participation can be positive or negative



# Audience Engagement

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$$\frac{\text{Likes+ Comments+ Shares+ Created Content}}{\text{Views / Impressions}} = \text{Audience Engagement}$$

- **Audience Engagement refers to Measures, which**
  - ✓ Mobilize the Targeted Audience around the Content
  - ✓ E.g. received likes, comments, content sharing and new user-generated content
  - ✓ These can be weighted in different ways, e.g. comments given a greater value than likes

# Conversation Reach

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$$\frac{\text{Total People Participating}}{\text{Total Audience Exposure}} = \text{Conversation Reach}$$

- Conversation Reach refers to the **Participation Percentage**
- I.e. How many people became interested in the Content and participated in the discussion or other action

# Sharing

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- **Sharing Content is Recommending the Brand or its Product/Service to Other Users in Social Media**
- Marketers are able to contribute to the dissemination with a range of web tools
  - E.g. by adding Social Bookmarks next to the Content
  - It should be noted that a Bookmark itself is not sharing
  - The most important factor is the **Quality of the Content**

# Bring with/Amplification

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$$\frac{\text{Reached Audience Through Viral}}{\text{Number of Shares}} = \text{Bring with}$$

- Amplification refers to the **Percentage of the Users** that has been reached by a user who shared the content
- Counting the Number of Users who became involved with the Brand or its Social Media Content through the Number of Shares
- and also how many re-shared the content

# Number and Quality of Fans

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- **Fans are referred to Users who have Requested Updates from the Social Media Content**
  - e.g. Facebook likes, Twitter followers or IRC-Galleria hearts
- **It is advised to take into account the Quality of Typical Users for each Social Media Service**
  - Rather avoid Comparing the Audiences of Different Social Media Services directly with each other

# Action

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- Performance and Action are referred to Measures such as sales, registrations, subscriptions, absorbing information etc.
- It is also possible that Action takes place Offline and Outside of Social Media, particularly when the Social Media Measures Direct Users to stores or other venues

# Comparing Results

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- It is advised to take into account the **Differences between the variable Social Media Services**
- It is easier to **Compare the Measures within One Specific Social Media Service**
- Results can be Compared to the **Average Level** and the **Previous Results**, most of all to the **Pre-Defined Business Objectives**
- **Emphasize the Result Comparison on the Conversions**, that is, to those Consumers who have been Transferred to Customers Through Social Media Measures when implementing Performance-Based Marketing
- **Monitor the Social Media Measures Continually throughout the entire Marketing Process**
- Improve your Measures by Learning from them!

# Average Level

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- **Average Level means the Mid-Value of all Measurements**
- Counting all the values provided by the meter and dividing this sum with the number of measurements
- E.g. the Number of Received Likes on Facebook, Number of Participants in a Blog



# Case: Election

	Visibility (Attention)	Engagement (Interest)	Sharing (Desire)	Performance (Action)
<b>Earned</b>		<ul style="list-style-type: none"> <li>• AE: 41 %</li> <li>• Discussion: 10 %</li> </ul>	<ul style="list-style-type: none"> <li>• Bring with: 2.38</li> <li>• # of Shares: 500</li> </ul>	
<b>Owned</b>		<ul style="list-style-type: none"> <li>• AE: 23 %</li> <li>• Audience: 5 000</li> </ul>		
<b>Bought</b>	<ul style="list-style-type: none"> <li>• Views: 200 000</li> </ul>			
<b>Offline</b>				<ul style="list-style-type: none"> <li>• 500 extra Votes</li> </ul>

# Case: Brand Awareness

	Visibility (Attention)	Engagement (Interest)	Sharing (Desire)	Performance (Action)
<b>Earned</b>			<ul style="list-style-type: none"><li>• Bring with: 3.12</li><li>• # of Shares: 1 500</li></ul>	
<b>Owned</b>		<ul style="list-style-type: none"><li>• Audience: 5 200</li><li>• AE: 41 %</li></ul>		
<b>Bought</b>	<ul style="list-style-type: none"><li>• Views: 2 Mio</li></ul>			
<b>Offline</b>				<ul style="list-style-type: none"><li>• Survey: Awareness up +10 %</li></ul>

# Case: Sales

	Visibility (Attention)	Engagement (Interest)	Sharing (Desire)	Performance (Action)
<b>Earned</b>			• # of Shares: 1000	
<b>Owned</b>		• Audience: 6 200 • AE: 31 %		
<b>Bought</b>	• Views: 5 Mio • Dwell time: 1 min • Frequency: 2.5			
<b>Offline</b>				• Sales increase: 400 pc

# For More Information

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