

BUS 139 Data-driven Marketing

This Week's Session: Goal Setting



In general, there are four types of data that most concern marketers

1. Customer Data

Demographics, social media behavior, segmentation etc.

2. Response Data

Campaign metrics, open rate, click-through-rate, engagements, etc.

3. Sales and Financial Data

Sales forecasts, eCommerce, lifetime value, marketing contribution, ROI, etc.

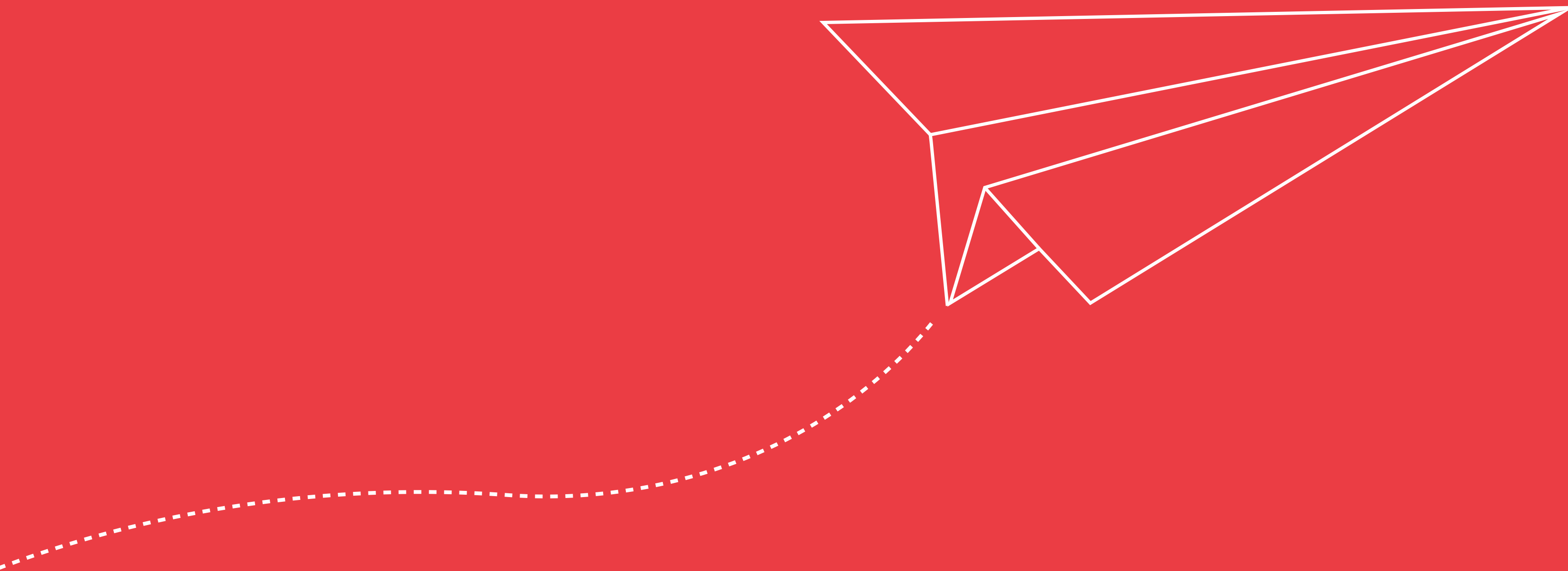
4. Goal-based Data

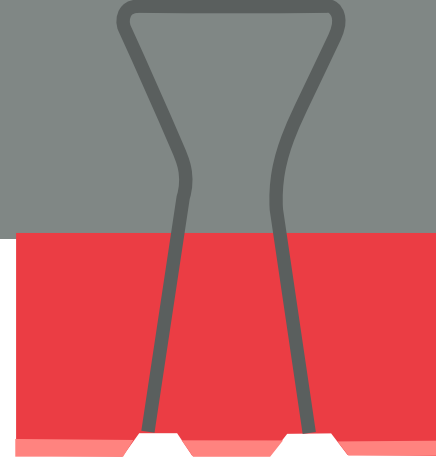
Conversion, key performance indicators (KPIs), retention, acquisition, awareness, etc.

KPIs answer business questions and allow us to take action

Make it Actionable

Answer the hard question: “Now what?”





What is a KPI?

KPIs are a quantifiable set of values that allow marketers to measure performance against key marketing goals.



KPI Checklist

- ☐ Is your goal finite?
- ☐ Can you measure progress?
- ☐ Is the goal realistic?
- ☐ Is the goal relevant to your company?
- ☐ Does the goal have a timeframe?

There is a difference between metrics and KPIs.
KPIs are goals, metrics are just numbers.

| KPI | VS | Metrics |
|------------------------------|----|-------------------------|
| Repeat users to the website | | Pages / Session |
| Goal completions/Conversions | | Clicks |
| Average order size | | Average time on website |

Each KPI needs a set of data inputs.
Your job is to determine which data.

Grow Site Traffic

Decrease Shopping
Cart Abandonment

Increase Avg. Purchase
Order for New Customers



Grow Site Traffic

Decrease Shopping
Cart Abandonment

Increase Avg. Purchase
Order for New Customers

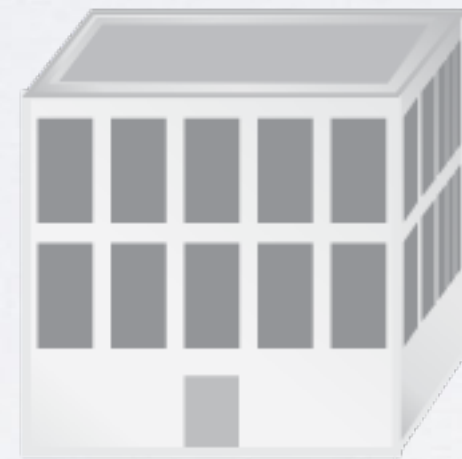
When it comes to KPIs, one size does not fit all.



Small Companies

KPI: *Cost-per acquisition*

KPI: *Avg. order amount per customer*



Medium Companies

KPI: *Cost-per acquisition*

KPI: *Avg. order amount per customer*

KPI: *Awareness*



Large Companies

KPI: *Cost per acquisition*

KPI: *Avg. order amount per customer*

KPI: *Awareness*

KPI: *Engagement Rate*

Building a Website KPI Framework

| KPI | Definition | Metric | Current Benchmark | Target | Segment(s) |
|-------------------------|------------|--------|-------------------|--------|------------|
| Cost per Acquisition | | | | | |
| Avg. Spend per Customer | | | | | |
| Loyalty | | | | | |

Building a Website KPI Framework

| KPI | Definition | Metric | Current Benchmark | Target | Segment(s) |
|-------------------------|--|--|-------------------|---------|----------------------|
| Cost per Acquisition | How much it costs us to acquire a new user | Total spend/Total new users to the website | \$10 | \$8 | Devices, Gender, Age |
| Avg. Spend per Customer | How much the average user spends on the website | Average shopping cart value | \$39.88 | \$47.86 | Devices, Gender, Age |
| Loyalty | A shopper that comes back to the website in the same month | Repeat monthly website users | 1020 | 1224 | Devices, Gender, Age |

| Avg. Spend per Customer | Q1 | | | Q2 | | | |
|-------------------------|-----|-----|-----|-----|-----|-----|-----|
| | Jan | Feb | Mar | Apr | May | Jun | Jul |
| Target Benchmark | | | | | | | |
| Current Benchmark | | | | | | | |
| By Segment | | | | | | | |
| > Mobile/Tablet | | | | | | | |
| > Desktop | | | | | | | |
| | | | | | | | |
| > Male | | | | | | | |
| > Female | | | | | | | |
| | | | | | | | |
| > 18-24 | | | | | | | |
| > 25-34 | | | | | | | |
| > 35-44 | | | | | | | |
| > 45-54 | | | | | | | |
| > 55+ | | | | | | | |

| Avg. Spend per Customer | Q1 | | | Q2 | | | |
|-------------------------|---------|---------|---------|-----|-----|-----|-----|
| | Jan | Feb | Mar | Apr | May | Jun | Jul |
| Target Benchmark | \$47.86 | \$47.86 | \$47.86 | | | | |
| Current Benchmark | \$39.21 | \$42.05 | \$42.35 | | | | |
| By Segment | | | | | | | |
| > Mobile/Tablet | \$32.40 | \$31.12 | \$33.45 | | | | |
| > Desktop | \$45.80 | \$44.54 | \$46.51 | | | | |
| | | | | | | | |
| > Male | \$43.43 | \$44.56 | \$46.08 | | | | |
| > Female | \$46.43 | \$43.89 | \$41.34 | | | | |
| | | | | | | | |
| > 18-24 | \$31.22 | \$33.45 | \$31.95 | | | | |
| > 25-34 | \$32.45 | \$35.55 | \$33.34 | | | | |
| > 35-44 | \$42.45 | \$45.55 | \$43.34 | | | | |
| > 45-54 | \$32.45 | \$35.55 | \$33.34 | | | | |
| > 55+ | \$21.22 | \$29.45 | \$25.95 | | | | |

| Avg. Spend per Customer | Q1 | | | Q2 | | | |
|-------------------------|---------|---------|---------|-----|-----|-----|-----|
| | Jan | Feb | Mar | Apr | May | Jun | Jul |
| Target Benchmark | \$47.86 | \$47.86 | \$47.86 | | | | |
| Current Benchmark | \$39.21 | \$42.05 | \$42.35 | | | | |
| By Segment | | | | | | | |
| > Mobile/Tablet | \$32.40 | \$31.12 | \$33.45 | | | | |
| > Desktop | \$45.80 | \$44.54 | \$46.51 | | | | |
| | | | | | | | |
| > Male | \$43.43 | \$44.56 | \$46.08 | | | | |
| > Female | \$46.43 | \$43.89 | \$41.34 | | | | |
| | | | | | | | |
| > 18-24 | \$31.22 | \$33.45 | \$31.95 | | | | |
| > 25-34 | \$32.45 | \$35.55 | \$33.34 | | | | |
| > 35-44 | \$42.45 | \$45.55 | \$43.34 | | | | |
| > 45-54 | \$32.45 | \$35.55 | \$33.34 | | | | |
| > 55+ | \$21.22 | \$29.45 | \$25.95 | | | | |