



Data Chains Facilitate Marketing Performance Management

By Laura Patterson, President

Recently one of our customers was completing their quarterly marketing report. She was frustrated because she was trying to complete nearly 500 input fields in her excel doc! Five hundred fields, yikes! Part of the reason she is collecting so many numbers is that the metrics for the marketing organization and the relationship between the various data elements are not clear. Selecting the right performance metrics and developing an actionable marketing dashboard is something many organizations are tackling. However, if the link between marketing activities and business results isn't clear, you may find yourself wallowing in data.

For example, it's important to be able to connect the dots between a marketing program and product trials with customer acquisition and market share. To do this will take three things: alignment, good data, and access to this data. As you grapple with measuring marketing, a key part of the work will be determining whether you have the data you need.

And this is where the data get soupy, because to measure marketing's value and determine how well marketing is moving the needle and/or how well marketing is aligned with the rest of organization you will need a host of data associated with:

- opportunity pipeline (contact, leads, marketing and sales qualified leads, deals)
- customer usage, purchasing
- sales history
- new product development
- partners
- revenue
- market share

Plus, you will need the data related to your marketing performance targets, program costs, and time. And this is how you can end up with 500 fields in an excel doc. To avoid the vicious cycle develop clear data chains between marketing activities and business outcomes at the outset. If

your marketing plan has been developed in such a way that there is clear line-of-sight between marketing activities, investments, and business outcomes, the data chains will be easier to identify.

You can then use the data chains to identify the data elements and their relationships so you can focus on capturing, managing, and analyzing the right data sets. This process also helps you define what data elements you have and/or need in your inventory in relation to the customer, pipeline, competition, new product, sales/revenue, accuracy/quality of the data, etc. Data chains provide an efficient way to address data gaps and potential data inaccuracies. For those of you investing in business intelligence tools and various marketing and sales software systems, remember to put the necessary checks and balances to evaluate the usage and quality of the data. The most expensive new system in the world won't help you do a better job of measuring marketing if there isn't a clear idea of what data you need, when you need it, and in what format. None of the above matters if the quality of the data is suspect in the slightest.

Data chains serve as an excellent vehicle to support your metrics and dashboard. The first key step is to select the right metrics and to develop a dashboard to make our decisions and actions more transparent and justifiable. Everyone loves a handy tool, so take the time to select the right metrics and develop your data chains.

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