



COMMERCE WELLBEING INTERACTIVE

WHITE PAPER:
**7 Steps to Improve
Marketing ROI**

2012



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7 Steps to Improve Marketing ROI

Is your marketing department accountable for ROI?

While the economy has begun to improve for most industries, we have learned valuable lessons and approaches to marketing in difficult times.

Companies began to look closely at return on investment on every marketing initiative and campaign to determine the viability for each one.

And while companies are demanding ROI to secure budgets, only 20% of marketers said that their budgets included the very few are able to. According to a report by Omniture, based on activities of marketers, "80% believe ROI from online marketing activities is important to measure, but only 31% of marketers can effectively measure it"

Source: Omniture: 2010 Online Analytics Benchmark Survey

7 Steps to Improve Marketing ROI

By following these 7 steps you can help your marketing department be:

- more effective
- more efficient
- accountable for results



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"There are two types of CEOs: Those who know that they don't understand marketing and those who don't know that they don't understand marketing."

– Dr. Philip Kotler

Dr. Philip Kotler - the S.C. Johnson & Son Distinguished Professor of International Marketing at the Northwestern University Kellogg Graduate School of Management

in Chicago.

By understanding the metrics & goals your team can monitor, plan and initiate programs aligned with the company's overall business objectives.

1. Understand Marketing

Your Marketing Department ...

...is the heart of your customer relations team. It reaches every stage of your customer sales funnel, from awareness to acquisition to conversion.

- Understand that marketing is more than emails and other tactics
- Recognize the impact that marketing has on your overall business objectives and goals
- Include marketing in the overall business planning and strategy process

2. Require Marketing Metrics as Part of Marketing Planning

Set the Criteria for Success

Set the criteria for success. By involving marketing in planning and setting business goals and objectives they will be better able to assess the needs and plan strategically.

CEOs and CFOs need to require strategy and reporting as part of the process, in terms that relate to the overall business objectives.

- Understand the goals for the organization and Marketing's role in achieving those goals.
- Require strategic planning, based on proven outcomes and results, aligned with the goals.
- Request alternatives and recommendations for additional initiatives



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Customers' Clues Come from:

Preferences

- Registration Form
- Profile/Account Settings
- Demographic Data

Behaviors

- Web, Email Mobile Analytics
- Transactional Data

Feedback

- Surveys, Feedback, Reviews
- Customer Service

"Data collection, cleansing, and integration remain the main obstacles to personalization for companies that opt for manual or even semi-automated management of their systems."

Source: CoreMetrics, 2010

3. Connect Data through Technology and Methodology

Most companies have a tremendous amount of customer data that is collected and stored.

Customers provide a wealth of information on their interests and preferences. Using customer metrics marketers can provide specific, targeted messages to clients based on THEIR specific interests, resulting in higher conversion and response rates.

- Use the data to drive marketing decisions
- Correlate the data to business objectives

4. Provide Marketing with Tools & Systems & Processes needed to analyze and act on the data

Data is only valuable if it is gathered & organized in a manner that is usable and actionable.

- Establish a set of processes to ensure customer insights are leveraged to make marketing investments.
- Data driven marketing, leverage customer data.
- Create better, more effective marketing campaigns.



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"But what do you actually DO here?"

Nearly everyone in marketing has heard a variation of that from senior management at one point or another.

5. Instill Marketing Department Credibility; Senior Level Support

Marketing touches all your customers, at every stage, always. With marketing having such a consistent and visible presence with your customer, shouldn't they also have that level of presence with you?

- True executive commitment to making it work.
- Instill Marketing Department Credibility;
- Senior Level Support.

6. Strategic Alignment

Using the overall business goals and objectives, each initiative and campaign should be tailored to the targeted audience to evoke a behavior and measured based on the key performance indicators appropriate for that channel, audience, goal and tactic.

- Link marketing activities to strategic objectives.
- Deliver consistent dialog across departments for customer communications
- Automate redundancies and standard communications for specific objectives



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7. Making Targeted Investments

Barriers to Improvement

Have you empowered your marketing team?

Does your marketing team have the tools they need to accomplish the objectives?

Your customers make an investment in your services or products because of the value they get and the timing they get it. You need to make that same investment in your business.

- Invest in people
- Invest in tools
- Invest in processes

Hire the right people, with the right skills and give them access to the right technology and data to deliver behavioral-based, personalized marketing initiatives that are aligned with your business objectives and deliver increased ROI.



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A Closing Remark:

Marketing can and should be deemed as an investment -- like any core function in any company -- actively collecting customer transactional information and using the data to make smart business decisions.

Data + Tools + Process = Incremental Revenues

Want to jump start your marketing strategy and programs?

Lorel Marketing Group can help you get started with a no-cost discovery meeting that can align your goals with a vision for your success. Care to learn more?
Contact us today at info@lorel.com

Lorel Marketing Group

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