McDonald Butler
CONNECTING MARKETING & SALES

Top Tips to Measuring Marketing ROI

Feeling the pinch…

Marketing departments all over the world have felt the effects of recent economic shortfalls, leaving them under increasing pressure to demonstrate the value of their role and output to the business. A 'measured marketing' approach is not a 'nice to have' anymore, it's a necessity.

Studies have shown that companies that cut their marketing budgets during tough times struggle in the long term compared to those that don't. The Chartered Institute of Marketing published a recent white paper on the role of marketing in a recession which shows that organisations that increase and hone their marketing spend in tough times are those who emerge strongest when recovery comes, setting out a powerful case for the key role marketers have in driving recovery in their businesses.

Gaining the visibility…

But how do we convince the business of the true value of marketing? Before we can answer this, we must first ourselves understand the value that our company's marketing activity really contributes to the business. Ask yourself - Are you able to determine, at any point in time, how well your marketing programme is performing against objectives? Are your marketing and sales teams working to the same objectives? And do you even have clear objectives defined? If the answer is no to any of these questions, you need to take a step back and put some guidelines and metrics in place.

Presenting the solution…

The solution is simple – a measured marketing approach must be adopted so that your marketing activity has clearly defined and agreed measurements that support your business objectives. Most importantly it's about making sure your marketing activities have a tangible impact on your bottom line. Developed at McDonald Butler, an independent marketing and lead generation company, we have developed this highly repeatable approach that has proved successful time and time again.

Below we have listed some top tips to steer your marketing towards a measured approach and a proven ROI figure for your business:

1 – Lay the foundations

Whilst measurement lies at the heart of the approach, it is not this in isolation that generates results – it's how you develop and manage the actual marketing activity that makes the real difference. The foundational work is essential to determine marketing success or failure. By clearly defining what your objectives are, you can then build a marketing programme that is 100% focused.

This part of the process addresses four key areas:

- **The Community:** Be clear from the outset who it is you want to target. This should include the key influencers and decision makers that will ultimately become leads for the sales organisation. Be as specific as possible so that your marketing team can target named individuals that fit the profile (e.g. industry, type of company, size, geography, job role, job title etc). Work closely with sales on this – do marketing and sales share the same view of what a sales lead actually is?
- **Messaging:** Once you have defined your audience you then need to better understand their world. To this end, the messaging part of the exercise is about clearly understanding and defining the market environment for your product or service. What are the current needs and drivers in the marketplace and within your target audience? What level of demand exists and what are the critical business issues that your product or service addresses?
- **Positioning:** The positioning part of the exercise asks that you clearly define the value proposition that your company offers in light of your now current understanding of what is driving the market today. By combining your value proposition with messaging that will resonate with, and appeal to, the marketplace, you can then go on to build a fully validated marketing programme that is more likely to guarantee you results.
- **Metrics**: Defining measurable performance criteria is key to understanding how well the marketing programme has performed against objectives. What these metrics are will depend on what your overall business objectives are. However, examples might include the number of qualified leads that respond to a marketing-generated message, e.g. attend an event or take part in a survey, or the number of leads that are suitably qualified to be taken on by the sales organisation.

2. Create the community

Creating the community quite simply means creating a database of named individuals from the target audience based on an agreed profile. This database forms the basis for all communication with the target audience and acts as the 'system of record' for all activities. Most importantly it is this database that will be used to track the metrics defined in the earlier stage, so it is important that the database be structured in such a way that it will

incorporate the required metrics and that it is kept up to date so that progress can be reviewed at any point in time. This is arguably one of the most labour-intensive parts of the process, but the effort that is put in is fundamental to, and is reflected in, the success of the whole measured marketing programme.

3. Build the community

Simply building a list of names isn't enough. It is what you do with it and how you develop the community that's the key. This can be done primarily through a coordinated programme of activities that aim to engage and move an identified member of the target community from not only being ***aware*** of your product or service, but also being ***interested*** in it, indicating a ***desire*** for it, and ultimately carrying out an identifiable ***action***, the definition of which you will have set out in your initial objectives of the measured marketing programme. Remember, measuring isn't just about *quantity*; it's about the *quality* of the relationships you are building.



AIDA scoring model

4. Map the community

Mapping and tracking your progress is key. This will enable you to check where you are against your objectives at any time and assess how the relationships you are building with your target community are developing. Crucially it will also help you if changes need to be made to the marketing programme, changes such as speeding up the process (add more resources, focus on priorities), altering the marketing mix, or responding to updates in messaging and positioning as you get on-going feedback from the marketplace. Remember, adapting or changing the plan is not a failure. Although recognising that changes need to be made but then not making those changes *is* a failure.

5. Align the business

The success of a measured marketing programme is never down to the marketing team alone. It relies heavily on the support and input from across the business, most notably of course from sales, the other half of the sales and marketing 'double act'. Aligning not only activities with the sales team, but also messaging and objectives, ensures that there is consistency in how your company presents itself to market, and also ensures that when

marketing activities do create a qualified lead, it is exactly the type of lead that sales wants, and that they are primed and ready to take it on and keep it moving through the sales process. The challenge of integrating objectives and activities across the business should never be underestimated, and it can often require an on-going programme of internal communication to ensure that all parties 'keep the faith' to maintain a unified focus on the objectives.

6. Measure the results

Last but by no means least, review the metrics you have been collecting. Doing so gives you the basis to form a strong ROI report for the work you've been doing, and it also acts as an invaluable bedrock for future measured marketing programmes.

The measured approach to marketing is designed to ensure that your marketing activities contribute positively to the success of your business and that the efforts are recognised for the results they generate. In today's competitive environment marketing is a 'must have' which needs to be integrated closely with your wider sales process. Measured marketing puts you in control and enables you to demonstrate the value that marketing is contributing to your company's success.

To find out more about how a Measured Marketing approach could work in your organisation please contact Maeve or Charlotte at McDonald Butler Associates on +44 (0) 20 8875 2000 or email.

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About McDonald Butler Associates

McDonald Butler is a 'Measured Marketing' and strategic lead generation agency. We develop highly-targeted and integrated marketing and lead generation programmes which deliver real business opportunities and help build our clients' market position and market share. Specialising in IT and technology McDonald Butler creates, manages and delivers integrated marketing campaigns across a number of industry verticals and a number of regions including UK, Europe, South Africa and the Americas.

Each of our programmes is built on clear processes and proven methodologies for lead generation and brand awareness. Our clients include leading IT/technology organisations including SAP, Motorola, IBM, Capgemini, Cisco and Avaya.

McDonald Butler has recently won a Best Business Award for 'Best Small to Medium Sized Business 2010' and been shortlisted for 4 awards at the B2B Marketing Awards 2010 including 'Marcomms Agency of the Year'.