



Measuring Social Media ROI: Quality versus Quantity

By Cynthia L. Kryder, MS, CCC-Sp

Phoenixville, PA

Is there a return on investment (ROI) for social media? Good question, and one that every user of social media should be asking. Cynics and skeptics may argue that social media is just another fad without benefits, but consider this: In a 2010 recruiting survey, 83% of companies said they use or plan to use social networks to find employees. LinkedIn (78%), Facebook (55%) and Twitter (45%) were the most popular recruiting platforms [http://recruiting.jobvite.com/news/press-releases/pr/jobvite-social-recruiting-survey-2010.php]. Moreover, among those companies that were actively hiring, 92% used or planned to use social media. These figures suggest that social media is not a gimmick. It represents a shift in the way we are doing business today—and will do business in the future.

How does one measure the ROI for social media? Tools such as Google Analytics and Twitter Search enable you to obtain metrics that will give you an idea of whether your social media networks are growing or stagnating. Some components to consider when calculating ROI include the number of

- Web site hits (traffic counts)
- Blog comments
- LinkedIn connections
- Twitter followers
- Facebook fans

Keep in mind, though, social media is really about engaging in conversations, building relationships, and nurturing goodwill. In that respect, it's really no different from the monthly Chamber of Commerce meeting or the business lunch. Thus, measuring ROI from strictly a numbers perspective will probably not give you the best idea of whether social media is working for you. Think about it. Having 400 people in your network who are interested in what you have to offer is more important from an ROI standpoint than connecting with 4,000 people who may have no interest in what you're saying.

A better measure of ROI is to determine where those numbers take you. For example, have your growing connections on LinkedIn led you to potential clients or employers? Did a tweet on Twitter lead to an invitation to speak at a

professional conference? Did a headhunter contact you after viewing your profile on Biznik? Did one of your social media connections hire you for a freelance project? These data tell a more complete ROI story.

Before you can begin monitoring and calculating social media ROI, you need to determine what you want to gain through social media. If your goal is to make yourself known to prospective employers because you're looking for other opportunities, you need to know where you stand now before you can figure out social media ROI. Only after you clarify your social media goals and establish your baseline can you begin to calculate social media ROI.

twitter tip

Use good Twitter etiquette by following these 7 common-sense rules:

1. Get rid of useless ReTweets.
2. Don't be pushy.
3. Be nice.
4. Do not repeat yourself.
5. People have names (use them once in a while).
6. And they have short memory (include an identifying detail).
7. Give credit and share.

Read more about these rules at <http://twittertips.org/twitter-etiquette-7-common-sense-rules-for-twitter.html>.