

**Klean**

# **Social Media ROI**

## **Issues for Retail**

### **16 November 2011**



Svært at lede på tværs af grænser?



Soros klar med Kina-fond



Ser kollegerne skævt til kronprinsessen?



## Usikkerhed om ny reklameafgift

Søndag den 13. november 2011, 12:26

Lørdagens aftale mellem regeringen og Enhedslisten om at indføre en afgift på 400 mio. kr. på reklametryksager får detailhandelen og oppositionen til at ryste på hovedet.

Det skriver Morgenavisen Jyllands-Posten: Det er ikke første gang, at modellen bringes i spil.

I 1999 valgte daværende skatteminister Ole Stavad (S) at trække afgiften, som var en del af pinsepakken. Ministeriet vurderede, at den var på kant med grundloven. Det var for vanskeligt at afgrænse, hvornår det drejede sig om reklamer, der skal pålægges afgifter, og hvornår



annonce

### Et udbytte der kan mærkes

Investér i solenergi og få 15-20 % i udbytte. Udbetales hvert halve år [www.solarenergycompany.dk](http://www.solarenergycompany.dk)

### Årets firmajulegave 2011

Hos METRO finder du et bredt udvalg af lækre gavekurve. Køb [www.metroshop.dk/firmagaver](http://www.metroshop.dk/firmagaver)

DIN ANNONCE HERT

# JA,

vores investorer sover godt om natten...

Klik her og se hvorfor

FORMUE PLEJE

## Nyheder

Nyhedsoversigt RSS

SENESTE MEST LÆSTE DINE PENGE

- Alm. Brand-aktien stiger stærkt trods underskud (09:56)
- Højere Nordsø-skat kan bremse olieproduktionen (09:26)
- PwC vil kapre føretrojen fra Deloitte (09:09)
- Spar Himmerland sigtet for børstusk (08:51)
- Ballade hos Microsoft (08:45)
- Bavarian har styr på koppeleverancer (08:34)
- Alm. Brand Bank bløder (08:34)
- Solar fastholder forventningerne (08:15)
- Mærsk med på servicetjek af olieaftale (08:10)
- DFDS fastholder forventninger trods øget usikkerhed (08:07)

Nv karrier

# Agenda

- Value of social media is hard to measure
- New metrics are needed, but it is difficult
- What your organization can do

# Rational vs. Real Buying Cycle

## The Buying Funnel

Kotler & Al. (2006)



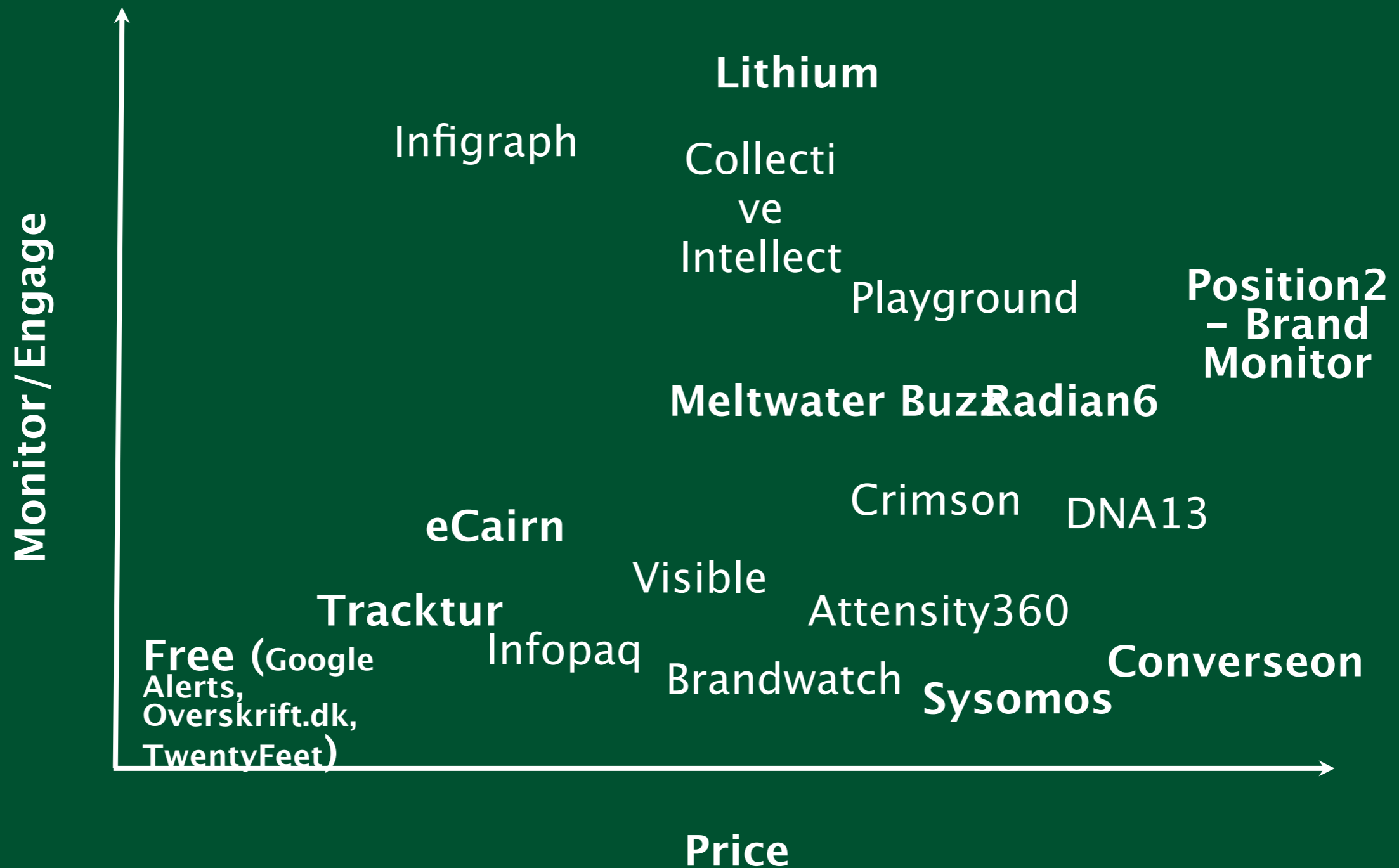
## The Buying Funnel



# Large bank spent \$2.6M in

Platform	Impressions	Clicks	CPC	Leads	Cost	CPL
Facebook	3,837E+08	106.000	1,08 \$	2.000	114.000	57,06 \$
Google Adwords	1,698E+08	2,6E+06	0,76 \$	347.000	2.004.000	5,78 \$
Bing AdCenter	84.900.000	680.000	0,63 \$	109.000	430.000	3,94
DoubleClick (Google)	2,513E+08	45.000	1,97 \$	30.000	88.000	2,93 \$
Right Media (Yahoo)	1,146E+08	13.000	3,29 \$	10.000	42.000	4,20 \$
<b>Total</b>	<b>1,004E+09</b>	<b>3,5E+06</b>	<b>0,78 \$</b>	<b>498.000</b>	<b>2.678.000</b>	<b>5,38 \$</b>

# Too many similar social media



# No tool does it all

Tool	Free tools	eCairn	Meltwater Buzz	Lithium	Radian6
Monthly price	0	99 \$	1000 \$ *	495 \$ *	600 \$
Focus	Quick and easy monitoring	Listening and finding tribes and influencers	Monitor and manage social presence	Managing your own community	Real-time monitoring and analysis
Value Proposition	Free and easy	Groundswell approach	Finding the Buzz	Brand Nation / Social CRM	Powering the Social Enterprise
Industry	Small & medium brands / startups	All		Big websites / communities	PR and Ad agencies

# Problems of measurement in

- Traditional buying cycle doesn't apply
- Tools are too similar
- Tools don't measure what we want
- Measurement is expensive
- We still have to use a lot of human effort

# What can we do about it

- Measure intermediate goals
- Be realistic about making an investment for measurement
- Bring departments together: web, marketing, communication, finance, customer service
- We need “mashups” to get the measures we want
- Most important: human effort to listen and

Don't sell cars. Offer test drives.

# New measures require mash ups

**1.Total conversations**

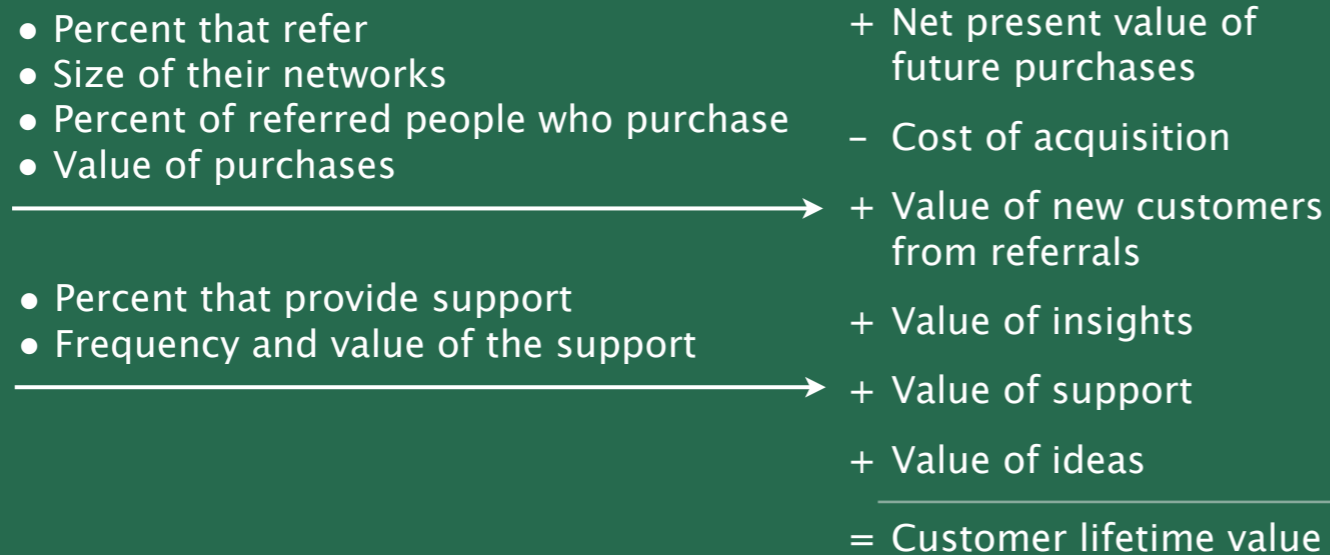
**2.Purchase Intent**

**3.Online and offline conversions**

**4.Engagement Rate**

**5.Advocacy Rate**

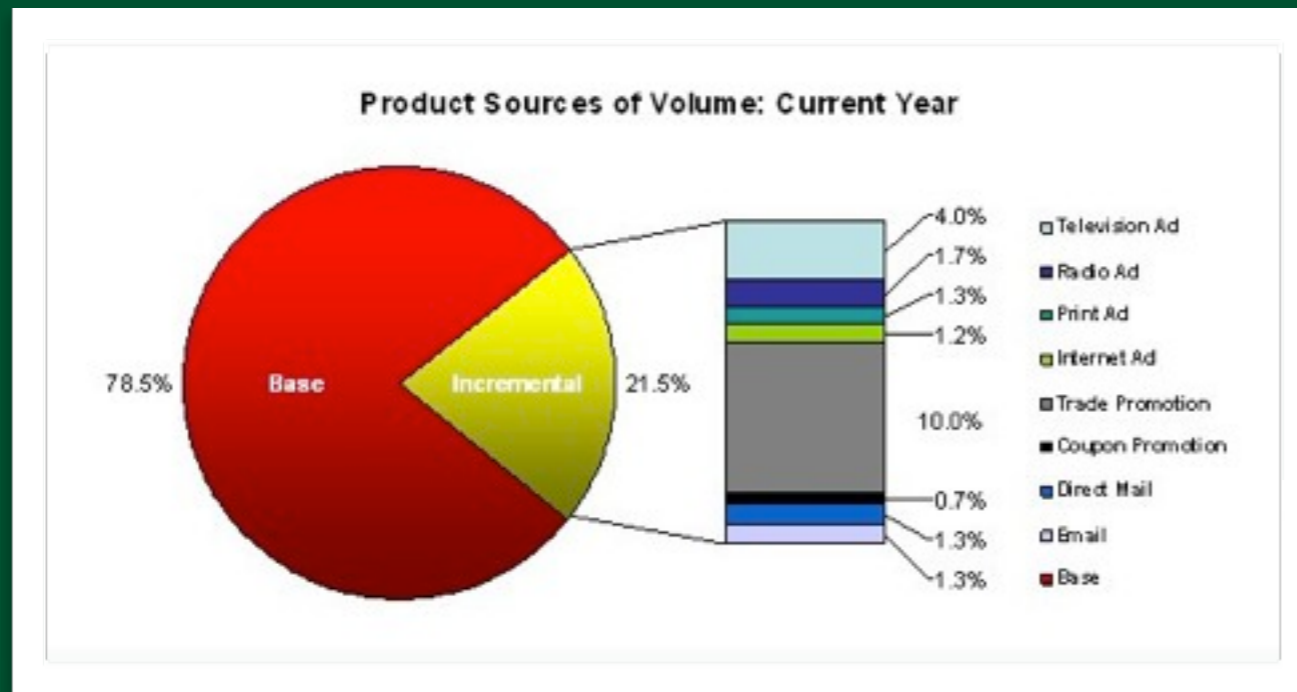
# Integrated Customer Lifetime



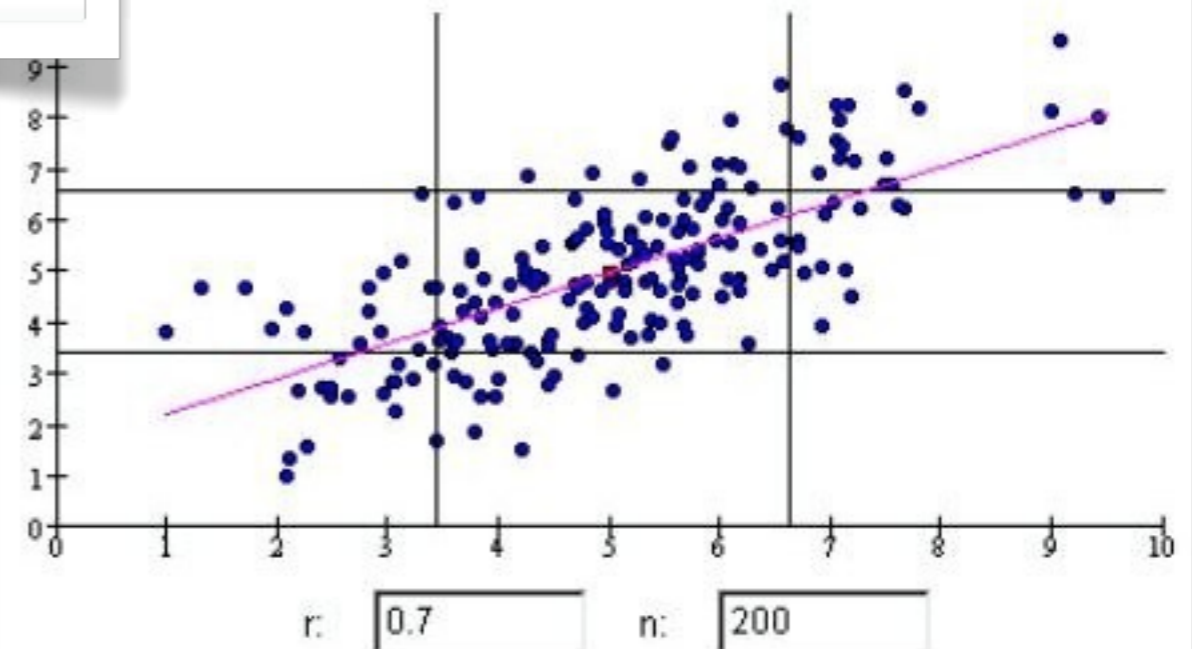
	Year 1	Year 2	Year 3
Number of original	10.000	5.000	3.500
Gross profit of purchases	400.000 \$	200.000 \$	140.000 \$
Cost of acquisition and	150.000 \$	25.000 \$	17.500 \$
Net profit	250.000 \$	175.000 \$	122.500 \$
<hr/>			
Total lifetime value over	748.858 \$		
Traditional lifetime value	74,89 \$		
Value of referrals	30.000 \$	45.906 \$	45.287 \$
Value of insights	10.000 \$	5.438 \$	4.080 \$
Value of support	5.438 \$	8.156 \$	6.120 \$
Value of ideas	2.000 \$	1.000 \$	1.000 \$
Net profit and value	297.438 \$	235.500 \$	178.986 \$
<hr/>			
Total revised lifetime	1.014.839 \$		
Revised lifetime value per	101,48 \$		

Note:  
Total lifetime value is calculated over 15 years, but only the first three years are shown. The detailed calculations are available at [open-leadership.com](http://open-leadership.com)

# Regression measures incremental

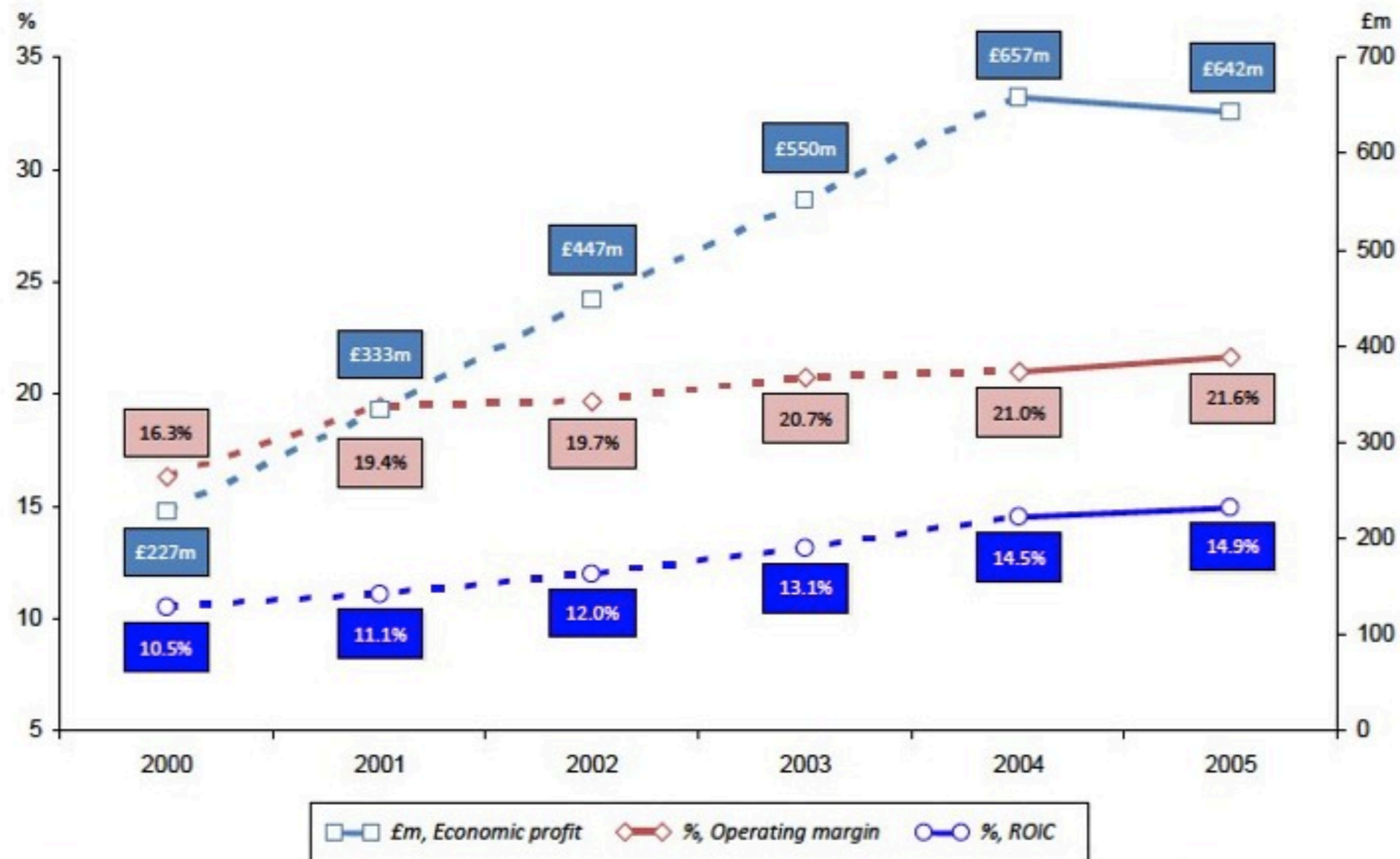


## Scatter, Correlation, and Regression



# Show how marketing results impact

## Diageo - Consistent improvement in financials



Year ended 30 June. Only 2003 figures have been restated for FRS 17, UITF 38 and the amendment to FRS 5. Operating margins for year ended 30 June 2004 has been restated for the effect of exchange and disposals and are before exceptional items. Operating margins for prior years reflect year on year organic movements

# KPI Framework

Buying Cycle	Activities	Metrics
Acquisition	Search	Cost Per Lead Cost Per Acq.
Retention	Email Newsletters	Customer Lifetime Value
Reputation	Press Social Media	Engagement Quotient



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