Return on Investment For Social Media: A Proposed Framework For Understanding, Implementing, And Measuring The Return

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ABSTRACT

Web 2.0 has enabled a whole new way for companies, user communities and others to engage each other. Social Media (SM) platforms (i.e. blogs, micro-blogs, social networks, video/photo upload sites), in particular, comprise a flourishing new set of eWOM and viral marketing mechanisms that are growing exponentially. More and more global companies are using SM – some because they know it works, others because they're afraid not to use it. How much they spend, and how long they continue to spend it, will depend on how effective SM proves to be in the long run. The measurement of social media effectiveness, or return on investment (ROI), is a key factor in the long term success of SM marketing and management programs. This paper provides a summary overview of the SM ROI literature where there is a vast range of opinions/models/calculations in both academic and trade journals. It suggests that the SM ROI issue is far more complex than most report, and provides a business "unit of analysis" framework for better understanding this complexity. It also discusses SM ROI measurement within the context of business process/performance management basics and suggests guidelines and principles for how and when to proceed with such measurement.

Keywords: eWOM; Viral Marketing; Web 2.0; Social Media Measurement; Social Broadcast Behaviors; Social Media ROI; Balanced Scorecard; Unit of Analysis

INTRODUCTION

Web 2.0 has enabled a whole new way for companies, user communities and others to engage each other. Social Media (SM) platforms (i.e. blogs, micro-blogs, social networks, video/photo upload sites), in particular, comprise a flourishing new set of eWOM and viral marketing mechanisms that are growing exponentially. More and more global companies are using SM –some because they know it works, others because they're afraid they may suffer in the marketplace if they don't use it. How much they spend, and how long they continue to spend it, will depend on how effective SM proves to be in the long run. The measurement of SM effectiveness, or return on investment (ROI), is key. This paper provides a summary overview of the SM ROI literature where there is a vast range of opinions, models, and calculations in both academic and trade journals. It also suggests that the SM ROI issue is far more complex than most report, and provides a business "unit of analysis" framework for better understanding this complexity. It also discusses SM ROI measurement within the context of business process/performance management basics and suggests guidelines and principles for how and when to proceed with such measurement.

METHODS

This paper reviewed both the academic and industry literature pertaining to SM ROI measurement in search of a general direction or consensus on the topic. Significant summary positions were articulated in a conceptual factor analysis depicted in a set of five reasonably orthogonal views on the topic.

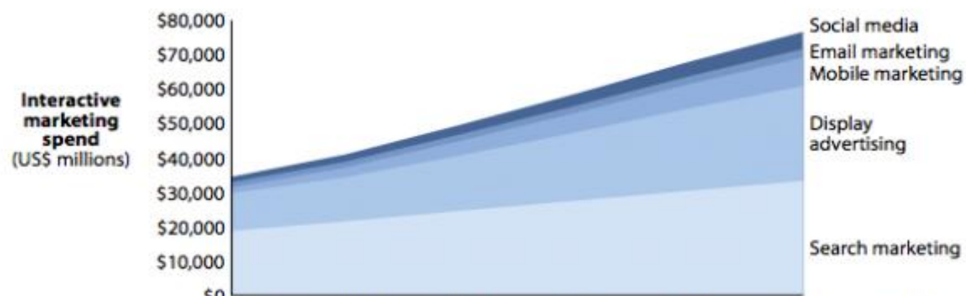
A search was also conducted for a comprehensive, integrative framework or model for understanding the various views about how practically to address the issue of SM ROI measurement. Finally, a cursory review of the more basic literature on business process management and program/project design, implementation, and measurement was undertaken.

The ultimate deliverable of the paper is the integration of academic research and corporate/media publications into a practical 3-dimensional "unit of analysis" framework for understanding SM ROI complexity, along with key business process steps and guidelines for effective SM program design, implementation, and measurement.

LITERATURE REVIEW

With the advent of Web 2.0 in the last decade or so, there has been much interest in the development and usage of certain SM platforms. In particular, and of interest to the current authors, SM platforms have been studied because of their implications for global commerce (Piskorski and McCall, 2010; Van der Lans, Van Bruggen, Eliashberg, and Wierenga, 2010). Much literature exists, for example, in the usage of Web 2.0 and SM platforms in the marketing areas of electronic word of mouth advertising (Parise and Guianan, 2008; Jansen, Zhang, Sobel and Chowdry, 2009; Jalilvand, Esfanani, and Samiei, 2011) and viral marketing (Leskovec, Adamic, and Huberman, 2007; Hartline, Mirrokni, and Sundararajan, 2008). Constantinides, Romero, and Boria (2008), as well as Jobs (2011), and Gilfoil and Jobs (2011) have further studied the use of SM platforms for global buy and sell activities and have provided evidence of effective corporate use of SM platforms to engage user communities, prospects, and end customers in both active and passive ways. McKinsey (2010), in their annual survey of Web 2.0 technologies, describes a new "networked enterprise" that is emerging—one that uses Web 2.0 platforms extensively to connect internal efforts of employees and to reach externally to customers, partners, and suppliers. McKinsey data shows that fully networked enterprises are more likely to be market leaders and also more likely to have higher margins than companies using the Web in more traditional ways.

Figure 1 Forecast: US Interactive Marketing Spend, 2011 To 2016



	2011	2012	2013	2014	2015	2016	CAGR
Social media	$1,590	$2,119	$2,760	$3,453	$4,217	$4,995	26%
Email marketing	$1,510	$1,694	$1,875	$2,066	$2,262	$2,468	10%
Mobile marketing	$1,652	$2,777	$4,238	$5,697	$7,057	$8,237	38%
Display advertising	$10,949	$12,860	$16,085	$19,783	$23,919	$27,600	20%
Search marketing	$18,756	$21,553	$24,613	$27,515	$30,433	$33,319	12%
Total	**$34,457**	**$41,003**	**$49,571**	**$58,514**	**$67,888**	**$76,619**	17%
Percent of all ad spend	19%	21%	25%	29%	32%	35%	

Source: Forrester Research Interactive Marketing Forecasts, 2011 To 2016 (US)

59379 Source: Forrester Research, Inc.

The trade media and professional publishers have also been quite busy extolling the virtues of blogging, micro-blogging, video blogging, social networking, and content aggregator platforms (Solis, 2008; Weber, 2009; Levy, 2010). At the same time however, they have been quick to point out that while SM marketing budgets have grown, they are still only a small fraction of total marketing spend, both in the U.S. and globally. Data from

Forrester (2011) in Figure 1 shows that total projected interactive media spend in the U.S. (~$77B) will only reach 35% of total marketing spend by 2016 – and SM spend (~$5B) is forecasted to be only about 6% of that interactive spend. The main reason for the lack of explosive growth (and significant real world marketing spend), is due to the simple fact that those in charge of the marketing purse-strings, have not yet been thoroughly convinced of the economic value of social media. Put another way, they have not yet seen the return on investment (ROI) of their SM spend.

To add to this lack of "put your money where your mouth is" conviction (financial commitment) by the finance (business) community, marketers, themselves, have not been convinced of the effectiveness of their SM strategies. A 2010 study conducted by Smartbrief reports that "of the 6000+ executives surveyed, only 14.2% of businesses find their social-media strategies to be "very effective" – and only 7.3% consider them "very revenue generating." Getting the ROI measurement piece right can only help shore up this lack of conviction.

Return on Social Media Investment

Return on investment (ROI) simply refers to the idea that something of value has resulted from an investment of time, energy, or money. In financial circles ROI usually is reduced to a formula (i.e. Lenskold, 2003; Bragg, 2006):

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

ROI is calculated by simply subtracting the cost of an investment from the proceeds received from the investment, divided by that same investment cost. If, for example you sell a product for $150, and the total cost is only $120 for the item, then your ROI is (150-120)/120 or 25%.

ROI of SM has been very widely discussed and debated in trade publications, corporate and consumer blogs, and a host of professional publications (Bartholomew, 2009, 2010; Fisher, 2009; Murdough, 2009; Arnold, 2011; Nair, 2011; Ray, 2010; Solis, 2010). Several books have even emerged on the topic (i.e. Blanchard, 2011; Powell, Groves, Dimos, 2011). Research can best be summarized by the following range of views:

1. SM ROI cannot be measured; attempts to do so are folly or near impossible
2. SM ROI can be measured - but should be defined or specified in a certain way
3. SM ROI can be measured - but only in financial terms
4. SM ROI can be measured - but should be part of a larger, contextual framework or system
5. SM ROI can readily be measured without much difficulty

Table 1 shows more details of these summary views. While the views - and reviews of those views – see Fisher (2009), Broom, McCann, Bromby, and Barlow (2011), Dorflinger (2012) - are varied, it is clear that the issues are complex. If we are to make systematic headway in demonstrating a pervasive "value add" for SM project investments, we must look at them in the proper context.

What is clear from a review of the relevant work depicted in Table 1 is that nothing much is clear. What is needed is a more complete framework for understanding, implementing, and measuring the success of the (still evolving) SM playing field and a comprehensive set of business rules and guidelines for impactful stakeholder engagement.

Relative to SM ROI measurement, we need to understand what it is and what it is not, what the business context or unit under consideration is, what functions or activities are being measured, and what is the relative direct or indirect nature of the measurement under consideration. This body of work is an attempt to develop such a framework.

Table 1: Summary Assessment Of Social Media ROI Position

Position/View	Author/(Publication)	Comments
1. SM ROI cannot be measured or is nearly impossible (attempts to measure are folly or will be fraught with major issues)	Zheng, et al (2010)/ (Journal Article)	• Zheng, et al. discuss the difficult challenges and modeling difficulties of "SM analytics" and "social intelligence measurement"
	Filisko (2011)/ (Journal Article)	• Filisko argues that SM is about building relationships and making connections to facilitate business. Measuring statistics is likely a meaningless exercise.
	Dorflinger (2011)/ (DiplomaThesis)	• Dorflinger provides a very comprehensive review of ROI arguments but warns "How can companies measure the ROI of social media? The first step is to accept that it is not really possible to do so" (p.57)
2. SM ROI can be measured – but should be defined, measured in a certain way	Mangiuc (2009)/ (Journal Article)	• Mangiuc discusses a model, based on classic ROI computation methods - measures detailed costs as well as "hard" & "soft" benefits.
	Hoffman and Fodor (2010)/ (Journal Article)	• The authors suggest that "effective social media measurement should start by turning the traditional ROI approach on its head. That is, instead of emphasizing their own marketing investments and calculating the returns in terms of customer response, managers should begin by considering consumer motivations to use social media and then measure the social media investments customers make as they engage with the marketers' brands."
	Pooja, et al., (2012)/ (Journal Article)	• Some Indirect SM measures can be used to ultimately impact financial ROI (purchasing behavior); measures Customer Lifetime Value (CLV).
3. SM ROI can be measured – but only in financial terms	Turner (2010)/ (Blog)	• Argues that SM can be broken down into quantitative, qualitative and ROI metrics but must also consider CLV. Turner stresses that all measures must ultimately lead prospects back to your website to convert into paying customers.
	Blanchard (2009)/ (Business Article)	• Blanchard argues that ROI is a business, financial metric ($ return vs $ spent); measurement of SM requires some way to translate the less tangible outcomes of using SM into data that has meaning. Investment → Action → Reaction → Non-Financial Impact → Financial Impact.
	Kaske, Kugler, and Smolnik (2012)/ (Conference Paper)	• Authors present an "extended" financial ROI model that incorporates longer term marketing and CLV concepts into a financial ROI formula.
4. SM ROI can be measured – but should be part of a larger, contextual framework or system	Murdough (2009)/ (Journal Article)	• Murdough presents a five stage SM measurement process: concept, definition, design, deployment, optimization – that should be based on how a brand wants to engage with customers.
	Ray (2010)/ (Blog)	• Ray defines and discusses an effective SM Balanced Scorecard including financial, brand, risk management and digital metrics that cover short and long term as well as financial and non-financial items
	Nair (2011)/ (Journal Article)	• Nair recommends the adoption of a SM Balanced Scorecard – to incorporate a strategic approach and tactical implementation of SM projects; Nair provides a healthcare case study to illustrate monitoring, managing and measurement of SM efforts.
	Bartholomew (2011)/ (Business Article)	• Before selecting which SM tools to use, thought should be given to what exactly you are measuring. Measurable objectives should be written which are aligned with higher order goals, and key business processes should be understood before metrics can be established.
	Blanchard (2011)/ (Book)	• Blanchard discusses best practices for strategy, planning, execution, measurement, analysis, and optimization of SM programs. He defines how financial and nonfinancial metrics are related.
5. SM ROI can be readily be measured	Bughin and Chui (2010)/ (Corporate Report)	• Authors report on results of McKinsey survey which shows that use of Web 2.0 (including SM platforms) significantly improves companies' reported performance. Authors suggest that fully networked enterprises have better ROI - are more likely to be market leaders, gain market share, have higher margins.
	Gillin (2010)/ (Business Article)	• Gillin cites that the internet is the "most measureable medium ever invented'. Argues that most corporations don't understand the value of a customer or even understand what they measure. Gillin provides calculations to see how easy ROI calculation can be.
	Campbell, (2011)/ (Blog)	• Campbell identifies and describes features and benefits of the best tools available to measure ROI of SM.
	Hall & Hume (2011)/ (Journal Article)	• The authors suggest a six step, unobtrusive evaluation approach for measuring ROI of SM and other digital marketing programs.

PROPOSAL – 3D UNIT OF ANALYSIS FRAMEWORK & IMPLEMENTATION GUIDELINES

The purpose of this paper is to propose a broader approach to understanding how to measure the effectiveness of SM campaigns and projects. While several researchers and experts have identified/discussed key elements from a complex set of ROI measurement issues such as direct and indirect measures (i.e. Mangiuc, 2009), short vs. long term impact (i.e. Pooja, et al., 2012), financial vs. non-financial indicators (i.e. Blanchard, 2009), need for a SM balanced scorecard approach (i.e. Nair, 2011), a comprehensive, business approach to conceiving, executing and measuring SM program effectiveness has not been forthcoming in the academic literature. To truly understand the current state of SM ROI measurement issues, the authors' view is that three things must be addressed:

1. A **conceptual framework** for understanding that SM measurement can be established at multiple levels in the corporation, across (and in) various business functions, and can take a wide range of forms – most of which are <u>not</u> (immediately) measurable in financial ROI terms.
2. A clearly articulated set of **business processes** for establishing, rolling out, tracking, and adjusting SM initiatives.
3. A set of SM program implementation **guidelines and principles** to follow.

Conceptual Framework

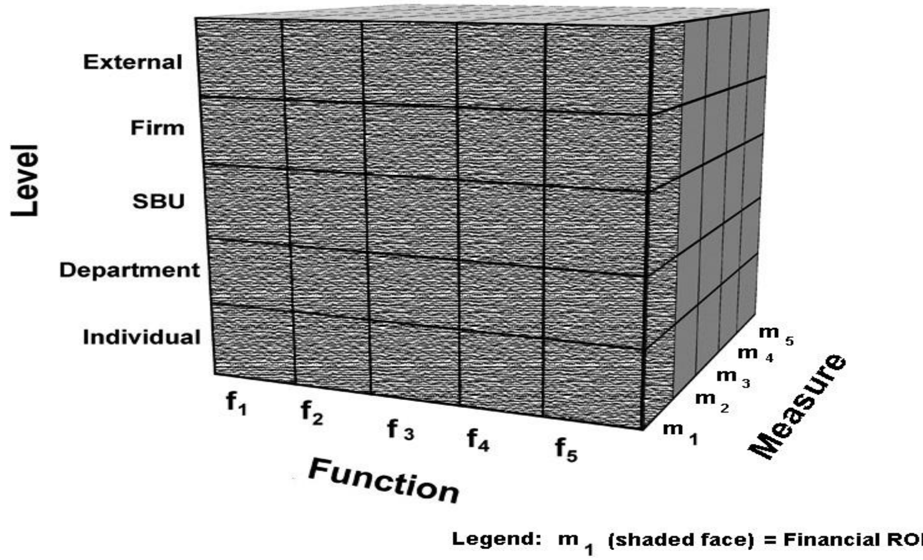
As noted above, some SM researchers and gurus have begun to move us in the right direction – by demonstrating an understanding that SM programs/projects are complex and play out at various levels inside and out of the corporation as program managers engage customers, suppliers, employees and a host of other business stakeholders. They have done so in their suggested utilization of a "SM balanced scorecard" framework – borrowing from the seminal work of Kaplan and Norton (1992, 1996, 2001), and others (Pearson, 2010; Sheridan, 2010) – "to articulate and manage (social media) strategy and make it operational" (Nair, 2010). They have also, in so doing, built upon the stakeholder analysis approach to strategic management as originated, and popularized, by Freeman (1984) and others (Freeman and Gilbert, 1987; Freeman and Evan, 1990).

What is needed, however, to get us closer to the SM ROI measurement holy grail, is to fully address what has been called, in business research methodology publications, the "unit of analysis" issue. Unit of analysis simply refers to the articulation of the specific entity that is being studied in a particular research endeavor (see Zikmund, et al (2010) and Trochim (2001)). Unit of analysis is important here because so much of the complexity and confusion in the SM ROI literature is caused by a lack of clarification around this issue.

Our proposed model (shown in Figure 2) attempts to address this unit of analysis complexity. In order for any business endeavor to be successful, whether the endeavor is a rollout of an annual corporate strategic plan, a strategic marketing plan, a sales plan involving revenue goal setting, or an advertising campaign, one must address the simple fact that there are typically **levels** of organizational complexity involved. And so it is with SM. The left side of the 3D cube in Figure 2 shows that SM campaigns, initiatives, or projects can be launched at several levels…from *outside* the company at an <u>industry</u> level (i.e. "got milk?") or at a <u>corporate</u> level (i.e. "We bring good things to life"). From *within* the corporation, we can also clearly see that SM projects or programs can be driven/managed by specific <u>SBUs</u> (i.e. Zappos footwear@twitter.com), <u>departments</u> (i.e. HR recruiting – "Be all that you can be") or even at an <u>individual</u> level (i.e. Sun CEO Jonathan Schwartz tweets his resignation – see NY Times, 2010).

The model also incorporates the idea that there can be a **functional** overlay with respect to SM initiatives – the second dimension of our 3D framework. This is depicted in the front face of the 3D cube in Figure 2. Typical functions that might be heavily involved in SM initiatives are *sales, customer service, business development, logistics, and research and development* – although there are many more on a continuously growing list. SM researchers have recently enumerated many examples at these functional levels (i.e. Culnan, McHugh, and Zubillaga (2010); Gallaugher and Ransbotham, 2010; Gangi, Wasko, and Hooker, (2010).

Figure 2: 3d Unit Of Analysis Framework For Social Media ROI



The third and final (and perhaps most critical) dimension of our conceptual framework involves the specific SM **measures** – depicted along the right side of our 3D cube in figure 2. Lots of discussions have taken place here. As noted earlier, many have weighed in about the merits of direct measurement, pure financial measurement, long term vs. short term measures, and non-measurable variables. The ROI "measurement unit" is obviously complex and should be carefully understood for what it is and is not. This is an area where much additional effort will likely be put forth as it is the core of the ROI discussion – and it is the end of the line as far as the financial budget decision makers are concerned. You either make the grade here or you don't get the budget to continue your SM marketing programs. All that being said, however, our contention is that the larger 3D framework is the right backdrop against which the measurement units must be considered.

From the authors' view, it is critical to understand (and distinguish between) financial ROI measures and non-financial ROI measures…and how each plays a role in ultimately proving, or not proving, the worth of a given SM endeavor. As was discussed above, several academic and industry experts have made this point in some form or another. Again, looking at the right side of our 3D model in Figure 2, one can see the metrics layer of our model. At the very front of the right side of the model is the only **pure** measure of SM ROI – measured directly in financial currency and calculated by subtracting the cost of a SM investment from the proceeds received from that investment, divided by that same investment cost. As you go back further on the right side of the cube, many other measures can be taken, but they are not ROI. They are indirect, non-financial measures. The further back the metric is from financial ROI, the less likely they are to be converted to an ROI metric *in the near future*. It should be noted that many, if not most of these metrics could eventually be converted to financial ROI…when they convert to a unit (like sales, cost savings, etc) that is measurable in financial currency. Taking the model a bit further in sophisticated companies, one might even develop a kind of SM forecasting model (based on historical data analysis) that shows the timing and magnitude of likely metrics conversion to a financial metric. Many companies, conceptually, do this now where they use a model that converts customer letters of intent (very indirect measure) and bookings (less indirect) to forecast ultimate revenues (direct) at various points in the future.

Table 2 depicts typical business examples of the three different "dimensions" of SM programs that have been alluded to in our 3D framework discussion.

Table 2: Example Social Media Measures By Unit Of Analysis

Level	Function	Social Media Tool	Measure
External			
Industry	*Sales; brand awareness* - dairy industry	Industry blog	Sales; website visits
Competitor	*Advertising* - automotive	LinkedIn, Youtube, Twitter	Cost savings; sales; market share; # views
Regulator	*Financial consumer protection*– credit card	Youtube; Twitter	Cost savings; # fraud claims; views
Internal			
Corporate	*Logistics* – holiday reminder ads	Facebook; Youtube; Flickr	Cost savings; seasonal revenues; brand equity
SBU			
Product Division	*Product launch* – technology (online only)	Youtube; Facebook	Cost saved; revenues; # posts; # views
Region	*Product development* – regional salsa recipe	Crowdsourcing website	Cost saved; revenues; # ideas generated
Market Segment	*Retirement planning* - baby boomers	Insurance Webinar	Cost saved; revenues; # attendees; # Facebook votes
Technology	*Training* – new computer	Youtube; Facebook; Corporate Blog	Cost saved; free publicity; # likes
Department			
Human Resources	*Recruiting, hiring* – nursing	LinkedIn; Facebook, Twitter	Cost saved; publicity
Finance	*Accounts receivable* - healthcare collections	Facebook; Twitter; Ebay	Revenue collected; cost saved; # disputes
Marketing	*Advertising* - two for one meals	Foursquare; Urban Spoon	Revenue; cost saved; # views
Information Tech.	*Product repair* – consumer product	Youtube; Flickr; Blogs	Cost saved; revenue; # complaints
Customer Service	*Customer relationship management* - airline	Flyertalk, Facebook, Twitter; Blogs	Cost savings; revenue; brand image; # views
Individual			
Product	*Consumer product design* – product designer	Twitter; Facebook; LinkedIn, Blogs	Cost saved; # design ideas; brand image
Program	*Healthcare awareness* - cervical cancer program	Youtube; Flickr; Facebook; Blogs	Cost saved; lives saved; brand image; # views
Person	*Image management* - political campaign	Twitter; Facebook; LinkedIn; Blogs	Contributions; cost saved; # votes; # views

Traditional advertising media have typically cared about, and attempted to maximize, three key measures of performance – Frequency, Reach, and Yield. With the advent of SM, the game has gotten more complicated, faster, actively involves more players, AND has raised the stakes. Business entities must now begin to think about a re-allocation of their marketing investment budgets if they are to survive and ultimately grow share. More thinking and research need to be done in this area.

Social Media Business Processes

SM programs, projects, or initiatives should follow these steps:

- **Review and align with industry or corporate goals**. To be successful, any SM project must be aligned with some higher order entity or goal. That could be a dairy industry goal of increasing the consumption of milk, a healthcare goal of increasing the awareness of gynecological cancers, or an automotive dealerships goal of increasing service revenues. Step one answers the question: "If the SM project is successful what entity will benefit and how can the benefit be tracked to the higher entity's measurable goals?"

- **Develop clear program goals, objectives, and metrics**. Each SM program or project must have clearly articulated goals and objectives. Goals, for our purposes here, are higher order strategic measures and objectives are subordinate activities that must be done to achieve the higher order goals. Metrics provide qualitative evidence of achievement. For example: **Goal** – Become one of the most celebrated Thai restaurants in the tri-state valley using social media. **Objectives** – (1) Accelerate the number of favorable impressions from our restaurant website. (2) Achieve recognition from the blogs of top food critics in the area (3) Increase customer visits using Urbanspoon platform. **Metrics** – Looking at the 3 objectives above, the following possible metrics jump to mind: (1) # hits to website; # likes (2) # favorable references from food critics blog (3) Number of QR discount codes read from mobile devices. Some of these measures are purely financial (i.e. QR discount at sale) while others (i.e. #hits to website) might, at the moment, be pretty far removed from a financial ROI calculation.
- **Communicate program goals, measures, and timelines**. All those associated with the SM program or project (directly or indirectly) should be fully aware of what it is trying to accomplish, how it will be known if the program is successful, and when the program will roll out and come to a conclusion.
- **Roll out the program**. Execute the SM plan. Make sure that actions are implemented, and that due dates and quality deliverables are achieved.
- **Monitor and track metrics**. Review SM business process metrics regularly (i.e. daily, weekly, monthly) as you would any other key business process metrics. Identify gaps between actual metrics and target metrics; identify potential corrective actions. Identify any issues in metrics collection or calculation.
- **Make adjustments**. Some SM programs (because of the difference between actual and targeted results metrics) may need tweaking or tuning after launch…increasing QR code discount rates, adding "specials" to a list of products or services offered; increasing (or decreasing) the frequency of a technical blog, etc. At one formerly struggling sushi restaurant, a restaurant.com coupon was eliminated because the overwhelming response to the online ad blitzes (which drew people to purchase and download the discount coupons) – had caused business to skyrocket.
- **Continuously improve programs, processes, metrics**. In the spirit of kaizen, one should always look to improve the efficiency and effectiveness of SM programs. Benchmarks should be against past internal programs and, where possible, against external sources. No matter how good the results, improvement is always possible (and desirable).

Social Media Program Guidelines and Principles

SM usage, as practiced by an individual or as governed by a corporate or institutional entity, can benefit from guidelines and principles. There are many suggestions offered in the public press and some in the more disciplined work of Olivier Blanchard (Blanchard, 2011). Below is a brief list adapted from these works:

- **Transparency** - Where possible, state who you are and who you represent – be clear about any vested interest that you may have. Never give the impression that you are providing false or misrepresented facts; product or service claims should be substantiated.
- **Responsibility/Anti-Defamation** - Exercise good judgment in creating social media. Be respectful, use good taste, and common sense; avoid producing spam and off-topic, self-serving comments. Stick to your area of expertise and strive to provide unique, individual perspectives on non-confidential company or industry activities. When discussing competition, get facts straight, behave diplomatically, and use prudent judgment while avoiding disparaging remarks. Never comment on anything related to legal matters, litigation, or any parties you (or your company) may be in litigation with. Know the difference between an opinion and a false statement.
- **Confidentiality, Copyrights, and Non-disclosure** - It's best to ask permission to publish information that is meant to be private or internal to a company. Ensure that efforts to be transparent don't violate the corporations' privacy, confidentiality, and legal guidelines for external communications. Always give others credit for their work.

- **Know Your Audience** - When you're blogging, tweeting, connecting on LinkedIn or otherwise engaged in SM channels, remember that your readers include current clients, potential clients, as well as current/past/future employees. You must clearly understand what your audience wants, engage them, and then be careful not to alienate or antagonize them along the way.
- **Build a Community** - The idea behind community is that you can support others, and they can support you or your company. Provide a platform where prospects/users/customers are comfortable sharing, networking, giving or receiving help. Be the go-to place where your audience will flock to when they want to engage others who share their passion – whatever that is.
- **Value Add** – SM efforts will return dividends to the extent that they provide some kind of value to readers, followers, customers, fans, or prospects. SM platforms can help them find things at a better price, teach them how to do things correctly, allow them to give creative inputs that help re-design products, help them find information quickly, etc. In short, give them a significant reason to engage with you and/or your company. Do this and you will reap the rewards.
- **Training** – Learn about the basics, benchmark with the best, or simply keep up with the latest SM platforms, analytics, and challenges. No matter what the level of expertise, online or in person training can accelerate learning, save time, and make the user more efficient and effective when it comes to SM adoption and usage.

CONCLUSION

The development and proliferation of SM tools and platforms is now a matter of record. More and more people are using them to market, to research, to connect, to advise, to purchase, to hire, to qualify, to complain – just to name a few. SM is exploding both inside and outside of corporations and institutions – globally. They are used for a plethora of functions across and within a wide variety of business (and non-business) departments. Despite all of this growth, however, there is still only a small percent of advertising dollars being spent on social media. A key part of the reason for this is because it has been difficult to measure the potential/actual return on advertising investment (spend). Those holding the purse strings need to be convinced that the SM investments will yield top and/or bottom line results – hopefully sooner rather than later. SM ROI measurement has been approached (in both the popular and academic literature) from a variety of different angles and many have given their views of what it should, and shouldn't be. This paper has attempted to proffer a 3D conceptual model which considers the complexities of SM measurement, and posits an integrative "unit of analysis" approach to understanding the current state of disarray, along with a practical set of business process steps and guidelines for implementing SM programs/projects.

FUTURE RESEARCH

While the authors feel that the 3D model presented is reasonably comprehensive and can help make sense of the vagaries of SM measurement, others should weigh in with their consenting or dissenting views, opinions, and data. There is clearly a strong need for research to validate/test our model or posit their own (i.e. similar to Pooja et al., 2012). In particular, it would be very interesting to see quantitative, mathematical models that demonstrate some form of predictive link between various kinds of SM metrics and the ultimate ROI top/bottom line financial measurement that has become the "holy grail". The authors are currently thinking about a follow up article that will suggest a new ROI – a "reallocation of (current advertising) investment" as an alternative way to think about the justification of expenditures for SM initiatives.

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