

Marketing balance score card flashcard



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The study authors contend that most marketing metrics don't do a good job of communicating the value of marketing for three reasons. They measure marketing activities, but not important business outcomes. They measure operational efficiency, but not the effectiveness of marketing. They measure past performance, but they don't provide predictive insights about future outcomes.

Measuring the impact that marketing has on company revenues and profits is a critical aspect of managing marketing performance, but an effective performance management system for marketing must also perform several other functions. For example: It must measure the performance of individual marketing activities and programs so that marketers can make investment and marketing mix decisions that will maximize results.

It must enable marketers and other business leaders to evaluate how well their company's marketing strategy is working. It must support both strategic and tactical decision making. It must enable marketing leaders to measure the efficiency and effectiveness of operational marketing activities and processes. In order to perform all of these functions, a performance management system for marketing will necessarily include several types of metrics, including some of the kinds of metrics that are now being retrieved.

Specifically, a comprehensive marketing performance management system will include: Financial and non-financial measures Metrics for leading and lagging performance indicators Measures that focus on the strategic impact of marketing and metrics that support tactical decision making Measures of ultimate business outcomes and measures of activities, outputs, and

Intermediate outcomes Revenue and cost metrics To prove the value of marketing to C-level executives and manage the marketing function effectively, marketing leaders need a balanced scorecard for marketing.

Since its introduction by Robert Kaplan and David Norton in the early sass's, the balanced scorecard has become one of the most widely-used and effective tools in the business management arsenal. In my next post, I'll describe what a balanced scorecard for marketing looks like. Posted by G. David Dodd at 4: 38 PM No comments: Links to this post Email Dishcloth's! Share to Twittered to Backbone Labels: 828 Marketing, Marketing Effectiveness, Marketing Efficiency, Marketing Performance Measurement Saturday, October 19, 2013 Why There's Still So Much Bad Content

Content Marketing Institute, observed that most of the marketing content produced by companies is “ flat out awful. ” He wrote, “ In many cases, the content is self-serving, not useful and, maybe the worst, pointless. ” Pulling argues that companies produce bad content for three reasons. The vast majority of companies do not have a formal content strategy. The content marketing efforts at most companies lack focus. Many marketers feel compelled to develop content around all of the products and services they offer. The result is often content that is too broad (and too shallow) to be effective.

In many companies, no one is accountable for the overall content marketing program. I agree that the lack of strategy, focus, and/or accountability can result in “ awful” marketing content. I also believe, however, that there's a more fundamental problem contributing to the continuing use of bad

content. We now know that most effective BIB marketing content is primarily educational and non-promotional. The goal of content marketing is to provide potential buyers information that is insightful, useful, and valuable, and thereby demonstrate your company's expertise, credibility, and trustworthiness.

The problem is, this approach runs counter to the basic paradigm of marketing that's existed for decades. For years, we've been trained to think that the best way to sell more stuff is to effectively promote our brand and our products or services. In the traditional paradigm of marketing, content is primarily about us – our company or our products or services. Shifting from promotional content to content that's primarily educational and non-promotional is a difficult and counterintuitive change to make for most marketers.

In his new book, *CTR Alt Delete*, Mitch Joel provides an example that illustrates just how entrenched the traditional marketing mindset still is. Joel writes: " Last year, I was in a business meeting when the idea for an phone app came up. It was a smart idea (you know, the kind of idea that you wish you had thought of). The chief marketing officer smiled during the presentation, put his hand up to ask a question, removed the glasses from his eyes and placed them on his notebook, folded his hands, leaned forward, and said, ' It's genius... UT can we put our four key brand messages in there as well, because if we don't force people to look at them, what's the point of this app? '" Companies are still producing " awful" content primarily because many marketers can't resist the urge to " always be promoting. " Strategy, focus, and accountability are all important to building an effective content

marketing program, but the starting point is adopting a different mindset about what constitutes good content and what role content plays in the marketing function. Posted by G.

David Dodd at 4: 46 PM 1 Labels: BIB Marketing, Content Marketing,

Marketing Content, Marketing Effectiveness Sunday, September 29, 2013

Why Third-Party Content Should Be Part of Your Content Marketing Mix Two

recent search studies have caused me to rethink my views regarding the role and value of third-party content in the marketing efforts of BIB companies. I have always argued that most of the marketing content resources used by a company should be developed internally or with the assistance of outside professional content developers.

Either way, the “ authorship” of the content is attributed to the company or to an executive or other internal expert. With third-party content, another person or firm creates the content and is shown as the author. The ultimate objective of content marketing is to cause potential customers to view our company as a trusted resource for valuable information and insights and as a capable and reliable business partner. To accomplish this objective, most of the content you publish should be “ yours. ” It must communicate your company’s expertise and capabilities.

As a general rule, third-party content just isn’t as effective for those purposes. While I still say that companies should rely primarily on content they create, I also now believe that many companies can benefit from using third-party content on a selective basis. My reasoning is based on two recent research studies that provide important insights regarding the types of

content that BIB buyers trust. The COM Council recently published a white paper – Better Lead Yield in the Content Marketing Field – that is based on a survey of more than 400 BIB content consumers.

When survey participants were asked what types of content they most value and trust, vendor-created content came in last. As the table below shows, survey respondents said they value and trust professional association research reports and white papers, research reports and white papers created by industry groups, customer case studies, reports and white papers written by analysts, and independent product reviews more than vendor-created content. Results. In this survey, BIB buyers were asked which of four types of content they give more credence to.

The table below shows that vendor-branded content doesn't fare as well as third-party content. It seems clear that potential buyers are inclined to trust third-party content more than content created by potential vendors, and BIB marketers should take advantage of this inclination. Content authored by a third-party expert and sponsored by your company can be particularly effective for persuading a potential buyer to begin a legislation with your company. This type of sponsored content can include white papers, eBooks, and research/analytical reports.

It could also include a webbing sponsored by your company and presented by a third-party expert. Content that you develop should always play the predominant role in your content marketing efforts. There are several ways to make your content more trustworthy and credible to potential buyers, and I discussed this topic in an earlier post. However, the right third-party

content used in the right ways can be a powerful addition to your content marketing program. Posted by G. David Dodd at 7: 39 AM 6 comments: Links to this post Email Dishcloth's!

Share to Twittered to Backbone Labels: BIB Marketing, Content Marketing, Content Outsourcing, Marketing Content, Marketing Effectiveness Saturday, September 14, 2013 Stop Wasting Your Time on Superficial Personalization For more than two decades, experts have urged marketers to use personalized messages to boost the effectiveness of marketing communications. Many marketers have heeded this advice, and they are now using various technology tools to create personalized marketing messages in a variety of media and formats, including web pages, e-mail messages, and printed materials such as direct mail documents.

The most common way to personalize a marketing message is to include specific facts name, her Job title, company affiliation, the industry in which she works, or information about a recent purchase. The reality is, this type of explicit personalization no longer has much impact with potential buyers, largely because so many marketers are using similar personalization tactics. Two recent research projects have confirmed that explicit personalization alone has become an anemic tool for improving the effectiveness of arresting communications.

Earlier this year, the Economist Intelligence Unit (XIII) conducted two concurrent surveys sponsored by Lyrics. One of the surveys was directed at consumers, and it asked survey participants about the effectiveness of various marketing channels and tactics, how they prefer to engage with

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brands, and what influences their purchase decisions. You can obtain an executive summary of the EII-J survey report here. The major findings from the EII-J consumer survey regarding personalization include the following: More than 70% of survey respondents said that the volume of rationalized messages they receive has increased over the past five years.

Seventy percent of the respondents said that many of the personalized messages they receive are annoying because the attempts at personalization are superficial. Sixty-three percent of respondents said that personalization is now so common that they have grown numb to it. Only 22% of respondents said that personalized offers are more likely to meet their needs than mass market offers. Research by the CUBE Marketing Leadership Council also shows that explicit personalization has lost much of its impact.

In July of this year, CUBE surveyed 1,500 consumers from the United States, the United Kingdom, and Australia regarding how, why, and what they buy, and about their attitudes regarding the tactics brands use to engage them. One of the survey questions asked participants how they felt about some of the more common forms of explicit personalization. The table below shows how the survey participants responded. Marketing messages more effective. The real key to improving the effectiveness of your marketing messages is to use what you know about your potential buyers to craft messages that will be more relevant and useful to those buyers.

Relevance and usefulness (what Jay Bare calls “Wittily”), not mere personalization, are the real drivers of better marketing results. This doesn’t

mean that you should stop personalizing marketing messages. It does mean that the personalization should be contextually appropriate (not just a gimmick) and that personalization shouldn't be the core component of your messaging strategy. Posted by G. David Dodd at 8: 11 AM No comments:

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Relevance, Personalization, Relevance, Situational Relevance Sunday, August 25, 2013 BIB Marketers, Be Careful What You Ask For For the past few years, BIB marketing thought leaders and practitioners have been advocating that marketing should play a larger role in the demand generation process. Proponents of this view argue that marketing should have the primary responsibility for acquiring new sales leads via inbound and outbound marketing programs and for nurturing and qualifying leads until they are ready to begin a meaningful engagement with a sales rep.

According to its advocates, this model of demand generation is more consistent with how today's business buyers learn about issues and possible solutions and make buying decisions, and it also uses a company's demand generation resources more effectively and efficiently. While the arguments supporting this demand generation model are compelling, implementing it will constitute a major change for many BIB companies. To understand how big the change is, we only need to look at where leads are coming from today.

The following table is based on the annual Sales Performance Optimization surveys conducted by CSS Insights and includes data from the survey results

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published in 2011, 2012, and 2013. The survey question asked respondents to specify what percentage of their sales leads are self-generated by sales reps, what percentage are generated by marketing, and what percentage originate from other sources. As the table shows, BIB companies are still relying on salespeople to generate almost half of all new sales leads.

The distribution of lead sources shown in the above table has been fairly stable now for several years. The following chart is also based on data from the Sales Performance Optimization surveys and shows the percentage of total leads generated by marketing from 2005 through 2013. As the chart shows, marketing has been producing between 24% and about 30% of total leads for the past seven years. The CSS Insights data makes two important points.

First, it clearly shows that BIB marketers will need to “step up their game” if they want marketing to take the lead in lead generation. They must be ready to demonstrate to senior company leaders that they have a strategy that will produce enough sales-ready leads to enable their company to achieve its revenue goals. Perhaps more importantly, the CSS Insights data makes it clear that successful lead generation will require the involvement of both marketing and sales (and other business functions as well), at least for the foreseeable future.

Even if marketing significantly increases its lead generation results, it is likely that, for the next few years anyway, between 40% and 50% of leads will still be produced by sales reps and other sources. Posted by G. David Dodd at 7: 19 AM No comments: Links to this post Email Dishcloth's! Share

to Twittered to Backbone Labels: BIB Marketing, Lead Generation, Lead Nurturing, Marketing and Sales Alignment, Marketing Effectiveness Sunday, August 11, 2013 How to Avoid Lead Genocide Several days ago, I came across a great blog post by Jill Sonorant.

If you're not familiar with Sill's work, she is a well-respected sales consultant/trainer and the author of SNAP Selling and Selling to Big Companies. In her post, Jill describes an experience with a provider of CRM software. You can read Sill's post to get the full flavor of the experience, but I'll provide an abbreviated version. Jill received an e-mail from the CRM provider offering an eBook on the social sales revolution. Jill registered to obtain the eBook because she was interested in the topic.

She had zero interest in acquiring a new CRM solution. Reviver suggesting a " brief 10 minute call" to answer questions and " explain how our different products and services could bring value.. This call would help " shorten your evaluation process" and provide " exactly the information you need to help make any comparisons or decisions. " Exactly 34 minutes after this message, Jill received a second e-mail. The second message indicated that the sales rep had been unable to reach Jill by telephone and asked Jill to " let me know if it makes sense to connect. Two minutes later, Jill received a third e-mail asking her to answer nine questions regarding her CRM environment, including what she wanted her CRM system to do for her business, how many users she would have, and what other solutions she was evaluating. Sill's post provoked numerous comments, and many of the people who commented said they had experienced something similar. One person said that she called this kind of marketing lead genocide rather than lead

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generation. I've had several experiences similar to Sill's, and I suspect many of you have also. Practices like this are the epitome of bad marketing.

In some cases, these aggressive practices may be the result of an honest, but mistaken, belief that just because a prospect has downloaded one white paper or eBook or attended one webbing, he or she is actively evaluating a potential purchase and is ready for a sales-level engagement. More often, though, these kinds of practices result from an erroneous belief by sellers that they can push or drive or advance prospects through the buying process. The reality is, prospects control the buying process, and they determine how quickly they will move through the cycle.

As I wrote in an earlier post, the only way you can consistently accelerate the buying process is to eliminate the friction that slows prospects down. Anything else is, at best, wasted effort, and it will usually do more harm than good. To avoid the kind of marketing malpractice described in Sill's post, resist the urge to treat a prospect's first interaction with your business as an invitation to begin a late-stage sales conversation. And remember that, while you can facilitate your prospects' decision-making process, they ultimately decide when and to what level they will engage with your business.

Posted by G. David Dodd at 8: 09 AM 1 comment: Links to this post Email
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Process, BIB Buying Stages, BIB Marketing, BIB Selling Process, Lead
Generation, Lead Nurturing, Marketing Effectiveness Sunday, August 4, 2013
An Inconvenient Truth About BIB Demand Generation If you're a BIB

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marketer, describing the major attributes of your lead-to-revenue funnel and measuring the dynamics of your funnel are critical to understanding how well your demand generation system is performing.

Funnel metrics will help provide generating a sufficient number of raw leads (sometimes called responses or inquiries) to produce the revenues that marketing is responsible for? Conversion – What percentage of leads are “converting” from each lead stage to the next across the entire lead-to-revenue cycle? Velocity – How long is the overall revenue cycle? In other words, how much time does it take, on average, for an initial response or inquiry to result in a closed sale?

Many BIB companies use the Demand Waterfall model developed by Circumcisions to describe and measure the lead-to-revenue funnel. The graphic below shows the major stages in the Demand Waterfall and the conversion rates achieved by average BIB companies, according to Circumcisions. Note: Circumcisions recently revised the Demand Waterfall to add several lead stages, but the framework shown below is still widely used by BIB companies.) Now for the inconvenient truth. Research strongly suggests that the demand generation system in many BIB companies is horribly inefficient.

Based on the conversion rates identified by Circumcisions, the average BIB company needs to generate 351 inquiries to acquire one new customer. That equates to an overall lead-to-revenue conversion rate of only 0.3% ($4.4\% \times 66\% \times 49\% \times 20\%$). Forrester Research has found similar levels of demand generation performance. According to Forrester, the average overall lead-to-

revenue conversion rate is 0.75%. What makes this issue important is that your overall lead-to-revenue conversion rate has a big impact on your company's overall cost of sales, which obviously affects company profitability.

The good news is that companies can significantly improve the performance of their by the average BIB company, Circumcisions has also studied the conversion rates achieved by Best Practice companies, and their research shows that Best Practice companies perform substantially better across the board. The table below shows owe the higher conversion rates achieved by Best Practice companies impact lead-to-revenue funnel performance. As this table shows, Best Practice companies must generate only about 70 inquiries to acquire one new customer, while average firms need five times as many.

Best Practice companies also achieve an overall lead-to-revenue conversion rate of 1.4%, which is about five times higher than the rate achieved by average firms. The performance of your lead-to-revenue funnel will tell you a great deal about the effectiveness of your marketing and sales efforts. So, if you aren't currently using Nell metrics, now would be a good time to start.

Posted by G. David Dodd at 7:57 AM No comments: Links to this post Email Dishcloth's!

Share to Twittered to Backbone Labels: BIB Marketing, Lead Generation, Lead Nurturing, Marketing Effectiveness, Marketing Efficiency, Marketing Performance Measurement Sunday, July 21, 2013 How to Boost the Performance of Channel Marketing Every day, thousands of companies sell products and services through independent or quasi-independent channel

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partners such as franchisees, independent agents, or value-added resellers.

Most companies that sell through channel partners operate in distributed marketing environment.