



Accountable Marketing

Impressions to Impact

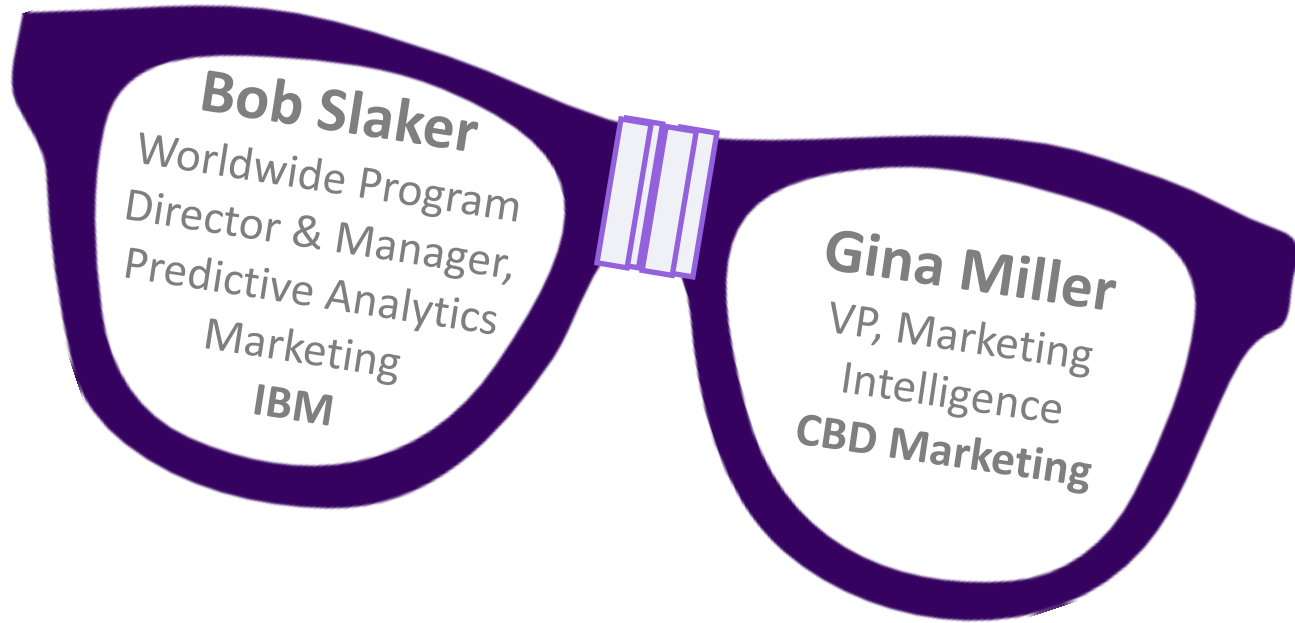
October 13, 2016



market what's meaningful™

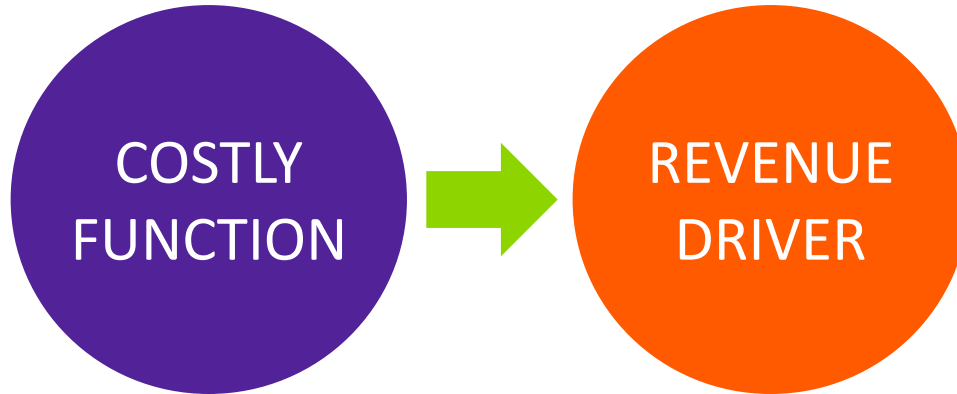


Thank You So Much for Coming!



Good News

We now have the means to transform the conversation about marketing...what it is, and its value



What if Your Marketing Was...



Accountable

Predictable

A Growth
Engine

We Can Now Calibrate



Which half
of your
marketing
spend is
wasted?

What should
I have spent
to get to my
goal?

Return on Analysis



If you aren't measuring your marketing, you can't be held accountable for poor results. But while marketers insulate themselves from bad news, they also are limiting their ability to credibly present superior results and exceptional marketing programs.

And replicate them.

Jonathan Moran

Senior Product Marketing Manager
SAS Customer Intelligence Solutions

Quick Poll





If you're like me and broke into a sweat when you were confronted with any kind of mandatory math or statistics courses in college, you're in for a world of hurt now — a world where data reigns and making sense of it all is compulsory...



That means attaining analytics literacy. This is especially critical as more and more people gain greater, faster mobile access to data on personal smart devices.

Julia King
Contributing Editor
CIO, Computerworld

“We’re all
**DATA
SCIENTISTS**
now.”

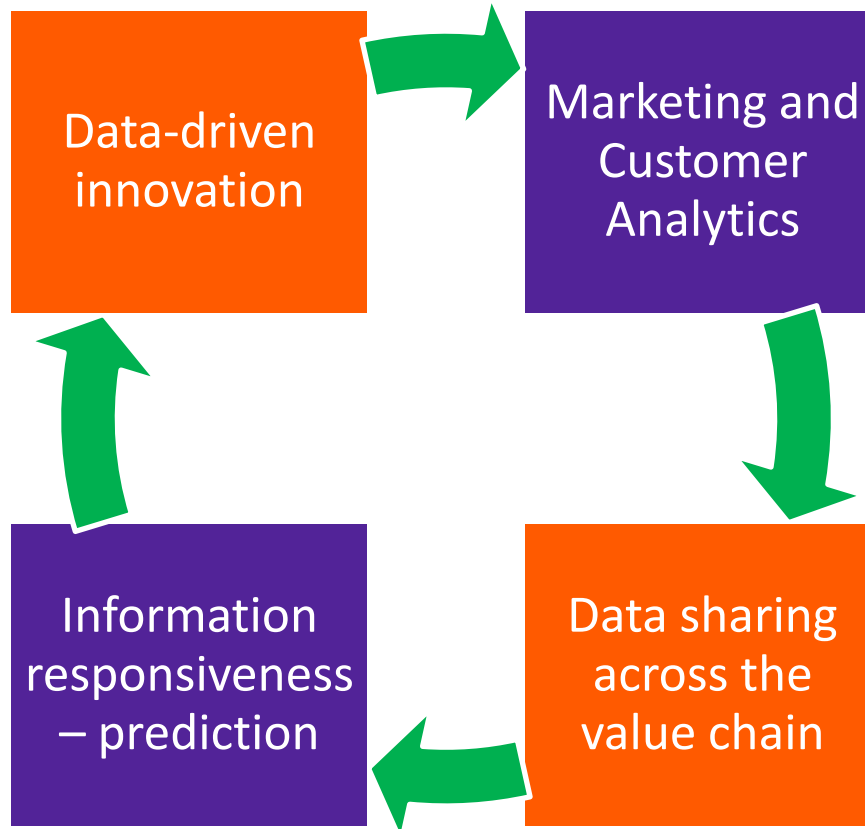
Marketers: A New Breed of Scientists



THIS IS YOUR...

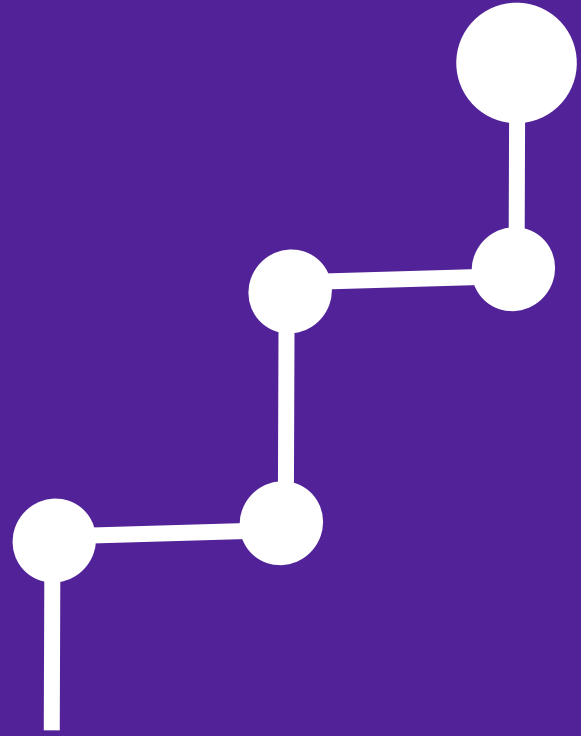
**Once-in-a-career
opportunity to
transform
marketing into a
driving force behind
tangible business
outcomes**

*“Bringing Science to the Art of
Marketing”, IBM whitepaper*





THE MARKETING ACCOUNTABILITY PLAYBOOK



How to Thrive Now

- Establish goals and ROI estimates up-front
- Design programs to be measurable
- Use data to inform decisions that will improve the organization, not just marketing

The fastest-growing companies focus on “improving ROI,” not just “proving ROI”





What's “Advantage”?

The difference between backwards-looking measurement and decision-focused management

Reporting is less important than the analysis that informs decisions to improve profits

TIP! *Set expectations for the incremental value of marketing analytics*



Look Up!

Think like a CEO or CFO

- Measure, analyze and report what matters *outside of the marketing department*
 - Growth now versus last quarter/year?
 - Profit last quarter versus this quarter?
 - Revenue and profit forecast?



Where Are We?



Most marketers

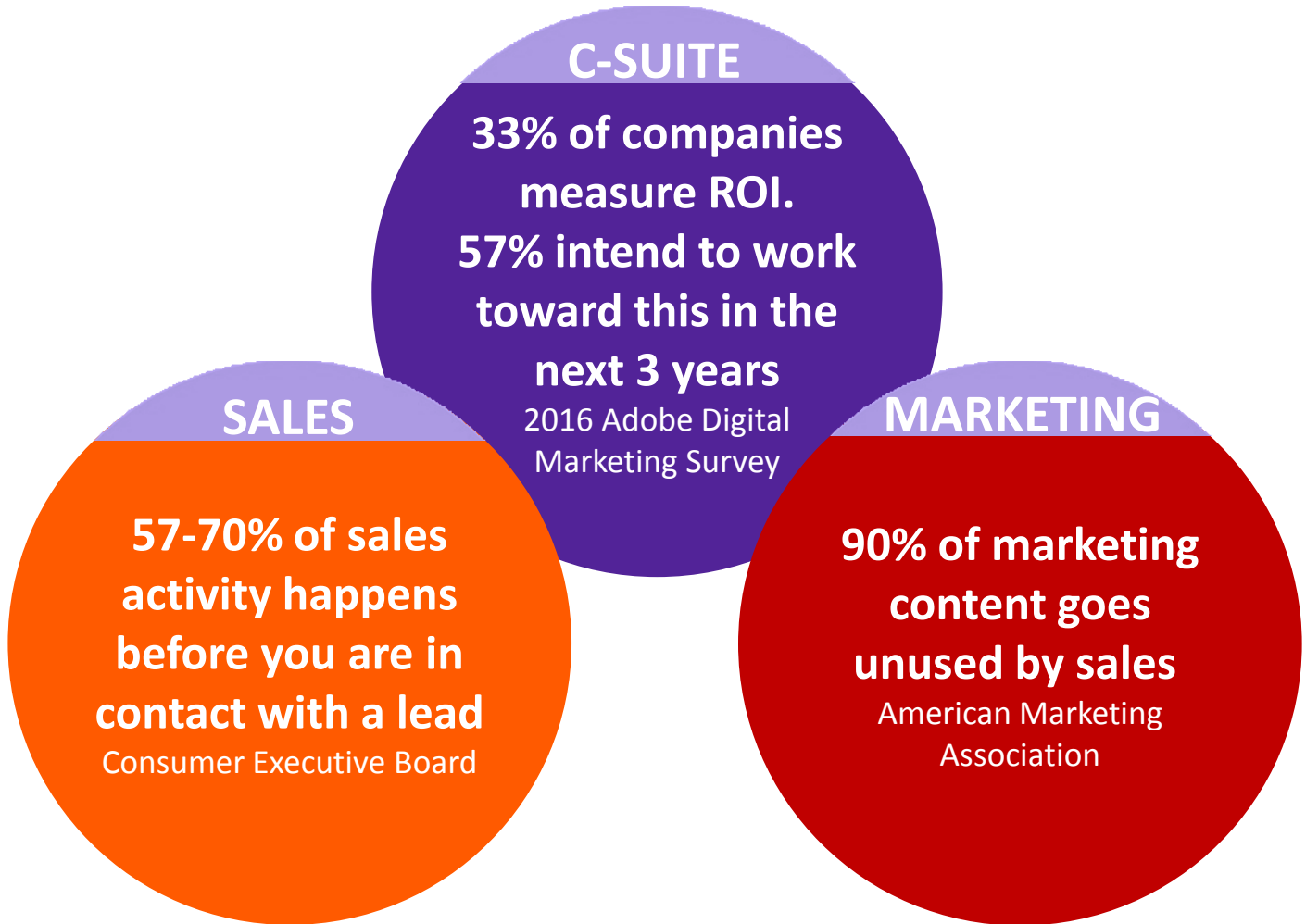
~~BUYING CYCLE~~

Some marketers

~~LEAD FUNNEL~~

You...very soon?

REVENUE FUNNEL



“Smarketing”



Alignment of sales and marketing impacts revenue growth up to 3 times

Bulldog Solutions

Only 30% of CMOs have a clear process or program to make marketing and sales alignment a priority

CMO Council



Bridge the Language Barrier



Marketing	Sales
<ul style="list-style-type: none">ImpressionsCampaign/TacticVisits/ EngagementConversionProduct marketingDemand marketingDigital marketingDirect marketingMarketing ROI	<ul style="list-style-type: none">Lead/OpportunityCustomerB.A.N.T.Time spent sellingLead response timeOpportunity win rateAverage deal sizeSales cycle durationCost of sales to revenue ratioSales margin
CEO	
Revenue Productivity	Growth Efficiency



Measure and Quantify for Organizational Performance, not Marketing Defense

Align Sales,
Marketing,
and C-suite

- Standardize terminology
- Connect marketing plans to sales goals
- \$\$\$: Quantify value of each important metric

Customer Inquiry Lifetime Value Lead **Qualified Cost of Sales Suspect Prospect** **ROI Conversion** **Sales Ready Opportunity Qualified Lead** **Click Response Visit Engagement**

TIP! *Never call a hot lead a hot lead*

Measure What You Can Action



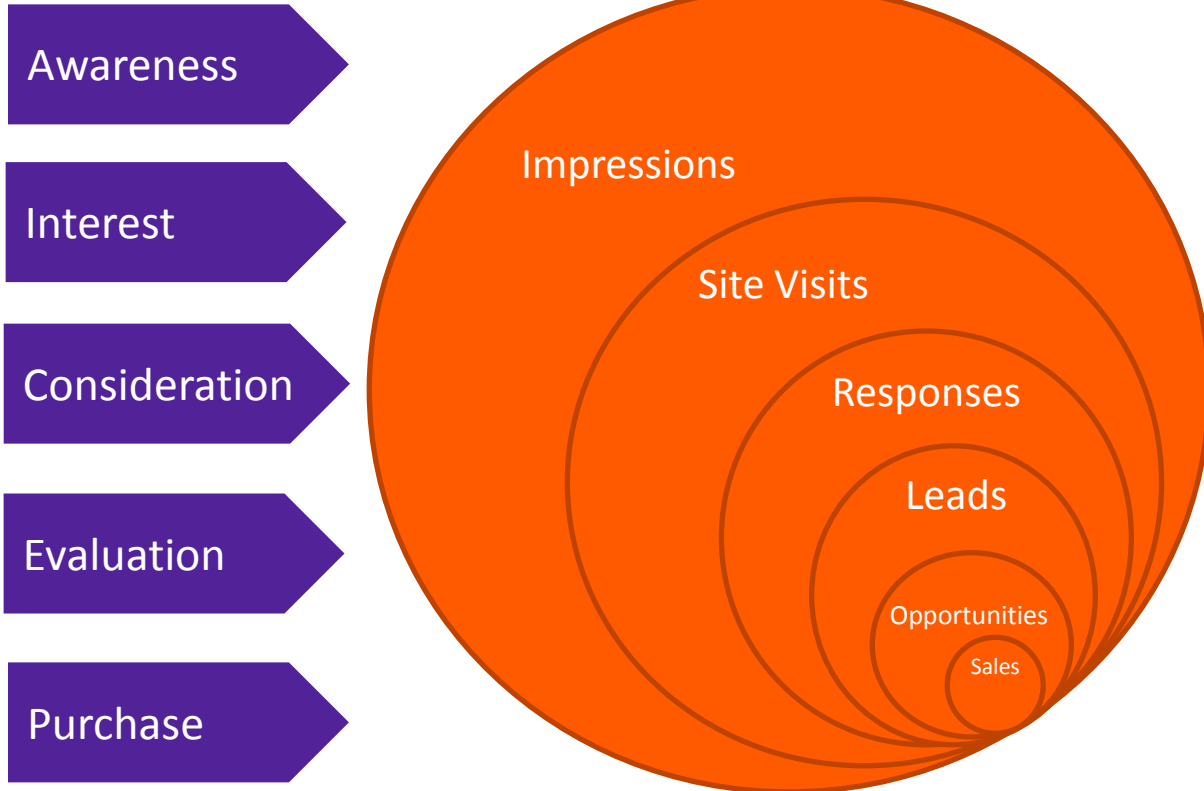
Focus on measurements of actions that occur at conversion points, where you have levers to operate

Translate measurements to value and potential revenue

Identify the “weakest link” on which you can take action

BUYING CYCLE

The customer's journey to satisfy a need



LEAD FUNNEL

The relative likelihood of leads to advance



Identify the Funnel Elements



1

Start discussion with sales: end-to-end data

- Qualified lead ratio
- Lead scoring
- Average close rate
- Average deal value
- Average sales cycle... days, weeks, months

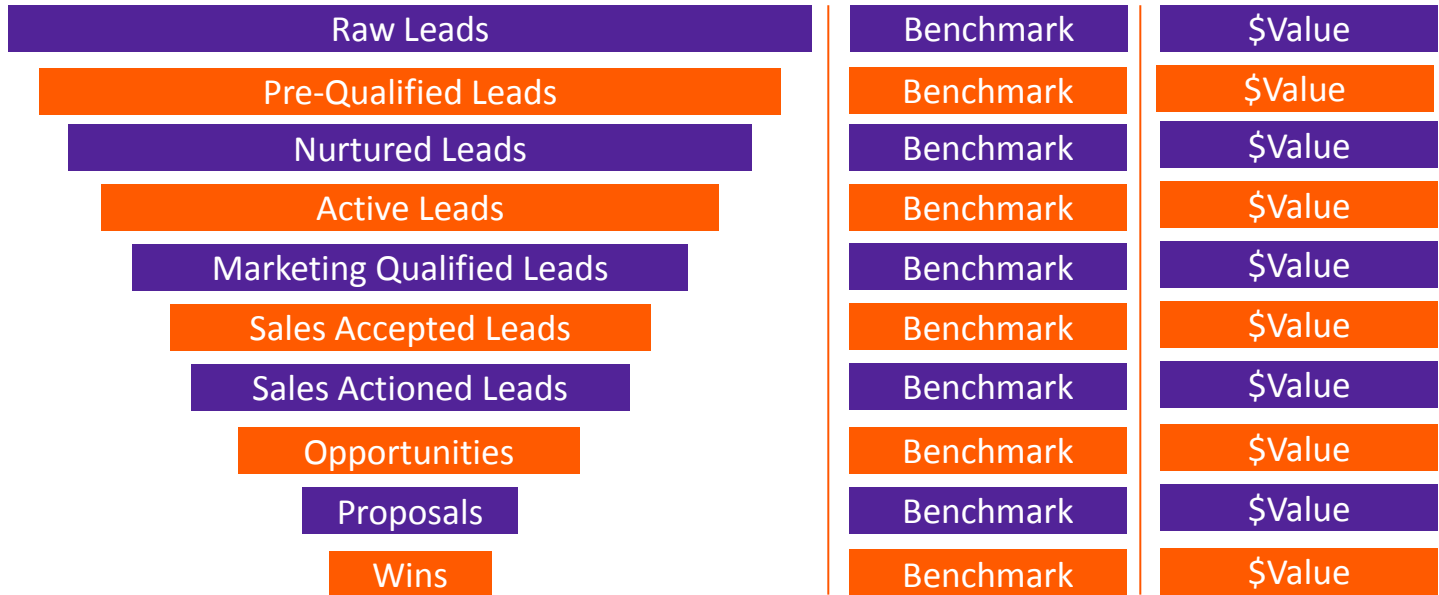
2

Identify key conversion opportunities

- Impressions to visits
- Visits to form completes
- Form completes to marketing lead
- Marketing lead to sales lead
- Sales lead to opportunity
- Opportunity to win

REVENUE FUNNEL

Predictable model based on defined terms, mature processes, scoring norms, and benchmark data



Funnel Analysis



3

Develop baseline measurement at transition points.

Psst...You don't have to be perfectly accurate.

EXAMPLE
Conversion rate
from form
response to lead
includes a manual
step to capture
campaign code

The process is failing to capture the campaign code 32% of the time

! Use that measure to detect changes, provided the process is consistent. Track that rate to determine “better” or “worse”, even if you don’t know what the “real” conversion rate is

Funnel Analysis

4

Identify predictive factors: leading indicators at each step and the routes to wins

Psst... Sales is a “lagging” indicator of marketing performance.

EXAMPLE

Changes in sales results come too late to adjust campaigns for better business outcomes

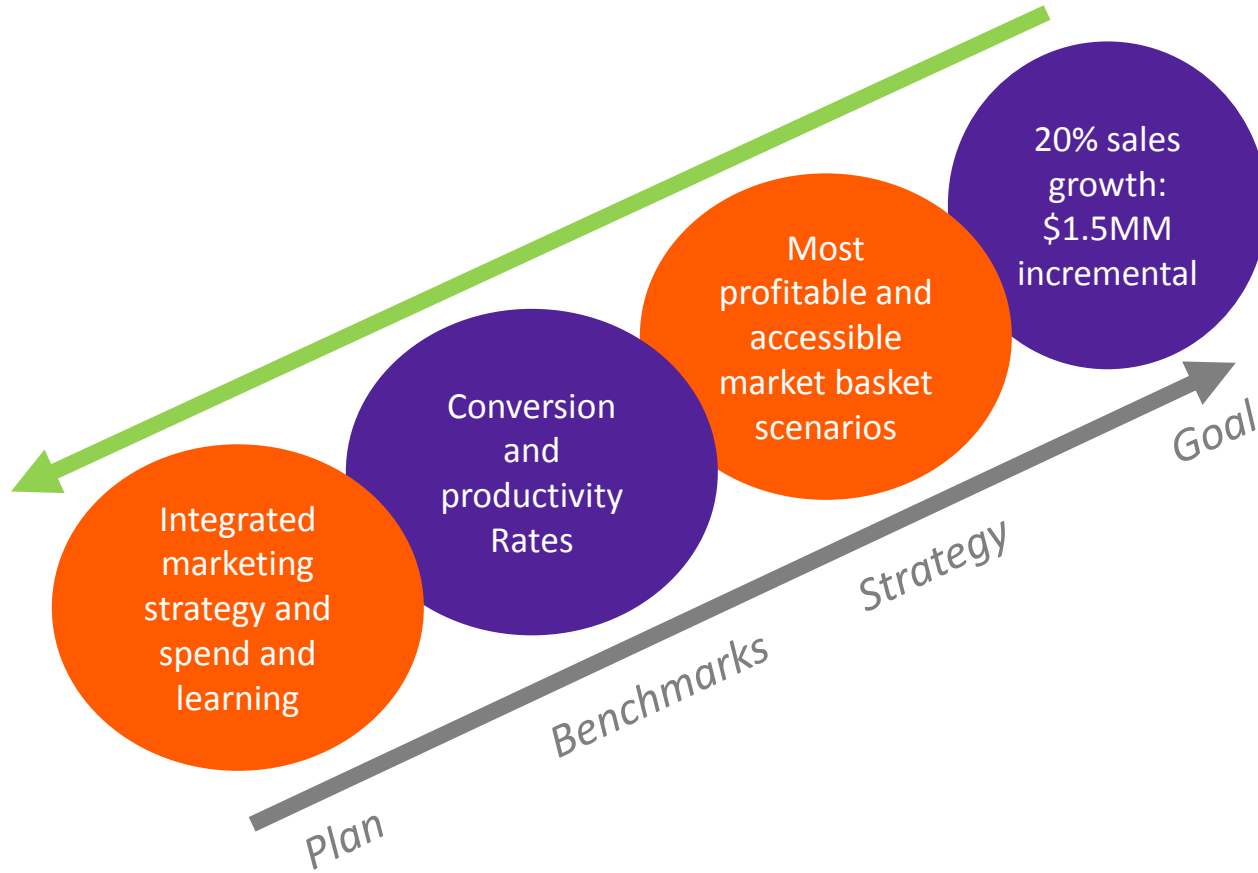
When mapped to lead production and/or sales outcomes, key indicators provide advance warning of needed adjustments



Monitor behaviors, actions and conversion rates



REVERSE-ENGINEERING REVENUE





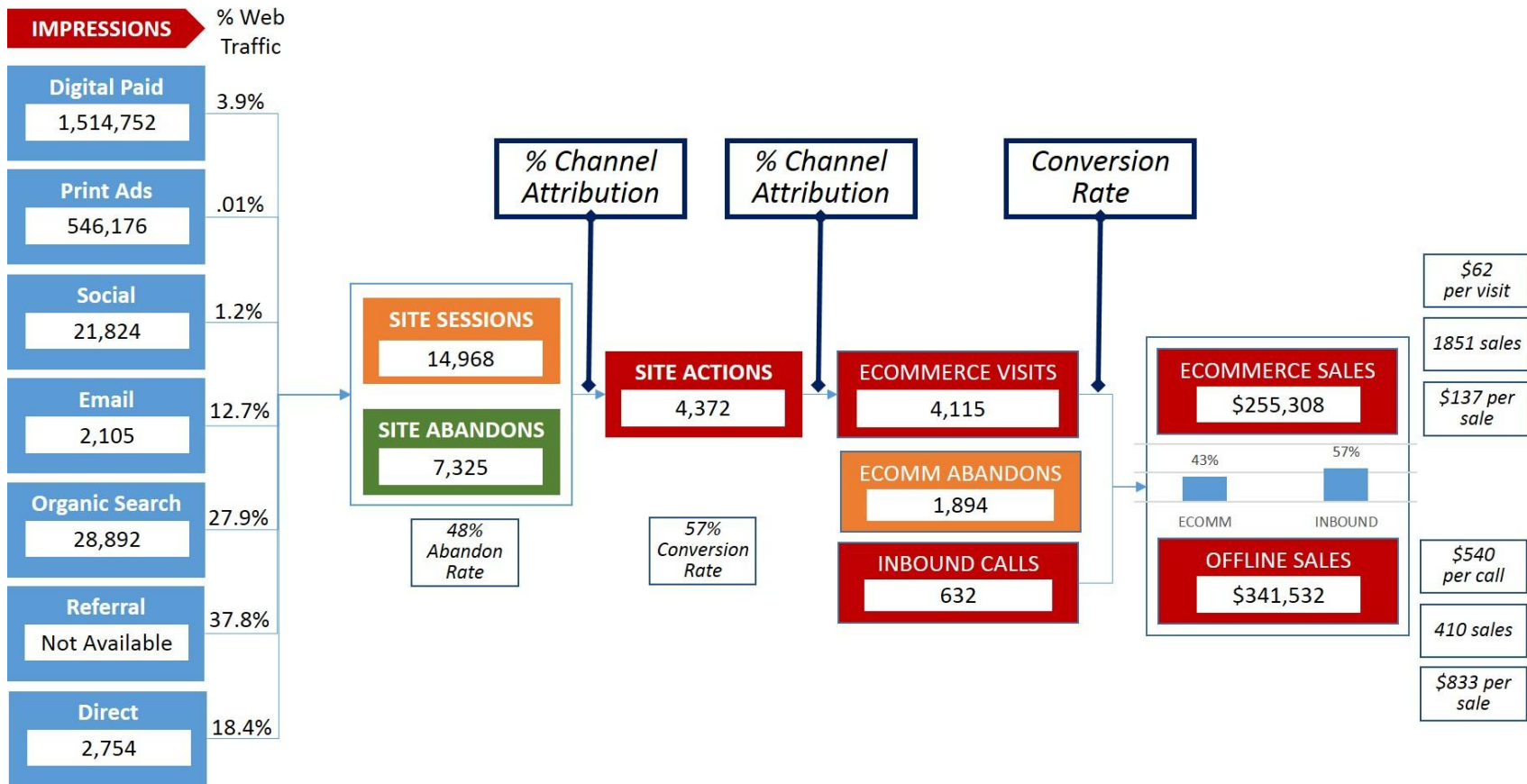
From Impressions to Impact

Document marketing plan metrics

- Channel mix, channel budgets, percentage of budget

IMPRESSIONS	
Digital Paid 71.6%	% of budget \$ investment
Print Ad 25.8%	% of budget \$ investment
Facebook .6%	% of budget \$ investment
LinkedIn .2%	% of budget \$ investment
Houzz .2%	% of budget \$ investment
Email .1%	% of budget \$ investment
Organic Search 1.4%	% of budget \$ investment
Referral Not Available	% of budget \$ investment
Direct .1%	% of budget \$ investment

FUNNEL BENCHMARKING





Make Marketing Results Predictable

Revenue Target	\$ 22,000,000
Average Deal	\$ 25,000
Number of Sellers	20
Deals/Seller Needed	44.0
Average Conversion to Win	10%
Opportunities needed	440
Conversion to Leads	8%
Leads Needed	5,500
Marketing Contribution %	25%
Response to Lead Conversion	2%
Responses Needed	68,750
Site visit conversion to Responses	31%
Site Visits needed	221,774
Impression conversion (Click Through Rate)	1%
Annual Impressions Needed	44,354,839
Impressions Needed per Month	3,696,237
CPC	\$ 0.50
Budget Needed	\$ 110,887.10



INFORMATION PARTNERSHIPS

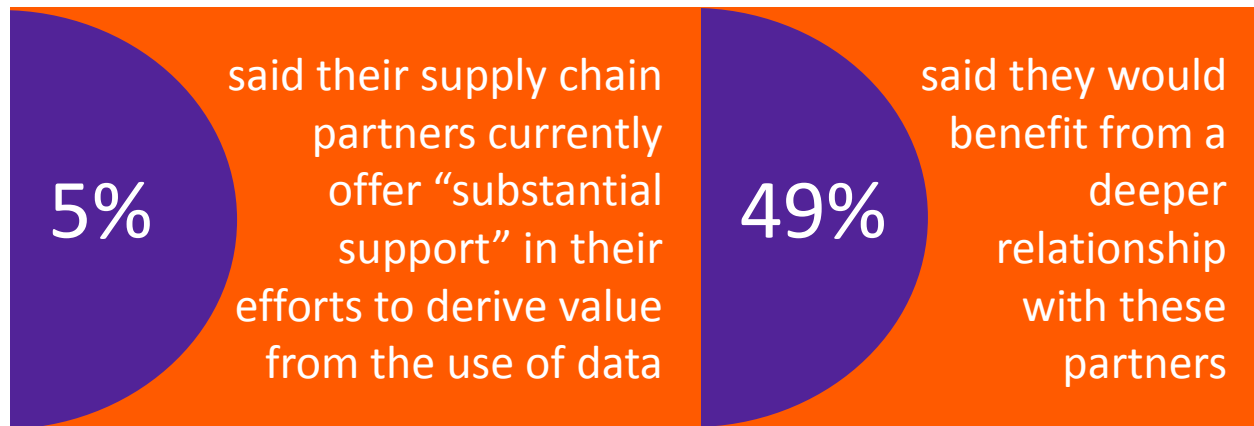
Who Partners Here?

- Distributor
- Retailer
- Reseller
- Value-added reseller
- Vendor



What About Partnerships?

Enormous gap in current vs. desired state



Winterberry whitepaper: “The Data-Centric Organization: Transforming for the Next Generation of Audience Marketing” commissioned by the IAB Data Center of Excellence and DMA



DELIVER VALUE FOR PARTNER

Know their
business

Bring new insight
and ideas

Facilitate training,
processes and
resources

Product
innovations

Operational
efficiencies

Marketing and skill
development

WIN-WIN GROWTH

A New Strategy for Differentiation

Information partnership is the path to:

- Offer novel incentives and services or joint marketing programs
- Identify new channels of distribution or introduce operational efficiencies and revenue enhancements
- Create opportunities for scale, cross-selling, and product innovation



Information partnerships are one of the only vestiges of differentiation and competitive advantage left.



Competitive Imperative: Collaborative IT Relationships

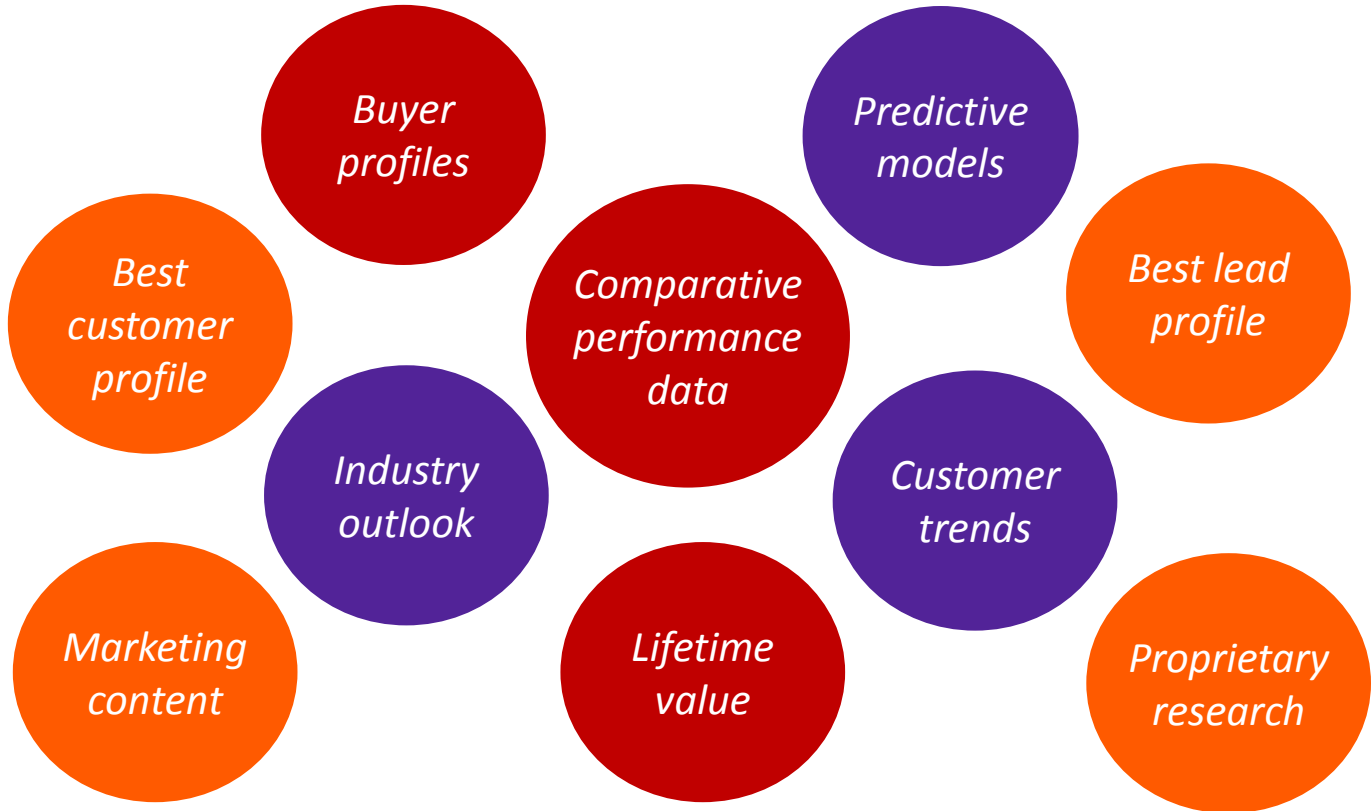
Hey, CEO:

*Will you be playing
offense or defense?
How will you even be
able to get your hands
on the ball?*

Recognize:
*It's hard, but if
you don't
figure it out,
someone else
will.*

Hey, Marketing:
*you have a huge
role to play in
equipping partners
with data*

Data to Share



Partner Data to Reward



- 1 Goals
- 2 Sales data and sales feedback
- 3 Customer and transactional data
- 4 Customer feedback
- 5 Quantified operational strengths and weaknesses
- 6 Marketing investment and performance

Moving from “us/them” to “we”



- 1 Executive leadership
- 2 An articulated and promoted plan
- 3 Technology and training
- 4 Investment in insight mining
- 5 Adoption and adherence requirements
- 6 Incentives and recognition



GET READY FOR THE TEST



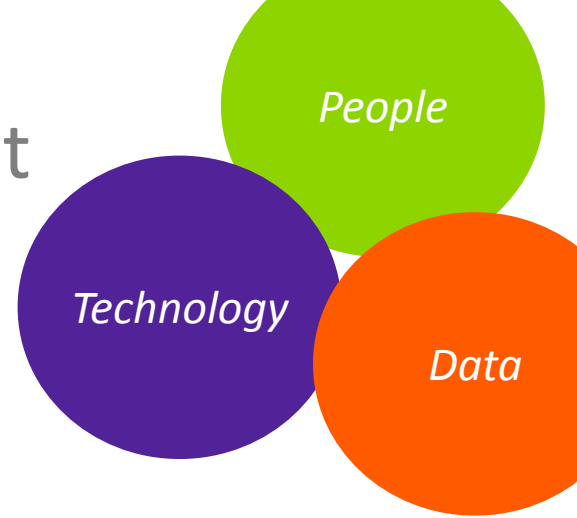
Analytics Maturity Assessment

- Defining organizational readiness and capability

Assessment tool using factors such as ...

Data access
Data quality
Instrumentation
Executive engagement
Marketing and sales alignment
Analytics skill sets

Defined buying cycle
Audience segment identification
Customer personas
Content mapping
End to end funnel view
Conversion metrics



Analytics Maturity Assessment



	Rating				
Topic	1	2	3	4	5
Data access					X
Data quality				X	
Instrumentation				X	
Executive engagement			X		
Marketing and sales alignment		X			
Analytics skill sets			X		
Defined buying cycle		X			
Audience segment identification			X		
Customer personas					X
Content mapping			X		
End to end funnel view	X				
Conversion metrics			X		

None

Starting

Partway there

Developing

Advanced

Analytics Maturity Assessment

For each item, put an "X" in the box that best describes your organization ... one "X" per item.

	1	2	3	4	5
	Nope	A little	Half/Half	Mostly	Completely
People					
Our executives have a clear understanding of the power of analytics			X		
We have a person/people dedicated to analytics with understanding of our business		X			
Marketers are trained and empowered with analytics				X	
Our decision processes are analytics based, not "gut" based throughout our organization			X		
Technology					
We have a Customer Relationship Management/Sales Force Automation system in place				X	
We have a Marketing Automation system in place			X		
Our MA/SFA are integrated with end to end data visibility				X	
We use analytics to optimize our entire business		X			
Analytics Best in Breed	70-80				
Analytics Leader	60-69				
Developing Analytics Capabilities	45-59				
Getting Started	30-44				
At risk	<30				

	1	2	3	4	5
Data					
We have data quality processes in place to ensure clean, unduplicated data goes into our systems		X			
Our marketers are trained in the basics of database management, access and reporting			X		
Our responses are tracked at all conversion points across the funnel				X	
We incorporate data from third party sources to enhance our understanding of our data				X	
Process					
Marketing and Sales have scheduled interlock sessions to review end to end performance					X
We use automated nurture processes to "warm up" early stage leads		X			
Our content is mapped to our customers buying cycle and we use their engagement with our content to help identify readiness to buy.			X		
We have built out an end to end funnel view based on revenue goals with all conversion points identified			X		

Your Score: **51**

Your Rating: **Developing Analytics Capabilities**



Things to remember

- We are all data scientists
- Words matter – align on terminology
- Imperfect data is OK
- The buying cycle is a constant
- Lead funnel becomes revenue funnel
- Sharing with partners improves everything
- Self-assessment is a key to alignment and growth



THANK YOU

Gina Miller

gmill@cbdmarketing.com

312.661.1050

Bob Slaker

bslaker@us.ibm.com

312.529.1572

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