Tackling the "Too Hard To" Pile of Marketing Accountability

By Laura Patterson and Theresa Kushner

If you're like us, you probably have one of those piles on your desk that keeps being moved from one corner to another. You know that pile you need to get to but avoid because it will take some real effort to tackle. For many marketing professionals, marketing accountability, analytics and ROI are in this pile. Not too long ago at a marketing conference where Laura was speaking, the organizers had set up round tables with specific topics for discussion over breakfast. Laura was sitting at the measuring marketing ROI (return on investment) table (of course, where else would I be sitting?) which was strategically located right next to the buffet line. While she was sitting there waiting for people to join her, she kept hearing people say, "Oh measuring marketing, that's just too hard." There were hundreds of marketers attending this conference, and about 2 dozen tables of 10 were set to accommodate the early risers. Yet only four other brave souls joined her.

We must stop avoiding this topic and tackle the pile. As Sylvia Reynolds the CMO of Wells Fargo says, "Marketing must be a driver of tangible business results...we must start with the goal in mind and a clear way to measure that goal." ROI is important for accountability–besides being able to justify spending and enable us to run the marketing organization more effectively and efficiently, knowing what is and isn't working helps marketing achieve greater influence and serve in a more strategic role. Various surveys suggest that over a third and as much as 42% of marketing budgets are not adequate enough to achieve the outcomes and impact expected. Perhaps your organization like many others is in the thick of budget planning. A key part of budget planning is to establish and validate the money you plan to spend. The more aligned marketing is with the outcomes of the organization and the more the plan includes performance targets and metrics, the more likely you will be allocated the budget you need to achieve the expected results.

So what does it take to tackle this Marketing Accountability pile? Here are six affordable steps any marketing organization can take to start whittling away at the marketing accountability and measurement pile.

1. **Focus.** Nothing of importance miraculously gets done on its own. To effectively tackle the marketing measurement pile will take all of Covey's seven habits: from taking a proactive approach and beginning with the end in mind, that is the outcomes you are expected to impact, to keeping the effort a priority when other things present themselves as urgencies to making marketing measurement a win/win for you, your team, and the rest of the organization. More than likely, you are going to need a cross-functional team to tackle this pile – people from finance, sales, IT, operations, etc. working collaboratively together to define the metrics and hunt down and organize the data.
2. **Plan an attack.** You know that age old question, "How do you eat an elephant?" The answer being, "One bite at a time." This is true for the marketing accountability and ROI question. If this is a new effort for you, you need to break it into manageable pieces. Quantify your objectives, decide how you will measure them, collect the data that you need to meet the objectives, establish a baseline, gain commitment to the measurement plan, and finally, measure.
3. **Get data:** "Data is the new creative," declares Stephan Chase of Marriott Rewards. Establishing metrics, determining effectiveness, understanding efficiencies, all take data. Without data you cannot monitor and measure results. And don't assume that you have the data that you need to measure your objectives. For example, if you want to measure how many new customers you interest in a new product, you may find that you need first to determine what a "new" customer is. This may require different views of your existing customer records or new strategies for evaluating.
4. **Analyze:** Once you have the data, the challenge is to generate insights that facilitate fact-based decision making. One of the most valuable applications of data and analytics is in leveraging your metrics. The metrics are what enable continuous improvement as you strive to achieve and set new performance standards. Just looking at numbers doesn't tell you as much as evaluating trends or creating statistical models that help you identify an optimized approach to your marketing efforts. Consider looking at your measurements for what isn't immediately obvious such as what might have happened if that campaign had gone to the three bottom deciles of customers?
5. **Use a systemized process:** You may need to set up systems and processes that enable you to capture and track results on an ongoing basis. Many organizations put a substantial amount of energy into initiating these programs and then let them fizzle as other priorities surface. It takes both process and discipline to sustain a measurement effort. Systems help you automate a process so that the process can become a manageable part of your day-to-day operations. Today every marketing organization is moving at a breathless pace. Implementing test and control environment can keep you from having a fatal, head-on collision.
6. **Train.** Many marketers are unaccustomed to living in a metrics-based environment. You may need to invest in measurement, analytics, as well as data training and skills development. Start

by taking a skills inventory. Find out who in the organization has data management, analytics and measurement skills. Decide what skills they need to perform at your expected levels. Develop training that fills the skill gaps. Doing this in-house allows you to tailor to your needs, but consider courses from universities, associations and external consultants to fill out your requirements.

Moving marketing performance metrics from the “too hard to” pile to the “we can do it” pile can reap rewards for the entire organization.