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HOW ARE YOUR MARKETING EFFORTS GENERATING BUSINESS VALUE?

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If you are a new business, fresh to marketing or simply looking to revitalize an existing marketing strategy, it may help to start with the basic building blocks of how marketing can contribute to the organization in meaningful ways. Most businesses strive to measure marketing in three areas or 'buckets':

SALES

AWARENESS

PERCEPTION

This means that most of everything that we do in marketing can (should) fit in one of these buckets. It is also important to note that these buckets do not represent the Marketing Funnel which we will cover in a different post / topic. The marketing funnel consists of the following:

Top of Funnel: Awareness Stage

Middle of Funnel: Consideration Stage

Bottom of Funnel: Decision Stage

While it may not be required (or easy) to measure every single bucket for every campaign or every marketing activity, it is important to know where our marketing activities reside. If 90% of your marketing efforts / activity falls in the **AWARENESS** bucket, then we can start to make some data-driven decisions on how we may want to distribute resources and efforts across the three buckets for a more effective impact with our marketing efforts.

For example, if we have most of our marketing activities running social or awareness type campaigns but we are not following / measuring how these campaigns are contributing to the **SALES** or **PERCEPTION** bucket, then we're wasting valuable time and dollars. Avoid falling into the trap of "Marketing for the sake of marketing".

Obviously, if your marketing efforts are not tied to specific business goals / outcomes / initiatives, then you want to address that first. By aligning our marketing efforts to tangible business goals, we can better communicate (if not prove) marketing value to the wider organization. In doing so, the more credibility marketing will have both inside and outside of the team and better credibility helps in justifying marketing budgets or proposed impacts of reducing marketing budgets in the future.

With that being said, let's look at how we can begin to measure marketing success for each of the three buckets. Remember, marketing activities should affect change in some manner or demonstrate some impact that we can measure.

Whether the goal is to increase brand awareness, generate leads, boost sales, or improve customer engagement, our marketing activities need to be evaluated for their contribution to the organization.

Beginning to track and analyzing even some of these metrics, you can begin to refine your marketing efforts, strategies and ensure that your activities are driving desired outcomes.



The effort score I've assigned to these are 'generally speaking' and depends on a variety of factors such as resources, size of organization, marketing sophistication, etc. For example, it is usually a higher effort to track marketing efforts to a specific opportunity, sale, revenue, customer especially for B2B organizations where longer sales cycles are the norm or businesses that are not in the eCommerce space.

Awareness-Driven Goals	How to Measure	Unit	Effort
Improve awareness	Count impressions, articles, social mentions, etc. and compare to previous period	Views	
Increase web traffic	Count the # of visitors on website and compare to previous period	Views	
Launch a new initiative	Coverage in press (Count # of mentions)	Mentions	
Launch a new product, service or solution	Coverage in press (Count # of mentions)	Mentions	
Educate external audiences	Downloads / views of content	Views	
Generate social followers	Count # followers	Person	
Obtain news coverage (PR)	Count # articles	Articles	
Grow share of voice	% of articles we generate vs competition compared to previous period	Articles	
Create more speaking opportunities	Count # of opportunities and the attendance compared to previous period	Views	
Build an industry analyst program	Count # of mentions by analysts	Mentions	
Grow content marketing program	Count # of pieces of content and compare to previous period	Articles	

Awareness-driven goals are a much easier place to begin tracking your marketing efforts as most of these are directly in your control and easy to keep track of without sophisticated tools, processes, or people. Once you begin tracking these, be sure to evolve in the other areas as your marketing sophistication ramps up.

Perception-Driven Goals	How to Measure	Unit	Effort
Rebrand or re-position	% of survey who report desired perception compared to previous period	Person	
Refine / change messaging	% of survey who report desired perception compared to previous period	Person	
Increase customer satisfaction	% growth in CSAT, survey, etc. compared to previous period	Change	
Increase customer evangelism	% growth in # case studies, speaking opps., etc. compared to previous period	Change	
Become a thought leader	Count # of content views compared to previous period	Person	

Perception-driven goals are a bit more effort as it requires customer outreach and analysis and / or creating a shift in perception of your brand via messaging, change in company direction, products / services, and more.



Sales-Driven Goals	How to Measure	Unit	Effort
Build a Contact Database	Count # new contacts	LPO	
Generate marketing-sourced leads	Count # of leads	LPO	
Create marketing-sourced opportunities	Count # of opportunities by marketing	LPO	
Create marketing-influenced revenue	Sum the revenue influenced by marketing	Currency	
Create marketing-sourced revenue	Sum the revenue generated by marketing	Currency	
Acquire New Customers	Net new customer wins via marketing	Customer	
Upsell / cross-sell customers	Count # of marketing-sourced up/cross sells	Deal	
Increase revenue	New marketing revenue minus old marketing revenue	Currency	
Reduce customer churn	% change of customers that stay vs leave	Customer	
Expand into new markets	Count # customers in new markets	Customer	
Reduce sales cycle time	Avg. time of all deals from lead to close vs avg. time from previous period	Day	

LPO = Lead | Prospect | Opportunity

As you can see, sales-driven goals for marketing can be difficult to achieve but these are some of the highest value metrics that validate marketing efforts. If you're new to marketing, start with building your database and keeping track of how it grows (or shrinks) period-to-period. This could be subscribers, customers, leads, etc. Tracking your database does not require fancy or expensive tools, only a spreadsheet (Excel, Google Sheets, etc.). If you already have a CRM (Customer Relationship Management) or Email Marketing tool, even better. Be sure to populate it and keep it up to date on a regular basis.

Additionally, creating marketing-sourced opportunities, measured by counting the number of opportunities generated through marketing, helps us in understanding how well our marketing efforts are translating into potential business deals. Even if these deals end in zero revenue, it will give you a wealth of insight into the quality of your marketing generated leads. With this knowledge in hand, you can begin to adjust your marketing efforts to generate better, more qualified leads that have a higher chance to turn into revenue-generating opportunities.

Beginning to track these marketing metrics, you can collectively provide a comprehensive view of your marketing performance, guiding strategic decisions and drive continuous improvement. Remember, start small and build gradually. It's important to adopt a consistent approach to marketing value metrics. This will enable you to create a solid foundation and benchmark for your marketing efforts as well as understand how your future campaigns are contributing to your specific marketing objectives.



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