Marketing Performance Management Survey and the 6 A’s Used by the Best-in-Class Marketers

By: Asian e-Marketing

Just a few days ago VisionEdge Marketing (VEM) and ITSMA, organizations committed to helping marketers improve their effectiveness, released the findings from their 2012 Marketing Performance Management (MPM) Survey. Their study captured input from more than four hundred respondents, providing valuable insights on how marketers approach marketing data, analytics, and metrics.

The findings reveal that the number of marketers continuing to earn an A grade from the C-Suite for their ability to impact the business and measure their value remains unchanged at 25 percent, while the number of marketers earning a B declined from 53 percent in 2011 to 33 percent in 2012.

"This significant change can be attributed to a number of factors, such as the increased expectations for improvements as a result of all the recent marketing investments in systems and tools, C-Suite mandates for marketing to better leverage data not just report on activity, and the
challenging business climate forcing marketers to be more tactical and less strategic, especially in regards to generating demand," said Laura Patterson, president, VisionEdge Marketing, Inc.

The survey has been conducted for more than a decade and those marketers receiving an A are continuing to add capabilities to their skill set. Last year, marketers earning an A were stronger at alignment, accountability, analytics, automation, and assessment than their counterparts. The results of the most recent survey suggest that top performers realize they cannot crack the code alone and thus are forging more formal direct alliances with key stakeholders in sales, finance and IT.

Key Findings:

- Marketing’s satisfaction with its ability to measure, analyze and improve performance is shockingly low. Marketers are caught in a downward spiral, reporting past performance to continually prove the value of marketing.
- A few exceptional marketers have cracked the code; they excel across the board in data, metrics, processes, tools, analytical skills, and reporting.
- These grade “A” marketers can clearly demonstrate their value and contribution to the business. The number of “A” marketers has remained relatively constant over time, but there has been a decline in the number of “B” marketers.
- ITSMA/VEM have identified the 6 As of best-in-class performance management: Alignment, Accountability, Analytics, Automation, Alliances, Assessment

Here’s what you have to do to become best-in-class:

- Employ an alignment technique to ensure marketing activities are in sync with business outcomes;
- Adopt a metrics framework and create a data catalog, moving away from outputs to an outcomes mindset;
- Derive actionable insights from data;
- Implement marketing performance management processes, tools and systems;
- Enroll IT, Finance, and Sales in collaborative formal partnerships;
- Benchmark and audit to identify strengths and areas for improvement.
<table>
<thead>
<tr>
<th>The Six Principles of Best-in-Class Marketers</th>
<th>Laggards</th>
<th>Middle of the Pack</th>
<th>The A’s</th>
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<tr>
<td><strong>Alignment</strong></td>
<td>• Align with the BUs’ business strategies with a focus on <strong>effectiveness</strong>, not just efficiency</td>
<td>• Synch marketing’s activities and investments with <strong>business outcomes</strong></td>
<td>• <strong>Optimize</strong> marketing activities to achieve business outcomes</td>
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| **Accountability**                          | • Move from easy to obtain metrics such as fans, followers, and visitors to more **meaningful outputs** such as conversation and qualified opportunities | • Implement **dashboards** to report outcomes and results | • Use the marketing dashboard to:  
  – Support **real-time** course adjustments  
  – Determine what is and isn’t working  
  – Model investment allocations and predict outcomes |
| **Analytics**                               | • Build **analytical muscle** and leverage external and/or internal experts | • Introduce a formal, documented marketing analytics initiative  
  • **Cultivate a fact-based decision culture** | • Develop expertise in **data mining** techniques and modeling  
  • **Manage data at the enterprise level** |
| **Automation**                              | • **Establish a marketing operations function** with roadmap and charter | • Enable marketing operations to **drive processes, systems, and tools** to improve performance measurement and management  
  • Embrace new marketing practices, processes, and tools | • Empower marketing operations to transform marketing into a **center of excellence**  
  • Implement integration and interoperability initiatives  
  • Institutionalize marketing standards |
| **Alliances**                               | • Create a **communication process** to engage sales, finance, and IT | • **Develop advocates** within sales, finance, and IT that regularly participate in marketing planning and reviews | • Establish **formal partners** within IT, sales, and finance, enabling marketing to drive value creation for customers and deliver strategic business outcomes |
| **Assessment**                              | • **Identify best practices** and develop an implementation plan | • Regularly **audit** and address gaps  
  • Establish performance targets | • Regularly **benchmark** to drive performance innovation |

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