

 **HGS**[®] digital



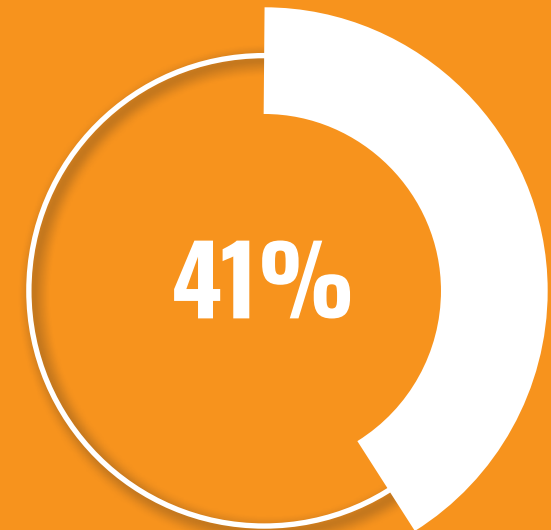
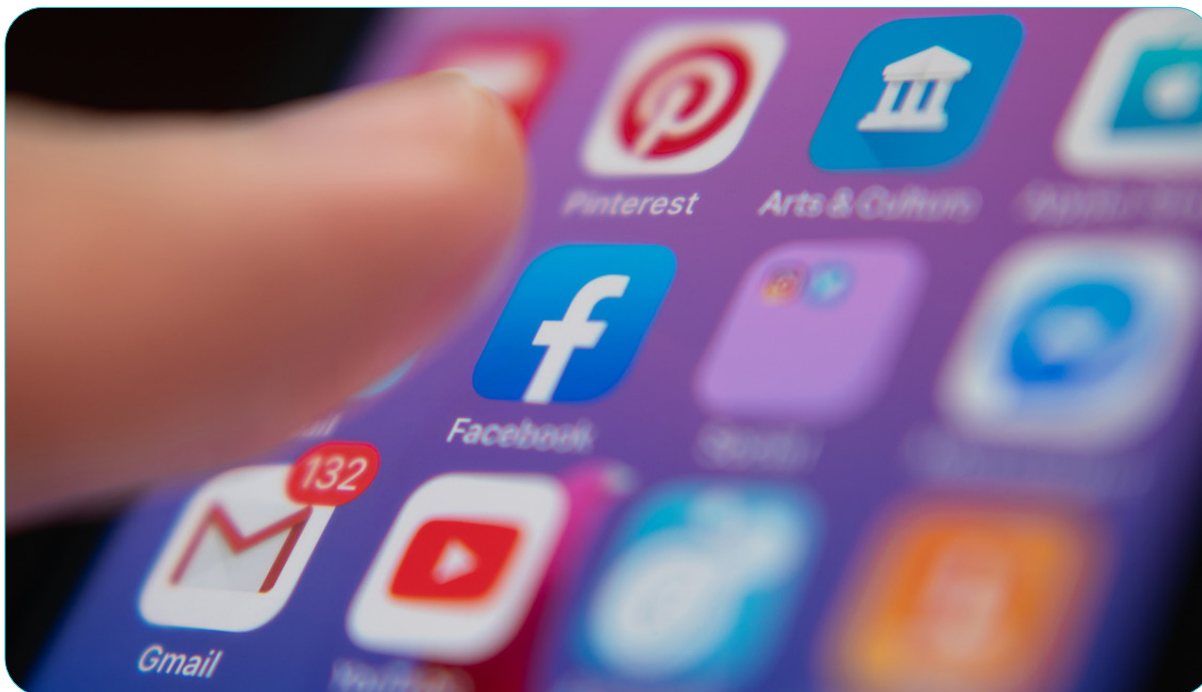
BEYOND MEASURE: MAKING SOCIAL CARE COUNT

We live in a KPI-driven world.

Today's brands are intently focused on measuring what matters. Yet, when it comes to measuring the impact of social media management, too many organizations are operating without strong strategies. In fact, a recent eConsultancy survey found 41% of respondents from 1,000 companies and agencies had absolutely no idea of social media's financial impact.

The result is that brands are often investing significant effort and dollars, but with questionable ROI and with no clear link back to business results. While it's easy to focus on social media tactics, a strong social media strategy and program must first align with top-priority business or brand goals.

Three key business goals to keep in mind when measuring a social media program are customer service, brand awareness, and revenue generation. These outcomes can be measured through KPIs (key performance indicators) tied to micro- and macro-conversions.



41% of respondents from 1,000 companies and agencies had absolutely no idea of social media's financial impact.

- Source: eConsultancy Survey





Business goal: Customer care

A critical goal for any brand with a social media presence is the level of customer satisfaction achieved via social care. Ensuring that customer issues are resolved efficiently and effectively in social media channels contributes to an overall positive customer sentiment. When looking to measure customer care in social media, there are a few key KPIs to keep in mind:

Key KPIs:

Quality of response

- > Does the response comply with the guardrails required of the brand?
- > Does the response address anticipated needs of the customer?
- > Is the customer issue resolved in as few interactions as possible?

CSAT score

- > How satisfied was the customer with the overall interaction?
- > Was the customer sentiment positive or negative?

Resolution rate and time

- > What percentage of customer issues were resolved?
- > Was the customer issue resolved at the initial point of interaction?
- > Did resolution need to take place in a different channel?
- > What was the time to first response?
- > What was the time to full resolution?

Business goal: Brand Awareness

One of the key reasons brands maintain a presence in social media channels is to build brand loyalty and brand awareness. This requires both actions that serve to amplify the brand and protect the brand in times of social media crisis. It's important to measure performance on each of these critical areas through the following KPIs:

Brand protection: Key KPIs

Speed to identify

- How quickly was the social team able to identify the issue?

Quality of mitigation

- How well did the social team resolve or mitigate the risk of the issue?

Impact of virality

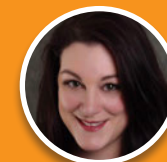
- If the risk could not be mitigated, what is the impact of virality on revenue, follower count, brand affinity or brand loyalty?
- How does it compare to similar social media crises from the brand or its competitors?
- To what extent did the viral issue generate negative sentiment? How long did it take for the negative brand sentiment to shift back to positive?

Amanda Sternquist, Global Social Care Practice Lead, HGS Digital explained that “When it comes to measuring the impact of a viral moment in social media, it’s important to measure the steady state sentiment in comparison to how negative the sentiment became and for how long. That will help a brand gauge whether or not consumers feel this is going to influence their purchase decision.”

She added, “When you consider the overall impact of a viral issue in social media, it’s important to evaluate it in comparison to a previous crisis of your own or your competitors to understand how it will likely influence everyday buying decisions and brand loyalty.”

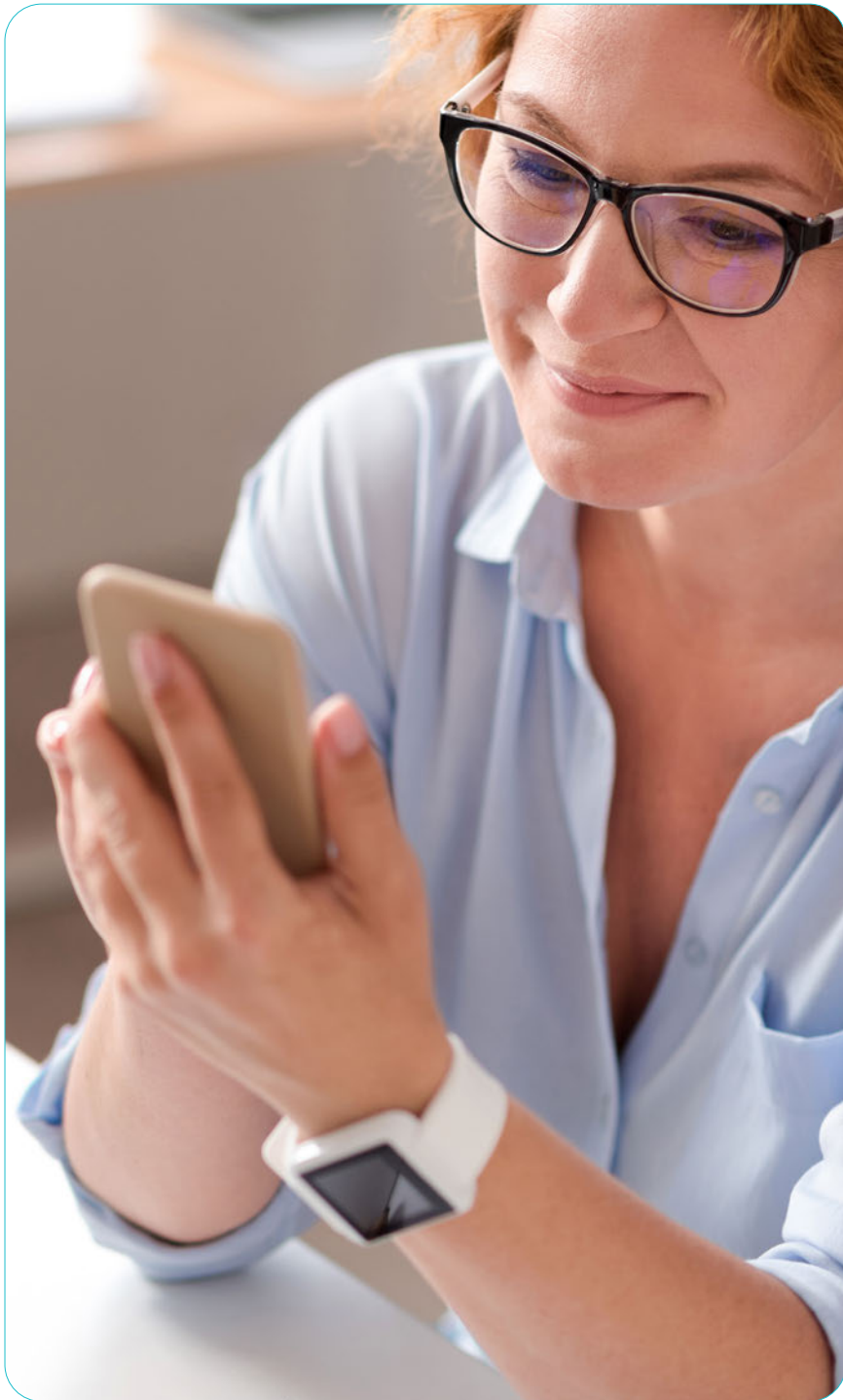


When you consider the overall impact of a viral issue in social media, it’s important to evaluate it in comparison to a previous crisis of your own or your competitors to understand how it will likely influence everyday buying decisions and brand loyalty.



Amanda Sternquist





Brand amplification: Key KPIs

Number of followers

- > How many followers were gained as a result of the social team's response?

Impact on revenue

- > How much was revenue impacted? Did revenue increase or decrease during the period of time that the post was generating positive engagement, and for how long after?

Threshold for engagements

- > Did the specific response have its intended impact in terms of volume of engagements (how many people reacted to or engaged with the response) and volume of reach (how many people saw the response)?

"Most brands will have some sort of goal in place for building awareness in social channels," HGS Digital's Sternquist said. "But it's not enough to measure what is trending about your brand. You also need to track what's trending about your competition and your industry."

Business goal: Revenue generation

A third, and critical business goal to measure in any social media program is the impact social care has on bottom-line revenue. While this can be challenging, there are four key measures to consider when looking to tie social media activity to revenue generation.

Key KPIs:

Customer retention

- > What is the monthly or annual value of each customer retained?
- > Did the CSAT score indicate customer satisfaction with resolution efforts? If the customer was satisfied with the resolution, the interaction can be included in a customer retention measure.

Consider the case of a fast food brand looking at a monthly spend of about \$25 to retain a customer. If a customer reaches out to the brand and the issue is resolved satisfactorily, chances are the customer will visit the store again. As a result, the customer can be retained for a period of time. That \$25 monthly spend over a period of 12 months can net an annual customer retention value of \$300 per customer. In the case of one HGS client, with 11,000 monthly customer retention activities, it netted \$275,000 of customer retention revenue per month, that's over \$3 million per year — all due to effective social care practices.

Calculating ROI

Customer Retention

Amanda Sternquist
@DigitalMandy

I just watched the cashier at Delambo's Donuts curse at a customer because he wasn't paying attention in line. Never going back there again!

3:53 PM · Oct 3, 2019 · [Twitter Web App](#)

@DigitalMandy Hi Amanda, we'd like to understand more about this situation so we can make it better on your next visit. Please DM us when you have a moment. Thank you!

Average Monthly Spend of Patron

\$30

Average Yearly Value of each retained customer

\$360

Customer Acquisition

Amanda Sternquist
@DigitalMandy

I'm Craving Cherry Chocolate Chip donuts right now!! Anyone know where I can find the best ones?

3:53 PM · Oct 3, 2019 · [Twitter Web App](#)

@DigitalMandy Hey, Amanda! We'd like to think we've got the best Cherry Chocolate Chip donuts in town! We even deliver: www.dalambosdonuts.com

Average Monthly Spend of Patron

\$30

Average Yearly Value of each retained customer

\$360

Joy Share

Amanda Sternquist
@DigitalMandy

I just had the most amazing experience at the Delambo's Donuts !!! I needed 500 donuts in a hurry, and not only did they make them, they're being delivered tomorrow! #lifesavers #alldonuts

3:53 PM · Oct 3, 2019 · [Twitter Web App](#)

@DigitalMandy We love our customers and communities! Excited to be part of your day!

3:53 PM · Apr 28, 2020 · [Twitter for iPhone](#)

11.3K Retweets 42.8K Likes

Average Cost Per Impression - Paid Advertising

\$1.00

Value of Viral Posts

\$54,100

Customer acquisition

- > How many new customers signed up, shopped or enrolled in a brand program?
- > What is the average annual spend of the customer?

One way to drive customer acquisitions in social media is to respond to those who are seeking a product or service recommendation. For example, consider the example of a social media user who is seeking a recommendation for a new car. The person notes he has a Ford Explorer but is looking for recommendations for a new car and asks for feedback about the Toyota Highlander. The social care team posts a response that recommends the Toyota Highlander and includes a link to schedule a test drive. That scheduled drive is then tracked in the customer's CRM to see if that one social interaction led to the vehicle sale. If so, that interaction can be included in a customer acquisition measure by defining the average annual spend of that customer – not just on the vehicle, but on service, aftermarket supplies, and more!

Joy share

Joy share can be measured in relation to a related measure such as the cost of social media advertising. For example, if a brand spends \$1 per engagement on a customer response in Twitter and receives 500 engagements on that post, the cost of that engagement is \$500. However, if instead, the brand invests \$1.50 in crafting an impactful customer care response that gets retweeted 11,000 times and generates 42,000 likes, it has generated a viral value of \$54,100.

“That is money your marketing department didn't have to spend that generated more value than the \$500 you spent advertising your brand,” Sternquist explained. “Well-placed care responses with the right influencers can often generate this kind of positive traction in social. The right response to the right person at the right time can create a positive viral interaction for both B2B and B2C brands.”



Well-placed care responses with the right influencers can often generate this kind of positive traction in social. The right response to the right person at the right time can create a positive viral interaction for both B2B and B2C brands.



Amanda Sternquist





Suggestive selling

- > How many people clicked on the links provided in the social care response?
- > How many clicks converted into revenue?

Consider the example of a social media user who has posted the comment, “What are the latest new toys for 8-year-olds for Christmas?” The social care team can respond with a link to the brand’s hottest new toys for 8-year-olds. “The brand can then actually track whether or not that person clicked that link from the social response and whether they made a purchase as a result of that link click,” Sternquist explained.

She added, “The revenue that is generated through that sale counts towards a selling maneuver that wouldn’t have otherwise occurred. Nearly every brand has opportunities like that out there that they just don’t know about. The key is listening to the right mentions.”

Social media metrics are critical to demonstrating the successful performance of your brand’s social media strategy and its direct impact on the business. Measuring what matters not only can lead to major shifts for your social team to drive improvements in performance but also provides awareness of your brand’s general social profile and brand health.

*Need help getting started developing an effective social media measurement program? **Contact us** for details about best practices and common KPIs for your industry or to obtain a free social media benchmark analysis.*

HGS DIGITAL

With over 250 digital successes and stellar client satisfaction ratings, HGS Digital creates frictionless customer experiences that solve complex business problems and improve people's lives.

We work with leading brands across the world to improve their customer engagement, optimize their operations, reduce costs, and increase revenue. As a technology-agnostic consultant—with partners ranging from Amazon, Salesforce, Google, IBM, Microsoft, and more—we are well-equipped to help you select and successfully implement the right tools for your specific needs.



www.hgsdigital.com



sales@hgsdigital.com

