

# Marketing metrics : an online tyre retailer assignment

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However, the company is very young compared to its competitors already on the market for a decade. The decision for Movable Group to go on Internet through a pure player came a bit late and it is not in the interest of the corporation to make Ox-peens. FRR benefit from the awareness of its well-known brand Narrator. Then, the actual problematic is to raise awareness among customers about the service Ox provides and make this value at the center of the organization so that the company can exist on the long term and establish a profitable relationship with their clients.

We will first review what is already done well and wrong inside the company and then propose some key metrics to focus on in order to fulfill our goal of customer satisfaction at best. As a brand-new enterprise, it is still hard for Ox-peens. FRR to merge all employees' attention on keeping the same target: customer satisfaction. Though during recruitment phase, the CEO takes care personally of assuring that candidates' values fit the one of the company, some people do not catch how they can help from their position in the organization. Establishing marketing as a culture is then complicated.

However, Ox-peens. FRR is on the good path to reach this objective and already laced marketing as tactics into the organization. We will see the implications later on. Having a look at the first questions to ask when metrics are already implemented, we can notice Ox already performs well: Do you routinely research customer behaviors? Being a pure-player company, many tools are easy to use and to access in order to watch out, on a daily basis, how customers interact with you. Ox-peens. FRR does that through a broad of metrics implemented into Google Analytics.

Each day, actions are taken according the analysis made out from such metrics as Cost per Acquisition CPA), Conversion Rate, Transformation Rate, Bounce Rate etc. Corrections are made on the website if we can see our customers encounter issues on it. On that point of view, the company performs well and is quite reactive. Do you report the results of this research to the board? Being part of a large corporation with a proven operating system makes it easier. The consulting board gathers once per month and all the metrics cited above are reported. Indeed, they are even part of the balance sheet and objectives are set up and must be achieved.

Do you compare those results with level forecasted? Having personally intended one session of the consulting board, I can say that quite amount of time is spent on reviewing those metrics, comparing them to the figures forecasted and the one achieved the period before. Moreover, precise explanations are demanded if one of those performance metrics is not up to the level expected. Then, Ox-peens. FRR gets the chance to have its Marketing completely integrated into the board and the directors see it as an asset and an investment needed for future growth.

Not a lot of data is available as the actors on this market are not big enough to issue publicly a complete financial report. Even if there is a leak of information, it is always taken carefully and the philosophy of the group is neither to reveal their own figures. Though the company has always an eye on the competitors to know what they are doing in term of business (commercial operations, new products developed... ). Thus, we can understand that Ox-peens. FRR is doing quite fine about the external

metrics. However, it is not the only type of metrics that can be used (external, internal and process).

Though, the company also considers a lot the process of acquiring those metrics. Indeed, informatics developers in common with the Marketing direction concluded that the way measurements were collected and how metrics were computed could be improved. This is why Ox-peens. FRR developed its own metrics tool competing with Google Analytics. To gain in accuracy and to keep this key marketing metrics inside the company, efforts were made to go more in depth into the data and to reveal more reliable metrics to take better decisions than with the actual-sill-used Google Analytics (GA).

Now, inside the company, those two tools have quite a different use, GA being more operational for our traffic manager and the wend metrics tool being used to report to the board and take strategic decisions. This shows the will of the company to put Marketing as tactics into its process. However, we still can question the way certain measurements at the base of strategic metrics are collected and also if the metrics computed are really the relevant one for the company. To do so, let's have a look at the 3 main responsibilities of Marketing: 1 - Acquisition This particular one is definitely vital to an e-commerce website.

Indeed, the competition is so fierce that you must not fail this responsibility. Ox-peens. FRR has already acquired all the different acquisition leverages usually known for a pure- player: affiliation, retargeting, Search Marketing Optimization (SMS)... However, the way the measurements from this last

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leverage are collected is not in phase at all with the philosophy of putting customer satisfaction at the core of the company. Indeed, the SMS process - keywords acquisition on Google and Yahoo! Basically - are delegated and outsourced. Thus, Ox-peens. R has only little control on the investments made on this leverage and cannot control in live how customers will access the website. Realizing this touches the core value of the company, its DNA, the CEO is currently working on bringing back this crucial activity inside the company. 2 & 3 - Retention & Growing As the business of Ox-peens. FRR is still very fresh and new, only a few data can be we have to keep in mind that for most of the clients - the typical one being a person driving his own personal car - changing tires is an action made every 2 years. However, Ox-peens. R already does have loyal customers - usually being businesses having to deal with a car fleet - but does not know them. Our ERP system has never been submitted to a Regency, Frequency and Monetary value analysis (RFM). Moreover, metrics such as share of wallet or purchase value growth rate are not that much considerate as CPA could be for example. Ox-peens. FRR definitely needs to gain more insights from their customers to be able to speak the right way to them. This is done very informal way today by reading the surveys they send us back, listening to them through our call-center but it is still very sporadic information.

To conclude on this first part, we can say that Ox-peens. R had done many efforts to evaluate and take action considering the process of getting data and information. Thus, the metrics established from these measurements can be considered as reliable. However, are they valuable to the company? Are they chosen carefully and are they the most useful considering the

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particular business environment? To this we can first answer that things have been done about external metrics but we will see in the second part how to improve it and to focus better on the essential ones. Considering internal metrics, almost everything has to be done.

Indeed, we have to remember that the very orientation of marketing is to achieve success by adapting organization to meet targeted customer needs. Though customer satisfaction is already at the center of the business in this company, Ox-peens. FRR must review its organization so they can not only deliver goods or services but to focus on a real customer experience.

Strategy and improvements for the marketing metrics As Ox-peens. FRR want to focus on customer satisfaction, we must consider what value is from the customer's point of view: The Product: Tire is the best example of commodity products.

There is no such a thing that boring for customer than buying tires. In itself, the product is not attractive and you buy it only because you must (French law requires you change your tires under certain criteria). Though the company offers a wide range of different kind of tires from all brands we will see further on where is the issue. The Access: Thanks to Mobile Group, Ox-peens. FRR benefits from the best access conditions to the supply all over the online retail market. This enables fast shipment and deliver - maximum 5 days and for 95% of the cases up to 3 days after the command.

This adds some valuable services to the customers and enables Ox to gain a competitive advantage. The Cost: Again thanks to the corporation, our company proposes the best prices on the market. Though internet is now

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huge web where customers like to compare, this is not the only asset they are seeking for... The Experience: Here lies the tricky point of Customer Value for Ox-peens. FRR! Indeed, the company is evolving in a commodity market as seen previously. However it is up to them to bring it to a “ service” stage (which has been partially done adding some insurances and this fast delivery service) but above all to a true level of

Experience. This is the key point customers are looking for, especially in such a market where shopping is never a pleasure. Ox must take this turn to surprise their clients where they do not expect them to do it. From this study we can now set our strategic vision for Ox-peens. FRR: Enhancing customer experience to reach better awareness and loyalty It is needed to keep a strategy that can be achieved quickly so the team can clearly see the outcome but also that keeps the business in a long-term growth strategy. We will now review the Top 5 metrics to implement and how we will do it in order to achieve the above statement.

Top 5 Metrics: Internal metrics : We have seen that coworkers individually feel implied into the strategic goal of Ox- peens. FRR which is customer satisfaction. However, as a group, they cannot clearly see what can be their input and how their efforts will impact on the company’s success. Which will follow is based on the reading of Delivering Happiness - (Chapter 5: brand, culture and pipeline) by T. Whish, CEO of Capos. Here states the need of employees in this process. From this results our first metric: Innovation: This metric is an aggregate of several measurements and can be unmarried by one which is involvement consideration.

This consists in knowing how much employees think that direction considers them as coworkers and how they consider their ideas. Indeed, the company has already in itself a great potential of innovation and it comes from its employees. In its book, T Whish provides some tools and measurements to assess how innovative a company is. This can take the form of a recommendation book, special theme days, team-building etc. Considering the culture makes the brand, this aspect cannot be neglect. Turnover of employees: Most of the people think it is not a big deal start-up impasses encounter a quite high turnover of its employees.

Commonly, it is accepted as normal regarding the young age of the firm. However, looking at Capos example, we can clearly see that as long as the company provides good working atmosphere and implement a true culture shared by its employees, a low turnover can be maintained. In our case, it would be the indicator of the good health of the company. That it is taking a real turn towards its mission of reaching awareness by implementing a real brand that customer can identify to. External metrics : Transformation rate: This is the number of commands divided by the number of sits on the website.

This can be also extended to all the channels and sources of traffic for the website (affiliation, Google Towards, softest... ). In comparison with CPA - mostly used today as seen previously - this metric has the potential to bring you more insight of how you perform. Moreover, CPA makes us see the customer has a cost, though transformation rate gives you a potential of new customers. Moreover, if we increase the transformation rate, this decreases



automatically the CPA. It does then the same action but the budget is not spent the same way.

Indeed, in a CPA marketing orientation you tend to minimize the most your costs on the channels you do not consider profitable anymore. Moreover, you are not really willing to try new development as you see it as a risk, you cannot predict its circumstances. However, with a transformation rate (TART) marketing orientation, you are willing to implement any new option that can make you gain new customers. It goes then in the same direction than our strategy. To gain customers you must enhance the experience they will have interacting with you. This is why we must consider changing our marketing orientation from CPA oriented to TART oriented.

Net Promoter Score (NAPS): This will achieve our ultimate goal regarding the awareness part of our strategy. Today, automatic surveys are generated and sent to the customers who buy on the website and includes several questions concerning their buying and delivering process. However, the response rate is quite low compared to the number of commands. This can be explained because the simple NAPS. Moreover, it will give the company a clear outlook of its like-being by its client and the will they have to share positive word-of-mouth. Moreover, it will enable Ox to better target its top promoters and to include them in their loyalty scheme.