



The Challenges of Defining Social Media Value

The Achilles' heel of social media has always been how does it affect a brand's bottom line?

How does 3,000 Twitter followers equate to a positive return on investment? Social media activity is really about connecting with audiences to provide them with information that engages and educates, rather than on selling goods and services. As a result, the metrics can be very misleading, even if there is a spike in sales after a digital marketing campaign is executed.

This being said, it is clear there is immeasurable value in social media, but what is the "value"? One way to define "value" is the insight into your own brand and further insight into about your audience, their likes, dislikes and behaviour.

Consider traditional market research in which people are offered a reward to complete a survey. Many people would argue the reward skews someone's desire to properly fill out the survey, and many people will fill it out quickly to get their reward and continue on with their day.

Social media is the antithesis of this approach because people voluntarily spend their time on the Web and enthusiastically offer up honest opinions, usually with no prompting or reward. This insight is of pure value to a brand, but ultimately it is how you use this insight to forge ahead that will dictate ROI.

Social media is ruled by sentiment, and a brand's responsibility is to accurately measure sentiment and look at it in terms of its context and its subtext. By taking a snapshot of peoples' online sentiment about your brand, companies can highlight their strengths and weaknesses, and create future digital marketing tactics that can help achieve their goals.

There might not be a straight line between tactics and return on investment but the correlation does exist, and many brands have reaped the rewards, including MolsonCoors, Lululemon Athletica, Barack Obama and Dell.

Takeaways:

1. Sentiment plays a major role within social media. As a result, a brand must measure sentiment and explore it in terms of its context and its subtext.
2. Social media activity is not about selling products and services; it's about connecting with audiences to provide them with information that engages, educates or entertains.
3. There is tremendous value in getting feedback and comments from people using social media services because it provides valuable and free insight that will dictate ROI.

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