Five Marketing Accountability Resolutions for 2011

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2011 is here. A new decade begins. A key topic of the last decade was on marketing accountability in all its forms – marketing measurement, marketing ROI, marketing effectiveness and so on. It doesn't look like the focus on this topic is going to change anytime soon. Recent studies by CMO.org and Forbes Insight indicated the emphasis on marketing accountability will persist into the foreseeable future. Maybe you're asking yourself what more can I do? As a marketing professional you're tackling the problem, adding web analytics tools and marketing automation systems.

Since 2001, VisionEdge Marketing has conducted research in the area of marketing performance measurement and management (MPM). During this time we've seen that organizations have steadily invested in developing and implementing processes to measure and report their progress toward achieving key outcomes and objectives in order to optimize their performance. But there are still some important gaps to close.

When it comes to improving marketing measurement and performance, we encourage you to make these five resolutions as you start the year.

1. Resolve to create a direct line of sight between marketing activities and business results
Marketing's difficulty in linking its contribution to and impact on the business in a definitive way is due to how it tracks activities through to business outcomes. There is a blaring gap in Marketing's ability to show a clear linkage to the business. Commit to improving the link between Marketing and business results. One option is to use a mapping methodology.

2. Resolve to select outcome-based metrics
Too many marketing programs lack a performance target and those that have one are typically volume-oriented output-based metrics such as metrics related to the website traffic,

downloads, and site behavior or social media behavior. Most marketers remain challenged with defining metrics and measurement from lead-to-pipeline-to-revenue. It's time to focus on metrics related to customer management, lead management, market outcomes and marketing management; that is to move from output to outcome based metrics, such as pipeline contribution, retention rates, referral rates, product adoption, and share of wallet. Vow to include a performance target tied to an outcome-based metric for every program this year.

3. Resolve to focus on business outcomes

When was the last time as marketer you marketed to a bucket of revenue? The lack of quantifiable specific outcomes related to the number of customers to acquire, retain, grow in a market or segment hampers our accountability. If we don't understand what needle to move then how can we prove we're moving it? Engage your leadership team in the performance management process and gain more traction with their effort. By collaborating with your leadership team you can address this key piece of the puzzle - clear, specific, quantifiable business outcomes.

4. Resolve to hone your data, analytics, and measurement skills

You may have the web and marketing automation tools that provide instant insight into campaigns activity but they won't take you far if you don't have the data and analytical, analytical and measurement skills.   Many organizations have invested in information-centric technology to support segmentation, personalization, content management, customer touch points, and safe force automation. Analytics is the missing link that enables you to truly leverage these investments. Improving your data and analytics skills will make it possible to evaluate data and make better decisions. Over the years researchers from Forrester, Jupiter, Ovum and others analyzed the impact of analytics on performance. They found that marketers using analytics are able to focus their spending on the areas of greatest return and are able to move from "blind" acquisition to "intelligent" acquisitions, retention and value.

5. Resolve to produce an actionable dashboard

The ability to easily collect, track, and report on marketing performance can make the difference in a consistent and effective MPM practice. Investment in this area is critical. Systems that allow access to critical data elements and automatically visualize the data for Marketing allow for faster and more frequent assessment of marketing effectiveness.   When these systems are not in place or lacking, they can cause Marketing to focus on metrics that

they can track vs. what they should. Tracking and measuring what you can is not the same as measuring and reporting on what matters.

The marketing dashboard graphically represents marketing performance. A good dashboard is actionable. It enables the marketing organization to understand what is and isn't working and if necessary to make appropriate course adjustments. Having a dashboard is one indicator of MPM maturity. Make the coming year the year you work from dashboard that enable the organization to see marketing's contribution to the business.

Implementing these best practices requires marketing to take a more operational approach. Marketing as a function knows what it needs to do, but the lack of systems and issues associated with data collection, the lack of key performance management processes, a lack of well-defined metrics and the lack of reporting systems remain obstacles. These challenges create a cascading affect impeding Marketing from being more effective. When Marketing focuses on what can be done it may not be working on the things that will enable it to adequately contribute to the business - hence reducing marketing return on investment. A solid MPM practice enables optimizing marketing activities thereby making measurement more relevant and allocating marketing resources more appropriately. Make this year the year you create a Marketing Operations function that will tie together analysis with performance management.