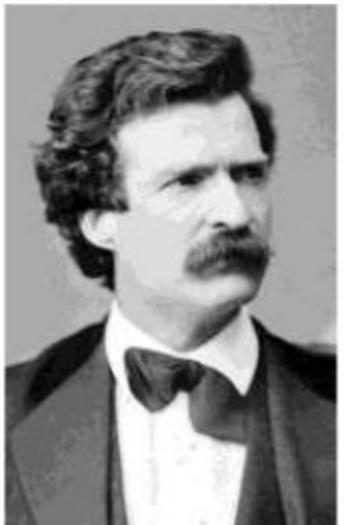


Making Sense of Data: Creating a Structured Digital Measurement, Reporting, Testing & Optimisation Framework.

Updated: Dec 2014

Martin Walsh
Director Digital Marketing





“If I had more time I would have written a shorter ~~letter~~ presentation.”

Mark Twain

What I'll try and cover

1. The Macro and Micro Context of Analytics – [Slide 4](#)
2. The Reality of a Marketers world – [Slide 26](#)
3. Introducing and operationalising a Digital Measurement Framework – [Slide 32](#)
 - Revenue Performance Management via Marketing Automation – [Slide 40](#)
 - Search Measurement – [Slide 104](#)
 - Long Tail Advertising Performance Insights – [Slide 120](#)
 - Social Influence (Media) Marketing Measurement – [Slide 123](#)
4. Qualitative vs Quantitative Analytics – [Slide 133](#)
5. Optimisation – [Slide 169](#)
6. Developing a Digital Taxonomy – [Slide 175](#)
7. Key takeaways – [Slide 195](#)

To be successful with analytics we must first understand the Macro and Micro Environmental Picture....

Senior executives now want businesses run on data-driven decisions.*

These expectations can be met – but with a caveat.

For analytics-driven insights to be *consumed* – that is, to trigger new actions across the organisation, they must be:

1. Closely linked to business strategy
2. Information must become easier to understand and act upon
3. Embedded into organisational processes to take action at the right time

*Source: "Analytics: The New path to Value. MIT Sloan Management Review & IBM Institute for Business Value Study 2010.

Each year marketers stake their reputations on digital marketing programs and online activity.



And yet the marketplace is glutted with Digital measurement tools and applications.....



MARKETING SUCCESS STARTS WITH U™

WebTrends



VISIBLE
TECHNOLOGIES



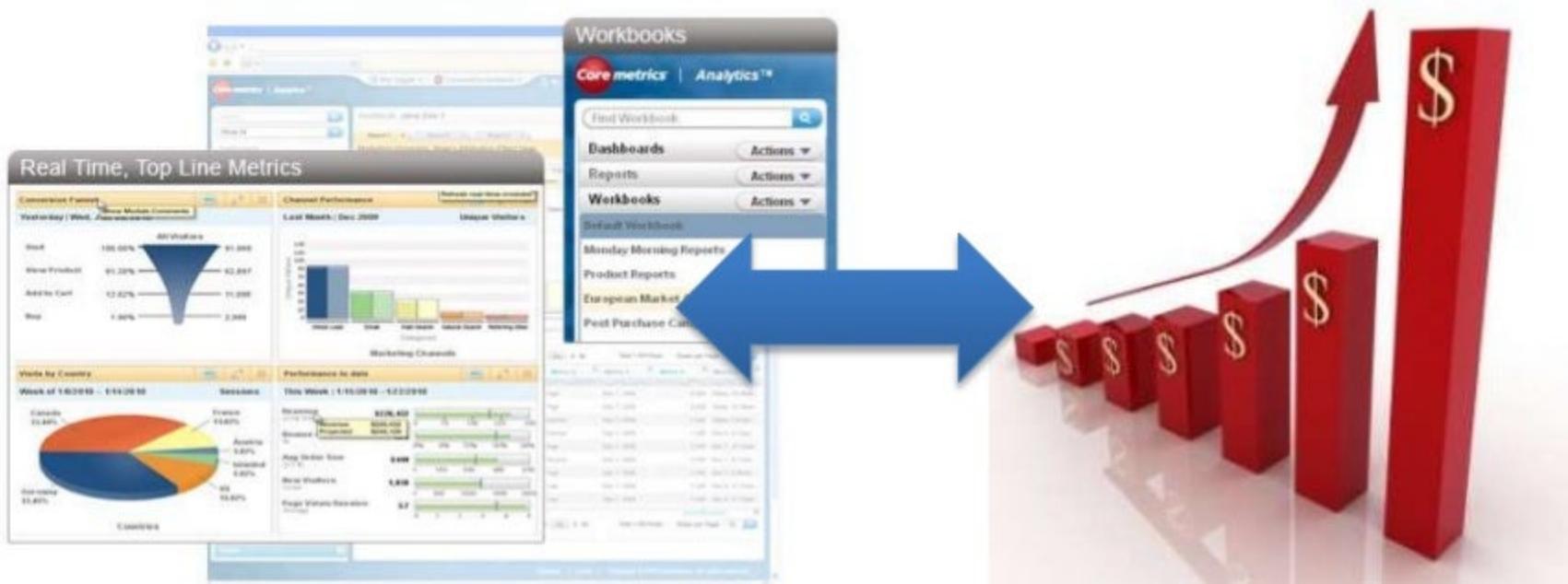
double
click

Coremetrics
An IBM Company

atlas.

radian⁶
social media monitoring

So, why is there such a disconnect between digital analytics tools and business results?



Macro Environment: Key Finding 1

Good news: Analytics correlates to performance



Organisations that lead in analytics outperform those who are just beginning to adopt analytics



Top Performers are more likely to use an analytic approach over intuition

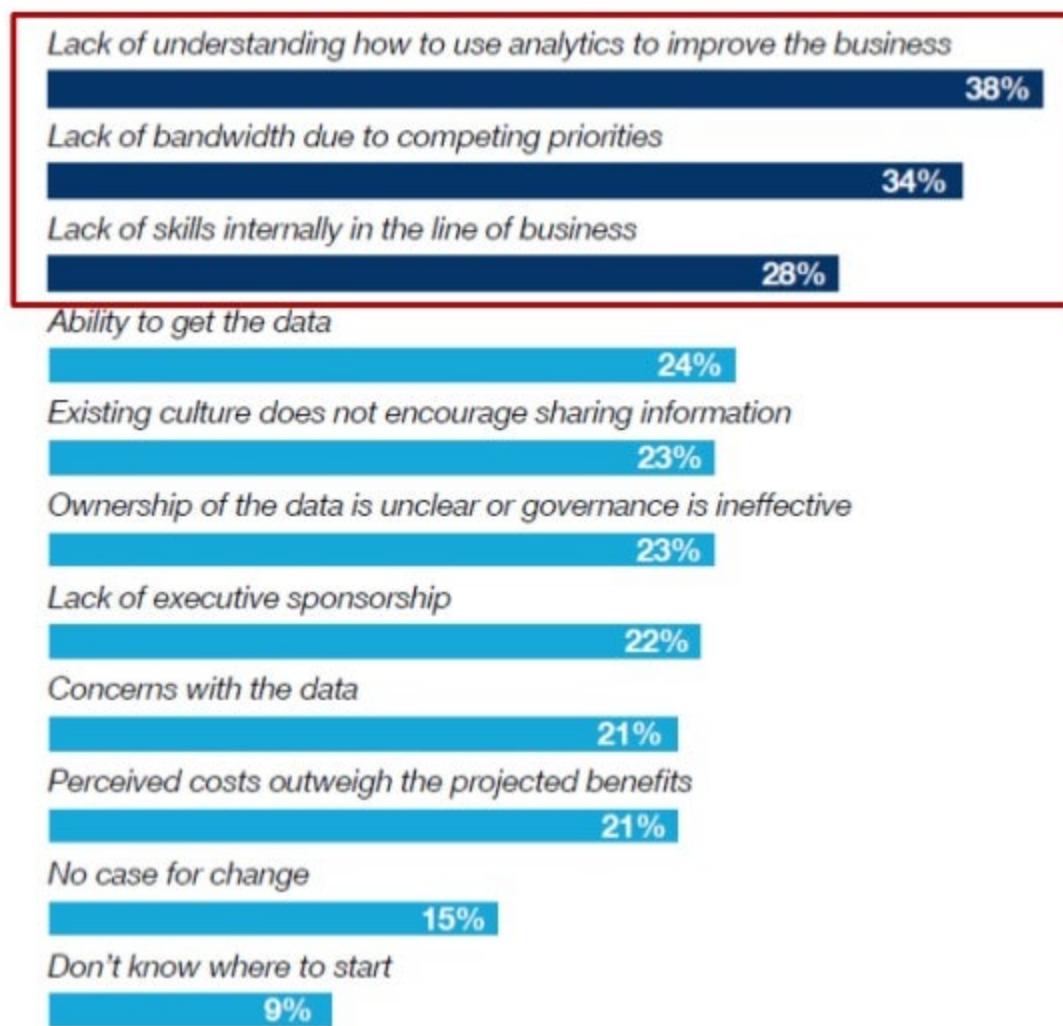
*Source: "Analytics: The New Path to Value."
MIT Sloan and IBM 2010

Why Data Matters: Extracting Insights, Making Better Decisions



Macro Environment: Key Finding 2

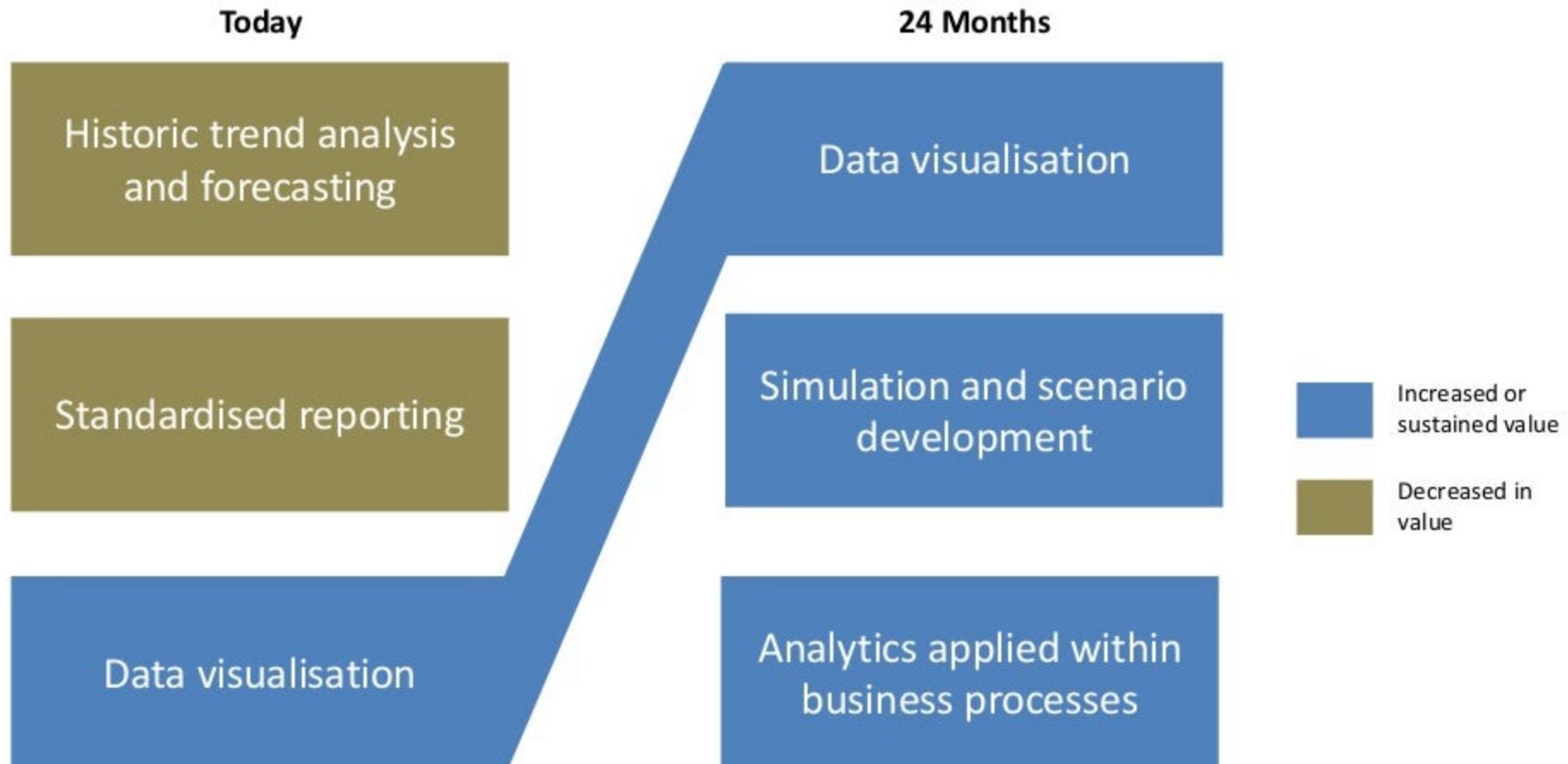
Organisational, not data or financial concerns, are holding back adoption



*Source: "Analytics: The New Path to Value."
MIT Sloan and IBM 2010

Macro Environment: Key Finding 3

Organisation want to 'see' insights more clearly and act on them



*Source: "Analytics: The New Path to Value."
MIT Sloan and IBM 2010

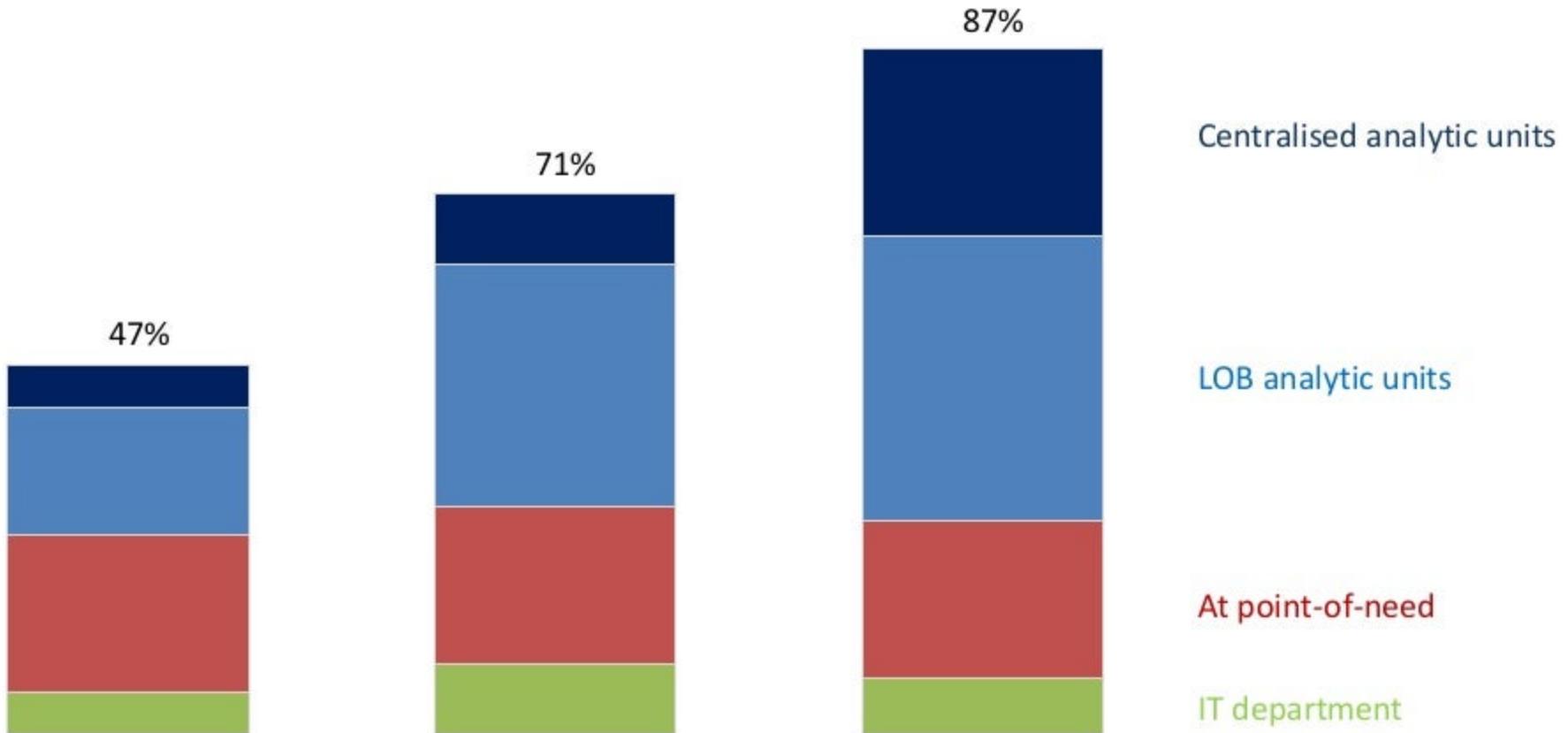
Macro Environment: Key Finding 4

Analytics use propagates across functions in a predictable pattern



Macro Environment: Key Finding 5

As adoption spreads, there is a growing demand for a greater variety of skills and deeper expertise.



Note: Chart combines responses to two questions. Percentage figures at top of bars reflect respondents who answered "frequently" or "every day" to the question, "How often do you use information and analytics to inform your actions and support decision making in your day-to-day role?" The height of coloured segments within each bar reflect respondents' answers to the question, "Where are analytics primarily performed within your organization?"

*Source: "Analytics: The New Path to Value."
MIT Sloan and IBM 2010

Micro Environment

Marketers Perceptions vs Reality

Most companies have not established a framework for customer value and customer experience as key performance indicators .*

- Marketers overestimate the extent of their customer-centricity.
- Marketers overestimate their measurement capabilities.
- Marketers overestimate the scope of their customer segmentation.

Marketers Think They Are Customer Centric

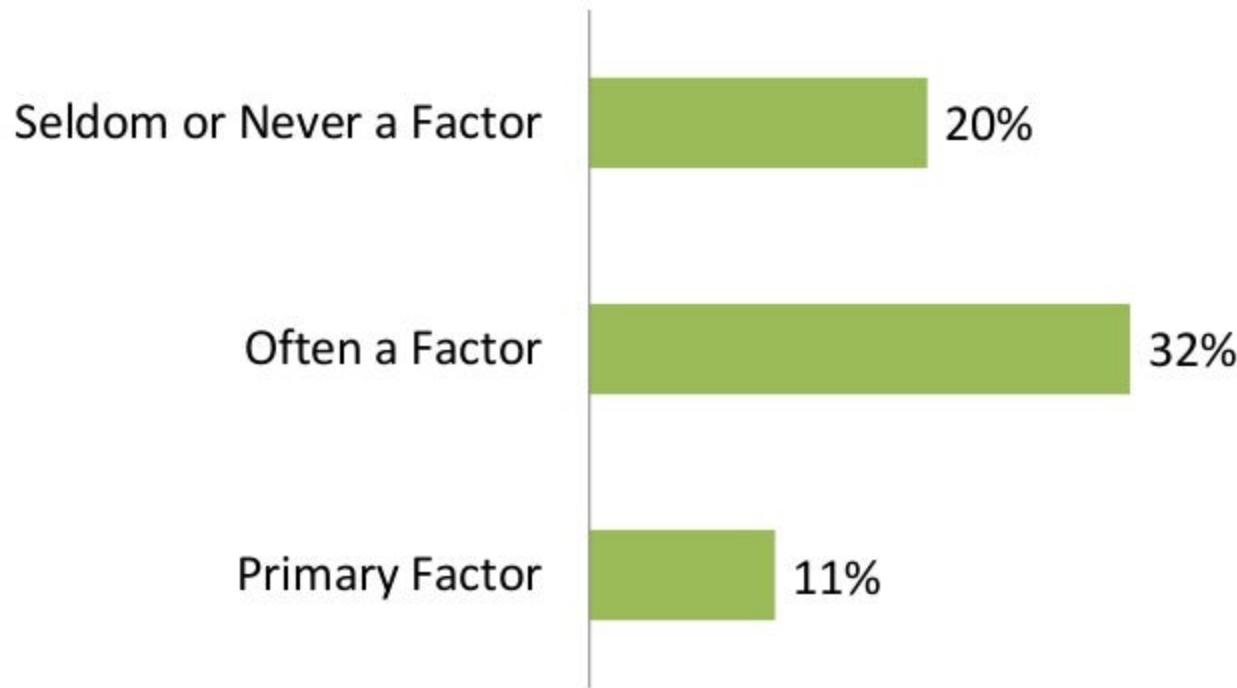
Most organisations want to think that they put customers first, but in reality most are structured around products, services and line of business.



*Source: "Integrated, Customer-Centric Marketing. Exposing Marketing's Delusion."
Forrester, August 2009

Marketers Think They Are Customer Centric

Very few marketers use *customer engagement* as a primary factor in their communications.



"We struggle to measure customer engagement. We don't have a system to manage it, in part because nobody has singular responsibility for managing it. Unfortunately, it's just not a priority.

Senior Marketer at a high-tech company

Marketers Think They Are Customer Centric

Only half calculate customer value and fewer still, use it beyond marketing.

- 50% say they have a customer value metric such as Lifetime Value (LTV).
- 29% that have a value metric say it is not consistent throughout marketing.
- 31% say that they are unable to measure incremental impact of their marketing on customer value.

"We measure profitability where we can, but we are only starting to tackle what a customer lifetime value metric might look like. Historically, our business lines have been too separate – the concept of value for each was very different – but we are starting to bring those perspectives together and are thinking about how to calculate lifetime value at a household level."

A senior marketer at a financial services company.

A Siloed Approach is the Greatest Barrier to Adoption of a Customer Management Approach

"What are the biggest barriers preventing you from adopting an integrated customer management approach (or what were the biggest barriers you overcame in adopting this approach)? (Select all that apply)"



*Source: "Integrated, Customer-Centric Marketing. Exposing Marketing's Delusion." Forrester, August 2009

Marketers Believe They Consistently and Systematically Measure Marketing

55% of marketers say that they use a standard or consistent framework to measure all marketing activity.

But.....

Measurement isn't driving budget allocation

- 64% of marketers allocate budget across marketing disciplines based on historical spending.
- 56% do so based on planned activity.
- Less than 30% use media mix modelling – which allows marketers to understand the incremental impact of specific media and activity.

"We do try to track the impact of our marketing activity, but to a large extent we are winging it – we make decisions based on past history, personal preferences, and what our agencies say is working for other clients. Frankly, it's a lot of trial, error, and guesswork."

The head of marketing at a consumer packaged goods company.

Marketers Believe They Consistently and Systematically Measure Marketing

Marketers put their emphasis on financial metrics.

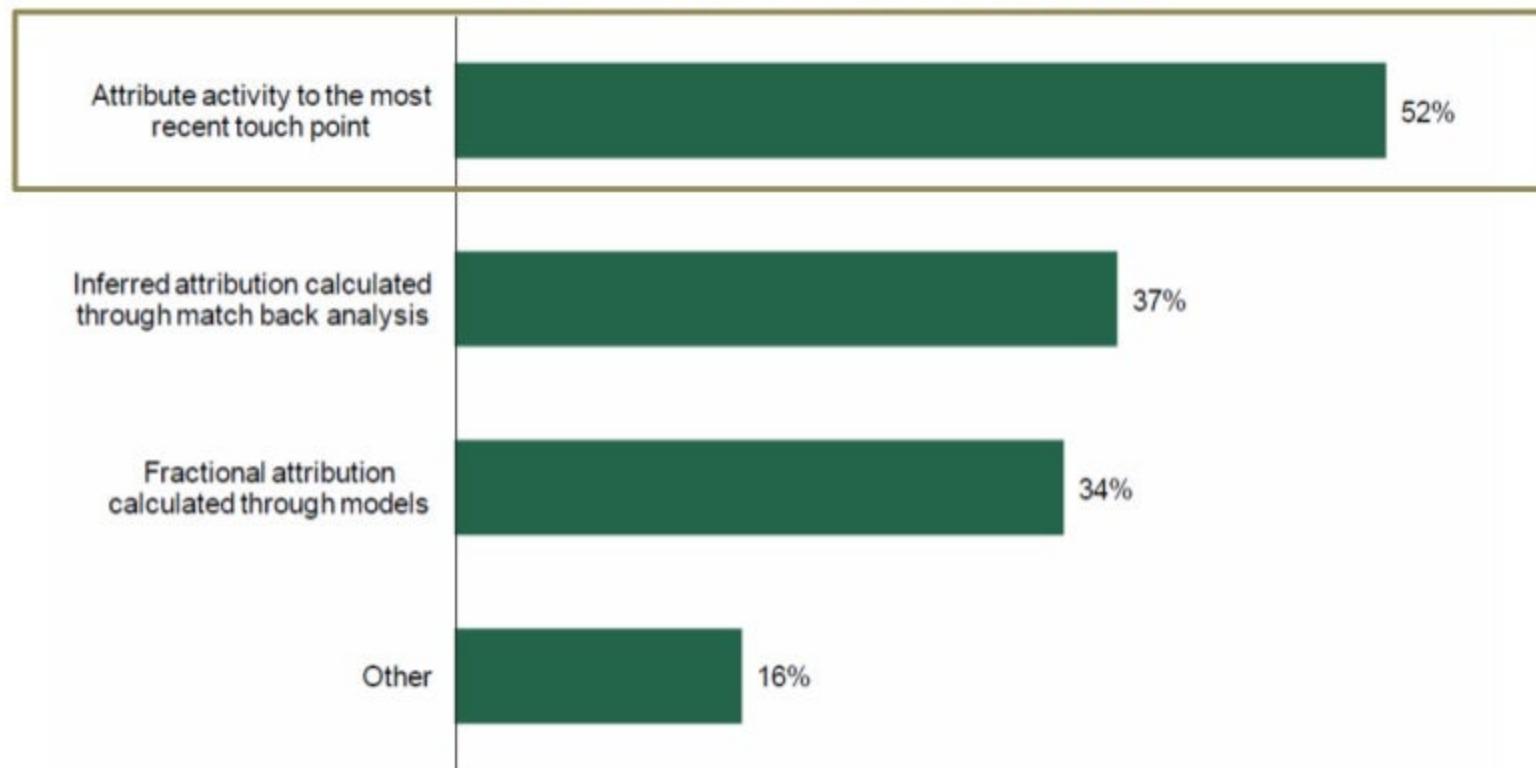
- 63% of marketers selected frequency of purchases.
- 54% selected the frequency of interactions with their brand
- 47% selected the level and depth of brand interaction.

These are far more specific measures of engagement.

When asked how they assess the impact of their marketing activity, 80% say financial impact – such as revenue or ROI.

Marketers are missing the point more than half the time when calculating attribution for a transaction.

"How do you calculate attribution for marketing activity? For example, to which activity do you credit a transaction? (Select all that apply)"



*Source: "Integrated, Customer-Centric Marketing. Exposing Marketing's Delusion." Forrester, August 2009

Marketers Claim Customer Segmentation Extends Broadly

Mass, direct and digital communications aren't integrated.

- 27% of marketers say that their marketing is integrated across brand, direct and digital communications.
- 73% struggle to understand the impact that brand, mass, direct and digital communication have on each other and therefore don't plan programs and campaigns to maximise their combined effectiveness.

"We compare data between brand and direct teams, but it's not really integrated. Customers often tell us that they see an offer in one medium and receive a different offer in another. Customer get frustrated."

A senior marketer at a financial services company.

Marketers Claim Customer Segmentation Extends Broadly

Customer information isn't integrated across marketing, sales and service.

- Only 18% of marketers say that their activities are integrated – in that they track and measure the impact each discipline has on the other.
- Only 30% say they unite disparate customer information from sales, service and marketing into a single management framework for global insights, targeting and measurement.

"One of our problems is that we don't have single repository of customer information. It's hard to coordinate activity when each group has a very different view of the customer. It's a big downside of our siloed business structure."

A senior marketer.

A Marketers World



The Marketers Digital Challenge:

Measurement is More Important, But More Confusing!

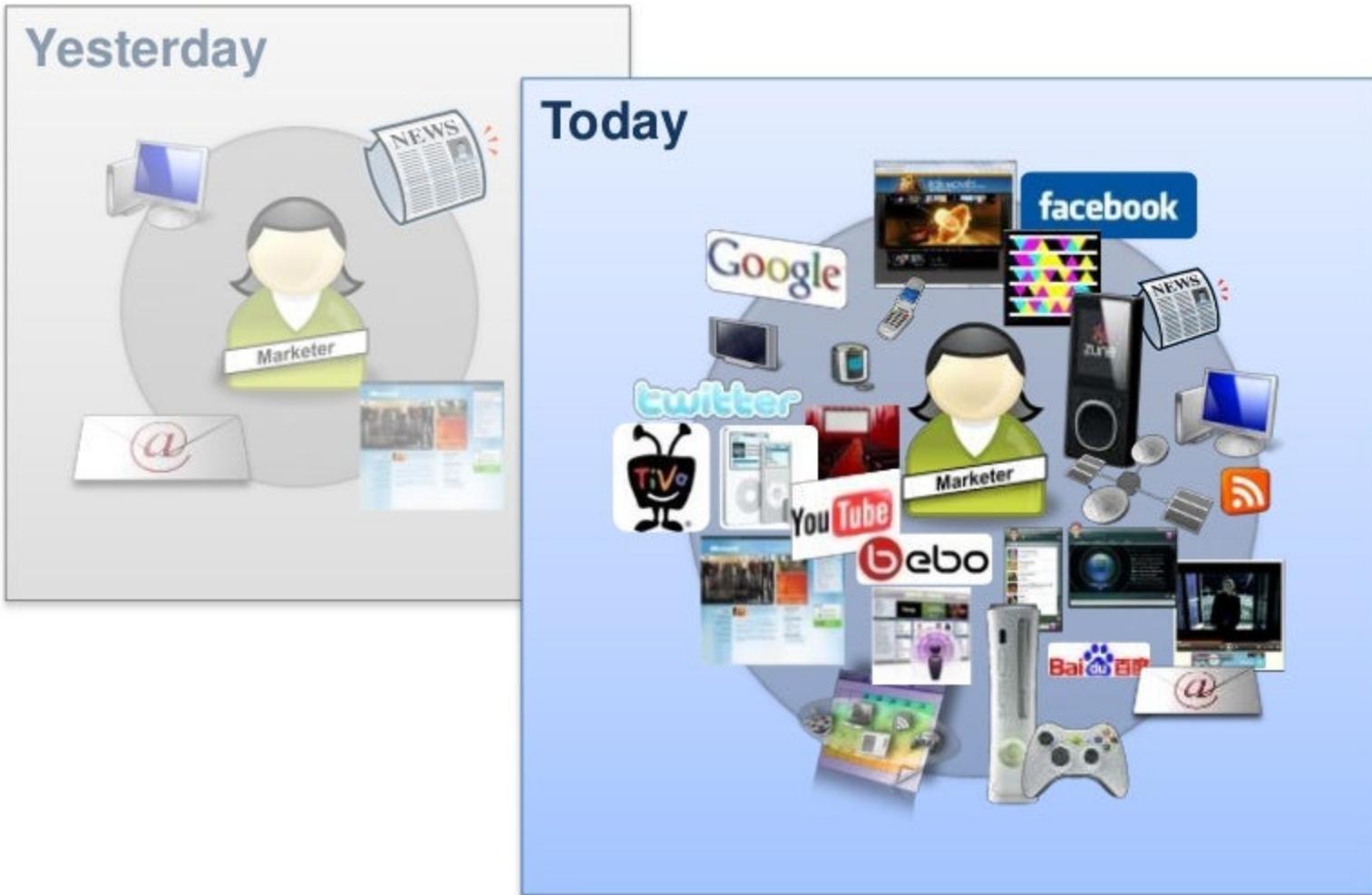
Poor Marketers



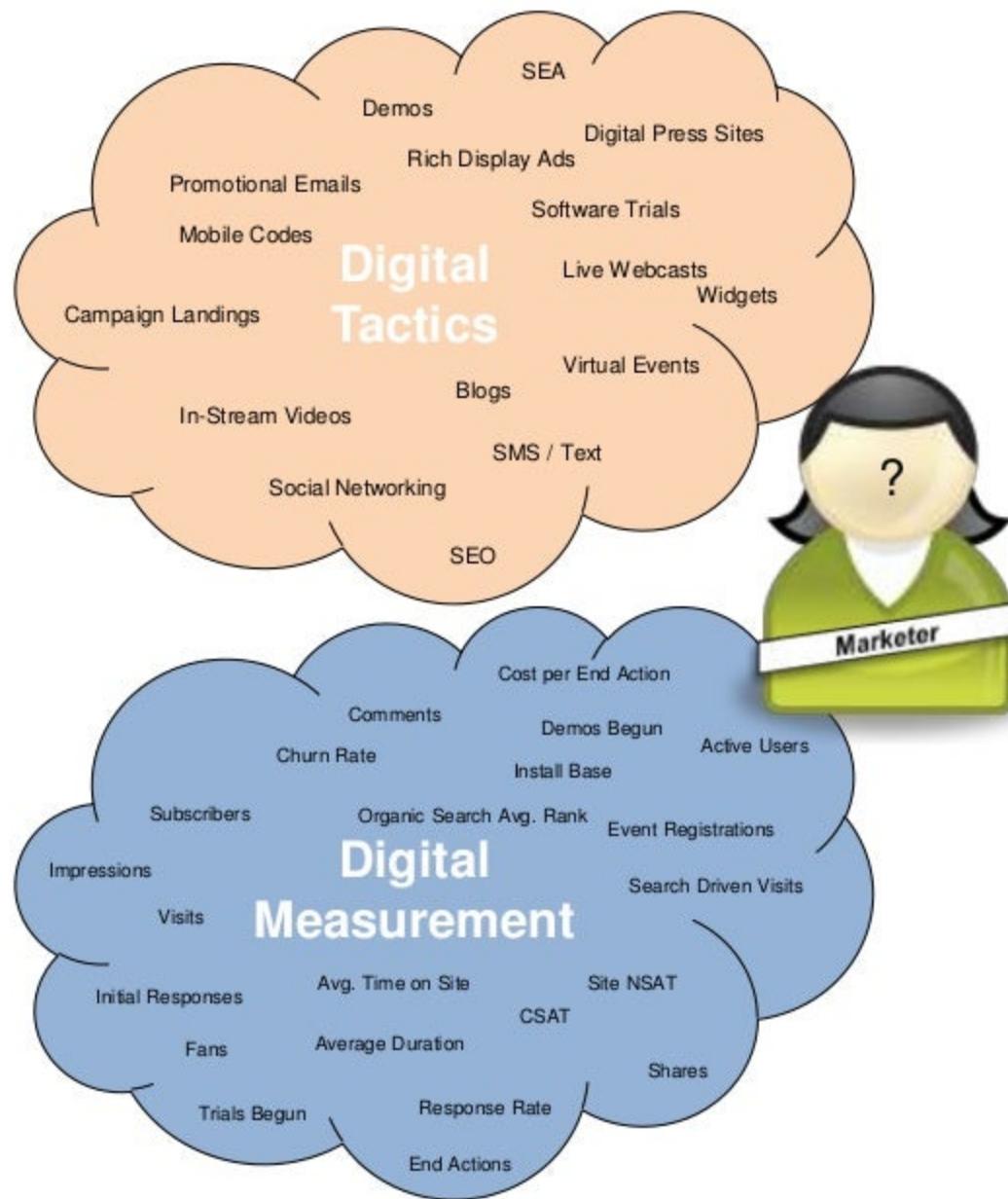
42% of marketers are dissatisfied
with measurement and metrics!
- up 7% year on year.

Source: ANA/MMA study of 200 senior marketers from member companies
including IBM, Coca-Cola, Microsoft, ING and Nestle.

Evolving Digital Landscape Requires Evolving Marketing Framework & Taxonomy



Navigating the Digital Marketing Chaos



- Dizzying number of tactics.
 - Will only get more complex
 - Digital landscape can lead to misguided and ineffective digital marketing investments.
-
- Variety of metrics and methodologies to measure effectiveness.
 - Lack of standards for measuring “effectiveness”
 - Hinders ability to build digital marketing business.

Marketers Struggle With Measurement in Four Fundamental Ways



Key Micro Analytics Issues

Marketers and agencies are largely focused on:

1. The **wrong metrics** – too much focus on reach and not enough on engagement.
2. **Drowning in data** – looking at way too much data which is ultimately not insightful and actionable.
3. **Not optimising** activity / efforts against metrics.
4. **No 360 degree view** – marketers and agencies are looking at tactical metrics in isolation and not looking at a complete 360 degree dashboard / picture of ALL their activities and importantly customer behaviour.
5. Quantitative vs Qualitative – too much focus on quantitative data and **not enough** on qualitative data, for example *satisfaction*.
6. **No Taxonomy** - not utilising a consistent and relevant digital marketing taxonomy.
7. **No processes**, no clear roles & responsibilities and a lack of skilled resources.
8. **Over-engineering solutions** – understanding what data you need to answer your questions, who needs to access it and when and how your marketing applications need to interact with it is crucial to implementing a simple solution.

Introducing and Operationalising a Digital Measurement Framework



You Must First Understand the *90-10* Rule of Analytics!

90% is about people...

*(roles, responsibilities, frameworks,
processes, taxonomy, skills & resources)*



You Must First Understand the *90-10* Rule of Analytics!

...only **10%** is about tools & technology.



'Silly' Marketing Metrics

But wait! Before we dive into more detail we must first address a very common problem in most marketing departments, 'Silly Metrics'.

Too many organisations and too many marketers are using what I call 'silly' metrics to 'measure' marketing and in most cases have also inadvertently created a tsunami of un-actionable reports.

- There are generally two categories of 'silly' marketing metrics:

Vanity Metrics

Sound good and impress people, but don't measure impact on revenue or profitability

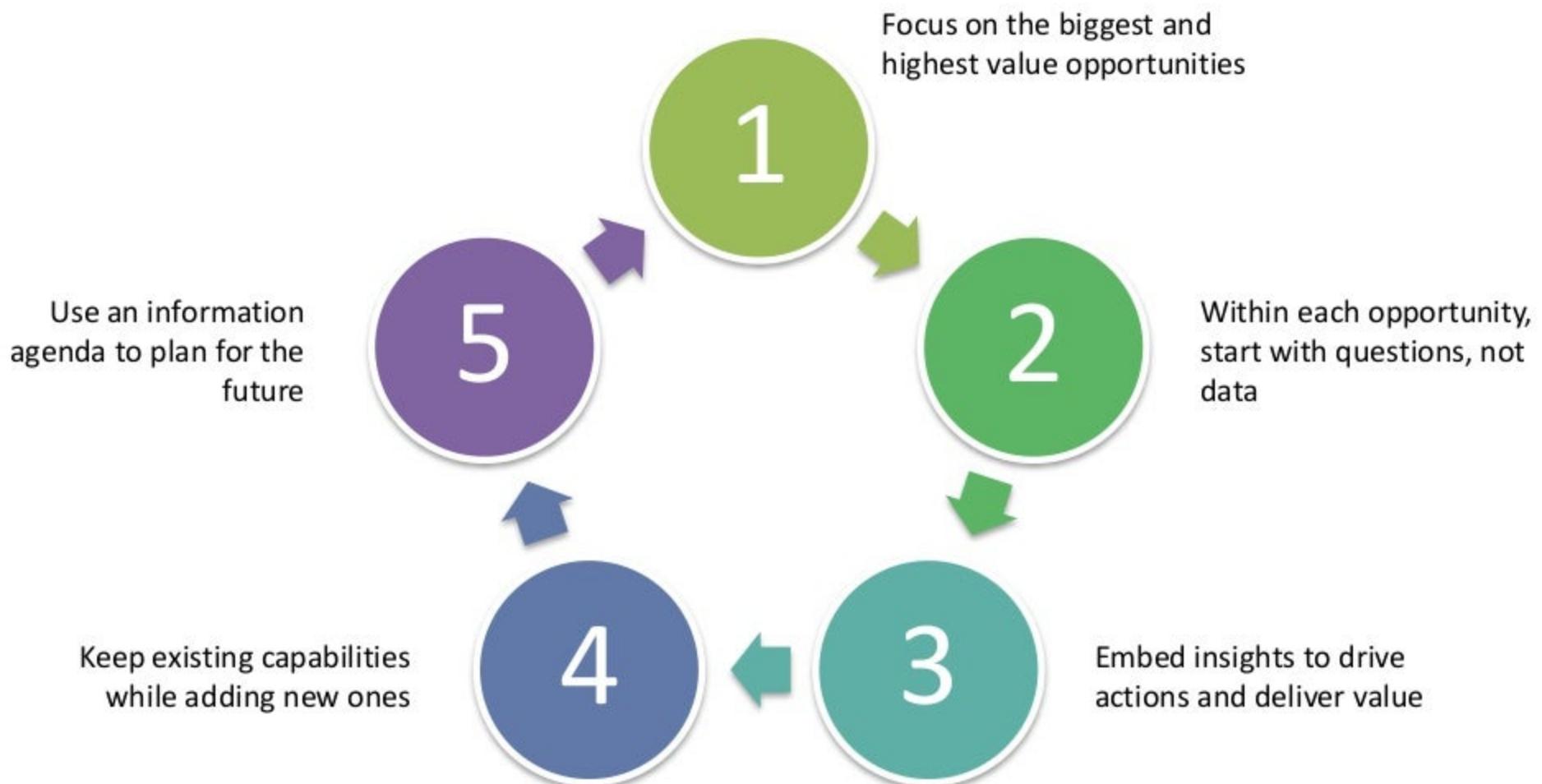


Activity Metrics

Measure what you do instead of what results and impact you have



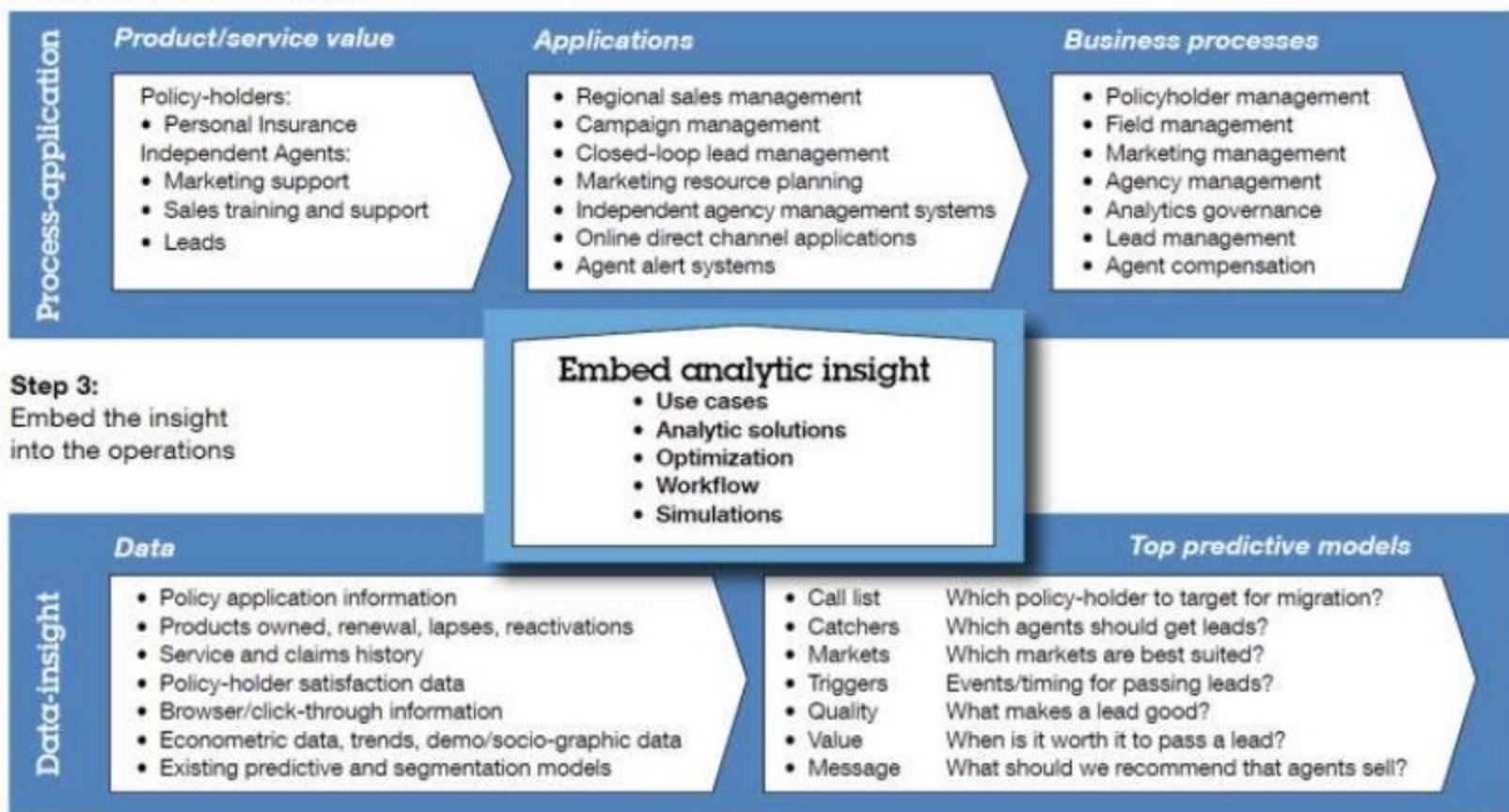
“New path to value” is a five-point approach to operationalising analytics



A Process for Inspiring Change

Process-Application-Data-Insight-Embed technique

Step 1:
Document existing applications and processes



Source: IBM BAO Services methodology.

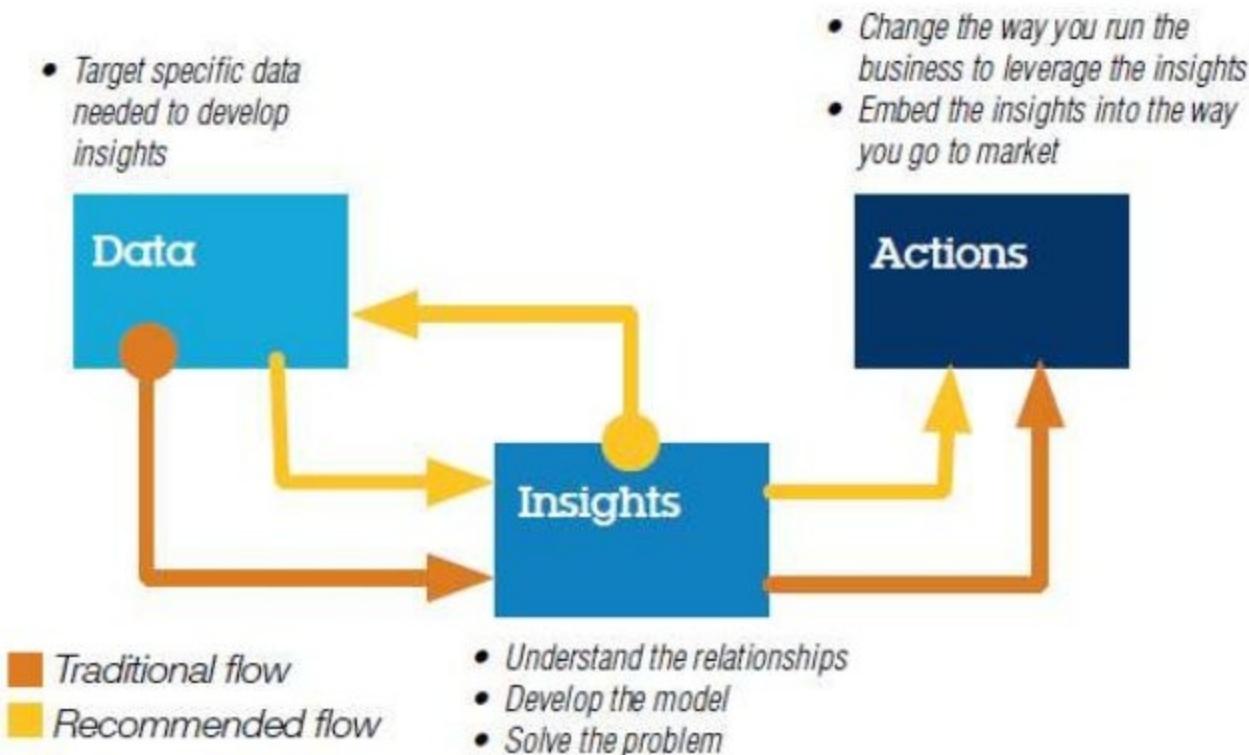
PADIE (Process-Application-Data-Insight-Embed) technique is a three-step process by which a company can operationalize insights drawn from data: first, document processes and applications; second, use analytic techniques to gain insight from data; and third, select the most appropriate ways to embed insight into operations.

Macro Environment

Within Each Opportunity, Start with Questions, Not Data....

Traditionally, organisations are tempted to start by gathering all available data before beginning their analysis.

This leads to an all-encompassing focus on data management – collecting, cleansing and converting data – with little time or energy or resources to understand its potential uses.



The Big Picture: Where to start?

Pick your spot

1. Biggest and highest value opportunity

Prove the value

2. Start with questions

3. Embed insights

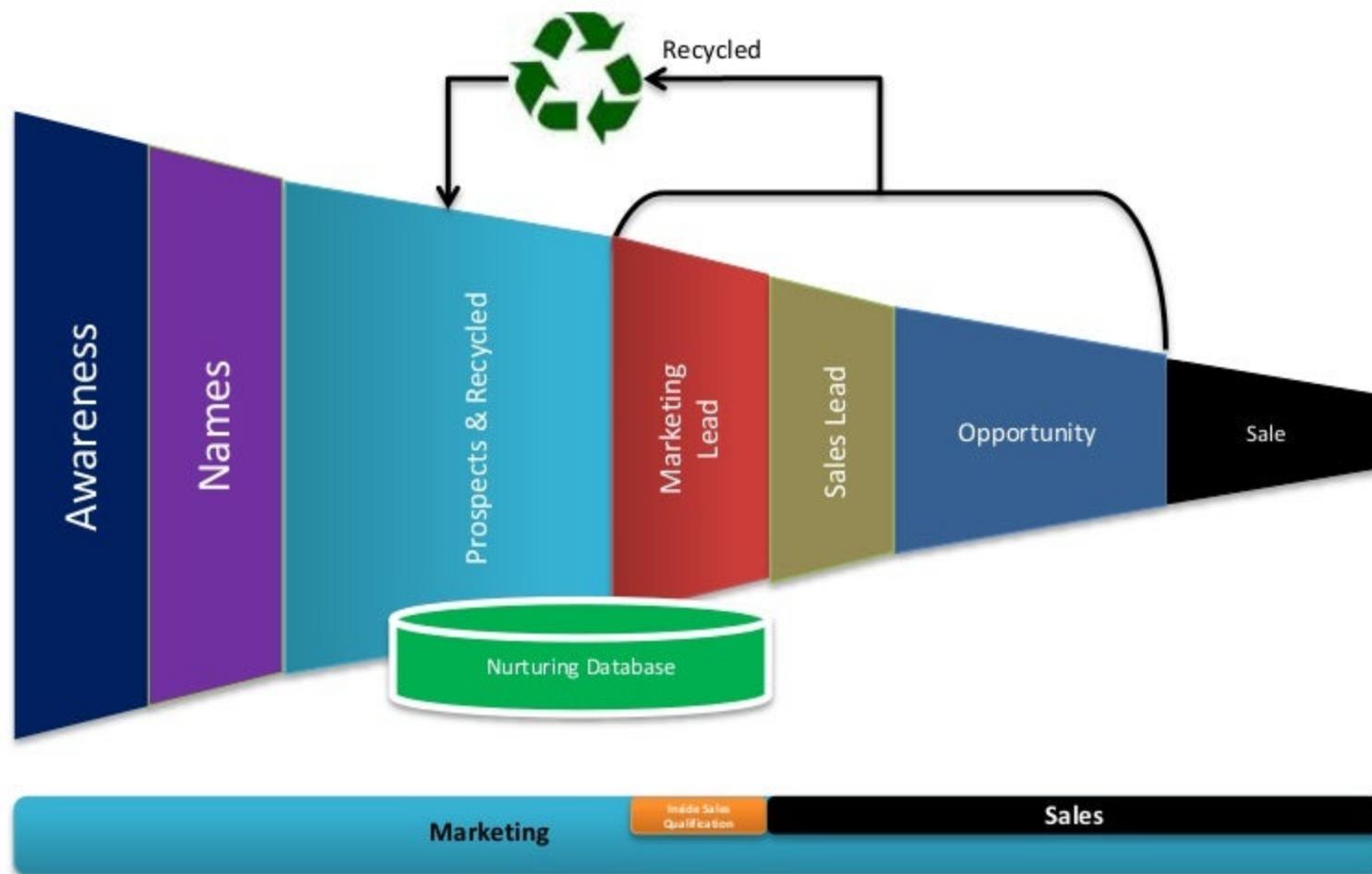
Continuous Value Delivery

4. Add capabilities

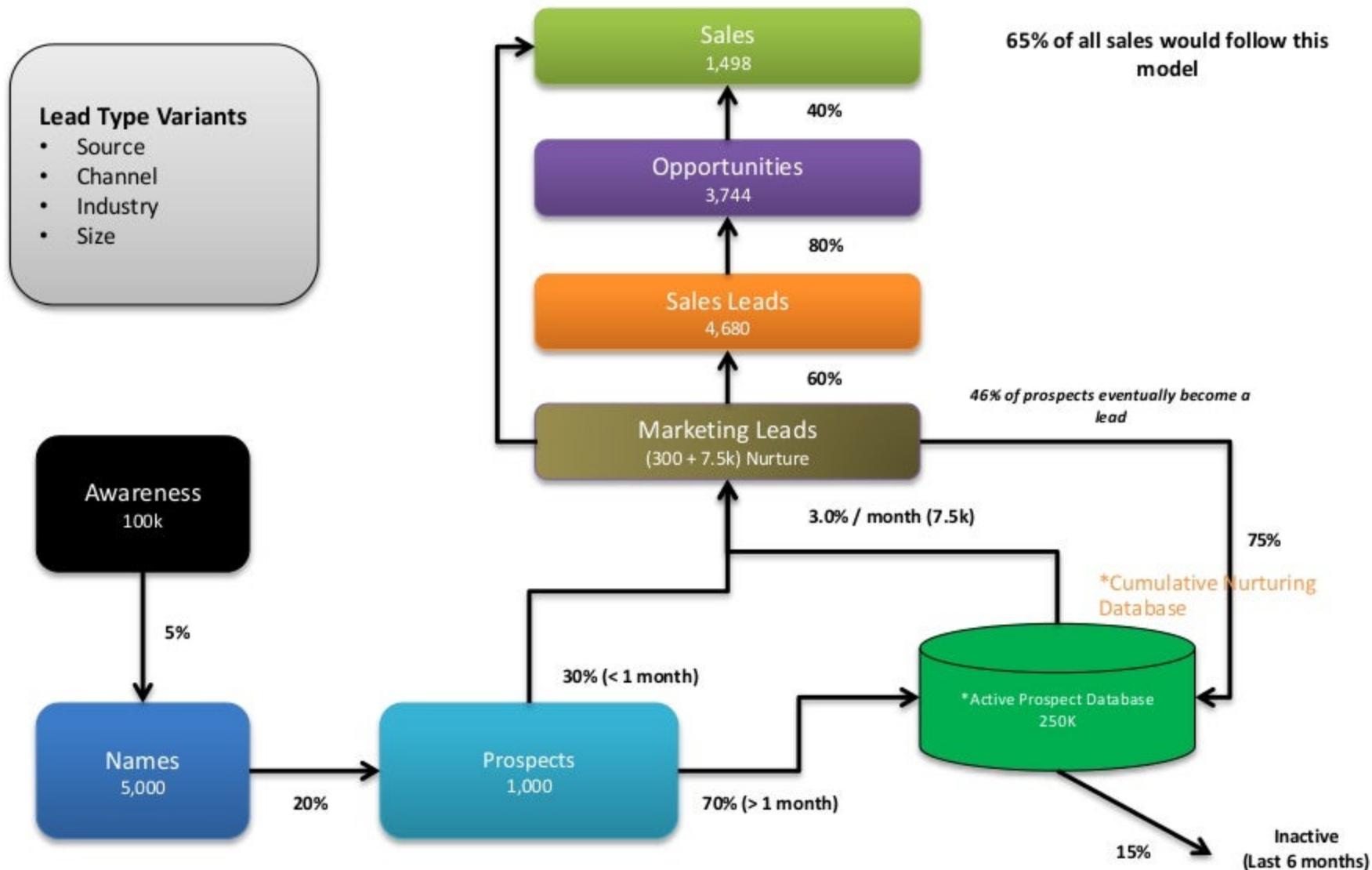
5. Information agenda

Revenue Performance Management

Marketing Automation Revenue Cycle Model - Example

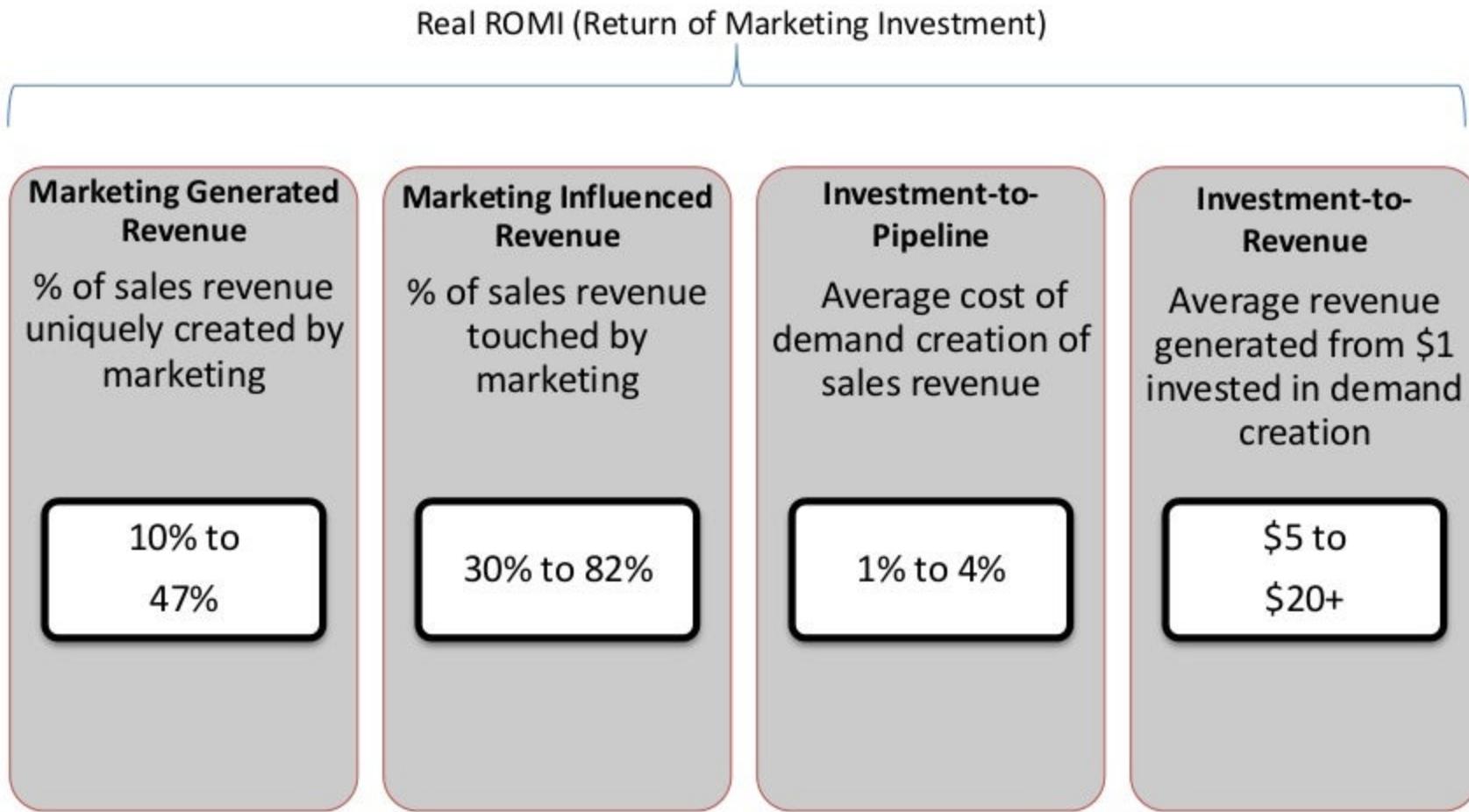


Revenue Cycle Model – Overview Example



Four KPI's Summarise Marketing Impact

There are really only four marketing KPI's or metrics you need to measure at an executive level other than CSAT (Customer Satisfaction) or NSAT (Net Customer Satisfaction):



*Cross-industry averages

Six Metrics Diagnose Marketing Opportunity

There are only six marketing KPI's or metrics you need to diagnose marketing opportunities created across your organisation:

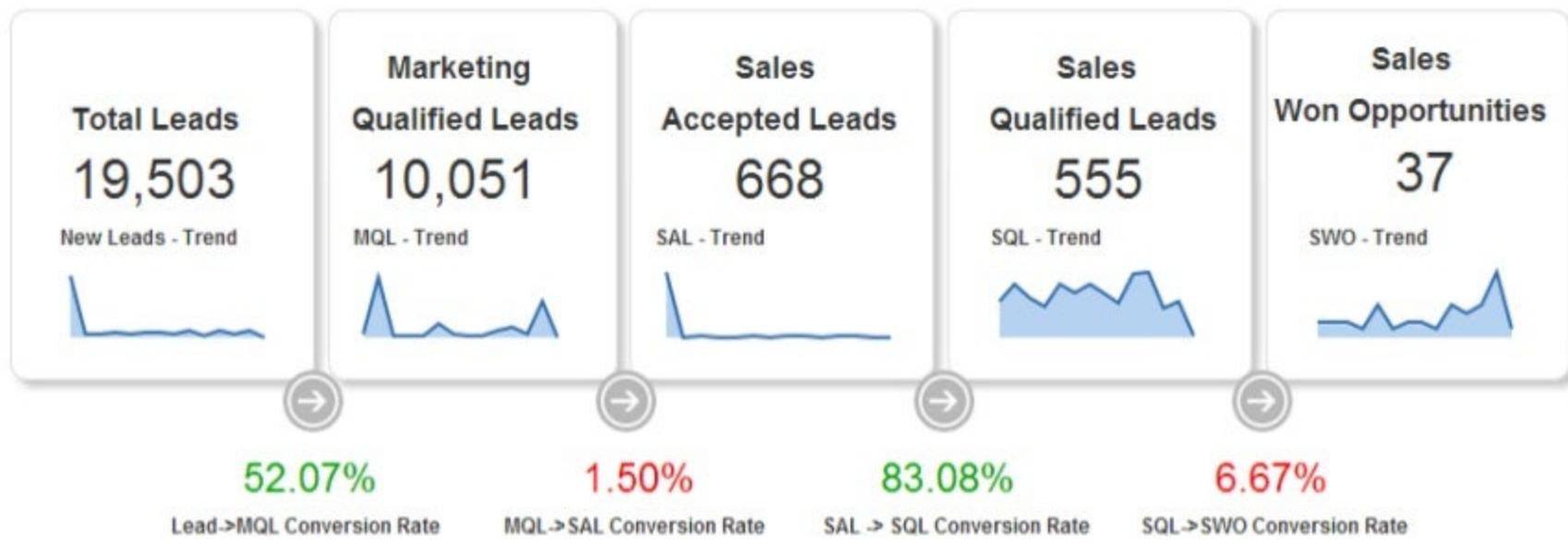
Database % database with bad/incomplete records	Inquiries Raw responders or hand raisers (Awareness to Names)	Marketing Qualified Leads (MQLs) Leads ready to be qualified (Contacts to Leads)	Sales Accepted Leads (SALs) Leads accepted by Sales	Opportunities (Sales Qualified Leads - SQLs) A lead that is opportunity in pipeline	Opportunity-to-Sale Leads that have closed
25%+	2-5%	4% to 8%	45% to 75%	45% to 60%	20% to 30%

*Cross-industry average conversion rates

Diagnostic Metrics - Example

Lead Funnel Progression

Displays how many of your Leads are converting into Marketing-Qualified Leads (MQLs), how many of your MQLs are converting into Sales-Accepted Leads (SALs), how many of your SALs are converting into Sales-Qualified Leads (SQLs), and how many of your SQLs are becoming actual Sales Won Opportunities (SWOs).



Closed Loop Analytics - Revenue Performance Management

File Help

Program Cost Member..

Program Cost Membership Dashboard

Cost Trend

No Filter in use Your report is ready. Actions ▾

Cost Month	Cost per Member	Cost per New Name	Cost per Success
2011 March	~10	~10	~10
2011 April	~20	~30	~20
2011 May	~20	~50	~20
2011 June	~50	~40	~120
2011 July	~70	~120	~130
2011 August	~80	~150	~130
2011 September	~140	~300	~230

Membership Trend

No Filter in use Your report is ready. Actions ▾

Cost Month	Members	New Names
2011 March	~100	~10
2011 April	~8,000	~3,500
2011 May	~7,000	~3,500
2011 June	~6,500	~2,500
2011 July	~1,000	~1,000
2011 August	~1,000	~500
2011 September	~500	~500

Program Cost to Membership

No Filter in use Your report is ready. Rows: 53 Columns: 7 Actions ▾

Program Name	Members	New Names	% New Names	Cost per Member	Cost per New Name	% Success (New Names)	Program Cost
B2B Marketer Revenue Rock Star Banner	348	173	49.71%	\$29.31	\$260	100.00%	\$45,000
B2B Marketing Conference	455	392	86.15%	\$21.98	\$26	59.95%	\$10,000
ClickZ Revenue Masters	330	233	70.61%	\$24.24	\$34	60.05%	\$8,000
Cloudforce New York	995	777	78.09%	\$10.05	\$13	59.97%	\$10,000
CMO Council	496	291	58.67%	\$40.32	\$68	60.14%	\$20,000
CMO World	254	169	66.54%	\$159.45	\$240	59.76%	\$40,500
Content Marketing Best Practices	800	457	57.13%	\$6.25	\$11	59.96%	\$5,000
Customer Think Sponsorship	184	153	83.15%	\$32.61	\$39	100.00%	\$6,000
Demandbase	320	264	82.50%	\$25.00	\$30	59.85%	\$8,000
DemandGen Conference	0	0	N/A	N/A	N/A	N/A	\$8,000
Destination CRM	560	175	31.25%	\$12.50	\$40	100.00%	\$7,000
Dreamforce	1244	256	20.58%	\$60.29	\$293	60.16%	\$75,000

Closed Loop Analytics - Revenue Performance Management

Lead Source	Total Leads	Prospects	Leads	Has Opty	Total Opty Amount	Won	Total Won Amount
Leads by Lead Source							
Trade Show	2,487	548	278	76	407,848.75	10	60,048.00
Sponsorship	2,269	344	96	18	106,000.00	6	56,520.00
Online Ad	1,783	747	382	62	531,520.33	23	135,032.33
Website	1,689	967	789	189	1,136,211.45	67	471,455.08
PPC	795	256	162	30	137,351.00	9	68,076.00
Employee Referral	638	73	40	18	161,060.00	2	15,000.00
List Purchase	500	40	4	1	1,475.00	0	0
Sales Outbound	344	189	74	18	132,236.50	2	12,350.00
AppExchange	281	182	147	45	258,978.75	24	167,474.00
Content Syndication	270	84	29	0			0
Partner	268	123	48	27	208,414.75	4	38,300.00
Blog	227	121	86	8	16,800.00	3	12,000.00
Google AdWords	165	65	42	2	8,340.00	1	1,500.00
Inbound Call	57	46	40	28	129,650.00	7	46,310.00
Web Referral	44	26	21	2	7,450.00	0	0
Customer referral / WOM	39	28	19	12	51,905.75	4	30,250.50
Web Direct	37	20	18	1		0	0
Organic - Google	24	15	15	1		0	0
Organic - Yahoo	2	2	2	0			0
Total:	11,919	3,876	2,292	538	3,295,240.28	162	1,114,315.91

Closed Loop Analytics - Channel performance & Velocity

LEAD SOURCE	CONVERSION RATIO (ALL TYPES)	AVG TRANSITION TIME (DAYS)	FLOW
Website	47.77%	14	2465
Online Ad	13.87%	29	1736
Trade Show – Virtual	11.67%	54	1362
Trade Show	14.49%	37	946
AppExchange	50.88%	15	464
Webinar	17.03%	38	418
Alliance	36.95%	37	313
PPC_GS_US	43.48%	13	260
Not Available	26.32%	4	234
Sponsorship	5.44%	70	229
Partner	8.82%	55	164
Content Syndication	10.04%	37	133
Web Direct	30.83%	44	115
Organic – Google	44.84%	24	113
Web Referral	51.63%	40	111

Marketo

Source	Prospects	Cost	% Lead	Velocity (Days)	Lead to Opp Index
Trade Show – Virtual	3,793	\$25.44	17%	81	1.0
3rd Party Email Blast	3,302	\$34.65	18%	43	0.5
Trade Show	2,703	\$221.30	23%	61	1.9
Paid Webinar	1,760	\$68.50	21%	60	1.0
PPC	990	\$158.10	45%	42	1.4
Content Syndication	536	\$82.84	12%	59	0.3
Other Paid	208	\$187.50	13%	93	1.3
Website	2,871		58%	27	2.6
Sales Prospecting	1,888		26%	46	2.2
Partner Co-Marketing	903		17%	102	1.1
AppExchange	353		78%	37	3.4
Referral	80		36%	12	1.0
Other Inbound	370		100%	19	9.0

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Page 11

Closed Loop Analytics - Single view of customer

Marketto

Martin Walsh – Macquarie Telecom

Lead Info	Company Info	Opportunity Info	SFDC Lead Field	SFDC Custom Fields	Activity Log
Filter: Name: *					
ID	Date/Time (EST)	Activity Type	Detail		Campaign Name
Date: Mar 30, 2012 (5 Items)					
5668430	Mar 30, 2012 01:57 PM	Sync Lead Updates to SFDC	Martin Walsh		
5668425	Mar 30, 2012 01:57 PM	Interesting Moment	Web: Visited Webpage: CLOUD HOSTING		CLOUD HOSTING
5668423	Mar 30, 2012 01:57 PM	Visit Webpage	www.macquaritelcom.com/coud_hosting.html		
5668421	Mar 30, 2012 01:57 PM	Click Link	www.macquaritelcom.com/coud_hosting.html		
5668420	Mar 30, 2012 01:57 PM	Visit Webpage	www.mwtmacquaritelcom.com/		
Date: Mar 27, 2012 (6 Items)					
5664706	Mar 27, 2012 09:42 PM	Sync Lead Updates to SFDC	Martin Walsh		
5664700	Mar 27, 2012 09:39 PM	Interesting Moment	Web: Visited Webpage: DATA & INTERNET - Managed WAN Optimisation		DATA & INTERNET - Managed WAN Optimisation
5664700	Mar 27, 2012 09:39 PM	Click Link	www.macquaritelcom.com/_linkClick.aspx		
5664707	Mar 27, 2012 09:38 PM	Visit Webpage	www.macquaritelcom.com/data_internetmanaged_wan_optimisation.html		
5664706	Mar 27, 2012 09:38 PM	Visit Webpage	www.macquaritelcom.com/about_us/contact_us/sales.html		
5664705	Mar 27, 2012 09:38 PM	Visit Webpage	www.macquaritelcom.com/data_internetmanaged_wan_optimisation.html		
Date: Mar 19, 2012 (1 Item)					
5659467	Mar 19, 2012 03:54 PM	Change Segment	Default		Update Segmentation [1002 1002]
Date: Mar 14, 2012 (1 Item)					
5333357	Mar 14, 2012 02:54 PM	Change Segment	Default		Update Segmentation [1002 1002]
Date: Mar 13, 2012 (2 Items)					
5101980	Mar 13, 2012 09:33 PM	Visit Webpage	www.macquaritelcom.com/		
5101980	Mar 13, 2012 06:46 PM	Visit Webpage	www.macquaritelcom.com/		
Date: Mar 8, 2012 (4 Items)					
5025390	Mar 8, 2012 09:12 PM	Sync Lead Updates to SFDC	Martin Walsh		
5025390	Mar 8, 2012 09:06 PM	Visit Webpage	www.macquaritelcom.com/about_us/latency_residency.html		
5025390	Mar 8, 2012 09:05 PM	Interesting Moment	Web: Visited Webpage: WHY MT - Data Residency		WHY MT - Data Residency
5025390	Mar 8, 2012 09:05 PM	Visit Webpage	www.macquaritelcom.com/aboutus/latency_residency.html		

Closed Loop Analytics - Single view of customer

Sales Insight

 **Marketo Sales Insight** Help ?

Priority: 

Actions:

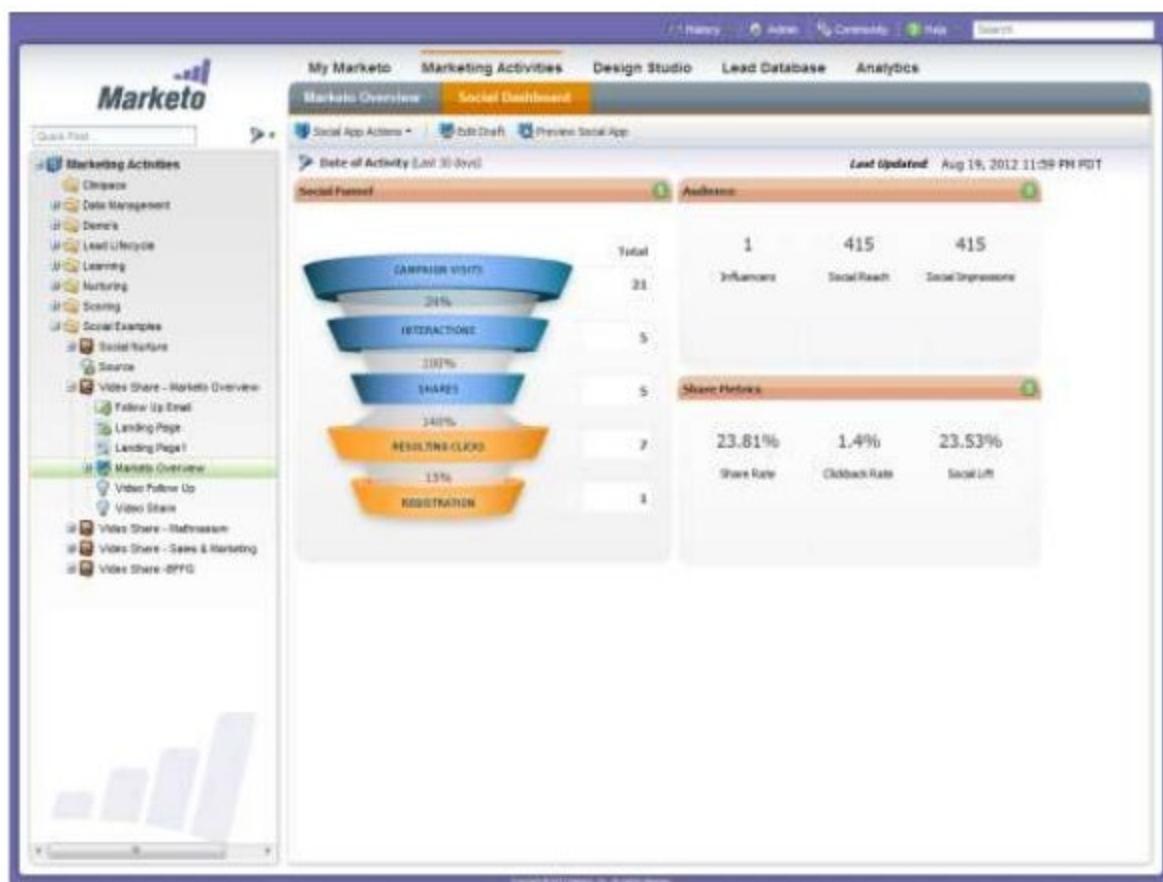
Interesting Moments [Web Activity](#) [Score](#) [Email](#)

Interesting Moment	Date
Web: Filled Out Form: Data Centre - Whitepaper - November 2011.Form	20/02/2012 10:14 PM
Search: Search Engine: Google with Search Query: riverbed mwo	8/02/2012 9:38 PM
Search: Search Engine: Google with Search Query: ozhub	4/01/2012 7:27 PM
Web: Filled Out Form: Macquarie Telecom Christmas Party 2011.RSVP Form	25/11/2011 3:20 PM
Email: Opened Email: Macquarie Telecom Christmas Party 2011.Invitation Email	11/11/2011 3:40 PM
Email: Clicked Link in Email: Macquarie Telecom Christmas Party 2011.Invitation Email Link: http://info.macquarietelecom.com/MacquarieTelecomChristmasParty2011_Registration_Page.html	11/11/2011 3:40 PM
Email: Opened Email: Thank You Cocktail Party.Reminder to Respond (Invited, Not Responded)	2/11/2011 4:16 PM
Email: Clicked Link in Email: IC2 Seminar - 2011.IC2 Seminar Invite - VMware leads Link: http://www.macquarietelecom.com/	27/10/2011 2:39 PM
Email: Opened Email: IC2 Seminar - 2011.IC2 Seminar Invite - VMware leads	27/10/2011 1:49 PM
Email: Opened Email: VForum Pre-Event Prospect.Customer Email	17/10/2011 5:50 PM

[Go to list \(13\) >](#)

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Social Analytics



Email Analytics

Marketto // History Admin My Community Help Search

My Marketo Marketing Activities Design Studio Lead Database Analytics

Email - Nurture Program Report Smart List Setup Subscriptions

New Report Actions Date of Activity: This Year (Jan 1, 2012 - Dec 31, 2012 PDT); Emails Smart List: no rules

Email - Nurture Program

Test of reporting for Nurture Email Performance

Report View or export your report

Smart List Define the Smart List for this report

Setup Configure the report settings and filters

Subscriptions Receive the report by email

EMAIL ACTIVITY Default

Activity	Count
Send Email	25
Email Delivered	25
Email Bounced	1
Email Bounced-Soft	0
Open Email	5
Click Email	25
Unsubscribe Email	0

This Year (Jan 1, 2012 - Dec 31, 2012 PDT)
Updated Aug 16, 2012 8:20 PM PDT

Full Screen Export

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A/B Testing - Email, Landing Page and Forms

Market

My Marketo Marketing Activities Design Studio Lead Database Analytics

Landing Pages LandingPage_ABTest

New AB Test Group Actions Report Settings

LandingPage_ABTest

Status: Draft

Type: Landing Page Test Group

Redirect Rule: None

URL: http://demo.loopsmedia.com/Land

View Approved Page

a b

Group Members

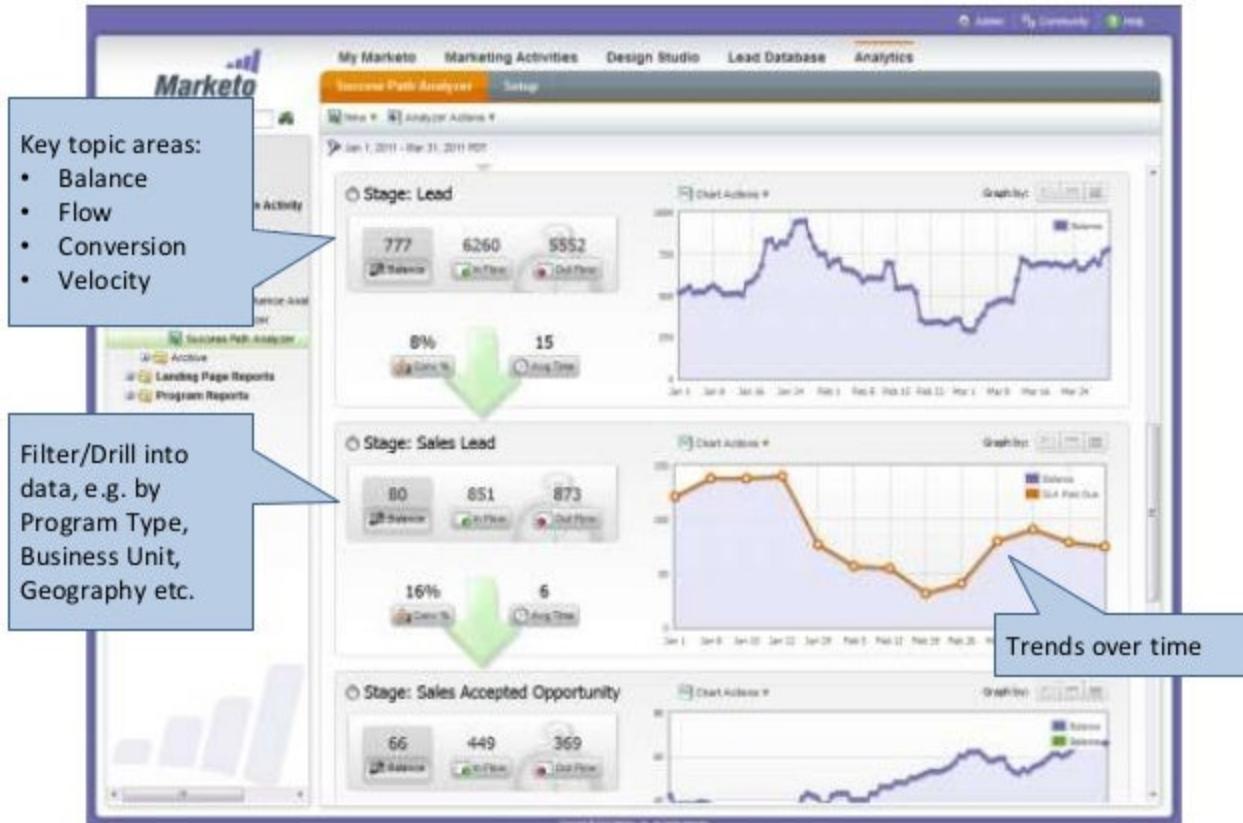
All Time Tested Page Actions

Page Name	Appr...	Views	Conversi...	Conversio...
LandingPageA	432	22		
LandingPageB	432	9		
Total:	864	31		

Refresh Export

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Revenue Cycle Analytics – Flows, Velocity, Conversions



- Key topic areas:
- Balance
- Flow
- Conversion
- Velocity

Filter/Drill into data, e.g. by Program Type, Business Unit, Geography etc.

Measure key metrics associated with each stage of the marketing & sales funnel:

- Balance of leads in stage
- In flow
- Out flow
- Conversion rate
- Velocity (time in stage)

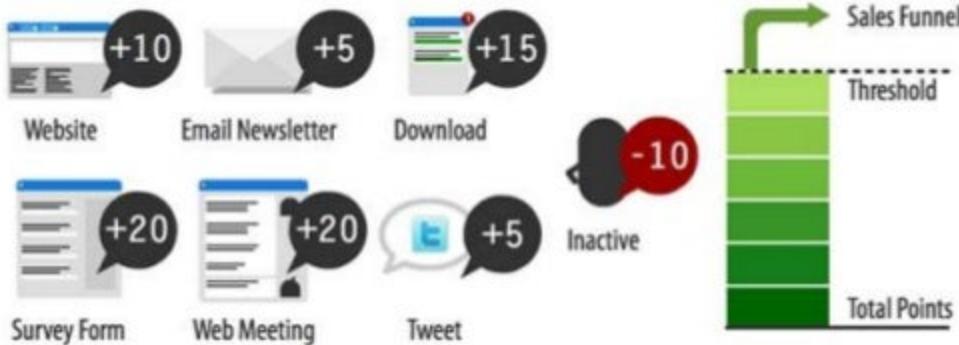
Trends over time

Then have the ability to filter this information by campaign, products, business unit, demographics, geography etc.

Lead Scoring

Marketing Automation - Lead Scoring

Lead Scoring



- Lead scoring ranks a prospect or lead's level of interest and sales readiness according to a pre-determined **scoring methodology**.
- **Marketing communications** are customised to match the prospects characteristics and degree of sales-readiness.
- Every **activity** the prospects or lead does is given a **score**.
- When the scores reach a pre-determined **threshold**, the prospect or lead is deemed **Marketing Qualified** and therefore sales-ready and transferred to the sales team.

Marketing Automation - Lead Scoring

	Explicit	Inferred
	What the prospect tells you	What you observe or infer
Fit Are you interested in them? <i>Positive + Negative Factors</i>	<ul style="list-style-type: none"> Demographics (title) Firmographics (size) 	<ul style="list-style-type: none"> Data append Data quality Corporate email Geo Location
Interest Are they interested in you?	<ul style="list-style-type: none"> BANT 	<ul style="list-style-type: none"> Behaviors (engagement) Social activity "Act Now" behaviors

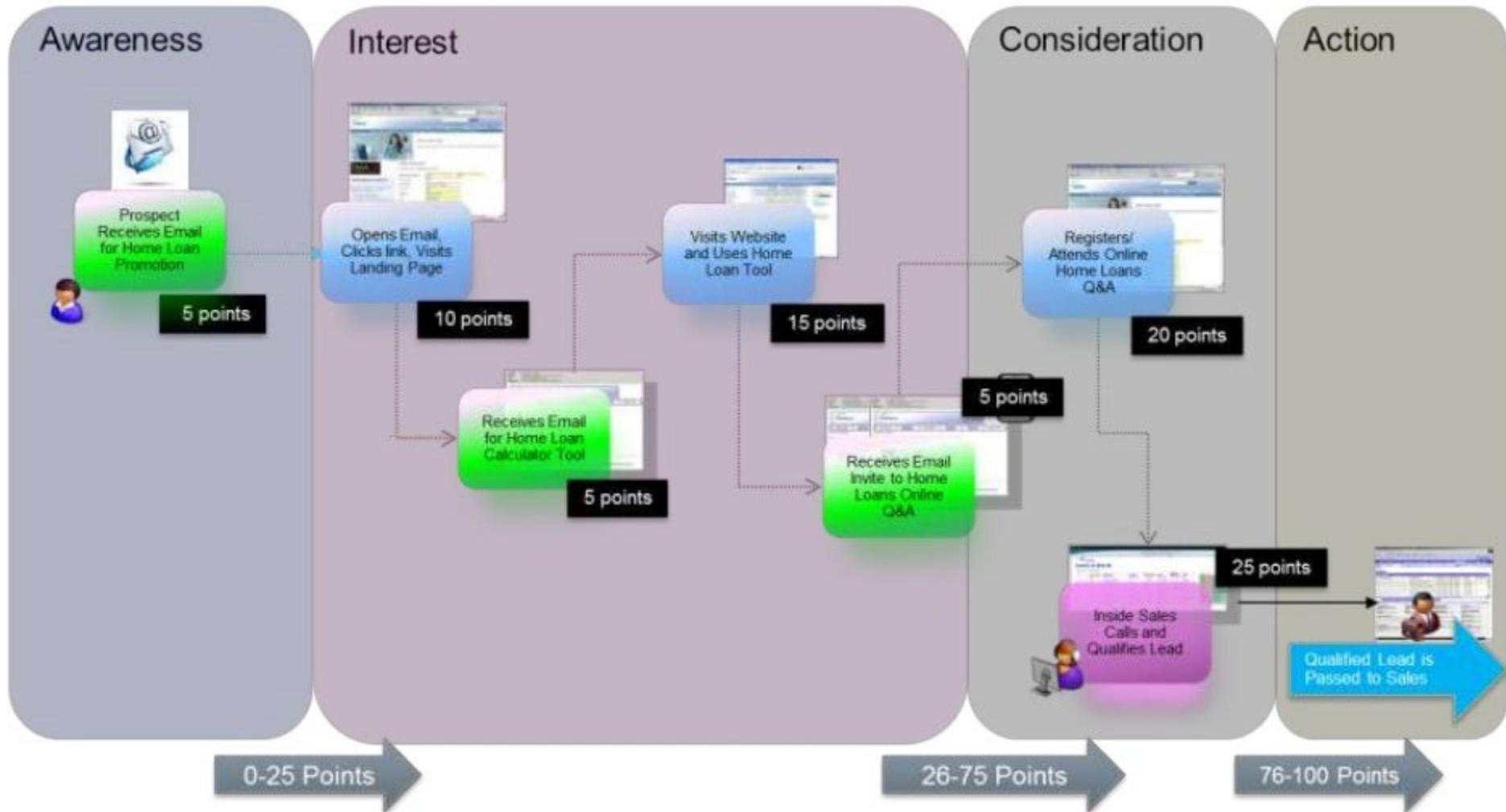
Scoring Based on Content

VISITOR	CLICKED LANDING PAGE (Score 5)	TIME ON LANDING PAGE (Score 5 if >= 10 sec)	VIEWED PRODUCT PAGES OR CASE STUDIES (5 each)	VIEWED CASE STUDIES (5 each)	WHITEPAPER DOWNLOAD (Score 10)	TIME ON SITE (Score 10 if >= 2 min)	SCORE
1	5	5	15	10	10	10	55
2	5	5	0	0	10	0	20

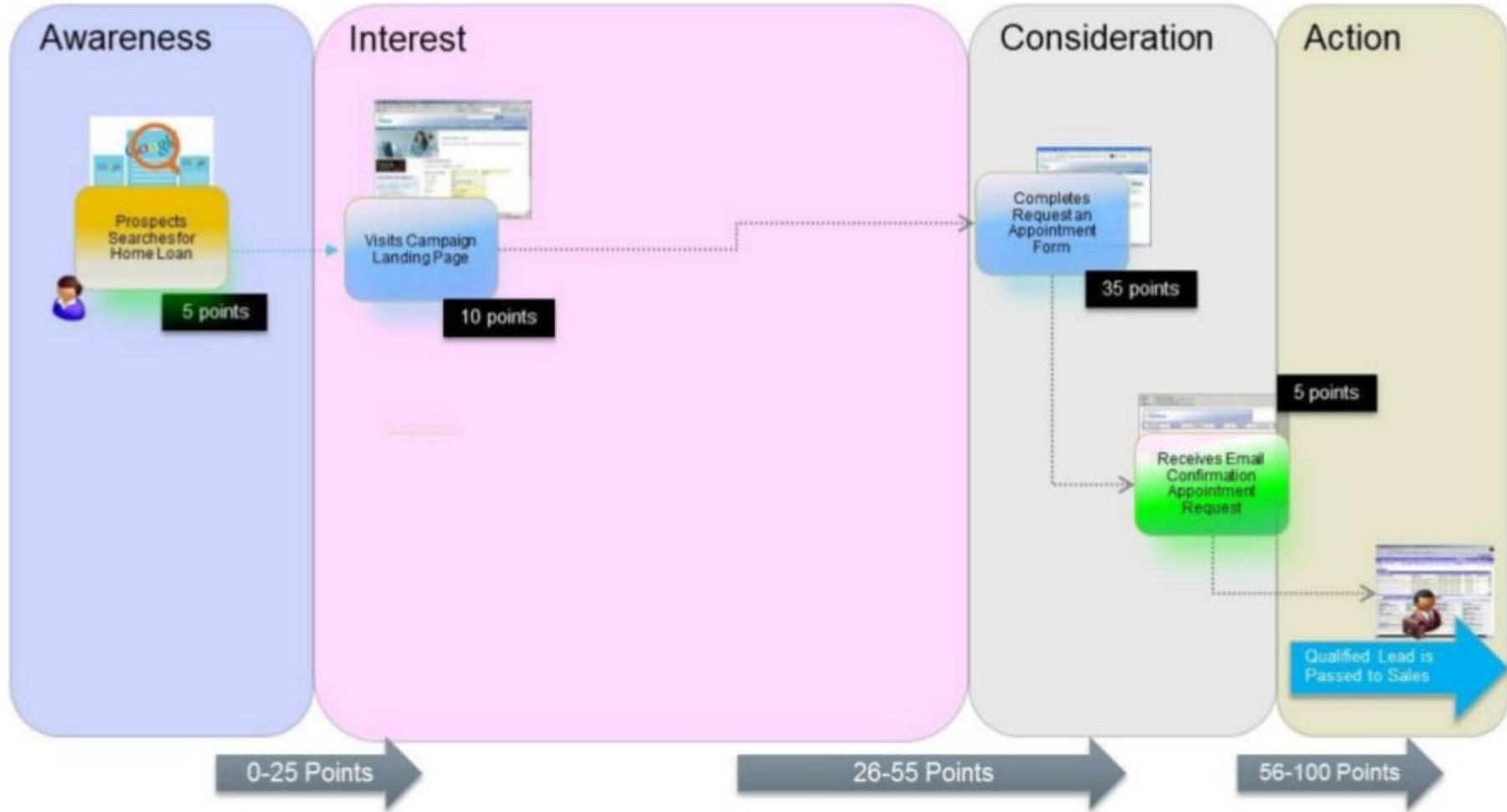
Sample of Scoring

LEAD SCORE	PRIORITY LEVEL	MARKETING OR SALES ACTION
0-40	Suspect	Nurturing activities by Marketing
41 - 60	Lead	Move to Telemarketing for qualification or nurture with buy cycle content
61+	Sales Ready Lead	Send to Sales

How Lead Scoring Works in an Automated Marketing Context



How Lead Scoring Works in an Automated Marketing Context



Content & Behavioural Scoring – Active vs Latent Behaviour

Content Scoring Attributes

Point Attribution for Content

Content	Less Point Attribution	More Point Attribution
Webinar	Registering for the webinar	Watching the webinar
Demo	Viewing the demo web page	Watching the demo
eBook	Downloading the eBook	Clicking a link from inside the eBook
Email	Opening the email	Forwarding the email to a friend
Widget	Interacting with the widget	Putting the widget on the prospect's website

Example of Active vs Latent Behaviour.
Two different prospects with same score
but with different behaviour and time.

Active and Latent

Activity	Behavioral Points Earned
Lead 1: Crissy – Active	
Today	Download a sample RFP
Yesterday	Watched a demo
5 days ago	Visited a pricing page
10 days ago	Visited trade show booth
	36
Lead 2: Jen – Latent	
Last week	Downloaded a white paper
Last month	Downloaded a white paper
2 months ago	Checked link in email
3 months ago	Checked link in email
3 months ago	Checked link in email
3 months ago	Viewed 5 web pages
4 months ago	Downloaded a white paper
4 months ago	Registered for a webinar
4 months ago	Viewed 4 web pages
5 months ago	Attended a webinar
6 months ago	Registered for a webinar
	36

Explicit & Implicit Data

Explicit: What a prospect tells us / what we know

Scoring Demographics – Our Example		
Attribute	Value	Scores
Critical: {10-15 points}		
Title	Director or VP	+12
Industry	Healthcare, Financial, or High Tech Industry	+10
Purchase Authority	Decision Maker	+15
Company Revenue	Greater than 500 Million	+10
Product	Using competitive solution	+15
Timeline	Identified, less than 3 months	+12
Important: {5-9 points}		
Location	US	+8
Company Revenue	100 Million to 499 Million	+8
Title	Manager	+7
Timeline	Identified, more than 3 months, less than 8 months	+5
Influencing: {1-4 points}		
Location	English Speaking, Non US	+4
Timeline	Identified, more than 8 months	+3
Title	Analyst, Coordinator, or Specialist	+6
Company Revenue	Less than 100 million	+1
Negative:		
Title	Student	-15
Title	Consultant	-5
Industry	Services	-6
Industry	eCommerce	-10
Location	Non English Speaking Country	-10

Implicit: What a prospect does

Scoring Behaviors – Our Example		
Behavior	Scores	
Critical: {10-15 points}		
Visits pricing pages	+10	
Downloads Marketo reviews	+12	
Timeline < 3 months	+15	
Watches demos	+5 overview demo +10 detailed demo	
Important: {5-9 points}		
Downloads buyers guides	+8	
Downloads data sheets	+8	
Searches for "Marketo"	+8	
Heavy web activity	+5	
Influencing: {1-4 points}		
Watches any webinar	+4	
Downloads any white paper	+2	
Watches any video	+2	
Visits any web page	+1	
Bad Behavior: (-negative points)		
Email unsubscribe	-10	
No website activity for one month	-5	
Added to "Do Not Call" list	-5	
Negative social media comment	-4	
Visits career page	-2	
Visits investor page	-2	

Content Scoring and Optimisation

Example: New Opportunities This Quarter – Interaction with our Online Assets

Asset	% of Opportunities
Pricing Details Page	95
Contact Us Page	91
Case Study + Contact Us Page	89
Pricing Page	87
State of the Industry - Analyst Report	77
Case Study	33
Webinar	15
Careers Page	12

Constantly reviewing what content works throughout the funnel.

In this example, 95% of all opportunities visited the 'Pricing Details Page'.

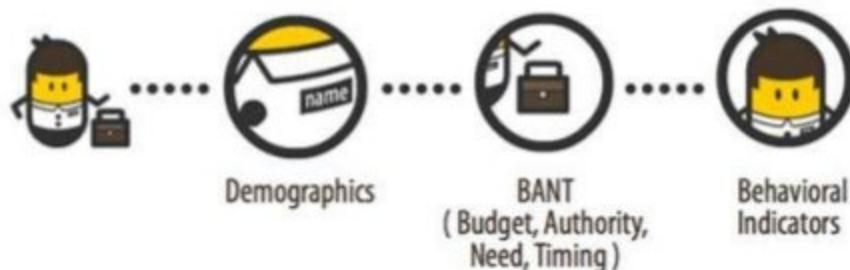
You could look at all of your content and see whether Leads, Opportunities or importantly Conversions/Sales and viewing / engaging with it and when.

Social Scoring



Marketing Automation – Prospect / Lead Characteristics

Lead Characteristics

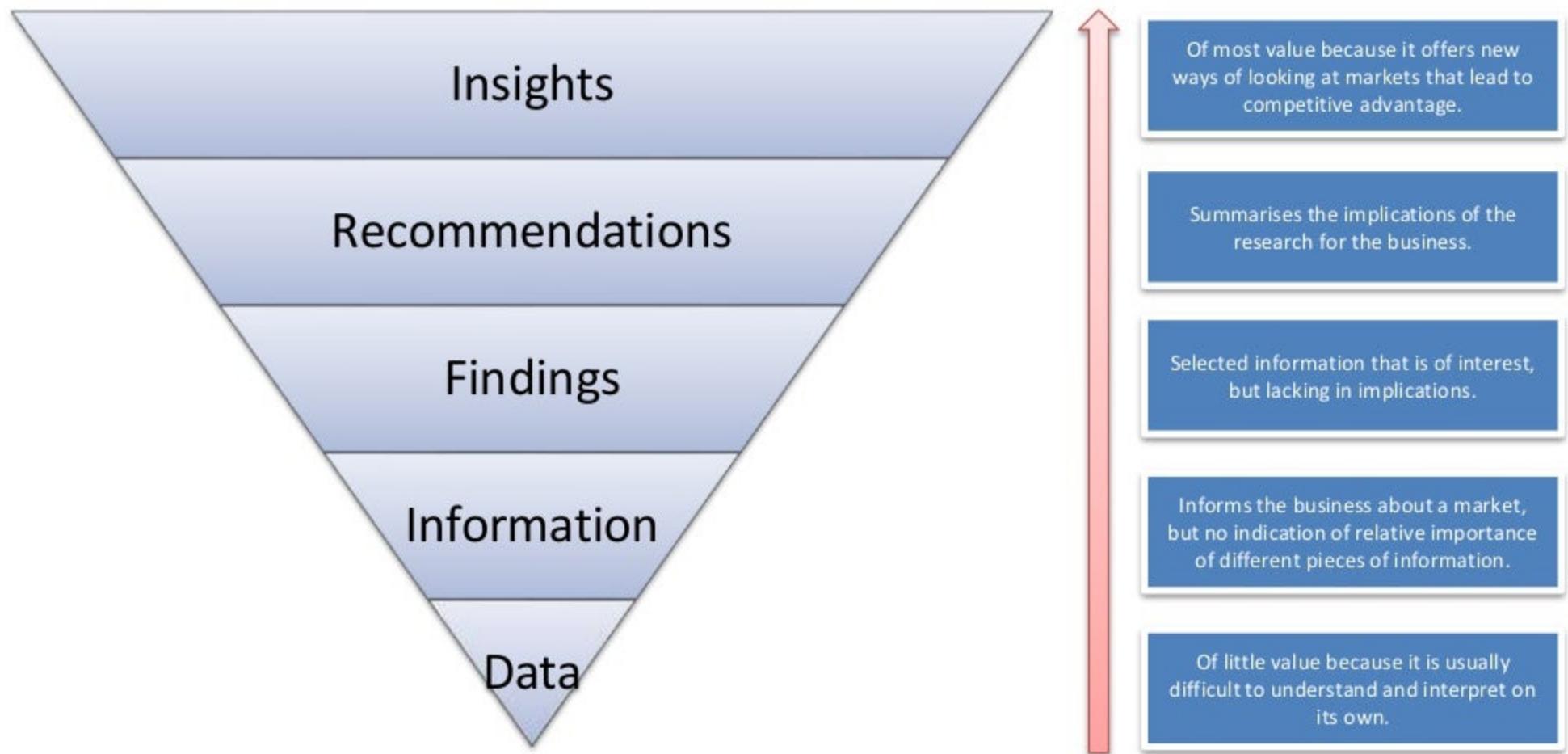


- There are three Qualification Characteristics; **Demographics**, **BANT** (Budget, Authority, Need, Timing) and **Behavioural Indicators**.
- Characteristics are **critical signifiers** that determine the **sales-readiness** of a prospect or lead.

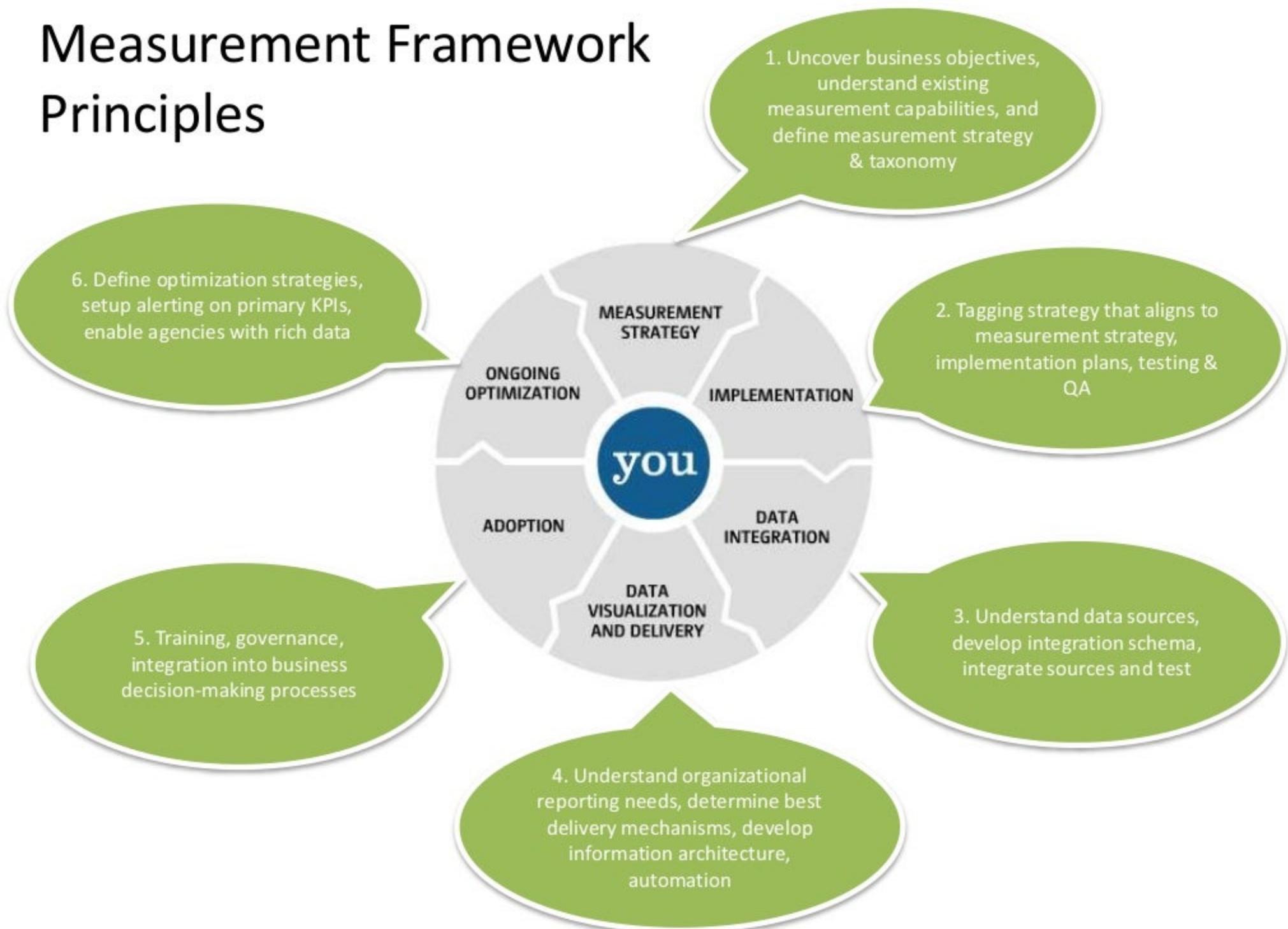
A Digital Measurement Framework Objective

Is to ensure a common, base-level of understanding of the metrics, technology, tools and processes that support Measurement, Reporting, Testing and Optimisation

Your Framework Must Be Focused on Identifying Insights Which Connect to their Desired Outcomes



Measurement Framework Principles

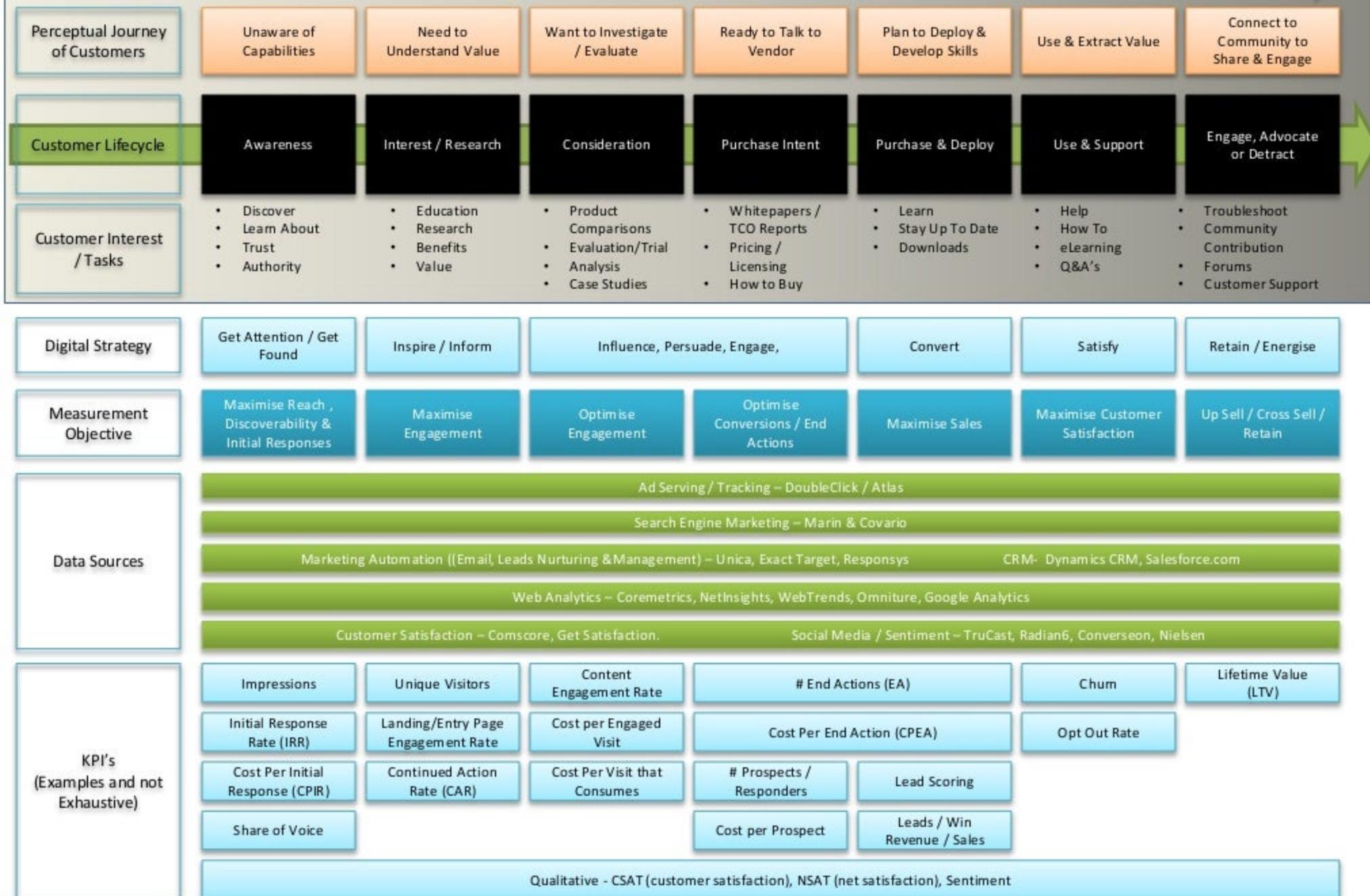


Conceptual Digital Measurement Framework Outline

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Customer Lifecycle (B2B)

Post Sales



ROMI (Return On Marketing Investment)

- It is critical that an organisation develop a framework for measuring the contribution of marketing investment to the organisation as well as its ROI.
- A ROMI framework ensures the whole organisation is on the same page, measuring the same things the same way at the right time with the same tools and appropriate expertise.

ROMI (Return On Marketing Investment)

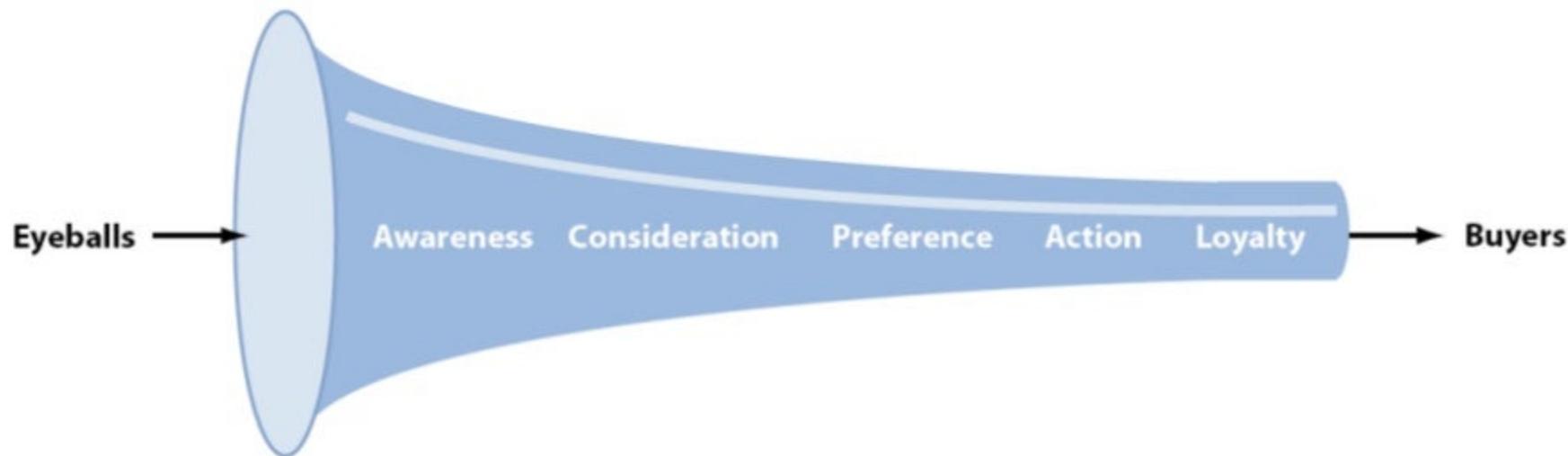
1. ROMI (Return on Marketing Investment) should be a company-wide project to ensure that you maximize your commercial marketing investment.
2. The project requires leadership commitment & guidance to drive sustainable process, infrastructure, organizational, and cultural growth. Company-wide means across Business Groups, Segments, Sales, Finance, HR and Marketing in both CHQ & the Field.
3. ROMI is the vehicle that brings together the executive team, project managers, subject matter experts (SMEs), communications, and change management required to transform innovative, bold ideas into real solutions that are broadly adopted.
4. ROMI is the fusion of art and science in Marketing.

The End Vision for ROMI

- The end vision for ROMI is that your organisation has greater visibility into the effectiveness of its marketing investment.
- The organisation must enable marketing to be more accountable through objective-based measurement.
- The organisation must ensure that its marketing disciplines, processes, metrics, tools and organizational structure are better aligned so that it has the infrastructure and capability in place to deliver great marketing.
- Underlying this entire vision must be a commitment from the organisation to improve customer and partner satisfaction.

Traditional Marketing Models Fail to Model Complex Buying Paths

1-1 The traditional marketing funnel



Traditionally, marketers modeled customers' decisions as they progressed from awareness through consideration, preference, action, and loyalty — through what is called the marketing funnel. The marketer's job was to move people from the large end down to the small end. But now it's time for a rethink, as the funnel has outlived its usefulness as a metaphor. Face it: Marketers no longer dictate the path people take, nor do they lead the dialogue. We must rethink the marketing funnel because:

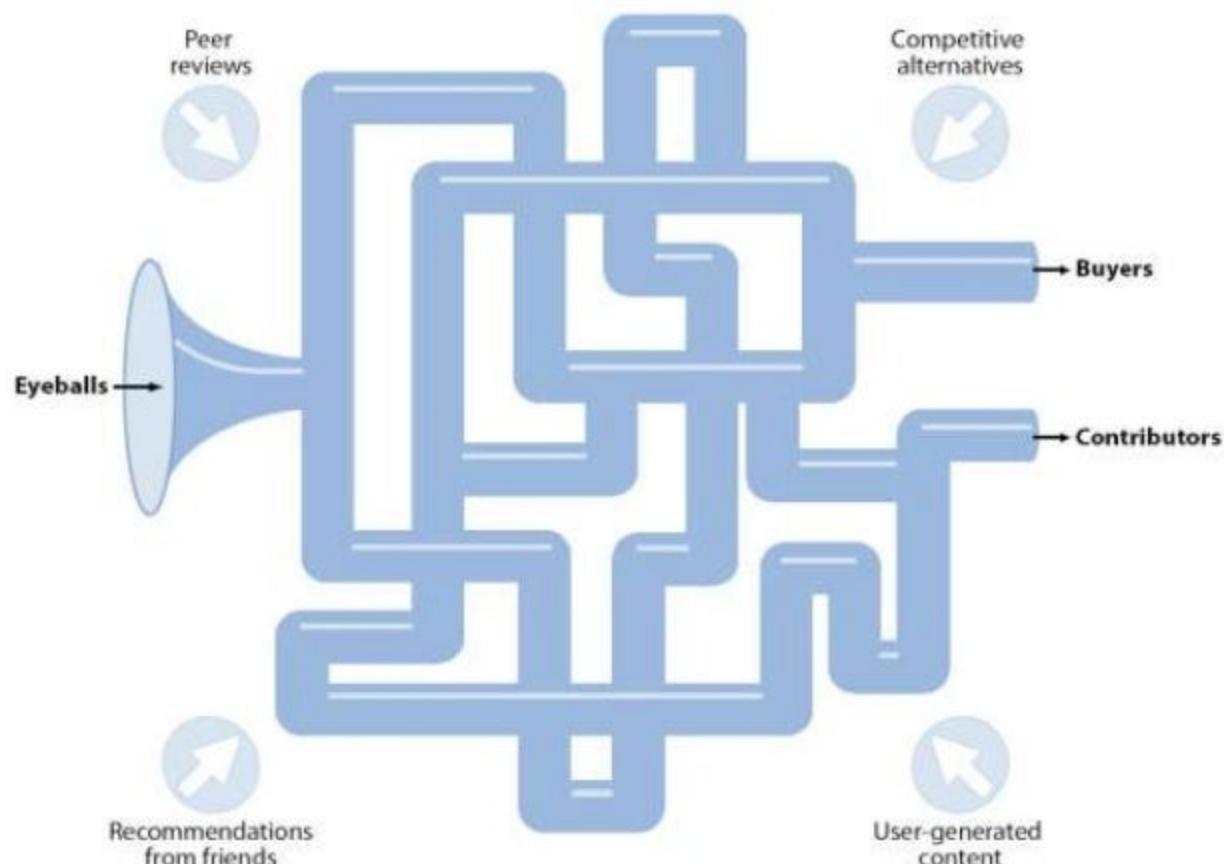
- Complexity reigns in the middle of the funnel.
- The most valuable customer isn't necessarily someone who buys a lot.
- Traditional media channels are weakening.
- Consumers force brand transparency.

Traditional Marketing Models Fail to Model Complex Buying Paths

- Complexity reigns in the middle of the funnel. Awareness is still important; you need to know that a product or service exists in order to buy it. And the marketer's endpoint is still a transaction. But, in between, other factors such as recommendations from friends or family, product reviews, and competitive alternatives described by peers influence individuals. The funnel's consideration, preference, and action stages ignore these forces that marketers don't control. Rather than a clean linear path, the real process looks more like a complex network of detours, back alleys, alternate entry and exit points, external influences, and alternative resources.
- The most valuable customer isn't necessarily someone who buys a lot. In this socially charged era in which peers influence each other as much as companies do, good customers can't be identified solely by their purchases. Companies also need to track individuals who influence others to buy. For example, a customer who buys very little from you but always rates and reviews what she buys can be just as valuable as someone who buys a lot — her reviews might influence 100 other people to buy your product. Tracking only transactions and loyalty at the end of the funnel misses this significant element of influence.
- Traditional media channels are weakening. Marketers continue to use mainstream media messages to move consumers into a consideration frame of mind. But passive consumption of media is waning. Individuals dismiss or ignore marketing messages in lieu of information available from an ever-increasing number of resources, such as product review sites, message boards, and online video.

Today's Complex Buying Paths

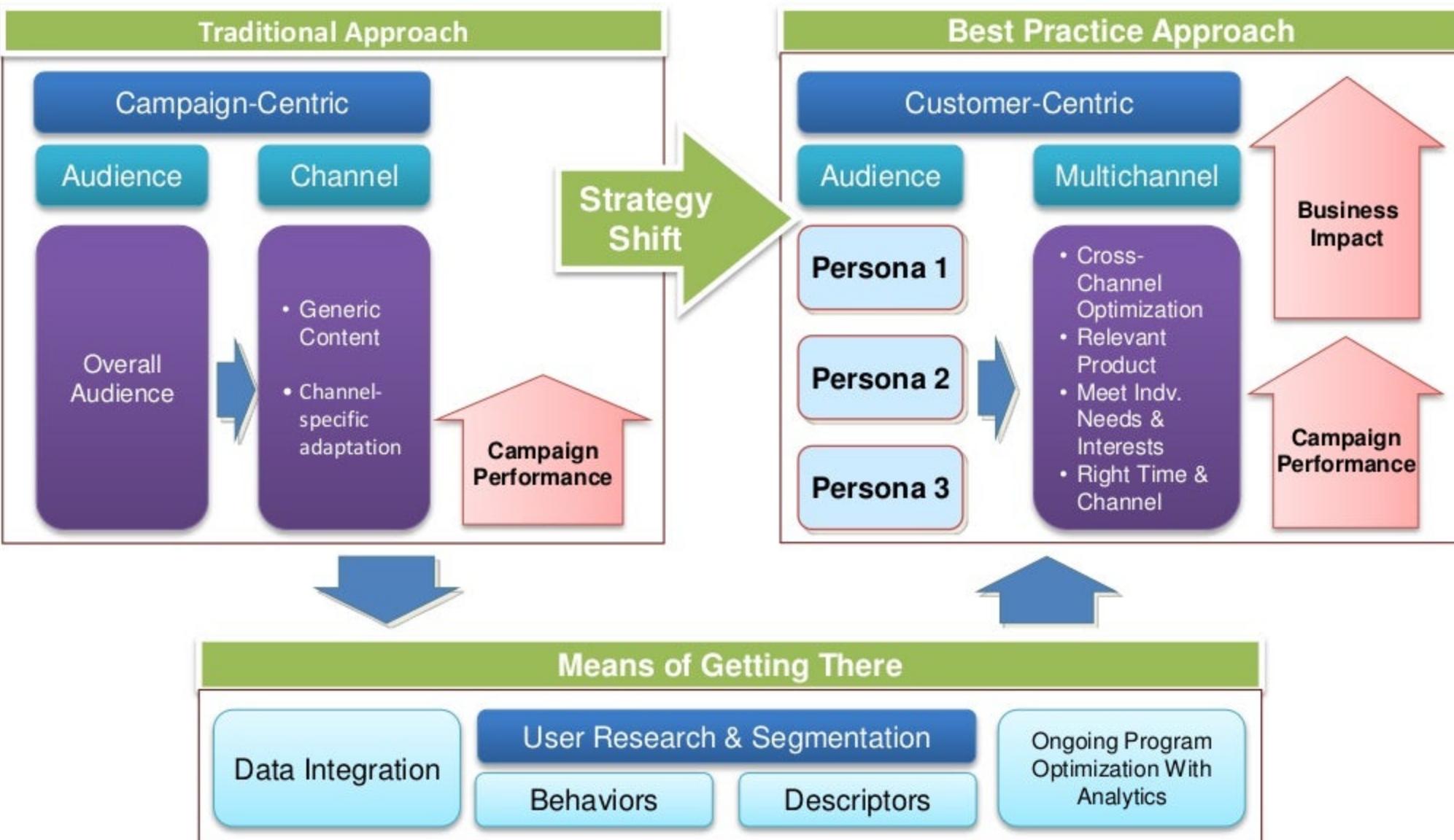
1-2 Complexity lies at the center of the marketing funnel



Marketing complexity means that traditional methods and metrics fail to address and capture the whole story. Online metrics like unique visitors to a Web site, number of pages viewed, and time spent per page mimic offline media metrics of reach and frequency. But traditional marketing and traditional measurement doesn't address or indicate the engagement of an individual; they fail to address or capture the sentiment, opinion, and affinity a person has towards a brand as manifested in ratings, reviews, comments in blogs or discussion forums, or the likelihood to recommend to a friend.

Marketing Leadership: Strategy

Your Organisation Must Move Beyond Campaign-Centricity and Take a Customer-Centric Approach to Digital Marketing:



But first.....

Digital Marketing: Some Quick Definitions

There is still genuine confusion about the simplest, most foundational, parts of digital metrics / analytics across organisations:

1. Business Objectives
2. Goals
3. Metrics
4. Key Performance Indicators
5. Targets
6. Dimensions
7. Segments

Digital Marketing: Some Quick Definitions

1. Business Objectives

90% of the failures in web analytics, the reasons companies are data rich and information poor, is because they don't have DUMB objectives.

Or they have just one (DUMB) Macro Conversion defined and completely ignore the Micro Conversions and Economic Value.

DUMB:

- Doable.
- Understandable.
- Manageable.
- Beneficial.

Digital Marketing: Some Quick Definitions

2. Goals

Business objectives can be quite strategic and high level. *Sell more stuff. Create happy customers. Improve marketing effectiveness.*

Goals are the next level drill down. It goes something like this. . .

Sell more stuff really means we have to:

1. do x
2. improve y
3. reduce z

The beauty of goals is that they reflect specific strategies. They are really DUMB. They are priorities. They are actually things almost everyone in the company will understand as soon as you say them.

Digital Marketing: Some Quick Definitions

3. Metrics

A metric is a number. That is the simplest way to think about it.

Technically a metric can be a Count (a total) or a Ratio (a division of one number by another).

- Examples of metrics that are a Count is Visits or Pageviews.
- Examples of a Ratio is Conversion Rate (a quantitative metric) or Task Completion Rate (a qualitative metric).

The image shows two side-by-side screenshots of web analytics reporting interfaces. On the left is the Google Analytics 'Custom Report Wizard' interface, showing a list of metrics like Avg. Time on Page, Pageviews, and Unique Pageviews. On the right is the Yahoo! Web Analytics 'Custom Report Wizard' interface, showing a list of metrics like Active per daily unique visitor, Action per page view, and Internal Conversion Rate. Both interfaces have sections for 'GROUPS' and 'METRICS'.

Digital Marketing: Some Quick Definitions

4. Key Performance Indicators

Key performance indicators (KPI's) are metrics. But not normal metrics. They are our BFF's.

A key performance indicator (KPI) is a metric that helps you understand how you are doing against your objectives.

That last word – objectives – is critical to something being called a KPI, which is also why KPI's tend to be unique to each company.

- *Business objective:* Sell Stuff. *KPI:* Average Order Size.

Digital Marketing: Some Quick Definitions

5. Targets

Targets are numerical values you have pre-determined as indicators success or failure.

It is rare, even with the best intentions, that you'll create targets for all the metrics you'll report on. Yet it is critical that you create targets for each web analytics key performance indicator.

Best Buy: my KPI is still Average Order Value. But how do I know what's good or bad? If I don't have targets?

Digital Marketing: Some Quick Definitions

6. Dimensions

A dimension is, typically, an attribute of the Visitor to your website.

Here's a simplistic pictorial representation . . .



The source that someone came from (referring urls, campaigns, countries etc) is a dimension in your web analytics data.

Digital Marketing: Some Quick Definitions

7. Segments

A segment contains a group of rows from one or more dimensions.

In aggregate almost all data is useless (like # of Visits). The best way to find insights is to segment the data using one or more dimensions (like # of Visits from: Australia, USA, UK, India as a % of All Visits).

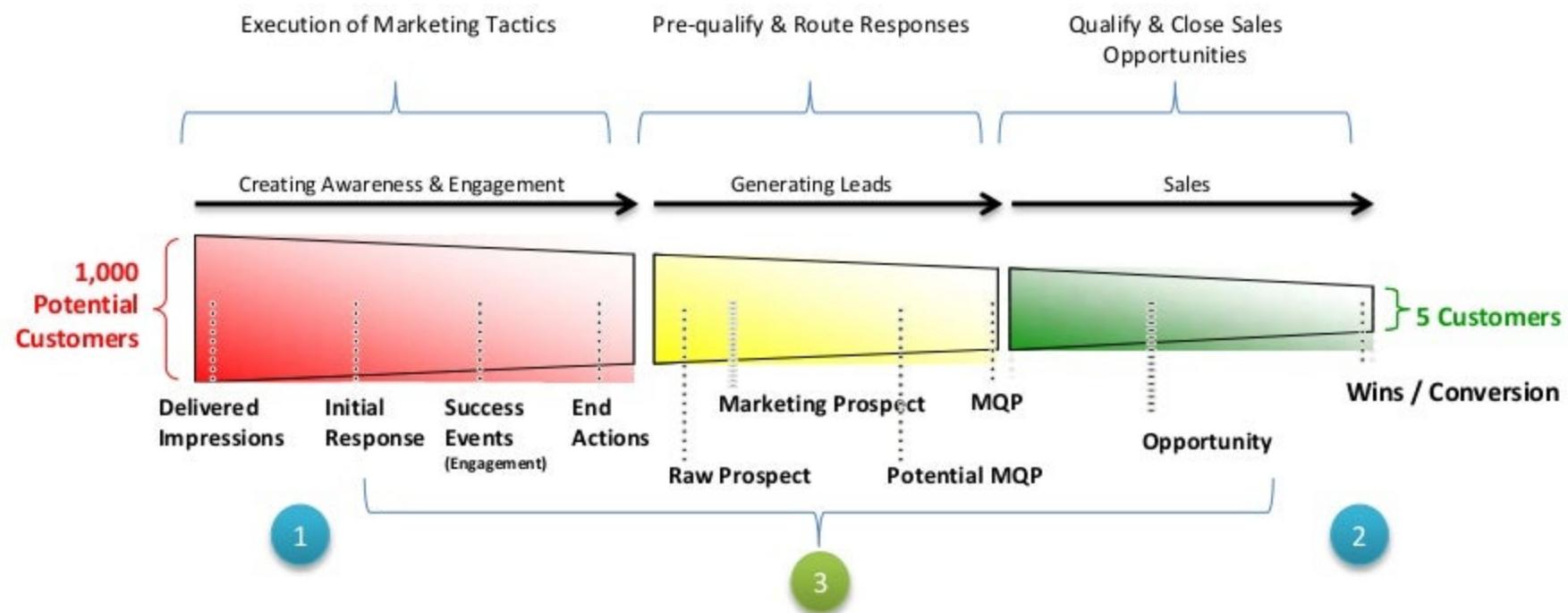
You segment by dimensions and report by metrics.

Name	Conditions	
North Carolina	Region Matches exactly North Carolina ...	HIDE
Time > 1	Time on Site Greater than 1 ...	HIDE
Bounced Visits	Bounces Equal to 1 ...	HIDE
Page Depth > 3	Page Depth Greater than or equal to 3 ...	HIDE
Feed Subscribed	Page Contains /goal/feed ...	HIDE
internal site search	Visits with Search Greater than 0 ...	HIDE
Images.Google.Com	Source Contains images google.com ...	HIDE
Visits fm Mobile Phones	Operating System Matches exactly Phone ...	HIDE
Wikipedia Bounce Rate Referrers	Referral Path Contains /wikibounce_rate	HIDE

Measurement – What Activities Should You Measure?

Most marketers focus largely on:

1. Measuring Reach and Response
2. Measuring Sales
3. Not enough measuring Engagement, End Actions, Conversion and Velocity and looking at it end-to-end

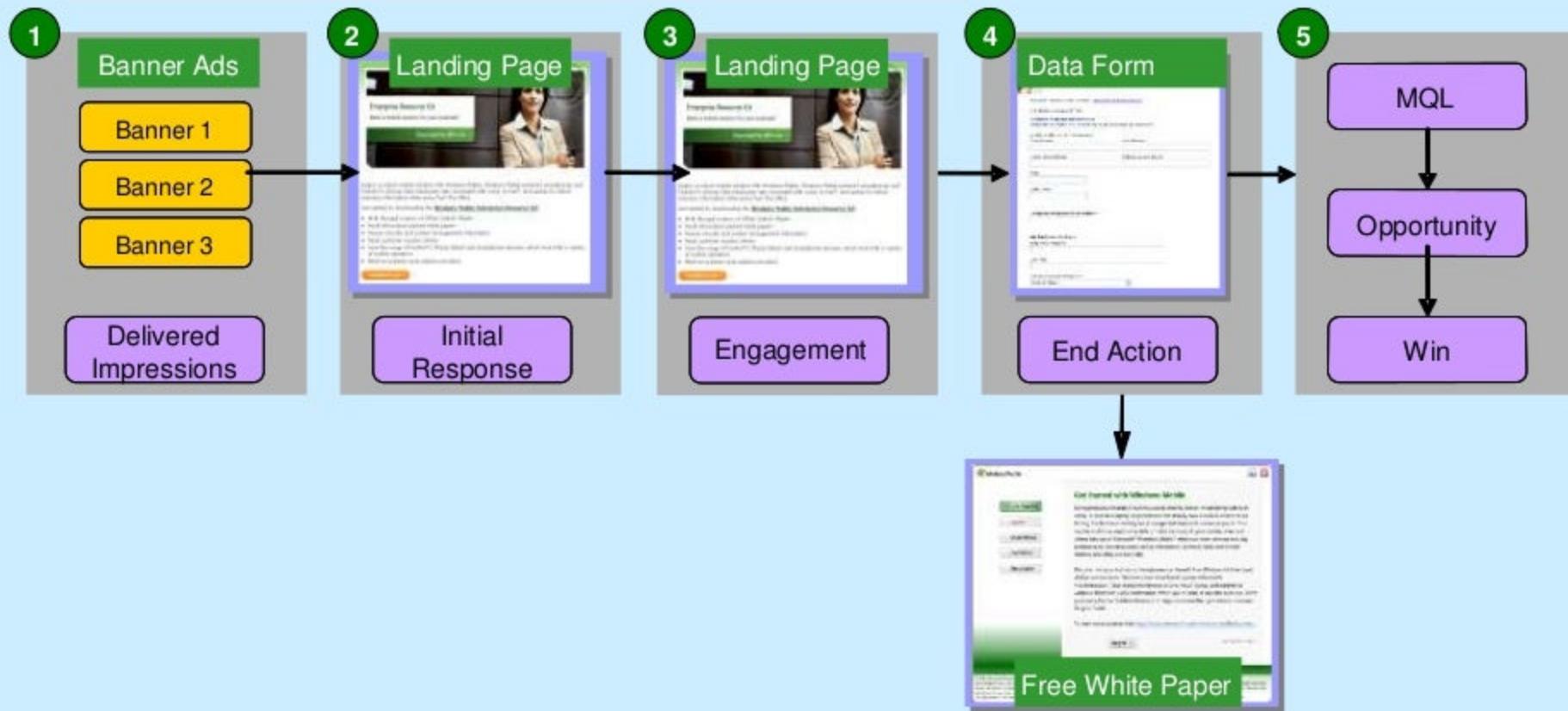


Delivered Impressions, Page Views, Unique Visitors, Win / Conversions – high-level measures. But they are not very insightful in isolation and without looking at engagement.

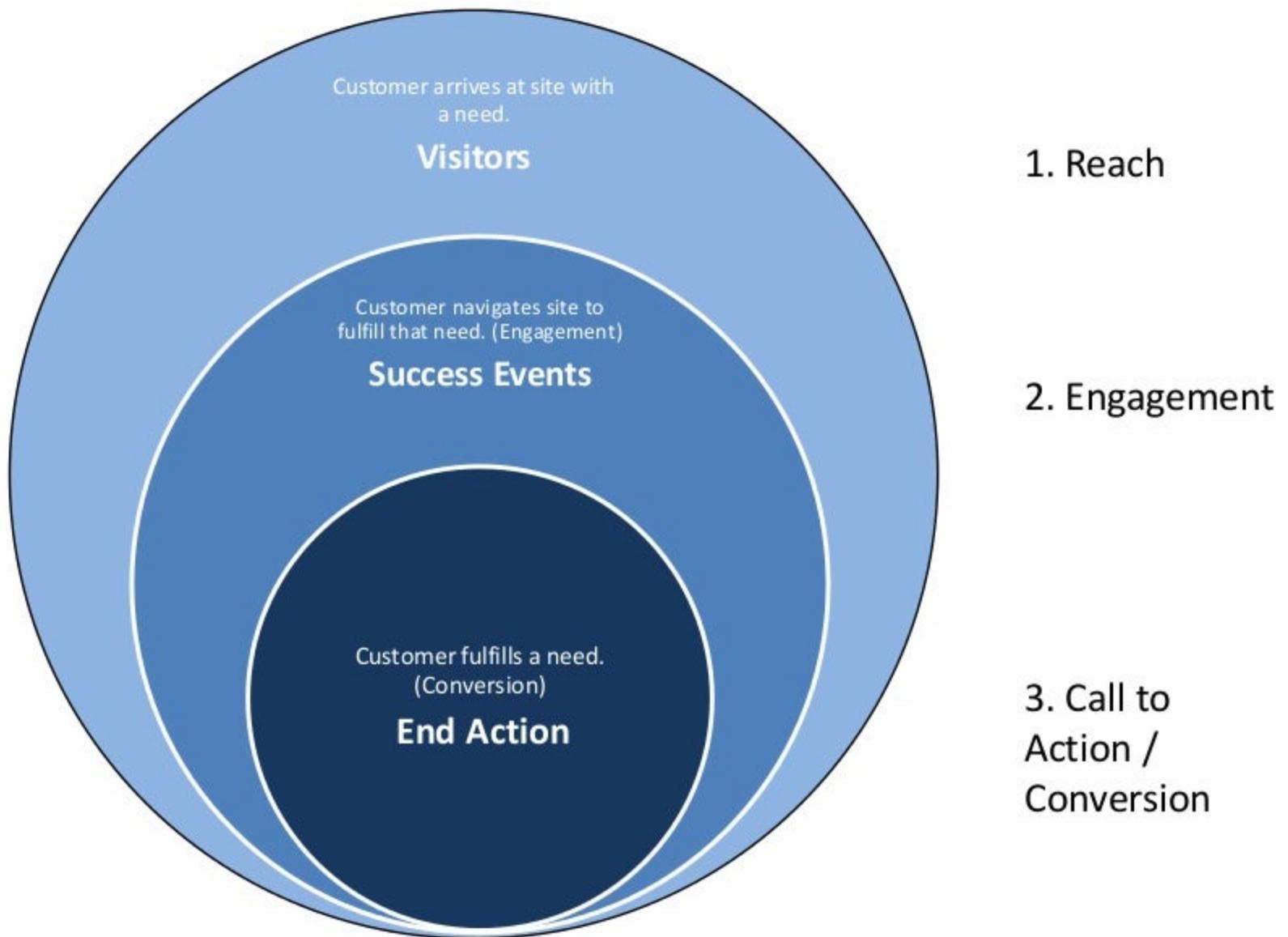
Key Measurement Elements – A Basic Scenario

Process Steps

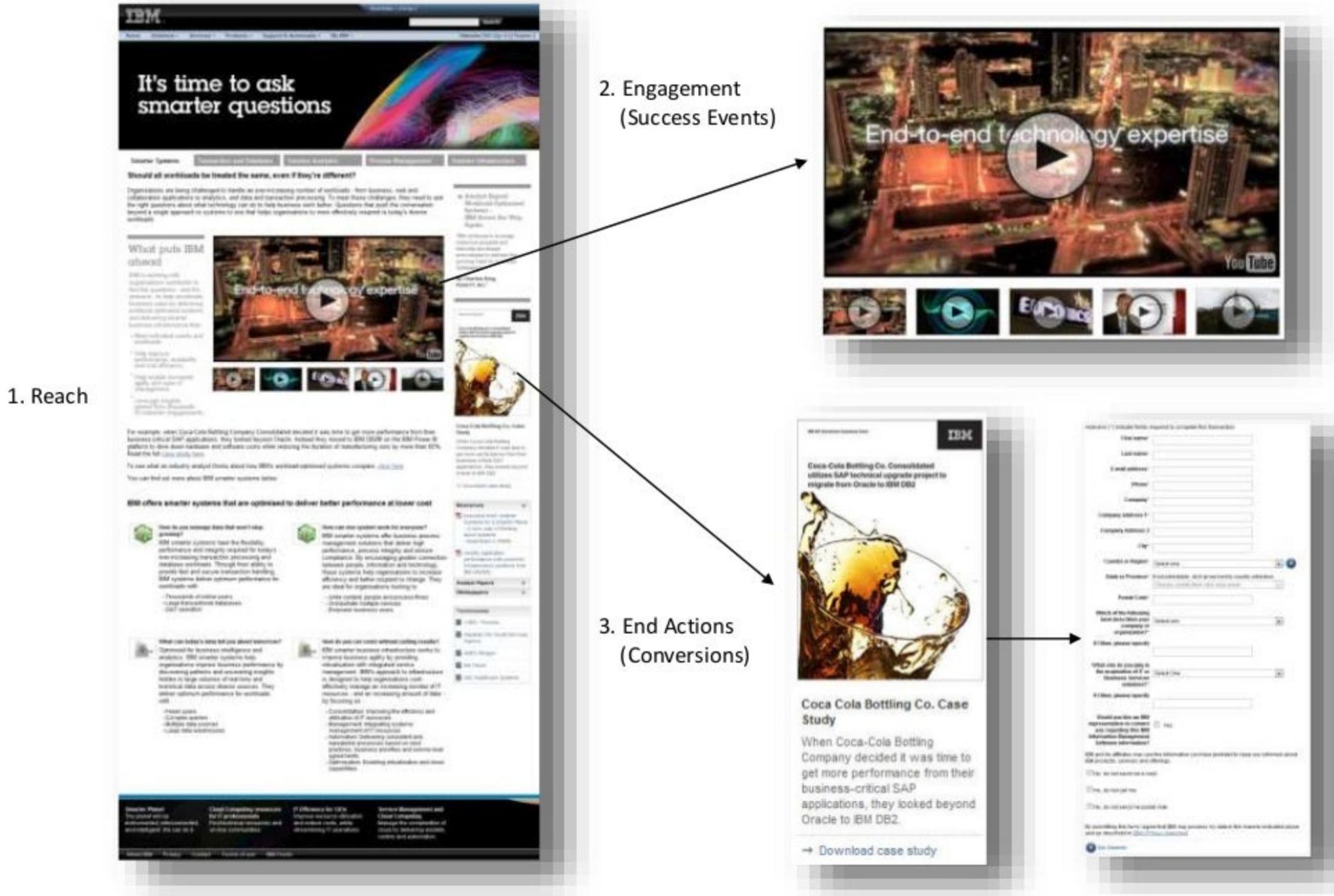
1. Delivered Impressions
2. The # of people who click on ANY of the banner ads = Initial Responses
3. The # of people who watch the video = Engagement
4. The # of people who complete the Registration Wizard = End Actions
5. Siebel measures MQLs, Opplys & Wins for each Ad/End Action combo



Simplify Top-Of-Funnel Measurement



Measurement – High Value Activities



What Should We Measure – Top of the Funnel?



Primary Online Media KPI's

- Delivered Impressions (DI) – 1,200,000
- Initial Responses (IR) – 21,450
- Initial Response Rate (IRR) – 1.79%
- Cost Per Initial Response (CPIR) - \$2.96
- End Action Engagement Rate – 2.95%
- Cost Per End Action (CPEA) - \$96.40



Primary Website KPI's

- Unique Visitors – 78,465
- Engagement Rate (of Page) – 16.7%
- Continued Action Rate (CAR) – 3.5%
- Success Events – 7,860
- End Actions – 1,850
- End Action Conversion Rate - 2.35%

What Top of Funnel KPI's?

You need to focus on KPI's which can help you determine the effectiveness and performance of your activity and which levers (tactics / channels) you can pull to maximise ROI.

IRR = Initial Response Rate
CPIR = Cost Per Initial Response
CAR = Continued Action Rate
EA = End Actions
CPEA = Cost Per End Action

Example (purely illustrative):

	Email	Display	Paid Search	SEO	ATL	Social Media
Media Cost	\$977	\$51,850	\$70,618	N/A	\$257,600	\$11,025
Impressions	100,000	1,481,403	2,250,000	2,500,000	11,500,000	845,600
IRR	4.25%	0.15%	0.52%	1.50%	0.85%	2.20%
CPIR	\$0.35	\$77.80	\$1.25	N/A	\$21.50	\$1.50
Unique Visitors	4,250	2,222	11,700	15,000	97,750	18,603
Engagement Rate*	16.50%	12.78%	20.34%	27.20%	14.25%	27.20%
CAR	8.25%	6.24%	5.63%	9.97%	3.56%	11.13%
End Actions	399	255	983	840	2,346	2,100
End Action Conversion Rate	9.4%	11.5%	8.4%	5.6%	2.4%	11.2%
Cost Per End Action	\$2.45	\$203.33	\$71.84	N/A	\$109.80	\$5.25

*You would principally measure the Landing Page engagement rate and the Engagement Rate of the top Entry Pages

Why Focus on These Top of Funnel KPI's?

By viewing this type of data we get focused on what is working and what isn't working but in a way which is actionable.

For example, if you were simply looking at Site Visitors, Page Views and Site Clicks how would you determine a poorly performing Landing Page? You could look at the bounce rate for the Landing Page but this will not tell you what content on the Landing Page itself is driving Engagement.

An overall Engagement Rate for a Landing Page or subsequent pages tells you how effective the page is at Engaging a Site Visitor. It also allows you to optimise what is and isn't working on the page and it is a nice simple KPI for marketers and management to understand.

Example:

- 1% of Visitors download a whitepaper
- 10% of Visitors subscribe to an email newsletter
- 4% of Visitors downloaded a software trial
- 2.5% of Visitors subscribed to RSS feed

17.5% of Visitors engaged with content on the page / 4 engagement indicators =

4.4% page engagement rate

Why Focus on These Top of Funnel KPI's?

End Actions are the last step in the process of meeting the customers need. Or, from the marketer's perspective, End Actions are when the customer has completed a Call to Action.

Generally speaking there is only ever one End Action per campaign or website. This is the single customer need you are trying to fulfil or Call to Action.

For example:

If your campaign is about generating Awareness then an End Action could simply be watching a designated video on the campaign site.

If the campaign is about generating Leads then the End Action could be a completed Registration as part of an Online Assessment or even the successful initiation of a Click to Call or Click to Chat etc.

It is much easier to determine the End Action for a campaign than it is to determine for a persistent site such as an Audience Relationship portal, e.g. Business Insights. However, it is important to have Success Events and some form of End Action so you can measure the effectiveness of the site to meet these Engagement KPI's and importantly for you to optimise against. A good End Action for an Audience Relationship portal would be signing up for an eNewsletter or membership to the site (if that exists.) If the site was a product site then the End Action typically would be downloading a trial version of the software but once again this also depends on what phase of the marketing lifecycle your website is focused on. An Awareness End Action for a new product launch could still be watching a video if no software download was available.

Important Note - Weighted Attribution

One of the key problems across marketing all around the world right now is that far too much, or all performance attribution of marketing campaigns, particularly where there are digital elements, is being given to the First Click or Last Click.

And sadly, far too much performance attribution is being given to the Last Click which in many cases is Paid Search (PPC) or Organic Search (SEO).

Here are just some examples of the problem:

- If someone types in a branded search related term such as Commonwealth Bank Home Loans, the customer has already been exposed to something other than PPC or SEO but that 'other' marketing or advertising is getting no performance attribution.
- 71% of Paid Search clicks are navigational. This indicates that almost three quarters of your paid search is not bringing in new prospects – it is simply delivering people who are already actively looking for you and who have previously been exposed to some other form of advertising or marketing.
- Approximately 44% of people who have clicked on a Paid Search Ad have been previously exposed to a banner ad. But, the banner ad gets no performance attribution at all because the prospect didn't click on it and in most cases the marketer or agency uses the Last Click to determine what worked – in this case paid search. (For the record, my peers and I stopped using CTR – click through rate – on banner ads some 4 years ago because it is not the right performance metric for the display advertising medium).

Now, there is no magic technical bullet here and if any vendor comes to you and say they do, start running in the opposite direction. Great weighted attribution is derived through a combination of specialised skills at a specialised agency, technology but importantly a proven methodology.

Engagement: A New Perspective on Marketing

As outlined earlier, if the marketing funnel no longer accurately reflects what marketers can influence, why do they still cling to it? Because they can measure it, which is reassuring, even if it no longer accurately reflects the real buying process. And, of course, there are no useful alternatives.

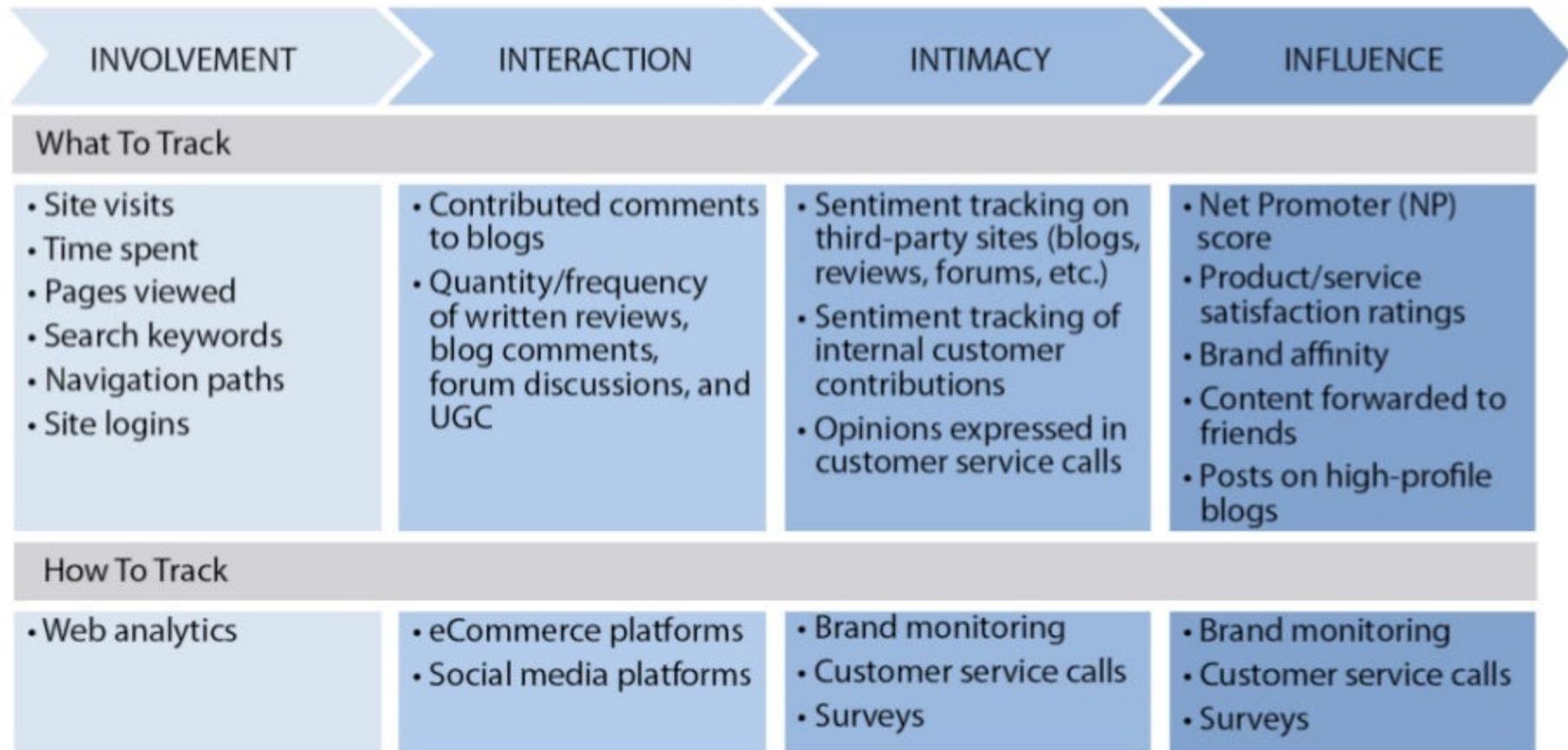
We believe that marketers need a new approach to understanding customers and prospects. This new type of measurement — engagement — encompasses the quantitative metrics of site visits and transactions, the qualitative metrics of brand awareness and loyalty, and the fuzzy areas in the middle best characterized by social media.

The Elements Of Engagement:

Engagement goes beyond reach and frequency to measure people's real feelings about brands. It starts with their own brand relationship and continues as they extend that relationship to other customers. As a customer's participation with a brand deepens from site use and purchases (involvement and interaction) to affinity and championing (intimacy and influence), measuring and acting on engagement becomes more critical to understanding customers' intentions. The four parts of engagement build on each other to make a holistic picture.

- Involvement
- Interaction
- Intimacy
- Influence

Engagement: A New Perspective on Marketing



Engagement: A New Perspective on Marketing

Putting it all together:

Now that you know what information to collect, can we provide you with a formula to measure engagement? Well, no, because it's different for each audience / segment / campaign. But you can start by identifying the key metrics that are useful to you and use them to choose and work with vendors of measurement technology. The engagement profiles you track will be different depending on your marketing strategy. Here are four recipes for measuring engagement, matched to company objectives:

- If your objective is to ***create awareness***: Start as you always have, tracking existing online ads, promotions, and TV commercials. To this, add tracking content contributed by brand advocates, such as product reviews or comments in discussion forums. Measure the sentiment of that UGC, including venues you don't control such as third-party product review sites. Additionally, track influence through customers' intent to recommend the product to a friend by conducting a survey or witnessing actions on peer review sites like Epinions and TripAdvisor. A good example: A large national financial institution used brand monitoring service Biz360 to identify key message pickup from its Superbowl ad in both traditional and interactive channels, and used that buzz measurement to evaluate the expenditure.
- If your objective is to ***drive transactions***: Track involvement to identify how people use your site (page views, navigation paths, etc.) and merge that information with the effect UGC has on others' purchases. This way you can discover the content and actions that increase a customer's likelihood to buy. For example, CompUSA uses Bazaarvoice's services to provide product ratings and reviews, then tracks the effect reviews have on the buying behavior of readers. They've found that customers acquired via review-related searches convert at a 60% higher rate than the average customer and spend 50% more per order.

Engagement: A New Perspective on Marketing

Putting it all together (contd.):

- If your objective is to ***build brand preference***: Track involvement on your own site as well as referrals from other sites to identify the content people use to make decisions. Understanding how intimate customers are with your brand and what increases intimacy will establish what it takes to convince a person to choose you over a competitor. For example, a large auto manufacturer launched a new SUV, but sentiment in discussion forums (measured using brand monitoring services) indicated that the off-road capabilities of the vehicle were not believable. Then, using imagery of the SUV performing in off-road conditions, the company was able to track a change in perception, which resulted in outselling its competitors that quarter.
- If your objective is to ***increase loyalty***: Track recurring purchases, positive commentary, and intent to recommend. Analyze the characteristics and behaviors of known loyalists to determine what you should do to motivate potential loyalists to make the leap. Monitor sentiment about products in forums and in blog comments to track those actions that commonly encourage or discourage repeat purchase and respond accordingly through incentives, product modifications, or services enhancements. For example, in 2006, Mini Cooper decided to boost its community efforts in a year with no new product announcements to strengthen loyalty and avoid being seen as a fad. Working with MotiveQuest, it used brand monitoring services and confirmed that the emotion expressed by owners in the Mini community set it apart from other vehicles. In addition, Mini Cooper was able to monitor the results of the brand's community efforts and evolve future communications.

Engagement: A New Perspective on Marketing

Engagement Enhances Customer Insight – Social CRM:

Measuring Social Media Engagement (Social CRM) is a new concept. So far there are few measurement vendors providing completely unified services to help tie it all together, however some solutions are appearing, for example the recent (July 2009) [announcement](#) of integrated analytics by WebTrends + Radian6 + SalesforceCRM.

Starting small and remaining focused on a few objectives at a time (such as connecting User Generated Content to increased purchases or linking sentiment to loyalty) allows you to identify the metrics that matter to you most. Integrate your customer perspective across channels and campaigns by using a variety of online and offline metrics, so you can calculate the value of new channels and identify efficient strategies for them. And consider the payoff of your hard work. You'll be able to:

- Measure and learn from things you currently ignore: Qualitative metrics like feelings, affinity, and sentiment are difficult to track. And when you can collect the information, it has historically been complicated or impossible to use with other data. But social media makes it easier for customers to offer up their opinion, and, as a result, all that data is sitting out there waiting to be mined. Companies should track these metrics on a regular basis with brand monitoring services, partly to get insights that no survey would ever detect, since they come right from the minds of the customers. For example, a kitchen hardware manufacturer should track commentary in discussion forums about home renovation to get ideas about product shortcomings, identify new or improved products, and track impact on actual sales.

Engagement: A New Perspective on Marketing

Engagement Enhances Customer Insight (contd.):

- Identify customers who influence others to buy: A person who contributes content, such as a product review or a video of the product in use, may be far more valuable than the average purchaser. As a result, your idea of who you consider a good customer should become more robust, and you should make tactical offers with finer control to drive the behavior of these customers. For example, a sporting goods retailer should identify customers who make significant product reviews that influence others' purchases, then initiate programs to encourage those customers to contribute more content.
- Encourage behavior across multiple touch points — online and offline: The engagement profile crosses channels. Once you establish engagement profiles based on online data, the next step is to tie in data from offline sources, such as in-store transactions, phone or catalog orders, and customer service calls. For example, a quick service restaurant should determine if customers that are heavy users of its in-store loyalty program are more likely to provide favorable sentiment in online discussion forums or possess an increased likelihood to recommend the food to a friend.

Define Key Indicators of Engagement

What characteristics describe an engaged visitor to our sites?

For example:

1. Download a whitepaper
2. Watch a video
3. Subscribe to email newsletter
4. Send a link to a colleague
5. Comment on post
6. Subscribe to RSS
7. Looking up a business partner
8. Download software trial



Prioritisation – Not All Objectives & Calls to Action are Equal

Marketing Objectives:

- Driving Deployment 10
- Generating Leads 10
- Creating Awareness & Changing Perceptions 5
- Building Communications & Relationships 5
- Optimising Opportunities 5
- Readyng Partners 5
- Enabling Infrastructure & Customer Data 5

Prioritisation – Not All Objectives & Calls to Action are Equal

Success Event / End Action (High Valued Actions / Calls to Action):

• Awareness	10
• Event - Webcast	10
• Paid Event (live)	12
• Free Event (live)	5
• Initiate Sales Contact	5
• Marketing Collateral Kit	5
• On Demand Video	5
• White Paper	5
• Online Training	12
• Partner Offer	12
• Software Trial	20
• Profile Update	20
• Subscription – Newsletter	12
• Product offer	12
• Virtual Lab / Demo	20

Simplified Metrics – Site / Page Engagement Rate

Use simple engagement scoring to quantify your site's current level of engagement at a broad level

All percentages are the % of visitors who did what we wanted:

- % downloaded a whitepaper
- % subscribed to an email newsletter
- % downloaded a software trial
- % subscribe to RSS feed
- % watched



Total and then divide by the number of indicators.

Site / Page Engagement Rate Example

- 1% downloaded a whitepaper
- 10% subscribed to an email newsletter
- 4% downloaded a software trial
- 2.5% subscribe to RSS feed

17.5% engaged visitors / 4 engagement indicators =

4.4% page engagement rate



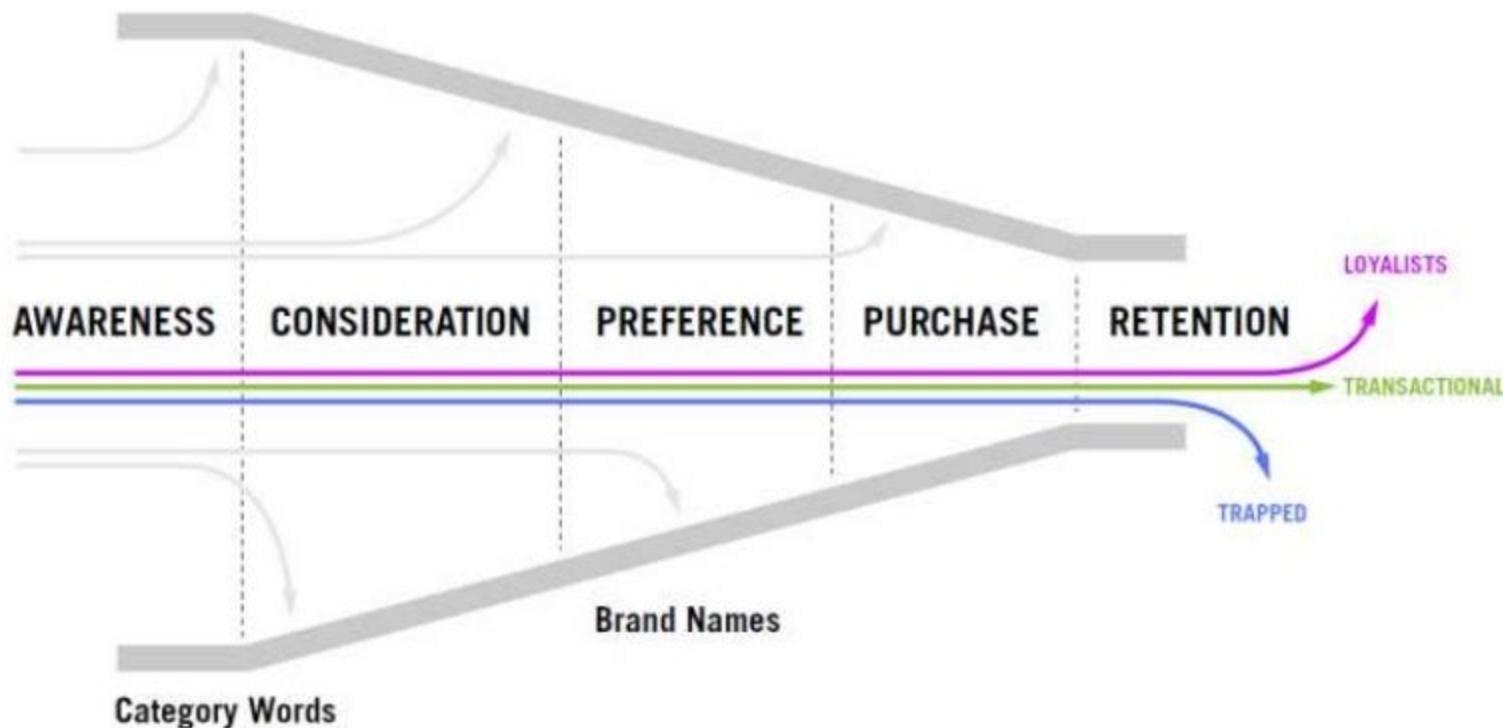
Search Engine Marketing (SEM)

Sadly in the area of SEM there is still:

- A significant lack of understanding of good search engine marketing principles and which tactic is appropriate depending upon marketing goals and objectives
- Over attribution of overall campaign performance to the last click (ie. paid search)
- Too many generalities – B2C SEM is not the same as B2B SEM
- Lack of focus on insightful and actionable KPI's

SEO Decision Funnel

People's search behavior across purchase flow



As a visitor refines their search criteria, there are certain patterns that emerge in their queries.

SEM Strategy MIX

SEM Strategy Matrix

1 IDENTIFY YOUR MARKETING GOAL

► Brand Awareness

► Customer Attraction

► Customer Retention

► New Product Launch

2 CHOOSE THE RIGHT SEM TACTICS

HIGH PRIORITY
MEDIUM PRIORITY
LOW PRIORITY

PPC (Pay Per Click)
Paid search promotion



With so many tactical options available to today's search marketer, it can sometimes be difficult to determine which approaches are best for achieving specific goals. Should press releases be optimized for increased brand awareness? Or, will a PPC (Pay per click) campaign achieve better results?

Understanding Search Engine Marketing

71% of sponsored search clicks are navigational

- This indicates that almost three quarters of our sponsored search is not bringing in new prospects – it is simply delivering people who are already actively looking for our URL.

50% of search dollars = branded search

- This indicates that more than half of our sponsored search is being spent on navigational clicks.

44% of people who click on paid search are exposed to display ads prior to the last click.

- Yet the majority of agencies and marketers are applying 100% of their campaign performance to the last click (ie. paid search).

Search Budgets vs Search Opportunities

As illustrated below, there is a significant misalignment of marketing budgets to the actual performance of SEM.

For every paid search click there are 5.6 organic clicks yet SEO receives less than 10% of the SEM budget and in most cases effort and resources.

	Paid Search			Organic Search		
	Budget	Clicks	Conversions	Budget	Clicks	Conversions
2007	88%	1	1.5	10%	5.6	1
2008	88%	1	1.5	10%	5.6	1
2010	91%	1	1.5	9%	5.6	1

B2C SEM is not the same as B2B: ie. Tech Buyers Search Engine Behaviour – Key Takeaways

- 97% of tech buyers start with search
- Less than 12% of tech buyers use a single word search phrase
- ***80% skim full page of results before clicking, 38% would click on paid search***
- ***Even though page 1 ranking generates the highest volumes only 6% stick to just the page 1 search results, 53% will go to page 2 or 3 in a search, 41% say will go to 4+ pages***
- Tech buyers use comparison oriented phrases close to end buying stage- i.e. Avaya Cisco IP phone system comparison
- 53% use search to discover vendor solutions they are not aware of
- 67% willing to click in link of vendor they are not familiar with
- ***27% tech buyers use mobile search at least once per week. 12% say they use it every day.***
- Blackberry was top mobile device used in mobile search.
- 74% sign up for at least 1 rss feed, 26% sign up for more than 11 rss feeds
- North American's have a higher aversion to sharing their contact information compared to Asia and Europe
- When filling out a form, 81% of tech buyers will give their accurate email, only 27% will give their accurate phone number
- Asia pacific uses video in tech buying twice as much as Nth America and Europe.
- IT buyers love video but video is a very underutilised form of communication when selling IT. I cannot emphasise enough the power of video and you don't need to be too worried about the high production value. Use it whenever you can for product demos and more.
- 50.8% are watching videos on manufacturers (IBM, Microsoft etc) websites for information gathering to identify potential enterprise technology solutions are manufacturer websites. This overall high usage of manufacturer websites speaks to the effectiveness of video as a marketing medium for technology marketers.

Search Engine Marketing Measurement

It's easier for marketers and management to focus on and understand more meaningful KPI's with the right tools:

The screenshot displays the BrightEdge software interface across three panels. The left panel shows a 'View Dashb' with various performance metrics like 'Revenue' and 'Profit'. The middle panel shows 'All Managed Keywords' with a summary table and a detailed table below it. The right panel shows a 'Recommendations' tab with a 'Tasks' section. The overall theme is search engine marketing measurement and optimization.

Keyword	BrightEdge Page Rank	Google Page Rank	Change	Priority	Next Step
ipad listing	28 out of 100	17	-1	High	None
apple macbook pro listing	46 out of 100	18	+1	Medium	None
iphone listing	59 out of 100	15	-3	Low	None
ipod listing	27 out of 100	10	-7	Medium	None
ipad 3g listing	49 out of 100	12	+1	Medium	None
ipad 2 listing	27 out of 100	17	-1	Medium	None
ipad mini listing	27 out of 100	27	+10	Medium	None
ipad air listing	29 out of 100	19	+1	Medium	None
ipad pro listing	28 out of 100	20	+2	Medium	None
ipad 4 listing	23 out of 100	18	-1	Medium	None
ipad 5 listing	48 out of 100	22	+4	Medium	None
ipad 6 listing	24 out of 100	24	0	Medium	None

Tools like **BrightEdge** can automate the regular 'auditing' of your website / pages, provide detailed reporting on your own and your competitors keywords.

Most importantly BrightEdge operationalises optimisation recommendations along with simple step by step instructions as well as workflow.

BrightEdge allows your marketing team to tame organic search engine marketing (SEO).

SEM – High Level KPI's

SEO

- Traffic by Search Engine
- Share of Voice
- Traffic by Keyword
- Keyword Ranking
- High Value Actions (Success Events & End Actions)
 - % Engagement Rate
 - # of End Actions
 - Which keywords are driving each HVA
 - Which search engines are driving each HVA

SEA (paid search)

- IR: Initial Response
- IRR: % Initial Response Rate
- CPIR: Cost Per Initial Response
- ER: Engagement Rate
- CAR: Continued Action Rate
- EA: # End Actions
- End Action Conversion Rate %
- CPEA: \$ Cost Per End Action

Search - Navigational

Separate out branded keywords when looking at clicks, cost and performance.

- This will help you understand how paid search is contributing to our overall advertising efforts. If branded keywords are driving a lot of sales, it is likely that other marketing channels are generating interest in our brand. In addition, analysing repeat-visit behaviour will help you optimize your search campaigns. A high incidence of repeat visits is an indicator that a keyword is being used navigationally. This information can be useful in planning natural search optimization and could change how keyword performance is being valued.

Search - Navigational

Test what happens if branded key phrases are bid down or removed altogether.

- Several of advertisers in various studies were not bidding on any branded key phrases. In most cases, those advertisers ranked at the top of the natural listings for brand related key phrases, which is often true for advertisers. A well-placed natural listing may be all the navigational searcher needs to click-through and convert.

Search - Navigational

Consider all touch points that led to a conversion, not just the last ad.

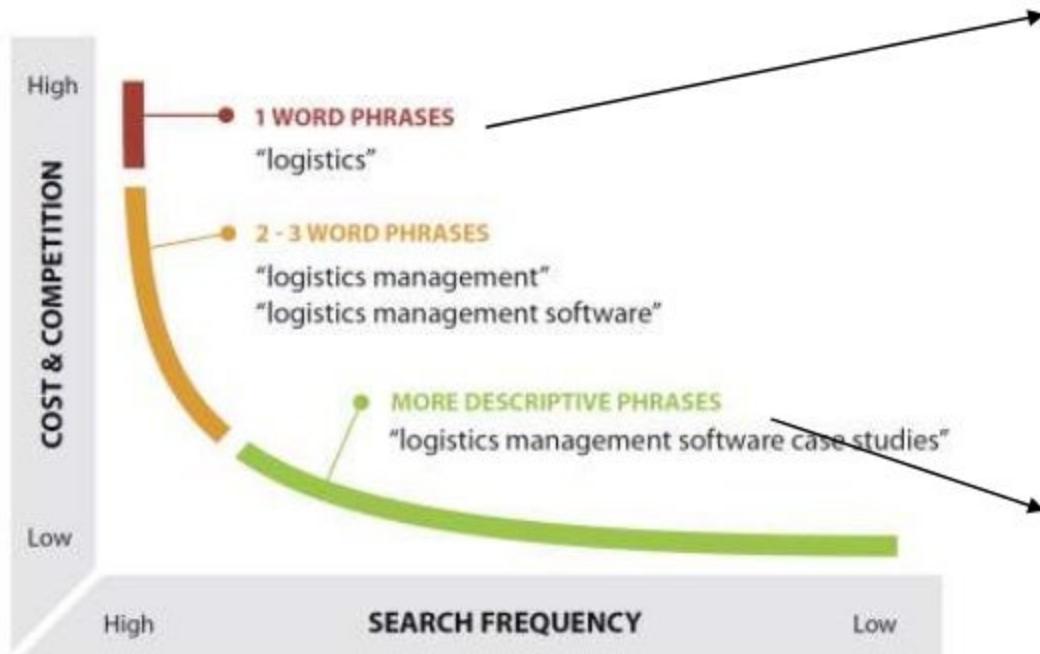
- As discussed previously, navigational search can mask the impact of other advertising media due to last click attribution of conversions. In order to accurately understand how different channels contribute to conversions, use one tracking mechanism to measure the performance of all ad types and look beyond the last ad when attributing value.

B2C and B2B Long Tail SEO

Marketers should also be spending more time on the B2B Long Tail:

Short / Head Tail = ***only 30% of leads opportunities***
(but 85% of budgets & SEO is spent here)

Long Tail = ***70% of leads opportunities***
(but 12% of budgets & SEO is spent here)



Short / Head tail terms

- Generally largest % of paid search is invested in Head Terms
- Largest focus in terms of SEO
- Can drive high traffic volumes
- But can deliver low volume of leads as traffic is generic and unqualified
- High cost due to high competition

Long tail terms

- Generally lowest % of paid search is invested in Head Terms
- Lowest focus of SEO
- Will drive low traffic volumes
- But can deliver high volume of leads as traffic is targeted and qualified
- Low cost due to low competition

Long Tail – KPI's

Brand to non-Brand Ratio

- This is the % of your natural search traffic that comes from brand keywords versus non-brand keywords. If the ratio is high and most of your traffic is coming from searches for your brands, this signals that your SEO is fundamentally broken. The lower the ratio, the more of the long tail of natural search you are likely capturing. This metric is an excellent gauge of the success of your optimisation initiatives.

Unique crawled URL's

- This is the number of unique (non duplicate) web pages crawled by search engine spiders. Your website is like your virtual sales force, bringing in prospects from the search engines. Think of each unique page as one of your virtual salespeople. The more unique pages you have, the more opportunities you have to sell through search engines.

Long Tail – KPI's

Search Visitors per Contributing Page

- This is the % of unique pages that yield search delivered traffic in a given month. This ratio essentially is a key driver of the length of your long tail of natural search. The more pages yielding traffic from search engines, the healthier your SEO program is. If only a small portion of your website is delivering searchers to your door, most of your pages – your virtual salespeople – are warming the bench instead of working hard for you. You can think of these as non-performing pages.

Keywords per Page

- This is the average number of keywords each page (minus the freeloaders) yields in a given month. Put another way, it is the ratio of keywords to pages yielding search traffic. The higher your keyword yield, the more of the long tail of natural search your site will capture. In other words, the more keywords each yielding page attracts or targets, the longer your tail. So, an average of 8 search terms per page indicates pages with much broader appeal to the engines than, say 3 search terms per page. The average online retailer in a Netconcepts Study on the long tail of natural search had 2.4 keywords per page.

Long Tail – KPI's

Search Visitors per Keyword

- This is the ratio of search engine delivered visitors to search terms. This metrics indicates how much traffic each keyword drives and is a function of your rankings in the SERPs. Put another way, this metric determines the height or thickness of your long tail. The average merchant in the aforementioned Netconcepts study obtained 1.9 visitors per keyword.

Index to Crawl ratio

- This is the ratio of pages indexed to unique crawled pages. If a page gets crawled that doesn't guarantee it will show up in a search engines index. A low ratio can mean your site doesn't carry much weight in the search engines eyes.

Long Tail – KPI's

Search Visitors per Crawled Page

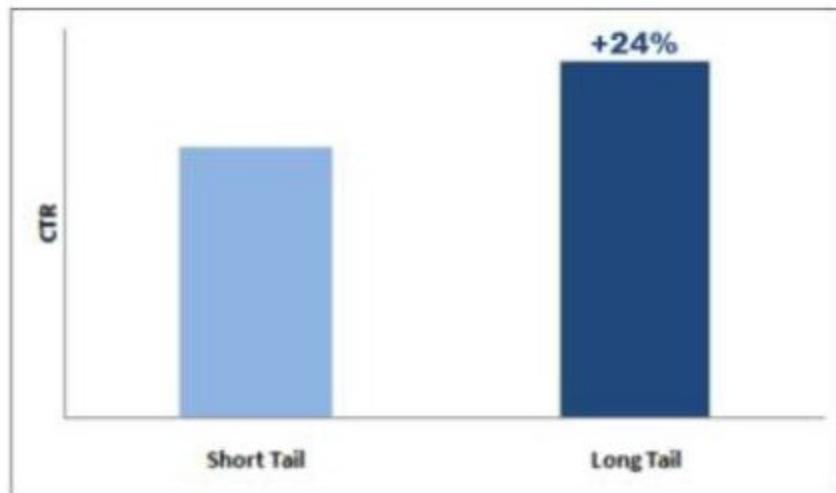
- Calculated for each search engine separately, this is how much traffic the engine delivers for every page it crawls. Each search engine has a different audience size. This metric helps you fairly compare the referral traffic you get from each. The Netconcepts Study found that Bing and Yahoo! tended to crawl significantly more pages, but the yield per crawled page from Google was typically significantly higher.

Conclusion

- As you optimise your site through multiple iterations, watch the aforementioned KPI's to ensure that your heading in the right direction. Those who are not privy to these metrics will have a much harder time capturing the long tail of SEO.

Long Tail Advertising – CONTEXTWEB Study

CONTEXTWEB found the average click-through rate for long-tail advertising during the period* was 24% higher than for short-tail advertising. All 20 advertiser verticals in the study experienced click-through rate gains, with the top category seeing a 50% increase.



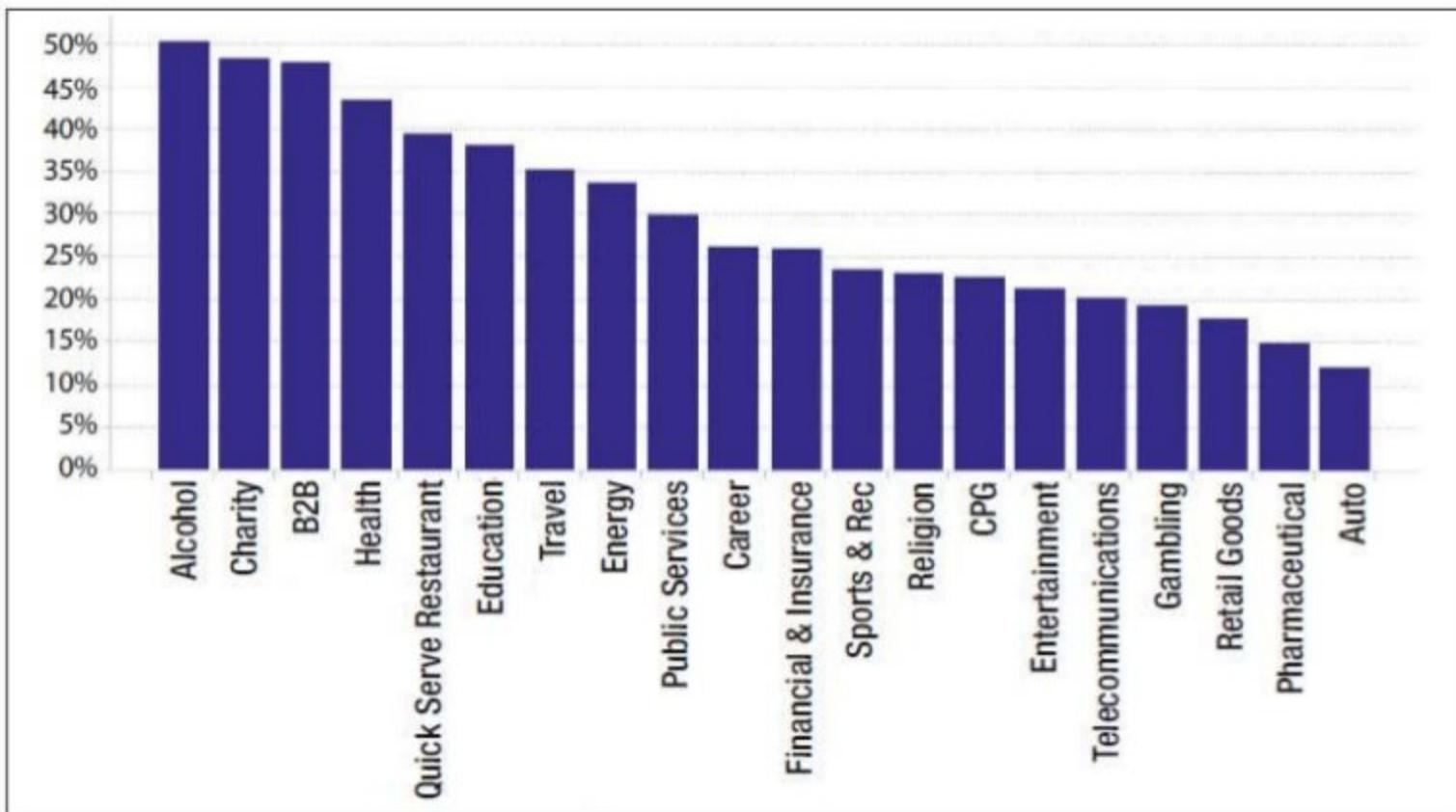
CTR Performance in the Short and Long Tail

Yet according to the CONTEXTWEB study, digital marketers continue to overspend on the more costly short-tail without getting a significant boost in click-through rates to justify the outlay. A couple of telling statistics from comScore cited by CONTEXTWEB: while 70% of reportable display spending goes to short-tail websites , Internet users age 18 and over spend just 14% of their time online there.

*The study, based on an analysis of digital media performance across more than 18,000 publisher sites and 1,000 campaigns from Q3 to Q4 2010

Long Tail Advertising – CONTEXTWEB Study

All advertiser verticals saw increased CTRs in the long tail as compared to the short tail. Advertisers in the “Alcohol” segment, for example, saw a 50% lift. The lowest long-tail lift observed was 12% for auto advertisers.



Long Tail CTR Lift by Advertiser Vertical

Long Tail Advertising – CONTEXTWEB Study

Some other key findings detailed in the paper:

- All advertiser verticals saw increased click-through rates in the long tail as compared to the short tail. Advertisers in the alcohol segment saw the greatest lift, at 50%. The lowest long-tail lift was 12% for auto advertisers.
- 76% of all content categories saw increased click-through rates on long-tail sites, with the top three categories seeing a lift of 50% or better.
- While 24% of content categories experienced a lift in click-through rates in the short tail, ranging from 5% to 35%, these gains are often offset by the price premium paid.
- Long-tail advertising provided significant unduplicated reach compared to the short tail. In other words, advertisers can reach the same type of audience with the same demographics as that of the short tail, at a lower cost.
- CONTEXTWEB found select unduplicated reach to be at least 78% on the long tail across 18 content categories, with “education” the highest at 98%.



Click image to
download the study
(2.1MB .pdf)

Social Influence (Media) Marketing Metrics

“Social Influence Marketing is a commitment, not a campaign.”

Martin Walsh, Head of Digital Marketing, Microsoft – October 2007

“Social Networking is not Social Influence Marketing.”

Martin Walsh, Head of Digital Marketing, IBM – December 2009

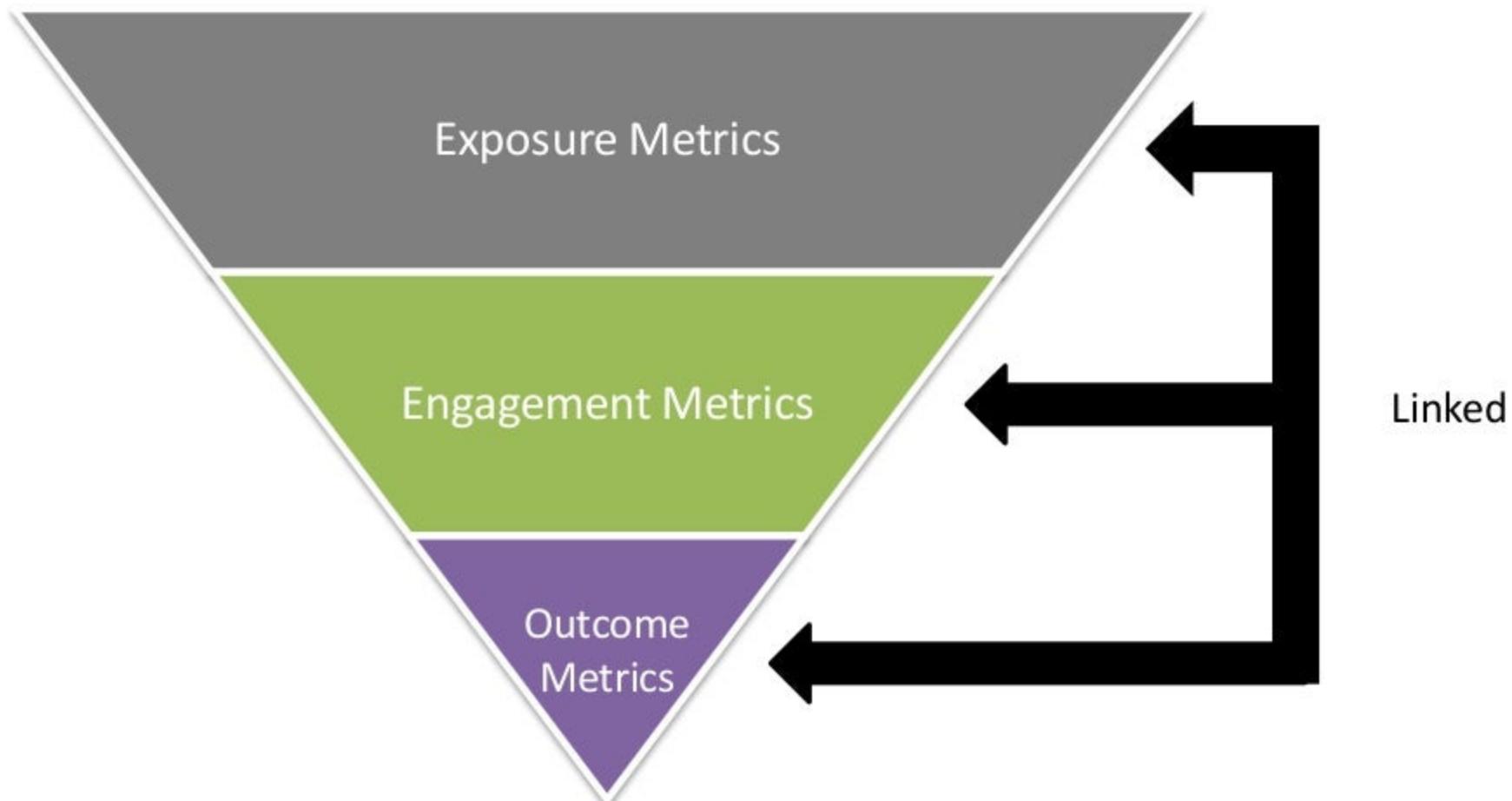
Core Social Influence Marketing KPI's (yours and your competitors):

- Topic Share of Voice
- Topic Comparison
- Sentiment
- Post Volume
- Author Volume
- Domain Volume
- Cost / Value per Impression and or Cost / Value per Engagement and or Cost / Value per End Action

Social Influence (Media) Marketing (SIM) Metrics

SIM Measurement Framework

These are the three basic categories of Social Influence Marketing KPI's:



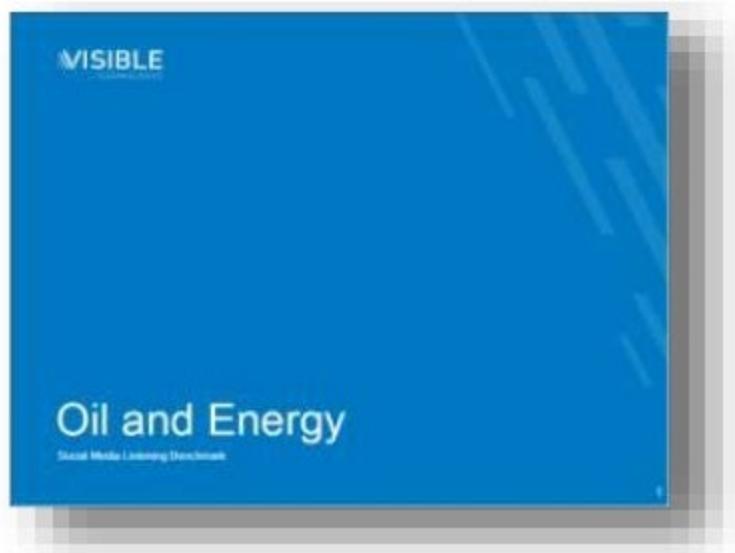
What you measure depends entirely upon your marketing goals and objectives, ie. awareness, consideration, conversion. But, they are linked in the sense that if you are measuring Outcomes (conversions) then you also have to measure Engagement and Exposures.

Social Influence Marketing Metrics

Here are two full sample reports (using real data) of what I consider best of breed ‘Social Influence Marketing’ reports (both are from Visible Technologies – Trucast):



(.PDF 3.4MB)



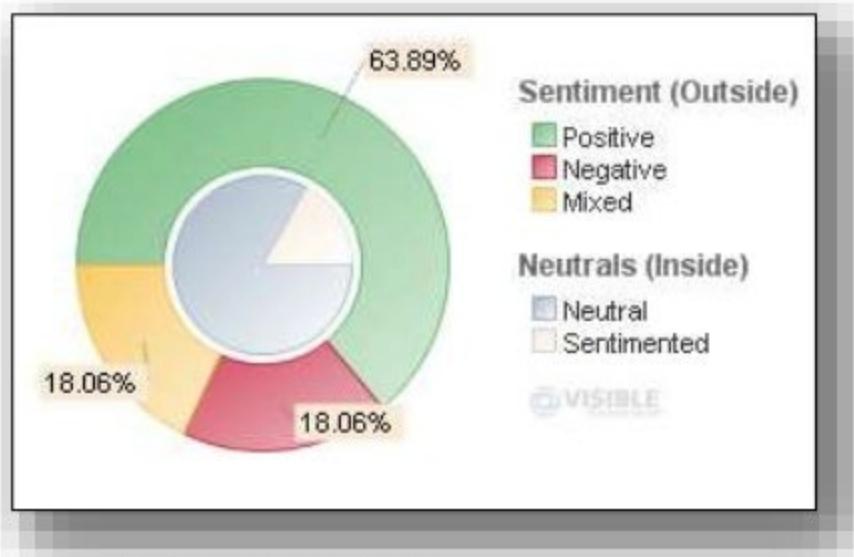
(.PDF 4.2MB)

Click on images to download

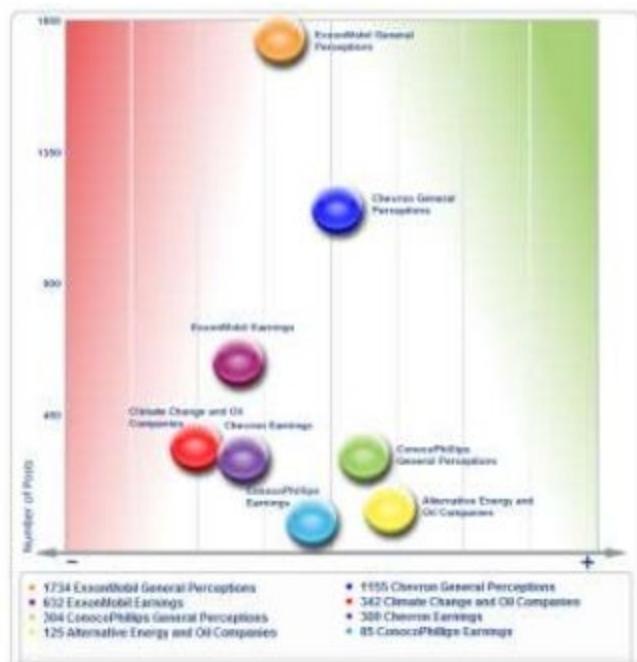
Once again, data without analysis, insights and recommendations is practically useless. You could use a myriad of tools and technologies but if you don't have the expertise and skills to transpose the data into actionable insights then you are wasting your time.

Social Influence Marketing Metrics

Current Sentiment (fig.1)



Topic Comparison (fig.3)



Metrics Summary (fig.2)

	Description	04/08/ – 04/21/	04/22/ – 05/04/	Change
Post Volume	Total posts scored as relevant to the topic and date range.	3,330	3,428	+2.94%
Author Volume	Total number of unique authors for relevant posts.	2,859	2,886	+0.94%
Domain Volume	Unique domains that hosted relevant posts.	1,001	1,073	+7.19%

Key Findings to Date

- Of sentiment data, 63.89% trend positively, 18.06% are mixed, and 18.06% trend negatively (fig.1). Positive sentiment has decreased by 8.38 percentage points, and negative sentiment has increased by 4 percentage points since the last reporting period.
 - Of all posts relevant to the Windows topic, 16.8% contain some sort of sentiment. This proportion of sentiment is high in comparison to other technical topics.
 - Post volume has remained quite steady since the last reporting period, with minor increases in volume.
 - When compared to other topics W7 remains the most highly discussed topic.

Social Influence Marketing Metrics: Sentiment

What Generated Buzz For IBM Energy

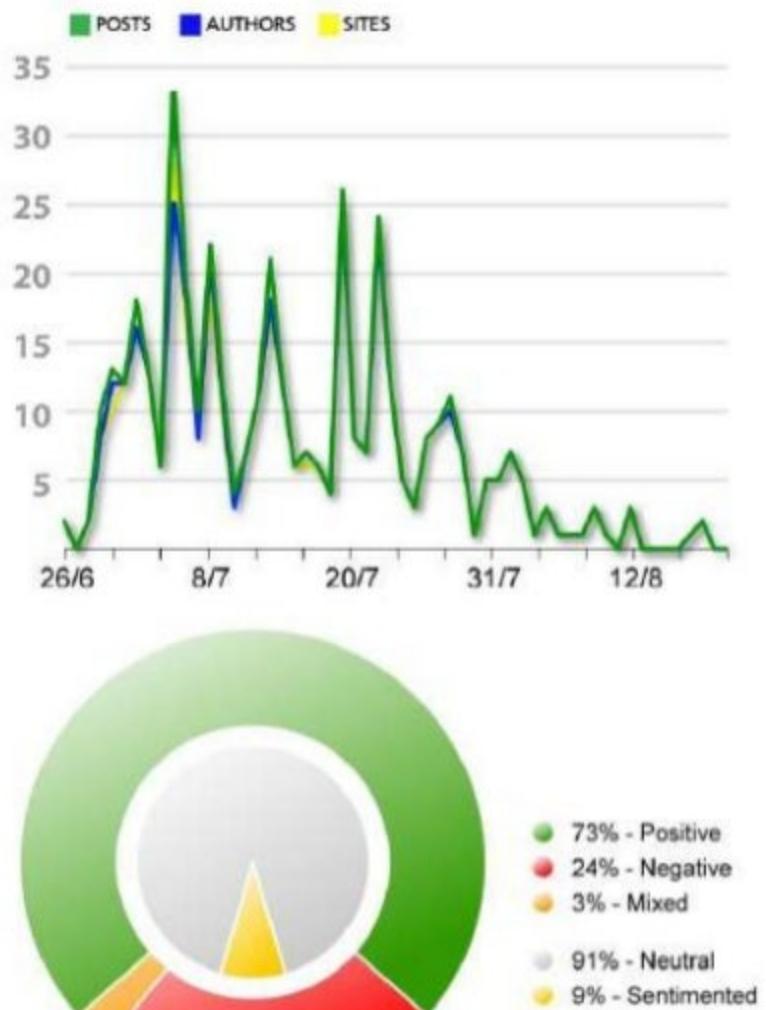
- IBM's Aquasar supercomputer installed at the Swiss Federal Institute of Technology (Zurich)
- IBM's acquisition of security software organization BigFix
- IBM named to Top Green500
- zEnterprise unveiled
- IBM's mainframe model forces Microsoft and Oracle to strategize

Negative Drivers

- Failure of DBS bank's online services (Singapore) generated negative posts about IBM servers

Positive Drivers

- Discussion about Aquasar supercomputer and what it means for energy efficiency



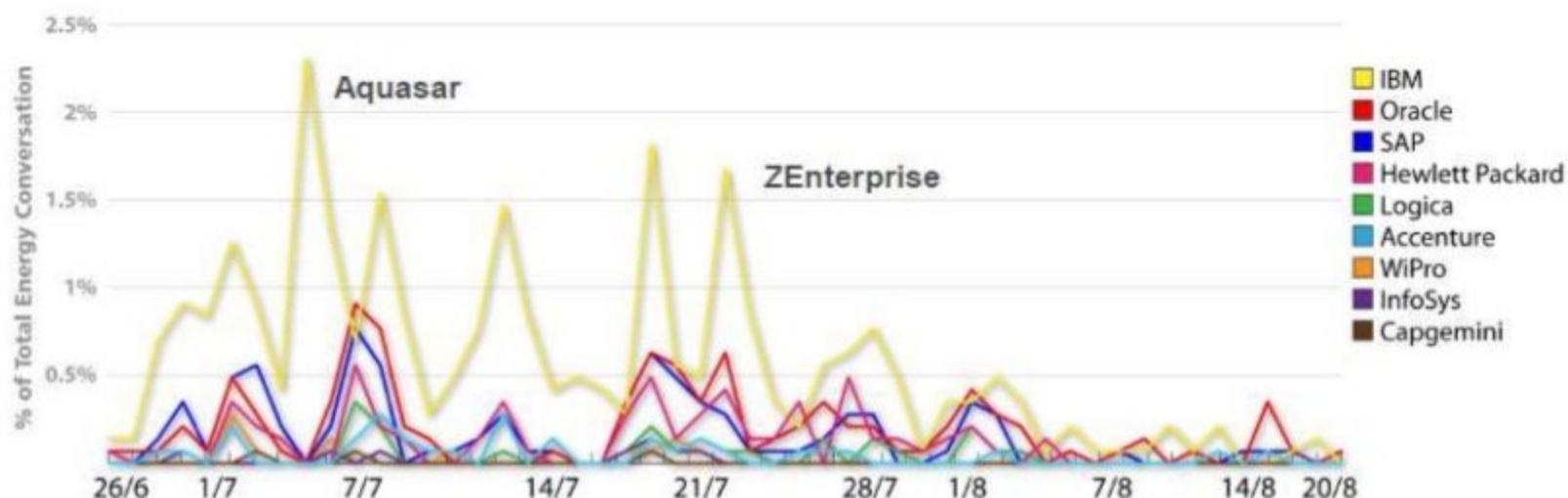
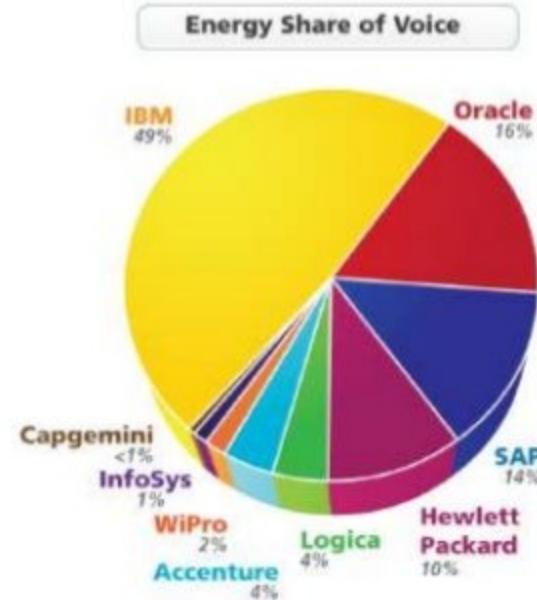
Social Influence Marketing Metrics: Share of Voice

Share of Voice

- IBM held considerable Share of Voice in Energy Computing conversations compared to the competitors studied.
- Much of IBM's dominance had to do with the announcement of the Aquasar supercomputer as well as the release of zEnterprise.

Volume Over Time

- 2/7: News began to propagate about Aquasar
- 23/7: ZEnterprise release was reported

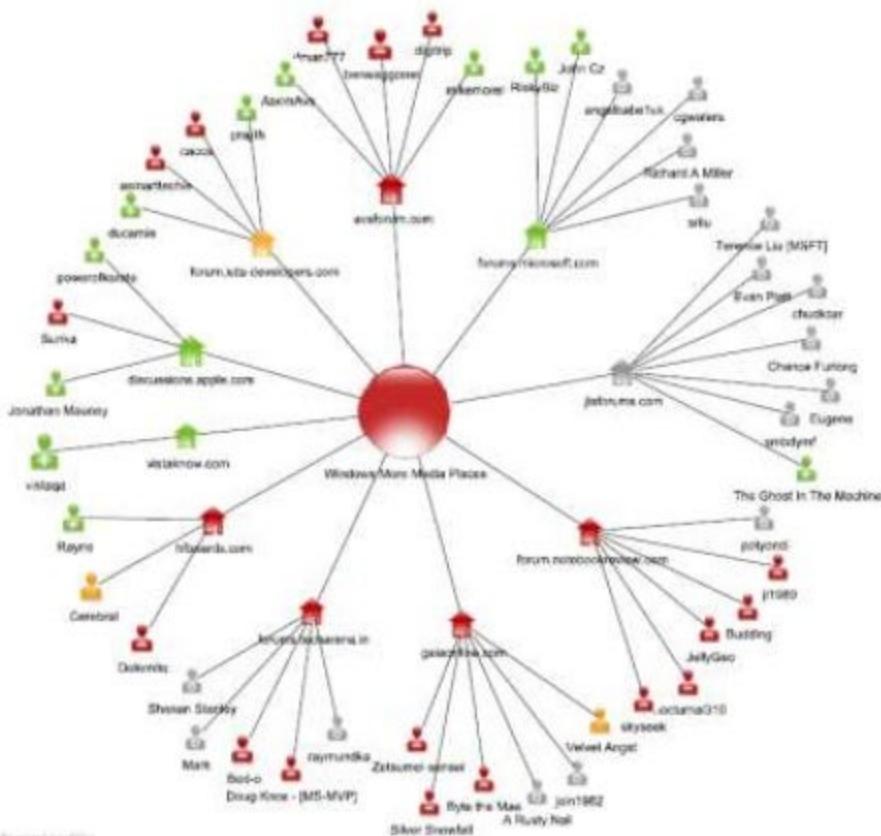


Social Media Influencer Ecosystem Mapping

It is important to first map your influencer ecosystem but remember that popularity (followers, retweets etc) does not mean influence. Real influence is the ability to either directly or through a third party influence someone to take action, drive conversations and/or shift sentiment.

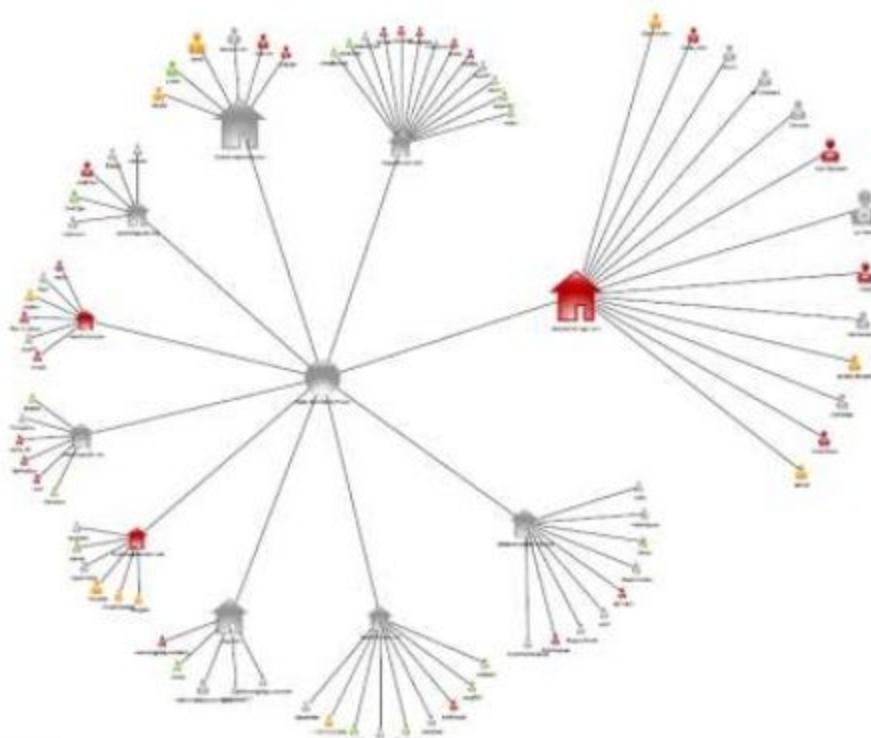
Ecosystem

Windows More Media, More Places

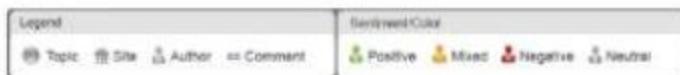


Ecosystem

Apple More Media, More Places



Powered by phive



Exposure & Engagement Metrics

Determining ROI / Value

In order to determine ROI / value of social media it is important to consider a cost/benefit associated with the activity.

For example - Outreach and Engagement Activity, Cost, Value Report:

	Blogs, Spaces, & Forums	Answers / QnA / Interactive Support Communities	Social Networks (Facebook, MySpace, etc.)	Bookmarking, Sharing, & Aggregation Sites	User-Uploaded Video Sites
Outreach and Engagement Activity Driven	131	91	130	522	60
Estimated "Brand Engagement Impressions"	44239	1080	77553	2150	761,734
Costs					
Engagement Programs Cost per Channel	\$17,500	\$5,000	\$7,500	\$5,000	\$20,000
Cost per "Brand Engagement Impressions"	\$0.40	\$4.05	\$0.10	\$2.33	\$0.03
Value					
Additional Value Weighting of Engagement, for Channel	2.168	1.6	1.56	1.28	4.08
Alternative Brand Impression Cost Basis**	\$2.25	\$1.75	\$0.04	\$2.00	\$0.16
Alternative Brand Impression Cost Source	Avg of Display Ad & SEM Click	Customer-Initiated CS Event	App and Media based Facebook Program Brand Impressions	SEM / adsense Click	Avg of Television Ad and Paid Online View Cost
Value of Engagement Events	\$215,796	\$3,023	\$5,224	\$5,504	\$508,143
Value per "Branded Engagement Impressions"	\$4.88	\$2.80	\$0.07	\$2.56	\$0.67
ROI	1133%	-40%	-30%	10%	2441%

Bringing KPI's together

It is one thing to measure some basic exposure and engagement metrics such as Tweets, Facebook followers and other data points, but ultimately if you are not measuring 'outcomes' – changing sentiment, driving a webpage visit, driving a video view, driving online sales, driving Facebook likes, event registrations or more (depending upon your marketing objectives) then you are not really measuring the effectiveness and ROI of your Social Influence Marketing efforts.

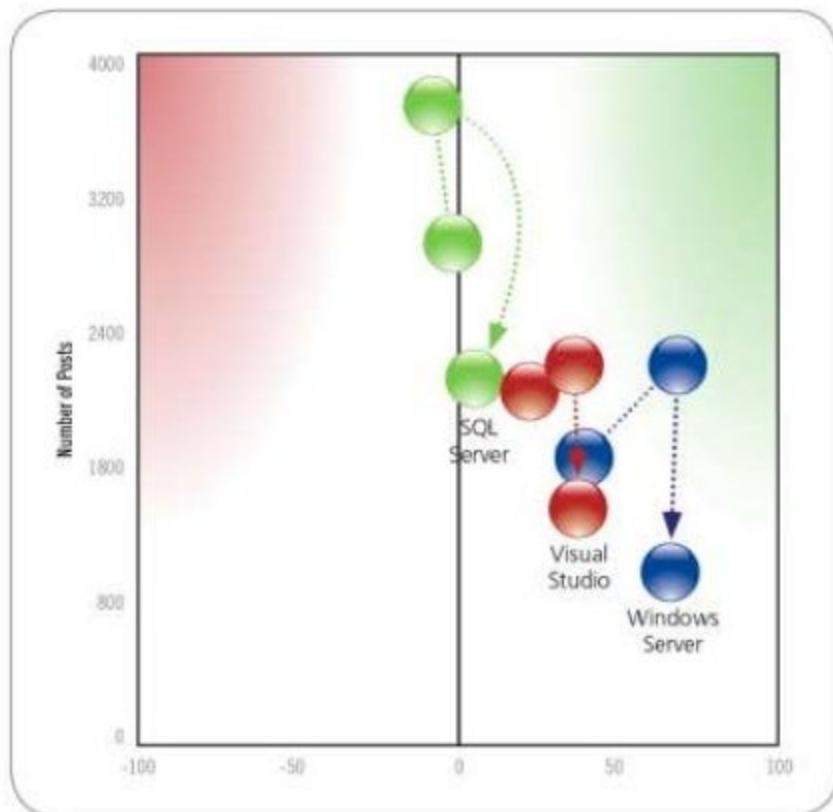
IRR = Initial Response Rate
CPIR = Cost Per Initial Response
CAR = Continued Action Rate
EA = End Actions
CPEA = Cost Per End Action

	Email	Display	Paid Search	SEO	ATL	Social Media
Media Cost	\$977	\$51,850	\$70,618	N/A	\$257,600	\$11,025
Impressions	100,000	1,481,403	2,250,000	2,500,000	11,500,000	845,600
IRR	4.25%	0.15%	0.52%	1.50%	0.85%	2.20%
CPIR	\$0.35	\$77.80	\$1.25	N/A	\$21.50	\$1.50
Unique Visitors	4,250	2,222	11,700	15,000	97,750	18,603
Engagement Rate*	16.50%	12.78%	20.34%	27.20%	14.25%	27.20%
CAR	8.25%	6.24%	5.63%	9.97%	3.56%	11.13%
End Actions	399	255	983	840	2,346	2,100
End Action Conversion Rate	9.4%	11.5%	8.4%	5.6%	2.4%	11.2%
Cost Per End Action	\$2.45	\$203.33	\$71.84	N/A	\$109.80	\$5.25

*You would principally measure the Landing Page engagement rate and the Engagement Rate of the top Entry Pages

Ultimately It Must be About Actionable Insights

- Overall increase in positive sentiment, increase in brand equity, greater event visibility and exposure to non-search users.
- Volumes rose 200%+ around launch events, and settled more positive than original positions.

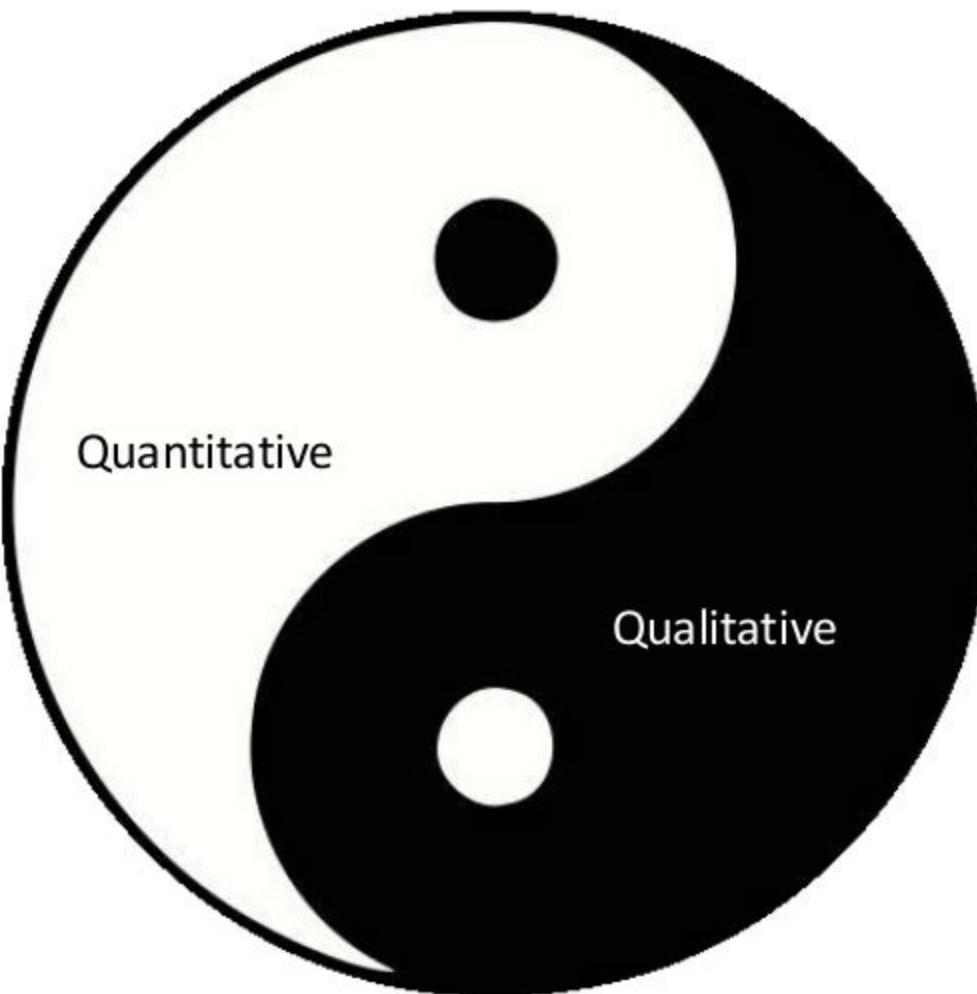


Sentiment before, during and after launch events.



- WOM had higher registration percentage than any other campaign channel.
- Outperformed Paid Search by 2.5x.
- Simultaneous PR and advertising win.

Need More Emphasis on *Qualitative vs Quantitative* Measurement



Need More Emphasis on *Quantitative* vs *Qualitative* Measurement

Example:

I had a problem on a high profile website:

- Less than 32% of site visitors were successfully finding the content they were looking for.
- Using our monthly Comscore Qualitative Site Satisfaction data we found out that 62% of people were coming to the site for Post-Sales Information but marketers were focused solely on design, information and functionality for pre-sales! We had a misalignment between customer needs and marketers expectations.

No amount of quantitative data would have provided this insight.

Why is Qualitative Measurement So Important?

- Helps you understand how satisfaction with all aspects of the site tracks over time.
- Helps determine which aspects of the site experience drive satisfaction.
- Allows you to identify actionable improvements.
- Will reveal whether the sites are attracting your target audience.
- Will reveal whether the sites are meeting the needs of the target audience groups.
- Lets you explore whether site satisfaction and brand preferences are correlated.



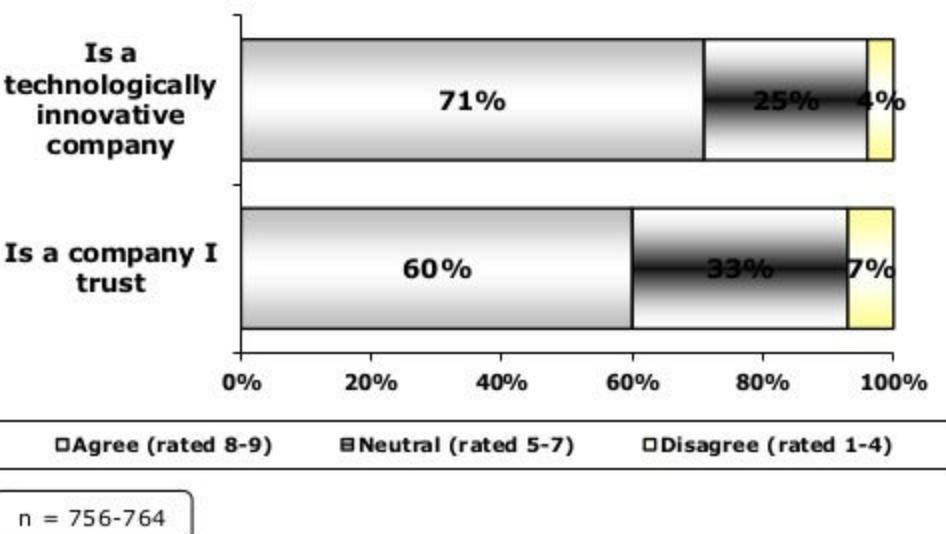
Primary Qualitative Metrics

- Overall Satisfaction - NSAT = VSAT – DSAT + 100
- Visitor Success Rate – Whether visitor found the information
- Primary Reasons for Visiting – Lifecycle = Pre-Sales & Post-Sales
- Satisfaction with Site Design
- Satisfaction with Site Content
- Satisfaction with Site Functionality
- Drivers of Satisfaction
- Who's Visiting the Site
- Impact of Site Experience on Brand Preferences, Revisit Intentions and Likelihood to Recommend
- Recommended Improvements

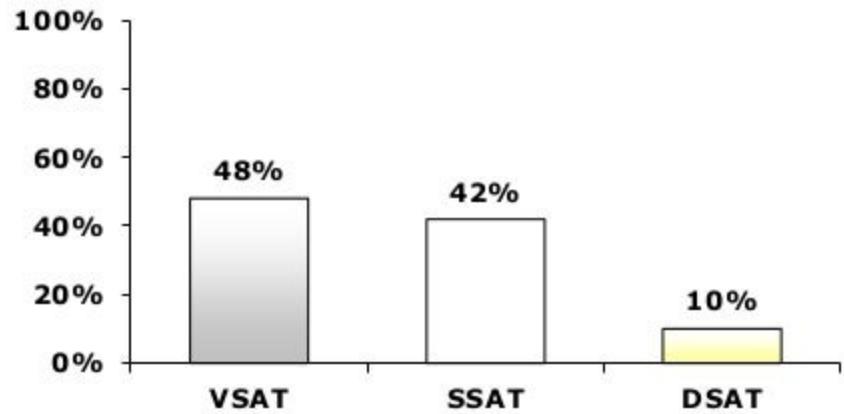


Site Satisfaction – Austria

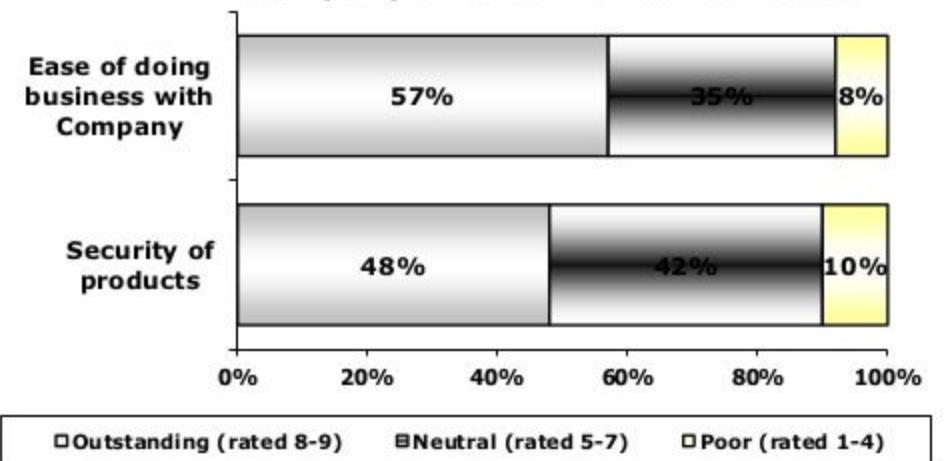
Attitudes towards Company



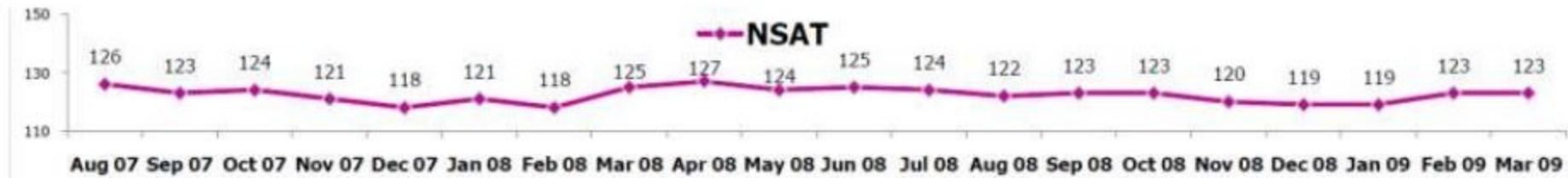
Overall Satisfaction with Company



Company's Performance Attributes

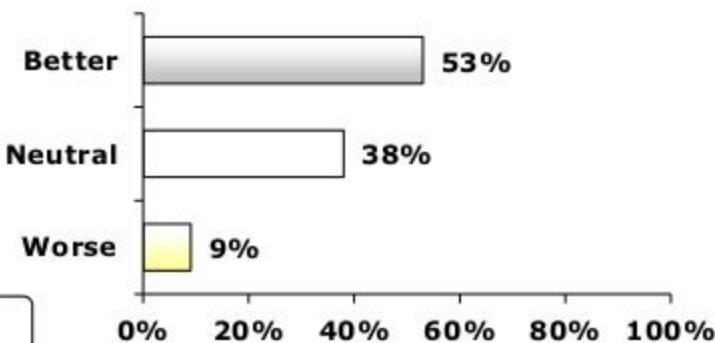
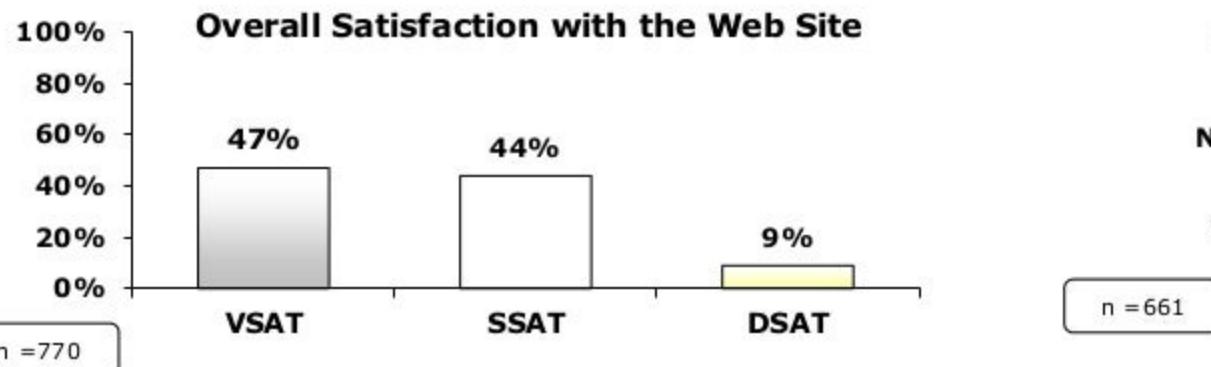


NSAT



Key Satisfaction Metrics – Austria

Compared to Other Technology Sites

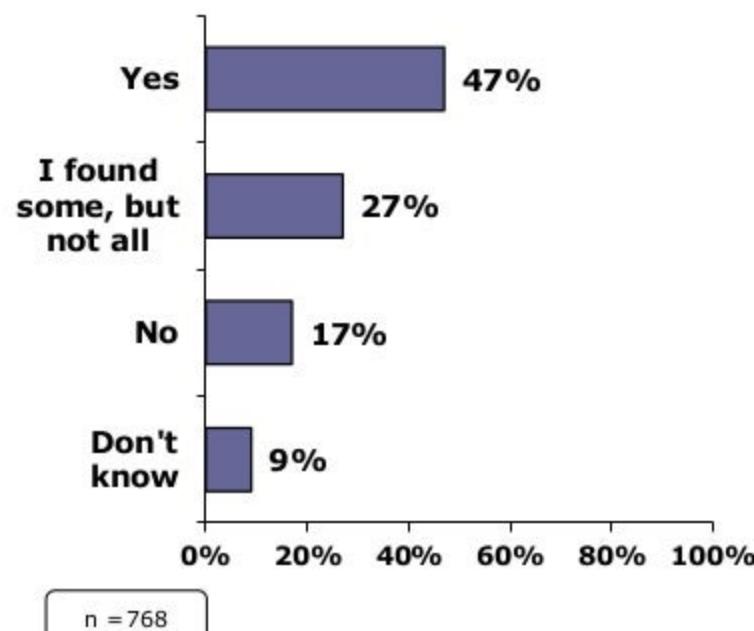


Content

Performance Measures	(n=276-766)	Outstanding (8-9)	Poor (1-4)
Quality of German translations		60%	5%
Quality of information provided in German		54%	7%
Usefulness of Information		53%	5%
Accuracy of Information		51%	7%
Topics Covered		50%	5%
Availability of information provided in German		48%	9%
Depth of Information		46%	7%
Loading speed compared to other sites		56%	5%
Overall appearance		51%	5%
Organization of information		41%	9%
Ability to easily find information		34%	16%
Amount of time it took to find information		33%	16%
Site navigation		50%	8%
Search on the site		45%	11%

Functionality

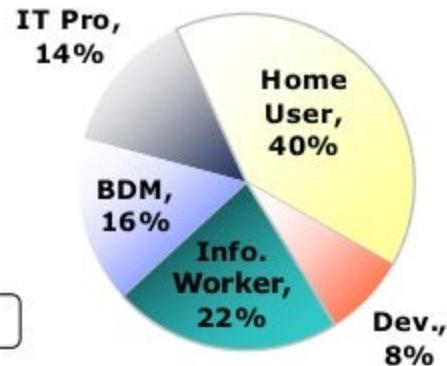
Whether Found Information Looking For



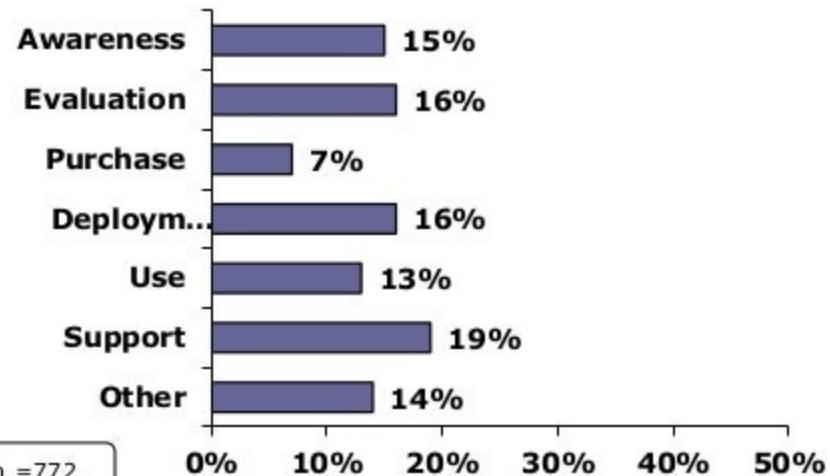
Tools

Visitor Profile – Austria

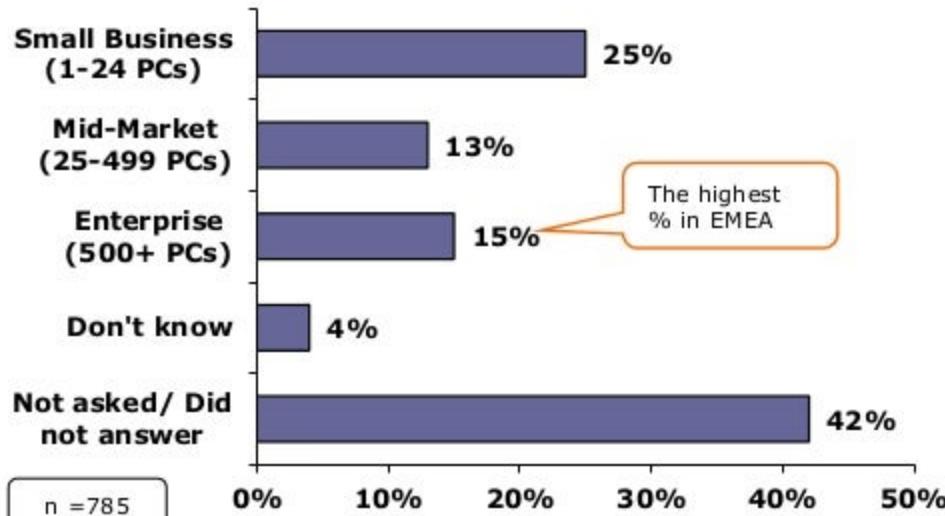
Taxonomy



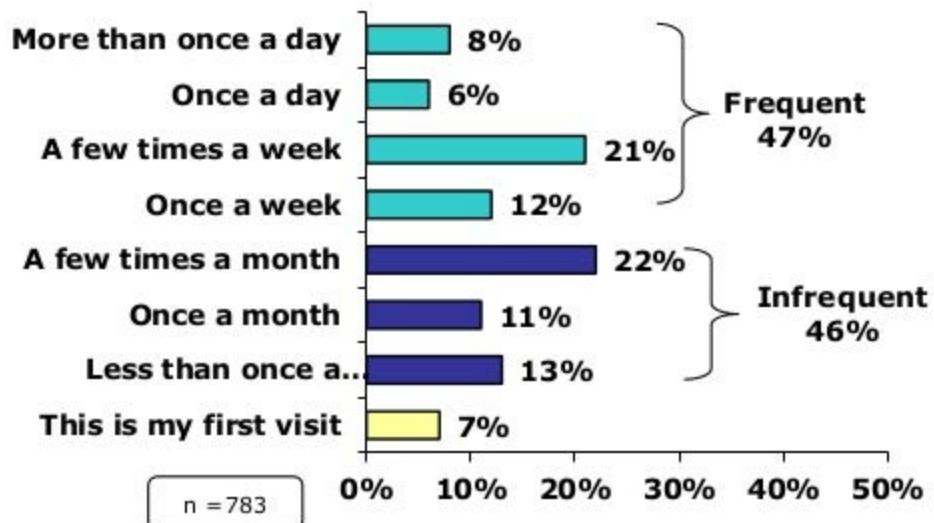
Customer Lifecycle



Organization Size

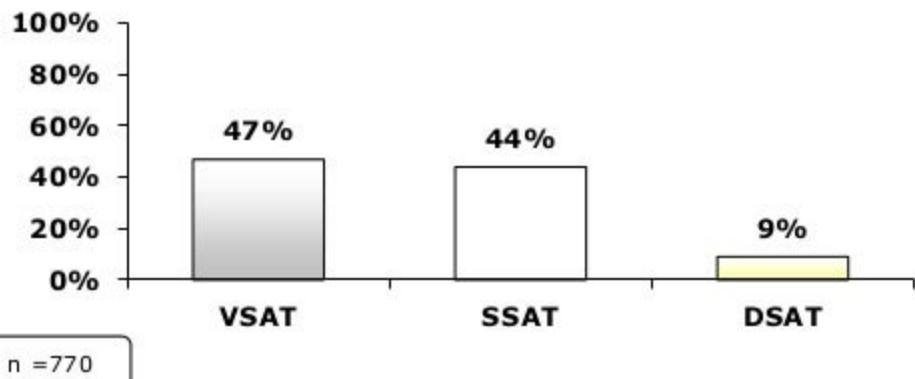


Frequency of Visiting Web Site

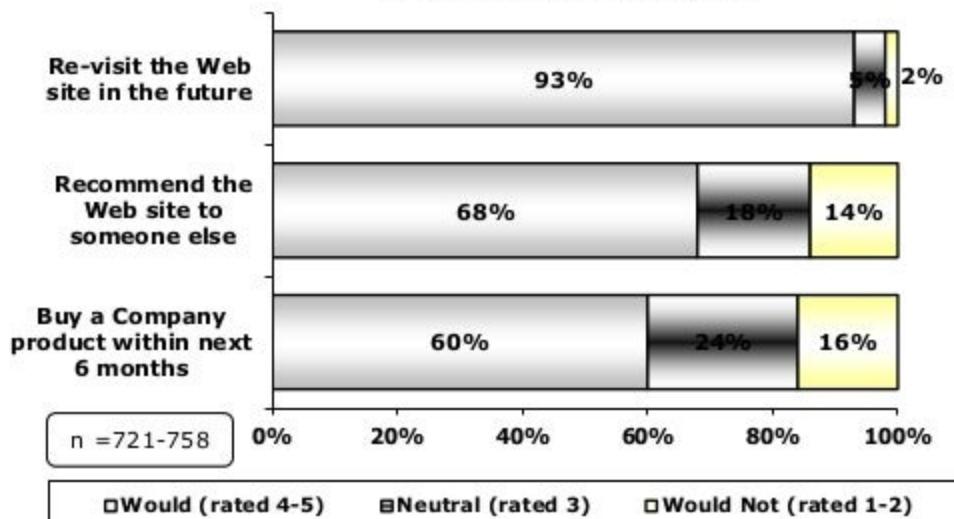


Evaluation & Impact of Web Site Visit – Austria

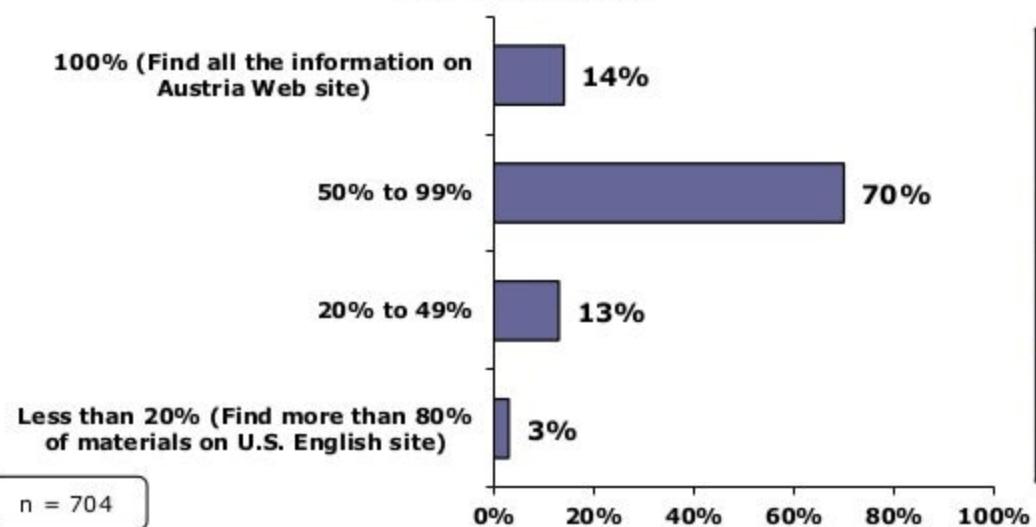
Overall Satisfaction with the Web Site



Likelihood of Actions



Proportion of Materials Found on Localized Sub's Network



Performance Measures (n= 746-757)

Performance Measures (n= 746-757)	Outstanding (8-9)	Poor (1-4)
Quality of German translations	60%	5%
Quality of information provided in German	54%	7%
Usefulness of Information	53%	5%
Accuracy of Information	51%	7%
Topics Covered	50%	5%
Availability of information provided in German	48%	9%
Depth of Information	46%	7%

Qualitative Audience Performance Summary: Example Data Only

NSAT Performance													
NSAT				VSAT				DSAT				H1 FYxx	
H1 FYxx	Δ 6 Mos.	Δ 12 Mos.	Δ 18 Mos.	H1 FYxx	Δ 6 Mos.	Δ 12 Mos.	Δ 18 Mos.	H1 FYxx	Δ 6 Mos.	Δ 12 Mos.	Δ 18 Mos.	Base Size	
109	-8	-2	0	25	-2	-1	+3	16	+6	+1	+3	403	

Performance on H1 FYxx Drivers

Top Drivers of Satisfaction for the Field

	Potential NSAT Impact	H1 FYxx Net Score	Δ 6 Months	Δ 12 Months	Δ 18 Months	H1 FYxx Driver Rank
■ Share of impact moving DSAT to SSAT ■ Share of impact moving SSAT to VSAT						
Products are relevant to my needs	0.2% 0.9%	1.1	125	-9	-1	-6
Resources help me do my job better	0.2% 0.5%	0.7	113	-9	-1	-1
Products are reliable	0.1% 0.5%	0.6	104	-3	+2	-2
Products are secure from vulnerabilities	0.4% 0.2%	0.6	77	-4	+6	+6
Products are easy to maintain	0.2% 0.2%	0.4	105	-16	-5	-8
Resources help me get the most of our products	0.2% 0.2%	0.4	109	-7	+3	+1
Resources help me connect to the IT community	0.3% 0.1%	0.4	107	-4	+1	+1
Communicates business value	0.2% 0.1%	0.3	93	-9	+1	-7

Swing Voter Analysis

59% Somewhat Satisfied Swing Voters

	DSAT	At Risk	Neutral	Leaning	VSAT
H1 FY09	16%	2%	54%	3%	25%
H1 FY08	DSAT	At Risk	Neutral	Leaning	VSAT
	15%	2%	51%	6%	26%

To prevent the "At Risk" population from moving to DSAT, prioritize efforts to improve:

To move the "Leaning" population to

- | | |
|--|--|
| • Demonstrates an understanding | • Helps me understand the software roadmap |
| • Has appropriate frequency of contact | • Demonstrates an understanding |
| • Products are easy to install | • Is knowledgeable of tech solutions |

Competitive Analysis (Core Measures & Pillars)

	Quality		Cares		Value		Innovative		Trust		Security		Ease		Resources	
	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months	NET	Δ 12 Months
Microsoft	104	-5	85	+2	73	-4	111	-4	103	+4	87	+2	79	-7	115	+2
IBM	144	+22	124	+26	121	+29	125	+9	133	+14	119	-10	114	+16	123	+17
Red Hat Linux	134		118		150		125		128		142		107		121	
Oracle	104		102		81		96		105		111		100		107	
Sun	128		115		121		132		120		131		109		121	
Symantec	117	+4	101	+3	108	-5	115	+10	125	-2	129	-4	108	+9	101	-5

Verbatim Distribution

Verbatim Themes

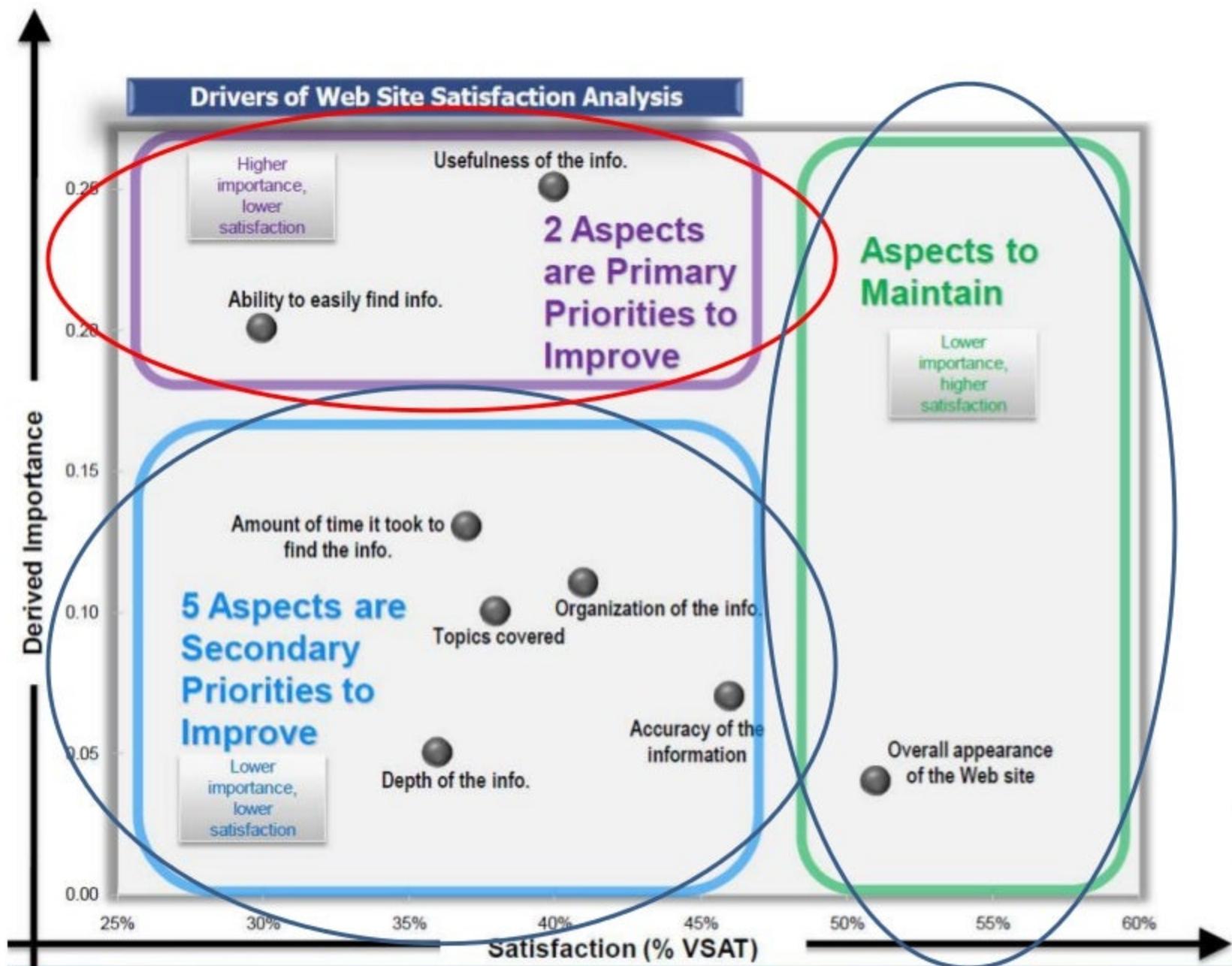
A horizontal bar chart titled "Productivity (Net)" showing the percentage contribution of four product types across four fiscal periods. The y-axis lists the periods: H1 FY4, H2 FY3, H1 FY2, and H2 FY1. The x-axis shows the percentage of Productivity (Net) for each product type: Security (Net), Resources (Net), Ease of Doing Business (Net), and Cost (Net). The bars are color-coded: Security (Net) is light blue, Resources (Net) is medium blue, Ease of Doing Business (Net) is dark blue, and Cost (Net) is grey.

Period	Security (Net)	Resources (Net)	Ease of Doing Business (Net)	Cost (Net)	
H1 FY4	49%	8%	15%	22%	9%
H2 FY3	55%	5%	15%	14%	8%
H1 FY2	46%	5%	10%	20%	17%
H2 FY1	40%	10%	14%	18%	15%

H1 FYxx Top Improvement Areas

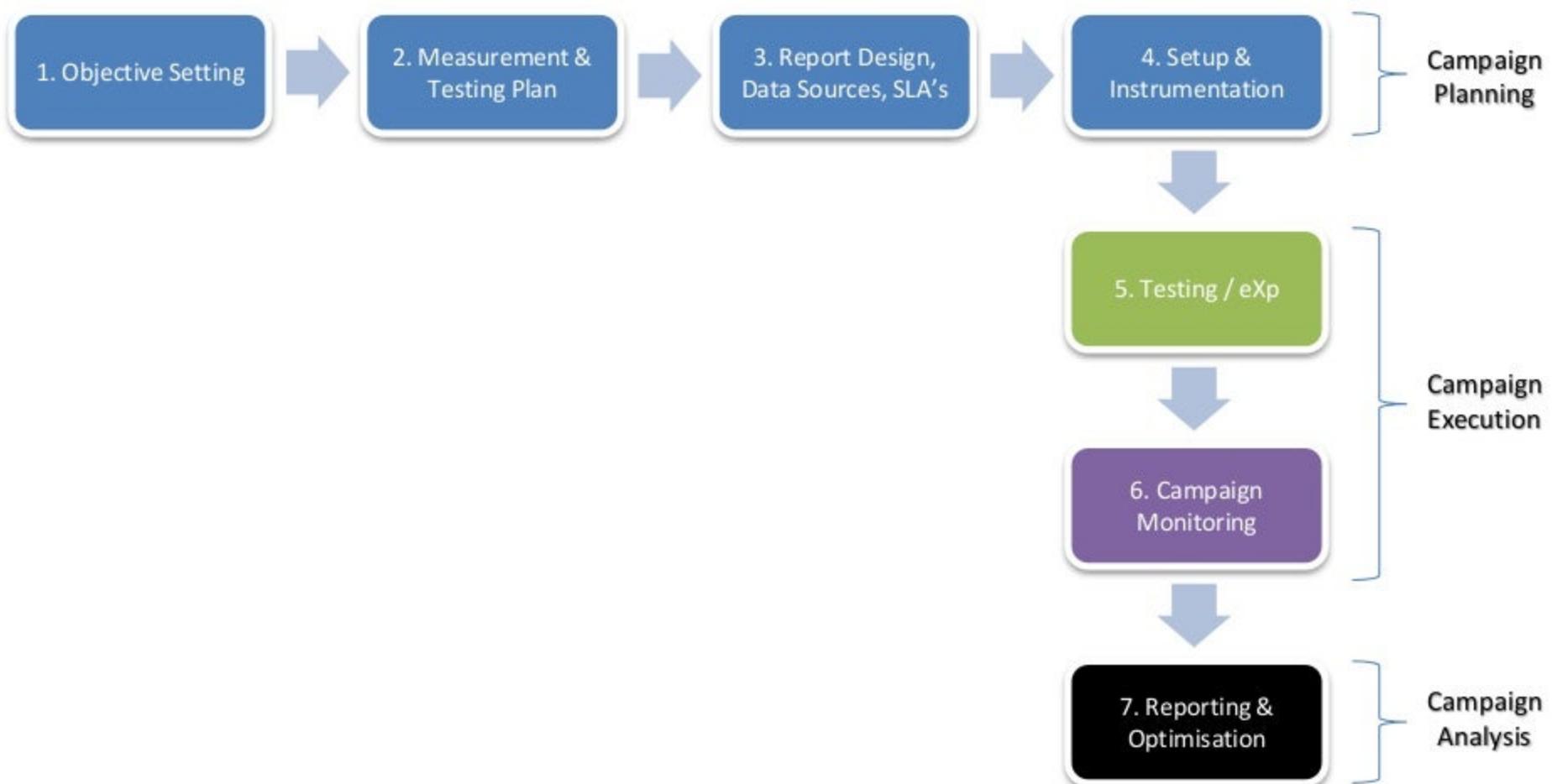
Lower price on products (incl. more competitive pricing)	Licensing/improve licensing
Easier licensing policy	More reliable system (incl. less system crashes)
Windows Vista	Improved ease of use of products

Example: Qualitative Optimisation Priorities Example



Measuring Success: A Measurement Approach

General steps of a Measurement & Testing Approach:



Measurement Fundamentals

Establish Campaign Objective

- What are you trying to achieve?
- Example: Register customers for Power7 Server Launch Events.

Set Clear Campaign Goal

- Check your benchmark tool for prior learning
- How will you know if you achieved your objective?
- Example: Register 1,000 customers in FY09.

Develop Measure, Test & Optimise Plan

- Identify the right KPI's
- Define High Valued Actions (HVA's)
- Choose the right tools for the job.

Develop Reporting Plan

- Determine Report / Dashboard Design
- Identify Data Sources
- Define SLA's

Develop Instrumentation Plan

- Roles & Responsibilities
- SLA's
- Setup/Instrumentation Checklists

The 6-step Measurement Plan



Step 1: Define the Purpose of Your Site

The type of site will determine the type of KPI's / metrics you will focus on:

- Audience Engagement Site
- Product Site
- Campaign Site
- Corporate Strategic Site

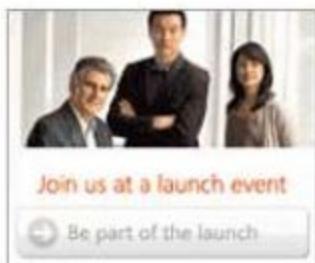
Step 2: Define What You Need to Track

Key questions:

- What is the site/ campaign goal?
- What KPIs are critical for site / campaign optimization?
- Are these metrics trackable with our tools?
- If outcomes are not directly trackable, are there proxies?
 - *Example: MQPs/Opportunity Revenue as a proxy for Win Revenue*

Step 3: Identify Metrics for Site/Campaign Reporting/Optimization

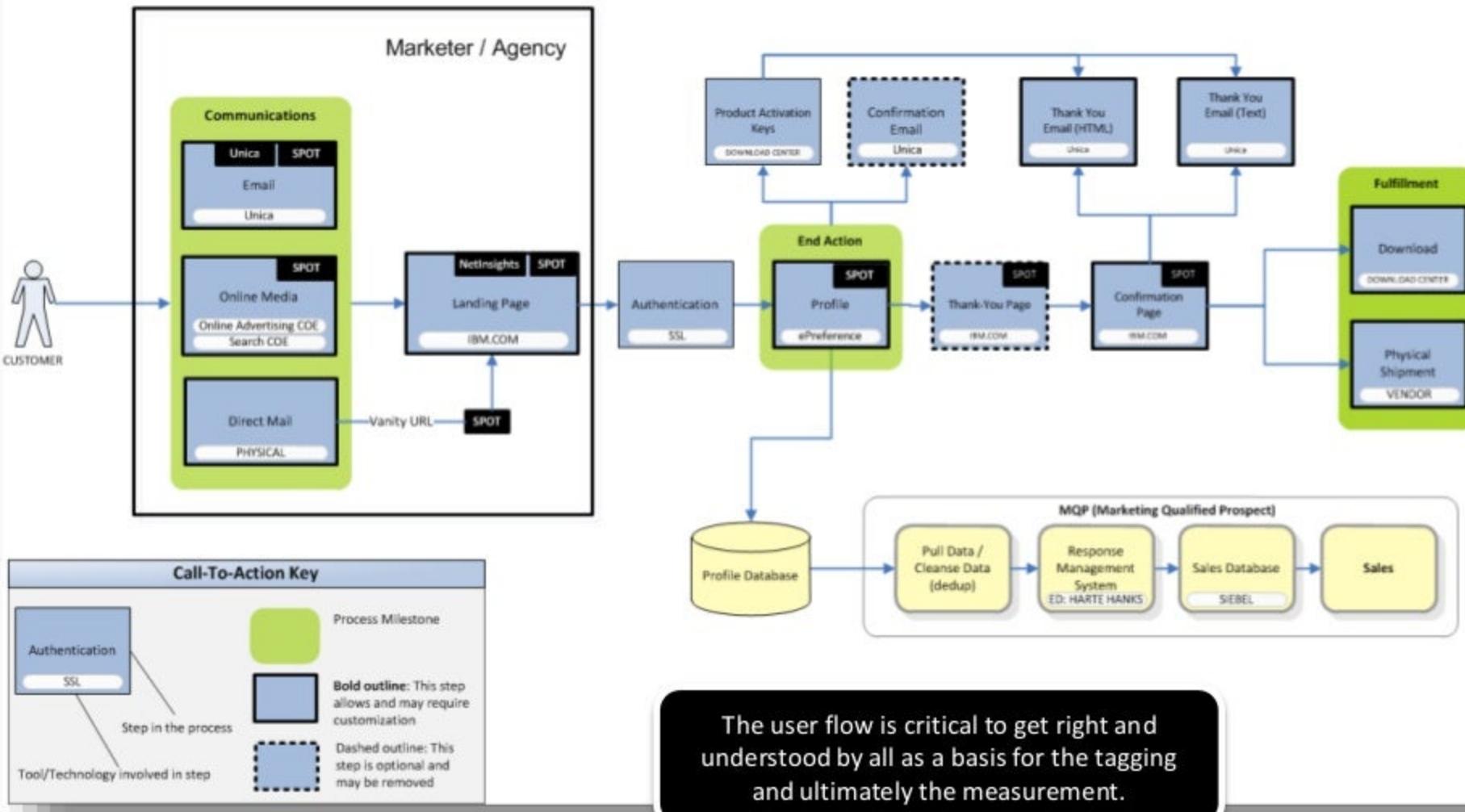
- Primary KPI = Main site / campaign goal (End Action)
- Secondary KPIs = Metrics that optimization activities will focus on (Success Events)



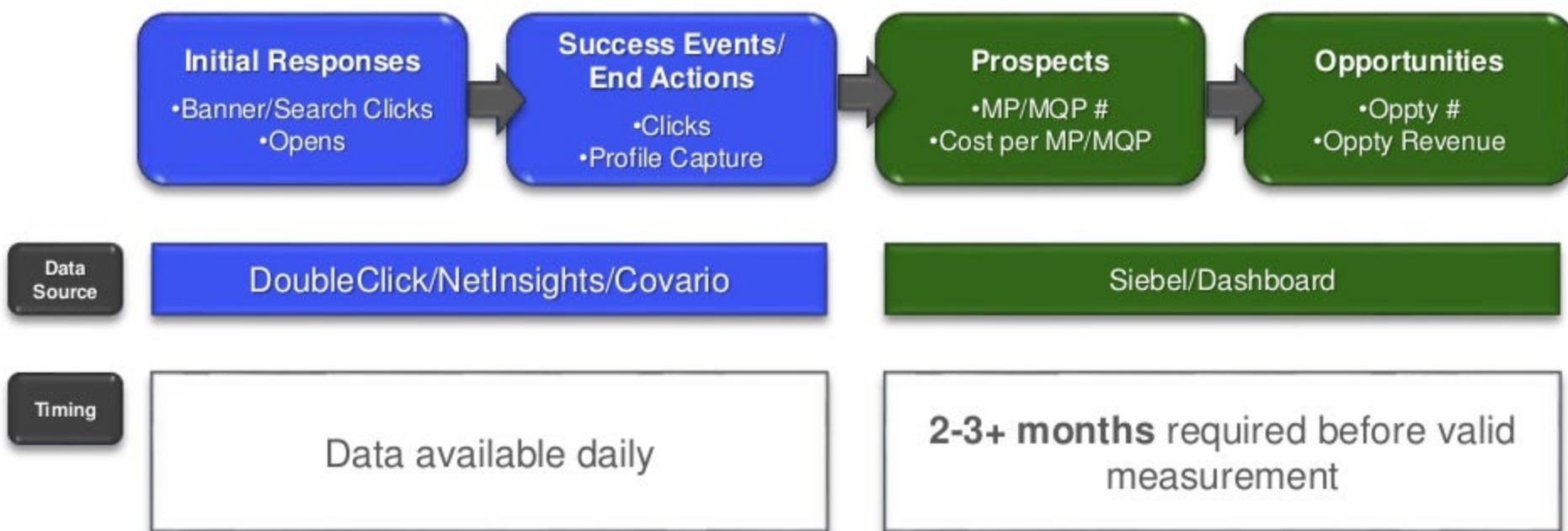
Step 4: Create a User Flow Diagram and Tagging Plan

IBM Campaign Site Center Of Excellence

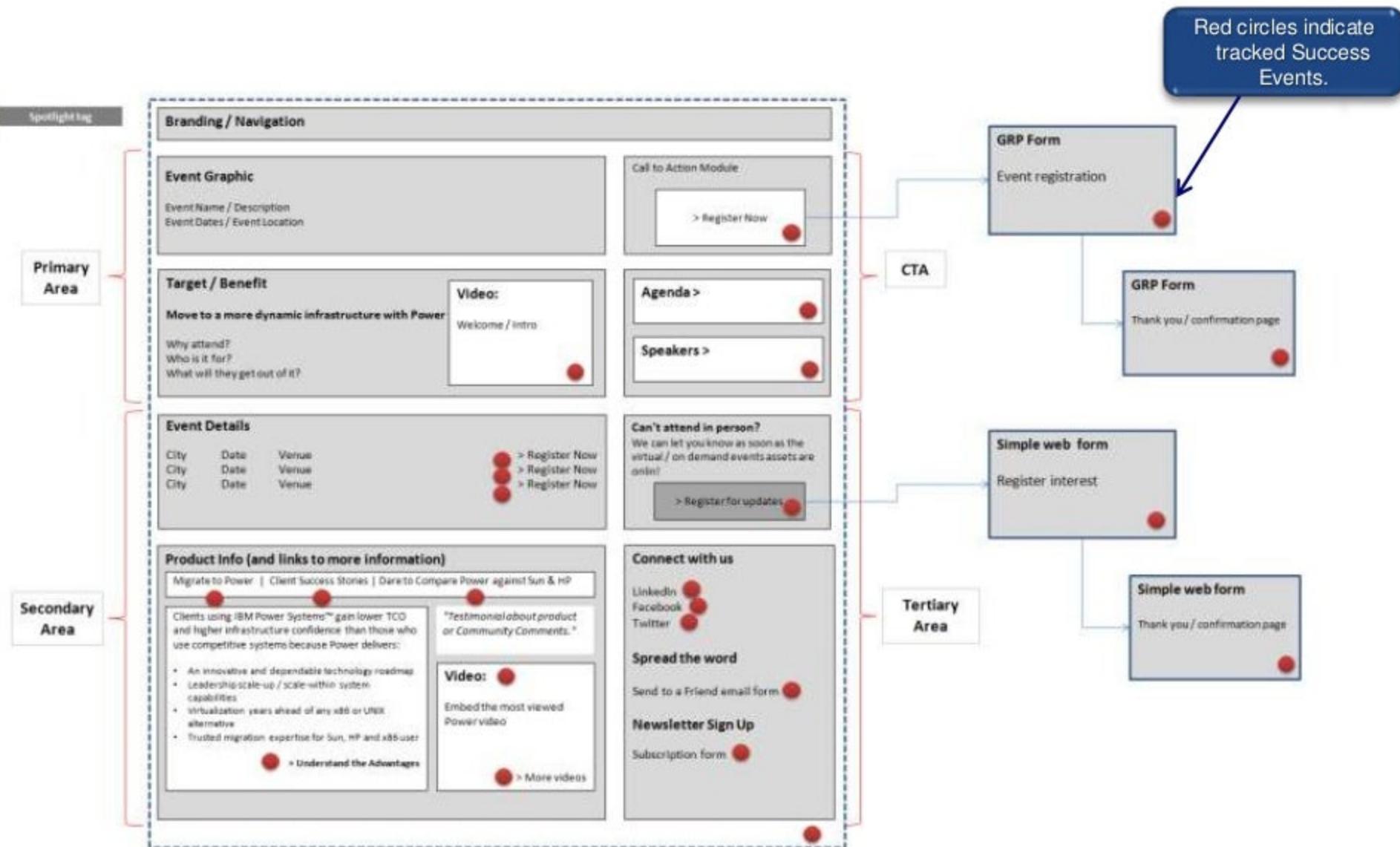
Call-To-Action: Trial Software



Tagging Enables Comprehensive Measurement



ATLAS / Doubleclick Spotlight Tagging – Wireframe Example

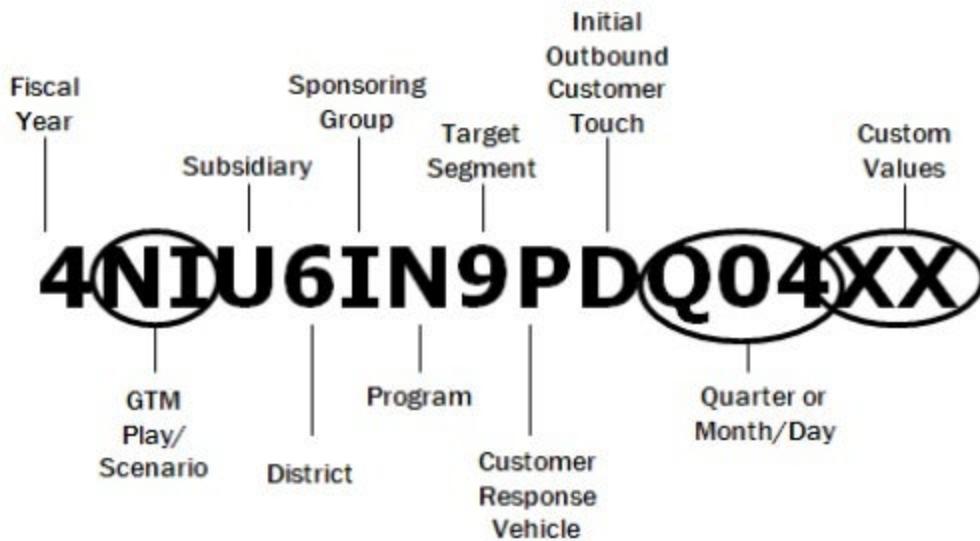


Developing and Using Campaign Codes for Tracking

English Definition: The campaign code (e.g. Smartcode) is what enables you to tie the cost and pipeline information to your campaign.

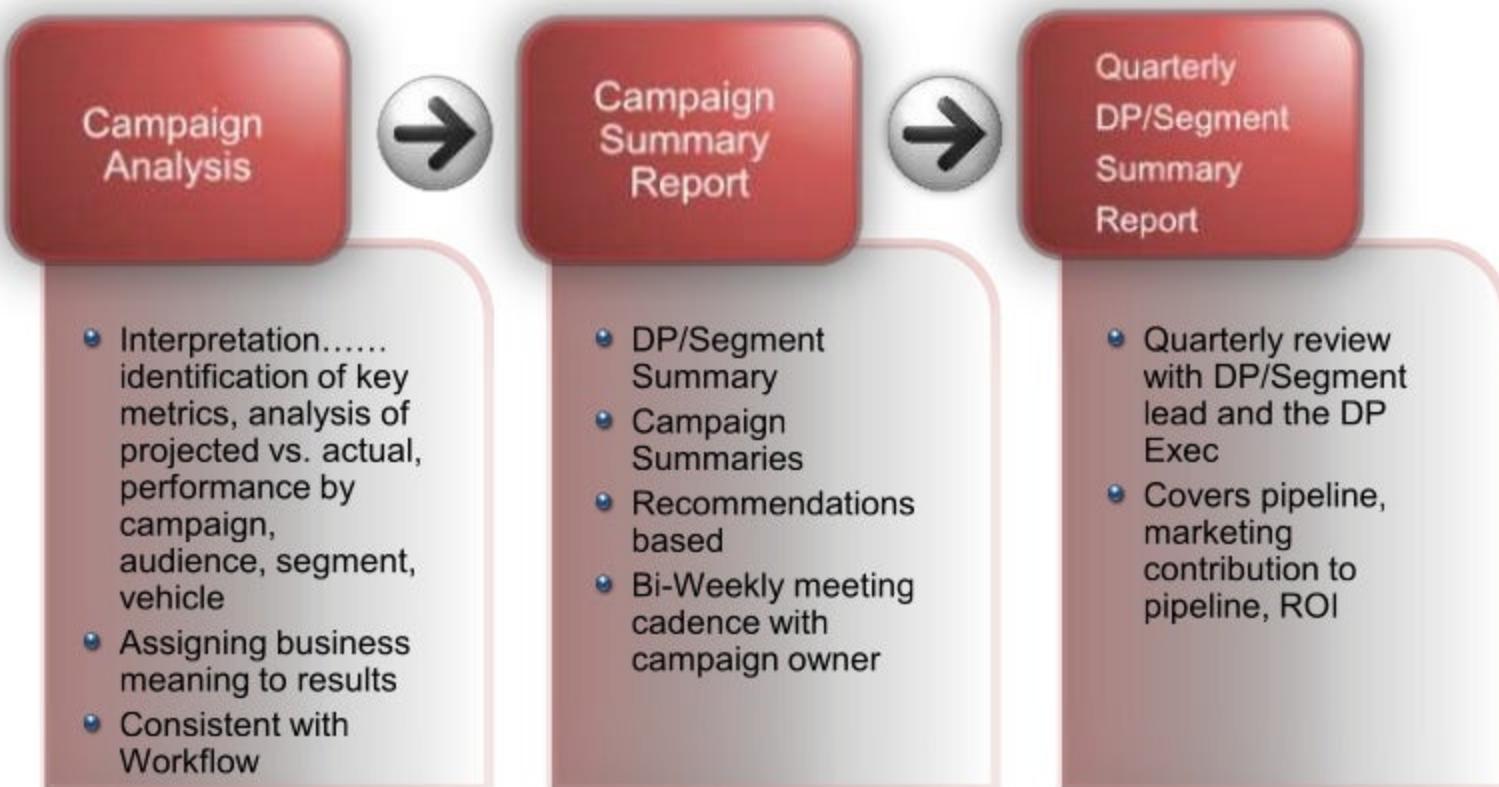
What is a Smartcode?

- “Intelligent” promotion code tied to every campaign and key campaign elements.
 - Carried through your systems for better campaign tracking.
 - Improved reporting that includes lead and pipeline data.



Step 5: Define the Optimization Strategy

Marketers and the Agency should discuss which elements the agency is optimizing and which aspects the company will optimize.



Step 6: Set Expectations on Report Content and Frequency

Need to provide consistent reporting; report design, determine roles & responsibilities, data sources & SLA's.



Reports and Context

It is important that we begin to look at digital data in a 360 degree context of the different channels & tactics.

For example, looking at a paid search report alone and only looking at reach (impressions) and initial response (CPC / CPIR) data is very misleading.

- 44% of all people who click on paid search results have been exposed to display advertising prior to the click. Therefore it is wrong to attribute 100% performance to paid search or the 'last click'.

You need to look at paid and organic search data together and with broader engagement/performance metrics.

More broadly you need to regularly look at data in overall context of a campaign and or program and this also requires you to develop an overall digital and or broader marketing scorecard for your organisation.

Why Data Matters: Context of Data Reveals Answers



Example: Rolled Up Digital Marketing Management Scorecard & Metrics Definitions

KPI	Measured by	Definition
Reach of Site	Unique Visitors	Number of unique individuals who visited your site during the report period.
	Page Views	Total pages viewed during the report period.
Discoverability	Total SEO Health Audit Score	This is the key Search Engine Optimisation (SEO) score to determine the overall discoverability and health of IBM.com online
Awareness and Effectiveness of Paid, Earned, Owned Media	Total \$ Online Media	Total amount of online media invested in the period.
	Delivered Ad Impressions	Number of successful targeted contacts or exposures for a marketing campaign.
	Initial Responses	Number of times a pre-defined initial or first action is performed by customers.
	Cost Per Initial Response	The actual cost of generating each Initial Response.
	End Action Conversion Rate	Number of end actions as a % of Initial Responses performed by customers who complete the desired advertising final action.
	Cost per End Action	Total cost of generating each End Action.
Total Leads Collected	Marketing Prospects (SIPS)	Standard Individual Profile. A customer profiling standard that defines baseline attributes required for contacting individuals for the organizations and determining the roles they play with their organizations.
Email Subscribers	Subscribers	Total number of subscribers
	New Subscribers	Net number of new subscribers less un-subscribes
	Opt Out Rate	The % of opt out during the period
	Open Rate	The number of emails opened as a % of total emails sent
	Initial Response Rate	Number of times a click on a link within an email is performed as a % of the total emails opened
Engagement	Engagement Rate	Effective rate of engagement between the visitor and content on landing pages and other primary pages.
	Success Events	Success Event is a pre-defined action performed by customers that indicates engagement with specific content on the page. Can help determine ROI as not all customers will complete an End Action on a first or single visit.
	End Actions	End Action is a pre-defined action performed by customers that completes the desired marketing campaign final action, response mechanism, or call to action. This is typically the marketing end point. Some does not involve PII for instance, viewing a video.
Customer Satisfaction	VSAT	VSAT: % of respondents giving a very satisfied rating in response to a customer satisfaction survey. On a 4-point scale, 4 would be a "very satisfied" score.
	DSAT	DSAT: % of respondents giving a dissatisfied rating in response to a customer satisfaction survey . On a 4-point scale, 1 and 2 would be a "dissatisfied" score.
	NSAT	NSAT: A calculated net satisfaction score. NSAT = VSAT – DSAT + 100.
	Content Favourability	Growing industry trend to rate both our customer's satisfaction with specific content and more importantly, their intent to share the copy with their peers (a measure of advocacy).

Context is King! You Need 360 Degree View of Data

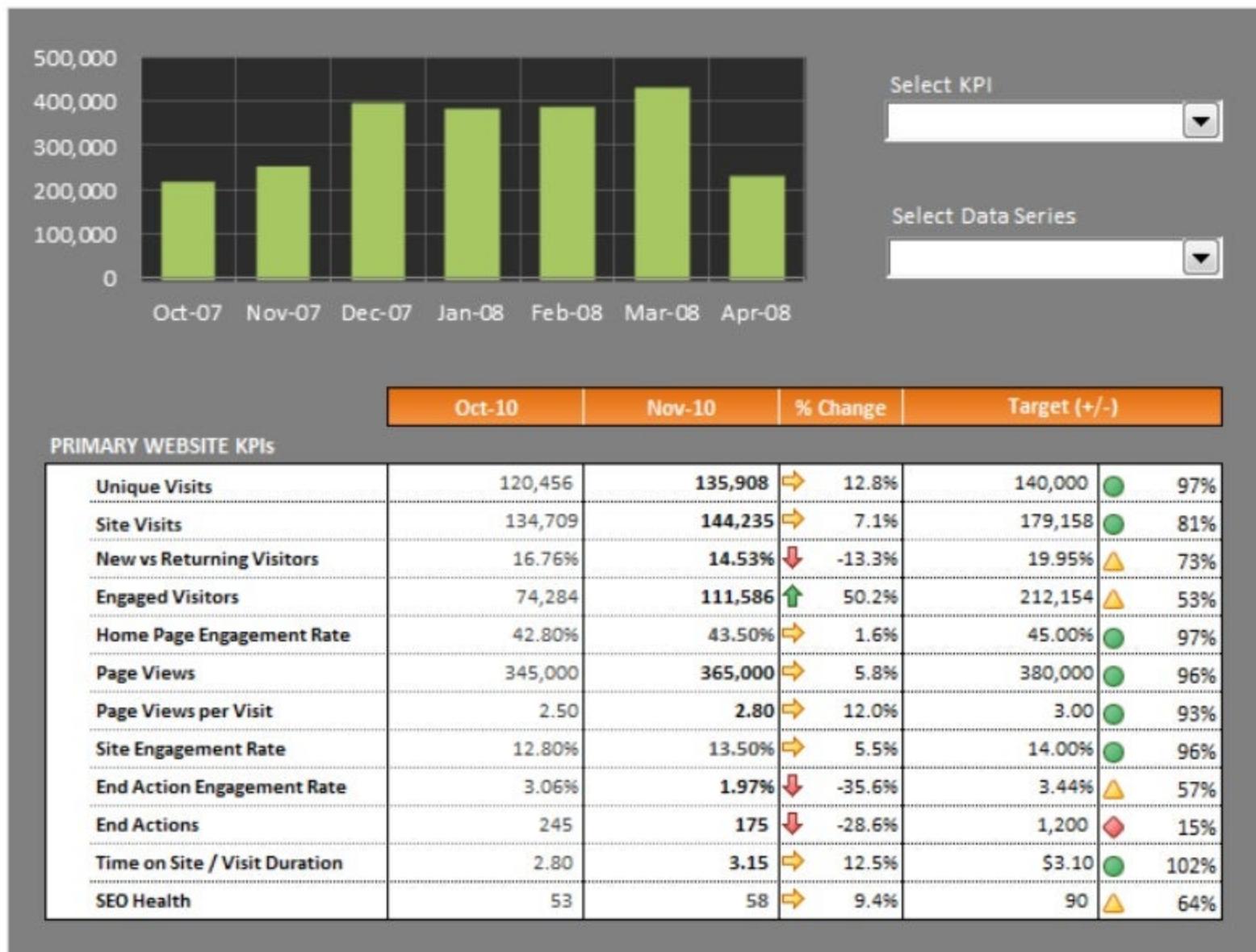
Most marketers are looking at tactical metrics in isolation and not using 360 degree views of all their activities.



Example: Integrated Digital Campaign Report

	Oct-10	Nov-10	% Change	Target (+/-)
PRIMARY ONLINE MEDIA KPIs				
Media Spend	\$219,896.76	\$255,636.73	16.3%	\$409,697.98
Impressions	15,962,075	15,349,662	-3.8%	50,519,553
Responses	74,284	111,586	50.2%	212,153
Response Rate	0.47%	0.73%	55.3%	0.42%
Cost Per Initial Response	\$2.96	\$2.29	-22.6%	\$1.95
End Action Engagement Rate	3.06%	1.97%	-35.6%	3.44%
End Actions	245	175	-40%	1,200
Cost Per End Action	\$96.40	\$116.52	20.9%	\$57.67
PRIMARY WEBSITE KPIs				
Site Visits	78,645	92,316	15%	179,158
Landing Page Engagement Rate	16.76%	14.53%	-15%	19.95%
Site Engagement Rate	10.13%	8.48%	-19%	12.33%
Cost Per Visit That Engages	\$27.59	\$32.66	16%	\$18.54

Example: Persistent Website Digital Report



Example: Digital Report

But, as outlined data without insights and recommendations is useless:

Insights & Recommendations

Site Visits

- In April, we had 110,975 visits – down nearly 40% from March as a result of decrease in volume of media traffic.
- Of these visits, 82% were driven from online media while 18% were organic – organic traffic is up 34% this month.
- 93.5% of media visits were driven by paid search initiative – the remaining 6.5% were driven by display.
- Within display channel, the shift in focus to Banner placements has resulted in Banners accounting for the majority of our display traffic (60%). Within Paid Search, the Always On Search tactic accounted for the largest percentage of search traffic at 46%. Core Search accounted for 33% of total paid search traffic while TL Search accounted for 22% of total paid search traffic.
- Google and Yahoo each account for almost half of our total search traffic – MSN only accounted for 5% of paid search visits in April.
- Our top keywords remained relatively consistent month over month with software, customer service, and blog being 3 of our top traffic drivers.
- In April, the home page was the top landing page and accounted for 70% of entry visits. The Forrester landing page was second with 10% of entry visits, followed by the Technology Assessment page with 5% of entry visits.

Landing Engagement Rate

- In April, our overall landing engagement rate was 22.83% - this is up 13% from March and has been trending up steadily since November.
- Landing engagement rate in April was 29.95% for organic traffic vs. 21.30% for traffic from online media – both saw an increase with organic engagement rate increasing 6% and online media increasing 9%.
- Paid search continues to have higher engagement rates than display tactics - with 21.41% of visits from search engaging beyond initial landing vs. 19.66% from display. That said, display engagement rates are the highest they have been in 8 months.
- Engagement rates in April increased across all major categories: display, paid search, and organic. Within these categories, all tactics improved with the exception of TL Banners and Core Search.
- Google and MSN have the highest engagement rates of our main search engines at ~24%. Yahoo was slightly less at 18%.
- Our top 10 keywords in terms of site visits had a combined engagement rate of 18%, however many of the top 10 had engagement rates that were above our overall average.
- Our engagement rate with top landing pages actually improved from March, and was over 30%. The Technology Assessment and Economist landing page (which combined accounted for 10% of total site traffic) both had engagement rates over 35%.

Cost Per Engaged Visit

- In April, our overall CPEV was \$9.22 – this is down 21% from March
- Online media CPEV was \$12.00 – this is a 9% decline from March and is due to reduced spend and improved continued action rates in April.
- Despite the fact that display channel continues to have higher CPEV than paid search (\$85.52 vs. \$6.61 in April), overall display CPEV declined by 7% in April. This decline was mainly driven by in-unit videos which saw a 64% improvement in CPEV month over month.
- CPEV declined across all search engines in April and averaged \$6.61 (down nearly 10% from last month).

Insights & Recommendations

"Always On" / "Core" Search Observations

- Recent improvement through optimizations has narrowed the margin between actual and projected performance.
- Improvement due to aggressive optimization within Search:
 - Always On / Core - Engagement Rate**
 - * February 08: 2.91%
 - * March 08: 3.67%
 - * April 08: 3.85%
 - Note: In late December, agency changed optimization methods from Total Consumption to Primary End Actions - thereby providing a more vigorous definition of consumption and a more focused picture into user quality.

"Thought Leadership" Observations

- Thought Leadership layer continues improvement seen in March with increased performance against both Engagement Rates and Cost Per KPI.
 - Significant improvement in CAR to Primary KPI and Cost Per Primary KPI, due to the following:
 - * Continued expansion of better performing Banner tactic with increased weight to existing buys and introduction of new of new flash placements on CNET, CNN and NYTimes - thus improving rate of engagements and efficiency.
 - Banner Engagement Rate: 3.52% in March vs. 5.36% in April.
 - Banner Cost Per Primary KPI: \$262 in March vs. \$206 in April.
 - Optimization out of Fox-Sports into MSNBC and decreased investment weight against in-unit video tactic.
 - * Shift to from 50% of Display budget to 30% in April, thus reducing impact against overall campaign results.
 - Optimized out of poor performing Contextual Search.
 - Continued improvement of performance against Search due to aggressive optimization.

Key point to note: although volume related metrics all declined this month, we saw an improvement in all of our key success metrics for PR.

Benchmark Data is Crucial

The best way to change behaviour, shift dollars to digital and execute the right digital activity is to have a great measurement & reporting framework in place, capture historical performance data and make it readily available to marketers and your agency.

Example:

As the adoption of standard KPI's metrics, tools and processes grow, so does our learning:

Initial Response Rate **Benchmarks** by Call to Action types

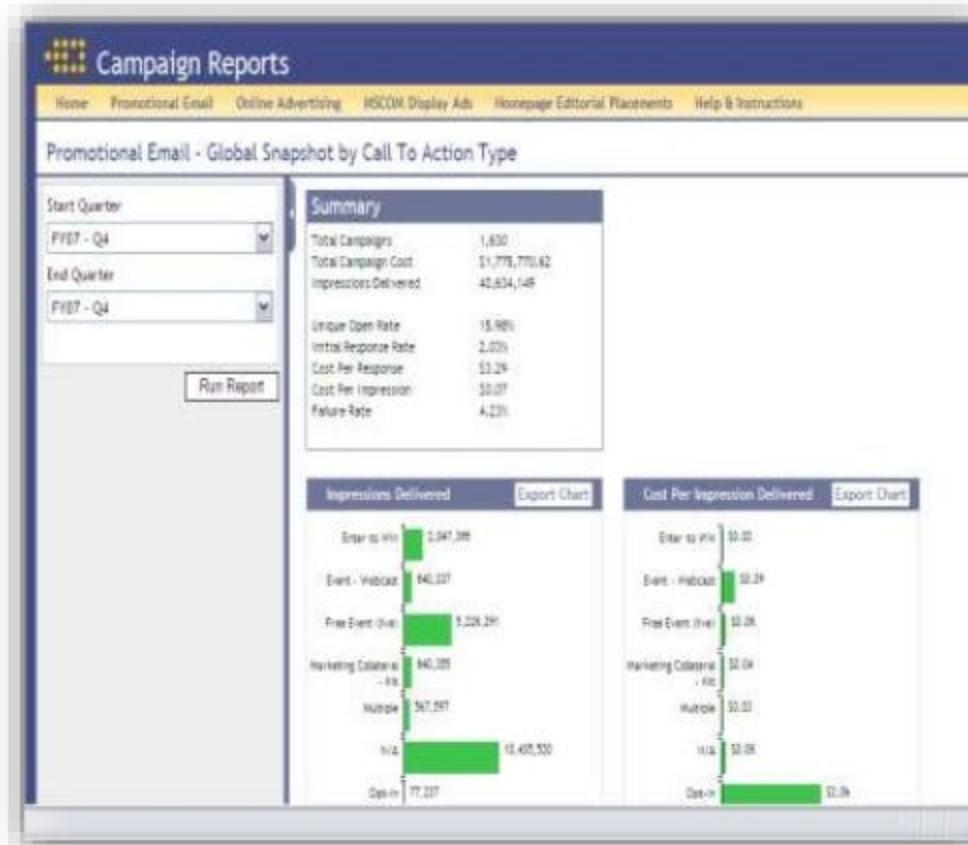
Call-to-Action	Audience= IT Pro
Paid Event	4.25%
Free Event	2.48%
Webcast	0.98%
EVAL /Trial	2.94%
Newsletter Subscription	7.00%
Kit	1.66%
Multiple	8.16%
Product Offer (free)	3.48%

Are we leveraging the right Value Proposition for each Audience?

Call to Action	# of campaigns	IRR	Notes:
C-Suite Audience			
Free Event	57	1.95%	IT pros respond 3x higher to this value proposition than do BDM
Product Offer	17	3.86%	And this call to action is 2x better for this audience... ...why are we using Events 3x more?
IT Pro Audience			
Free Event	36	6.09%	6x more offers were driven with this CTA but...
Trial CD/ Download	6	13.38%	...over 2x better IRR occurred with trials offers

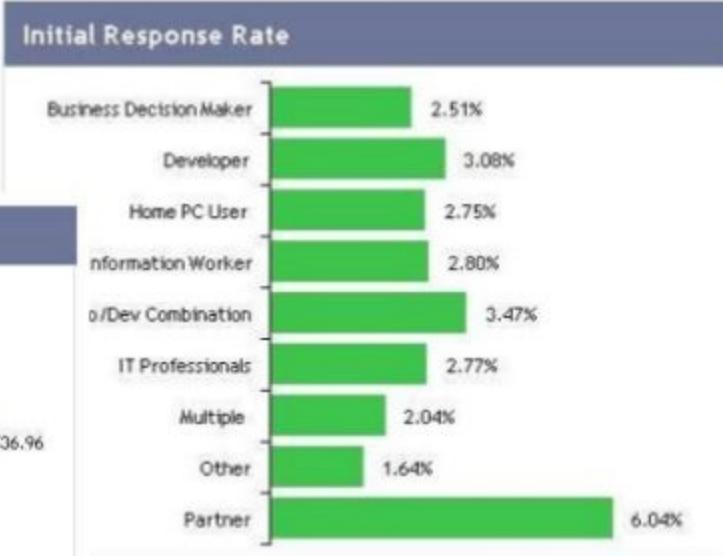
Benchmark Tool - Take a Snap Shot

- Snapshots are ready-to-run reports that include a summary and a graphical representation of the data
- Perfect for a quick snap shot of how a campaign performed by:
 - Call to action
 - Customer group
 - Geography
 - Time period
 - Other factors



Benchmark Tool - Using Snapshot Reports

- A marketer can use benchmark data to learn from previous activities and investments and therefore more effectively plan for the future.



Benchmark Tool - Customize a Query

- Run reports that target specific metrics:
 - Time period
 - Geography
 - Segment
 - Customer Group
- Compare the campaign to benchmark results
- Export results to Excel or Print

The screenshot shows a user interface for a benchmarking tool. It consists of three main sections:

- 1. Select Reporting Period**: Contains dropdown menus for "Start Quarter" (set to "FY07 - Q4") and "End Quarter" (set to "FY07 - Q4").
- 2. Select Campaign Filters**: Contains dropdown menus for "Subsidiary", "Segment", "Customer Group", "Call To Action", and "Day of Week".
- 3. Select Data Set to Benchmark Against**:
 - A radio button for "Microsoft Promotional Email Data" is selected.
 - A dropdown menu for "Last 4 Quarters Available" is set to "Last 4 Quarters Available".
 - An unselected radio button for "Industry Data" is present.
 - Below these, there are dropdown menus for "Time Period" (set to "FY07 Total"), "Region" (set to "World Wide"), and "Vertical" (set to "Overall - Cross Industry").

At the bottom right of the interface is a "Run Report" button, and at the very bottom center is a link to "Methodology of Calculations".

Benchmark Tool - Customize a query to drill down to the results for a specific country

- Promotional Email IRR of 1.82% is below benchmark average, but failure rate of 4.56% is above benchmark

Your Query Results	
Total Campaigns	579
Total Campaign Cost	\$8,968.58
Impressions Delivered	1,942,510
Unique Open Rate	N/A
Initial Response Rate	1.28%
Cost Per Response	\$1.70
Cost Per Impression	\$0.02
Failure Rate	4.56%

Benchmark Basis Results	
Total Campaigns	11,050
Total Campaign Cost	\$11,616,860.57
Impressions Delivered	259,079,303
Unique Open Rate	20.15%
Initial Response Rate	2.46%
Cost Per Response	\$3.61
Cost Per Impression	\$0.09
Failure Rate	5.84%

Green = Campaign outperforms the selected benchmark average by more than 20%

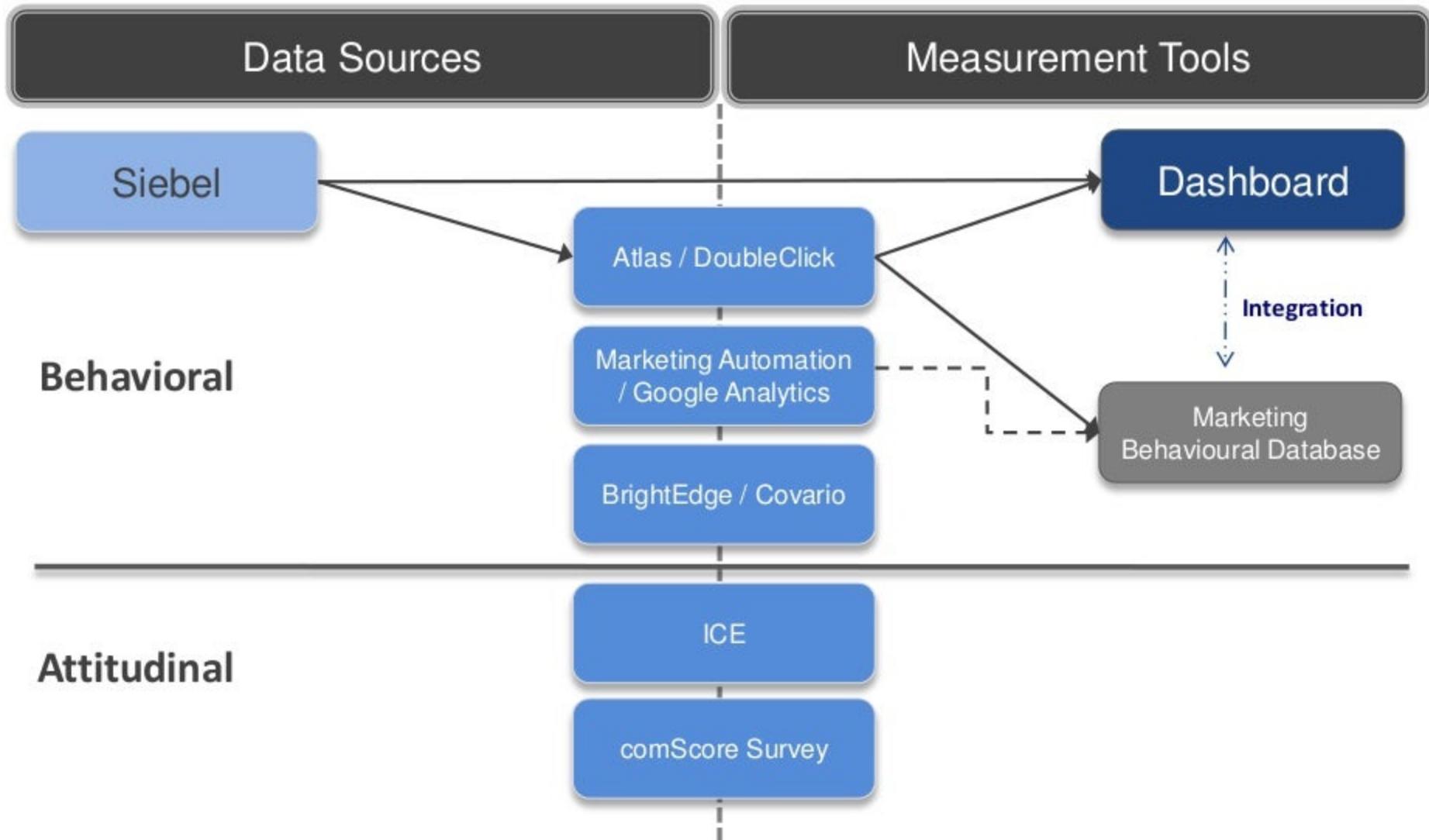
Black = Campaign is equal to or within 20% of the selected benchmark average

Red = Campaign is below the selected benchmark average by more than 20%

Use the Right Tool for the Job

	Media Analytics	Web Site Analytics	
Double Click / ATLAS How well is your ONLINE MEDIA working to get customers to the site and do they convert?	How many people were exposed to the campaign message? Which media tactics are most cost effective at driving conversion? Which Paid Search keywords drive the most qualified visitors to the site?	How many unique individuals visited the website and how frequently do they return? How much organic traffic does the website get and where do they come from? What were the most popular paths taken by visitors to the website and where do they drop off?	WebTrends / Omniture / Core Metrics/ NetInsights How well is your SITE attracting, engaging and converting customers?

Technology for Measurement: Data Sources & Tools Overview



Note: Not intended to illustrate all data sources

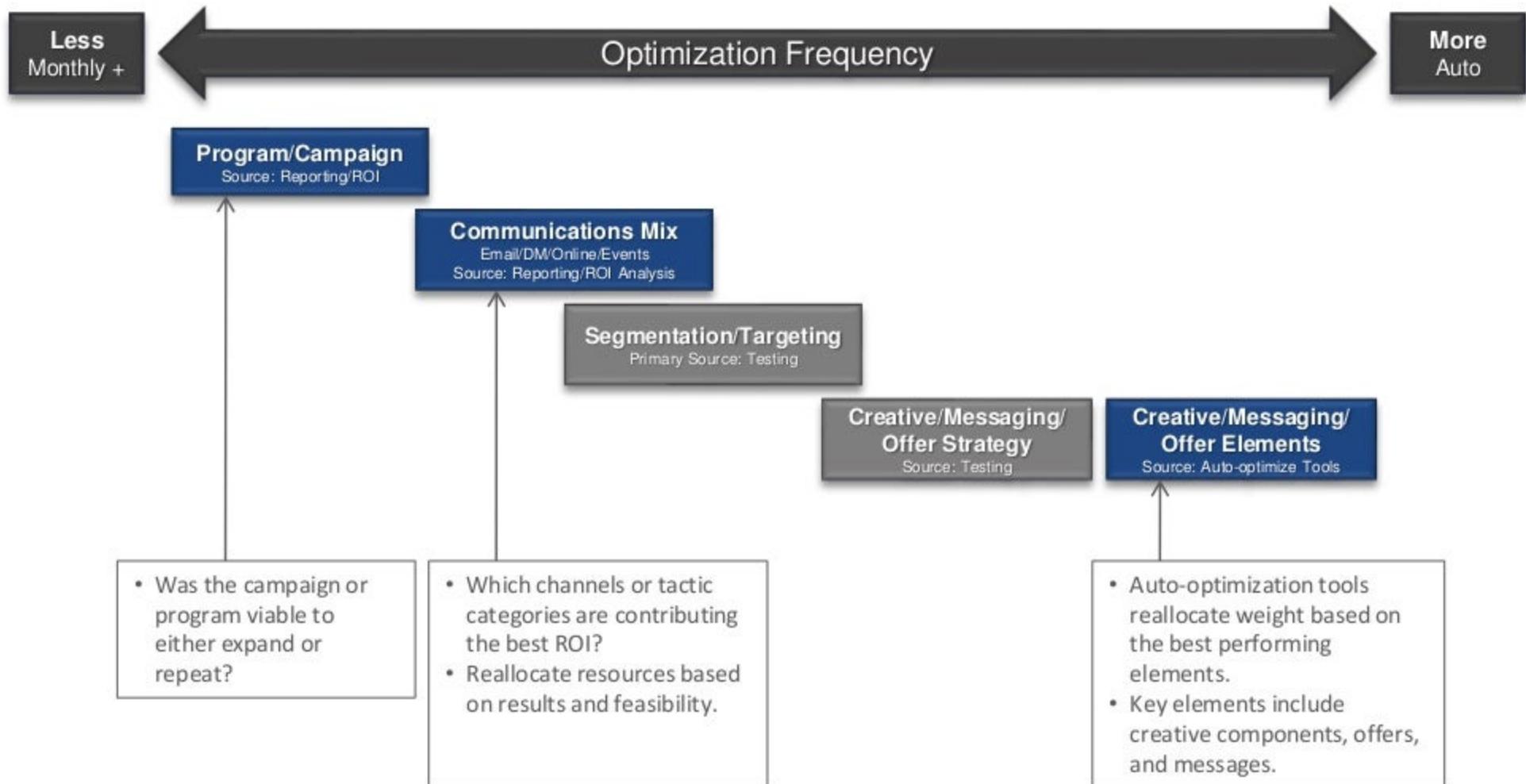
Optimization

The following slides provide a guide for applying learning from campaign **measurement** to optimize:

1. Marketing/Creative
2. Media
3. Web Site

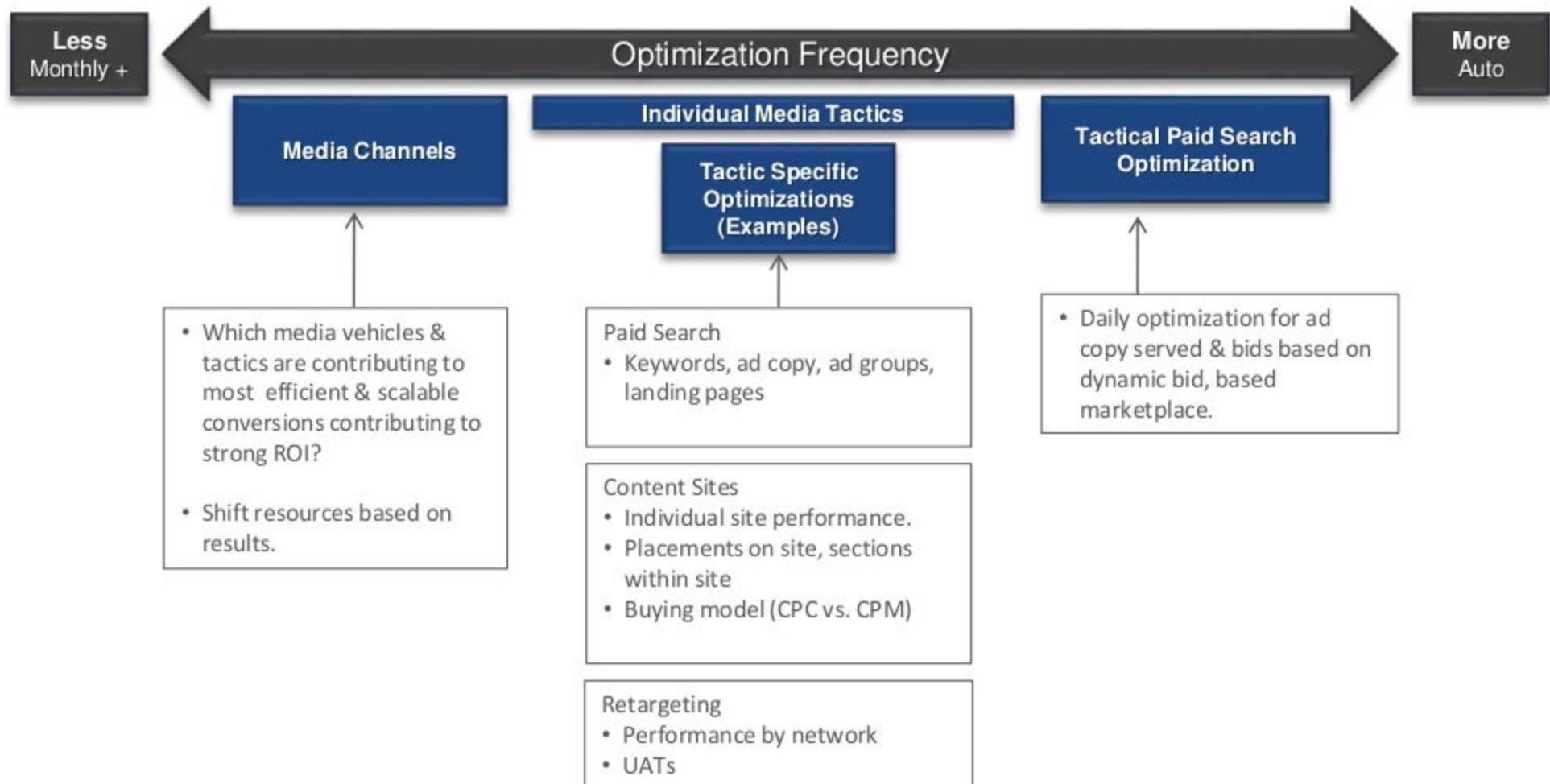
Marketer Optimization

Based on Results via Measurement



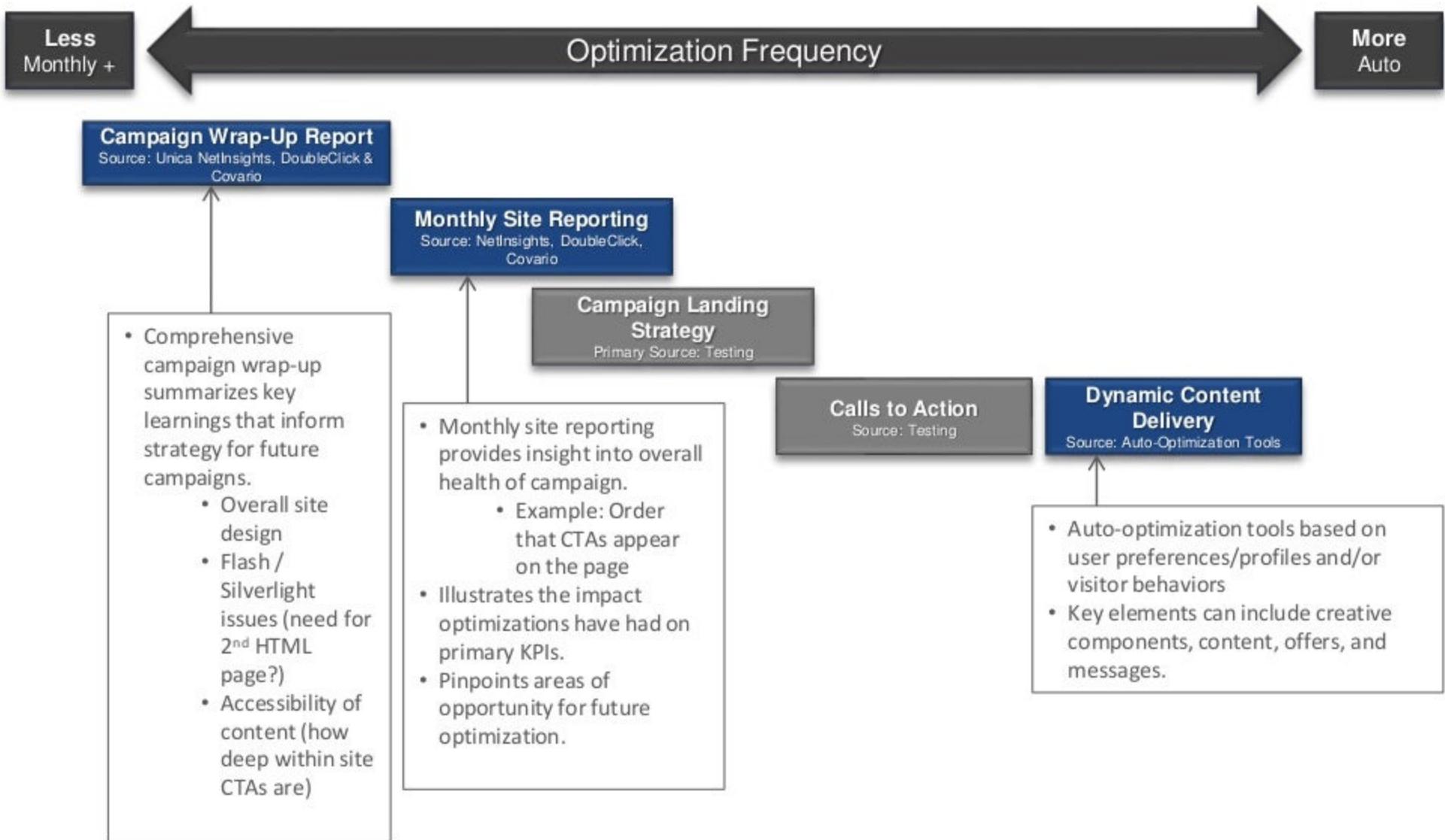
Media Optimization

Based on Results via Measurement



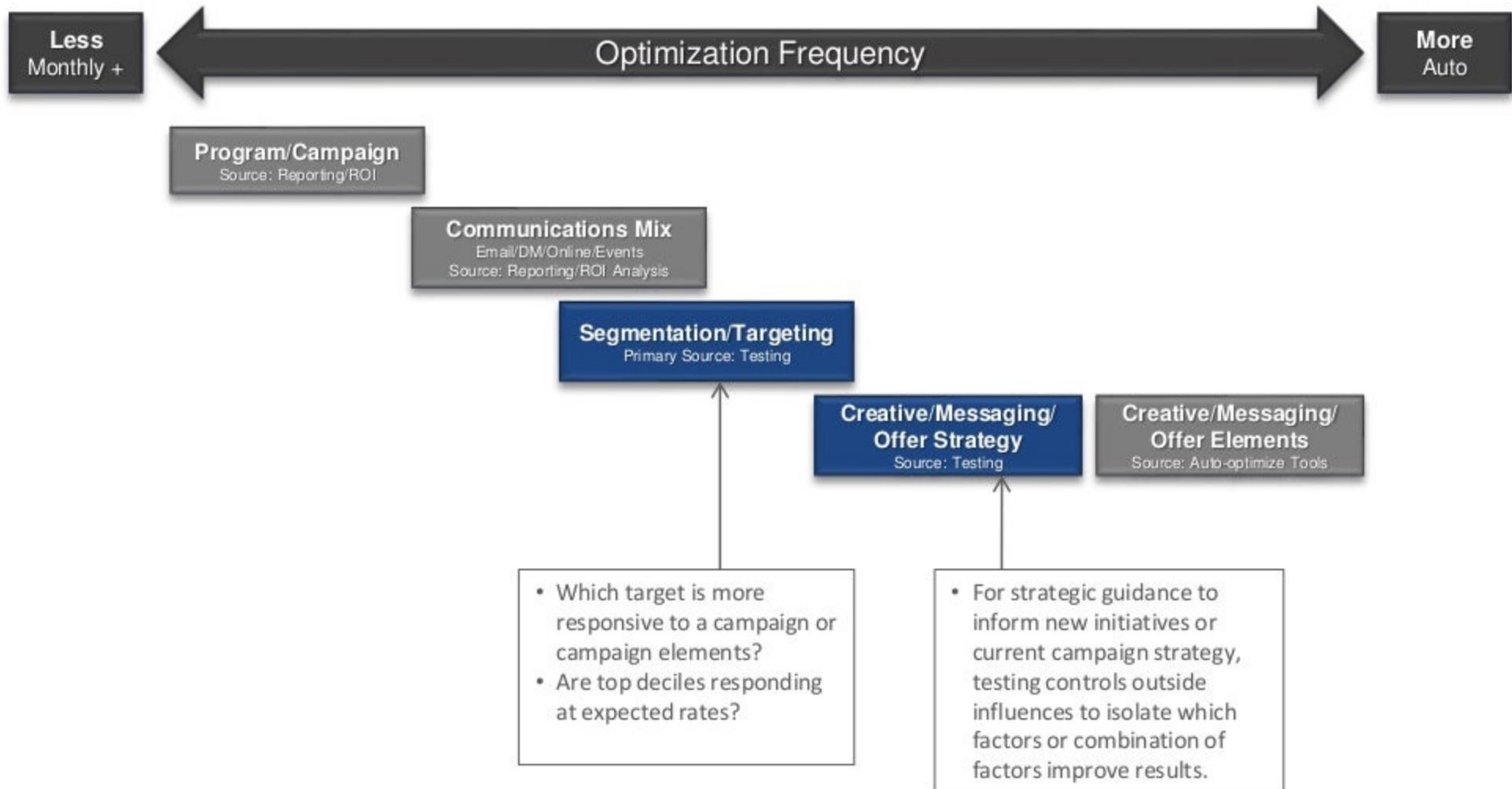
Web Site Optimization

Based on Results via Measurement



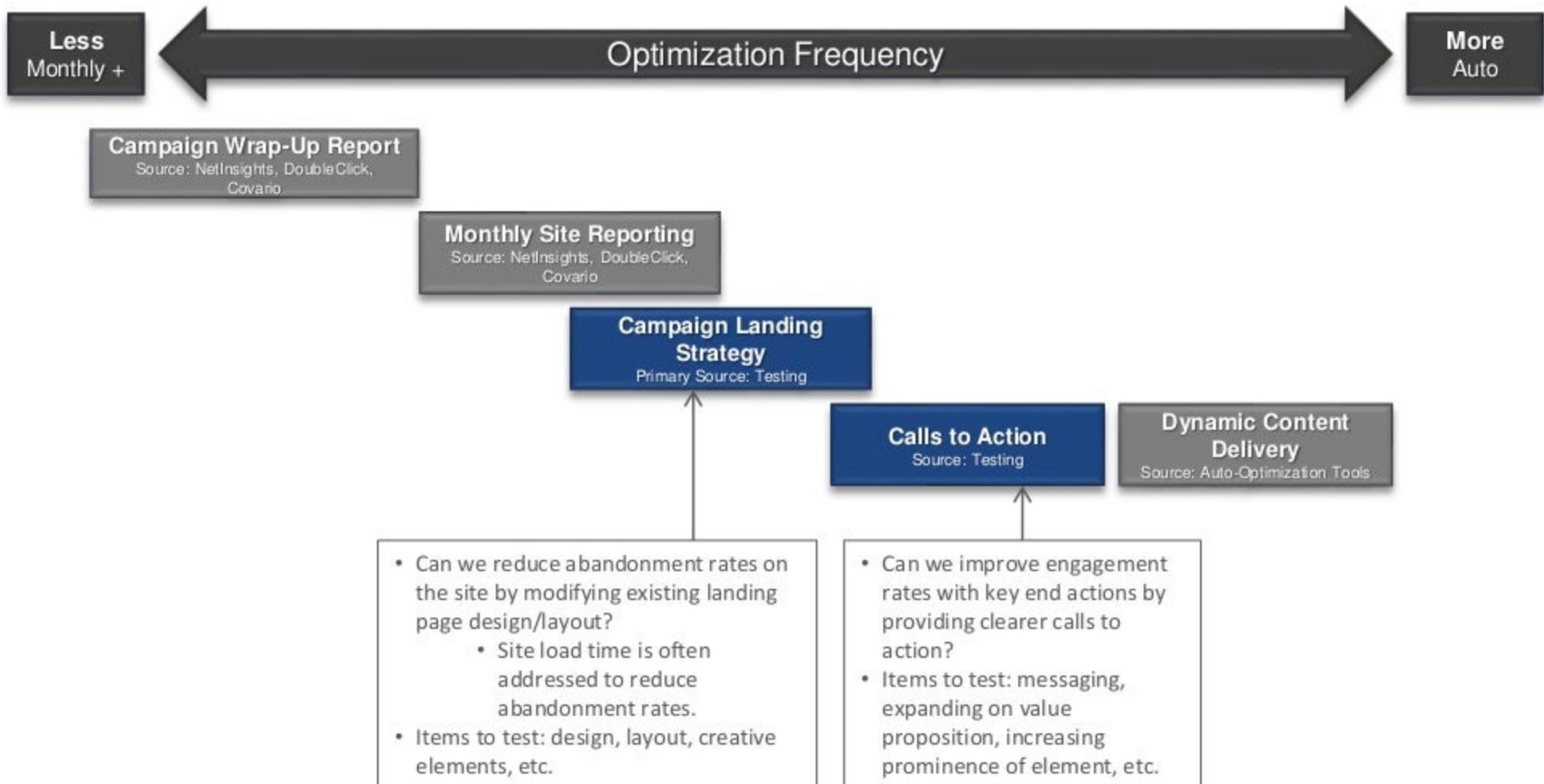
Marketer Optimization

Based on Results via Statistical Testing



Web Site Optimization

Based on Results via Statistical Testing



A Digital Taxonomy



Digital Marketing Taxonomy

Goal

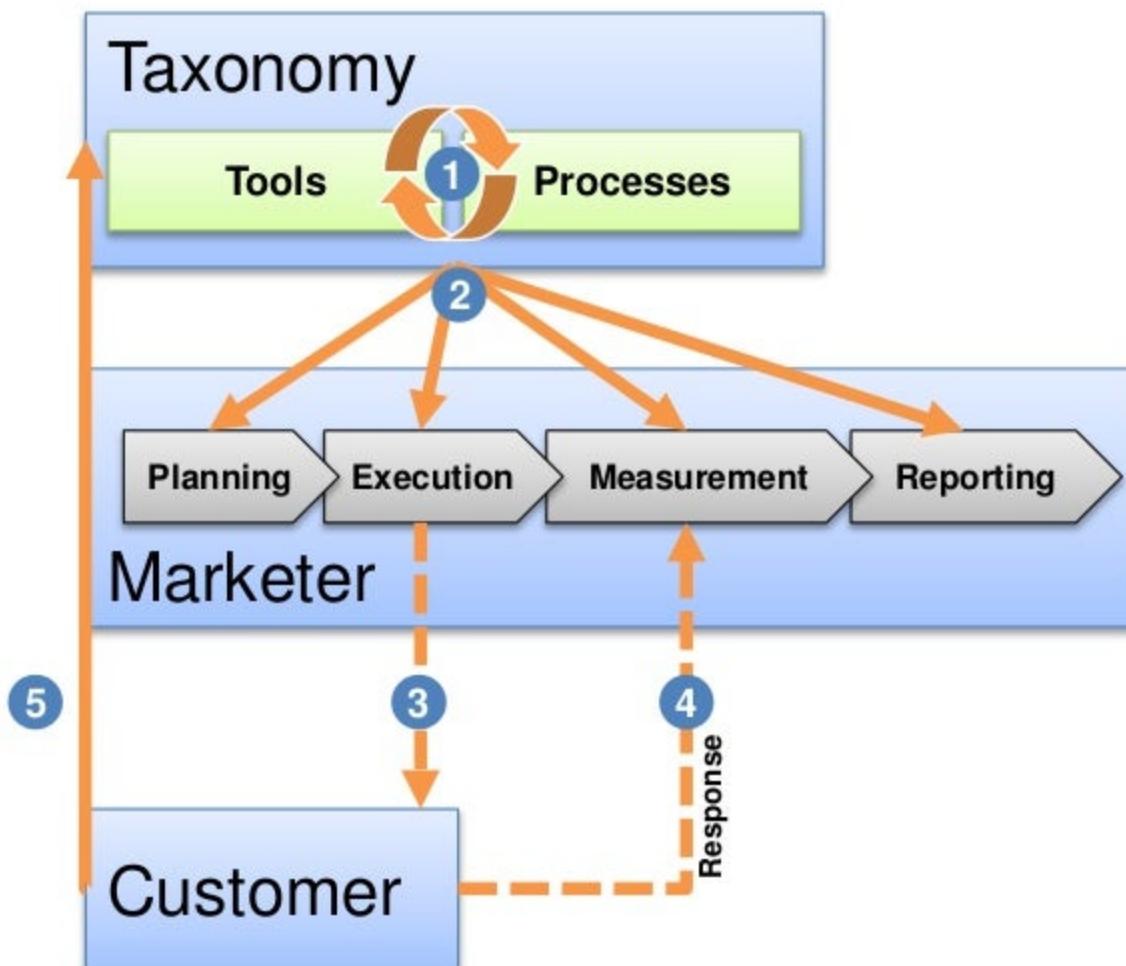
Define and deploy a digital marketing taxonomy to enable more effective digital marketing.

Strategy

1. Establish a common set of definitions and success metrics for the digital marketing “mix”.
2. Integrate taxonomy with relevant marketing tools and processes.

Why Marketing Taxonomy Matters

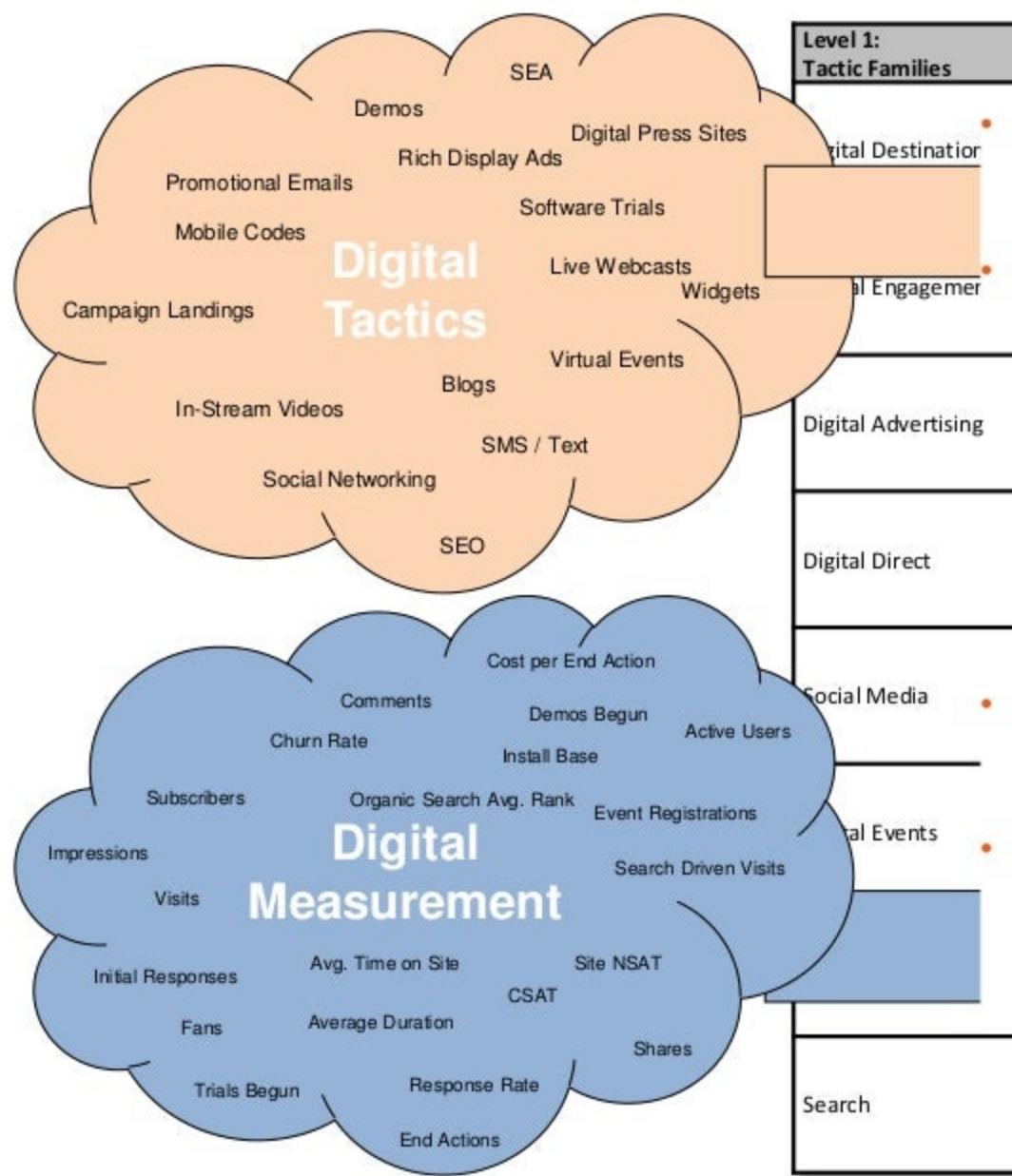
Integration of Tools and Work Flow:



A Marketing Taxonomy...

1. ...provides a common language to enable integration of tools and processes.
2. ...provides increased organizational transparency across planning, execution, measurement and reporting.
3. ...enables more productive and effective marketer to customer interactions via integrated tools/process and increased transparency.
4. ...enables better BI through standardized customer responses.
5. ...reflects the changing needs and behaviors of our customers.

Organizing the Chaos with Taxonomy



Level 1: Tactic Families	Level 2: Tactics	Tactic Metrics
Digital Advertising	Digital Destination	<ul style="list-style-type: none">• Marketers must first select a digital marketing tactic from the myriad of tactics available.• Often, limited guidance is available to assist marketers in selection.
Digital Direct	Social Media	<p>A digital marketing taxonomy serves as a framework to organize the digital “clutter” into a construct that makes sense and enables more effective digital marketing.</p>
Search		<ul style="list-style-type: none">variety of metrics available.Moreover, these measurement plans are often created in silos through ad-hoc processes, resulting in limited ability to draw conclusions across parallel efforts.

Start With the Customer Perspective



Reach vs Engagement vs Response

Different tactics, channels and even audiences require different metrics depending upon your objectives.

1. Exposure

2. Engagement

3. Conversion

Interaction Modes	Digital Destinations		Digital Advertising
	Websites	Controlled Placement" digital elements	
Digital Tactics	Campaign Landing, Evergreen Site, Social Media Newsroom, Dark Site	Display - Static, Display - Animated, Display - Rich, In-Stream Video, Text, Audio, Custom Integration, Roadblock, Over The Page (OTP)	
Tactic Metrics	Exposure	Visits, Visitors	Impressions, Effective CPM
	Engagement	Average Time on Site, NSAT, Bounce Rate, Success Events (+ Rate), End Actions (+ Rate)	Initial Responses (+ Rate), Cost per Initial Response, Bounce Rate, Success Events (+ Rate), End Actions (+ Rate), Cost per End Action, Continued Action Rate
	Conversion	Profile Captures (+ Rate), Profile Completion Rate, External Sales Referral (+ Rate), Internal Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Sales Referral (+ Rate), Internal Sales Referral (+ Rate)

Organizing Principles: 2-Tier Taxonomy of Interaction Modes & Digital Tactics

A Digital Interaction Mode is...

A family of distinct marketing tactics that share a unique interaction experience with customers.

A Digital Tactic is...

A mutually exclusive executable digital marketing element that can be discretely measured. Tactics fit cleanly and exclusively into one digital interaction mode.

Level 1 Digital Interaction Modes

Digital Destinations	Websites
Digital Engagements	<i>Experiences customers engage with on-demand and, often, anonymously</i>
Digital Advertising	<i>"Controlled placement" digital elements</i>
Digital Direct	<i>Experiences that require some form of customer opt-in and, often, mandate refreshed content</i>
Social Media	<i>Experiences involving social interaction or sharing between users</i>
Digital Events	<i>Time-boxed digital group interactions</i>
Mobile	<i>Mobile device-based digital experiences</i>
Search	<i>Search</i>

Level 2 Digital Tactics

Campaign Landing	Digital Press Site
Evergreen Site	Dark Site
IM AnswerBot	Software Trial
Game	Syndicated & Embeddable Content
Demo	Video
Display - Static	Audio Ad
Display - Animated	Custom Integration
Display - Rich	Roadblock
In-Stream Video	Over the Page Unit
Text Ad	
Click-2-Call / Chat / Email	Contest / Sweepstakes
Podcast / Vodcast	RSS
Widget / Gadget / App	Newsletter
Loyalty Rewards Program	Promotional Email
Social Networking	Social Bookmarking
Blog / Microblog	Discussion Forum
Crowdsourcing	Virtual World
Media Sharing	Social Widget
Wiki & Collaboration Software	
Live Webcast	Virtual Event
Mobile App	Location Based Service
SMS / Text	Sponsored Mobile Content
Mobile Code	
SEA	SEO

Digital Marketing Taxonomy

Illustrative

Interaction Modes	Digital Destinations	Digital Engagements	Digital Advertising	Digital Direct	Social Media	Digital Events	Mobile	Search	
	Websites	Experiences customers engage with on-demand and, often, anonymously	"Controlled placement" digital elements	Experiences that require some form of customer opt-in and, often, mandate refreshed content	Experiences involving social interaction or sharing between users	Time-boxed digital group interactions	Mobile device-based digital experiences	Search	
Digital Tactics	Campaign Landing Evergreen Site, Digital Press Site, Dark Site	Web Answerbot, Game, Demo, Software Trial, Syndicated/Embeddable Content, Video	Display - Static, Display - Animated, Display - Rich, In-Stream Video, Text, Audio, Custom Integration, Roadblock, Over the Page Unit	Click-to-Call / Chat / Email, Podcast / Podcast, Widget / Gadget / App, Loyalty Rewards Program, Contest / Sweepstakes, RSS, Newsletter, Promotional Email	Social Networking, Blog / Microblog, Crowdsourcing, Media Sharing, Wiki & Collaboration Software, Social Bookmarking, Discussion Forum, Virtual World, Social Widget	Live Webcast, Virtual Event	Mobile App, SMS / Text, Mobile Code, Location-Based Service, Sponsored Mobile Content	SEA, SEO	
Tactic Metrics	Exposure	Visits, Visitors	Visits, Visitors, Impressions	Impressions, CPM Impressions	Visits, Visitors, Impressions	Visits, Visitors, Impressions, Backlinks	Visits, Visitors, Impressions	Visits, Visitors, Impressions	
	Engagement	Average Time on Site, Site NSAT, End Actions (+ Rate)	Engagements Initiated (+ Rate), Engagements Completed (+ Rate), Shares	Initial Responses (+ Rate), Cost per Initial Response, End Actions (+ Rate), Cost per End Action, Continued Action Rate	Active Participation (e.g., Participation Instances), Churn Rate, End Actions (+ Rate)	Social Contributions (e.g., Uploads, Comments, etc.), Shares, End Actions (+ Rate)	Events Initiated (+ Rate), Events Completed (+ Rate)	Initial Responses (+ Rate), Churn Rate, End Actions (+ Rate)	Initial Responses, End Actions, Continued Action Rate
	Conversion	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures (+ Rate), Profile Completion Rate, External Site Sales Referral (+ Rate), Internal Site Sales Referral (+ Rate)	Profile Captures, Profile Completion Rate, External Site Sales Referral, Internal Site Sales Referral

The Taxonomy...

- ...provides a common language for digital marketing efforts .
- ...creates a framework for the integration of tools and processes and the implementation of best practices.
- ...enables better BI through standardised KPI measurement.

Taxonomy Flat File

Illustrative

Flat File ID	Level 1 - Digital Interaction Modes	Level 2 - Digital Tactics	Tactical Objective	Metric	Metric Definition	Data Source	Metric Type	Calculation	Data Type	Decimals
1	Digital Destinations	Campaign Landing	Exposure	Visits	The total number of all site visits during a given period.	NetInsights	Input	n/a	Numeric	0
2	Digital Destinations	Campaign Landing	Exposure	Visitors	The total number of Unique Visitors during the time period (Date Range) being analyzed.	NetInsights	Input	n/a	Numeric	0
3	Digital Destinations	Campaign Landing	Engagement	Average Visit Duration	The average length of time (in seconds) in a session.	NetInsights	Input	n/a	Time (M:SS)	0
4	Digital Destinations	Campaign Landing	Engagement	End Actions	A count of the number of times a pre-defined end action is performed by customers or prospects. An "End Action" is an action against which media and creatives are optimized.	DoubleClick	Input	n/a	Numeric	0
5	Digital Destinations	Campaign Landing	Engagement	Destination End Action Rate	A count of end actions (with associated site visits) divided by the total number of site visits.	Calculation	Calc	End Actions / Visits	Ratio	1
6	Digital Destinations	Campaign Landing	Conversion	Profile Captures	A count of profile captures that reach a pre-defined completion point (e.g a thank you page).	DoubleClick	Input	n/a	Numeric	0
7	Digital Destinations	Campaign Landing	Conversion	Destination Profile Capture Rate	A count of profile captures (with associated site visits) divided by site visits.	Calculation	Calc	Profile Captures / Visits	Ratio	1
8	Digital Destinations	Campaign Landing	Conversion	Profile Completion Rate	A count of profiles captured divided by a count of profiles initiated.	Calculation	Calc	Profile Captures / Profile Initiations	Ratio	1
9	Digital Destinations	Campaign Landing	Conversion	External Sales Referrals	A count of sales referrals generated for external sales entities.	NetInsights	Input	n/a	Numeric	0
10	Digital Destinations	Campaign Landing	Conversion	Destination External Sales Referral Rate	A count of external sales referrals (with associated site visits) generated divided by the total number of site visits.	Calculation	Calc	External Sales Referrals / Visits	Ratio	1
11	Digital Destinations	Campaign Landing	Conversion	Internal Sales Referrals	A count of sales referrals generated for internal sales entities.	NetInsights	Input	n/a	Numeric	0
12	Digital Destinations	Campaign Landing	Conversion	Destination Internal Sales Referral Rate	A count of internal sales referrals (with associated site visits) generated divided by the total number of site visits.	Calculation	Calc	Internal Sales Referrals / Visits	Ratio	1

The Taxonomy is backed by a detailed flat file that establishes standard metric definitions, identifies data sources, and informs metric calculation for reporting.

Measurement, Reporting, Instrumentation

There are a number of key components required to operationalise this capability:

1. Develop a Digital Measurement Framework
2. Develop a Digital Taxonomy
3. Develop a Digital Measurement Centre of Excellence
 - Playbook
 - Process
 - Tasks
 - Roles & responsibilities
 - Resources / skills
 - Documents
 - Briefs
 - Plans
 - Reports
 - Instrumentation Checklists / Instructions

Develop Digital Marketing Centres of Excellence: DCOE

Operationalize Digital Marketing through COE deployment:

Training, resources, skills development

DIGITAL CENTRES OF EXCELLENCE

Cross COE frameworks and guidance for strategy, tools, resources, communications, measurement and skills

Online Advertising (OCOE)

Provides guidance for planning, execution, and optimization of online advertising campaigns and enables more effective online advertising.

eCRM / Email (ECOE)

Provides marketers with on-demand information for all aspects of email marketing and a simple, efficient way to manage effective, privacy-compliant email campaigns.

Search (SCOE)

Centralized set of resources for Search Engine Marketing (SEM) to maximize ability to deliver and retain more qualified traffic to IBM.com from search activities and encourage marketers to make greater use of SEM.

Measurement (MCOE)

Prescriptive framework and guidance for consistent measurement, reporting, analysis, testing and optimisation to increase online marketing campaign effectiveness and efficiency.

Campaign Site (CCOE)

Prescriptive guidance for campaign landing environments to increase online marketing campaign effectiveness and efficiency

THE 8 COMPONENTS OF COEs

Strategy

Process

Policy

Tools

Resources

Communication

Measurement

Skills

Example: Search Centre of Excellence (SCOE)

Scope (in order of priority)

Description



STRATEGY

Create a best-in-class SEM capability by building a road map with our agency and marketers (enables us to advance IBM digital marketing leadership)



PROCESS

Ensure **consistency and integrity of processes** and manage process change and optimization
Streamline processes and reduce redundancies



POLICY

Ensure adherence to **IBM privacy standards, brand standards, vendor management**, cross-country, etc



REPORTING/ OPTIMIZATION

Develop **SEM scorecard, set performance benchmarks, build robust testing plans, analyze results, optimize efforts**



TOOL REQUIREMENTS

Provide **business requirements for improving/new tools**, either internally or for our external partners



SKILLS DEVELOPMENT

Increase **search marketing skill set of IBM marketers and our agency partners** through training/education of strategy, process and policy
Evangelize best practices



COMMUNICATIONS

Deliver **updates to marketers on the SCOE**, including, but not limited to process & policy changes, aggregate SEM performance, new tools, etc.



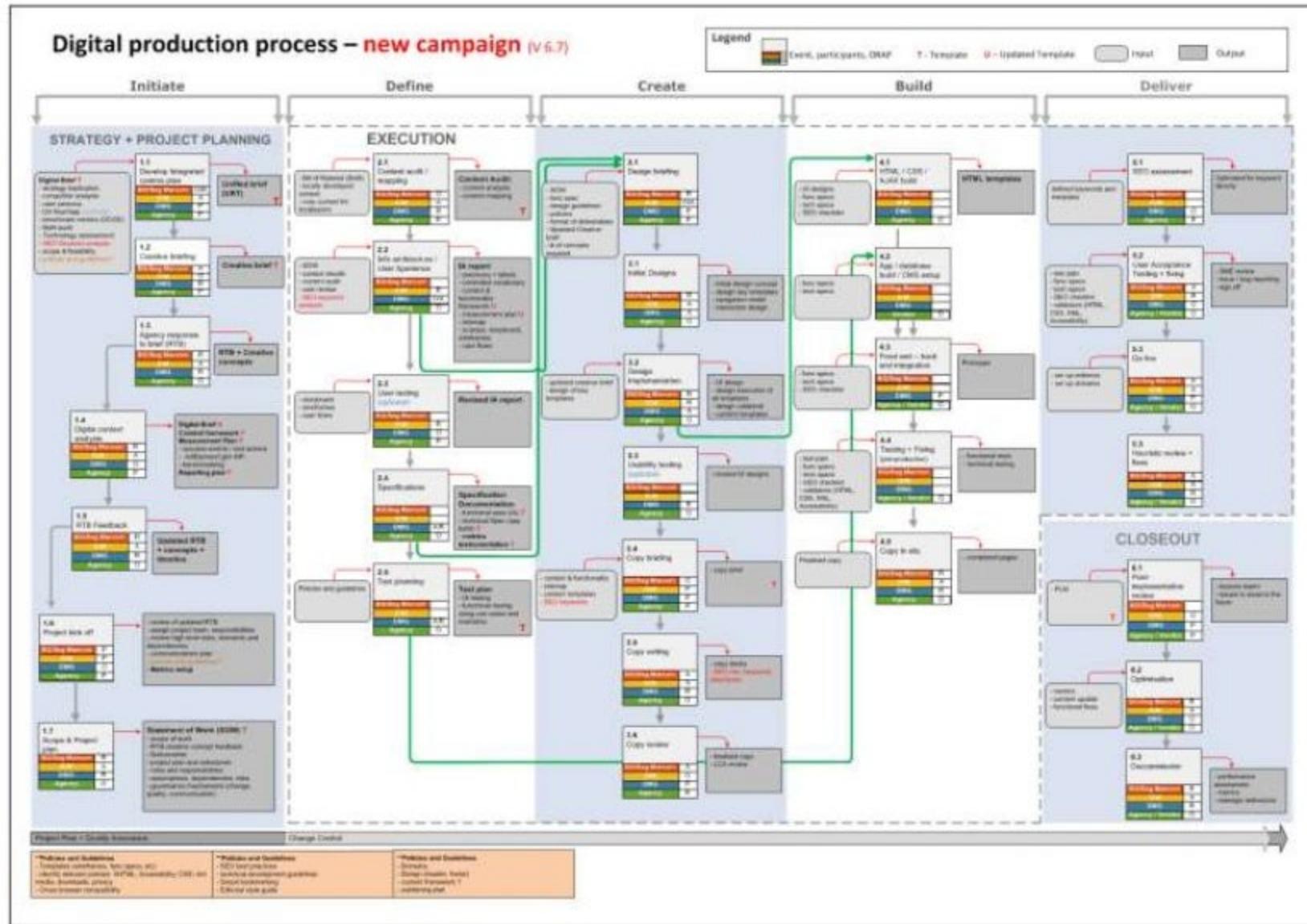
HUMAN RESOURCES

Central core team to drive SEM leadership

Extend team to drive input to enable better relevance to corporate and field organizations

Measurement, Reporting, Instrumentation

Process:



Documents

Measurement, Testing & Optimisation Plan



- Objectives
- Benchmark & Target KPI's
- Interaction Modes
- Tactics
- High Valued Actions (Success Events & End Actions)
- Systems / Tools

Reporting Plan



- Report / Dashboard Design
- Data sources
- SLA's
- Resources

Instrumentation Plan



- Roles & Responsibilities
- SLA's
- Resources
- Systems / Tools
- Setup & Instrumentation Steps / Checklists

Tasks

TASK	LEAD	ASSISTANT	OWNERSHIP
Analytics Consulting with Marketers			
Online campaign analytics (capabilities, costs, etc)	90%	10%	Lead
Development of online metrics, KPI and scorecards	60%	40%	Lead
Page and site optimization	75%	25%	Lead
Unica Implementations			
Requirements gathering from internal stakeholders	90%	10%	Lead
Transformation of requirements into specifications and job request	90%	10%	Lead
Submission of job to Unica and follow-up (as applicable)	90%	10%	Lead
Unica site or local admin set-up (as applicable)	90%	10%	Lead
Testing of new/edited Profile, Custom Report or other feature	25%	75%	Assistant
Sign-off of new/edited Profile, Custom Report or other feature	100%	0%	Lead
Reporting & Analysis			
Ad hoc reporting by request	25%	75%	Assistant
Ad hoc analysis	40%	60%	Assistant
Weekly Homepage Scorecard	10%	90%	Assistant
Monthly Homepage Scorecard	10%	90%	Assistant
Quarterly Site Scorecard	10%	90%	Assistant
Scorecard automation (as applicable)	30%	70%	Assistant
Campaign review (on request)	50%	50%	Lead/Assistant
Site review (on request)	50%	50%	Lead/Assistant
Unica Training & Support			
Basic Unica training of internal stakeholders	10%	90%	Assistant
Advanced Unica/analytics training of internal stakeholders	60%	40%	Lead
Provision of written training materials (whether sourced or internally developed)	25%	75%	Assistant
Basic Unica support to end users	40%	60%	Assistant
Logging of Unica bugs with Unica / CIO Office and follow-up	25%	75%	Assistant
Program Management & Administration			
Definition and management of services	75%	25%	Lead
Definition and management of processes	75%	25%	Lead
Internal marketing of program	75%	25%	Lead
Analytics gap analysis and resolution management	90%	10%	Lead
Internal Unica billing support	10%	90%	Assistant
Unica SR tracking	40%	60%	Assistant
Budgeting	100%	0%	Lead
Analytics vendor management	90%	0%	Lead
Lead Training Manual	100%	0%	Lead
Assistant Training Manual	0%	100%	Assistant
Miscellaneous			
Special Co-up Tasks/Special Projects	0%	100%	Assistant

Roles & Responsibilities

Digital Marketing Persistent Websites					
Digital Marketing RACI for Persistent Website Engagement					
	BMC	BMC	DIGITAL	Agency	
Process Stage	BMC	BMC	DIGITAL	Agency	
Strategy					
Review/Discuss Business Objectives with Stakeholder	C	C/I	R	I	
Develop Strategy / Plan	C/I	C/I	A/R	I	
Stakeholder Buy Off	C/I	C/I	A/R	I	
Create Strategy/Campaign V-Team	C/I	C/I	A/R	I	
Planning					
Develop Briefs & Agency Creative					
CB Created	C/I	C/I	A/R	I	
Brief Agency	C/I	C/I	A/R	I	
Review Agency Response	C/I	C/I	A/R	I	
Share Response with Business Owner	C/I	C/I	A/R	I	
Feedback to Agency on Agency Response	C/I	C/I	A/R	I	
Review V2 of Agency Response	C/I	C/I	A/R	I	
Approve Agency Response	C/I	C/I	A/R	I	
Review/Revise Agency Estimate	C/I	C/I	A/R	I	
Approve Estimate and Forecast (Secure IO from Business Owner)	C/I	C/I	A/R	I	
Review/revise Measurement & Learning Plan	C/I	C/I	A/R	I	
Approve Measurement & Learning Plan	C/I	C/I	A/R	I	
Develop Online Objectives & Plan					
Document Online Program Objectives	C	I	A/R	I	
Document Online Program Assumptions and Risks	C	I	A/R	I	
Define Online Stakeholders	C	I	A/R	I	
Develop Site Objectives & Plan					
Develop Site Strategy & User Experience (Audience, Personas, Journey/Pathway)	I	C	A/R	C	
Develop Site requirements (browsers, OSes, screen resolution)	I	C	A/R	C	
Develop Media Plan					
Develop On-Network Reach Strategy (MSCOM Media Plan)	C	C/I	A/R	C	
Develop Reach Strategy	C	C/I	A/R	C	
Approvals & Sign-Off					
Approve Budget Requirements	C	C	A/R	I	
Site Development					
Develop site architecture	C	I	A/R	C	
Develop wire frames	C	I	A/R	C	
Approve site architecture	C	I	A/R	C	
Approve wire frames	C	I	A/R	C	
Identify GMF tools (regsys, WWE, etc)	C	I	A/R	C	
Develop Creative					
Site/Page Design, Copy, Graphics	C	C	A/R	C	
Content Development (online and reach)	C	C	A/R	C	
Banner Ad Creative and Development	C	C	A/R	C	
Prepare and Execute Marketing Activities					
Setup Website's Measurement	C	I	A/R	I	
Produce / Build Online Experience & Pages	C	I	A/R	C	
Implement Online Tracking and Optimization	C	I	A/R	I	
Final Creative Approval, Release to Production	C	I	A/R	I	
LCA & Branding Consulting/Approvals	C	I	A/R	I	
Quality Assurance/Testing	C	I	A/R	I	
Site Launch	C	I	A/R	I	
Measurement & Analysis					
Review Site/s					
Generate Reports	C	I	A/R	I	
Online Metrics - Track and Report	C	I	A/R	I	
In-Market Management					
Manage Customer Profile Data	C	I	A/R	I	
Monitor and Optimize In-Market Activities - message and offer	C	I	A/R	C	
Web Site Optimization and Updates (changes, new content, updates, etc)	C	C	A/R	C	

Use R.A.C.I. or O.R.A.P.
Models

Skills & Resources

- Job descriptions
- Training
- Centres of Excellence

POSITION SUMMARY

Initial/Ongoing Responsibilities:

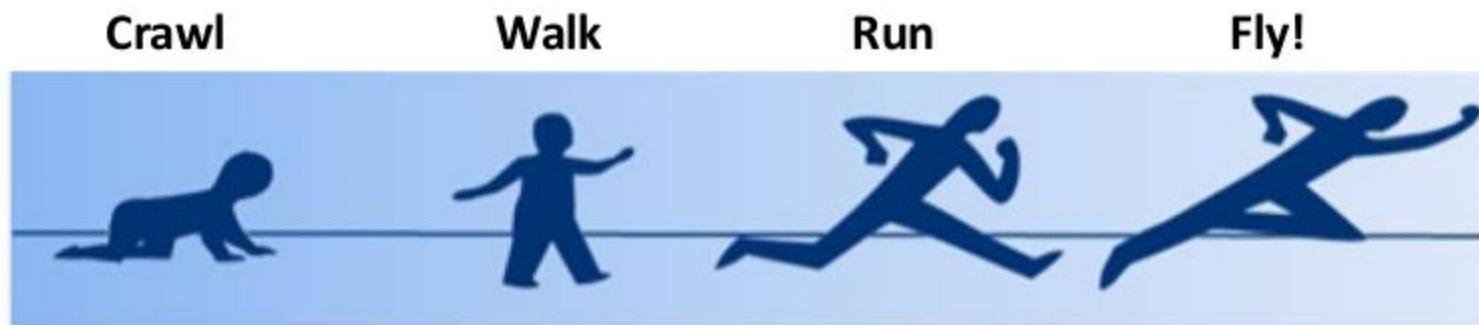
- Meet with Producers, Marketers and our Marketing Agencies to understand the current and future needs of the business.
- Analyze web analytics to identify areas for improvement and where opportunities exist for enhancing customer experience and increasing conversion rates.
- Provide weekly/monthly analysis results and recommendations based on, but not limited to, the following:
 - Unique Visitors, Visits, Page Views, Clicks, Registrations, Downloads, etc.
 - Visitor segmenting and profiling
 - Online visitor behavior
 - Sources and referrals of traffic
 - User paths through various web properties
 - Online Advertising (on and off network)
 - SEO
- Advise Marketers on how to meet their marketing objectives:
 - Advise Marketers on key metrics to measure
 - Create custom Scorecards based on site goals
 - Analyze web analytics and other offline data to evaluate site performance
 - Define A/B test scenarios and define success metrics
 - Offer training sessions and resources on how to enhance customer experience and increase conversion rates
- Participate in online training provided by corporate
- Represent the company on world-wide calls, and by liaising with the corporate office on behalf of the Canadian subsidiary to ensure that local needs are being met, as well as, to communicate new requirements
- Develop, maintain and present site analysis reports, scorecards and dashboards on the overall performance and trending of company.com.au, as well as provide recommendations to better leverage company.com.au as a marketing tool
- Work with the on-site web development team to ensure web measurement tagging is coded correctly on the pages as well as troubleshooting technical issues as they arise
- Evangelize, train and educate our Marketing community and Marketing Agencies on the benefits and value of digital marketing measurement



Requirements & Qualifications:

- Minimum 4 years experience in online marketing and web usability
- At least 1 – 2 years in-depth experience with a web analytics and tracking tools (WebTrends, Omniture, ATLAS, Doubleclick, Google etc.), experience with WebTrends or Omniture in particular would be an asset
- Proven ability to translate data into actionable recommendations through the use of data mining
- Proven ability to analyse and enhance SEO and SEM
- Comfortable with presenting analysis and recommendations to marketing managers, producers, marketing agencies and senior management
- Strong organizational skills, detailed oriented, resourceful, and proactive in getting the job done
- Self-motivated individual who will be able to take the initiative to seek out opportunities for further analysis or leveraging the tool
- Comfortable in networking and approaching colleagues and peers within the business to gather data and complete projects
- Excellent communications skills and the ability to influence discussions and outcomes
- Ability to understand the business implications of their analysis and recommendations
- Experience with working with large volumes of data from disparate data sources, and to be able to spot relevant patterns and trends
- Passionate about customers, customer experiences, digital marketing and working at the company

Important to be realistic!



Key Takeaways!

Read these reports / studies:



Analytics: The New Path to Value.
MIT Sloan and IBM.
(.PDF 500K)



The CMO's Imperative: Tackling New Digital Realities. *Boston Consulting Group.*
(.PDF 1MB)

Forrester Consulting



Integrated, Customer Centric Marketing:
Exposing Marketing's Delusion. *Forrester Consulting.*
(.PDF 225K)

Click on images to download them.

FORRESTER

Key Takeaways

1. Adoption barriers relate to management & culture, not data & technology!
2. Begin with questions / desired insights first, not data
3. You cannot manage what you cannot measure
4. What you measure will determine what you do
5. Measure what matters most (customer engagement, conversion & satisfaction)
6. Turn data into information and information into intelligence
7. Data should only exist to serve the need of the business and provide information which is insightful and actionable
8. Satisfaction drives conversion, loyalty and Word of Mouth (WOM)
9. Measurement is hard, don't fall for 'technology only solutions'
10. Your customers are in charge, they will go where they are satisfied
11. 90-10 Rule! 90% about People - Invest in people, skills, roles, responsibilities, processes!!

Thank you!

Martin Walsh
Director Digital Marketing

 [@martinwalsh](https://twitter.com/martinwalsh)

