



be held to a different standard than traditional communications investments? I would say yes, but in the current environment it is an inescapable fact – municipal leaders are demanding ROI metrics when their organizations are pursuing SM initiatives.

### Where to Start?

One of the best ways to launch a successful SM program is to ensure that the program aligns with your organization’s overall mission and strategic objectives. Having the SM team review a management tool such as a balanced scorecard or six sigma initiative is a critical success factor. I have seen many organizations lack this alignment, and this in turn leads to inadequate ROI and a pullback from using SM applications. Think of SM as another communications tool to help educate and enhance your community about your brand. The SM messaging should align with the messaging used in your traditional media outlets; it is just a new, innovative channel with a lot more functionality. Once you build the team, secure internal executive sponsorship, get a budget, and create the alignment, you are ready to identify metrics. (The initial steps just referenced are topics for another article).

### Metrics

Prior to calculating the ROI of your SM investment, you should start by establishing the relevant metrics that you intend to measure. These should align with your organization’s overall objectives. Current clients I am working with are using the following:

- Number of on-line engagements with constituents
- Increase in number of followers, contributors, page views, mentions, likes, re-posts
- Frequency of posts by the user community
- Increase in donations – financial and/or labor
- Pushing transactions to lower cost communication channels (for example web self-service vs. making a phone call or waiting in line). This is commonly referred to as “channel shifting” and typically reduces the cost to serve the public

- Satisfaction scores
- Expense reductions such as personnel, Information Technology (IT), communications, office supplies, etc.

Other metrics that public sector organizations are using, for which it may be more difficult to calculate an ROI include the following:

- Successfully addressing an issue before it becomes escalated to an executive or manager
- Providing a forum to process opinions such as citizens panels
- Ability to connect with the harder to reach and/or under-served segments of the community
- A way of seeing who is viewing information of an event and who is signing up
- Deliver targeted marketing to an audience that has opted in to receive specific information on items of interest through the use of blogs and RSS feeds
- Receive reports and photos about damaged municipal assets which eliminates the need to send an inspector to view the issue prior to making a decision on how to remediate the problem

**Social Media Tracking Tools**

Radian 6  
 Google Analytics  
 Jive  
 You Tube Insights  
 Trackur  
 Podbean  
 Meltwater Buzz  
 Facebook Insight  
 Twitalyzer  
 Klout



### Social Media Applications

Many of us are all familiar with the standard staple of SM tools such as Facebook, Twitter, and You Tube. However, there are many other applications available that you may want to consider integrating into your SM plan. Again, let your objectives and related metrics drive the SM functionality that you will pursue. Do not use something because your neighboring community

is using it or you saw a positive blog about it. Do your homework. Not every application listed below will be a good fit for your community.

Some SM examples that my clients are currently using include:

**Four square:** Location based services for mobile users

**Hootsuite for Twitter:** Support managing and measuring communications via social networks

**Mashable:** A social media data aggregator site

**Quora:** A Q&A (Question & Answer) site

**TweetDeck:** Combines and reports on Facebook and Twitter feeds

**Granicus, Suite One, Mind Mixer, Chatter:**

Forums, on-line communities, virtual town halls

**Posterous, Tumblr, and Wordpress:** Blogging sites

**Bambuser:** Share videos from webcams or phones

**HeyGov and SeeClickFix:** Service request reporting for local governments

**Flickr, Shutterfly:** Photo sharing

### Monitoring Tools

Once the metrics have been established, the SM team should determine their data collection approach. Though a complete inventory is not available, it is estimated that there are more than 200 "listening tools" that can monitor your SM traffic. Many tracking tools are free, with an option to pay for premium service. It is critical that you select tracking mechanisms that align with the metrics you are attempting to collect. This requires research, since the population of tools is vast.

### Success Stories

There are several municipalities that have successfully leveraged their SM program to achieve meaningful ROI. A few examples are noted below.

1. Miami Dade County launched MyGovIdea a crowdsourcing/online peer application in 2009 to solicit improvement ideas from their constituents. During the initial year of deployment, the County implemented 85

ideas which generated a cost savings of nearly \$1.2 million. Similar initiatives are being held in New York City, Chicago, and Washington DC.

2. In April 2010 a fire destroyed part of the Fun Forest playground at the Chesapeake City Park in Chesapeake, VA. A grass roots effort to rebuild the park ensued, resulting in a Facebook page to engage and enlist residents. The page generated more than \$85,000 in donations with nearly 1,800 volunteers providing more than 21,000 hours of free labor to help rebuild the park.
3. The City of San Francisco is generally recognized as having one of the most advanced, sophisticated 3-1-1 non-emergency call centers in North America. They are currently leveraging both mobile applications and Twitter to provide constituents alternative channels to communicate with the city. These applications are fully integrated with the city's Constituent Relationship Management (CRM) application which ensures that requests will be processed in a timely manner and holds the city accountable for fulfillment. Nearly 6% of the city's annual service requests are coming through these alternative channels, resulting in an annual cost savings of more than \$60,000. This is in addition to a web self-service feature which saves the city more than \$250,000 annually.

### Private Sector Success Stories

Most tracking mechanisms are geared to support private sector companies in their quest to measure their SM program. Below are some success stories that may serve as inspiration for moving forward with your SM initiative.

1. Dells' Twitter feed has nearly 1.6M members and they generated \$15M in revenues since its launch at #delloutlet.
2. Verizon recently launched their FiOS television service version 1.9 and 85% of the new functionality of this service were from

- customer suggestions.
3. Proctor & Gamble recently mentioned that 50% of their new product ideas are coming from customers using SM outlets. Imagine how much money they are saving from a research and development perspective. Imagine how many in-person focus groups they are no longer conducting.

### Summary

As a practical matter, SM is only going to continue to advance, and the longer your organization waits to understand and embrace it, the greater the risk your organizations absorbs. There a lot of options to review and the task may seem daunting. That is why I recommend starting with something you are familiar with - articulating your goals and strategic objectives. After this is completed, then start forming the SM team.

Calculating ROI will always be required for SM deployments; it is simply too easy to ignore. In addition to being concerned about the ROI I would suggest that you focus on another metric, COI, commonly referred to as the Cost of Inaction. Think about the COI when considering whether to launch or modify your SM program.

### Notes

1. According to Gartner Group, and IT Services Research firm, live phone inquiries cost an estimated \$4.50 per contact. Online interactions, including mobile, average \$0.50 per contact.

### About the Author

Spencer Stern is the founder and president of Stern Consulting, a boutique consultancy that helps public sector organizations align their strategy and related tactics with their technology deployments. In recent years he has directed, implemented, and participated in software and wireless communications projects, including: ERP and 311/CRM implementations, social media deployments, and website re-design initiatives. He is an active blogger on change management and can be reached at [spencer@sternconsultinginc.com](mailto:spencer@sternconsultinginc.com) or on Twitter: @spencerstern1.



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