



Measuring B2B
Marketing Meticulously

'THE ART OF' SERIES
PART 5

5 Questions B2B Marketers Need to Ask

1. What are the specific objectives and goals of my marketing investment?
2. Will there be a significant impact on profits and margins if I increase or decrease my marketing budget by 10%? “44% of qualified marketers have no idea what a 10% budget increase could do for their companies!”
www.marketo.com
3. How effective am I in translating marketing investment into growth in profit and revenues, with reference to competitive benchmarks?
4. Which initiatives will I focus on to improve 'revenue leverage' in the next few years? Revenue leverage here referring to profit dollars over dollars spent on marketing and sales.
5. What are the unanswered questions in connection with ROMI (Return on Marketing Investment)? When do I plan to address them?

Source: MarketingNPV

With answers to these questions, you can gain a guideline in developing measurement insights. The next step is in identifying B2B marketing metrics that are relevant. Here is a snapshot:

B2B Marketing Metrics

Lead Generation Metrics

An ideal way of measuring lead generation is through 'net revenue per campaign' (the calculation for which is - revenues generated through a campaign minus expenses incurred). However, in the case of some B2B companies there may be several campaigns applied to one project.

For instance, it may be a challenge to determine how much sales was created by a direct mail campaign vis-à-vis a telephone campaign.

The best way to work around this is to conduct tests with a control group; wherein you categorize your target audience into two similar groups keeping one aspect of treatment dissimilar. If there is a difference in revenues, you will be able to obtain an indication of the value of a particular activity.

Another metric used in measuring lead generation is 'funnel conversion rates'. This is broadly defined as the percentage of marketing qualified leads accepted as 'qualified leads' by the sales team. However, a word of caution is necessary to those marketers who consider conversion rates through the funnel independently.

Sales Tool Metrics

The best practice in measuring sales tools should be that of testing before creation rather than retrospective measurement post deployment. In-depth interviews and focus groups are a great way to find out:

- What your prospects think of about your company in comparison with competitors
- What your prospects search for when selecting a vendor
- What your messages mean to your prospects, i.e. how compelling, relevant and credible your message is.
- What is the awareness level about your company (prompted and unprompted)

Gaining research data on these questions can provide insightful pointers while developing a sales tool design.

Awareness and Perception Metrics

Not many B2B companies can afford to conduct surveys that can measure awareness and perception. Some of the alternative techniques you could use to measure are through:

- . Number of positive analyst ratings
- . Number of positive mentions in the press
- . Number of awards won
- . Number of references by customers

When considering the number of press releases, ensure that you categorize based on whether they are describing product releases, strategic partnerships, financial results, awards and new customer acquisition announcements which create a healthy perception of your brand.

Whether you measure utilizing all metrics or some of them, in order to be successful in measurement

An Interesting 'Disclaimer'

“Just because you can track it, doesn't mean you should.

Just because you can track it, doesn't mean it's important.

Choosing the right metrics that will give you clarity and drive action in your business is most important.”

Courtesy: Matt Heinz,
President, Heinz Marketing

Track the Right Numbers!

Evaluate effectiveness, not efficiency

Test and retest before designing marketing tools

Establish measure to segregate consequential publicity from news feeds

Conduct internal test runs of lead generation / nurturing programs before going live

Don't consider funnel conversion rates autonomously

Utilize sales and marketing metrics vigilantly

In order to utilize measurement metrics effectively, you need a power packed database. Gain access to a B2B Marketing Database. www.infocheckpoint.com