PLANNING for SUCCESS

A practical guide to setting and achieving your social media marketing goals

LUAN WISE

Author of Relax! It's Only Social Media
Winner of the National Indie Excellence Awards

LUAN Wise

SOCIAL MEDIA MEASUREMENT

SOCIAL MEDIA MEASUREMENT
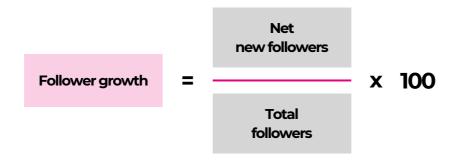
FOLLOWER GROWTH

To measure follower growth, look at the number of new followers you have (we call this net new followers) over a reporting period, then divide by your total audience and multiply by 100 to get your audience growth rate percentage. You should do this for each social media platform you use:

$$\text{Follower growth} = \frac{\text{Net new followers}}{\text{Total followers}} \times 100$$

REACH AND IMPRESSIONS

Some platforms provide data on reach, while others provide data on impressions. It's important to check what data you are looking at, and ensure you understand how the data is gathered:

☐ **Reach** refers to the total number of followers/connections who have the chance to see your posts at any given point in time. In a perfect world, this would be every one of your followers, but that is not the case, due to the way the social media platform algorithms work. Your posts can also be shown to non-followers: this is especially the case with the 'For You' page on TikTok and, more recently, Twitter.

SOCIAL MEDIA MEASUREMENT

☐ **Impressions** are the number of times your content is displayed in newsfeeds. For example, a LinkedIn post could show up in the original author's newsfeed, and appear again when someone shares the post. If you saw both posts in your feed – from the original author, and via a connection – that would count as two impressions for the same post. A viewer does not have to engage with a post for it to count as an impression.

As your audience begin to share your posts, your reach and impressions will increase, which naturally leads to increased awareness. When someone shares a post, it means they found it valuable. It also means that they found it so valuable that they're willing to attach their own brand/reputation to it as they pass it along. This is why encouraging your audience to take action and share your content is so important. We call this engagement.
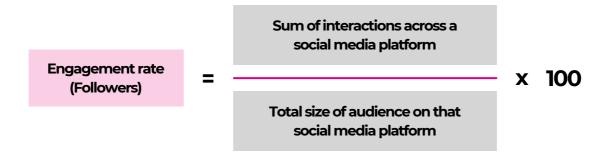
ENGAGEMENT

Social media engagement measures how much people interact with your content. It's a measure for the 'social' part of social media and can include likes, shares, link clicks, mentions, comments, replies, direct (private) messages and video completions (watching a video to the end).

Since social media algorithms are said to prioritise showing posts in newsfeeds using engagement such as likes, comments and shares as a signal, it's an important quality measure to focus on. However, engagement data is often low and erratic.

The total number of engagements on a social media post is useful, but it is far better to calculate an engagement rate. There are different ways to do this. I prefer to use a formula that takes into account followers and to calculate the percentage of followers who chose to interact with the content after seeing it. An alternative is to calculate the percentage of those reached who chose to interact with the content after seeing it. Either way, by calculating a percentage you will get a figure that is easier to compare, especially over time and in comparison to competitor data.

You can calculate the engagement rate of an individual post or as an average for all posts across a defined reporting period. To do this you will need to know the total number of engagements (likes, comments, shares) and the number of followers you have on a particular platform.

$$\text{Engagement rate (Followers)} = \frac{\text{Sum of interactions across a social media platform}}{\text{Total size of audience on that social media platform}} \times 100$$

A lower engagement rate means that your post wasn't interesting enough for audiences to take action after seeing it in their feed, or perhaps a call to action was missing so they didn't know what you wanted them to do next. A higher engagement rate would indicate that your post was of interest to your audience – and you should consider posting more of this type of content. From your calculations you will need to determine what is your average, and then what you consider to be 'low' or 'high'. The best answers are in your own data.
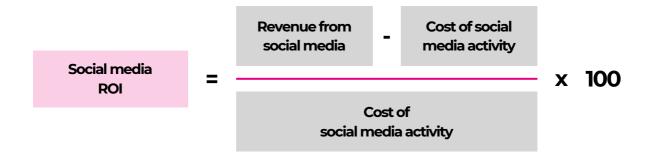
<u>SOCIAL MEDIA RETURN ON INVESTMENT (ROI)</u>

ROI is a performance measure that looks at the benefit (or return) of doing something.

ROI is usually calculated by subtracting the cost of doing something from the value you're creating (such as a lead or a sale), and dividing the cost of the investment, then multiplying it by 100 to get a percentage – which is an easier number to understand and compare

The costs we might include in a social media ROI calculation are:

☐ **Internal resources** (e.g. overheads, management time).

☐ **External resources** (e.g. graphic design, copywriting).

☐ **Social media management tools** (e.g. Hootsuite).

☐ **Advertising costs** (e.g. sponsoring content on LinkedIn, running a promoted Tweet or boosting a Facebook post).

$$\text{Social media ROI} = \frac{\text{Revenue from social media} - \text{Cost of social media activity}}{\text{Cost of social media activity}} \times 100$$

SOCIAL MEDIA MEASUREMENT

At its simplest, a social media ROI calculation could be completed for a specific campaign using Google Analytics and sales data. For example:

- ☐ 1,000 clicks from ten social media campaign posts on Twitter.

- ☐ Of those 1,000 clicks, 500 converted to a lead by filling in a form on a website landing page.

- ☐ Of those 500 leads, 100 ended up making a purchase.

- ☐ This means our traffic-to-lead conversion ratio is 50%, and our lead-to-sale conversion ratio is 20%.

- ☐ We know each purchase generates £100 in revenue and £500 of resources were allocated to the ten campaign posts.

- ☐ The campaign generated £10,000 of revenue (100 customers × £100) and £9,500 in profit (£10,000 – £500).

- ☐ The ROI is 19:1 (for every £1 spent, £19 of profit was generated), or 1900%.

You may see measurements for the ROI of social media advertising called Return on Advertising Spend (ROAS). It's the same calculation.

SOCIAL MEDIA MEASUREMENT

However, ROI/ROAS calculations do not take into account the time you spend setting up profiles, building audiences and posting content focused on building awareness in readiness for the campaign. While these activities may not yield immediate revenue, they contribute to long-term brand recognition, customer trust and overall marketing effectiveness.