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It’s the end of the measurement world as we know it

1) Coke + P&G announced they won’t pay for eyeballs, only engagement
2) @AndyCarvin broke the news of Mubarak’s fall 1 hour before Al Jazeera
3) The ratio of online to print media is now the exact opposite of 5 years ago
4) A B2B software company in Cambridge traces the majority of its sales to participation in Linked-In group discussions.
5) In 3 months, via crowdsourcing, an engineer solved a problem that Exxon spent 20 years trying to solve
6) The CEO of a hospital won a union battle via blogging
7) Negative comments put a California restaurant out of business
8) HSUS generated $650,000 in new donations from an on-line photo contest
9) Ford pre-sold 10,000 cars via social media
10) The MyDrunkKitchen YouTube Channel has more viewers than CNN
Old School Metrics

- Eyeballs
- HITS (How Idiots Track Success)
- Couch Potatoes (GRP's)
- # of Twitter Followers (unless you’re a celebrity)
- # of Facebook Friends/Fans (unless they generate $$)
- CPC (maybe)
New School Metrics

- **Page Rank** = Likelihood of being found
- **Engagement** = some action beyond zero
- **Advocacy** = engagement driven by an agenda
- **Influence** = The power or ability to affect someone’s action
- **Relationships** = Long term engagement leading to trust
- **Sentiment** = contextual expression of opinion — regardless of tone
- **ROI**: Return on Investment — no more no less. End of discussion
**Myth Busting**

1. It’s all about sales
2. Eyeballs = Awareness
3. Followers = Influence
4. Likes = Engagement
5. Engagement = ROI
6. All that matters is sales
7. Sentiment is what’s really important

- Only 3 to 7.5% of consumers on average actually see posts made by the Organization.
- Organizations with fewer fans (between one and 10,000) will have higher engagement rates.
Reality #1: It’s not all about you, so get over it.

Conversations

Savings, shorter cycles, more renewals, better ideas, research.

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Reality #2: Eyeballs are not awareness

MSM

Eyeball counting

Online

HITS & Clicks

Social Media

Outcomes
Reality #3: Followers/Reach does not = influence

- Measure what matters
- There is no “bible”
- Influence ≠ Reach, GRP, or any other magic bullet
- All influence is relative
- A computer cannot tell you who matters most

<table>
<thead>
<tr>
<th>Celebrities</th>
<th>Facebook Fans</th>
<th>Core Fans</th>
<th>% Core Fans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eminem</td>
<td>41,531,390</td>
<td>575</td>
<td>0.001%</td>
</tr>
<tr>
<td>Lady Gaga</td>
<td>39,021,675</td>
<td>1,231</td>
<td>0.003%</td>
</tr>
<tr>
<td>Rihanna</td>
<td>38,700,795</td>
<td>1,008</td>
<td>0.003%</td>
</tr>
<tr>
<td>Shakira</td>
<td>35,020,365</td>
<td>753</td>
<td>0.002%</td>
</tr>
<tr>
<td>Linkin Park</td>
<td>31,081,942</td>
<td>751</td>
<td>0.002%</td>
</tr>
<tr>
<td>Katy Perry</td>
<td>29,935,900</td>
<td>811</td>
<td>0.003%</td>
</tr>
<tr>
<td>Cristiano Ronaldo</td>
<td>29,542,029</td>
<td>626</td>
<td>0.002%</td>
</tr>
<tr>
<td>Lil Wayne</td>
<td>27,721,622</td>
<td>456</td>
<td>0.002%</td>
</tr>
<tr>
<td>Bob Marley</td>
<td>27,332,286</td>
<td>683</td>
<td>0.002%</td>
</tr>
<tr>
<td>Justin Bieber</td>
<td>26,840,665</td>
<td>958</td>
<td>0.004%</td>
</tr>
<tr>
<td>AKON</td>
<td>26,319,633</td>
<td>634</td>
<td>0.002%</td>
</tr>
<tr>
<td>Megan Fox</td>
<td>26,298,356</td>
<td>682</td>
<td>0.003%</td>
</tr>
<tr>
<td>Vin Diesel</td>
<td>25,943,634</td>
<td>511</td>
<td>0.002%</td>
</tr>
<tr>
<td>Beyoncé</td>
<td>24,569,883</td>
<td>650</td>
<td>0.003%</td>
</tr>
<tr>
<td>Taylor Swift</td>
<td>23,147,778</td>
<td>879</td>
<td>0.004%</td>
</tr>
<tr>
<td>Avril Lavigne</td>
<td>22,637,106</td>
<td>828</td>
<td>0.004%</td>
</tr>
<tr>
<td>Selena Gomez</td>
<td>21,929,021</td>
<td>1,201</td>
<td>0.005%</td>
</tr>
<tr>
<td>Usher</td>
<td>21,542,917</td>
<td>697</td>
<td>0.003%</td>
</tr>
<tr>
<td>Black Eyed Peas</td>
<td>21,310,856</td>
<td>791</td>
<td>0.004%</td>
</tr>
<tr>
<td>David Guetta</td>
<td>21,091,218</td>
<td>619</td>
<td>0.003%</td>
</tr>
<tr>
<td>Will Smith</td>
<td>20,474,159</td>
<td>543</td>
<td>0.003%</td>
</tr>
</tbody>
</table>
Myth # 4: Likes are not engagement

Impressions → Likes → Followers

Trial/Consideration → Purchase → Advocacy
Myth #5: Engagement is a continuum

- Click thurs, Unique visitors, Likes
- Repeat Visitors, Twitter followers, Comments
- Retweets, Repeat Comments, Reposts, Shares, Use of hashtag, @message
- Registration, Positive sentiment, Trial
- Repeat Purchase, Advocacy
Myth #6: ROI may be Efficiency

Going where the fish are = Greater efficiency:

- 44% of junk mail goes to landfills unopened.
- Response rates <0.25% now acceptable

Better SEO results

Greater loyalty: Listen for need, respond with help

- Quilted Northern
- Home Depot

Loss prevention; risk mitigation

- Network Solutions
- Georgia Pacific

Need some help with that lawn?
Myth #7: Sentiment may not matter

- Assumes sentiment exists
  - 80% of conversation is neutral, just making an observation
  - Majority of business doesn’t evoke sentiment
- Requires lots of data
  - Once you eliminate spam, content farms and invalid mentions, make sure content volume is sufficient
- Without analytics, you can’t prove that sentiment drives action
- Real time sentiment is not measurement
6 Steps to Measuring PR

1. Define the “R” in your ROI
2. Define how you impact the mission
3. Establish benchmarks
4. Define your metrics
5. Pick a tool
6. Figure out what it means, change and measure again
What are you measuring?

**Paid** — Google Adwords, Facebook Ads, popups, banners etc.

**Owned** — www.businesswire.com, @businesswire, your Facebook page

**Shared** — Content you create but others share

**Earned** — Everything else
Step 1: Define the “R” = Clear measurable objectives

- What problem do you need to solve?
- Don’t do it if it doesn’t add value to organization.
- You can’t manage what you can’t measure, set measurable goals.
Measurable Goals for Communications

1. Marketing/leads/sales/
2. Mission/message
3. Relationship/reputation/

To fix this
Or get to this
Goals drive metrics, metrics drive results

Goal

Reputation/Relationships
- % improvement in Relationship scores
- % increase in Recommendations
- % Share of Favorable Positioning

Get the word out
- % hearing/seeing
- % believing
- % acting

Sales
- % increase in Engagement
- % movement along Engagement Continuum
- % reduction in $ per customer acquisition
- % increase in qualified leads

Marketing Mix Modeling
Step 2: Define how you impact the mission

- Ask “So What” three times
- List the audiences
- Define the benefit of a good relationship with each of them
- What’s important to them?
- What makes them act?
Step 3: Establish benchmarks

- A peer group
- Control groups vs. other department
- Over time
- Whatever keeps your C-Suite up at night
Step 4: Define your Key Performance Indicators (KPI)

You become what you measure, so pick your KPI carefully

- You decide what’s important
- Benchmark against peers and/or competitors

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

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Typical KPIs in Earned Media

- % increase/decrease in share of desirable vs. undesirable conversations over time
- % increase in share of reposts and comments vs. the competition over time
- % containing a key message
- % message integrity over time
- % favorable positioning on key issues
- % share of quotes
Typical KPIs in Owned Media

- % increase in repeat vs. unique visits
- % increase in time on site, pages per visit
- % increase in blog subscriptions/registrations
- % increase in visits to unique URLs
- % increase in downloads
Step 5: Pick the right measurement tools

- If you want to measure messaging, positioning, themes, sentiment: **Content analysis**
- If you want to measure awareness, perception, preference: **Survey research**
- If you want to measure engagement, action, purchase: **Web analytics**
- If you want predictions and correlations you need two out of three
### Step 5: Selecting a measurement tool

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

1. Monitoring is not measurement
2. Content farms are not content
3. You will not get EVERYTHING
4. Don’t confuse KPIs with variables
Step 6: Tying it all together: Research without insight is just trivia

- Find your “Abby”
- Ask “So What” three times
- Look for failures first
- Check on what the competition is doing
- Then look for exceptional success
- Compare to last month, last quarter, 13-month average
- Figure out what worked and what didn’t work
- Move resources from what isn’t working to what is
The Social Media Process

Crawl
- Monitoring/Listening
- Establish Rules

Walk
- Participate
- Measure
- Tailored content

Run
- Integrate into Strategy
- Use Multiple Channels
- Follow best practices

Fly
- Tie efforts to outcomes
- Crowd source
- Integrate with all Mktg
- Continuously improve
6 Steps to Success = Think Different

1. Break down the silos
2. Use crowdsourcing to find solutions
3. Seek relationships, not “likes”
4. Remember what matters
5. Use metrics to inspire not to justify
6. Crawl, Walk, Run or Fly
Thank You!

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

www.themeasurementstandard.com

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