

ROI in the World of Social Media

Written by Erin Husband

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As social media marketing becomes a bigger and more important component of businesses' [marketing](#)

strategies, many people have started questioning how it is possible to measure the return on investment of social media efforts. Measuring the ROI of social media endeavors is not as simple as counting the number of followers, fans, or friends you have. It involves a combination of things that indicate the level of engagement of the people that are a part of your network. The success of your Facebook, Twitter or LinkedIn pages are really gauged by their ability to drive traffic to your company's website.

In recent posts, we have talked about the importance of having frequently updated content on your website. While interesting, new content draws visitors, providing the option to purchase products and services is the best way to measure the ROI of your website and social media. Your website will capture the attention of people that are already interested in you and your business, but where you will see a payoff is in the response to the products, insights, and services that you have for sale. It is essential that everyone sell something on their website.

Twitter and Facebook are quickly becoming two of the top online referral sources, and if used to their full potential they can easily be your number one referral sources. The process of referrals has had a long evolution starting in the dark ages of word of mouth, progressing to business cards, and eventually search engines. The evolution of social media has made the process of referring friends, family and colleagues to useful information even easier than using Google or

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Yahoo because people don't have to seek out the information, they just happen across it while keeping in touch with the people within their network.

Driving interest among interested audiences is the number one goal of your social media efforts, and while you can track the number of hits you're getting through Google analytics, what is really important is the level of engagement that your status posts and updates elicit. People that are actively engaged will retweet and repost interesting information and essentially become part of your [public relations](#) and marketing network.

For more insights on social media ROI, check out [this article](#) on Mashable.