

The Analytics of Facebook

Social media is the latest big thing in marketing, but it's even better when impact can be shown not just with strong opinions but with numbers to demonstrate successes in customer engagement, satisfaction, increased page views, and even return on investment (ROI). In this chapter, we'll review the basics of analytics so you know what to track and what is important.



Chapter Contents

Keep Score with Metrics and Monitoring
Facebook Return on Investment and the
Mayo Medical School
Measure Engagement with Insights
When Facebook Isn't Quite Enough:
Landing Pages

Keep Score with Metrics and Monitoring

Imagine this scenario for a moment. You are sitting outside a conference room waiting to give a presentation to senior executives of your company about the progress you've made with social media. They wanted you to present one slide with all the details of how you've done, and they want you to speak about how your company has fared relative to your competition. What belongs on that one slide? Better yet, how can you communicate the value of what you do in five minutes? What will convince them that you've succeeded and that they should trust your plan? This is why metrics or key performance indicators are so important. Although a cynic might say that numbers can be distorted to tell whatever story you'd like, statistics is also the preferred language of executives. So, what statistics matter most in social media? To understand all the metrics that truly matter, you need to step back and learn the basics of Internet marketing.

First, you should understand that everything your customers, partners, and so on, do on your website(s) is recorded in a massive log file. This log file is a bit cryptic, but fortunately you don't have to interpret it. Web analytics tools take care of this for you by generating readable reports by date and metric. Figure 9.1 is an example of such a report from Google Analytics. If you don't currently manage or get reports on your company's website traffic, you should try to get your hands on one to understand what appears in reports, how often they are generated, and how your company views them. For years, Internet-based businesses have watched these numbers very closely. But now, businesses of all kinds have concluded that the Internet says a lot about the health of a product, brand, or business unit. The best way to get familiar with the nomenclature, reporting, and intelligence generated from these reports is to dive in headfirst.

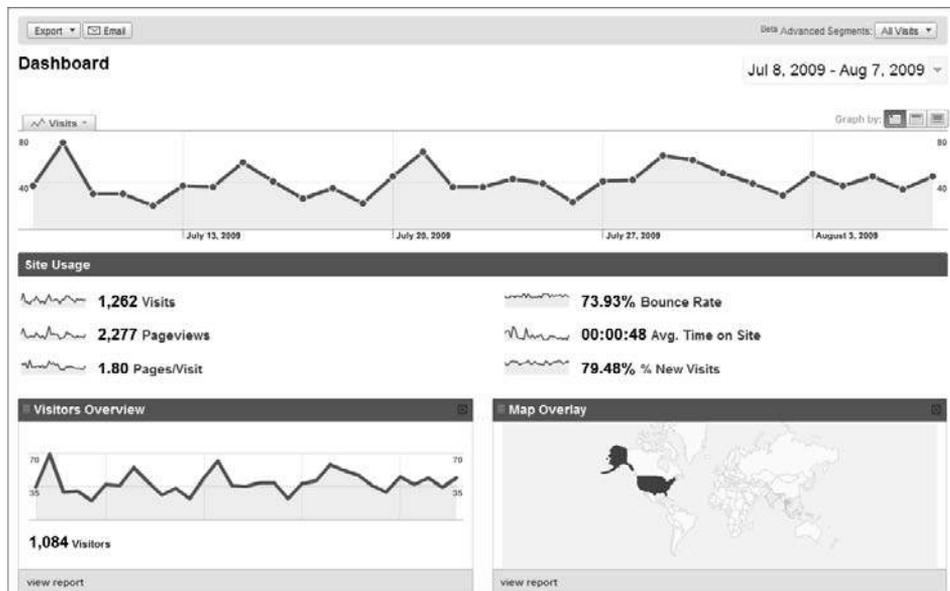


Figure 9.1 Sample Google Analytics report

Table 9.1 summarizes the basics of unique users, page views, and abandonment or bounce rates. When someone visits your website or social media presence on a given day, that person is regarded as a new unique user. With that unique user, you (by definition) also get your first page view—this can be a visit to a landing page, your home page, or any other page on your site that is indexed by a search engine. Some of these users will find something else of interest on your site and click another link to go to another page. This gives you another page view but not another unique user. Other users will get what they need from the page they found on your site, or they’ll be disappointed in what they see. So, they’ll move on to another destination on the Web or shut down their browser altogether. This behavior is known as a *bounce* or an *abandonment*.

► **Table 9.1** Basic Internet Marketing Metrics

Statistic	Definition	Meaning
Unique users	# of distinct people who visit your site on a given day	Awareness of your site
Page views	# of distinct pages viewed on a given day	Stickiness of your site, value of site’s content
Bounce rate	% of people who view one page on your site and then leave	Whether people are truly interested in your site/content
Time spent on site	Amount of time in minutes the average user spends on your site	Whether your site is truly a destination or a pass-through

These basic Internet marketing metrics are important, but they don’t even begin to tell the entire story about the health of your Internet presence. Analysis is necessary to look at a few of these numbers in combination with other metrics or on a time-trending basis. Individually, we call these second-level metrics *derivative statistics* because they are created by looking at some of these numbers on a relative basis or by combining some of the statistics to see how the site performs over time. Some examples of derivative statistics are page views per unique user, money/subscriber, click-through rate, cost/click, clicks/hour, fans/day, and so on.

How do derivative statistics help you learn more about the use of your website? It’s really a matter of looking at your performance critically and as objectively as possible. If you are hoping for a particular outcome, you’re less likely to consider that your site isn’t performing as well as it could. We tell people all the time that most Internet marketing and social media campaigns are not optimized, no matter how much you think they are. So if you start with the assumption that you have to improve something in your presence, you’ll be more likely to find things to fix.

Whatever you do, don’t be a cheerleader for your Internet and social media effort. Your job is to find problems and fix them proactively. Think critically about what you’re doing. Look for hints of declining performance or ways you can make great performance even better. If you’re creative and thinking critically about your job, you’ll identify issues before your colleagues. That’s a much better situation than the alternative.



For example, you may have a directive to make your website more engaging for users. You get a report saying that you've had a 40 percent increase in unique users, from 1,000 to 1,400 per day over the last month. Page views are up from 2,225 to 2,661. It's time to celebrate, right? Wrong. Although your unique users metric is up, your page views per unique user metric is actually down 17 percent. You've attracted more people to your site, but they're also not sticking around! So, you've succeeded with one metric but failed in the one that actually matters to you. Digging another level beyond the obvious is the key to figuring out what is really happening.

So, how do you begin to collect all the data that you will need to generate derivative statistics and gain intelligence from all the numbers? The easiest way to get started is to create a dashboard in a spreadsheet such as Microsoft Excel. This dashboard will be the one place where you keep a daily record of everything that has happened from the start of your project. Suffice it to say that your dashboard will be your best friend and the one file you simply can't afford to lose—so be sure to back it up regularly or keep it in an online backup service like Windows Live Mesh.

Every individual piece of data that you can collect about your website and social media effort belongs in the dashboard. What are those metrics that are so handy? We've covered them throughout this book, so odds are you are already aware of what you'll need. If you're running a fan page, you'll want to know what your fan count is at the same time every day. The same metric applies to groups or friends of a profile. If you're running advertising campaigns to drive traffic, you'll want to know how much money you spent, how many clicks it generated, and how many impressions you got for your money. Remember, it's all about having the discipline to collect numbers every day so when the time comes, you'll be able to analyze outcomes and drive intelligence from a cryptic set of numbers.

If it's a multichannel marketing effort—such as using Facebook ads to drive website hits or using Google ads to increase your Facebook fan count—you'll want to collect those numbers individually by using the interface provided for reporting. Different analytics services (Google, Facebook, and so on) keep daily data for different periods of time, so if you don't get data on a timely basis, you can lose it altogether. Therefore, make a commitment to capturing all the data you can every day. You can always disregard unnecessary data later after you determine what you really need. Different services also automate parts of the process for you as well. Google Analytics, for example, can be set up to generate reports for you and automatically send you updates via e-mail or on demand. Going into this, you'll just want a good strategy for acquiring voluminous data on a consistent basis and with a consistent time period in mind. You may not see the benefits of this up front, but you'll be happy you did it when the time comes to analyze your progress.

Executive Management of Internet Marketing and Social Media Progress

If you're an executive managing an Internet marketing or social media effort, you are in a tough position. On one hand, you are ultimately responsible for the success and failure of this marketing program. On the other hand, you don't have time to become an expert. That's why you've hired staff, a contractor, a consultant, or an agency to help you. You are almost entirely reliant upon these people to make it work.

Nonetheless, you really need to understand the basics of Internet marketing metrics and derivative statistics. Those responsible have all the incentives in the world for telling you that things are going well and all the tools at their disposal to tell whatever story they'd like. Make sure you ask probing questions to learn exactly what is happening. Here are a few other tips:

- Learn the process. How exactly is success and failure judged by your people?
- Ask for time-trending data. What is your performance over time? Week by week? Month by month?
- Demand comparative data. How do you do vs. your competitors? Understand that you won't get comparative metrics across the board, but you should have a basic idea of how your competitors drive traffic.
- Seek iterative improvements. How are your people assessing themselves critically and making improvements on the fly? And do they do so in a way that keeps the data consistent and comparable on an apples-to-apples basis?
- Look for numbers that show progress. Your people should be able to tell you which data indicates progress. Make sure you understand what they're saying, and probe!

If you're working with someone in your company who is assigned to this work for the first time, you may need to be patient with them as they're learning. Experts, consultants, and contractors should know most of this already—if they're the caliber of professional that you deserve for your business. Ask difficult questions, and apply the correct level of understanding based on the stated qualifications of the person responsible.

And finally, keep in the back of your mind a few important quotes about statistics:

"Facts are stubborn things, but statistics are more pliable." —Author unknown

"Statistics are like bikinis. What they reveal is suggestive, but what they conceal is vital." —Aaron Levenstein

Let's walk through building a dashboard together. Figure 9.2 is the beginning of a dashboard we built for a client with an established brand name that was interested in increasing the community on its Facebook fan page.

	A	B	C	D	E	F	G
1		FB Uniq Users	FB Pg View	FB Fans	Twitter Followers	FB Fans/Day	Twitter/Day
30	28-Apr	9	30	517	453	1	4
31	29-Apr	11	26	522	461	5	8
32	30-Apr	23	54	523	460	1	-1
33	1-May	12	32	533	470	10	10
34	2-May	4	6	534	477	1	7
35	3-May	10	22	538	479	4	2
36	4-May	8	23	544	482	6	3
37	5-May	4	8	547	488	3	6
38	6-May	3	7	549	491	2	3
39	7-May	5	8	557	492	8	1
40	8-May	4	14	559	492	2	0
41	9-May	2	3	561	494	2	2
42	10-May	2	4	565	498	4	4
43	11-May	6	20	568	503	3	5
44	12-May	3	4	573	511	5	8
45	13-May	10	27	577	513	4	2
46	14-May	4	16	584	511	7	-2
47	15-May	10	27	587	519	3	8
48	16-May	3	5	593	522	6	3
49	17-May	2	4	601	525	8	3
50	18-May	8	25	623	528	22	3
51	19-May	7	21	632	530	9	2
52	20-May	16	36	642	545	10	15
53	21-May	6	11	658	550	16	5
54	22-May	8	17	665	555	7	5

Figure 9.3 Basic dashboard for Facebook and Twitter

In this simple case, we wanted to capture the daily total number of Facebook fans (column E) the client had, along with some metrics on how the Facebook fan page was being used through unique users and page views (columns B and C). At the time we started the project, the team had a secondary objective, to see how increased social media engagement on Facebook would impact the company's Twitter presence, so we added column F to track the total number of Twitter followers per day. That's it—the basics of a dashboard. Pretty simple, eh?

If that were it, the job would be very easy. But these numbers by themselves offer a lot more insight when you keep up with the data collection process and update the dashboard regularly. Take, for example, the incremental fans/day metric. Figure 9.3 shows the basic dashboard but with new columns for net new incremental fans per day. It's really pretty simple—all you do to calculate this derivative statistic is subtract the total number of fans you had yesterday from today.

1		FB Uniq Users	FB Pg View	FB Fans	Twitter Followers	FB Fans/Day	Twitter/Day
30	28-Apr	9	30	517	453	1	4
31	29-Apr	11	26	522	461	5	8
32	30-Apr	23	54	523	460	1	-1
33	1-May	12	32	533	470	=E33-E32	10
34	2-May	4	6	534	477	1	7
35	3-May	10	22	538	479	4	2
36	4-May	8	23	544	482	6	3
37	5-May	4	8	547	488	3	6
38	6-May	3	7	549	491	2	3
39	7-May	5	8	557	492	8	1
40	8-May	4	14	559	492	2	0
41	9-May	2	3	561	494	2	2
42	10-May	2	4	565	498	4	4
43	11-May	6	20	568	503	3	5
44	12-May	3	4	573	511	5	8

Figure 9.3 Dashboard with fans/day metric

Figure 9.4 is a chart of this basic metric over the first month of the project. What does this simple chart tell you? It says that you inherited a presence that was generating somewhere in the ballpark of four fans per day. It says that you did “something” right starting around May 17. It also says that the impact of that “something” appeared to wear off a bit about a week later, but the overall effort appeared to, at minimum, double the number of incremental fans you could generate for the fan page per day. Not bad at all.

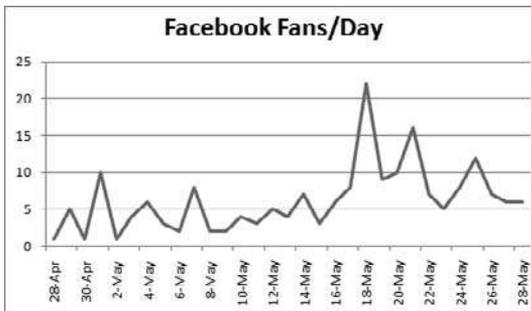


Figure 9.4 One-month chart of Facebook fans/day

One other observation you may have made regarding this chart is spikes in the data. This is both a positive and a negative. It is good to see spikes because you can see the direct impact of things you do on individual days. We like taking notes in the comments field for a cell in a dashboard spreadsheet just to remind ourselves what happened on that particular day. It certainly helps after you’ve run a campaign for a long time and you can’t remember what you did on what day! One negative of this chart,

however, is that you can get distracted by the high and low spikes. Sometimes, you didn't have to do anything at all to see a major spike upward or downward. Someone who closely manages or scrutinizes the process may want an explanation when in fact this is just normal noise. If you are looking at the data every day, keep in mind that you are just going to have good days and bad days. You'll also have days of the week or holidays that naturally just don't do as well. You may notice in Figure 9.4 that there are dips in the data on May 2, 9, 15, and 22. What is the one thing these dates all have in common? They are Fridays and Saturdays—two days when you'd expect people to spend less time online and on Facebook.

Now how can you gain intelligence from the data? You can drive yourself crazy looking at daily spikes in data, which may drive you to “overoptimize” your site. Trends are perhaps better detected when you employ the use of moving averages. We talked about moving averages in Chapter 6, “Month 3: Creating Demand with Facebook Ads.” The idea behind moving averages is that they can help you see and visualize longer-term trends. If long enough, moving averages also help you largely eliminate circumstances such as weekends, holidays, and so on, that can skew results and give a clearer picture of the health of a site or campaign. The key is to get a moving average for a long enough period of time. For example, a four-day moving average wouldn't work because some of the moving average data would incorporate weekends while others wouldn't. Because you want your data to be as clear and consistent as possible, we recommend 7-, 14-, and 28-day moving averages for almost all Internet marketing work.



To calculate a moving average, simply pick the amount of time you want, and take the average outcome for that metric over that period. For example, a seven-day moving average would be calculated by averaging today and the last six days of results. That number would be “today's seven-day moving average metric,” which you will then need to recalculate tomorrow and every day thereafter.

Figure 9.5 shows the same one-month chart of new Facebook fans as Figure 9.4, but it includes another line with the smoothed-out seven-day moving average (DMA). Now the chart gets a lot more interesting. You can clearly see that the fan page was minimally effective with little/no maintenance in the first half of May. The campaign work done in mid-May was very effective, but the 7 DMA line is trending downward. If your goal is to get a consistent eight new Facebook fans per day, the jury is still out regarding your success. If the goal is 10 to 12 new Facebook fans per day, you'll need to employ at least one new trick to consistently reach your goals. Longer moving averages, such as 28- or 56-day moving averages, help you determine the success or failure of campaigns that are designed to run for a long period of time. As with all your data,

be sure to collect as much information as you can on the various externalities that take place—things that happen either inside or outside the Internet marketing campaign that can impact results. You'll want to know exactly how certain activities impact performance.

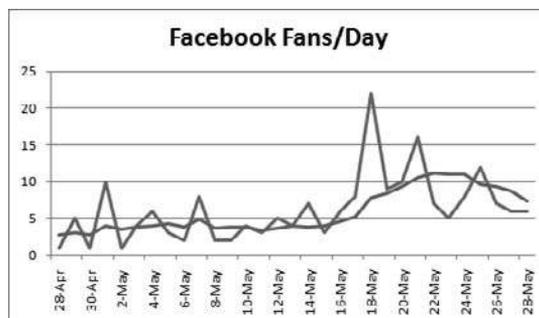


Figure 9.5 One-month chart of Facebook fans with seven-day moving average

Over and above moving averages, we also like to compartmentalize important data into weekly, monthly, and quarterly views to analyze the success or failure of a project. Take, for example, Figure 9.6, which is a summary of advertising outcomes for another client that wanted to grow its number of Facebook fans. For this particular campaign, we recommended Facebook advertising as a means to get the word out about a revamped Facebook fan page. You'll notice in the first few weeks we learned a lot about what customers liked and didn't like about our advertising. In weeks 3 and 4, we raised the advertising budget with the lessons learned from weeks 1 and 2. We found opportunities to get more efficient with ads, so we pulled back some ads and added others in week 5. Over time, we found more fans with less advertising spend, and we acquired those fans more efficiently over time at a small marginal cost. When you can find fans at \$0.27 each and you can communicate with them ad infinitum for years to come, you've done a great job! We don't know whether it is coincidence, our great partnership, or dumb luck, but our primary point of contact at the client was promoted during the middle of week 5!

	Ad Spend	Clicks	Cost/Fan	Fans	Fans/Clicks
Week 1	\$ 52.50	213	\$ 0.59	117	55%
Week 2	\$ 47.50	201	\$ 0.39	151	75%
Week 3	\$ 97.72	475	\$ 0.43	255	54%
Week 4	\$ 80.00	458	\$ 0.39	231	50%
Week 5	\$ 35.00	202	\$ 0.27	160	79%
Week 6	\$ 35.00	236	\$ 0.22	188	80%
Week 7	\$ 35.00	194	\$ 0.27	160	82%

Figure 9.6 Summary advertising data by week

Facebook Return on Investment and the Mayo Medical School

Return on investment is perhaps the harshest yet most aligned measurements for a social media campaign. Why? In large part, we're still in the early days of social media. A lot of the benefits are soft because nobody really knows where Facebook, Twitter, and other social media services are headed. Is this the new way of doing business or just a fad? Nobody knows for sure. As a result, you'll have different perspectives on social media that will drive different opinions. Some managers/executives in an organization look for fairly immediate ways to generate a short-term ROI. Others see the real and potential long-term benefits enjoyed today by establishing an effective presence and connecting with consumers. One thing is certain—nobody has a crystal ball that can tell you definitively what a Facebook fan is worth. Nobody knows how Facebook will change or modify its platform to allow for different and more engaging marketing opportunities.

That said, some organizations have grappled with the issue of ROI for Facebook. The Mayo Medical School is one example. Barbara Porter is the assistant dean for Academic and Student Affairs at the Mayo Medical School. When discussing the benefits and ROI she's seen with using Facebook, she describes how it has enabled the school to save time and money on its new student orientation process. Since the Mayo Medical School has adopted Facebook as part of its orientation process for new students, the school has seen a savings of more than \$20,000 per year. This is because the team-building exercises that are traditionally required to integrate new students into the culture of the school are no longer necessary.

"Facebook has really changed how we do orientation at Mayo Medical School," she said. "We no longer have to operate with the assumption that nobody knows anyone."

Porter spells out two primary goals the school is reaching toward: first, socialization and team building among the students, and second, saving money for the program so the school can reallocate it for better use elsewhere. Porter claims that because of Facebook, "the teamwork has already been established. They've camped! They've planned camping trips before they ever get to the medical school."

Porter explains, "The positive impact number one [is that] they come as a coalesced team, and two, it saves us money."

Before the school created its Facebook page, the school spent a considerable amount of time learning each student's name along with some of their particulars so the student could be welcomed into an environment where they felt like someone was paying attention and cared. "We didn't want them to feel isolated," Porter said.

Things have certainly changed since those days. Now Porter finds that the students know everybody in their class when they arrive at school. For example, each

entering class has a Facebook fan page named for their graduation year that they are invited to upon appointment to the program. Everybody who gets appointed is a member of the page because they want to make sure they know their future classmates, events, and school-related information.

Since the page now allows students to mingle virtually and even meet in person long before the first day they arrive on campus, they are well acquainted with each other at a much earlier point in time relative to previous school years.

“You know, our student body is nationwide,” says Porter, “so the kid from California already knows the kid from Tampa. The kid from New England already knows the kid from Phoenix.”

The end result (her ROI) is that it saves Barbara Porter and the rest of the staff in the Office of Academic and Student Affairs the effort they used to expend to get new students acclimated to the new school culture at the beginning of the school year. With this newfound freedom and time, she and the rest of her team can devote their efforts toward things like speaking with the incoming students about the health-care system in America or spending additional time on the curriculum.

The Academic and Student Affairs Department does look at the analytics in relation to their fan page, user profiles, activity, behavior, and traffic. However, all these metrics roll up into their overarching goals of saving money and increasing the effectiveness of their socialization efforts. By monitoring their users through analytics and responding appropriately to the results, Facebook has become an effective platform for the school to address socialization needs earlier in the process and away from their campus. Now they can spend time on new activities “as opposed to the time and money we used to spend on socialization,” confirms Porter. This is invaluable to the school “because it is important that they recognize and know each other and are able to build that teamwork that is such a value to the school and the Mayo Clinic.”

This is not to say that embracing Facebook as a primary tool in the orientation process was a walk in park for the Department of Academic and Student Affairs. Like many people who are introducing social networks into their team processes, Barbara has her naysayers. The responses from those unbelievers are pretty typical of the criticisms one hears at other organizations. Typically they are the result not of experience but of ignorance. Our advice is to expect this from some members of your team and don't let it stop you. Most objections are easily overcome.

Besides, the best cure for those objections is success. Look for small successes early on in your campaign to demonstrate the value of your efforts. Additionally, having a good grasp on the analytics piece will show the team that you are not shooting in the dark. Once you remove these obstacles early in your efforts, the rest of your efforts will be easier to sell to the rest of the team. This is critical to your success, and we'll talk more about this in the next chapter on organizational considerations.

As a result of Barbara's success, she can go straight to the core of the content she needs to be sharing with the new students when they arrive on campus. "You know, actual curriculum content," Porter says.

"We really marvel at the savings and the ability to focus on the things that, I won't say really matter, but give us a jump start on curriculum. It gives us a jump start on other orientation things that are specific to Mayo Clinic that they would not have been able to get."

Clearly the Mayo Medical School understands the value of Facebook. But it's not enough to just know that it can benefit you or your organization. You have to seek out areas where you can operate more efficiently using the social graph of the very people you're trying to reach or service. Be creative. Find ways where you can provide a richer and better experience with Facebook in a more efficient manner than your organization had been previously.

Featured Case: Kevin Hillstrom, Ambassador for Social ROI

Kevin Hillstrom spent more than 20 years in the retail industry, including stints as vice president of database marketing at Nordstrom, director of circulation at Eddie Bauer, and manager of analytical services at Lands' End. Today, he is one of the most outspoken advocates of social media analytics and ROI, and his blog Mine That Data (www.minehatdata.com/blog) is one of the most-read database marketing publications of any kind in the world. We caught up with Kevin recently to learn his perspective on social media ROI today.

- Q:** *You've been an outspoken champion of ROI for social media and other Internet marketing channels on your blog, Mine That Data. What do you think that people both understand and fail to understand about Internet marketing in 2010?*
- A:** The biggest misunderstanding, in my opinion, is that online marketing and customer behavior are best analyzed on the basis of "campaigns." The reality is that customer behavior is generally consistent over the long-term and is fluid in the short-term. Take a sample e-commerce brand. Of all customers who purchased in 2009, about 35 percent will purchase again in 2010. Among those who purchase in 2010, the average customer will purchase two times, buying an average of three items per order. These metrics seldom fluctuate much. In other words, over the long-term, a business is reasonably consistent and predictable. Yet, online marketers tend to analyze campaign performance, and this is a place where performance is very fluid. We attribute orders to the activities that we think caused the order to happen, giving us a false sense of "what works" and "what doesn't work." In reality, we attribute orders that would normally happen anyway to our marketing activities, thereby over-inflating the importance of our marketing activities, causing us to execute "more marketing activities"!

Q: *Much of your career has been focused on online retailing. Where do you see Web 2.0 and social media technologies being best utilized today to help sell products?*

A: I believe social media technologies are best used in customer service. Honestly, I don't see much utility in getting sale and promotional messages in 140-character bursts. I see a ton of utility in a customer service employee using Twitter to help a customer who had a problem with the shipment of her order. I work with companies that actively listen to customer issues and then proactively respond to those issues in an effort to please the customer. This use of social media, while not glamorous, often works well. In my analytics projects, customers who have interactions with live human beings almost always have significantly greater long-term value than do all other customers, even after controlling for prior purchase habits.

Q: *Critics may say that ROI for social media is a longer-term pursuit. Your thoughts?*

A: I disagree. To me, "longer-term pursuit" means that something doesn't appear to be working today, so let's just keep doing fun social media stuff until we can prove it is working. It is not hard to demonstrate that social media activities deliver ROI; we simply have been told too often that we can expect huge levels of ROI when the reality suggests that ROI is more modest. There is absolutely nothing wrong with saying that social media was used to solve 124 customer service issues in November. There is absolutely nothing wrong with saying that we have a corporate blog, and subscribers to the corporate blog ordered 96 times in November, spending \$9,600 against a cost of \$1,000 to maintain and staff the blog. These aren't breathtaking numbers. But the numbers clearly support doing more, and the numbers generate a profit. Remember, companies are in business to generate profit! So, don't be frustrated by small numbers; use them to demonstrate profitable outcomes. Your CFO would rather you demonstrate \$2,000 of social media profit than execute a gaudy radio marketing blitz that cost \$1,000,000 and lost \$50,000 profit. Be content with what you have!

Q: *Some companies have begun to use coupons and other enticements to attract customers via social media. Do you think that is an effective tactic?*

A: Absolutely not. I always say that coupons, discounts, and promotions are taxes that are placed upon brands for not being remarkable. When you tie a coupon to social media, you are acknowledging that social media isn't working to your expectations, so you want to cheapen your brand to make it appear that social media actually works. Again, be content with small gains. Lower your expectations. Under-promise and over-deliver. You don't need to hit a home run with social media, though unfortunately, everybody is looking for social media home runs that seldom exist.

Continues

Featured Case: Kevin Hillstrom, Ambassador for Social ROI *(Continued)*

Q: *Where do you see online retailing in five years? More or less integration with Facebook and other types of social media?*

A: I see much more integration with Facebook and other types of social media. I believe that social media will become a hybrid of enhanced customer service coupled with the utility that people get from using tools like Microsoft Word, Excel, or PowerPoint. When is the last time that somebody asked you to prove the ROI of using Microsoft Excel? Who asks you to prove the ROI of your monthly broadband Internet fee? Honestly, I think that social media becomes another “utility,” if you will, like the telephone you use in your office, electricity, Internet access, or software tools like Word, Excel, or PowerPoint. It just becomes part of the lives of those who choose to partake in it. And that is a good thing!

Measure Engagement with Insights

Facebook provides in-depth analytics on your fan page that allow you to consistently edit your approach for greater results. These analytics appear on every fan page only when an administrator views the page, as shown in Figure 9.7.



Figure 9.7 Fan page Insights

When you click See All, you’ll see a variety of stats, graphs, and interactive data. At a glance, you’ll see the total interactions this week that are comprised of your fans’ Wall posts, “likes,” and comments. Your post quality shows you how engaging your posts are to your fans, and your star rating compares your post quality to other pages of similar size.

You can then view graphs of the fans that interact with your page via interactions per post, post quality, posts, discussion posts, reviews, and mentions. By moving the horizontal slider, you can zoom in and out and see a wider or narrower perspective, such as weekly, daily, or hourly. Plus, you’ll see the number of fans by gender, age, country, and language. Along with just the fans who actually interact with your fan page, you can also view the dashboard for all fans of your page (see Figure 9.8).

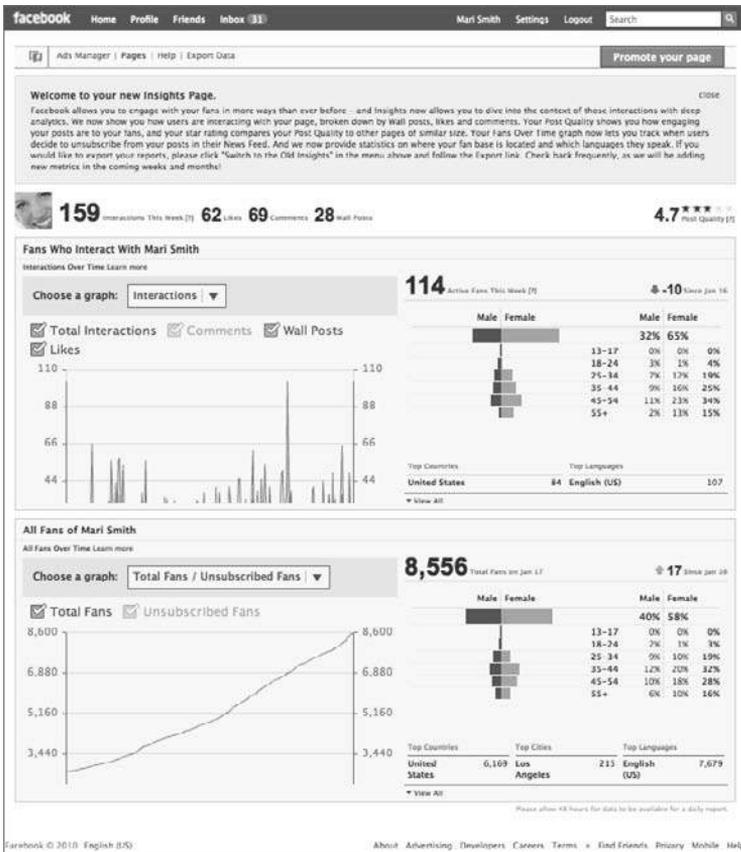


Figure 9.8 Insights page

When reviewing your total fan base, you can navigate through seven different graphs that show trends in user acquisition and subscription:

Total Fans/Unsubscribers This is the total number of fans over time, overlaid with the total number of fans who have chosen to hide your posts in their News Feed (unsubscribers).

New/Removed Fans This is the number of people who have become a new fan of your page or stopped being a fan of your page. (Important note: Facebook currently only allows users to join a maximum of 500 fan pages; it's possible some fans leave your page because they are close to the limit. However, more likely they have not found your content to be relevant in their News Feed, and instead of hiding the posts, they simply remove themselves as a fan.)

Top Countries This is the growth of your fan base over time broken down by country.

Demographics This is the growth of your fan base over time broken down by age and gender demographics.

Page Views This is the total number of times a page was viewed per day.

Media Consumption This is the total photo views, audio plays, and video plays for the content you have uploaded to your page.

Unsubscribes/Re-subscribes This is the total number of times fans unsubscribed from your page and the total number of times fans resubscribed to your page.

To export your fan page analytics, select Switch To The Old Insights in the menu, and follow the Export link.

Sysomos, a social media monitoring and analytics firm, put out a fascinating study of 600,000 fan pages as reported on TechCrunch.com (www.techcrunch.com/2009/11/28/facebook-fan-pages-77-percent). The study found that 77 percent of those fan pages analyzed have fewer than 1,000 fans. Only 4 percent of fan pages have more than 10,000 fans. What we find fascinating about this particular study is this golden nugget on TechCrunch's post: "...unlike on Twitter, where popularity is correlated with how many times you tweet, Facebook fan pages tend to be updated only once every 16 days."

When analyzing your fan page Insights, we can assume your primary objectives are to increase the total number of fans and to increase the engagement rate (frequency of interactions) of those fans. With a creative Facebook ad campaign and/or integrated Twitter promotion or other social media platforms, along with promotion on your blog, websites, e-zine, e-mails, and so on, you should see an increase in fans. But that's just part of the equation. You need to provide consistent, relevant, quality content; otherwise, most Facebook users who do join your page may never come back after that initial action.

As Facebook points out, "Page admins who post meaningful content will retain fans, while admins who post spammy or low-quality material will lose fans and subscribers."

And, to quote TechCrunch, "...that's really the big difference between Facebook fans and Twitter followers. On Twitter, you follow someone because you want to hear what they have to say. On Facebook, you fan them just to show your support of affinity. Too often, it's a throwaway gesture." Though this may be true for certain fan pages and for certain individuals, we tend to disagree.

The secret to creating a highly active fan page that ultimately drives other key performance indicators such as opt-ins (e-mail subscribers), blog subscribers, product sales, and paying clients, is to demonstrate you genuinely *care* about your fans. Definitely update far more often than the average of every 16 days! Respond promptly to fans' questions, comments, suggestions, reviews, and so on. Plus, involve your fans—ask questions, and conduct surveys and polls. You can even ask them what types of content they most want from you or, if you were to run a contest, what prize they would most want to win.

Insights is also used by marketers and applications developers to measure the success of Facebook applications. The same suite of demographic data is available, along with other metrics specific to the application. To get this information, you must

first be listed as a developer of a Facebook application. Then, go to www.facebook.com/developer, and click the application that you want to learn about. On the right side of the screen, you should see a Statistics link. There, you can find Usage Statistics—the number of active monthly users for your application, the total number of users you’ve earned for the lifetime of the application, the number of Wall posts people make about the application, and the number of reviews you’ve received. The User Response tab includes information on how certain metrics pertain to the application relative to the statistical norm across Facebook. For example, some apps are better than others at getting people to respond to real-time notifications. Other apps inspire people to respond to those same messages and report them as spam. These are important marketing insights that can give you an idea of how well your application is meeting customer needs. The problem is that this data is currently made available only to “official developers” of an app, and it’s buried alongside a variety of numbers that would only be interesting to a techie. Ah, the joys of being a 21st century marketer.

When Facebook Isn’t Quite Enough: Landing Pages

Let’s now turn our attention to landing pages. Landing pages are webpages explicitly set up to encourage visitors to become leads for your business. Usually there is an attractive enticement on the landing page—sign up for free information, a newsletter, free quote for something, and so on. These aren’t new; they’ve been around for a long time. But as the Internet has matured, people have focused more time and energy on landing pages because they are the best way to map a campaign to a clear business objective.

Like landing pages on the Internet, successful landing pages on social media are similarly based on conversions to a business objective. On Facebook fan pages, it’s the conversion of the visitor into a fan. On a Facebook profile, it’s the conversion of the visitor to a friend. On Twitter, it’s the conversion of the visitor to a follower. If you’ve failed to convert the person, it doesn’t necessarily mean that you’ve lost that person forever. You may have caught the person on a busy day. That person may be back another day to visit your site and make the commitment you want them to make. This is why thinking too short-term can be dangerous with social media—positive reinforcement of your brand works online just as well as it works with print media. Sooner or later, repeated positive interactions with your brand or product will have a great impact on your business and future marketing plan.

A few examples we’ve alluded to earlier in this book are for companies that effectively blend social media with other web properties. In those cases, customers are informed about a marketing program via social media, but the landing page actually resides elsewhere on the Web. Why is this the case? For one, Facebook and Twitter offer limited platforms for a new web presence. Some things are just easier to build on the Web than on a proprietary social network. The Web is also much more accessible than Facebook or Twitter. Companies want to reach as many consumers as possible,

even the Luddites who aren't on social networks yet. Finally, if a landing page lives on the Web, a company can point numerous demand generation/advertising approaches to the campaign. This helps the company learn more about who responds best to the marketing offer and how different types of Internet media can be used to reach customers more effectively and inexpensively in the future.

Featured Case: Bill Leake of Apogee Search

Bill Leake, CEO of Apogee Search in Austin, Texas, knows quite a bit about Internet marketing and landing pages. He's been solving search engine optimization problems and running paid search campaigns for clients for many years. We caught up with him to ask some questions about landing pages and the future of Internet marketing.

- Q:** *What business objectives are best met by using landing pages? What are the biggest advantages to effectively using landing pages in an Internet marketing campaign?*
- A:** A normal website is somewhat like a multipurpose vehicle, in that it has many functions, whereas landing pages can function like a sports car or a work truck, in that they have one primary function. Multipurpose vehicles rarely win contests for both speed and strength, and the pages on your website rarely will win conversion contests by themselves. Constructing landing pages allows you to tailor conversion-oriented messages to particular personality types, about particular products, highlighting particular offers or deals. Effectively using landing pages in Internet marketing campaigns can give you a five- to tenfold increase in conversion rates over simply using your existing webpages.
- Q:** *What are the most common mistakes you see when people create their own landing pages?*
- A:** Four things:
- Not clearly thinking through their message and audience (who am I trying to reach, and what am I trying to get them to do?)
 - Not having adequate (let alone compelling) calls to action
 - Failing to build several landing pages
 - Failure to devise and execute a test plan
- Q:** *You've had a lot of successes with Internet marketing clients. Can you tell us about one of your best success stories, without naming names, of course?*
- A:** Picking out one from the hundreds is a tough task, but I often find myself mentioning our client that helps out pregnant moms with no insurance. We'd built them up a multimillion dollar business, and their landing pages were converting visitors to leads at an eye-popping 21 percent. After one of our landing page optimization campaigns, that click-to-lead conversion rate on their forms went down to 13 percent. And our client was thrilled. What

happened? We doubled their phone calls by focusing the forms to encourage phone calls rather than web leads, and sales went up 54 percent. Remember, for many of us, we're trying to get people on the phone, and if we can skip the whole web lead step, that's often a good thing to do.

Q: *How do you see social media evolving to meet lead generation and customer acquisition needs? Is it a replacement for the Web and search engine marketing, an enhancement, a fad, or something in between?*

A: I see it as an enhancement of search engine marketing. Competent search engine marketers know that the ideal form of marketing involves a combination of trust and need. SEO and PPC marketers have always been great at the need (since they are geared toward folks who are searching for what they have to sell), but have struggled with trust and credibility issues of the brands they represent. For instance, I may be looking for a satellite TV installation and find myself on a landing page that markets what I'm looking for but be uncomfortable as I don't know the brand. Social media marketing is blending rapidly with search (witness the ever-increasing number of reviews that Google pulls up in its search results), and social media marketing adds the trust and credibility element that search marketers are looking for. When you combine "I need this" with "my social network says this vendor is OK," you have an incredibly powerful combination.

Q: *What do you suggest that people who are new to Internet marketing and landing pages do educate themselves?*

A: Reading this book is clearly a good start. I also recommend subscribing to the Apogee Search Marketing blog and newsletter—the blog is at www.apogee-search.com/b1og. There are some tremendous industry resources out there like MarketingProfs that have new, fresh content. Google has some great content under its Google Website Optimizer section. I also recommend reading one of the numerous "Internet marketing glossaries" out there for a definition of terms.

Bill Leake, a former McKinsey & Co. consultant, has been driving provable revenues through web marketing since the mid-1990s when, as part of the management team at Power Computing, he built the first company to sell \$1 million over the Internet. As CEO of Apogee Search, he has guided the company from inception to its current position as one of the 20 largest independent Internet marketing agencies in North America, with hundreds of happy, referable clients.

Bill also serves as president of the Austin Interactive Marketing Association and as chairman of the Search Engine Marketing Professionals Organization (SEMPO) North America committee. Bill received his MBA from the University of Texas at Austin and his BA from Yale University.

Conduct Tests for Greater Results

Success with landing pages depends a great deal on tweaking your conversion rates using a variety of tactics designed to let data drive your decision making. The great thing about the Web is that sites, buttons, layout, and advertising can be updated or changed quickly, and you can track outcomes based on those changes. The science and process behind optimizing your site based on these changes is known as *A/B* or *multivariate* testing, which we covered in detail in Chapter 6.

To review, A/B testing may sound like a complicated concept. But in reality, the concept is simple. It's used to test the effectiveness of two pieces of creative to see which one results in a better, faster, or more inexpensive response from customers. This isn't particularly difficult when you can change the design of a logo or an e-commerce website and see what the outcomes are with data from your web analytics reports. Contrast this with the physical world. If you owned a storefront, you'd have very little data to rely upon unless you monitored the activity of every customer *and* you found a way to read their minds!

Take, for example, A/B testing for advertising. Your objective is to see which of two ads are more effective than the other. Effectiveness in this case will be measured by total cost, clicks, cost per click, and ultimately lead generation cost (measured as total cost divided by form submissions).

You want to test two ads to see which performs better than the other. These two ads are henceforth known as A and B, and you treat them as subjects to which you have no particular emotional attachment. The different advertising copy points to a single landing page on the Internet—a page that is kept consistent throughout the entire A/B test. It's critically important to isolate a single variable for an A/B test to work properly. Then it's simple: you run the advertising for long enough to know conclusively which ad is superior. The collective response of your “subjects”—that is, customers—will tell the tale, and the results will come in the form of relatively unimpeachable statistics.

Ideally, you'd like to see tens of thousands of impressions over at least a week before drawing any conclusions. If you're running smaller campaigns with far fewer subjects, you may have to come to conclusions with far less data. Although that isn't preferable, it's probably OK in most situations. Just understand that the more you run an A/B test, the more reliable your data will be. And if you're doing some A/B testing, you are better off than doing no A/B testing at all.



If you have a few different options, feel free to run them all at the same time. Although it's called A/B testing, you can run an A/B/C/D/E all at the same time. Just keep a single outcome variable so you can see whether A, B, C, D, or E wins.

Your Facebook fan page has its own landing page too: existing fans always land on your Wall by default. But you can select which tab nonfans land on; we recommend choosing a tab with your own custom content created with the Static FBML app mentioned in Chapter 8, “Customized Experiences via Facebook Applications.” Now, this is something important you’ll want to note: every tab on your Facebook fan page has its own unique URL. This essentially means you could conduct an A/B test by shortening the long URLs for the two tabs you want to test with a trackable service like bit.ly. That provides you with the number of clicks per tab (though it won’t count traffic coming from any other sources where you’re not using the bit.ly links). Then, if you had an opt-in box on each of the tabs, you could conduct a reasonable split test to see which opt-in is more effective. You wouldn’t be able to tell which tab (landing page) was most effective in converting fans, though; that test may be best conducted one tab at a time.

Multivariate testing is similar to A/B testing in that you are testing to see which landing page is more effective. The difference is that you are simultaneously testing for a number of variables. This can be any number of things: the placement of your Buy Now link, the text you’ve included on your site, the design or layout of the site, and so on. You’ll need to randomly serve different landing pages at the same time—so a user at a particular point in the day can be served different iterations equally. You just need to maintain randomness, so things such as time of day, geography, or day of week don’t impact the data. Remember, you are looking to keep as many things equal or consistent as possible.

I really like using multivariate testing when I first assess what is happening on an existing web property. It is a scattershot approach that helps you quickly test new ideas or theories that people have about improving important customer metrics on your website once they get there. You can try different combinations of text, imagery, icons, and the like to determine the mix that gets the right customer response. Data will often let you know what things don’t work. This will narrow down your multivariate testing to the best ideas, which you can then isolate in individual A/B tests where you keep everything else consistent with the exception of the creative that you are trying to analyze. The advantage you get from this approach is that you move beyond opinion and into facts backed by data.

What all of this implies is that you can spend a lot of time tweaking your web properties to optimize for the outcomes that are important to your business. Some people probably think that is terrible, but others may think this is a great opportunity. It’s why we’ve spoken earlier in this chapter about the importance of truly knowing your strategic objectives for your website. What metrics are important to your business? Why do you have a website or social media presence? Every business has a different answer to these questions. You can be the person to align your web presence and social media effort to things that truly matter at the executive level.