

MARKETING METRICS

Are the same marketing metrics relevant to marketers and company management?



Bachelor's thesis

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Subject	Marketing Metrics - Are the same marketing metrics relevant to marketers and company management?	
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This Bachelor's thesis aims to study the marketing metrics that are used in marketing teams and ask are the same metrics relevant to the company management.

The answer was provided by combining the theoretical marketing pipeline in digital marketing channels and functions, as well customer's lifecycle as part of the marketing funnel and splitting the pipeline into different sections.

The information gathered from the survey and phone interviews was used to understand how business-to-business companies use marketing metrics in the selected marketing funnel (RACE) and can the same metrics help business management to understand what happened in the sections of the marketing funnel and are the same metrics relevant to management.

The results of the research have shown that companies are relatively satisfied with the current marketing metrics and understand that most of the metrics are important to align with the company's goals.

Keywords	Marketing Metrics, Marketing strategy, digitalization, Key Performance Indicator, Return on Investment
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Tämän opinnäytetyön tavoitteena on tutkia markkinointihenkilöiden käyttämiä markkinoinnin mittareita ja kysyä ovatko samat mittarit tärkeitä yritysten johtoportaalle.

Vastausta haettiin yhdistämällä teoreettinen markkinointisuppilo, asiakkaan ostoprosessi ja yhdistämällä näistä saatu tieto yhdeksi kokonaisuudeksi. Valittu suunnittelukehys (RACE) yhdistää markkinointi- ja myyntiprosesseja ja sen avulla voidaan ymmärtää, mitkä mittarit ovat tärkeitä digitaalisen markkinoinnin saralla.

Puhelinhaastattelujen sekä sähköisen kyselylomakkeen avulla kerättiin tietoja, jotta voitiin ymmärtää mitkä mittarit ovat eri yrityksissä käytössä, sekä auttavatko eri mittarit yritysjohtoa ymmärtämään, mitä suunnittelukehyksessä tapahtuu ja ovatko niistä saadut mittarit ja tulokset johtamisen kannalta merkityksellisiä.

Tutkimustulokset osoittivat, että yritykset ovat suhteellisen tyytyväisiä nykyisiin markkinoinnin mittareihin ja ymmärtävät, että suurin osa mittareista ovat tärkeitä yrityksen tavoitteiden kannalta. Yritykset rakentavat, sekä kehittävät mittareita tarpeellisuuden mukaan aktiivisesti.

Avainsanat Markkinoinnin mittarit, markkinointistrategia, digitalisaatio, markkinoinnin avainluvut, sijoitetun pääoman tuotto

Sivut 34 sivua ja liitteitä 7 sivua

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1 Introduction

Most of the time, measuring marketing is challenging. It has been discussed for years and still, most digital market effects are only measured with marketing metrics or it's hard to tell what metrics business managers consider important. Planning and adapting marketing metrics is not easy and it takes a lot of work, but it will improve understanding of how the company's marketing effect customer fields.

There are some basic lines on how and why it is needed to measure and report marketing with metrics, that are also relevant to the company management but these metrics also vary from company to company, and the metrics used in the thesis have either become familiar to the author over work history in eCommerce or have been developed in the author's workplace in recent years. The thesis is based on the guidelines of why the company considers the selected indicators important for the business to business and this policy is examined in the thesis.

Authors think it is difficult for marketing managers or marketing buyers to justify budget increases in many companies or to get the company management or salespersons even interested in digital marketing which is understandable because there have been no clear metrics to follow. Just marketing and sales campaigns. Marketing people have a hard time showing and demonstrating what marketing metrics impact a company's growth and profitability. The author has been working in many advertisement agencies and has worked with different kinds of marketing.

Top marketers don't just focus on sales, they think about marketing more broadly and set the goals for it. Consultants often hear CEOs saying how they don't have enough understanding of marketing teams because they don't implement a clear customer acquisition strategy. Where the CEO wants to discuss with the marketing team the sales and performance goals that affect customer acquisition, marketers discuss website visits and Facebook activations. In general, one of the main goals is growth and new customer acquisition and brand awareness. (Sargent, 2018)

Marketing metrics are often good at telling how well a chosen campaign worked to reach people, as well as showing selected performance indicators so the marketing team can see how key elements of the campaign have been working. The metrics can be used to measure the effectiveness and profitability of a campaign, and help marketers optimize their current campaigns, as well as plan future advertising efforts. Different metrics give insight into how email campaigns work, or for example, the order cancellation rate can show the e-merchant what the target audience finds interesting and relevant to them. (Amazon Ads, 2021)

The author of the thesis wants to point out, that most of the time the basic task of marketing is to get to know potential customers, facilitate sales and support the company's goals and growth and acquisition of new customers. However, most of the time, marketing teams only measure the effect of how good the marketing was and may forget the sales effects.

Interviews view how marketing metrics has been affecting different company or why they think measuring the marketing metrics are relevant to the business. The interviewed companies also operate in Finland and business to the business sector but in many different industries. Many times, technically the marketing metrics are designed to identify the target customer company's business IDs (y-tunnus), product interests and searches in marketing activities, as well as the impact of advertising on them. Marketing metrics can also be created to follow interest for a customer company or product category.

The thesis does not take into consideration how the technical solution of marketing metrics is implemented in different companies.

The evolution of the metrics can seem challenging and intimidating, as well as confusing. Often companies do not have a vision of what metrics would help them grow their business. However, metrics are extremely important to drive a company's performance and revenue. Without indicators, it is difficult to say which measures affect visibility and it is impossible to start analyzing the impact of marketing turnover. Marketing metrics can also help a company measure, sales performance, weaknesses, and shortcomings, develop goals, respond to them, and help focus employees on important marketing issues. (Renaldi, M. 2019)

1.1 Finding a subject

This thesis studies what kind of metrics marketing people use to measure and report to company management or personnel that purchasing digital marketing efforts. The thesis studies the usefulness of marketing metrics from two different kinds of perspectives. Which metrics are important to marketers when measuring the impact of advertisement campaigns in different marketing channels and are the metrics are relevant to company executives as they develop business and consider measures to increase revenue.

The following issues have been raised from the interviews.

- Company management and marketing persons will know how marketing works and how digital marketing impact sales and revenue
- Metrics make the marketing more effective and change impression markets to data-driven markets
- Help management teams and salespersons interested in marketing
- Getting a bigger budget is easier when a marketing person can better justify the profitability and impact of the investment on the business

1.2 Research Question and Research objectives

Marketing professionals around the world often face similar challenges in measuring marketing and how to improve Return of Investment (ROI) in different marketing segments and environments. The problem has come even more challenging than before when marketing has been moved to new channels and email advertising, social networks and television, and radio channels are now same time competing for consumer attention. Measuring retrospectively through customer interviews or a single channel is no longer enough for a modern marketer, they want to optimize their entire marketing mix so that they see the different effects quickly, effortlessly as quickly as possible, and not in months aftermarket actions has happened. (Marketing Evolution, 2020)

The research question for this thesis is: Are the same marketing metrics relevant to marketers and company management?

1.3 Methodology

The study is conducted by interviewing selected business leaders who have already purchased online marketing. Interviewees are selected and looked through on LinkedIn's profiles, with a background in online marketing or business development area. This ensures that they are dealing with technology solutions and online businesses development and understand how marketing can affect the business. To support the research results and make sure the selected method, qualitative research can take advantage of the same questions is was needed to build an online survey that was sent to a larger group of managers. The responses received, both from the telephone interview and the online form, are brought together, allowing a wider sample of responses to be covered and harmonized.

1.4 Thesis structure

Chapter one tells in general terms how the topic of the thesis has been found and why measuring marketing is usually perceived as challenging task.

The second chapter theoretically reviews the marketing metrics, and objectives and opens the terminology behind marketing. The thesis itself focuses only on digital data which are available to every company for free, or at least at a small cost. The thesis itself provides many examples of how information can be utilized, and how metrics can be calculated based on company data.

The third chapter deals with the methodology of the thesis and describes the data collections methods and research strategy and fourth chapter combines the results of the telephone interviews and the online form. Final chapters discuss findings and conclusions.

2 Theoretical Framework

2.1 Marketing goals

There are always marketing goals behind effective marketing measures and marketing plans. Marketing goals are long-term ideas inspired by a company's vision, mission, and purpose.

At the same time, they are more accurate in scope and should always be measurable, through statistics, time, or visibility. Marketing goals are the actions that guide the making of marketing. (Boada, N. 2021)

2.2 Marketing objectives

Goals are part of a marketing plan but require an understanding of the company's functionalities. How the brand is built, what is the company's mission, the general atmosphere inside and outside of the company, stakeholders and in customer field and what is the market and the competitive situation in the industry? It is also good to create various SWOT analyses to support the measures and for example, what are the major brands competing against and how they operate in the marketplace in marketing, pricing, and selling services. (Boada, N. 2021)

There can be many marketing goals and they are used to guide operations. For example, your marketing goals could be to: Increase your sales by 10 % annually and, to do so, think about how you will impact new and existing customers on social media. One other good sample of goals is to reach 3,000 pre-orders before the new product release date. Increase your customer acquisition process by 5 % with SEO. Increase market share by 3 percentage points by investing in the marketing of our target audience. (Boyce, M, n.d.)

A good rule to follow is that there are always 2-3 marketing goals active that are worked on by the company's marketing person or team. (Boyce, M, n.d.)

2.3 Planning a digital marketing

There are several different stages in digital marketing, and they are often structured into a structure that is implemented. The first step in creating a marketing plan is the external and internal analysis of the company. One commonly used way to do analysis is a SWOT analysis. This identifies the company's strengths, weaknesses, opportunities and threats. The analysis provides answers to what resources a company uses to make products or provide services, where it shines, and at the same time finds the company's weaknesses. Analyzes can be

used to create a plan for what the company's goals are and what the resources are to achieve those goals. (Woldu, 2019, p. 13 – 14)

The marketing plan used by the author of the thesis includes a marketing year clock, which is used to plan the company's digital marketing for a bit over two years ahead. Tactical goals at marketing are divided over three-month periods where the next three months are known weekly. This way end of each review period, the plan can be refined to support short and long marketing goals and to resume the coming months according to what content will be needed in marketing actions and goals.

2.4 Measuring digital market

Marketing metrics and analytics ways are constantly evolving, and the nature of campaigns or selected channels determine whether a marketing metric is easy to create or not. Return of Investment (ROI) is one very commonly used measure of whether a measure is used to calculate whether a measure is profitable. Companies need to analyze their ROI over short, long, and different periods to show whether there is a return on investment based on available measures and resources. (Saura & Palos-Sánchez & Suárez, 2017, p. 5)

Because the thesis writer works in a B2B business where advertising is focused solely on the digital environment, the creation of performance and performance metrics is very accurate with the tools available, and the services purchased.

2.5 Marketing Performance metrics

Looking at marketing, the range of metrics may seem overwhelming. Even if you adopt a wide range of metrics, they still don't necessarily tell you the information you need to make smart decisions to grow your business. In performance marketing, you can analyze the different stages of your marketing and customer path, modify and develop your tactics according to how they affect your business. Data-based marketing offers flexibility to adapt to customer needs and changing market conditions. (Valve+meter, n.d.)

The thesis writer notes that marketing's indicators are intended for those who carry out marketing and marketing's metrics are tools- or campaign-specific metrics, monitoring the functioning of digital marketing and many times these are the same that information will also find their way to the CEO's desk - Who almost have no direct benefit from that information and how it will affect revenue now and in the future.

2.6 RACE Planning framework

Race the funnel, consolidates the various marketing and channel functions into digital marketing and covers the authors 'plans, as well as the customer's entire lifecycle as part of the marketing funnel. The design phase includes a digital strategy, goals, and measures to achieve them. One of the biggest challenges in digital advertising is to create interaction with the customer as well as generate sales for the company from selected measures. All digital marketing customer contacts are listed at the top of the funnel. (Chaffey, D. 2021)

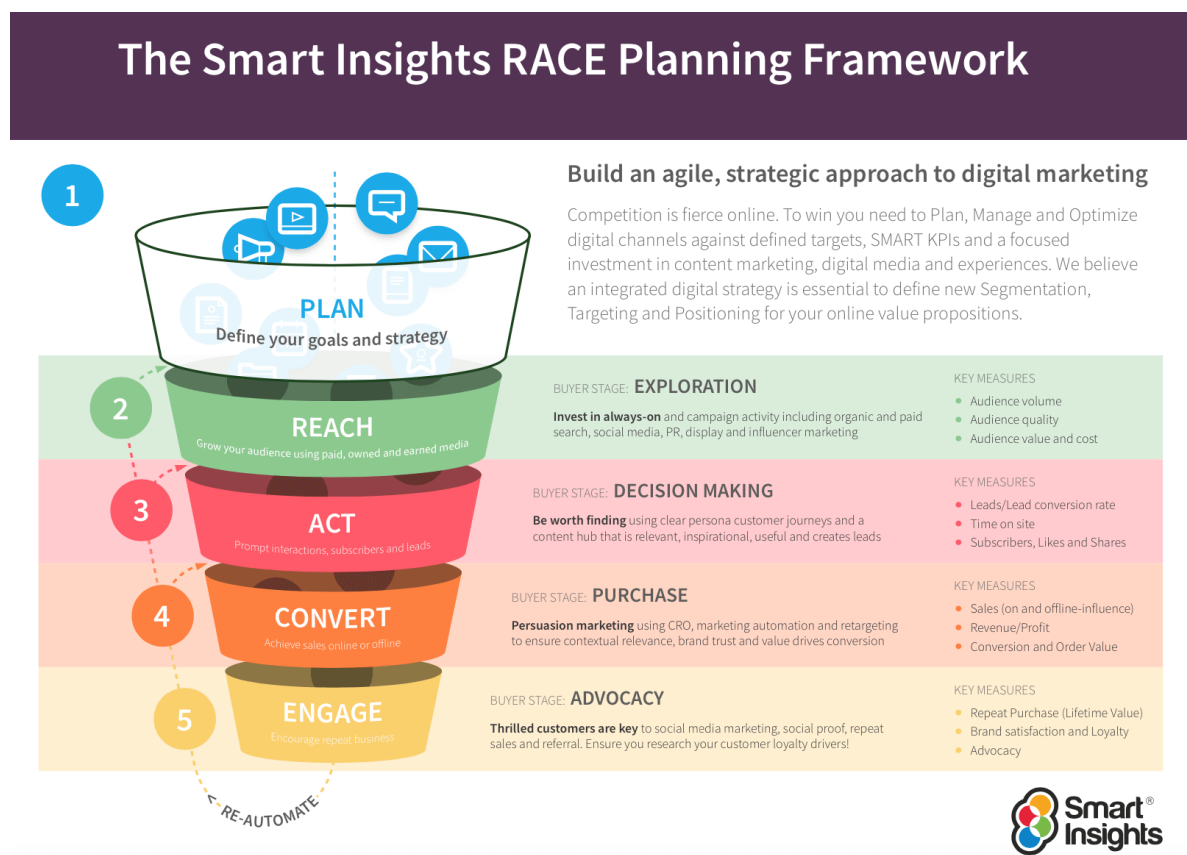


Image 1. The Smart Insight RACE Planning Framework. (Smart Insights, 2021)

2.7 Explanation of RACE

REACH: This step describes how the company's various actions reach current and potential customers. Reachability can be measured through different social media channels. (Eriksen-Coats, F. 2018)

ACT: The phase describes the measures by which the marketer encourages the potential customer to react to the measures taken. These may include potential customers requesting more information about products or services, subscribing to a newsletter or searching for products online and ending up on the company's website, reading more about the products, or leaving your contact information for further discussion. (Eriksen-Coats, F. 2018)

CONVERT: This step indicates that the customer has placed an order and paid for their order. This stage is important for the company and often also the final stage of the funnel. (Eriksen-Coats, F. 2018)

ENGAGE: This step commits the customer to make a purchase decision, or to add additional services or functionalities to the product ordered by the old customer. (Eriksen-Coats, F. 2018)

RACE and Measure: The author of the Thesis use RACE at work, but same time the marketing funnel has an additional dimension. Every step is measured and remarketed, so a measurement tells how many customers have gone through the reachability phase and converted to a new customer. This calculation model explains very precisely how marketing has worked and how many new customer % is affected by marketing every month. The figure can also be used to calculate future, potential sales, as each customer has a calculated value of how many products they order from the company on an annual basis. This calculation is based on how much similar customers have bought in the past year.

2.8 Different Metrics

There are hundreds of different metrics available to marketers, and often, the success of an advertising campaign requires that you have the right metrics to use. (Amazon Ads, 2021)

Directive Consult company lists in its blog 50 different marketing metrics (Bui, 2021), that they think should be in place in 2021. The author has taken some of the metrics from the list for review. Sections 2.9 - 2.13 review the indicators in the list from the point of view that they tell about the visibility of the company's advertising (impressions) and can thus be derived as the initial level of advertising in terms of overall marketing visibility and are at the top of the RACE (chapter 2.6) marketing funnel.

2.9 Marketing campaigns Metrics

Digital metrics are often referred to as Key Performance Indicators (KPIs) and are values used to measure the effectiveness of marketing campaigns. They can help to express the values of marketing and see the impact of measures. Marketers generally use a lot of different channels, techniques, and goals so it's important to outline what metrics to keep an eye on. (Smith, K. 2020)

Impressions: This metric allows you to see and understand how many times your marketing efforts have appeared on different marketing channels. However, the meter doesn't tell you how many times your ad has been seen. (Muhammad, F. 2021)

Clicks: If the user responds by pressing the mouse button on the ad, or on the website then this information will be recorded. With this metric, you can see how your audience responds to your marketing message. (Muhammad, F. 2021)

Conversions: Conversion tracking helps you understand your campaign goals. Conversions can be how many visitors to your site sign up to subscribe to your newsletter, or how many visitors complete a purchase. (Muhammad, F. 2021)

2.10 Social Engagement Metrics

Social engagement metrics: largely tell you how users of social media services react and commit to your company's marketing communications efforts. (Bui, 2021)

Likes: A very simple way to see how many reactions you have received to your marketing communications efforts. (Bui, 2021)

Comments: Comments often indicate that someone responding to your communication has taken the time to comment on them. This is a great way to measure how much interaction you have gained with your various actions. (Bui, 2021)

Followers: Tracking your followers growing numbers can be a very important metric to follow because it tells us how many fans your brand and content has and how it will change in the selected period. (Bui, 2021)

2.11 Email Marketing Metrics

Email is used for a variety of marketing purposes and can include promoting a company's products, services or offerings and encouraging customer loyalty. The author of the thesis follows these measures in her work because they can also be used to measure whether segmented marketing messages are as desired. Together with the opening pr response metric, the measures can be analyzed to find out how the message has reached, interested and how many have perceived it as negative.

Open Rate: This metric tells you how many people have opened the email you sent. (Bui, 2021)

Response Rate: Response Percentage tells you how many people respond to an email you send. (Bui, 2021)

Unsubscribe Rate: With this metric, you can see how many people react negatively to the marketing communications you send and leave the mailing list. (Bui, 2021)

2.12 User experience Metrics

The metrics in this section cover the use of a website or application, as well as measuring user experience. They tell you how users react to your site or application.

Bounce Rate: This metric tells you very quickly whether a visitor has come to the right site and if they encountered the content they were looking for. (Bui, 2021)

Average Session Duration: This metric tells you how long a website visitor spends on average time on your site. (Bui, 2021)

Time on Page: This metric allows you to see how long a visitor has been exploring your page online. (Bui, 2021)

2.13 Traffic Metrics

Organic Traffic: Visitors find the website and content they are looking for in many ways. Organic traffic on the website tells you how many visitors have found content without paid advertising. They can come to the site through a Facebook post you create or respond to the content you distributed online. (Corona, 2015)

Direct Traffic: In analytics, a direct visitor is defined as a visitor who typed the address of your business website directly into a browser. However, a direct visitor can be a visitor who enters the site directly from a document because the link refers to the content of the home page. (Coveney, L. 2021)

Campaign Traffic: The total traffic to the marketing campaign that generated the marketing efforts made. (Bui, 2021)

2.14 Business performance metrics

Business performance metrics give a picture to company management of how marketing affects customer acquisition and how they impact the business revenue. They are indicators that help marketing persons to tell what the impact of marketing is on a company's objectives and what is the role of marketing in it.

Sales revenue: This KPI is critical to the organization because, in the long run, it tells you how marketing works from a sales perspective and how much it brings in sales profit for the company. (Valve+meter, n.d.)

Sales Growth: When it comes to strategic sales, measuring marketing through sales is very effective because an increase in sales directly tells how revenue is evolving. (Valve+meter, n.d.)

Leads: The most important point of the sales funnel tells directly how many trades the marketing has generated. (Valve+meter, n.d.)

Cost per lead (CPL): For marketing personals to understand how a company's marketing structure is made, it is important to understand how much it costs a company to create a single sales contact. At the same time, this metric can be used to weed out bad or low-performing channels or ads with too high a cost structure. (Valve+meter, n.d.)

Customer Value: Each customer has a value that can be used to determine how much revenue they potentially generate for the company in the future. (Valve+meter, n.d.)

Lifetime Value: This metric can be used to track changes during a customer's lifecycle and respond promptly to where the customer's lifecycle is worth raising or lowering marketing efforts. (Valve+meter, n.d.)

Return on ad spends (ROAS): Many marketers believe that raising brand awareness and raising interest will bring interest and sales to products. (Valve+meter, n.d.)

Leads to customer ratio: This metric tells you how many sales you close based on the contact quantities Leeds received. Meters can also tell you if there are any problems with the sales path at some point. (Valve+meter, n.d.)

Customer acquisition cost: The author often looks at this metric in his or her work: The customer acquisition cost, as the name implies, measures the price a new customer pays you on average. The less money you spend, the better your marketing and sales process works. If the customer acquisition price increases, it means that marketing works less efficiently than before and accordingly while a decrease in the acquisition price indicates an improvement in power. The company can calculate marketing shares of the customer acquisition price and monitor its development.

According to the blog writer author, the Customer acquisition cost is the cost associated with bringing the customers to the company. The commonly used abbreviation is CAC (Customer Acquisition Cost) and is calculated by dividing the cost of the campaign by the number of customers acquired from the marketing campaign or actions. (Decker, 2020)

How to calculate Customer acquisition cost:

Example			Customer acquisition cost		
Marketing cost	12 500,00 €				
Sales cost	25 400,00 €		37 900,00 €		
New customers	37		37		1 024,32 €

Customer value and how much Customer Acquisition cost effect the value:

The lower the percentage that goes to the customer acquisition cost, i.e. The higher the ratio. Higher the return on the marketing sales team for the company to produce. Too good a relationship can also tell that invested too little in marketing to target audience to obtain. Additional investment in marketing and sales will weaken the ratio may in any case facilitate the growth of the company.

How to calculate the percentage of what the customer value goes to customer acquisition costs

Example			Percentage of what the customer value goes to customer acquisition costs		
Average customer value	50 000,00 €				
Customer acquisition cost	1 024,00 €		50 000,00 €		2,05 %
			1 024,00 €		
<u>2,05 % of the value of the customer value goes to customer acquisition cost</u>					

2.15 Revenue from marketing Metrics

Customers from marketing: This metric describes the proportion of customers who are first time contacting company business.

How to calculate how the percentage of customers coming from marketing

Example			How many percent of customer are coming from marketing		
New Customers	250				
Customers with the first phase marketing operation	108		108		43,20 %
			250		

This figure describes the impact of company marketing on the business. The higher the

number, the greater the number of new customers through marketing and accordingly, if the figure is low, then most likely, your company's marketing focus is not on lead generation

New customers where marketing has been involved: The author uses this measure in that way it is possible to recognize different companies' reactions to digital marketing efforts. The author thinks that it is one of the most significant marketing metrics when you think about how much revenue marketing actions will produce in future. This metric measures the new customers that are affected by marketing actions. Technically metric is possible to implement that each visitor is identified with a business ID. You can reflect the business ID to new and how many identified IDs have been created as new customers to the customer management system.

How to calculate how many new customers are affected by marketing

Example			New customers with affected by marketing actions		
New Customers	64				
Customers with marketing operation	17				26,56 %
			17		
			64		

This metric tells us how well company marketing is successful with leads generating, managing leads, and helping salespeople make trades. With this metric, we can easily give to company management or salespersons an overall picture of how company marketing is working.

New customers by marketing channels: When the channels that work are known, it is easily to justify the effort to work with that channel and this metric to get information on which marketing channels produce customers. Of course, there is a general rule, that the more customers generated, the better, this way companies are not dependent on a single channel, and the risk of the marketing channel is reduced.

Marketing channels can be measured with the Google Analytics tool, and it provides tools for marketing management. These include marketing campaigns, advertisements, emails that a digital marketer can use to build a better understanding of different channels and customer revenue streams. (Morte, 2020)

A simple way is to create a table that collects marketing revenue on monthly basis and calculates amounts by channel. This will provide information about how much is spent on Google AdWords or Facebook advertising, for example. (Patel, 2020)

Return of marketing investment: This metric is often used to allow comparisons between different options and to tell what the investment return percentage for selected measures is.

Although many marketing professionals and researchers have expressed concerns about the effectiveness of marketing and return on investment, the current practice has largely come from outside the industry, especially from senior management and finance. between financial performance. (Pauwels & Reidbstein, 2008, p.2)

On the other hand, in 2022, there is so much data on the digital marketing side that it can be used to measure very accurately the ratio.

3 Methodology

Answering a research question requires a general examination of which marketing metrics are perceived as important in corporate management. At the beginning of the thesis, the author explains in general terms marketing, goals, plans and what type of marketing funnel is used in Company X for b2b marketing.

With this information, an overview of the ideas and goals of marketing is available when creating digital marketing so that the memory footprint it produces is measurable.

The thesis then goes through the traditional marketing metrics to see in more detail which metrics drive marketing and which metrics drive more business development when it comes to measuring revenue development. The summary summarizes the findings obtained through company interviews as well as questionnaires.



of leading marketers use strategic metrics, like gross revenue, market share, or CLV, to measure the effectiveness of their campaigns.

Think with Google

Google/MIT, Global, Technology Review Insights, ML Leaders and Laggards, Leaders (n=186) defined as >15% increase in revenue or 15+ point market share increase, Laggards (n=176) defined as <0% growth in revenue or <0 point market share, 2018.

Image 2. Marketing metrics statistics. (Think with Google, 2021)

When the interview happens at a phone or online survey and uses the selected smart planning method (RACE) to structure the questions in different sections, it already gives information to build a better understanding and give a starting point to develop marketing metrics after the survey is done. This kind of process helps the company to evolve the

marketing metrics and the process itself provides suggestions on what you can or want to measure.

3.1 Data collections

With this research report, readers can discover a variety of digital marketing metrics and the purpose of the author is to help company managers to measure and understand the impact of advertising on company business. The thesis does not give a technical solution to how the data behind marketing metrics are collected, but the author knows it is done by different marketing tools that are free to use and those who recognize the company ID and user inside the company are often paid solutions.

Company management or sales people often have difficulty understanding how and why marketing should be measured but the findings are collected by summarizing the research results. Many companies already have different kinds of marketing metrics in use, but it is impossible to say without researching what kind of metrics they already have.

3.2 Online interview and phone interview

The purpose of the survey is to collect information for the thesis. The thesis itself keeps the content anonymous because it applies to many different companies. When responding to a phone interview or online survey, the survey itself was structured so that it builds a better understanding and starting point for developing marketing metrics.

3.3 Ethics analyzing

This thesis keeps the content anonymous because it applies to many different companies. The author of the thesis has told the interviewees what the topic is, the goal of questions and how the information is handled. The names of the interviewees have been omitted from the document because the information being processed in 25 companies are part of interviewed company's business development.

3.4 Validity

The author of the thesis is a developer of digital business and has his work history from many different industries and different types of companies. In this thesis, the author's skills have been used, as well as the knowledge of analyzing the thesis's findings so that they support business development. The results presented are also based on theory books, reports, changes in online advertising and metrics in the business-to-business sector.

The author working history has guided the chosen end-user marketing. However, the field of marketing communications, in terms of marketing metrics, is constantly changing and will become more precise as new solutions emerge in the field.

The interviews have been designed to be completely impartial so that the interviewer's professionalism does not guide the answers, and direct comments have been recorded as such so that the research information obtained from them can be used directly.

3.5 Research strategy

The study is conducted by interviewing selected business leaders who have already purchased online marketing. Interviewees are selected and looked through on LinkedIn's profile, with a background in online marketing or business development area. This ensures that they are dealing with technology solutions and online businesses development and understand how marketing can affect the business. To support the research results and make sure the selected method, qualitative research can take advantage of the same questions is was needed to build an online survey that was sent to a larger group of managers. The responses received, both from the telephone interview and the online form, are brought together, allowing a wider sample of responses to be covered and harmonized.

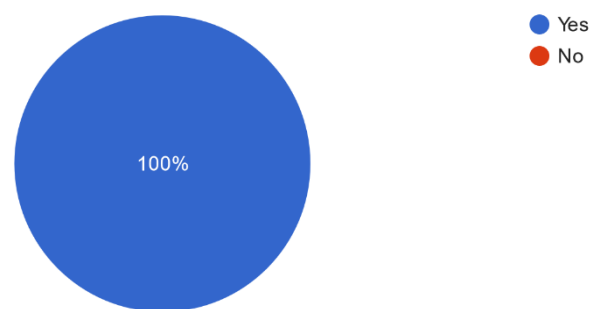
4 Results

4.1 The questions in phone interviews and online survey

Question - Are you in the B2B industry?

Are you in the B2B industry? The thesis examines the marketing metrics of B2B business, although most of the metrics are also relevant in B2C business.

22 responses



The questions related to the marketing metrics are broken down and the sections are **Plan, Reach, Act, Convert, Engage** and **let's go deeper**. The follow-up questions of different sections look at marketing metrics always from two different perspectives so they can answer the research question.

- a) Which metrics are important to marketers when measuring the impact of advertising campaigns on different marketing channels?
- b) Are the same metrics relevant to business leaders when they develop the business, and can they reflect how much marketing will impact growth in the future?

Plan: Do the marketing metrics affect how you plan marketing goals and actions?

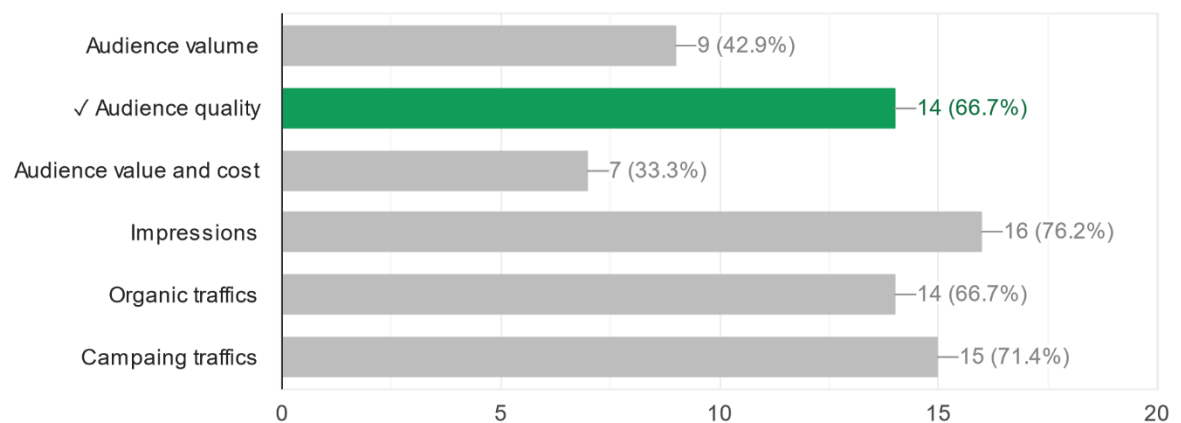
If so, how do they affect design or implementation?

- 2 x No (combined yes answers)
- 3 x Yes (combined yes answers)
- Yes. We are following LinkedIn metrics and trying to adapt our message accordingly.
- Partly yes. Mainly marketing and sales have common goals and hence marketing acts as a lead generator for sales.
- Yes and no
- Yes! By determining if this is for in-house design/implementation or external use.
- This is pretty obvious -> of course they do. You learn from the metrics and try to develop marketing so we can get better results next time.
- New actions are adjusted based on metrics - not totally but they have an impact
- We mainly focus on lead generation through linked-in and our website. We have KPI's for SEO, # of mql and SQL and return on marketing investments
- The metrics are used to determine the past situation, the status and desired objectives.
- No, they do not affect our actions and plans
- We try to understand the data (analyze) and act/ optimize if needed
- Yes. The most effective ways are chosen depending on the message and target.
- Yes, they do. It must be possible to measure the effectiveness and efficiency of marketing.
- Yes, they affect the chosen channels and have an impact on the chosen content
- Yes. The indicators show success, and it is worth using proven methods and channels
- We follow clicks and impressions and try to improve our actions based on this.
- 100 %

Reach: awareness and visits

Common metrics - Search engines, social network, publishers and blogs

0 / 21 correct responses

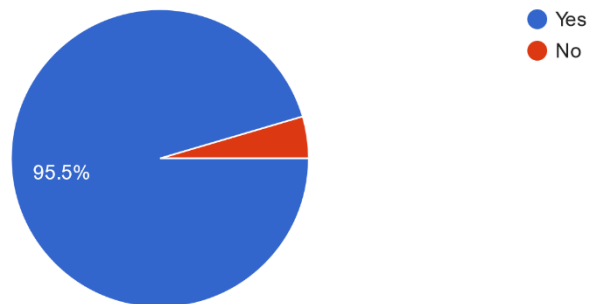


Do you think some other metrics are relevant in this section?

- Yes, it would make sense to have more metrics but the lack of marketing people is limiting this.
- post REACH, to register if the audience return to get more info.
- yes
- New followers
- Conversions (CTA)
- Time of visit per page
- We are using the Google Analytics dashboard. There are many relevant metrics.
- Yes. The indicators show success, and it is worth using proven methods and channels
- We follow clicks and impressions and try to improve our actions based on this.
- 100 %

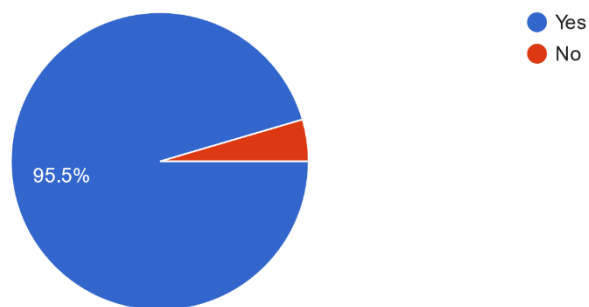
- a) Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions?

22 responses

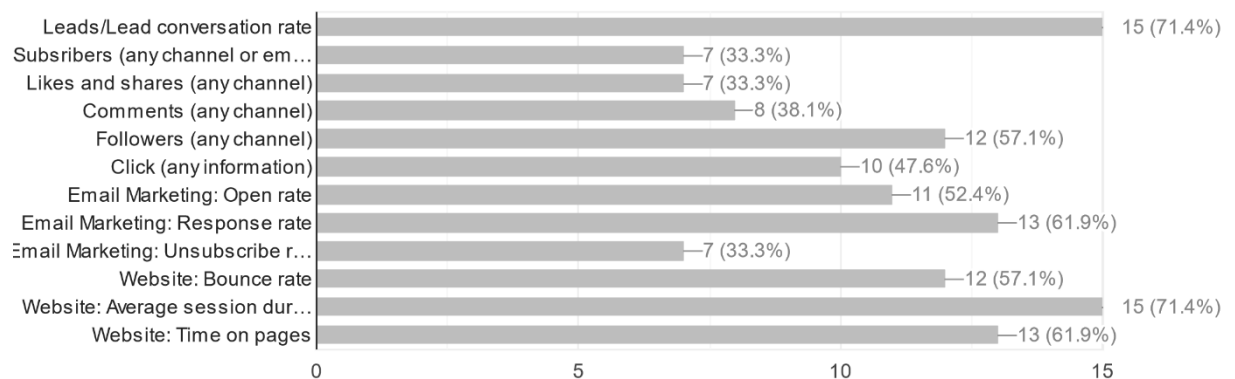


- b) Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth?

22 responses



Act: interaction and leads

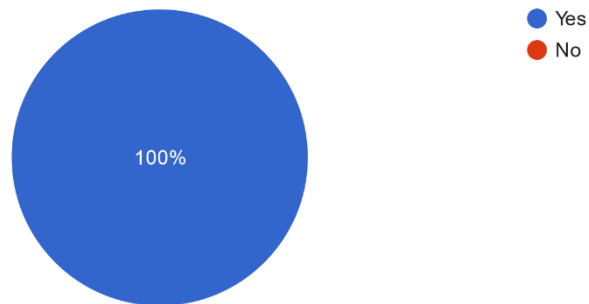


Do you think some other metrics are relevant in this section?

- I think all of the above mentioned are relevant. Note the previous question did accept only one metric.
- Many will be relevant. However, we do little digital marketing effort. Those we do, are to be followed up by local distribution channels and only metrics are direct comments and details of leads.
- no
- Interaction on social media
- Customer contacts, eg with electronic contact forms, answers/interactivity on a different platform. Opportunity for dialogue with sales and the customer.

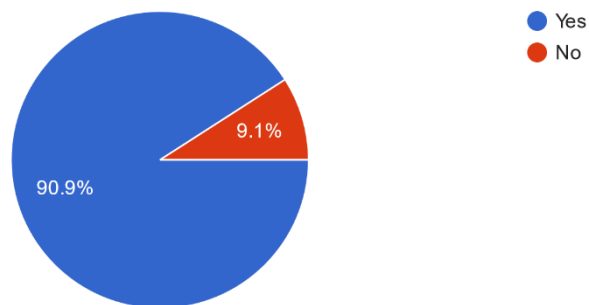
- a) Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions?

22 responses

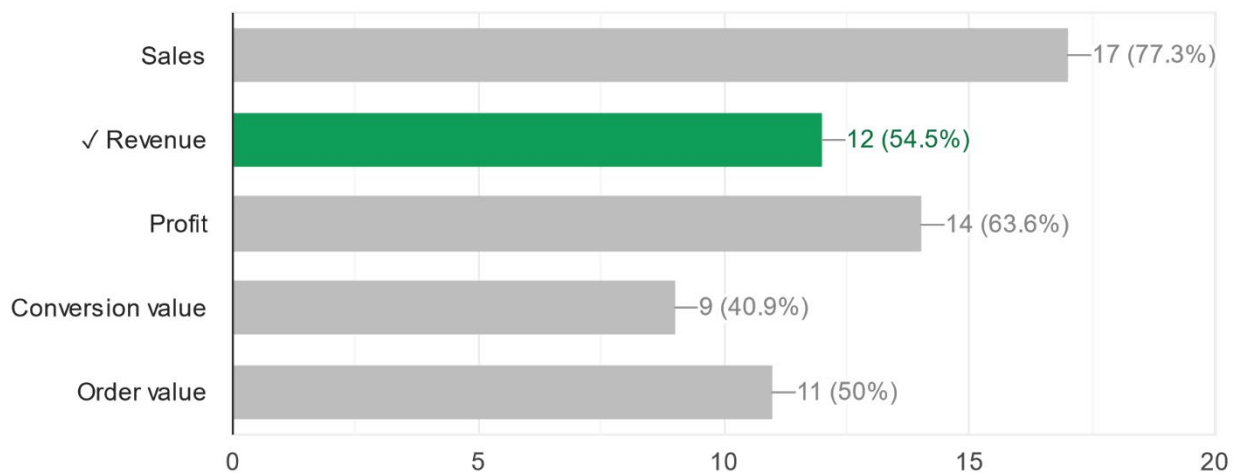


- b) Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth?

22 responses



Convert: sales and profit

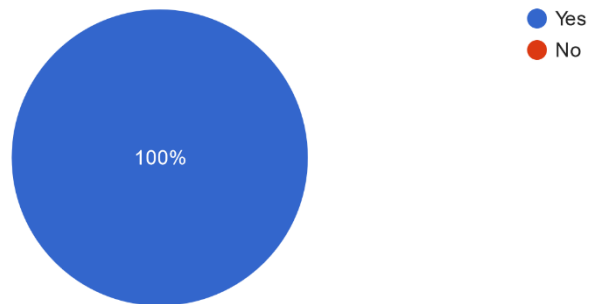


Do you think some other metrics are relevant in this section?

- Conversion value
- I think all of the above mentioned are important.
- no
- Customer satisfaction and returning customers
- repeating business
- Repeat business, NPS: satisfaction level (But these are more after-sales)
- Loyalty, renewal of purchase
- margin

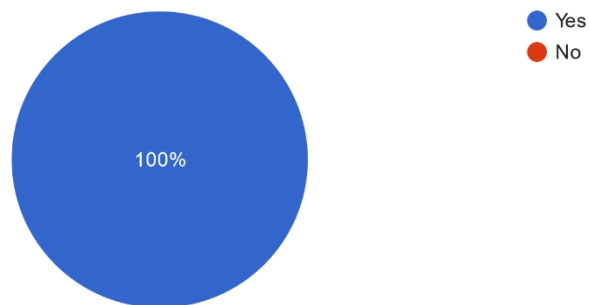
- a) Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions?

22 responses

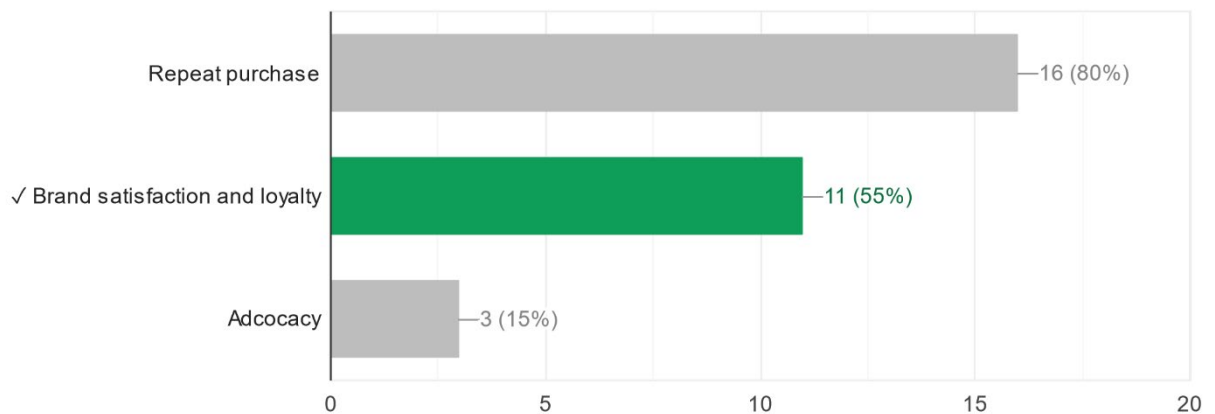


- b) Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth?

22 responses



Engage: loyalty and advocacy



Do you think some other metrics are relevant in this section?

➤ Total length (time) of customer buying.

➤ Yes NPS

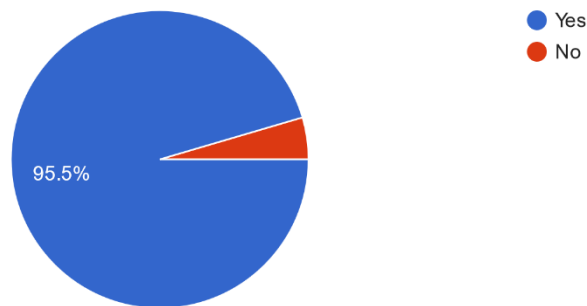
➤ customer satisfaction

➤ purchase based customer satisfaction

➤ We follow NPS per every order.

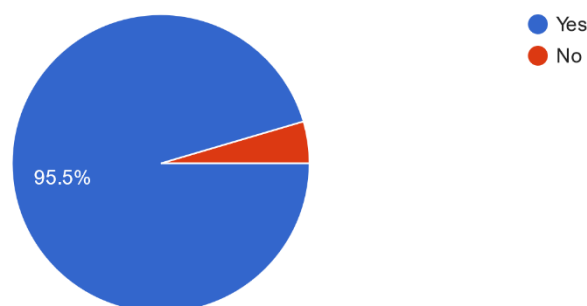
a) Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions?

22 responses

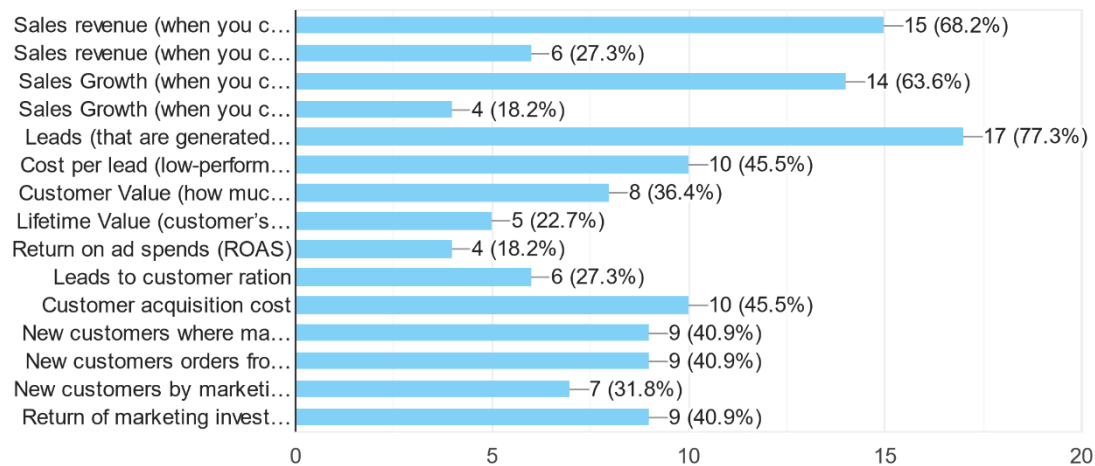


b) Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth?

22 responses



Last question: What kind of marketing metrics help plan the business revenue growth at the manager or CEO level? Please note that the customer has been identified at the reached state of marketing and followed through every step from marketing actions to a new customer.



The results of the telephone interview are identical to the questionnaire on the website and each section received almost 100% of an as important factor. Thus, it can be concluded that the corporate management team also considered each marketing metric important and only need, to define what is in use

4.2 Free discussions and free field of the questionnaire

After the marketing pipeline questions, there was a follow-up question. "After you have done this survey what do you think? What kind of metrics do you feel are most important to managers or CEO levels to see how marketing help to convert new customers or revenue?".

Free discussion and typed answers after the questions opened many different views and writings around the topic and here are some of them modified:

- if just marketing generates leads to the salespeople to close, sales cannot complain.
- As can be seen from the answers we do have very little marketing and no related metrics in use. There should be, but also it is challenging for a relatively small company that is selling investment products to the global market.

- The products with the highest added value and USP. At least in our company, we should focus on strengthening our position within these products and services.
- Leads generated by marketing converting to orders
- To register how often dialogues with new customers, appear as a result of our marketing activities and to register how many new sales can be linked to these customers (registered as accepting our marketing-related invitation, like joining our webinars, etc.).
- Would've needed an open field to comment on each of the steps. They all raised thoughts and some of the metrics are very more important than others. I still checked pretty much all because we CAN and COULD track those, but choose not to spend time with them because of reasons X, Y and Z. Some of the unchecked ones are something we're working on developing currently.
- In general, pretty much every metric here is relevant in some fields on B2B business but many of them are more useful when working with B2C or with bulk products sold straight from the warehouse. For us, some of the metrics are very niche information so the following would take time from the actual work that must be done in the very busy environment where marketing resources are very limited. We have so many metrics nowadays that we must choose what to highlight because the information flood is also a dangerous thing.
- I can see these being very valuable to a company working on a single focus group with even small order sizes being relevant, but when moving on to a more project like environment such as ours, the relevancy of the metrics weaken a lot. Especially when you have like 25 target groups, 35 product groups and thousands of companies that could be our customers and most of our important sales are project sales. In our case it's more about finding where we should spend time and of course metrics can help in that too, but marketing metrics aren't the most important ones.
- Metrics where you can see the trend and clearly understand input and output

- Very tricky for us, as the time from lead to sales can be years and contains many different steps along the way. But if have to be chosen, I would go with the volume of quality leads.
- Success is credible and demonstrable without a doubt.
- Simple to understand and correlation from investment to new sales have to be quite black and white. Otherwise, sales improvements are the result of something else than digital marketing.

5 Recommendations

Marketing metrics are extremely important to increase a company's performance in digital channels and tell you the return of investment of marketing. Basically, without indicators, it is difficult to say which actions affect visibility, and sales growth and it is impossible to begin to analyze the effects of marketing revenue.

Developing marketing metrics so they can easily tell you how many customer contacts have been directly converted into new, subscribing customers it will narrow down the line between sales and marketing. The thesis itself provides a lot of information on different marketing. The model presented in the thesis section 2.6 (RACE) is a functional tool when you want to understand the use of different metrics in different stages of marketing and sales and can be recommended for companies that plan to add marketing metrics for corporate marketing, sales, or management levels.

6 Conclusion

This Bachelor's thesis examined the usefulness of different marketing metrics that are used to measure the impact of advertising campaigns in marketing channels and can management level use the same metrics when they develop business and consider how different measured marketing actions increase revenue. Naturally, the marketing person has done a lot of profiling, measuring, and marketing actions to create different customer contact in digital channels, so the thesis referred to them at a general level when marketing planning and objectives were discussed in the thesis.

There are several different actions phases in digital marketing and the selected, marketing planning framework (RACE) combines various marketing and channel functions of digital marketing. The framework consists of several steps and metrics when and how marketers interact with potential customers and prioritized steps can vary depending on the situation.

Marketers in different companies use a wide range of marketing metrics and only a few of the companies that participated in the thesis did not use marketing metrics, but each of the respondents considered them important or the area of marketing that need to be developed in the future.

Most of the time, the basic task of marketing is to get to know potential customers, promote sales and company brand and support the company's goals as well as the growth and acquisition of new customers. In many cases, the marketing goals are behind effective marketing and marketing plans and nowadays marketing is transformed from impression-based marketing into data-driven marketing that knows more and more about how potential customers act in marketing funnels.

When reflecting on the thesis question (Are the same marketing metrics relevant to marketers and company management?) to data that was collected by survey and phone interviews show's that result was very homogeneous and still surprising multidimensional because all the companies that participated in the thesis say that different marketing metrics were considered important and relevant to business management and responders added many more metrics that they feel important to develop an understanding of marketing

actions in their own companies or businesses sectors. Some answers show directly in the comment field or comments in phone interviews, that some metrics are more relevant than others and, in many cases, managers wanted to see direct links to marketing and sales improvements.

In summary, while the author was writing the thesis and studying and reading many different sources that approached marketing metrics in various ways. Some sources felt that measuring marketing metrics is a difficult task or consultants often hear that many management levels don't have enough understanding of marketing metrics; the survey proved this be a bit wrong case in selected companies. The use of marketing metrics was active and is actively developed to support business development.

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Appendix 1: Onlinesurvey

Marketing impressions metrics versus marketing business-critical metrics

The purpose of this survey is to collect information for the thesis. The thesis itself keeps the content anonymous because it applies to many different companies. When responding to an online survey, it is important that the survey itself is structured so that it builds a better understanding and starting point for developing marketing metrics. With such a process, it helps the company's develop marketing metrics and the final research report itself can make structural suggestions for developing the marketing metrics.

This survey looks at marketing metrics from two different perspectives.

A) Which metrics are important to marketers when measuring the impact of advertising campaigns on different marketing channels.

B) Are the same metrics relevant to business leaders when they develop the business and can they reflect how much marketing will impact growth in the future?

Thesis author is Kari Vuorio who study in Häme University of Applied Sciences. This survey is open two week (27.2.2022 - 13.3.2022). You can find the thesis in public Theseus at end of the year 2022.

* Required

1. Name

2. Company

3. Are you in the B2B industry? The thesis examines the marketing metrics of B2B business, although most of the metrics are also relevant in B2C business. *

Mark only one oval.

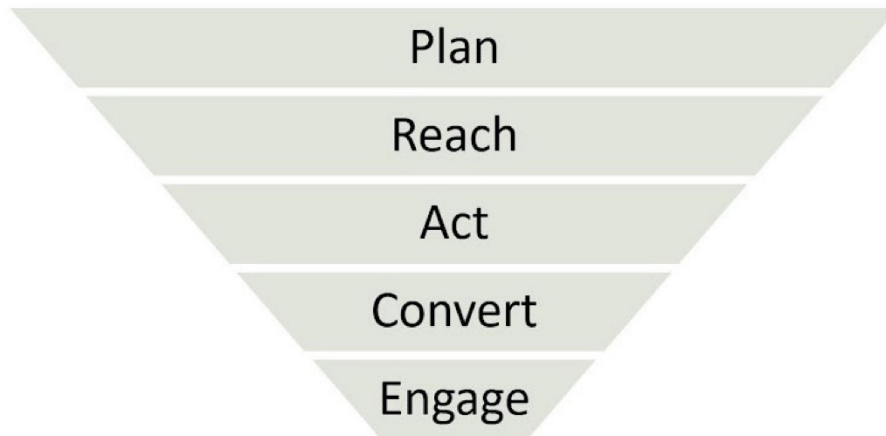
☐ Yes

☐ No

Appendix 1: Onlinesurvey

4. Email

The questions related to the marketing metrics are broken down as shown below.
These levels are Plan, Reach, Act, Convert and Engage.



PLAN

Defining and planning marketing actions.

5. Do the marketing metrics affect how you plan marketing goals and actions? If so, how they affect design or implementation?

REACH -
awareness
and visits

Reach is the initial stage of the buyer's journey when you are designing and implementing marketing actions to attract more visitor and provide an engaging experience that will lead to a purchase. Basically its tell about general visibility and advertising impressions that are measured and broken down into individual metrics. Ofourse there are many marketing metrics in this section and here is just a couple of examples of them. Naturally, I would love to hear what you have in use.

Appendix 1: Onlinesurvey

6. Common metrics - Search engines, social network, publishers and blogs 1 point

Check all that apply.

- ☐ Audience valume
- ☐ Audience quality
- ☐ Audience value and cost
- ☐ Impressions
- ☐ Organic traffics
- ☐ Campaing traffics

7. Do you think some other metrics are relevant in this section?

8. Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions? *

Mark only one oval.

- ☐ Yes
- ☐ No

9. Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth? *

Mark only one oval.

- ☐ Yes
- ☐ No

ACT -
interaction
and leads

Once a customer is involved in digital advertising in different channels do your company use marketing metrics or others metrics to tell you how you make a consumer aware of your product and services.

Appendix 1: Onlinesurvey

10. Common metrics

1 point

Check all that apply.

- ☐ Leads/Lead conversation rate
- ☐ Subscribers (any channel or email)
- ☐ Likes and shares (any channel)
- ☐ Comments (any channel)
- ☐ Followers (any channel)
- ☐ Click (any information)
- ☐ Email Marketing: Open rate
- ☐ Email Marketing: Response rate
- ☐ Email Marketing: Unsubscribe rate
- ☐ Website: Bounce rate
- ☐ Website: Average session duration
- ☐ Website: Time on pages

11. Do you think some other metrics are relevant in this section?

12. Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions? *

Mark only one oval.

- ☐ Yes
- ☐ No

13. Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth *

Mark only one oval.

- ☐ Yes
- ☐ No

CONVERT - sales and

When customer buys a product or service they convert to prospect to a customer.

Appendix 1: Onlinesurvey

profit

14. Common metrics

1 point

Check all that apply.

- ☐ Sales
- ☐ Revenue
- ☐ Profit
- ☐ Conversion value
- ☐ Order value

15. Do you think some other metrics are relevant in this section?

16. Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions? *

Mark only one oval.

- ☐ Yes
- ☐ No

17. Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth *

Mark only one oval.

- ☐ Yes
- ☐ No

ENGAGE -
loyalty and
advocacy

Often a satisfied customer buys more products or recommends services.
How is customer behavior tracked and measured after a purchase?

Appendix 1: Onlinesurvey

18. Common metrics

1 point

Check all that apply.

- ☐ Repeat purchase
- ☐ Brand satisfaction and loyalty
- ☐ Adcocacy

19. Do you think some other metrics are relevant in this section?

20. Do you think those metrics are relevant to marketing employees and help them to develop better marketing actions? *

Mark only one oval.

- ☐ Yes
- ☐ No

21. Do you think those metrics are relevant to business managers and help them to see how those metrics effect directly the business growth *

Mark only one oval.

- ☐ Yes
- ☐ No

Let's
go
deeper

What kind of marketing metrics help planning the business revenue growth in manager or CEO level? All of this can be measured and calculated in business to business enviroment. Please note that the customer has been identified at reach state of marketing and followed thru every step from marketing actions to a new customer.

Appendix 1: Onlinesurvey

22. MARKETING METRICS *

Check all that apply.

- ☐ Sales revenue (when you can directly tell how much is based an marketing actions)
- ☐ Sales revenue (when you can't tell how much marketing effect. Feeling doesn't count)
- ☐ Sales Growth (when you can directly tell how much is based an marketing actions)
- ☐ Sales Growth (when you can't tell how much marketing effect. Feeling doesn't count)
- ☐ Leads (that are generated by marketing actions)
- ☐ Cost per lead (low-performing channels against ads with too high a cost structure)
- ☐ Customer Value (how much revenue they potentially generate)
- ☐ Lifetime Value (customer's lifecycle tell is worth raising or lowering marketing efforts)
- ☐ Return on ad spends (ROAS)
- ☐ Leads to customer ration
- ☐ Customer acquisition cost
- ☐ New customers where marketing has been involved (created to CRM as a new customer)
- ☐ New customers orders from marketing actions (created to CRM as a new customer)
- ☐ New customers by marketing channels (created to CRM as a new customer)
- ☐ Return of marketing investment

23. After you have done this survey what do you think? What kind of metric do you feel is most important to manager or CEO levels to see how marketing help to convert new customers or revenue? *

THANK YOU A LOT FOR ANSWERING