The audio portion of today's presentation is available via broadcast audio.

#### You can also dial in to hear audio:

Participants (US & Canada, Toll Free): 800.901.4804 Participants (international): +1 212.231.2901













Meeting of the Minds will feature marketing leaders and CMOs from Fortune 1000 companies, assembled to share their thoughts and observations from experience in the boardrooms and the classrooms of the world about how marketers can better demonstrate the value marketing creates for shareholders.



























## Commonly Asked Questions

1. Will I be able to get copies of the slides after the event?



2. Is this web seminar being taped so I or others can view it after the fact?

Yes

Continue today's discussion on Twitter: #MeetingoftheMinds



#### Measuring and Improving the Value of Social Media



**Pete Fader** 

Wharton Interactive Media Initiative

Wharton School of Business





#### Jim Sterne

Founder, eMetrics Marketing Optimization Summit

Chairman, Web Analytics Association







#### Your Host



Pat LaPointe Managing Partner





- Highly Specialized Advisory Firm
- Exclusive focus on marketing measurement, budgeting, and resource allocation
- Publishers of the MarketingNPV Journal
- Advisors to Global 1000 clients including:



## The Paradoxes of Viral Marketing

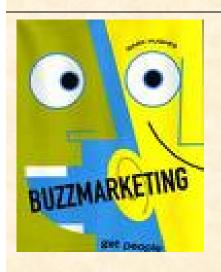
#### **Professor Peter S. Fader**

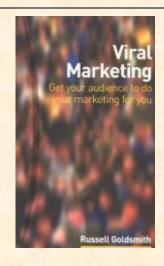
# Co-Director Wharton Interactive Media Initiative The Wharton School, University of Pennsylvania

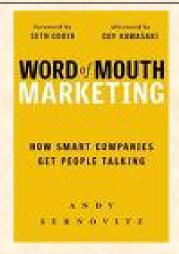


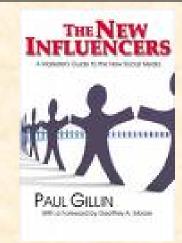
www.whartoninteractive.com

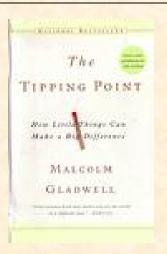
#### ...no shortage of buzz about it

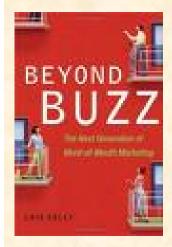


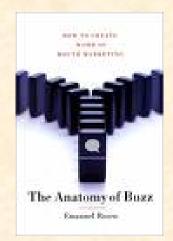


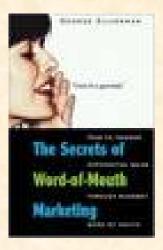


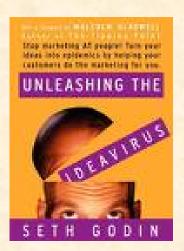


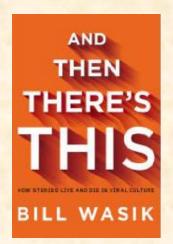












# Viral marketing... ...but maybe the buzz stops here?

SMALL BUSINESS | SEPTEMBER 25, 2009

#### Three Best Ways to Make a Viral Video

With a little creativity, it's possible to raise brand awareness about your business through a fast-spreading digital message.

#### By RAYMUND FLANDEZ

Nowadays, making a short video about your business can be cheap and easy. But getting sustained buzz for it amid the digital din of other viral videos is tougher.

Before you hit "record," ask yourself how you can effectively use this platform to get your business's message across to the masses. Are you trying to entertain or educate? Should your tone be funny or informative? Is there a way for people to learn more about your company once the minute-or-so clip is done, such as an information box on the video platform? Keep in mind that the main purpose of your video isn't just for a laugh or two, but to build awareness about your company, drive traffic to your Web site and – if done well – generate new sales.

Here are the three best ways to make a viral video:

1. Keep in mind your target audience. Jet Luxury Resorts LLC, a Las Vegas condo-hotel management company, knows its customers: rich, older folks seeking an adventure in Sin City. After doing some research, Chief Operating Officer Steve Aylsworth decided that three themes would resonate with viral video viewers: fear, humor or sex. In April, the company launched its "Bright Side of Life" video, which received 250,000 views in a week. It shows a bare-chested young man having the time of his life in a Las Vegas penthouse with a bevy of scantily-clad women. A twist at the end – it's actually a dream sequence, and the main character is rather geriatric – made potential customers laugh, he says. The video was such a success that it was chosen for a TBS special called "World's Funniest Commercials of 2009," shown in primetime in June.

"We wanted to achieve two things: increase sales and increase our brand recognition," Mr. Aylsworth says. By May, its Web site saw a 50% spike in traffic, and the company generated a 20% increase in revenue – both of which Mr. Aylsworth attributes in large part to the video.

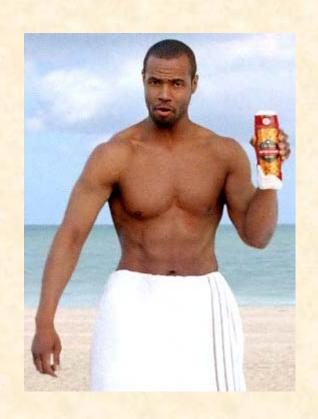
2. Rely on others to do the heavy lifting. If you don't know what kind of video to make, why not piggyback on the creativity of the folks who love to do it? That's what Cosmedicine Co. Inc. of New York did. It recently launched an online video competition called the "Protest Beauty B.S. Contest" to spoof the claims that skincare companies make in ads. Anyone could upload a mock commercial on YouTube for a chance to win \$5,000 in cash. So far, Cosmedicine has received between 35 and 40 video entries, featuring everything from sunless tanner for vampires to pain-free leg wax. "This was a way for us to create viral marketing and get hopefully a lot of focus and attention ... on the core values of our brand," says Jane Terker, president of Cosmedicine, which claims its products are independently, clinically proven.

Diane DiResta, owner and chief executive of DiResta Communications Inc. of New York, took the idea further by using existing viral videos to make a point about her company's service. With help from a marketing company, she spotlighted communication blunders made by George Bush, Sarah Palin and others. At the end of the ready-made viral videos came her company name, her Web site and the tag line: "We can help." Her company assists corporate executives with their communication and presentation skills.

"The video itself says it all," she says.

3. Use tech shortcuts to spread the word. Your video is only as good as the eyes who've seen it. The goal is to reach as many viewers as possible, so it needs to be picked up by bloggers and passed along by individual fans. Mike Matuska, owner of BigPlush.com, a Pelham Manor, N.Y., maker of 8-foot-tall stuffed animals, says he uses TrafficGeyser.com, which automatically distributes his videos to about 100 video-sharing sites. He also posts the video to his Twitter, Facebook and MySpace accounts as "it's not like you get a huge amount from [any] one place." The average hits on his videos range from 1,000 to 20,000; although one video about an 18-foot snake plush-toy has collected close to a quarter of a million hits. Other sites to consider for automatic video distribution are TubeMogul.com and VisibleMeasures.com, says Jeff Glasson, director of social media for PerkettPR Inc. of Boston.

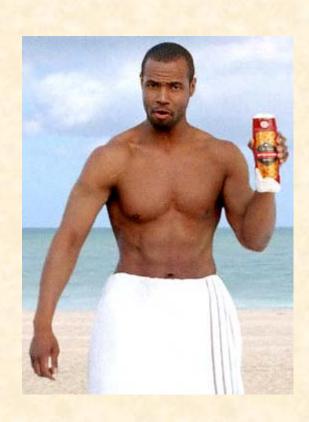
# Viral marketing... ...the Good, the Bad, and the Ugly







# Viral marketing... ...the Good...



#### The Old Spice Guy, a Media Darling, Has a Dirty Secret: Some Sales Are Down

By Jim Edwards | July 16, 2010 Like 11



■ 11 Comments

→ UPDATE: It looks like total Old Spice sales may be up after all, even if sales of Red Zone body wash alone are down, according to Brandweek, which would render this entire post a wash ...

Procter & Gamble (PG) faces an unpleasant dilemma on its Old Spice brand: Its campaign featuring an impossibly handsome man in a towel who tells women, "So ladies, should your man smell like an Old



Spice man? You tell me" - is hugely popular but sales of the product are going down. The campaign reached a climax this week as the Old Spice Guy filmed more than 200 improvised videos replying to questions and requests from Twitter users. Alyssa Milano, Rose McGowan, the Ellen Show and Perez Hilton were among those who got YouTube-ed replies.

But the shower-fresh brand has a dirty secret, as Brandweek notes:

For instance, it was none other than P&G that picked up the Film Grand Prix this year for Old Spice's "The Man Your Man Could Smell Like" TV spot from Wieden + Kennedy. There is little doubt about the viral hit's popularity. Launched in February, the official version has racked up nearly 12.2 million YouTube views.

But sales of the featured product—Red Zone After Hours Body Wash—aren't necessarily tracking with that consumer appeal: In the 52 weeks ended June 13, sales of the brand have dropped 7 percent according to SymphonyIRI. (That amount excludes those rung up at Walmart.) P&G execs were not available to comment.

So how Good is Good? How come we can't figure it out (even now, several months later...)

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So how Good is Good? How come we can't figure it out (even now, several months later...)

And maybe our inability to properly measure it is, by itself, a Good thing?

## ...the Bad...



#### ...the Bad...

# What Crispin's Lauded BK Work Doesn't Do: Gain Ground On McD's

#### Since Hiring the Agency, King Earned Ad Plaudits but Hasn't Closed the Gap

By Jeremy Mullman and Emily Bryson York

Published: June 22, 2009

CHICAGO (AdAge.com) -- During a surprise fifth-anniversary party at Miami's Globe restaurant last June thrown by Crispin Porter & Bogusky, Burger King Chief Marketing Officer Russ Klein stood to toast the agency for its accomplishments.



0 O2'08 O3'08 O4'08 O1'09

There was no shortage of material. In five years, Crispin's creativity had energized a once-moribund brand with memorable, often groundbreaking work that helped BK recapture the No. 2 spot among burger chains briefly ceded to Wendy's. In the process, the partners had made each other famous within the industry, winning virtually every major award, including a Grand Effie earlier this month. The collaboration has drawn comparisons to some of the most celebrated agency-client partnerships in contemporary advertising.

But there was one fact unmentioned in Mr. Klein's glass-raising: For all Burger King's marketing triumphs, it has lost -- and continues to lose -- ground to its largest and most significant rival, McDonald's. "Burger King is viewed as a tougher competitor now" than it was five years ago, said Ron Paul, president of Technomic, a food-industry research and consulting firm. "But it is chasing a runaway train."

Between 2003 -- the year before Burger King hired

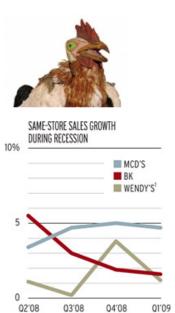
Crispin as agency of record -- and 2008, Burger King's
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## ...the Ugly



#### ...the Ugly

#### Secret Deodorant Diamond Giveaway Promotion Too Secretive

#### Thu, May 21 2009, 15:48 EST

Batavia, Ohio -- In an effort to boost sales of the new Secret 'Flawless' deodorant, Procter & Gamble came up with a giveaway that no woman could resist. They plan to award 10 \$15,000 diamonds, one to each winner. The problem with this promotion is that, eight months after launching the campaign, no one has won yet. In fact, no one seems to even be aware of it.

In this promotion, there is a fake diamond in each of the winning sticks of deodorant, but a person need not risk cutting herself or destroying the product to find the prize. By entering the product code at <a href="https://www.secretdiamondqiveaway.com">www.secretdiamondqiveaway.com</a>, a person can find out if there is a diamond in each particular stick. In the iPhone/Blackberry/Treo era, a less honest person could, in fact, check product codes at the website before buying.

With a June 30 deadline for this promotion, the Secret Flawless team posted a YouTube Video to draw more attention to the diamond giveaway. So far, the video has failed to attract the desired attention.



However, contest rules dictate that at least nine diamonds will be given away to mail-in candidates, since no purchase is required. Secret Flawless will gift \$15,000 diamonds to lucky winners, but, unfortunately, it has not yet brought the desired attention to the new product. Procter & Gamble remains hopeful that there will be a late surge in purchasing, now that word has gotten out about the lack of response. There is still a chance that this will be a great promotion, but it is still a lesson in branding, certainly.

#### ...usually it's barely a sniffle

#### The New Hork Times

nytimes.com

July 6, 2008

#### For Marketers, Viruses Just Won't Cooperate

#### By PHYLLIS KORKKI

The idea behind viral marketing is irresistible: plant your message in the right place, then sit back and watch people spread it through social networks, e-mail and word-of-mouth.

It really should work. After all, the viruses that lead to diseases and computer breakdowns spread all too easily — even when we desperately try to stop them. But trying to infuse some positive and constructive energy into metaphorical viruses turns out to be very hard. According to a report by JupiterResearch, "24 percent of marketers have run a viral marketing campaign, but many struggle to get the expected buzz."

Marketers aren't giving up the fight. They plan to continue their viral efforts on social networking sites like <u>Facebook</u> and <u>MySpace</u> through such tools as fan pages and special videos. But marketers still need to deploy complementary efforts like traditional advertising, Jupiter says. Otherwise, they face a society that is all too quick to develop natural immunities to their efforts. PHYLLIS KORKKI

### ...taming the virus

#### **MediaPostNEWS**

## ONLINE

#### Story

#### Panel: Social Media Should Be Weaved Into All Marketing

Mark Walsh, Sep 21, 2009 03:52 PM

Don't think of social media as a separate marketing channel, but as a fabric running through all advertising and promotional efforts. That was the central theme that emerged from a panel at the OMMA Global conference Monday bringing together social marketing experts from brands, agencies and advisory firms.

The key isn't so much how to unlock the secrets of social media as to figure out how it plugs into campaigns across other media. Rob Master, North American media director for Unilever, recalled being flummoxed at a conference two years ago when asked how unsexy brands like Hellmann's Mayonnaise and Lipton Tea could harness the growing popularity of online social networks.

Looking back, he wondered: "Could I have been that unimaginative? The answer is 'Yes, I was.' At Unilever, we've gotten a lot more focused and a better understanding of where the consumer is going," said Master.

He added that the consumer packaged goods giant now looks at social media as playing "a role underneath everything we're doing."

Jordan Bitterman, senior vice president of media and content at Digitas, echoed that view when

#### ...taming the virus

#### MediaPostNEWS



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### ...the disease spreads...

# Advertising Age.

# If You Build a Web Series Around It, Will They Come?

For Some Brands, the Answer Is an Enthusiastic Yes; for Others, Not So Much

By Andrew Hampp

Published: August 09, 2010

LOS ANGELES (AdAge.com) -- In the past three years, it seems "Make me a branded web series" has become the new "Make me a viral video" for marketers, with brands as varied as Ikea, Procter & Gamble, Toyota, Kraft Philadelphia Cream Cheese and even Poise incontinence pads all trying their hands at branded storytelling online. But as these webisodes clamor to find audiences in increasingly fragmented numbers, a larger metric for success pervades: Did they actually deliver on the hoped-for ROI for the brand?

For marketers, the typical web series consists of a half-dozen five-minute episodes costing an average of \$100,000 to \$1 million to create -- a paltry sum considering a typical 30-second spot can cost more than three times the price the most expensive web show.

Yet the bar has been high ever since "In the Motherhood," an online sitcom co-created by Mindshare Entertainment on behalf of clients Sprint and Unilever, became a massive hit on MSN, accumulating more than 16 million views by its second season and eventually becoming a sitcom for ABC. But its swift broadcast cancellation forced advertisers and producers alike to re-evaluate the ultimate metric for determining a web series' long-term success: Instead of being picked up by a TV network, why isn't re-investment by the brand the new barometer for success?

### ...the disease spreads...

# AdvertisingAge

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## The Paradoxes of Viral Marketing

- Don't be fooled by the buzz
  - Talk is cheap
- It's safest to assume that viral marketing, by itself, is not very effective
  - The mountain of quiet failures dwarf the few shining successes
- But it is an essential tactic within a seamless, comprehensive multi-platform campaign
  - Avoid specialized agencies
- Under such conditions, it is difficult to isolate/measure its true impact
  - But there are sophisticated statistical methods (e.g., "attribution analysis") that try to do this
- We have a hard time learning from our mistakes
  - And they get more costly over time

# Measuring and Improving the Value of Social Media



#### Jim Sterne

**eMetrics** 

**Marketing Optimization Summit** 



Web Analytics Association



### Web Metrics

Search Optimization
Campaign Management
Error Identification
Usability Improvement
Conversion Optimization
A/B Split & Multivariate Testing
and etc...

## The Three Big Goals

Raise Revenue

**Lower Costs** 

**Increase Customer Satisfaction** 

## Sub Goals

Get Attention Advertising

**Educate** Marketing

Sell Sales

Help Customer Service

Connect F2F, Phone, Email

## Sub Goals

Get Attention Social Media

**Educate** Social Media

Sell Social Media

Help Social Media

Connect Social Media

# Social Media Metrics Success Customer Centricity

Build Awareness

Improve Attitude

**Boost** Influence

Monitor Competition

Incite Action

Generate Value

# Social Media Metrics Success Customer Centricity

Measure Awareness

Measure Attitude

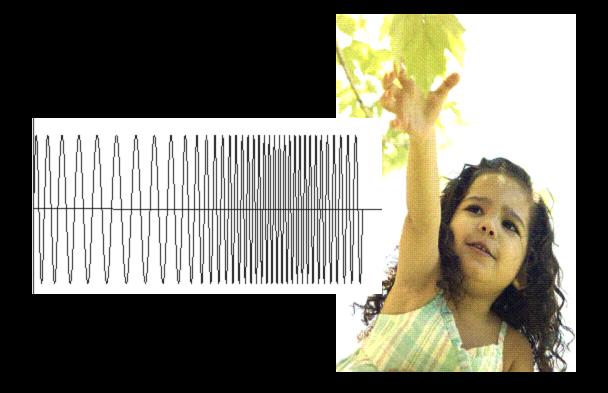
Measure Influence

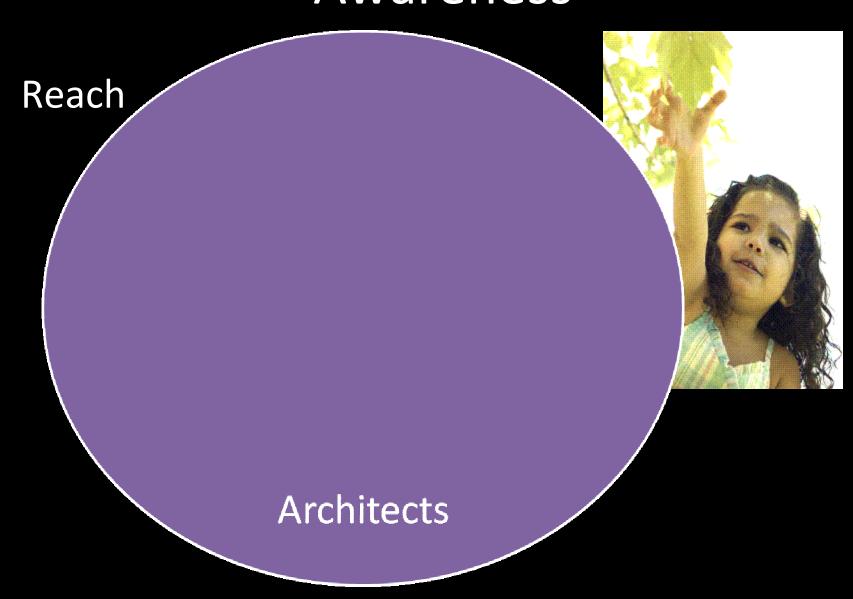
Measure Competition

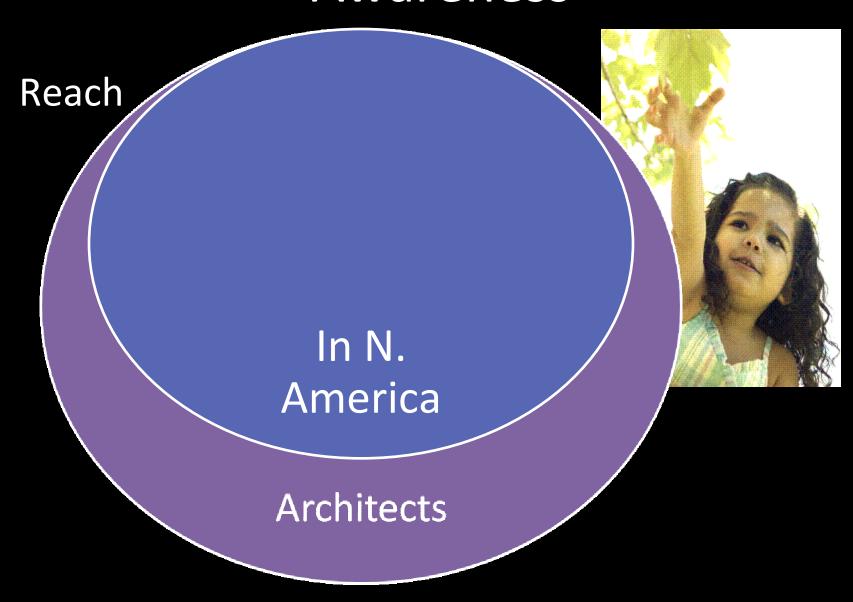
Measure Action

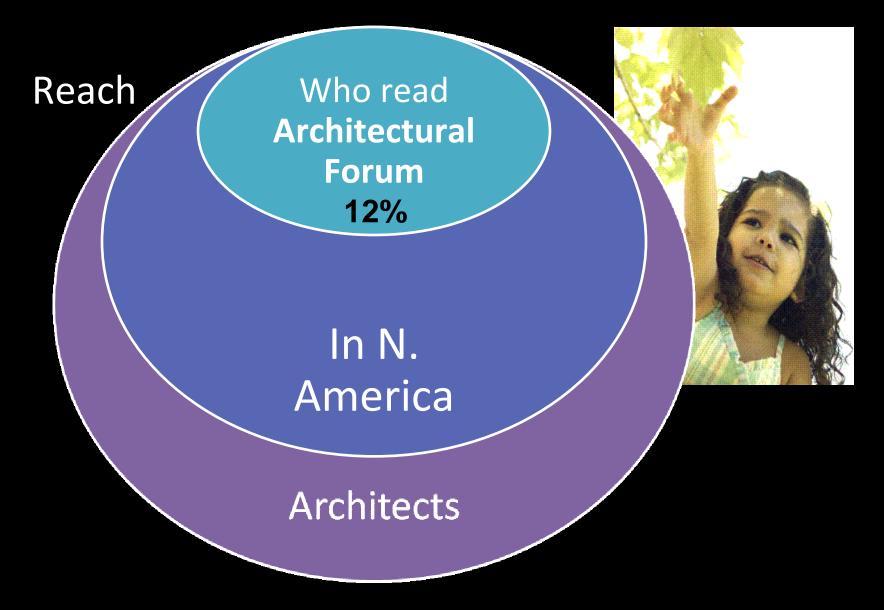
Measure Value

Reach Frequency

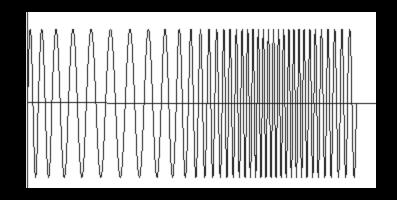






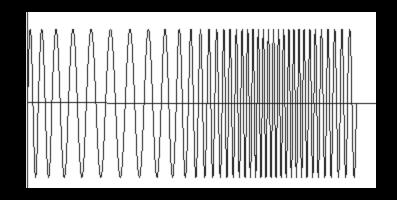


Frequency
How often?



12% Reach \* 3 exposures at \$X = \$Y response 12% Reach \* 6 exposures at \$XX = \$YYY response

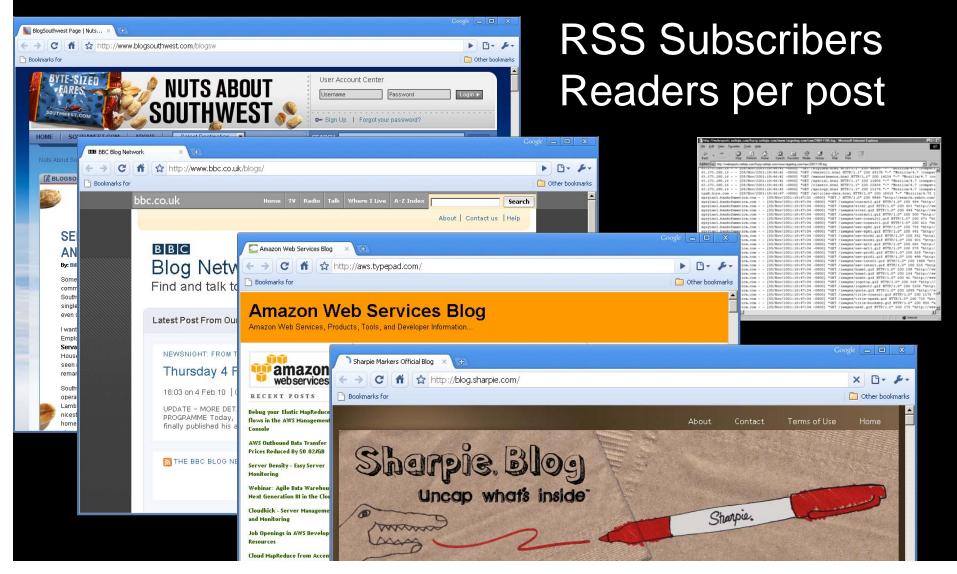
Frequency
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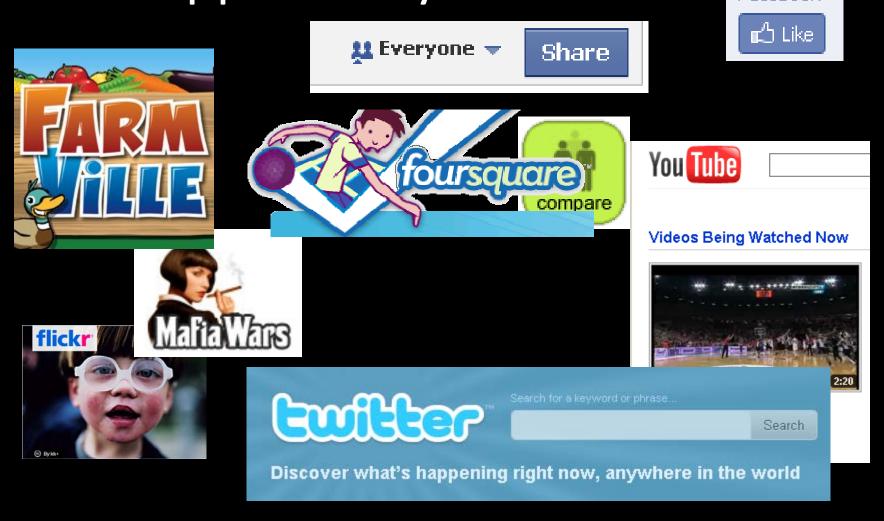
```
12% Reach * 3 exposures at $X = $Y response
12% Reach * 6 exposures at $XX = $YYY response
12% Reach * 9 exposures at $XXX = $YYY response
```



## Blogosphere Measuring Your Own Blog



# Opportunity to See is now Opportunity to Share



Facebook



### Awareness



## Measuring Awareness Familiarity

Recognize brand Attribute themes & qualities Measuring Awareness
Familiarity

Recognize brand
Attribute themes & qualities



Finger
Lickin'
Good
Convenient
Inexpensive
Tasty

**Fast** 

#### Measuring Awareness

How many people had
the opportunity to see?
How many people saw?
How many people remembered?

# Social Media Metrics Success Customer Centricity



Measure Awareness

Measure Attitude

Measure Influence

Measure Competition

Measure Action

Measure Value

### Measuring Attitude

**Online Metrics** 

**Positive** 

Negative



Net Promoter Score

#### Inflection Sensitive

- "I never said she stole my money" Someone else said it
- "I never said she stole my money" I simply didn't ever say it
- "I never said she stole my money" I might have implied it
- "I never said **she** stole my money" I said *someone* took it
- "I never said she **stole** my money" She probably borrowed it
- "I never said she stole **my** money" She stole someone else's money
- "I never said she stole my **money**" She didn't steal money

#### Context Sensitive

Positive or Negative?



This pot roast is delicious



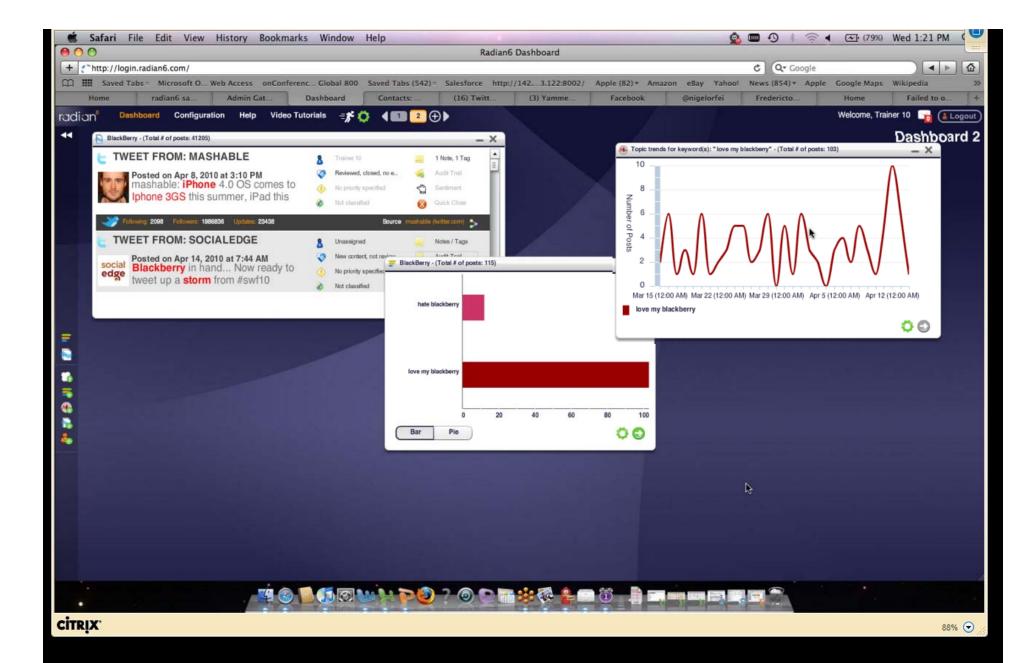
This pot roast is the worst I've ever tasted

This pot roast is inedible



This pot roast is better than your mother's





## We Are Not Accountants Bob Page, eBay



#### We Are Not Accountants

```
Is it accurate?
     It is directional
Is it trustworthy?
     Yes
Is it actionable?
     Yes
```

# Social Media Metrics Success Customer Centricity



Measure Awareness

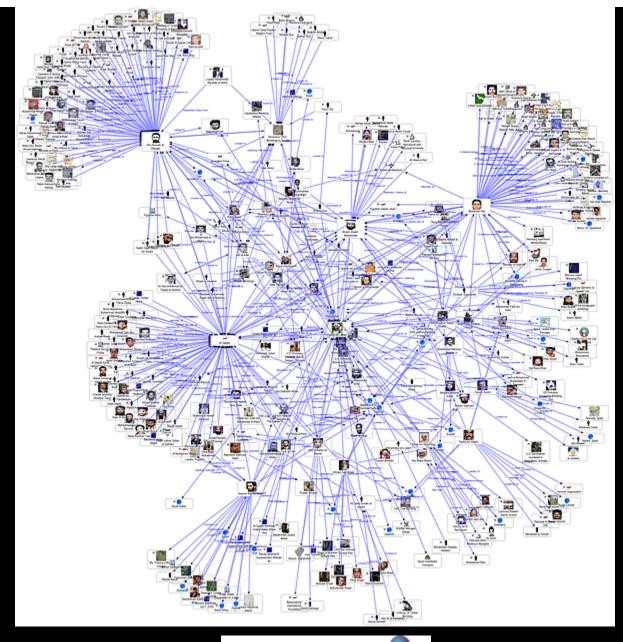
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Measure Influence

Measure Competition

Measure Action

Measure Value





### Measuring Influence



Influences thousands of followers



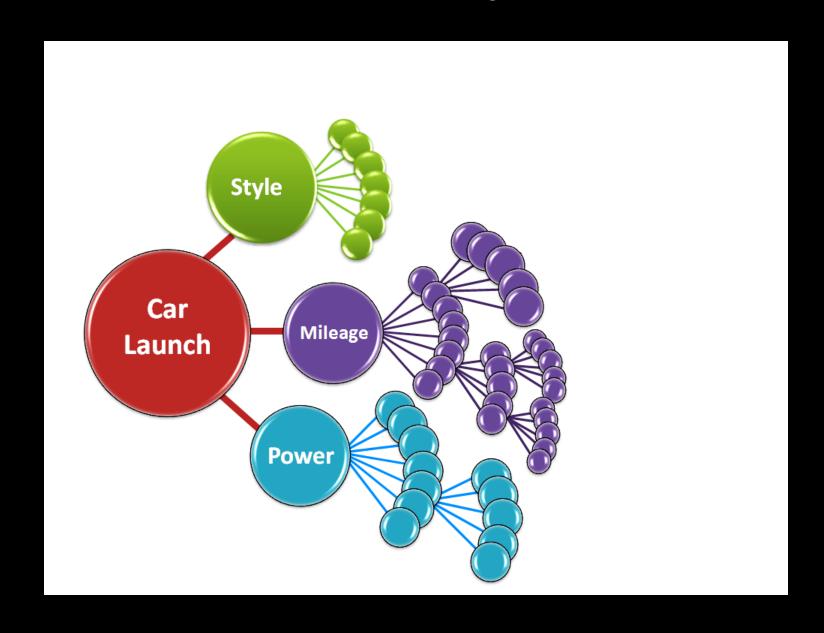
Influences tens of thousands



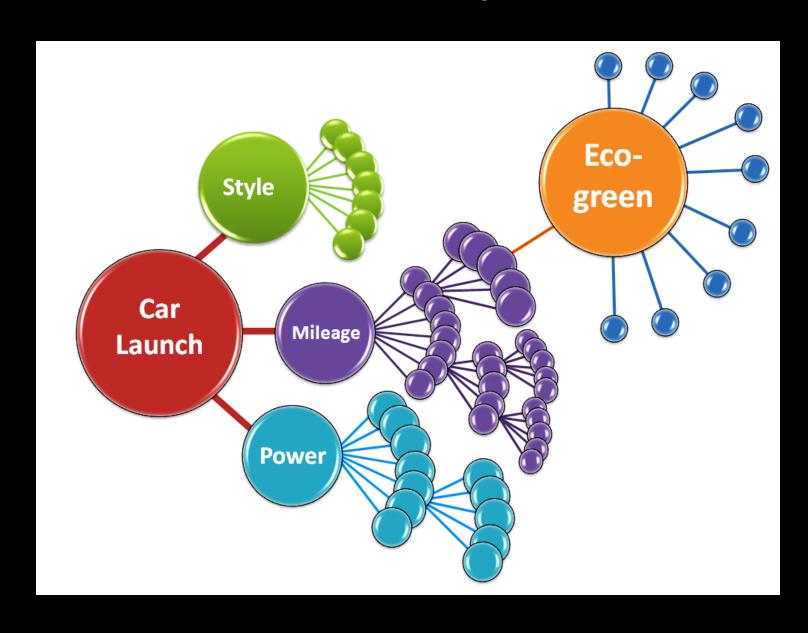
Influences millions of followers

Who has more influence??
Reach, Frequency, Awareness, Audience
Subject Matter

### Influential Topics



### Influential Topics



### Measuring Influence

Measuring our own influence on public opinion

Survey → Run an Ad → Survey



### Social Media Metrics Success **Customer Centricity**







Measure Awareness

Measure Attitude

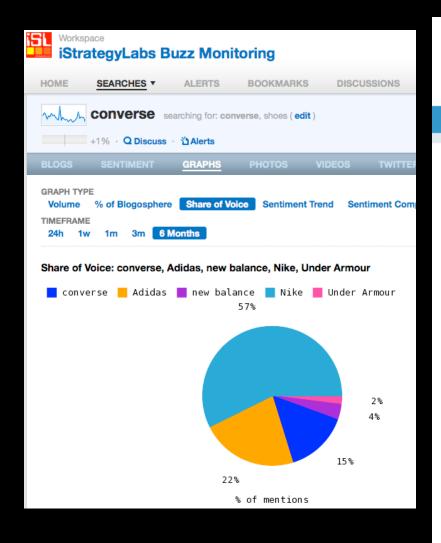
Measure Influence

Measure Competition

Measure Action

Measure Value

#### Measuring the Sociosphere



### nielsenwire

consumer featured insights global media + entertainmen

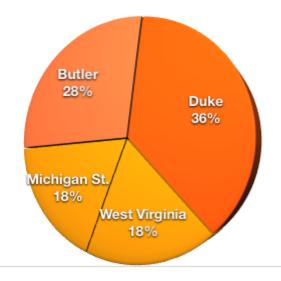
Home » Media + Entertainment, Online + Mobile, Sports

#### Duke Leads Final Four Basketball Buzz

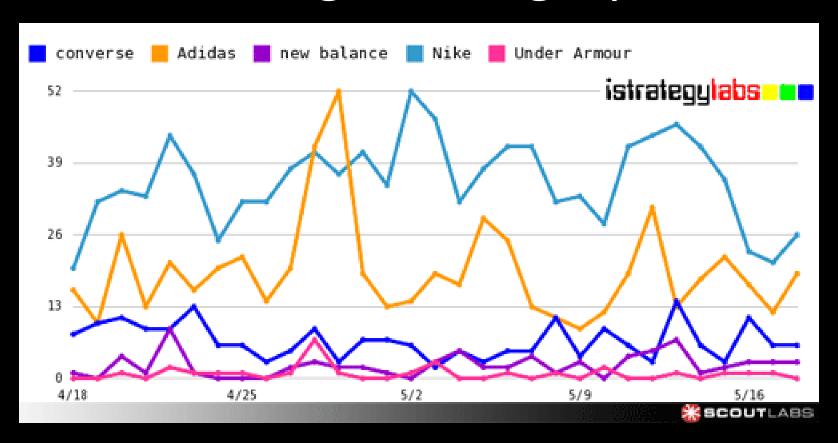
April 2, 2010

A Nielsen analysis of online buzz revealed that the Duke Blue Devils have r of discussion among the Final Four teams in the NCAA tournament since t Duke's 36% share of buzz tops Butler with 28%. Michigan State and West'

#### Final Four Online Buzz Share of Voice



## Measuring the Blogosphere



# Social Media Metrics Success Customer Centricity







Measure Awareness

Measure Attitude

Measure Influence

Measure Competition

Measure Action

Measure Value

#### Measuring Action

Social Actions Business Actions

Like Click

Follow Visit

Retweet Subscribe

Blog Post Join

Blog Comment Register

Rating Take Survey

Bookmark Qualify as a Lead

Recommend Purchase

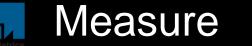
### Social Media Metrics Success **Customer Centricity**



Measure Awareness



Measure Attitude



Influence



Competition



Measure Action



# How Much is a Social Media Participant Worth?

Web site Email Search Marketing

Banners TV Search Optimization

Sponsorship SMS Tele Marketing

Direct Mail Print Affiliate Marketing

Webinar Video Social Networks

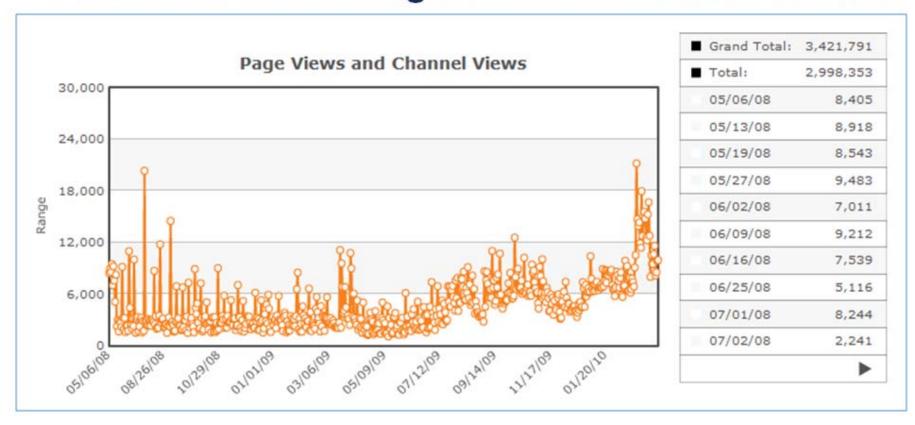
Podcast Blog Behavioral Targeting

Outdoor Twitter Microsites

Events Viral Location Based

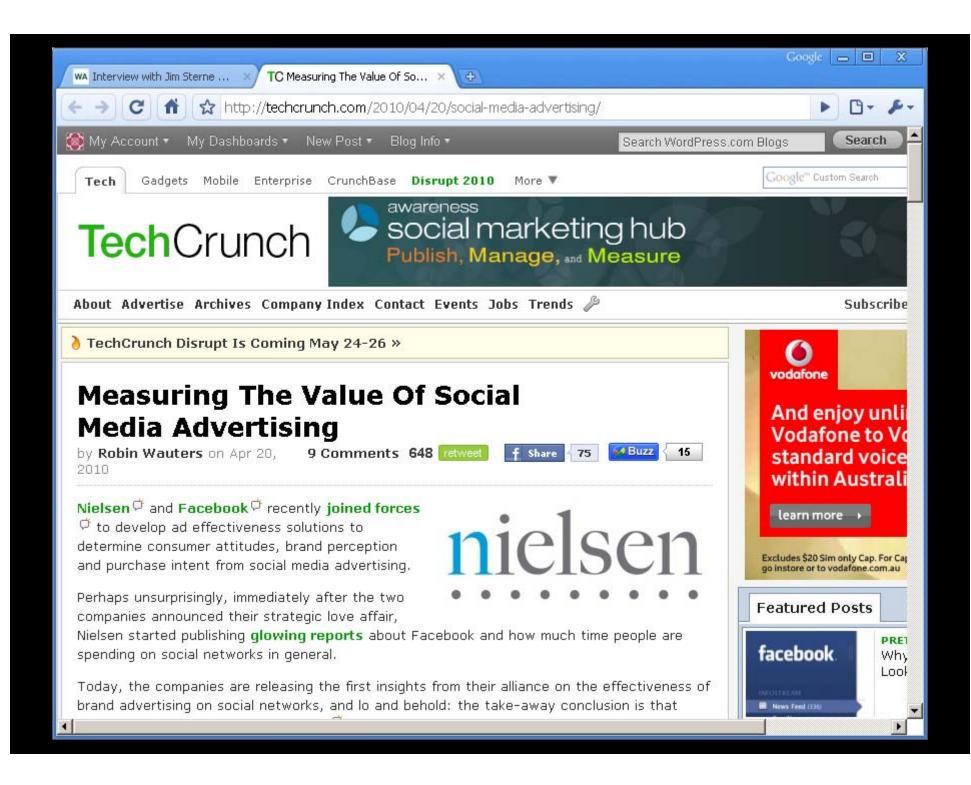


#### Overdrive: Social Page View Metrics (Facebook, YouTube, MySpace)



\$2 CPC 4.2 Average Page Views Per Visit 3,421,791 Social Page Views \$1,629,424

Media
Equivalent
Value



#### 1: Engagement Ad



#### 2: Ad with Social Context



#### 3: Organic Ad Impression



Alex Wu and Libby Leffler became fans of Virgin America.

about an hour ago - Become a Fan





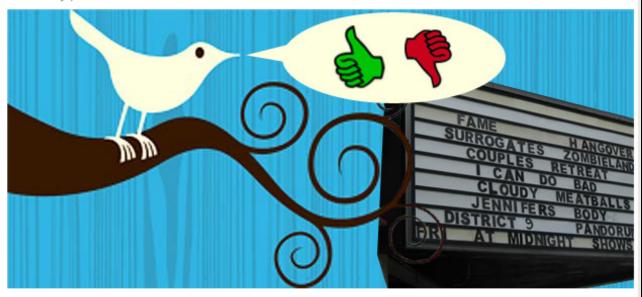




#### Twitter Predicts Box-Office Sales Better Than a Prediction Market [Updated]

BY CLIFF KUANG Thu Apr 1, 2010

Researchers at HP Labs discover that Twitter can predict, with astonishing accuracy, how well a movie will sell.



We've all got the vague intuition that Twitter allows you track, in real-time, what people are concerned about or obsessed with. But this is a little freaky: Two researchers at HP Labs, Sitaram Asur and Bernardo Huberman, <u>have discovered</u> that you can actually use Twitter mentions to predict how well a movie will do in it's first couple weekends of release. What's more, the method works even better than the most accurate method currently in use, the <u>Hollywood Stock Exchange (HSX)</u>.

# How Much is a Social Media Participant Worth?

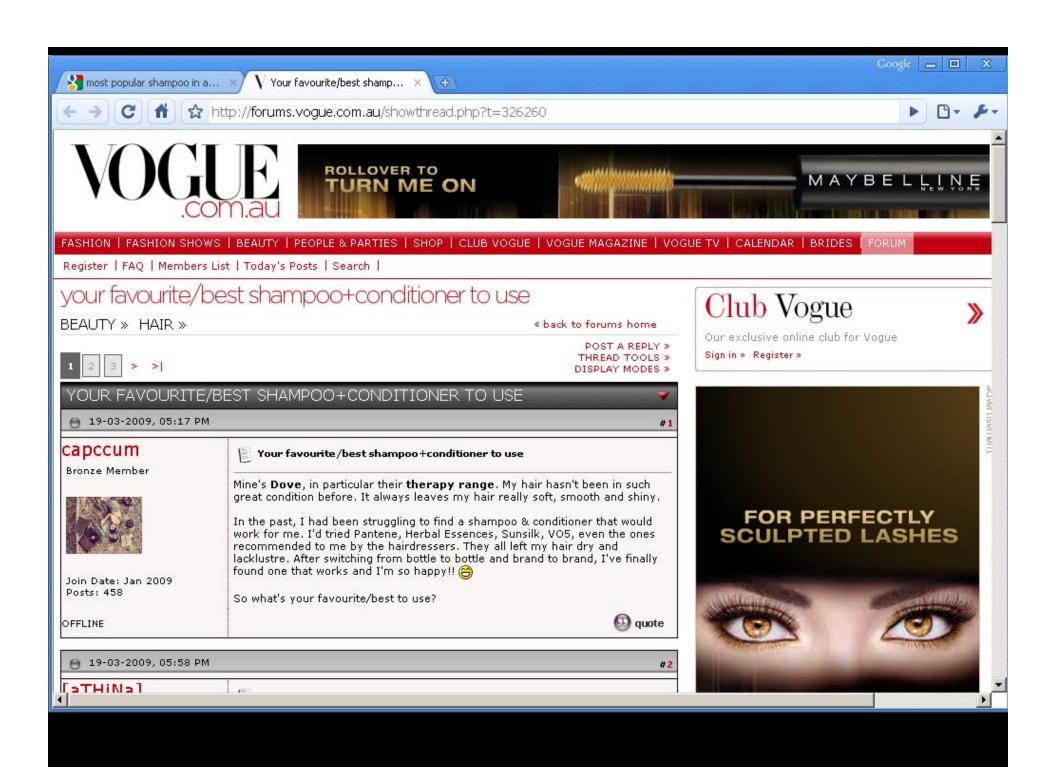
# How Much is a Social Media Participant Worth?

7.25¢



If:

10,000 people are talking about shampoo



If:

10,000 people are talking about shampoo

And, a new customer has a lifetime value of \$29 (profit)



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And 5% of those remain loyal

If:

10,000 people are talking about shampoo
And, a new customer has a lifetime value of \$29 (profit)
And, joining that conversation causes 5% of them to try
And 5% of those remain loyal
Then:

10,000 x 5% = 500 500 x 5% = 25 25 x \$29 = \$725 725/10,000 = \$0.0725 per participant = 7.25  $\phi$ 

7.25¢

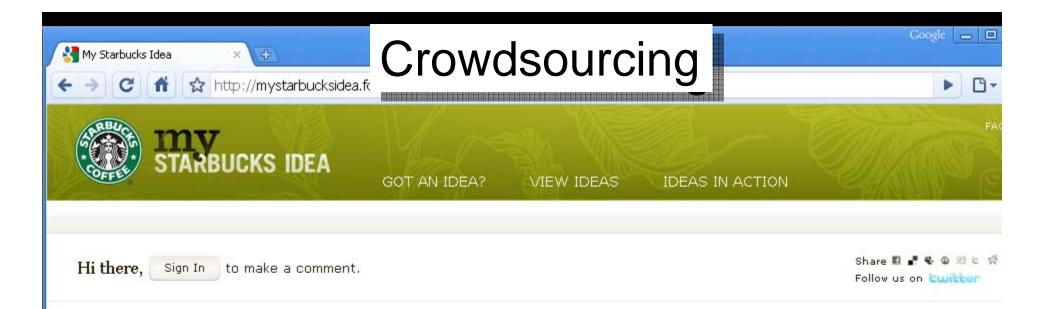
\$ 7.25 million

### Relevancy

Put the right message
In front of the right person
At the right time

Get the right message from the right people at the right time





#### Ideas so far Q Search Ideas PRODUCT IDEAS 21,336 Coffee & Espresso Drinks Frappuccino® Beverages 6,560 Tea & Other Drinks Food 9,513 4,329 Merchandise & Music 6,013 Starbucks Card 6,473 Other Product Ideas EXPERIENCE IDEAS 5,227 Ordering, Payment, & Pick-Up 8.026 Atmosphere & Locations 7 C10 Other Experience Ideas

### SHARE. VOTE. DISCUSS. SEE.

You know better than anyone else what you want from Starbucks. So tell us. What's your Starbucks Idea? Revolutionary or simple — we want to hear it. Share your ideas, tell us what you think of other people's ideas and join the discussion. We're here, and we're ready to make ideas happen. Let's get started.

#### **Most Recent Ideas**

1 Hour(s) Ago	Coffee cup delivery system
1 Hour(s) Ago	Frappuccino Drinks
2 Hour(s) Ago	Fat Free half and half available
2 Hour(s) Ago	Lactose Free Cows Milk as a second non-dairy option besides Soy Milk
2 Hour(s) Ago	Chirstian Music



### Relevancy

Put the right message
In front of the right person
At the right time

Get the right message from the right people at the right time

Participate in the conversation

### How Much is Social Media Improving Your Business Outcomes?

Click

Visit

Subscribe

Join

Register

Take Survey

Qualify as a Lead

Purchase

Input



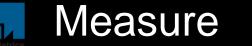
### Social Media Metrics Success **Customer Centricity**



Measure Awareness



Measure Attitude



Influence



Competition



Measure Action



#### **Questions?**

To download today's presentation, go to

### MarketingNPV.com

and look for "Meeting of the Minds"









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Thank you for your Participation!

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Continue the Conversation on Twitter #MeetingoftheMinds

#### **Questions for the AMA**

Email: <u>alibb@ama.org</u>







#### Jim Sterne

Founder, eMetrics Marketing Optimization Summit

Chairman, Web Analytics Association



www.targeting.com www.emetrics.org