

Three Tests Every Marketing Dashboard Must Pass

By Laura Patterson, President

At two recent conferences where the topic was marketing dashboards we asked attendees whether they had a marketing dashboard. Almost everyone in the rooms raised their hands. A few more questions and nearly every one raised their hand again. Then I asked everyone to keep their hands up and put them down when the answer to any of the next set of questions was no. I asked, does your dashboard:

1. Inform the leadership team of the contribution and impact marketing is making on acquiring, keeping, and growing the value of customers? A number of hands went down.
2. Provide a direct link between your marketing programs and investments and business results? More hands went down.
3. Enable you to make strategic decisions? More hands went down.

If your dashboard is not helping you with these three questions then it may be time to do some fine tuning. Here are three things we look for when we review a marketing dashboard to evaluate its ability to facilitate decisions, improve marketing, and prove marketing's contribution.

When marketing professionals or other members of the team ask us to review their marketing dashboards, one of the first things we look for is the connection between marketing activities and investments and business outcomes. This signals how well marketing is aligned with the business needs the company is trying to move and whether marketing will be able to communicate its impact and contribution. For example, let's say one of the metrics on the dashboard is brand awareness. That might or might not be a good metric. And even if it is a good metric for the organization, if the relationship between brand awareness and the outcome it is expected to impact is unclear, then the dashboard needs adjustment. Members of the C-Suite are invest in marketing initiatives that will help the company acquire more of something, faster, less expensively, for example, more customers, more market share, more business with existing customer; faster conversion rates, and faster product adoption. Does your marketing dashboard show marketing value, contribution and impact on find, keep and grow, and answer the questions of more, faster, and at what cost?

The next thing we examine is the metrics themselves. Most of the time what we see is data around marketing activity and leads. Rarely are the metrics actionable. If the metric isn't helping you make course adjustments or strategic recommendations it might be interesting and you may want to track it, but it probably isn't one you want to send up the flagpole. Think about the dashboard in your car. There are just a very few indicators you are monitoring such as level of fuel, engine temperature, air pressure, and speed. Each of these indicators are tied to some very important outcomes, such as not getting stuck because the tank is dry or the tire is flat or the engine overheated, or not getting a speeding ticket. Each of us uses the dashboard in our cars as a way to make decisions to help manage or mitigate risk. Some of us are willing to push the risk envelope a bit more and keep the pedal to the metal or keep

driving even though the gas gauge needle says the car is running on fumes. But we have the metrics we need to decide whether to stop and fuel up or not.

Lastly, we look to see whether the dashboard compares targets to actual. Many dashboards are missing this critical element. Monitoring, measuring, and reporting results need to be within the context of the target and the commitment made. There are two parts to this dimension:

1. **Performance Context:** If you report that you ran a 5K race at a 10 minute per mile pace how can we determine whether that was success or failure? If you typically run at an 8 minute per mile pace for a 5K then this information tells us something was off and we can begin to do a diagnostic – were you sick, did you lack fuel, were you over-trained, did you have a cramp, fall down? But if you typically run at a 12 minute per mile pace, then this is a huge improvement. We have performance context for your results.
2. **Performance Commitment.** What performance commitment did you make? Was your commitment to place in the top five in your age group? Or was it to surpass your personal record? Or, something else? The point is that your dashboard should enable you and anyone who to evaluate the results within the performance context and commitment.

Summary

If you have a dashboard that makes the connection between marketing activities, investment and results, is comprised of metrics that foster decision and action, and reports performance within context and commitment you are on your way to having a dashboard that will enable you to improve and prove the value of marketing.

Laura Patterson is president and co-founder of VisionEdge Marketing, Inc., a recognized leader in enabling organizations to leverage data and analytics to facilitate marketing accountability and operations, measure and improve marketing performance, develop dashboards, and enhance marketing and sales alignment in order to accelerate revenue and create a competitive advantage.

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Abstract: It's common for the C-suite to expect functional groups to report periodically on their performance, and marketing is no exception. All too often marketing reports provide information regarding program status and/or program activity results such as updates to the website, an upcoming event, the status of a new collateral or a direct marketing campaign, the number of participants in a webinar or click-throughs to an email campaign. While reports like these have value, they do not address the question the C-suite is most concerned about. Namely what is working, what course adjustments if any are required, and are the investments the company funnels into marketing properly allocated. Marketing dashboards help your organization quantify marketing effectiveness and measure the impact marketing has on the share of wallet for your customers. This article identifies three areas to help create or validate your marketing dashboard.