



White Paper

Social Media Analytics

Adding Impetus to Social Media Marketing



Drive Digital Life

Updated August 2017

Executive Summary

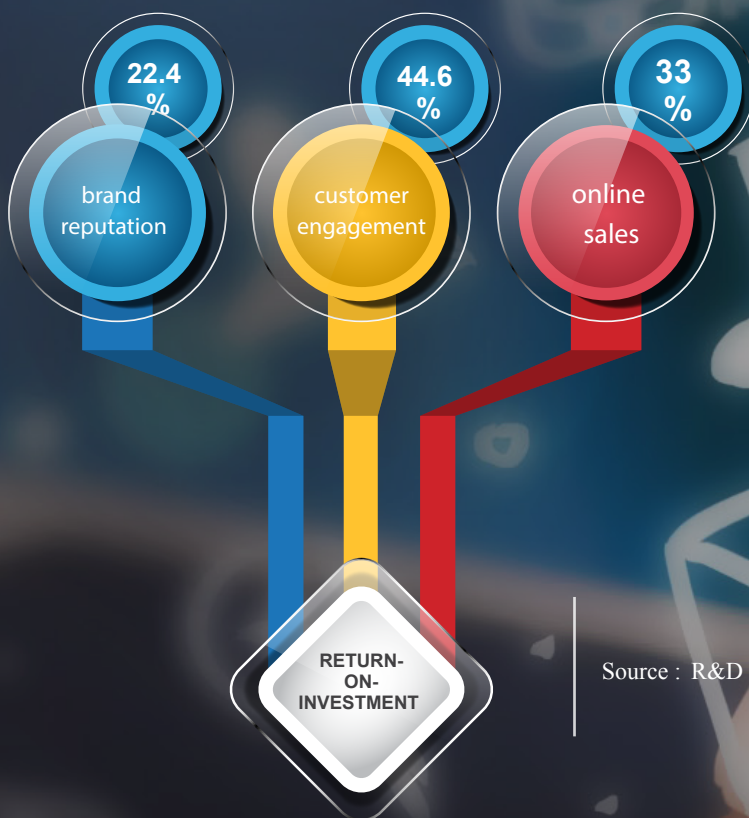
This whitepaper on the whole presents readers with a general background about social media and delves into social media as a phenomenon that has transformed the manner in which marketers and organizations are utilizing social media to create brand awareness and establish a two way communication with customers. The background covers global internet trends, social media penetration and trends in India. Though the advent of social media has presented tremendous benefits for marketers and organizations alike, it also has a flip side which if not considered can translate into adverse impacts for marketers as well as organizations. Further, the whitepaper presents strategies that need to be taken into account for effectively leveraging social media. Strategies would include; identifying business objectives, competitive intelligence, using the right metrics and calculating the Return on Investment (ROI).

ROI can only be calculated if organizations and marketers are aware of and are adept at using the many social media analytical tools that are offered by most social media platforms or by utilizing third party analytical tools. However, it is also imperative to understand what is to be measured, what should not be measured, how to measure and the key performance indicators which would pertain to number of likes, shares, pins or tweets to ascertain the effectiveness of their social media marketing initiative. The emphasis of this paper is on social media analytics, which clearly presents organizations and marketers in-depth insights into how they can effectively leverage the potential of analytics to keep a tab on social media marketing ROI.

Table of Contents

Executive Summary	1
1.0 Background	3
2.0 Social Media Challenges and Opportunities:	6
2.1 For Marketers	7
2.2 For Organizations	8
3.0 The Strategy	9
3.1 Identifying Business Objectives	10
3.1.1 Competitive Intelligence	10
3.1.2 Metrics	10
3.2 ROI Calculation	11
4.0 Analytics	12
4.1 Why to Measure?	13
4.2 What to Measure?	14
4.3 What not to Measure?	14
4.4 How to Measure?	14
4.4.1 Key Performance Indicators	14
4.5 Analytical Tools	16
4.6 How to Present?	17
5.0 Conclusion	18

1.0 | Background



Source : R&D Guires (2017)

Many organizations are investing in their social media presence because they appreciate the need to engage in existing social media conversations in order to protect their corporate or brand reputation, increase customer engagement or increase online sales. According to the findings of a research conducted by the R&D team at Guires, around 44.6% of organizations use social media for customer engagement, 33% organizations use it for improving online sales and 22.4% organizations use social media to protect brand reputation. As organisations increasingly develop their social media presence, it is vital to be able to evaluate the impact of this investment, including its contribution to achieving marketing objectives, as well as more generally understanding any return-on-investment (ROI)

Social media brought about a massive wave of change and has replaced the era where the common online communication channels referred to news groups and chatrooms. Today, social media has been effectively incorporated within our day to day life and has altered the way communication is carried out between family, friends, influencers and businesses

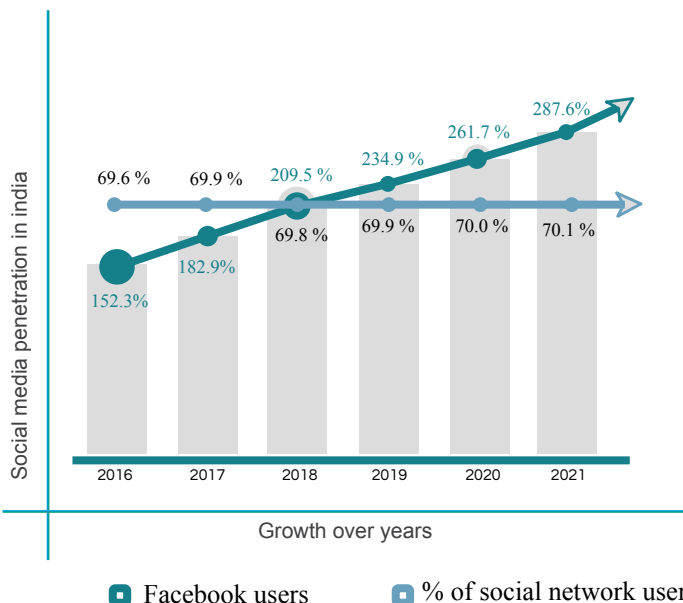
According to latest statistics:

- 👉 The population across the world has touched around 7.395 billion,
- 👉 Number of internet users has increased to 3,419 billion¹
- 👉 Around 2,307 billion people actively use social media.

When Facebook was introduced in 2004, people were presented with a new way of communication. With Facebook, people felt as if they were living in a global village where they could access communities that were previously beyond reach due to geographical restrictions.

The proliferation of social media channels commenced from the U.S. and infiltrated into other regions of the world. Needless to say, India is one of the regions that have witnessed a boom in social media usage. This global trend of social media in its wake has impacted India too. In India, the growth of social media has been exponential which is evident by the growth in the number of internet users notching it up to 375 million².

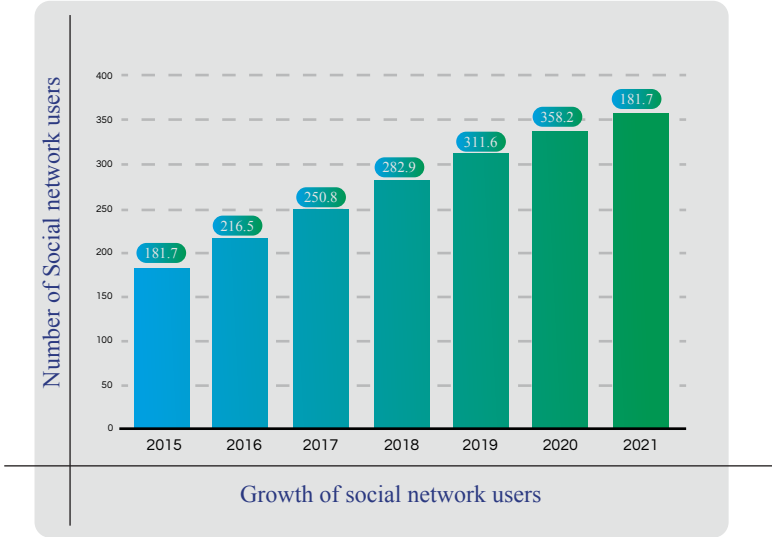
Facebook Users and Penetration in india, 2016-2021 Millions and % of Social network users



Source : Adopted from IMRB (2016)

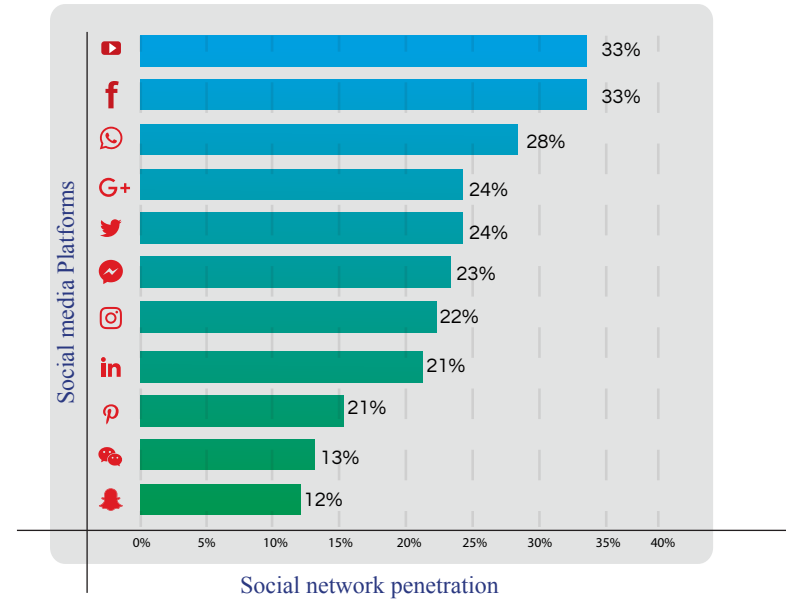
The large population of 1,319 million people presents social media giants like Facebook and Twitter with tremendous potential. Coming down to bare facts, the number of Facebook users in India total around 195 million where Indians have managed to overtake Facebook subscription rates in the U.S. by 4 million³. Out of this number, around 147 million people from India access Facebook through their mobile devices and India is amongst the top five nations that access Facebook where the other nations happen to be the US, UK, Germany and Brazil⁴. Further, 23.2 million of the Indian population is known to be active on Twitter and out of the 467 million users of LinkedIn across the world, 30 million users are from India⁵. Moreover, there are more than 60 million unique users on the video sharing website YouTube in India.

Number of social network users in India from 2015 to 2021 (in millions)



Source : Adopted from Statista (2017)


Penetration of leading social networks in India as of 4th quarter 2016



Source : Adopted from Statista (2017)

Social media is not just being used by individuals alone but its potential is being increasingly leveraged by marketers and organizations alike. Social media presents both marketers and organizations with immense opportunities, however, it also comes with its own set of challenges.





Social media users today are a highly motivated assortment of online consumers. According to reports, around **70% of users** on social media are actively engaged in online shopping too⁶. With the growth in mobile usage, consumers are now able to conduct their day to day financial transactions or make purchases while they are on the move. This presents marketers and organizations with significant opportunities as well as challenges.

2.0 | Social Media Challenges and Opportunities

2.1 For Marketers

From a wider perspective, social media in the present day offers marketers with one of the best marketing opportunities as it facilitates a brand to connect with its customers. Social media marketing has emerged as an innovative medium that marketers can leverage to increase awareness about a brand. Marketers have realized the plethora of opportunities it presents and are now executing social initiatives at an increased rate than earlier.

02

BENEFITS

- Disseminate information / gather feedback
- Identify influencers
- Cost effective

The first benefit being that it offers marketers with a two way platform that can be used not only to disseminate information but also to gather inputs and feedback from customers. Second, it allows marketers to identify diverse peer groups or influencers across groups where the influencers can be used as brand evangelists facilitating an organic brand expansion. Third, the cost at which these activities are conducted are almost nil as opposed to traditional marketing initiatives, since most of the social media platforms do not charge anything. At the same time, the open nature of the web renders any information that is posted on social media sites to be viewed by one and all. This warrants a consistency within the process of planning, implementation, design and effectively controlling communication on social media platforms.

01

OPPORTUNITIES

- Use the web based Technology to disseminate information
- Connect with its customers
- Increase awareness about a brand

Social media offers marketers with an innovative medium through which they can socialize and harness the potential of web based technology to promptly distribute knowledge and information about a brand to a large audience base. It allows marketers to create and exchange content created for customers. Compared to traditional marketing strategies, social media marketing presents marketers with three key benefits.

03

CHALLENGES

- Information easily viewed by all

2.2 For Organizations



Organizations today are effectively using social media in diverse functional domains within their business and are reaping a wide array of tangible advantages. Social media offers organizations with enhanced opportunities where they can substantially augment brand recognition, sales, increase website traffic, improve customer satisfaction levels and return on investment. Since social media offers organizations with a two way communication medium, where they stand to obtain feedback from customers which can be effectively utilized to enhance their products and services.



Organizations need to be careful of the manner in which they use the information that is collected from existing or potential customers. Unethical use of customer information may lead to loss of customer and negative publicity. This brings us to another challenge which is negative publicity. Considering that social media is a two way communication channel, customers who are unsatisfied or even competitors are in a position to post negative feedbacks which could either be written posts, images or videos. Such negative publicity can impact the reputation of the organization.

As recent as five years back, social media was considered as a novelty with organizations hardly understanding the opportunities that it could present. However, in the present day, the opportunities that social media offers organizations is no longer a debate. Organizations have realized the immense power wielded by social media and have openly accepted marketing through social media platforms as an intrinsic aspect of their public relations and marketing mix. By harnessing the power of social media, organizations are now in a position to reach out to their customers and create engagement with them on a personal level that too on a day to day basis. This has turned the very basis of the game as far as marketing, sales, customer service and other business activities are concerned. This is an opportunity that never existed from a traditional marketing perspective.



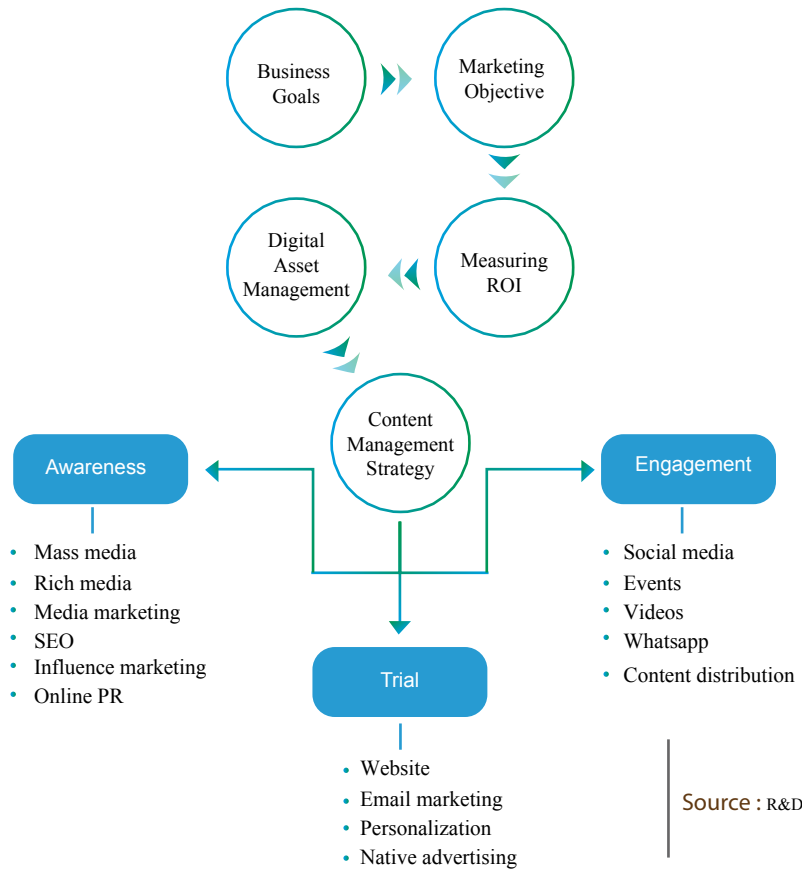
However, the social media environment comes with its own set of challenges for organizations. One of the key challenges that organizations are confronted with is the need to safeguard their individual copyrights and trademarks. Since, it is an open platform, there is every possibility that an organization's trademarks and copyrights are misused. Another challenge would refer to issues pertaining to privacy, trust and data security. Trust is an intrinsic aspect as it goes a long way in building customer loyalty.

3.0 | The Strategy



Keeping in mind the exhaustive information that is distributed over diverse platforms in multiple formats, the need of the hour is the appropriate permutation of strategy and platform. Marketers need to clearly identify the most suitable strategy for each individual platform. But to proceed any further the marketer needs to create a strategy on following lines





Source : R&D Guires (2017)

3.1 Identifying Business Objectives

It is essential to understand that every aspect of social media will be instrumental in realizing the business objectives. Organizations cannot move forward without having an idea about what they intend to achieve. Here, it is very necessary to identify the business objectives which will enable the organization to determine how the use of social media can be beneficial in realizing the objectives. Though the business objectives can be several, the few mandatory key objectives that any organization should incorporate within their strategy is improving brand awareness, ensuring customer loyalty while bringing down the costs of marketing.



3.1.1 Competitive Intelligence

Competitive intelligence could prove to be another useful strategy that organizations can use effectively for their social media marketing initiatives. *Gaining competitive intelligence would enable organizations to manage insights that they gather about their competition based on which they can create strategies for social media marketing.* Competitive intelligence can also be beneficial in backing up any alterations in perspective. From an optimal level, it will nurture an organizational culture that thrives on ambiguity while outmaneuvering competitors who are looking for stability.

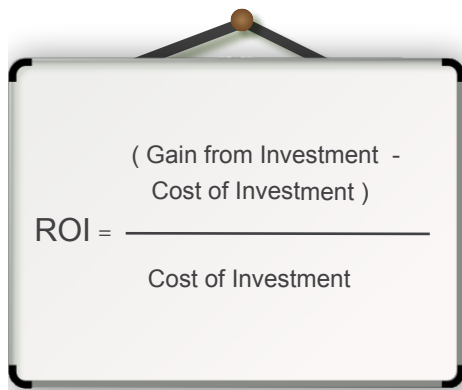


3.1.2 Metrics

Having the right metrics to measure the social media strategy can play a critical role in driving effectiveness in the social media strategy. Evaluating brand awareness and follower engagement can be a critical aspect when optimizing the impact of social media. However, assessing the impact of social media strategy can be quite complex. In order to evaluate the impact that social media strategy is making on the performance of the brand, it is essential to monitor the right metrics such as; brand search volume, lead growth, inbound links and brand sentiment.

3.2 ROI Calculation

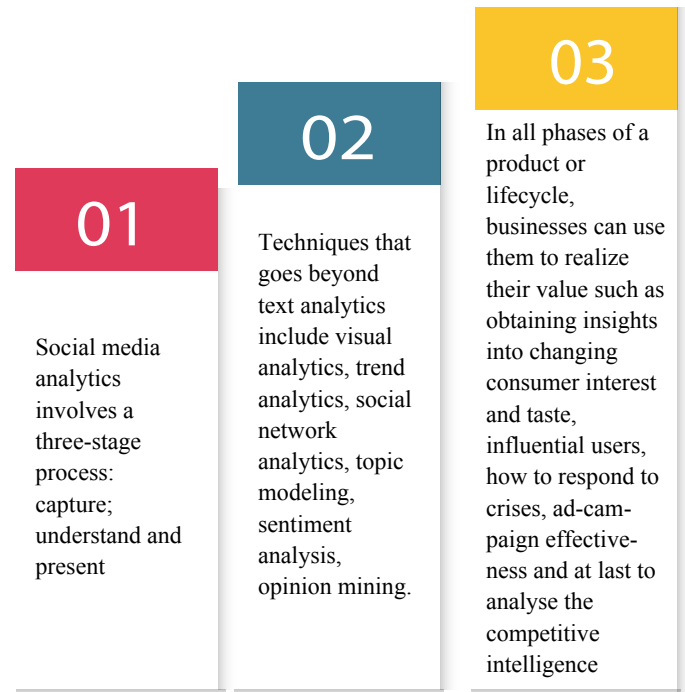
Social ROI is a concept that can be quite confusing for social media marketers as well as organizations on the whole. Evaluating social media marketing campaigns by using metrics like engagement, reach, and share of voice is largely accepted within the realm of social marketing in the present day. These metrics are grounded on the postulation that engagement is quite valuable. Marketers reach this postulation as they primarily believe that social media is an intrinsic part in the customers journey. However, there is no evidence to this postulation. Most major surveys that have been carried out amongst social marketers have revealed that social ROI is a major challenge.



$$\text{ROI} = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

ROI Calculation

Key Insights



Social ROI is not simply related to allocating funds for social media marketing. Rather, it is more about answering certain specific questions such as;



4.0 | Analytics

In the context of **Social Media Analysis (SMA)**, three main analytic methods almost always find their application:

- (1) **Text analysis/Mining**,
- (2) **Social network analysis**, and
- (3) **Trend analysis**

Innovation
Branding
Solution
Marketing
Analysis
Ideas
Success
Management

Solution

A 2012 survey of 3,800 marketers in the U.S. indicated three top concerns:⁷

- 🔍 How to track social media return on *investment*
- 🔍 How to identify and engage with the most influential social media users; and
- 🔍 What tactics to use to create an effective *social media strategy*.

Social media analytical tools are designed to address each of them. At the same time, social media can transform the very nature of business.

Social media platform	Challenge	Conventional approach	Solution
A blogosphere	Identify the most influential participants in a discussion	Page-rank on cross reference graph	Grainger Casual Modeling ⁸
Blog Content	Identify the low order word space that best reconstructs a set of relevant documents within each time window	Word co-occurrence	Non-negative matrix factorization with regularization
Twitter Networks	Identify influential actors in a network as measured by likelihood that they will produce a future viral outbreak	Analysis of follower graph	Supervised model to predict probability of future retweet, given aggregation of historical network based features

Besides, marketers with the help of statisticians can drive an extensive set of analytics. However, it is imperative to understand certain aspects relating to ‘why to measure, what to measure, what not to measure and how to measure’ to extract value from social media analytics.

4.1 Why to Measure?

Organizations today have started considering social media more seriously and are actively engaged in creating strategies that leverage the potential of social media effectively. However, all strategies created would be ineffective if it is not backed up by ample data. Acquiring meaningful insights through data can be instrumental in enabling organizations to arrive at business decisions that are strategic and smart.

Marketers in the present business environment are seeking innovative techniques to unravel actions with regards to popularity of content, customer engagement, website visits and conversions that occur on social media platforms. Social media analytics can prove to be a crucial tool that facilitates marketers to understand the sentiments of customers over an array of social media channels and can enable marketers to get in-depth insights about customers.

4.2 What to Measure?

Using social media analytics appropriately can prove to be the key difference that would sway your social media initiatives towards success or failure.

Here, it is essential to understand what exactly you want to measure. These would include; *engagements, leads, reach, competitive benchmarking and conversion.*

4.3 What not to Measure?

Different business would have different aspects which need to be measured. The standard aspects that needs to be measured is as mentioned above however, there are other aspects which depending on the type of organization and their business objectives would or would not be necessary to measure.

Aspects that most organizations can do without measuring would refer to *audience size, audience profile and sentiment analysis.*

4.4 How to Measure?

4.4.1 Key Performance Indicators

Several diverse aspects of customer behaviour patterns can be measured with the help of social media. But nonetheless, there would be a variation in the key performance indicators (KPI) from marketer to marketer. This renders it very difficult for marketers to determine the detailed aspects of what exactly they are aiming to measure through their social media endeavours. Marketers might be confronted with conflicts when it comes to determining the right KPI and bringing it to match with overall performance of the business.

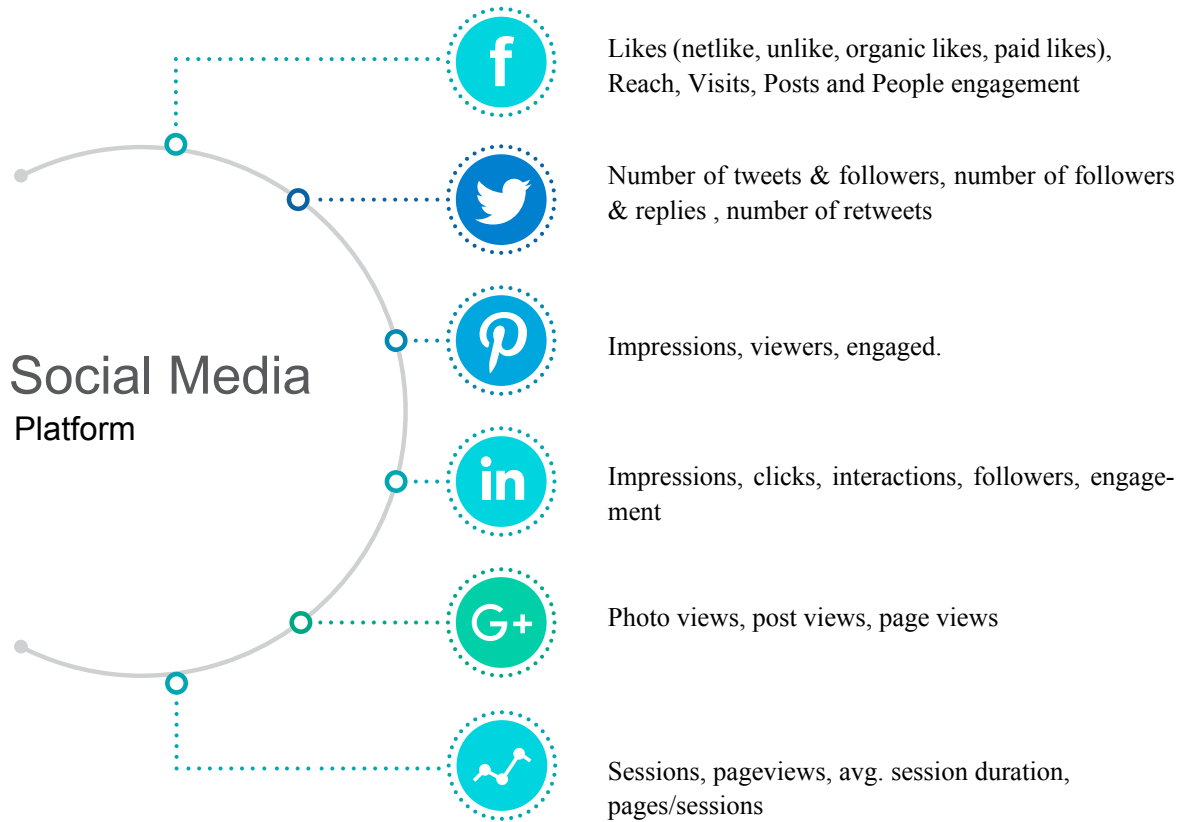
By obtaining a deeper insight of the KPIs, it is possible for marketers to decide whether their campaign was successful and whether their marketing initiatives require further enhancements to achieve market penetration and customer engagement. Nonetheless, to identify these KPIs, the social media initiatives need to be evaluated in diverse manners. This kind of evaluation will essentially signify the degree of their social media marketing initiatives.

The measurement KPIs used for social media greatly vary from KPIs that are utilized to measure initiatives undertaken using conventional mediums. Within social media, the KPIs are largely linked to gauging the response of customers to a specific message that has been conveyed. The response of such messages are usually measured on the basis of the number of tweets, re-tweets, likes, dislikes, shares, pins and fans. Effective utilization of social media analytics will enable marketers to **associate these KPIs with customer engagement, brand loyalty, lead generation and brand awareness.** (refer to figure on the next page)

Identifying the appropriate KPIs is of utmost significance when marketers opt to use social media analytics. In case there is no clarity with regards to KPIs, there is no way that marketers can derive any benefits from their social media analytics initiatives. The idea is to utilize the KPIs in enhancing their overall marketing strategies

- Mr. Vinoth Head - **EveMarg**

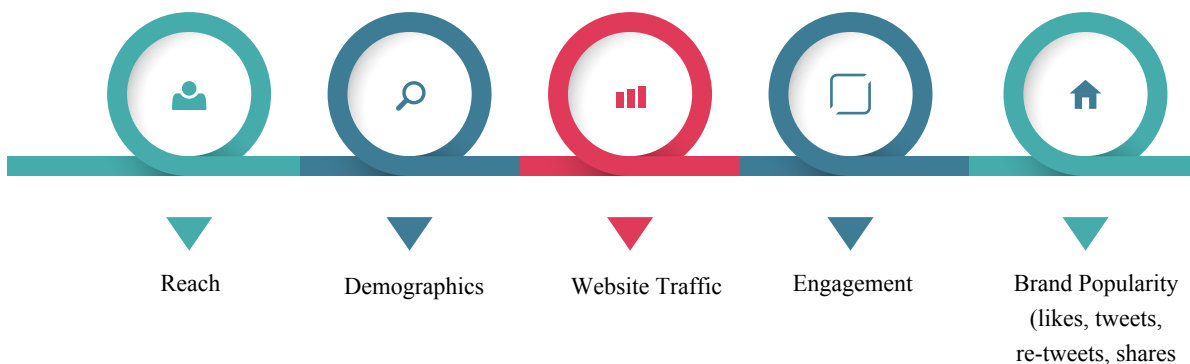
Metrics



Executing such an evaluation would necessitate the marketer to ask the following questions to themselves;

- Are they clear about the objective behind their social media marketing initiatives?
- What is the kind of content which has to be created to be shared across social media platforms?
- At what frequency should the content be shared?
- What is the audience type that they intend to target on social media?
- What is the time taken to respond to customers?

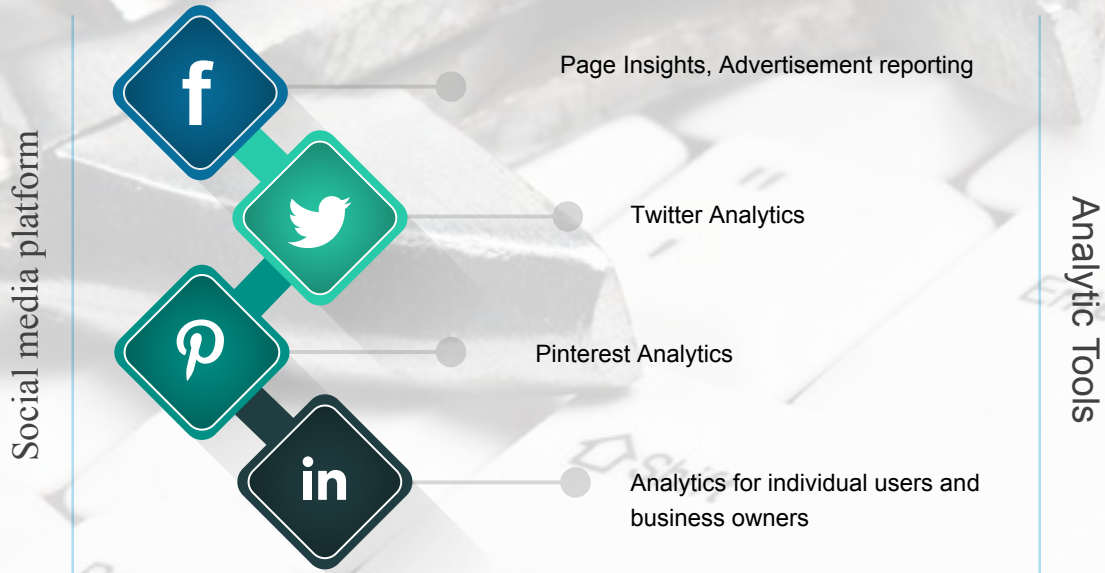
Posing these questions will help marketers to unravel critical information relating to;



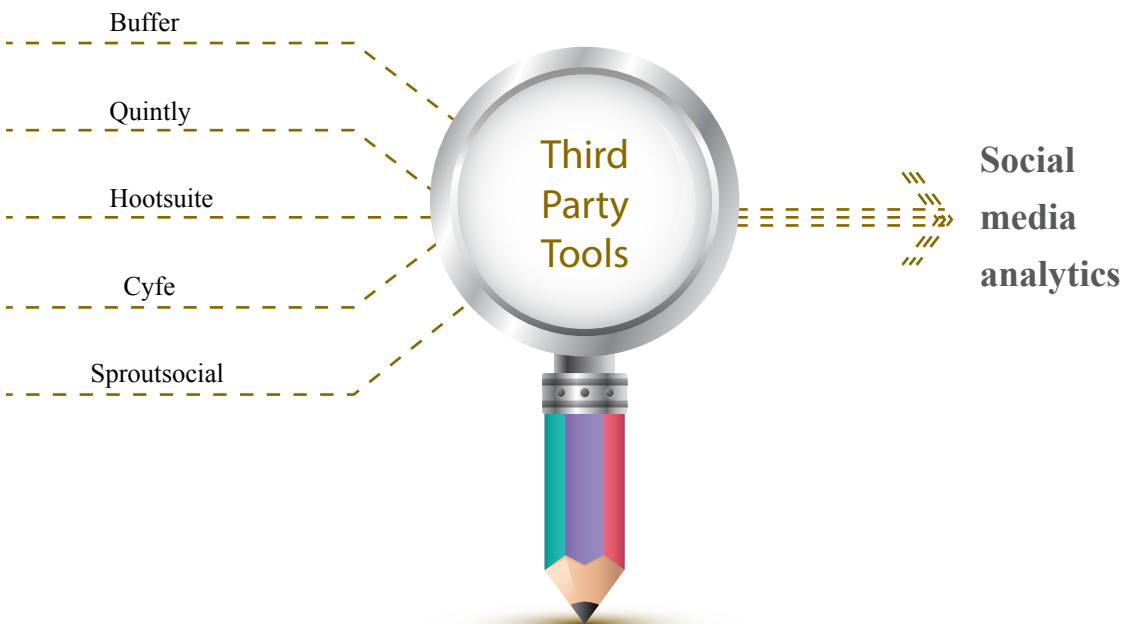
4.5 Analytical Tools

Almost all social media platforms have their own tools to assess and evaluate business and customer trends. Certain social media platforms come equipped with analytical tools that are in-built.

In the absence of any analytical tools, marketers can also opt to avail analytical tools offered by third-parties. Some such existing social media and third-party tools would comprise of:-



Third Party Tools

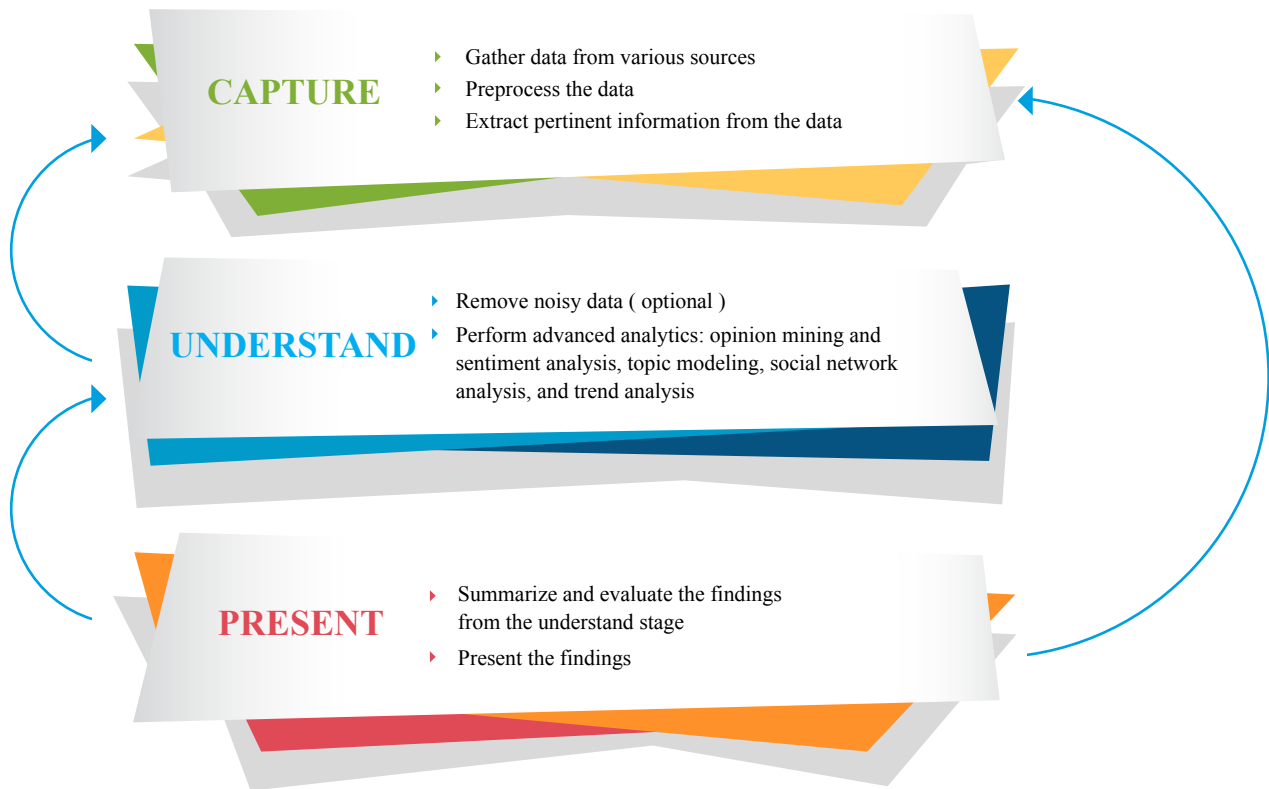


However, it is imperative that marketers select the appropriate analytic strategy to evaluate activities on social media. An analytic strategy that is appropriate would involve; synchronizing social media initiatives with the business objectives, creating a definite goal for social media, more emphasis on the best possible outcome, identifying insights that

are actionable and useful which would relate to obtaining an idea about the right combination of what, when and how, is significant. The data type that needs evaluation and how this data would be utilized, getting a fundamental idea prior to progressing on to advanced analytics and creating a clear cut distinction between objectives and priorities is also important.

Social media analytics involves a three-stage process: “capture,” “understand,” and “present ” also known as the CUP framework.

Social media Analytics Process



4.6 How to Present?

Presenting the results derived from social media analytics should be rather simple, yet attractive and should be easily accessible to all concerned instead of restricting it to data scientists alone.

The results can be presented through software’s such as MS-Excel, PowerPoint or it can be uploaded in any of the formats on cloud, facilitating easy access.

5.0 | Conclusion

In the current day techno-driven environment, social media marketing can prove to be an effective platform that marketers can leverage to propagate key information about their brands, products and services. For the most part social media marketing intends to create engagement which in effect is largely driven by content. Social media analytics present marketers with a tremendous opportunity to get an idea about the type of content that creates customer engagement and how customers react to such content.

Marketers can utilize social media analytics to formulate content strategies on the basis of likes many a time, or through the reach sometimes. A successful social media campaign is one that makes the right impact at the right time by using the right content. Nonetheless, in the absence of social media analytics, marketers will not be in a position to determine whether the time, content or impact is right or wrong. Other than engagement, analytics can also be strategically utilized to evaluate the effectiveness of the content in attracting more number of visitors to a website and facilitating their conversion to loyal customers.

With social media analytics, marketers are in a decidedly better position to understand aspects of their social media marketing activities that are working for them and those that are not. In case the analytics reveal that marketing activities are not having the desired impact, marketers can change their entire marketing activity or tweak the existing activity to enhance the outcomes. This provides marketers with multiple benefits in terms of effective management of costs, time and resources in a manner that is more productive. Optimizing these integral factors will help marketers to derive enhanced returns on their marketing initiatives.

FOOTNOTES

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- ⁷ Stelzner, M.A. Social Media Marketing Industry Report. 2012; <http://www.socialmediaexaminer.com/socialmedia-marketing-industry-report-2012/>
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Event Marketing Partner

ABOUT

EveMarg, a sister concern of Guires Solutions Pvt Ltd., has been established with the sole objective of providing exceptional services across multiple domains including; event management, digital marketing, branding and allied services to organizations across the world. We help corporates and individuals in planning and executing outstanding events that make the desired impact on their intended audience. In terms of marketing, we offer the whole gamut of marketing services all under one roof.

We add value to our customer's business where we merge sheer operational excellence along with an unparalleled domain expertise across multiple verticals which includes event management, marketing, branding for a multitude of sectors such as banking, healthcare, financial services, manufacturing, consulting, media and entertainment, retail, shipping and logistics, telecom, tourism and utility.

EveMarg offers an array of event management and marketing services that organizations can leverage to boost their market presence, make an impact on their target audience and augment their business outcomes.

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