

# Measuring social media and the story of John Wanamaker

 By [Hilton Rose](#)

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Not many people have heard of John Wanamaker - and if you have, it's unlikely his name was uttered in the same breath as social media.

You see, Wanamaker came from a different era. He was an American businessman who died decades before the first room-sized computers were dreamt up and almost a century before you could buy your groceries online.

However, he's most well-known for his quote. "Half the money I spend on advertising is wasted," he grumbled. "The trouble is I don't know which half." Now he was talking about print advertising, of which he was a pioneer, but as it turns out, nothing's changed. Even in the land of social media.

Half of companies have no ROI figure for the money they spend on social media. You're on the sites. But how exactly do you measure the efficacy of your presence?

Here we offer up three viable options. None of them are perfect but they will get you a lot closer to how much buck you're getting for your social media bang!

## Metric tools

Using a Facebook tool, or even better a combination of tools such as Conversion Measurement and OptimizedCPM, allows you to record the behaviour of those who click on your ads. You are then able to see click-through rate, purchase rate, and by targeting the right people, cutting your cost of new customer acquisition by up to 39%.

## Interactions

"Likes" used to be the only way you could tell whether your audience could hear you at all. Nowadays, however, we can extrapolate this data further. Every photo, post, video or comment takes seven seconds for the average user to digest and appreciate while his or her close friends take five seconds to digest that 'like'.

By analysing how many likes were received, multiplying by how many friends of those likes witnessed the action gives you and your business a clearer idea of how far your message has reached.

## Analysing traffic

It's not optimal to analyse your website in terms of how often people find your page through Facebook or Twitter, because it's not always easy to tell what actions drove that traffic, or how much of that traffic cost. By analysing your website analytics against pay per click (PPC) campaigns however, things become much clearer.

Compare the average cost of PPC per person to how many visitors you get from free social media placements - and, abracadabra, you can put a rand and cent tag on each and every 'Like'!

But let's leave the final word on the subject to John Wanamaker. John Wanamaker really did make it in the American dream - and my guess is he went with his gut, challenging convention and never relying solely on any particular tool. Let's sum it up in his words, "One of you is right. The question is which one."

## ABOUT HILTON ROSE

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