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HOW TO

MEASURE SOCIAL MEDIA ROI



Set Measurable Goals

It is important to understand what your business is trying to achieve through social media marketing. Some Measurable Goals Can Be

- Number of website hits
- Sign up on forms
- File downloads
- Amount of online purchases



Prepare your Campaigns



Your campaigns should majorly focus on call to actions that direct the audience to your targeted destination- website, form, shopping portal, etc. Assign tracking URLs to each of your campaigns to track results.

Calculate the total monetary benefits To determine value achievement per goal



- You need to analyse how many goal achievements result in lead conversion.
- Set a monetary value for each conversion.
- Measure average lifetime value of a customer.

Value Per Goal Achievement= Average Lifetime Value of a customer / Conversion rate

To determine value attained from each social media platform

Value from each Platform = Total Number of Conversions × Value per Goal Achievement

Total monetary benefits from social media activities= sum of value attained from each social media platforms

Calculate the overall expenditure

1. Total number of man hours spent in all marketing campaigns.
2. Amount of money spent on Google, Instagram, Facebook, Twitter, etc, for promoting your posts.
3. Amount of money paid to external agencies for creating landing pages, campaigns, creatives, etc.
4. Amount of money spent on using external tools for recording and analysing social media metrics.

Determine the ROI

Return On Investment (%)

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Total Monetary Benefits

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Overall Expenditure × 100

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Overall Expenditure