

Matthew: Hello and welcome to Marketing Smarts, a podcast brought to you by MarketingProfs. I'm your host Matthew Grant, Managing Editor here at MarketingProfs, and I thank you for listening.

To paraphrase Steely Dan, social media is cheap but it's not free. In other words, companies have to devote resources to social media. That means that the leaders of said companies will want to know about the return on their investment.

After all, if there's no measurable return, why dedicate the resources in the first place? Our guest today, Nichole Kelly of Full Frontal ROI, spent a lot of time implementing social media programs and more importantly demonstrating their value to the C-suite.

She has been so successful at doing this that, as she says, the conversation quickly shifts from, "What's the return?" to "How can we scale this?"

In this episode we talk with Nichole about what rings true and what rings hollow when measuring social media and reporting the results to the deciders. Along the way we also talk with her about a related topic, the monetization of social media efforts.

Before we get started I'd like to make one small request. If you like what you hear on Marketing Smarts please take a minute and leave us a review on iTunes. I want to know what you think.

On that note, if you want to send me a question or comment, please feel free to do so. My e-mail address is mattg@marketingprofs.com. I look forward to hearing from you.

Now on with the show. Nichole, welcome to Marketing Smarts.

Nichole: Thank you very much. I'm glad to be here.

Matthew: Your company is called Full Frontal ROI. What does that mean?

Nichole: As social media has gotten bigger there has been a lot of talk about authenticity and transparency in social media. There is the need for companies to be authentic and transparent in what they're doing in social media.

I equally think that it's important that we are authentic and transparent about the measurement of social media and how it's delivering on the bottom line. Hence the name, Full Frontal ROI.

Matthew: When things are transparent you can actually see through them. Your name Full Frontal ROI plays on that. People can see all the way through your covering. No one in a company is ever so transparent that you can see through them. Let's forget about that part.

I got to know you through MarketingProfs University from our social media course that we did last March. We will have another one that you will be participating in this February. We talked about social media ROI.

When people talk about social media or go to a conference about it they say, "Yes, you should use social media. This is how you should do it." People always want to know, "How do I measure this? How do I use measurement to sell it to the C-suite? How do I know when I succeed?" That's something you've done a lot of work on.

I was wondering if we could start by talking about social media ROI. What do you think are the challenges companies or individuals face in trying to measure the return on social media investment? Let's start there. What are the main challenges? What makes this a particularly difficult thing to measure?

Nichole: The biggest challenge is that we can't offer up a nice, shiny box. We can't say, "Here's the software you need to be able to measure social media ROI. I think that because there are so many different tools out there it is like the shiny new thing of social media.

There are all these different metrics that come with that. We're trying to create a whole new measurement system for social media. We want to show the value of social. Many people don't think that traditional measurement models are able to adequately justify the value of social media.

I understand that. However, when you're trying to prove the value of social media to the C-suite they don't care about how many at replies or retweets you have. They don't speak that language. They don't know what that is.

I think the best approach is to distill social media measurement down to core metrics that your company is already measuring that have history behind them. When you show what social media is or isn't delivering there is a conversation that can take place.

It isn't a conversation about, "What exactly is a tweet again?" I think that helps to bring it down to the level of where executives understand it. Then you can say, "This really is working. We're able to show that our cost-per-impression is declining. Our cost-per-click is declining. Our cost-per-lead is declining."

Then when you ask for more budget so that you can do new things it's a much easier conversation. It's better than, "I'm not sure what those fans are delivering to the company."

Matthew: I'd like to follow up on what you said. You said two things. On the one hand it's difficult sometimes to measure all of these things. We can't connect the dots right out of the

box. We also need to focus on core metrics. That's what the business is already comfortable with and discussing.

You mentioned cost-per-lead as something you could focus on. Could you give us an example of how you would connect the dots on cost-per-lead or another core metric that you've tracked for the impact of social media? Can you show the steps you need to go through to connect those dots and make the case?

Nichole: Sure. I can give you an easy solution for that. I will admit that I'm a bit biased. Hootsuite is my tool of choice. It's my favorite tool out there. It's inexpensive and it doesn't require an executive signature in order to get approval for it.

I use Hootsuite as my engagement platform. When you shorten a link in Hootsuite it gives you the option to include custom URL parameters. I put in those custom URL parameters which ties into my Google Analytics platform. I have goals set up in Google Analytics.

Then I can show that these campaigns delivered these leads. Then we assign the cost to it to calculate cost-per-lead. We do that across all channels. That is important. You don't want to measure social media in a silo.

If you just measure cost-per-lead for social media it doesn't tell a story. If you begin to measure cost-per-lead against online advertising, traditional advertising and PR then you see an interesting story. Inherently social media costs are much lower than traditional media costs.

Then you can say, "Look. Social media decreased our cost-per-lead by 80%." That's insightful and relevant. The tools that you can use are Hootsuite integrated with Google Analytics. Make sure that goals and conversion tracking is set up in Google Analytics.

That's the easiest way I've found to do it. There are many more complicated systems. That's cheap. It's under \$20 per month. It's the best system that I've been able to find.

Matthew: I think you raise a good point. It's not just about measuring. It's also about comparing these new media channels to existing expenses that the business is already incurring. You can show how the one is superior to the other.

When we talked last March you talked about customer lifetime value and customer retention. That was something you felt had an impact on social media. Do I remember that correctly?

Nichole: Yes. We were able to tie all of the pieces together. We tied into a CRM system. We could show what happened with customers who interacted with social media and those who didn't. There is a published case study out there on Care One if you do a search for that. I used to work there.

We were able to show that leads converted up to 732% better than any other channel. The customers retained up to 40% better. That told an important story. When I was able to connect the dots it said, “Not only are we converting better but we are also retaining better.”

That opens up a new dialogue. No longer are you trying to justify the social media budget. Now the question is, “Can we scale social media? Can we scale these results?” Investment becomes less of a conversation. As a marketer you’re stuck with, “How do I do this? How do I scale it? How can I create enough content to scale it?”

Matthew: Let’s talk more about this notion of scaling. I know you were recently at BlogWorld. It seems like everyone in the world except me was there. I didn’t make it out there.

One of the things you wrote on your blog after BlogWorld was that you felt like you needed to focus on your own content creation efforts. In terms of scaling it is something that everyone struggles with.

Do you have any recommendations that will help you to ramp up content creation since this is the main fuel that drives your social media engines?

Nichole: Content is the currency of social media. It’s the thing that we exchange and the thing that people are driving value for. There are a couple of different tips that I have.

The first is to think about content in terms of layers. Start with a short summary with maybe a few bullet points. If that takes off then maybe it’s worth a full-blown article. Then you know that you’re directing your efforts into something that people respond to.

When you write the full-blown article, maybe include an offer for a webinar or e-book. It should be something more in-depth that’s behind that. You’ve taken this one idea and now created three different types of content with it.

You have a summary. You have a blog post. Then that blog post links to something else more in-depth. I will collect information for you if you do that whether it’s a webinar or download. Now we’ve converted you into some kind of actionable lead.

That’s the first tip. Think of it in terms of layers rather than trying to create 100 different ideas. Focus on 10. Create layers of content around those 10.

The other is that there are some tools that I’ve recently found out about like Storify. You can curate content and conversations. Then you can add in your own dialogue. I was impressed at BlogWorld. There was a debate between Jason Falls and Dan Zarrella.

Within minutes of that conversation someone used Storify to bring in all of the tweets with that conversation. Then they did a blow-by-blow like they were in a boxing ring. They made this

interesting dialogue. It was shared heavily because it was a story. Tools like that where you can curate content in addition to the content you're already creating help to fill the gap. You don't have the resources to write original content 100% of the time.

Matthew: I saw the link from your blog. I was impressed by the use of Storify. The debate between Jason and Dan was interesting in and of itself. It was cool to see how someone could grab something that was happening and add commentary.

Ultimately a lot of the content we produce out there is commentary on other people's stuff. It seemed like a cool way to do that.

I wanted to highlight something you said. When you're thinking about the layers of content I also heard you say that you have to think about this from the outset of creating content. I think many people create their content. Then they realize they need to create more.

Then they go back and try to figure out, "How can I rewrite this? How can I re-envision or re-imagine things that I've already written?" It's an afterthought. You are saying, "No. Think about it from the beginning. Start small and see what hits. Use that to build on things that are generating interest.

I wanted to go back to the measurement piece. Particularly in the B2B world there is a certain amount of interaction happening online. Buyers are downloading whitepapers and visiting webinars. They are educating themselves about products and offerings.

A lot of the B2B sale happens in direct sales and relationship building. It's a long-term process. There are some things happening online. A lot of things are happening offline.

Do you have any ideas about how to link up all this online activity that you know is generating business results? Those results are only being realized in a place that's happening offline. How do you tie all of that together?

Nichole: I'll answer that from two different perspectives. The first is that you can use social media to help streamline that sales process. Inherently in B2B we have sales teams. It's a direct selling effort most of the time. We can focus the efforts of the sales team on the hottest leads.

We can use content and social media to keep that relationship going with these leads that aren't ready to buy right now. If you were to look at your sales funnel you have hot, warm and cold leads. We want to use things like content, social media and newsletters in order to keep us top-of-mind with people who aren't ready to buy right now.

Then there is some trigger that shows us when they're a warm lead. If we're doing our jobs well, that trigger will be a piece of content that I like to call "decision-making content." It's content that is specifically designed to show whether someone has interest in your product or not.

It could be a product page, buyer's guide or a demo on your product. That kind of content shows us that there is a decision to be made. That is when we want to forward it on to our sales team. The job of the sales team is to take that conversation offline.

Many times it's either in person or on the phone. That is where we lose some of the measurement piece. We don't know how that conversation goes on and how that conversation that was curated online is impacting the offline conversation.

At that point we have to rely on our sales people to tell us what happened in that conversation and how the online conversation helped them to seal the deal with that client. Did it make it easier to close?

Was the close cycle shorter than it would have been in the examples that you have without social media or online channel involvement? Then you ask them to give you a feedback loop. You need to have fields in their notes that ask specific questions about how the online process impacted that sale.

Matthew: You are relying on the sales team to input data back into the CRM. When people talk about social CRM, is that part of the vision there? Am I connecting two things that aren't really connected?

Nichole: I think there is a lot of debate on what social CRM is. For me social CRM is being able to say that we've had 20 different conversations with this customer online. That resulted in some kind of sale or we dealt with this customer primarily online versus offline.

That resulted in some action. Then I can compare that group against a control group of people who didn't. We can see trends in behavior. A lot of what people are talking about with social CRM is, "Can I enable my sales team to tweet a response to someone?"

That is not social CRM to me. That is an engagement and monitoring platform. It needs to connect to the sale to inherently be CRM. It needs to connect to retention. It has to show some kind of pattern between those and put it into one database where we can do trend analysis.

We can figure out what's working and what's not. I'm in the minority of that group of what most people feel that social CRM is. Until it's that, I don't think it's there yet.

Matthew: Lately I've been thinking about the ways that we use social media. The focus is often on how we engage customers. If it's not directly engaging customers then it's not as valuable as some other activities.

What about using social media within the organization so that you support the sales team through social media? You are providing them with content that they can access and push during sales meetings.

Have you come across good examples of people integrating their social media efforts with what the sales force is doing when they're out there on the front lines?

Nichole: Yes. A great B2B example is HubSpot. They do a fantastic job of using content to drive the sales process. Then they take people offline into their offline sales process. They enable that entire process from end to end.

You have the ability to engage with them, download their content and do things. You can get free tips from them without ever talking to a person. At the point where you indicate that you're interested in getting a quote or seeing a demo of a product they have a robust sales process in the backend.

I've been impressed with the way that they're constantly enabling the sale. They're not selling in social media channels. You'll notice that every single one of their blog posts has a call to action that enables the sale. It's either a precursor to the sale or it's asking for a demo.

Every tweet that they send out and link to a blog post is a sales offer. I like how they connect all of the pieces. They facilitate that sales process from end to end without going out and selling in social media channels.

I'm very impressed with that. Even when you download a piece of their content there is another call to action at the end of that piece of content.

Matthew: We had Mike Volpe on here earlier. I was interested to discover that all of their leads that go into their sales team come from their inbound marketing efforts. The sales team doesn't have separate books or lists that they're working from.

Everything comes through their marketing efforts. There is a lot of pressure on them to do it right and integrate well. They have service level agreements with the sales team.

They are mutual in a sense of, "This is how many leads we have to provide. This is what we expect you to do with the leads that we give you." It's an interesting model. It is forward thinking in this space.

I want to talk about going from a relatively large continually growing operation to your business. You've had your consultancy for a while. You've been focusing on it over the past year exclusively.

What are the challenges that you're facing as a small business owner? How is social media helping you to grow your business or overcome some of those challenges?

Nichole: As a B2B business owner myself I use social media primarily to position my content in a thought leadership way. I'm trying to par off the example of HubSpot.

I want to make sure that everything I do is done intentionally so that there is a clear call to action and process behind it that supports a sales process if there is a sale in mind. I still do a lot of offline marketing. I speak at a lot of events. I network at local happy hours when I'm travelling.

I do a combination of offline and online. I find that they help each other. If I'm speaking at a conference they start to look for my content online. If they're looking at my content online I may meet them at an event. There is still always this offline component to it.

That's why I'm respectful of the offline-online conversation. There has always been an offline conversation with every client that I've had that has closed the deal or cemented the relationship that resulted in the sale.

Matthew: I think that's important to emphasize. If you are an e-retailer and you only exist online, there are no bricks and mortar anywhere, perhaps everything you do can actually take place online. If you're consulting, you perform a service or you deliver a good it can't all happen online.

I think it's sometimes easy to get lost in the online world. I've seen in the old days in sales organizations when people relied too heavily on e-mail. Everything happens via e-mail. Did you ever pick up the phone and call them?

It becomes an issue. You say, "I sent them an e-mail. They never got back to me." Your job isn't done then. There is still this old technology of a telephone that comes from the 19th century if I'm not mistaken.

You were at BlogWorld. What other things did you learn there? I wasn't able to make it. My friend John Haydon who we had on the show a couple of weeks ago spoke at BlogWorld. I followed it on Twitter. It seemed very active.

I'll be honest. It seemed like I was missing a lot of fun. I was wondering if there were other insights you got from being there, what you've learned there and how you've applied it.

Nichole: I had a really different purpose for being there this time. I've been brand-side for 14 years. This is the first time I went to a conference as a consultant trying to grow my own business. I focused on a completely different track.

I think that it is relevant for this conversation. I went to the monetization track. I was trying to figure out how to monetize my website and earn revenue from it. There were many interesting stories from entrepreneurs that we don't look at from the marketing perspective.

Pat Flynn had an amazing presentation about how he's been able to take his blog and generate millions of dollars of revenue. We can learn from this group of people and these bloggers who have perfected the online lead acquisition process using traditional online advertising in combination with what they're doing in social media. It was interesting.

There is a website called SocialTriggers.com. It is about learning how your customer base operates online and facilitating how they want to buy. I was interested. I looked at it. This guy was making his presentation. He's making all of this money on his website.

It's turning into a lot of business. There is nothing that you can actually buy on his website. You can sign up for his e-newsletter. You can sign up to get a free guide. He does everything through e-mail. His lead generation process is to convert all of his web visitors into e-mail subscribers.

Then he offers a free 45 minute webinar. He will pitch an e-book in the last 10 minutes. That's how he monetizes it. It was enlightening for me. I've never looked at the web that way. As marketers we think about how our website is about our brand.

We're there to push our message out through our website. This was about how to bring that conversation into another medium and turn it into revenue in some way. That was enlightening for me. I've never thought about it.

Here is the one takeaway that I got from that. We as marketers have to earn the right to talk about ourselves. We don't have a right to go on Twitter, Facebook and LinkedIn and talk about ourselves all the time.

As marketers we know that when we go into social channels. Inherently when we get bored or overwhelmed we fall into marketer mode. We start to talk about ourselves. That was enlightening for me.

I know that I've fallen into that pattern before. I'm sure that many marketers have. If you transform the thought process into, "How can we earn the right to talk about ourselves?" it completely changes your perspective on what you need to do in social media.

Matthew: I was thinking about your website as a critical piece of your business. Raising the issue of monetization means you have to start thinking about your website, web presence and Twitter presence from a business standpoint, not from a brand awareness standpoint.

People will argue that it is part of the business. That's a highly mediated part of your business. There are a lot of steps from awareness to consideration and purchase. With the social triggers model it's very clear what the role of the website is in this business process.

I use the website to get people on my e-mail list. I use the e-mail list to promote things. I use my promotions to sell things. It's highly integrated at that point.

It is not, "Here is my online brochure." We could make the brochure richer. Now it's a brochure with video. Now it's a brochure with audio. It is not always consciously conceived of as a critical piece of how the business works.

Did you say his name was Paul Flynn?

Nichole: It is Pat Flynn.

Matthew: I'm not familiar with him. Is it a "he?"

Nichole: It is a "he." He did a session on how he has monetized his whole website. If you do a search on him you will see some of the things that he puts out on his blog. He has a blog that's about monetizing your website. He has many different information products.

This is what's interesting to me. We have this first, second and third tribe of social media. The first tribe was, "We sell, sell, sell in everything that we do online." The second tribe came along and said, "We sell nothing. We give away everything for free."

We are starting to see that the third tribe is taking over. They are saying, "We all need to make a living. We will do a combination of giving you things for free and then also try to monetize our sites or our presence."

The first tribe did a lot of information products. They were downloads of e-books and webinars. They didn't offer everything for free. They had a premium content model and a free model. They had what's called a continuity program.

You pay a monthly fee to do something. You have something behind a door with a website username and password. Then there is a paid version where you will buy information products. As businesses we have an opportunity to do the same thing.

We get so wrapped up in trying to sell our widget, product or service that we forget there are other revenue streams that we're not tapping into. We can offer value. If we transform our

thinking around our website being a monetization vehicle then there is another revenue stream that might open up for different companies.

Matthew: It is interesting that you said that. I saw MarketingProfs in the first model that you were talking about. We have free, premium and then other stuff that we sell on top of that. I was thinking about something that's been a recurring theme over with this podcast.

How do you realize the value of your marketing itself? You are in an interesting position as a small business owner building your consulting practice. You are putting out useful content for people. You are then using that content to build products that you can sell.

When can you make the leap from content marketing to proving the value of the content that you're producing because people are willing to pay for it? Ed Hanley and I talked about this in our seminar a couple of weeks ago. It is a question you can ask.

Is the content I'm producing actually valuable and not just me talking about myself? Will this be useful and valuable to other people? One measure of that is, would people pay for it? Can I envision people paying to receive my marketing materials?

Most people will laugh when you ask that question. They think, "Of course not." How valuable is it really? If you couldn't monetize it, is it truly valuable? I know there are other measures of value. You can say that it is useful. Once the question has been posed I assume that it gnaws at people.

It's true. I want to say that this is valuable but no one would pay for it. I worked for a company for years. The CEO's constant mantra was, "We only know if we're providing value to our customers if they're paying us." We can guess we're providing value if they're talking to us.

At least they're paying with their time. The real measure of value is money. Will they pay for your content? I think most of the content that companies produce wouldn't cross that monetization threshold.

Nichole: As a marketer when you think about what kind of content you're going to create it transforms your thinking. Now not only do we need to earn the right to talk about ourselves but we need to get people to pay us for talking about ourselves.

That is a completely different marketing model than what we've been dealing with for the past gazillion years. Isn't that interesting? Let's think about how we can plan and be strategic about social media, not just be in social media spaces to have fun.

As companies we have to be strategic about it, what we're doing and the content that we're creating. We have to add value and decide if it's valuable by whether or not someone would

pay for it. The first thing you can do is ask your customer base, “What kind of content would you pay for?”

Matthew: It comes back to what we talked about in terms of monetizing your website and web activities. I think this is where the measurement piece comes in. I want to tie this all into a neat little bow.

You need to think about the content you’re producing and your social media presence from the standpoint of your business. How does this contribute, not just indirectly, ambiently or stochastically to our business but how does this literally fit into the specific business process that leads to us getting money from people?

One way is to say, “We get money from doing this.” That would be great. That is not the case for most companies. They will get money down the line. It means that there is more pressure to think from the outset. It is what you were talking about with creating layers of content.

You are thinking about this from the beginning in terms of how it will directly contribute. You are not saying, “I will throw this stuff out and hope it does.” You are not trying to retroactively create a story that proved that it did. How can I build it into my business from the outside?

Nichole: You talked about all of the different types of content that we have and all this stuff on the pages of our websites. When you distill it down to what you want that content to do and put only one call to action on it you are more than likely get that call to action clicked on.

We think, “PR wants us to put in a blurb about this. Editorial wants us to put in a blurb about this.” We become servants to other departments and not to our customers. One call to action rather than six different things is more successful.

It is proven that it’s more successful than any other way to market. Yet we try to fill it up. We say, “Maybe they want a free webinar. Maybe they want a free e-book. Maybe they want to buy our product. Maybe they want a demo.” We put all of that on one page.

That is from the Social Triggers example. I took away that we need to simplify what we’re doing. Make sure that it is strategic to the purpose that we’re trying to achieve whether it’s generating leads or retaining our existing customers.

Then we need to measure whether or not it impacts that. What we think will work may not be the thing that works. How many times have we written a blog post that we put tons of effort into because it was going to be our grand puba post for the month?

Then it didn't get any traffic. That stupid little post that we did in five minutes went out the door and went viral. You have to measure it so that you know what your customer base wants. When you see that then you create content around it.

We also need to be agile. We can't have a plan that is so set in stone that if we don't check off those 10 boxes then our job isn't done. We need to be agile enough to say, "This is really big. We need to stop what we're doing and create these three pieces of content to support it." If we can't do that it will be more difficult to be successful.

Matthew: On that note, Nichole, we are at the end of our time for today on Marketing Smarts. I want to give you this opportunity at the end. If people want to know more about your approach or get in contact with you, what's the best way for them to do that?

Nichole: I'm Nichole Kelly. I'm the CEO for Full Frontal ROI consulting. You can connect with me on my blog at FullFrontalROI.com. I do have a social media measurement boot camp that you can buy there.

Matthew: Nichole, thank you very much for being on Marketing Smarts. Thank you, listeners, for listening to Marketing Smarts to the end. I'm your host Matthew Grant. I'll talk to you next week.