

Unlock Business Success With Business Messaging Measurement

Measure What Matters With A Measurement Framework To Optimize
Business Outcomes

A FORRESTER CONSULTING THOUGHT LEADERSHIP PAPER COMMISSIONED BY META, SEPTEMBER 2024

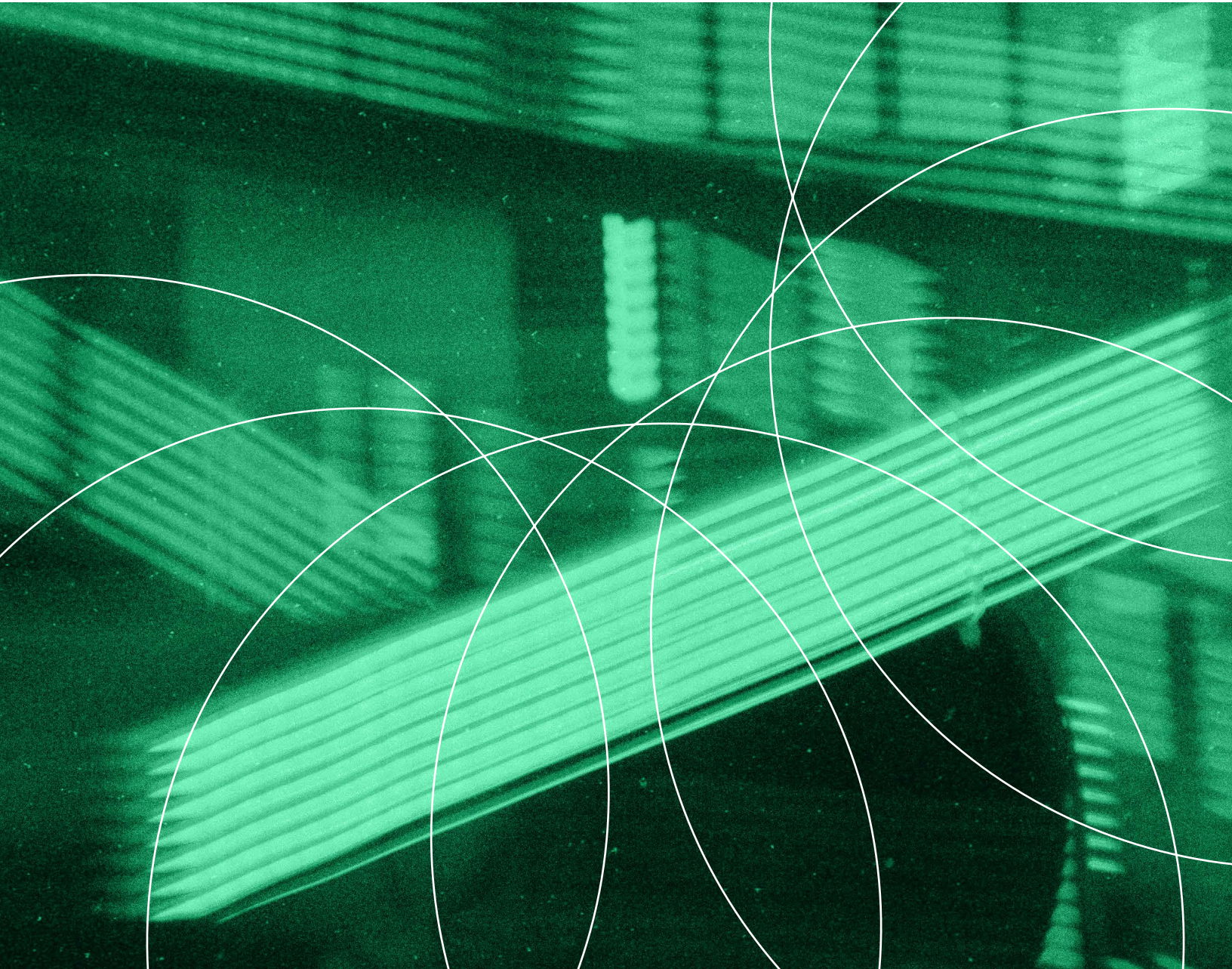


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Project Team:

Lane Abernathy,
Market Impact Consultant

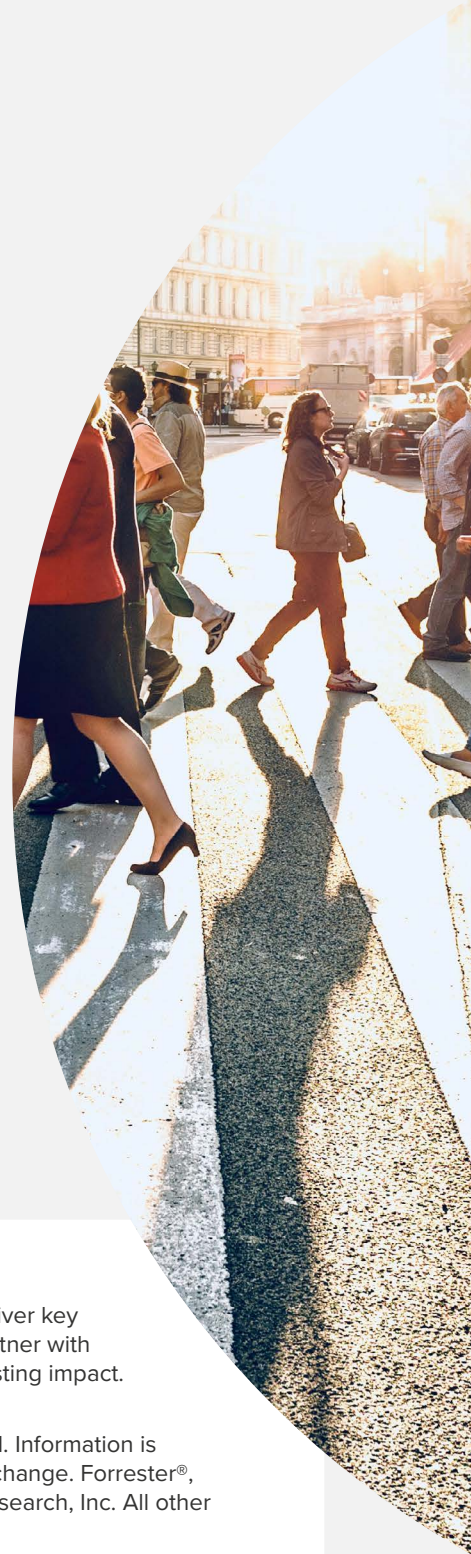
Contributing Research:

Forrester's [B2C Marketing](#) and [Digital Business](#)
research group

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Executive Summary

As organizations endeavor to more effectively reach customers, third-party messaging and ads that click to message allow brands to cultivate and sustain profitable relationships in important ways.

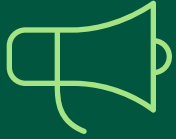
Because these channels provide direct, persistent bidirectional communication between brands and customers, brands can not only drive awareness and conversion but also increase customers' lifetime value (LTV) and improve retention through better post-purchase relationships with more targeted reengagement.

In November 2023, Meta commissioned Forrester Consulting to evaluate the current state, challenges, and opportunities of third-party messaging and ads that click to message. To explore this topic, Forrester conducted 26 live interviews and an online survey of 1,231 respondents in marketing, data/analytics, and sales/e-commerce roles at companies in the United States, Brazil, Mexico, India, Indonesia, Malaysia, Philippines, Thailand, Vietnam, and Turkey that spend at least US\$10,000 per year on business messaging.

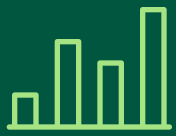
We found that the benefits of third-party messaging and ads that click to message come with new challenges: Most teams struggle to measure performance effectively for optimized ROI and operations, making allocating marketing investment more difficult and slowing revenue growth. Establishing a business messaging measurement framework that identifies the right metrics to measure will ensure collection of the right data and empower brands with the information required to make better decisions. Further performance optimization can be achieved by sharing signals and results with platform providers for continuous improvement in data accuracy and optimization of advertising performance. Respondents expect improving measurement capabilities to lead to revenue growth, improved operations, and increased ROI.

Key Findings

Brands are using third-party business messaging and ads that click to message to drive business outcomes across the customer lifecycle. Because brands and customers can return to the same conversation over time, messaging can impact marketing performance during each phase of the relationship. This creates an opportunity for brands to drive customer engagement, increase conversion, and improve customer retention.



Measuring messaging is critical to allocating marketing budget. All respondents reported that measuring messaging performance is important for allocating marketing budgets. However, tracking and measuring metrics are challenging for 86% of respondents.



Marketers face challenges using data to improve performance. In Forrester's survey, 86% of respondents also said their organization struggles to optimize messaging efforts with their current metric tracking and measurement capabilities. Aside from the sheer amount of data, they are challenged by the inconsistency of metrics across platforms. Additionally, many face a lack of automation and internal skills gaps.



Prioritize the right metrics to optimize the performance. The top pain point when using dashboards that surface business messaging metrics, identified by 42% of respondents, is that too many metrics are shown, and they don't know which ones to prioritize and focus on.



Marketing leaders expect improving measurement capabilities to lead to better business outcomes. Optimizing efforts by improving measurement is expected to drive revenue growth for 60% of respondents, and more than half expect to increase customer satisfaction, drive more leads, and engage customers more effectively.



Marketers And Sales Teams Are Embracing Third-Party Messaging And Ads That Click To Message

Asynchronous messaging offers a unique way for brands to engage with customers, and it may be the first truly customer-led channel.¹ Not surprisingly, customers are embracing asynchronous messaging.² Third-party messaging platforms and ads that click to message introduce a new level of convenience for both brands and customers by creating an environment in which they can communicate directly with each other on the social and messaging applications consumers already use. This means that third-party messaging can offer a continuity of conversation and relationship that is rich and personalized.

THE BASICS OF BUSINESS MESSAGING

Third-party messaging platforms provide a text-based conversational interface for brands to communicate with their customers on platforms they may already use in their daily lives.

Brands and customers can enter, exit, and return to the conversation at any time without restarting the entire process, just like a messaging conversation with a friend. This is in contrast to synchronous messaging via first-party messaging platforms on brands' own websites or mobile apps, which must be restarted when customers are transferred to a different agent, go from bot to agent, leave the window, or get disconnected.

Some companies offer ads that click to message, which are ads placed on social media platforms that invite consumers to click on the ad and engage in conversation with a brand on a third-party messaging platform.

WHY BUSINESSES USE MESSAGING

What sets apart third-party messaging platforms and ads that click to message from traditional marketing channels? They allow for communication throughout the customer relationship in comparison to traditional marketing channels like email marketing that focus on only part of the customer journey, like driving awareness or loyalty marketing that focuses on increasing retention.

Marketers identified the following five goals businesses want to address through third-party paid messaging:

- **Increase brand awareness.** In the early stages of the customer lifecycle, when consumers are discovering and evaluating products or services, brands use ads that click to message and third-party messaging platforms to initiate relationships by encouraging conversations with the business.
- **Drive customer engagement.** By removing barriers for customers to engage with brands, profitable relationships can form more quickly. Throughout the customer lifecycle, brands can use messaging channels for targeted conversations to address customers' needs and interests.
- **Enable conversion.** Third-party messaging can support conversion with a continuous thread through which brands can link the customer to a commerce or payment platform and continue providing order and shipment details within the same ongoing conversation.
- **Improve retention and reengagement.** Because third-party messaging conversations are continuous by their nature, they can sustain and cultivate the post-purchase relationship through targeted reengagement, increasing loyalty.
- **Identify targeted advertising.** Across the customer lifecycle and supporting the previous four goals, brands are leveraging messaging channels to target and reach individuals with specific demographics, interests, and preferences (see Figure 1).

FIGURE 1

Common Goals Brands Use Third-Party Paid Messaging To Address

IMPROVE TARGETING

Leverage messaging channels to reach individuals with specific demographics, interests, and preferences.

“We target different demographics, especially based on income level. Targeting capabilities will help us reach people that may have small children, have a certain household income, travel quite a bit, have a fascination with the beach or maybe mountains or outdoor facilities, wherever our resorts are.”

INCREASE BRAND AWARENESS

Use social media/CTX ads/messaging as a top-of-funnel tool for brand building and increasing awareness.

“We use [business messaging] as more top of the funnel. So [we use it] to drive people into the store because the store is going to make the sale and finalize that deal.”

DRIVE CUSTOMER ENGAGEMENT

Use messaging channels for targeted conversations (e.g., about product/service details) at various stages of the purchase journey.

“For customer engagement, we use tools like Facebook, SMS messaging, and messaging tools to make sure we are reaching our targeted customers.”

ENHANCE CONVERSION

Leverage social media and business messaging’s increasing importance in the marketing mix to improve conversion rates.

“We have different platforms for different metrics. But more than anything, our end goal for paid business messaging is one and the same: to drive more conversions.”

IMPROVE RETENTION

Build strong relationships (e.g., via consistent comms on product launches, offers, promos, etc.) with existing customers to ensure repeat business.

“On the B2B side, messaging really is about retention. We don’t do a lot of promotional stuff. It’s about value added. It’s about getting them to come back, new product introduction based on their activity, [and] what trends we see in their activity.”

Source: A commissioned study conducted by Forrester Consulting on behalf of Meta, March 2024

Companies Struggle With Measurement And Optimization

Asynchronous messaging gives brands a unique opportunity to stay engaged with customers at all stages of their purchase journey. But that unique opportunity comes with a unique challenge: measuring the performance and ROI of third-party messaging. This study found that 86% of respondents reported that if they could more effectively measure the performance of business messaging, they would invest more in it.

Among respondents whose organizations allocate more than \$50,000 of their digital marketing budget to messaging, 100% reported that measuring performance is important to making budget allocation decisions. Yet 86% of respondents also said their organizations face challenges tracking and measuring metrics to optimize business messaging efforts. The study outlined the following measurement challenges:

- **Difficulty prioritizing the right metrics to optimize performance.** Respondents report that when using dashboards that surface business messaging metrics, too many metrics are shown, and they don't know which ones to prioritize and focus on (42%). One interviewed retail market manager noted, "Sometimes you have too much information, and you can be lost."
- **Lack of automation.** Marketers are hindered by a lack of automation in capturing, downloading, and analyzing data, with 44% reporting that this limits their ability to do effective analysis. Often these processes are manual across multiple platforms, putting accuracy at risk and making timely decisions less likely (see Figure 2).
- **Inconsistent metrics across platforms.** Brands focus on different metrics at various stages of the customer lifecycle, but not all platforms surface the same metrics or calculate them consistently. The complexity of connecting these different metrics to create a complete picture of messaging's impact can lead to significant challenges in assessing performance, attributing customer actions, and ultimately optimizing ROI. As a VP of e-commerce and digital marketing described: "It is difficult

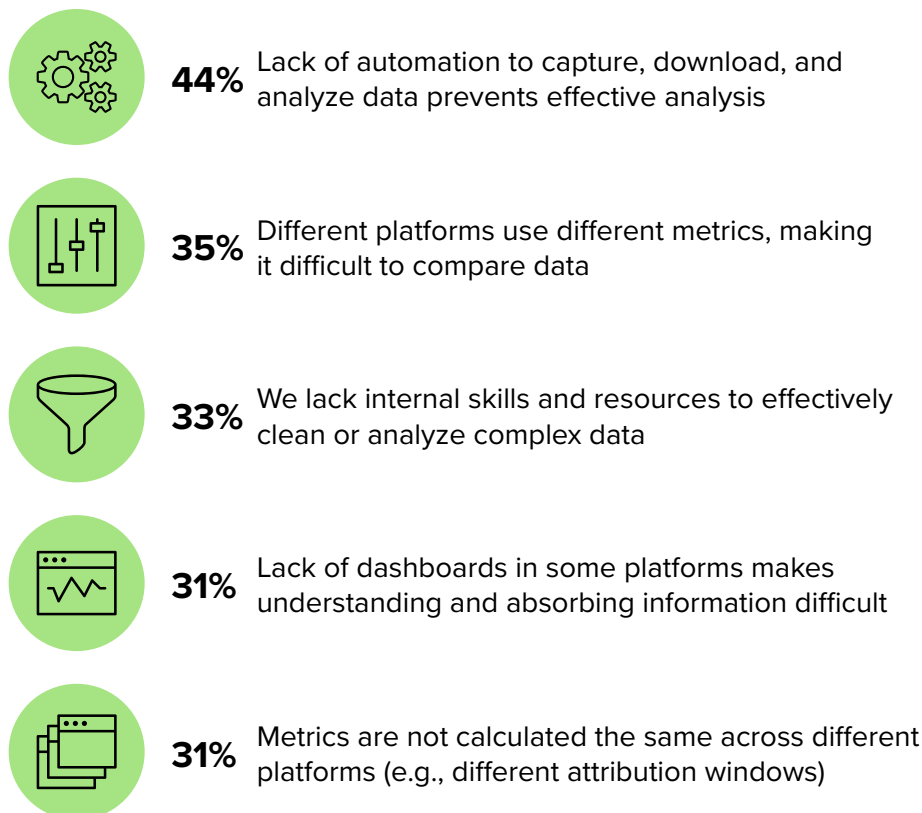
to truly understand how your investment, your portfolio, is performing comprehensively. ... While we have a lot of data, it's very much a challenge taking that data and making sense of it.”

- **Lack of skills impact data accuracy.** Respondents report that they are most likely to resolve platform and calculation inconsistencies manually with internal resources; however, a third (33%) of them also say that they lack internal skills and resources to effectively clean or analyze complex data.

FIGURE 2

“What challenges does your organization face with using data or metrics to improve business messaging campaign performance?”

(Multiple responses accepted)



Base: 1,231 professionals in marketing, data/analytics, and sales/e-commerce roles (managers, directors, and C-level roles, as well as consultants/contractors)

Source: A commissioned study conducted by Forrester Consulting on behalf of Meta, March 2024

Drive Business Results Through The Business Messaging Measurement Framework

Business messaging offers convenience for consumers, and marketing leaders expect significant benefits from optimizing it. To realize the full extent of these benefits, marketers must improve their measurement by identifying the most important metrics to track for the various ways they use messaging across channels and the customer lifecycle.

The Business Messaging Measurement Framework identifies the most important metrics to track during the various stages of the customer journey, and it addresses marketers' challenge with prioritizing the right metrics to measure (see Figure 3). The measurement framework was built through an extensive qualitative and quantitative study incorporating feedback from more than 1,250 marketing and sales professionals who use messaging applications.

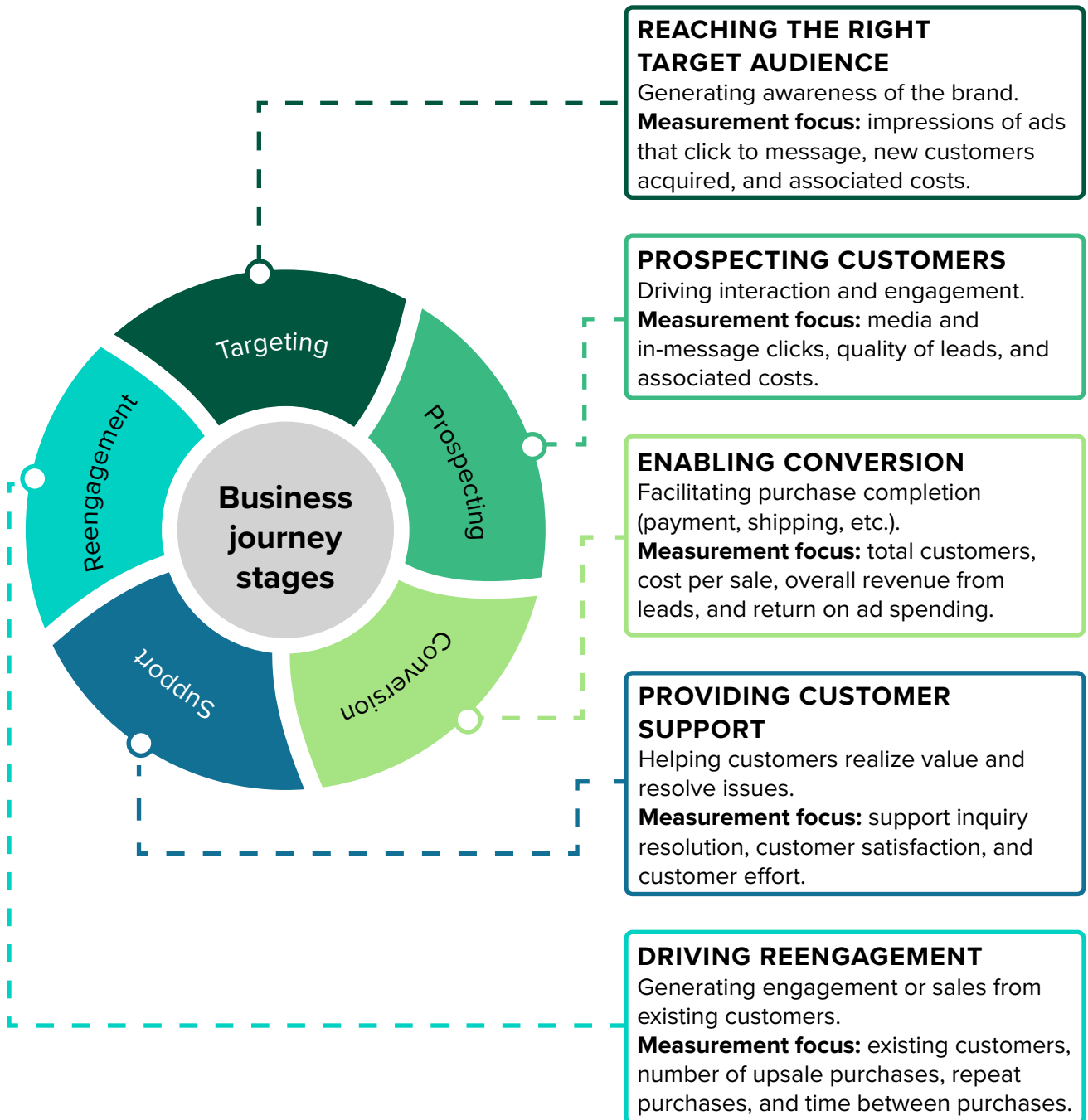
ALIGN

This business messaging measurement framework aligns metrics across five customer journey stages and will help marketers focus on the most important metrics in each part of the business journey:

- Awareness/discovery: reaching the right target audience.
- Consideration: prospecting customers.
- Purchase: enabling conversion.
- Post-purchase: providing customer support.
- Reengagement: driving reengagement.

FIGURE 3

Business Messaging Measurement Framework



Base: 1,231 professionals in marketing, data/analytics and sales/ecommerce roles (managers, directors and C-level roles, as well as consultants/contractors)

Source: A commissioned study conducted by Forrester Consulting on behalf of Meta, March 2024

MEASURE/ANALYZE

Analyzing the metrics that brands most commonly use — or want to use — to track business messaging performance while aligning to the customer journey framework can help organizations get the most out of their investment in third-party messaging and ads that click to message. The study found that the top metrics for each stage in the customer journey are:

- **Reaching the right target audience:** generating awareness of the brand.

Measurement focus: impressions of ads that click to message, new customers acquired, and associated costs.

- **Prospecting customers:** driving interaction and engagement.

Measurement focus: media and in-message clicks, quality of leads, and associated costs.

- **Enabling conversion:** facilitating purchase completion (payment, shipping, etc.).

Measurement focus: total customers, cost per sale, overall revenue from leads, and return on ad spending.

- **Providing customer support:** helping customers realize value and resolve issues.

Measurement focus: support inquiry resolution, customer satisfaction, and customer effort.

- **Driving reengagement:** generating engagement or sales from existing customers.

Measurement focus: existing customers, number of upsale purchases, repeat purchases, and time between purchases.

Brands expect that improving messaging measurement will lead to better business outcomes. The study revealed respondents' top expected benefit of improving measurement capabilities is increased revenue (60%), followed by improved customer satisfaction (58%), more leads (56%), and improved customer engagement (56%) (see Figure 4).

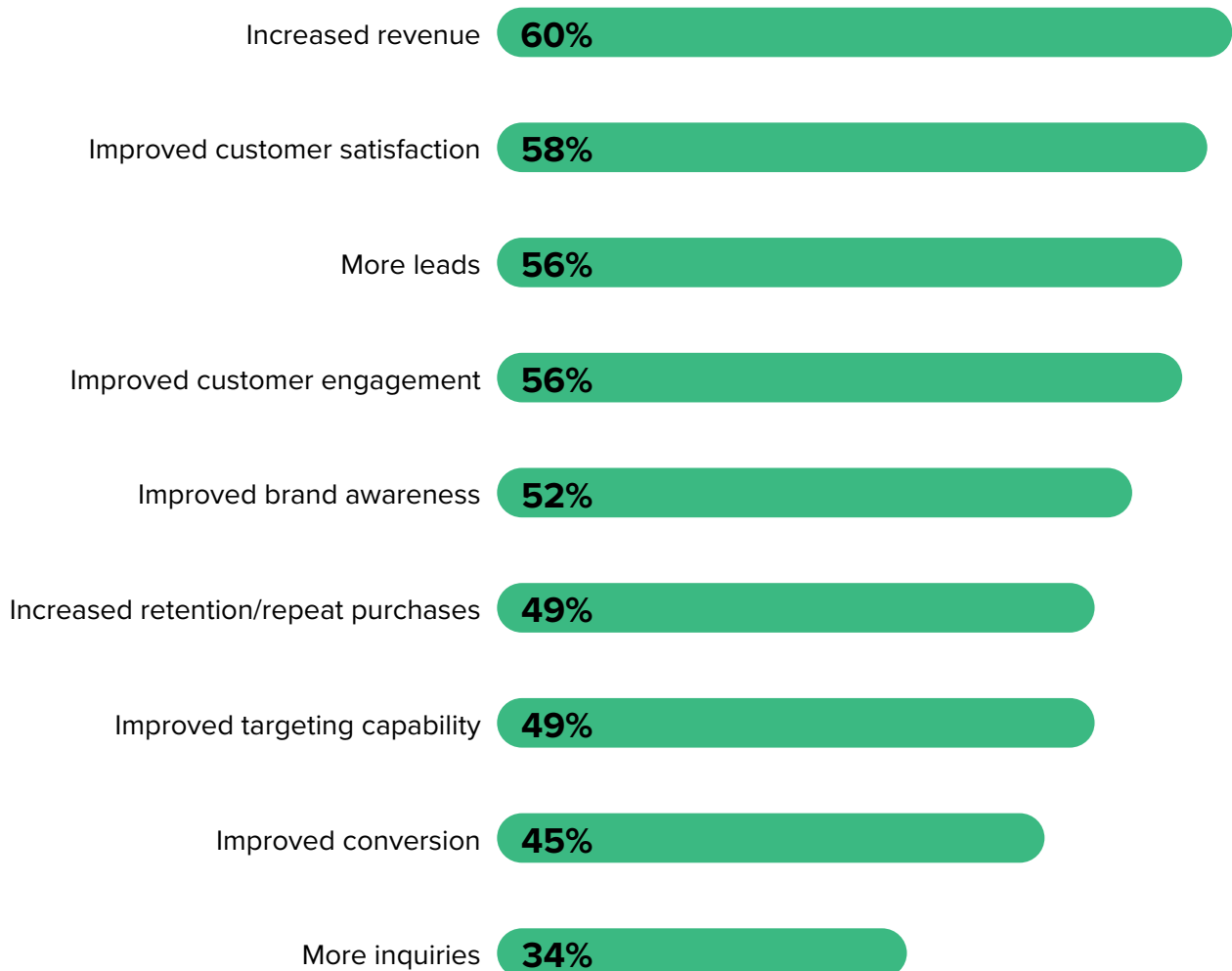
“The ultimate goal is to see growth in revenue from all related marketing platforms.”

DIRECTOR OF MARKETING

FIGURE 4

“What benefits would you expect your organization to achieve from improving its ability to measure and optimize business messaging activity?”

(Multiple responses accepted)



Base: 1,231 professionals in marketing, data/analytics and sales/ecommerce roles (managers, directors and C-level roles, as well as consultants/contractors)

Source: A commissioned study conducted by Forrester Consulting on behalf of Meta, March 2024

Key Recommendations: How To Improve Messaging Performance And Drive Business Results

A robust strategy for measuring business messaging can help brands gauge the effectiveness of their messaging efforts. To improve your organization's business messaging measurement:

Work with your messaging platform provider to align metrics with business objectives.

Begin by understanding the overarching business goals such as revenue growth, market share expansion, customer acquisition, or retention. Then, work with your third-party messaging platform provider to align goals to specific, quantifiable metrics through the customer journey. Defining these goals and metrics will reduce the number of metrics brands need to track to achieve their business goals and help them prioritize metrics that will influence key decisions.

Share signals with business messaging partners.

It is critical for brands to share signals with their messaging partners to equip them with the necessary data to build metrics. By providing partners with all necessary signals on customer progression through the sales journey, including buying signals (i.e., indications of interest in purchasing a product or service) and conversion/sales signals, brands can ensure accurate reporting and improve optimization of ad delivery and marketing messages.

Apply insights to drive actionable improvements.

The true value of measurement lies in acting on the insights revealed. To drive action, begin by fostering trust among relevant stakeholders through transparent sharing of insights with relevant departments within the organization. Document the results to demonstrate internally the value of business messaging for continued investment, and also share results with partners to create a feedback loop for continued improvement of data accuracy.

Conduct a data audit to ensure robustness of business messaging metrics.

A robust data management strategy ensures accurate, timely, and comprehensive collection, storage, and analysis of marketing performance metrics. Identify and assess the accuracy, completeness, and consistency of all data sources within your marketing and advertising tech stack, publisher platforms, and media partnerships to create a comprehensive inventory of available data. This empowers marketers to make informed decisions based on reliable data insights rather than guesswork or intuition.



Appendix A: Methodology

In this study, Forrester conducted 26 live interviews and an online survey of 1,231 respondents in marketing, data/analytics, and sales/e-commerce roles at companies in the United States, Latin America, Asia Pacific, and Turkey that spend at least US\$10,000 per year on business messaging to evaluate the current state, challenges, and opportunities of third-party messaging and click-to-message ads. Questions provided to the participants asked about current use of third-party messaging and click-to-message ads, the challenges of doing so, and how improved measurement would impact performance. Respondents were offered a small incentive as a thank-you for time spent on the survey. The study began in November 2023 and was completed in March 2024.

Appendix B: Demographics

COUNTRY	
Brazil	9%
India	10%
Indonesia	9%
Mexico	9%
Philippines	9%
Thailand	8%
Turkey	8%
United States	21%
Vietnam	9%

COMPANY SIZE (EMPLOYEES)	
More than 1,000	12%
501 to 1,000	27%
251 to 500	27%
101 to 250	29%
51 to 100	3%
10 to 50	1%

TYPE OF BUSINESS	
B2C	57%
B2B2C	58%
B2B	40%

INDUSTRY	
Retail	19%
E-commerce	18%
Financial services	14%
Software	10%
Consumer packaged goods	7%
Automotive	6%
Clothing/fashion	5%
Food and beverage/restaurants	4%
Health and beauty	4%
Hospitality and leisure	4%
Educational services	4%
Real estate	2%
Travel	1%

Appendix B: Demographics (Cont.)

LEVEL OF SENIORITY	
Company owner/co-owner	3%
President/C-level executive	24%
Vice president/head of department	13%
Director	30%
Manager	27%
Contractor or consultant	3%

CURRENT POSITION/DEPARTMENT	
Marketing/communications	29%
Marketing analytics	25%
Marketing or sales operations	21%
Sales/e-commerce	19%
Data science	9%

ANNUAL SPEND ON BUSINESS MESSAGING ACTIVITIES PER YEAR, BOTH CLICK-TO-MESSAGE ADS AND PAID MESSAGING (USD)	
\$500,000 or more	4%
\$100,000 to less than \$500,000	30%
\$50,000 to less than \$100,000	32%
\$20,000 to less than \$50,000	20%
\$10,000 to less than \$20,000	14%

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

['Tis The Season To Be Messaging](#), Christina McAllister, Forrester Blogs, December 7, 2022

[The Case For Asynchronous Messaging: Apple Business Chat, Messenger, WhatsApp](#), Forrester Research, Inc., July 23, 2022

[Illuminate The Digital Experience With Customer Insights](#), 2022, Forrester Research, Inc. August 9, 2022

[The State Of Data Clean Rooms, 2023](#), Forrester Research, Inc. October 13, 2023

Appendix D: Endnotes

¹ Source: ['Tis The Season To Be Messaging](#), Christina McAllister, Forrester Blogs, December 7, 2022.

² Source: [The Case For Asynchronous Messaging: Apple Business Chat, Messenger, WhatsApp](#), Forrester Research, Inc., July 23, 2022.

A green-tinted photograph of a book's pages and spine, with the word "FORRESTER" overlaid in white serif font. The image shows the texture of the paper and the binding of the book, with the text centered in the middle of the page.

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