Social Media Analytics:

Marketing and Measuring Social Media Analytics

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A Research Paper
Submitted in Partial Fulfillment of the
Requirements for the
Master of Science Degree
in

Information and Communication Technologies

Approved: 3 Semester Credits

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ICT 511: ICT Analytics

The Graduate School

University of Wisconsin-Stout

November, 2013

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Title: *Social Media Analytics:*
Marketing and Measuring Social Media Analytics

Graduate Degree/Major: MS Information and Communication Technologies

Research Adviser: Lesley Voigt

Month/Year: November, 2012

Number of Pages: 7

Style Manual Used: American Psychological Association, 6th Edition

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Chapter I: Introduction

According to Merriam-Webster online, Social Media is: forms of electronic communication (as Web sites for social networking and micro blogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos) (Merriam-Webster, 2013). Today, Social Media and Social Networking are sometimes used interchangeably. Networking is defined by the same source as "the exchange of information or services among individuals, groups, or institutions; specifically: the cultivation of productive relationships for employment or business." It is hard to pinpoint the exact first occurrence of social networking, but based on the two definitions above, one of the earliest record of information being exchanges was found in 1792 when a telegraph was used to transmit and receive messages over long distance (Ritholtz, 2010).

Since the creation of the World Wide Web, there have been many social networking platforms. Fast forward to today's date and social media or social networks have evolved tremendously. Looking at specifically social media sites since the 2000, some of the most popular social media sites include MySpace, LinkedIn, Friendster, YouTube, Facebook, Twitter, Google+ and Pinterest. Today, the big four social media titans that dominate the social media markets are Facebook, Twitter, LinkedIn and Google Plus+.

Chapter II: Nature of User Interaction

Social media today is used for a variety of things. Among the many reasons why people use social media are to stay in touch with current friends, meet new people, join communities with common interest, get the latest news and just because they are bored. Over 64% of adults who use social media sites say that staying in touch with family members or current friends is a major factor for them when using social media (Smith, 2011). One in ten Twitter users say that a major reason why they use social media is to read comments or follow public figures such as celebrities, athletes or politicians (Smith, 2011).

Chapter III: Social Media Marketing

Social media has completely changed the way marketing is applied online. Before digital marketing avenues such as social media became popular, marketing was done using traditional methods and mediums such as television, radio, newspaper, magazines and billboards. Traditional marketing was simply a one way conversation where business would try to convince you to buy a product or service as users or viewers came across it in their daily lives (Comcowich, 2013). In traditional marketing, consumers had no way to respond to the advertisements they viewed.

Social media marketing is a newer and more effective way for marketers to reach their consumers. The reason why social media is growing at such an exponential rate is because of its two way street of interaction. Social media allows for consumers to express their satisfaction or dissatisfaction with product or services. In traditional marketing, the consumer's street was closed and had no way to respond to the advertising they saw or heard. Another important reason why social media is effective is because interaction between businesses and consumers were happening in real time. There were no delays in sending out questionnaires and waiting for responses. As technology such as social media evolved and changed the way marketing was done, marketers also evolved and changed their marketing strategies to better reach their consumers.

How well you interact with consumers and users is the next major challenge of social media marketing. According to Simon Kendrick, a Research Manager for BBC in his blog said that some of the biggest challenges to measure off site social media performance are: No official measurement source, limited geographic restrictions, and totaling activity across multiple services (Kendrick, 2013).

One of the most difficult challenges of using social media as a marketing tool is that there is no official measurement source. There is no official organization or group that researches, records and returns metrics of how social media is being used. Television can be measured with Nielsen and radio can be measured with Arbitron in the United States (Comcowich, 2013). These two organizations are well established and well known for producing accurate measurements of consumer usage in television and radio.

Another challenge of social media marketing is assessing users in a geographic manner. Many organizations and companies are interested in finding out who their followers are closer to home before finding out who their followers are globally (Kendrick, 2013). Some social media platforms do provide tools that give some information, but that information is very limited.

The third major challenge of using social media is measuring activity across multiple services. For example, Facebook utilizes the "Like" button, Twitter uses "Followers" and Pinterest uses "re-pin". On a basic level organizations can measure these functionalities to assess their overall performance, but looking into more details, do all these functionalities have the same amount of importance weight behind them. Is a Facebook "share" be equivalent to a Pinterest "re-pin" (Kendrick, 2013). Is a "plus+" on Google Plus+ be equivalent to a Facebook "like". Each social media strives to be different and unique from the next social media, but at the same time this creates a challenge for marketing within social media. There is no universal measurement of consumer behaviors in social media.

Chapter IV: Current & Future Analytics

With the challenge of measuring how well social media is working and the lack of having programs that measures this, many tools were created to help marketers and businesses. Two of the most popular tools to help you measure the success of social media are Klout and HootSuite. Klout is service that measures your influence online and HootSuite is a social media management tool that allows you to manage many different social media platforms from one place.

Klout: Klout is a service that uses social media analytics to rank its users. It measures the online influence of that user according to the social networks that a user has connected to Klout. It analyzes the activities and the interactions the user has with others. A Klout Score is given to the user from 1 to 100 and that Klout Score is a public rating of how Klout thinks your influence is doing online (Klout, 2013).

HootSuite: Hootsuite is a social media management tool that allows users to update and post on the HootSuite "dashboard" and have it relayed to all the social media profiles you have connected. One feature of HootSuite include scheduled posting. Users can schedule to have a post automatically be posted at specific times. This comes in handy if a business operates globally to better meet the needs of when their followers are actively online. (HootSuite, 2013).

Like all technology, someone will find a better way to track and analyze performance on social media. Technology is an ever evolving tool that is updated constantly. The future holds many possibilities of how social media performance can be tracked and measured. One possibility is tracking and recording user's cursor hover. In recent news about Facebook, the tech giant may start collecting data on user interactions with its data such as how long a user's cursor is hovering over an area of its website. Facebook is not the first company to think about employing this metric (Ballenger, 2013). Shutterstock, a marketplace for digital images, has used this before.

This form of measurement would greatly expand the scope of data that is collected about its users. This technology could be implemented into services such as Klout and HootSuite to show exactly where subscriber's followers are navigating on their social media profiles. This technology could provide an opportunity for metric measuring services to use, as well as break many privacy issues.

Chapter V: Conclusion

Social Media has been in a fast and exponential growth period since it surfaced in the early 2000s. Many experts believe and project that the growth of social media will only continue to grow. Marketing and analyzing the data from social media will not be an easy challenge for marketers and businesses. As consumers evolve and increase their participation and interaction with their favorite brands, businesses or celebrity, measuring how they do so will become vital information to analyze and collect. Learning how to use this data will also play a key role. Many new technologies will be created to collect and assess social media performance across all profiles. Some of these technologies will go as far as blurring the lines of collecting data and invading user privacy. Whichever the case, we know that technology can change rapidly and current trends in marketing and analytics can easily be outdated by the next big analytic tool.

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