

# **SOCIAL MEDIA AND WEBSITE REPORTING: FINDING KEY METRICS**

A case study of a B2B company in Lahti

## Abstract

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Title of publication <b>Social media and website reporting: Finding key metrics</b> A case study of a B2B company in Lahti		
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Abstract <p>This thesis looks into digital marketing performance and the key metrics to measure effectively the digital marketing efforts. The challenge for many marketers is not effectively showcasing the results from the digital marketing efforts to the decision-makers. In this thesis, I investigate what metrics are the most relevant for the members of the management group.</p> <p>The commissioning company is a Finnish company called Oilon that has more than 30 years of experience in the field of energy production technology, where it has consolidated its position in Finland and it has expanded its operations to three continents. The company is highly committed to developing a more efficient and eco-friendly energy production technology. Their products and services are directed to equipment manufacturers and plant suppliers, as well as customers and consumers.</p> <p>For this thesis, I also discuss concepts such as marketing performance measurement (MPM), different approaches to objectives, and finally, the selection of key metrics for effective digital marketing reporting.</p> <p>This thesis aims to give a clear understanding of the process of choosing the right metrics that will support the business decisions of the company's management group.</p>		
Keywords Digital marketing, marketing performance measurement, B-to-B (B2B), marketing metrics, business metrics, KPIs		

## CONTENTS

1	INTRODUCTION.....	1
1.1	Background.....	1
1.2	Case company.....	1
1.3	Objectives, research questions and limitations.....	2
1.4	Theoretical framework.....	3
1.5	Research strategy.....	3
1.6	Research methodology and data collection.....	3
1.7	Thesis structure.....	5
2	MEASURING DIGITAL MARKETING.....	7
2.1	Marketing performance measurement (MPM).....	7
2.2	Goals and objectives.....	10
2.3	Approaches to objectives.....	10
2.3.1	SOSTAC – Objectives.....	11
2.3.2	RACE model framework – Defining objectives.....	12
2.3.3	The 5s.....	15
3	DIGITAL MARKETING METRICS.....	21
3.1	Universal challenges.....	21
3.1.1	Linking marketing activities with long-term impacts.....	21
3.1.2	Isolating marketing impacts from other influences.....	22
3.2	Selecting the metrics.....	22
3.3	Measurement process.....	24
4	METHOD AND DATA ANALYSIS.....	26
4.1	Data collection and analysis.....	26
4.2	Qualitative interview results.....	26
4.3	Answers to the research questions.....	30
4.3.1	Why to measure.....	30
4.3.2	How to measure.....	31
4.4	Most valuable metrics for Oilon.....	33
4.4.1	Valuable metrics for Oilon’s management group.....	33
4.4.2	Further suggestions for Oilon.....	34
4.5	Ethics analysing.....	34
4.6	Validity.....	35
5	SUMMARY.....	36
	LIST OF REFERENCES.....	39

APPENDICES.....	42
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## 1.1 Background

Digital is now mainstream, and in marketing, the distinction between online and offline world has become more diffuse than before. Digital marketing has grown in importance not only for B2C companies but also for the B2B ones. In 2016, According to a survey by Regalix Inc. 77% of the marketers placed digital marketing as the highest priority, and more than 80% claim full or partial integration of their digital and traditional marketing activities. Just as digital marketing has become more relevant, digital strategies are yet to explore the immense new possibilities. (PR Newswire, 2016.)

Yet, the marketers are still focusing their priorities on increasing revenue and lead generation, betting on pre-sale marketing activities. Nevertheless, the opportunities that the digital offers to integrate customer experience, creating increased value through customer retention, brand loyalty among others, are making more marketers to give more importance to understanding the customer journey and mapping the right content asset to each step of that journey. With this, one can say that priorities are likely to change in the near future. (PR Newswire, 2016.)

The development of modern digital and social media formats is producing an abundance of data, new tools and methodologies to measure those. In fact, many companies have gone from the lack of data to being overwhelmed by it. Consequently, there is a need for understanding and analysing meaningful metrics in the marketing industry. (Spiller & Tuten, 2015.) Companies need to understand where they are spending their money on advertising to find out if their digital efforts are or not being successful in meeting their objectives and goals.

The main objective of this thesis is to help the case company to find the right metrics for the website and social medial reports that support the decisions of the managerial group.

## 1.2 Case company

Oilon is an international family enterprise founded in Helsinki in 1961. With more than 30 years of experience in the field of energy production technology, the firm has consolidated its position in Finland and it has expanded its operations to three continents. Its purpose is to create energy technology for a sustainable future.

The company is highly committed to developing a more efficient and eco-friendly energy production technology. Their products and services are directed to equipment manufacturers and plant suppliers, as well as customers and consumers.

The company is present in the online world with a website, webshop, a YouTube channel and social media channels, with content in different languages, in platforms such as Facebook, Instagram, Weibo, VKontakte and LinkedIn. This thesis aims to provide Oilon with a deeper insight into marketing performance measurement, setting goals and objectives, and how the company can improve its website and social media reports for Oilon's management group.

### 1.3 Objectives, research questions and limitations

Nowadays, it is easy for companies to find information regarding the users' activity in the digital world. There are many analytic tools, such as Google Analytics, that provide tons of data that help to understand better the users and enhance the provided online services. Nevertheless, having tons of data is not enough. It is important for companies to understand how to filter the data to find what metrics are truly important for the business' goals.

The objective of this thesis is to find which digital marketing metrics provide the most valuable information for the company's management group; and with it, to create insightful monthly website and social media reports that support the group's digital marketing decisions. This thesis will also cover concepts such as marketing performance measurement, approach to objectives such as RACE model, 5s and so on.

The thesis aims to answer one main **research question**:

- **Which digital marketing metrics provide the most valuable information to the company's management group?**

Nonetheless, in order to answer the research questions, a few sub-questions need to be answered:

- **Why to measure?**
- **How to measure the company's digital marketing efforts?**

This thesis focuses on finding which digital marketing metrics are more relevant to communicate the results of the digital marketing efforts for Oilon's management group. The company is currently doing the monthly reports using the data gathered by its Google Analytics account. The thesis focuses on helping the company to understand what information is the most valuable and insightful for its management group. In order to achieve the desired results, the author will conduct semi-structured interviews with the company's management group in Finland and the United States. This thesis does not

discuss advanced mathematical and statistical concepts. Instead of explaining the methods of quantitative analysis in analytics, the author emphasized the digital marketing aspect in this thesis: how to improve the website and social media reports by using the right metrics for business analysis.

#### 1.4 Theoretical framework

In order to answer the research question, the theoretical part will be focusing on digital marketing, Marketing Performance Measurement (MPM), and relevant B2B marketing metrics.

In the beginning, the author will deal with the theoretical aspects of digital marketing, for instance, the RACE digital marketing planning framework and the KPI pyramid for setting clear digital marketing objectives and goals. Then, the writer will continue with the theory of Marketing Performance Measurement and marketing metrics' selection for the B2B sector.

The last chapter focuses on the relevant marketing metrics for the company's marketing efforts measurement. The author will discuss interviews' results and propose some ideas for the future development of the company's digital marketing reports.

#### 1.5 Research strategy

The case study approach was chosen for this thesis as the research strategy. The case study research is perhaps, the most common method used by industrial marketing research. The reason for this can be the nature of the subject. The main units of analysis are organizations and relationships, that are hard to access, and complicated in structure in comparison with, for instance, consumer markets. Therefore, a case study of a single, or a limited number, of such entities can provide a great amount of, largely qualitative data that can be written up as a case study, offering understanding into the nature of the phenomena. (Easton 2010, 118.)

#### 1.6 Research methodology and data collection

The qualitative method is used predominantly for any data collection technique or data analysis procedure that generates or uses non-numerical data (Saunders, Lewis &

Thornhill 2009, 151). Hence, the qualitative method was chosen for this study since it centers around semi-structured interviews and information accumulated, for instance, from books, articles and the company's website and social media reports.

When designing a study, there are two research approaches that one can use: deductive research approach and inductive research approach. In the deductive approach, a theory is developed and then a research strategy is designed to test the theory. Whereas in the inductive approach, data is collected and theory is developed based on the conducted data analysis. (Saunders et al. 2009, 124.) This study uses the qualitative method with an inductive approach.

The thesis contains both primary and secondary data collection methods. The primary data collection includes semi-structured interviews with Oilon's managerial group. The secondary data collection includes the company's website and social media monthly reports, books, journals and other electric sources.

The qualitative method was chosen for this research due to the nature of the data collection technique used. The research sits around interviews and existing literature, such as articles, content reports, and so forth. Qualitative research intends to understand certain concepts, attitudes, desires and needs in regards to the underlying issue of the research. This thesis is based on research and qualitative interviews conducted via Microsoft Teams with several members of the company's managerial group. The result is achieved by getting free answers, which can be interpreted in different ways, without focusing on statistics but only on the meaning of the data collected; offering the possibility to analyze the information gathered in a way in which the main role is played by the words and phrases.

In order to answer the research questions, simple yes or no answers were not adequate for the data collection method. Therefore, the author of this research used semi-structured interviews were to collect opinions and experiences from the management group members. In semi-structured interviews, the researcher has a list of questions and themes that might vary from interview to interview. (Saunders et al. 2009, 320.) The thesis author used a conversational interview method. The interviews were carried out via Microsoft Teams. A set of questions were set and sent beforehand to all the participants. During the interviews, the same set of questions were asked to all interviewees. The answers were in the form of an open conversation from which a set of qualitative answers were agreed upon and highlighted by the interviewees.

The set of questions was set taking into account the research questions and what information was the most valuable to the research. The answers were gathered over an



open conversational setting to get optimal flowing with the interviewees. The interviews were recorded, with the permission of all the interviewees, for later analysis. The answers were clear despite the conversation setting of the interview. By interviewing the managerial group, I engaged in comparative research in a different but related scene of marketing to understand the assumed values of the group's organization.

The interviews took place from June 29th to July 1<sup>st</sup>, 2020. Each interview was scheduled to take half an hour. The thesis process, topic and the overall goal of the interviews were explained before each interview. The set of questions asked in the interviews can be found in Appendix 1. The questions were asked to each participant in separate interviews and the answers were reviewed openly and once each interviewee had agreed upon each answer before the next. I noted down the answers and recorded the audio of the interviews with the permission of each participant. The discussion over video call was to fully understand the interviewees' input and to collect more qualitative data, experience and opinions that what could have been gathered from a simple survey form.

## 1.7 Thesis structure

This thesis includes 5 chapters: introduction, 2 theoretical parts, method and data analysis and conclusion. In chapter 1, the reader is introduced to the thesis' topic, research questions and the case company.

In chapter 2, the author discusses the theoretical aspects of marketing performance measurement and approaches to objectives. Chapter 3 focuses on the universal challenges of the measurement of digital marketing and metrics selection.

Chapter 4 focuses on the data collection and analysis of the interviews' results. Finally, chapter 5 presents the answers to the research questions and includes recommendations for the case company, putting forward proposals in light of the conclusions.

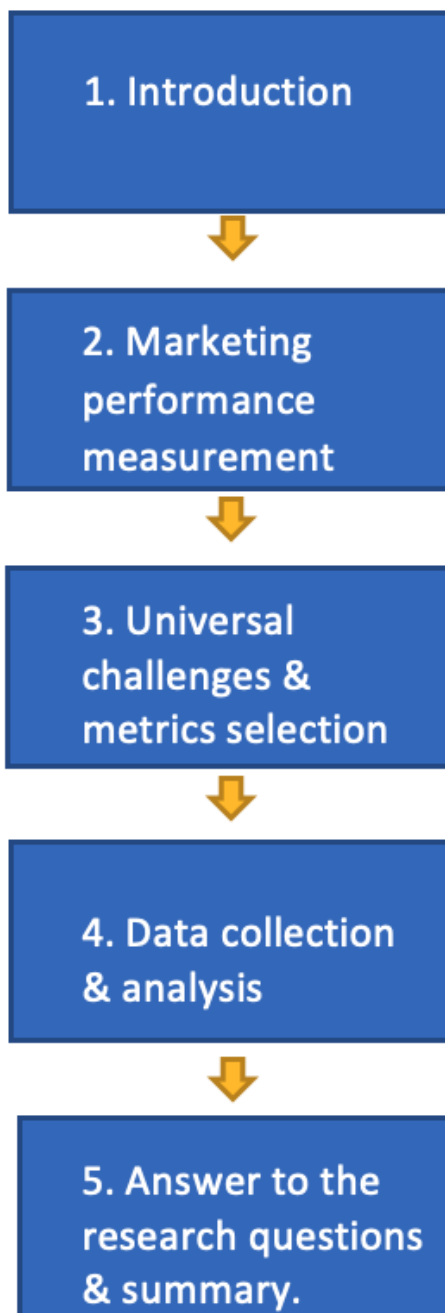


Figure 1 Thesis structure

## 2 MEASURING DIGITAL MARKETING

The modern digital world has revolutionized marketing measurement; indeed, many companies have gone from being starved for data to being overwhelmed by it (Spiller & Tuten, 2015). Thanks to the many analytic tools that are currently available, companies can get an enormous amount of data about their customers and their actions in the digital platforms. Nevertheless, understanding what data is relevant for the different actors involved in digital marketing can be a challenge. Marketers face increased pressure to show relevant and quantifiable data to the senior management to show how the marketing expenditure is helping the company to achieve its goals and objectives. Measuring the effects of a digital marketing activity can help managers to make the right decisions going forward. (Kotler & Keller 2015, 136-137.)

In this chapter, we will discuss the effectiveness of digital marketing for which we will discuss the importance of the objectives in finding key metrics and KPIs that can help to measure the effectiveness of the digital marketing efforts. This chapter will also cover different approaches to objectives such as the RACE digital marketing planning framework and the 5s as well as the difference between metrics for the marketing team and management group, among other relevant concepts.

### 2.1 Marketing performance measurement (MPM)

Measuring marketing performance has been an essential concern in marketing and it prevails as a decisive issue for many corporations (Morgan et al. 2002, 363). Frösén, Luoma, Jaakkola, Tikkanen and Aspara (2016) define MPM as a managerial tool of setting metrics in relation to the company's market performance goals and evaluating performance results relative to those. Similarly, Morgan et Al. (2002) defines MPM as a function of the efficiency, effectiveness and adaptiveness of marketing performance. According to the definition of MPM by Morgan et al. (2002), efficiency refers to the productivity (for instance marketing inputs and outputs), effectiveness refers to the extent to which the marketing goals and objectives are achieved, and adaptiveness implicates the organizational ability to react to the changes in the environment where the firms operate in. (Morgan et al. 2002, 364, 365 and 367.) Being able to differentiate between these dimensions is fundamental as some marketing activities can be efficient but not effective. For instance, a marketing campaign can be efficient and generate revenue with limited costs, but it can be ineffective in meeting the company's goals. Therefore, the company will need to be adaptive, and attempt to find ways to meet the goals.

According to Morgan et al. (2002) Marketing productivity analyses and marketing audit approaches are subgroups of the universal issue of marketing performance assessment (MPA) and that either approach can be secluded from the context of and integrated marketing performance framework. (Morgan et al. 2002,363.) Performance assessment systems are an important form of organizational control systems, which are assigned routines and procedures that use information to preserve or alter patterns in organizational activities to assure desired results. Nevertheless, management and marketing control systems, are often ineffective for diverse reasons; including poorly defined objectives and performance measurements standards that are not well aligned with strategy objectives and content. In marketing, MPA systems can provide data inputs for planning and decision making, help with the strategy implementation by tracing the extent to which the strategic marketing objectives and goals are being achieved and, to indicate marketing priorities and desired outcomes to managers and employees (Morgan et al. 2002, 364.)

MPA systems can be considered as two distinct but related types – normative and contextual. A normative MPA system offers a broad conceptual framework that gives insights into the marketing performance process. On the other hand, contextual MPA systems are more goal-centered view of the organization effectiveness. Normative MPA systems are relatively static in terms of how the marketing performance process operates. Whereas contextual MPA systems are more dynamic and congruent with goal-oriented perspectives on effectiveness, reflecting changes in the firm and industry-specific contingencies. (Morgan et al. 2002, 266; 372.) In the following figures, we can see the

dimensions of marketing performance to which a normative and contextual MPA focuses on:

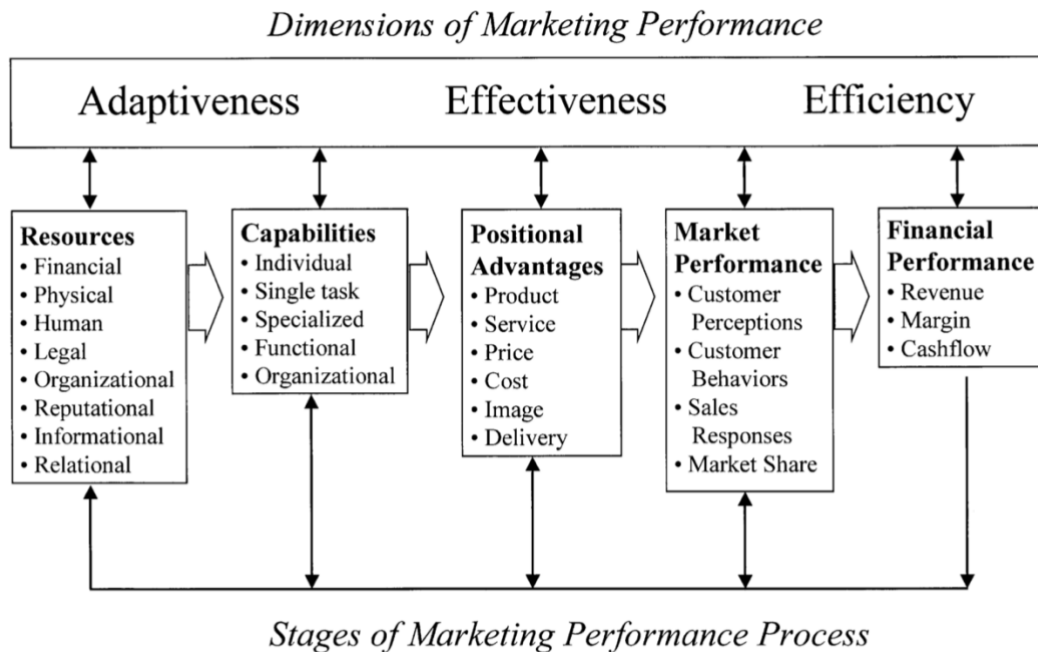


Figure 2 A normative MPA system (Morgan et al. 2002)

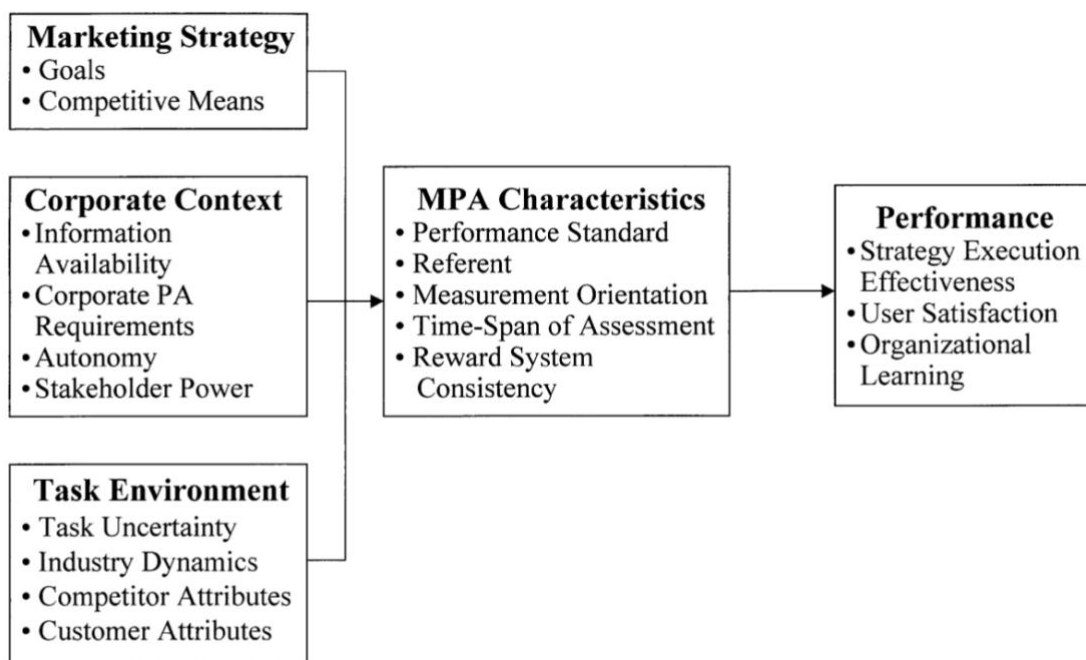


Figure 3 A contextual MPA system (Morgan et al. 2002)

Two marketing strategy variables are especially important in MPA systems: marketing strategy goals and the competitive means proposed for achieving them. MPA systems need to mirror the marketing strategy goals that a firm wants to achieve and the

competitive means to attain them in terms of the performance assessment criteria and standard used. Failing to do so, might lead to two problems: using the wrong measures and failing to use the right measure, this way creating what is known as “false alarm” and “gaps” respectively. (Morgan et al. 2002, 268.)

## 2.2 Goals and objectives

Companies must set goals in order to understand what needs to be measured. Failing to do so, can lead to the usage of wrong measures, leading to, for instance, allocating marketing efforts and resources to activities that do not contribute to effective marketing implementation (Morgan et al. 2002, 368). Goals are high-level statements of what a company wants to achieve. They are specific regarding magnitude and time. (Kotler & Keller 2015, 74.) Goals tend to be long-term and reflect the company’s vision and bring it to reality. (Kingsnorth 2019, 104).

According to Kotler & Keller (2015) objectives must meet four criteria: they need to be arranged hierarchically, from least to important, they should be quantitative when possible, realistic and consistent. For others, such as Kingsnorth (2019) goals need to be relevant, resonating, responsive and recognizable. Relevant goals should be aligned with the firm’s vision; resonating goals should fit with business values and goals; responsible goals are adaptable and flexible to change; and recognizable goals should be easily understandable. (Kingsnorth 2019, 104.)

## 2.3 Approaches to objectives

Planning is essential in digital marketing. It gives the direction and a reassuring sense of order. There are many types of plans, and those must help to fulfill the overall business objectives. These plans are more effective when integrated with offline marketing communication channels. According to Chaffey (2017), the online channels should support the whole buying process from pre-sale to post-sale and support the lifetime customer relationships. (Chaffey & Smith 2017, 557.)

Defining the objectives help the enterprises to understand where they want to be. Companies need to have clear objectives in order to address the appropriate resources to achieve those goals (Chaffey & Smith 2017, 25). Having clear objectives can also help the organization to define key metrics and KPIs to measure the results of the digital marketing strategies.

The absence of clearly defined objectives before jumping straight to tactical tools, such as websites or social media, is one of the reasons why many businesses go wrong.

Companies must be clear why they are going into the digital world and in which areas they want to focus on as they continue improving their digital marketing. It is important to understand what are the objectives and the benefits they bring. The benefits can be, for instance, grow sales, add value, save costs, etc. (Chaffey & Smith 2017, 23.) There are several approaches to objectives. In this section, we will discuss the SOSTAC, RACE and the 5s approaches for setting objectives.

### 2.3.1 SOSTAC – Objectives

Digital marketing plans can highlight and review opportunities for a business to growth by targeting new audiences or geographic markets. These different types of plans can use the SOSTAC planning framework. SOSTAC stands for Situation analysis, Objectives, Strategy, Tactics, Actions and Control. (Chaffey & Smith 2017, 558-559.)

The goals and objectives must be defined before a company starts measuring its digital marketing efforts, this way, the firm can choose the right tools to measure those specific goals. (Smart Insights, 2019.)

Goals are an important part of digital marketing planning. They defined where the company is going and what they want to achieve. There are several approaches to creating these objectives (Chaffey & Smith 2017, 574).

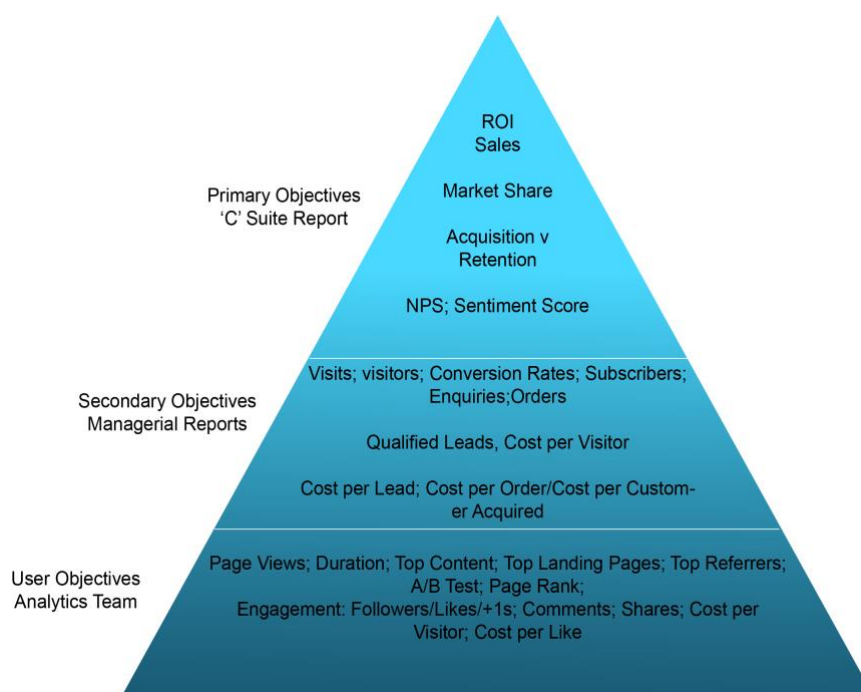


Figure 4 KPI Pyramid

One of these approaches is the KPI pyramid. In this pyramid, the objectives are divided into Primary, Secondary and User objectives, being the primary objectives such as ROI and sales on top of the pyramid and User objectives, for the analytics team, at the bottom. According to Chaffey & Smith (2017), this pyramid can be turned upside down and become a sales funnel with clear objectives.

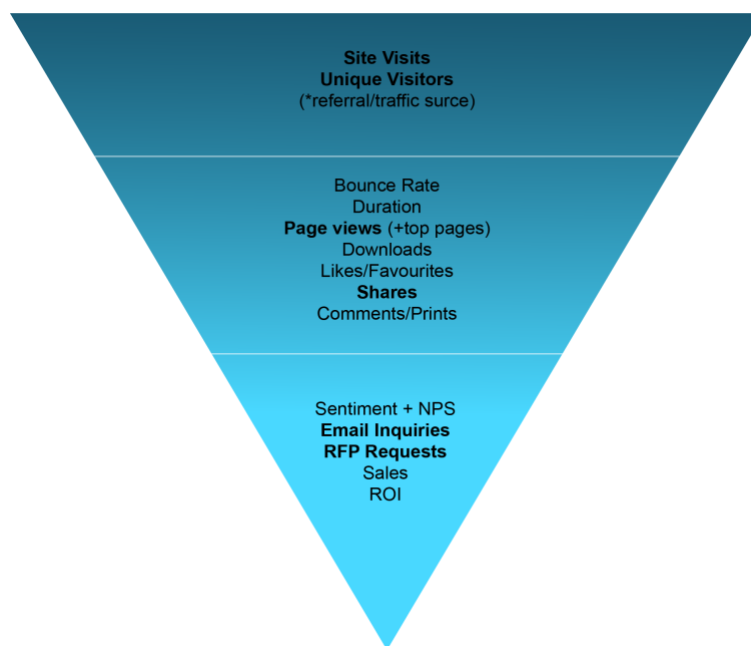


Figure 5 KPI pyramid turned into a sales funnel

There are other approaches to objectives such as **the 5Ss** (Sell, Serve, Speak, Save and Sizzle), **the Big 4**: Revenue, Margin, Satisfaction and Brand Value and the RACE framework (Reach, Act, Convert and Engage) (Chaffey & Smith 2017, 578).

### 2.3.2 RACE model framework – Defining objectives

The RACE model framework explores the objectives from the customer's life cycle, starting from the initial contact to the lifetime loyalty. In this model, each stage can be quantified as an objective. (Chaffey & Smith 2017, 579.) The RACE model consists of four steps:

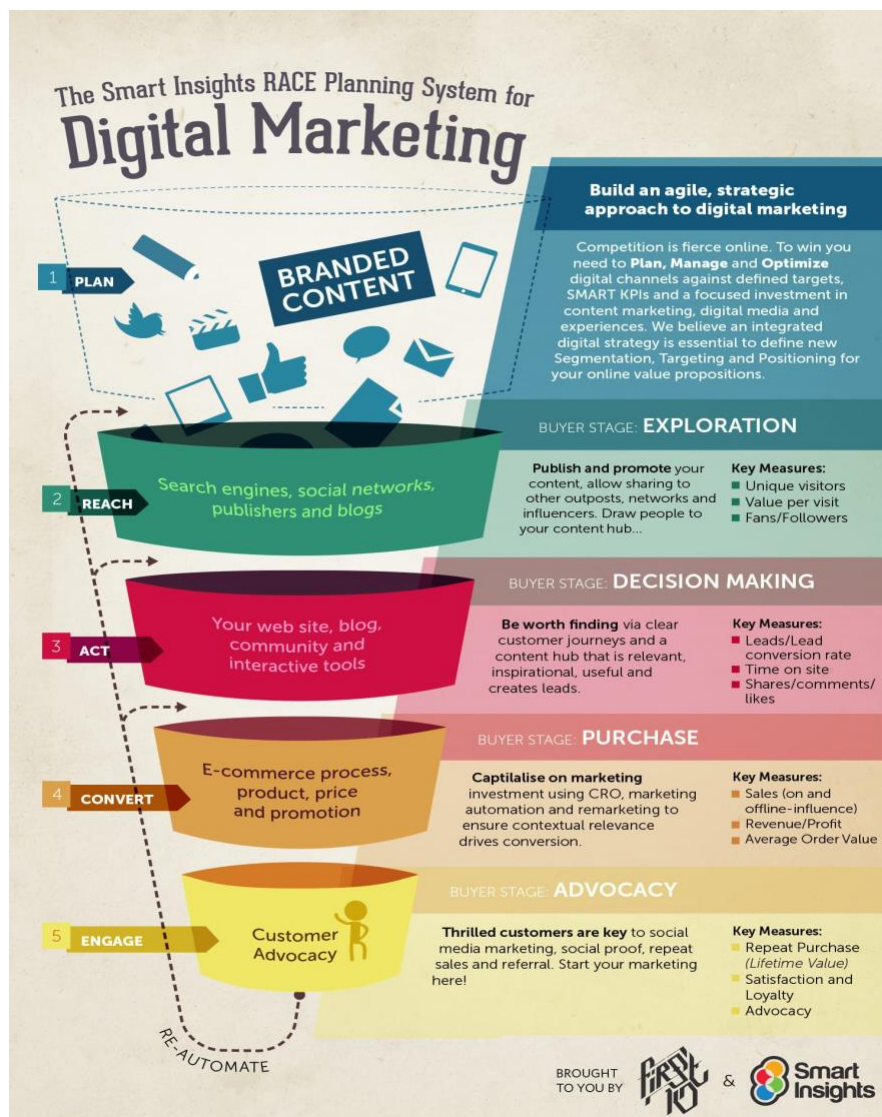
- REACH.

Reach involves creating awareness of the brand, building traffic to a website and maximising reach over time to create interactions using paid, owned and earned media touchpoints (Smart Insights 2019).



- **ACT**  
Act involves encouraging actions on websites or social media which generates leads, specially for B2B businesses. It also involves encouraging participation, for instance sharing content in social media. (Smart Insights 2019.)
- **CONVERT**  
It is about encouraging the customer to the ultimate conversation to sales completed online or offline (Smart Insights 2019).
- **ENGAGE**  
It is about long-term post-sale engagement that can develop long-term relationships and loyalty with customers. It can be measured by repeat actions, such as sharing content in social media. It is also needed to measure the percentage of active customers, satisfaction and recommendation. (Smart Insights 2019).

According to Chaffey & Smith (2017), We can find different key measures to set targets in each stage of the RACE funnel as follow:



RACE funnel infographic (Smart Insights 2015)

The author also affirms that ‘RACE KPIs dashboards can make it easier to compare marketing performance through time while focusing on the key marketing measures throughout the customer’s lifecycle or the RACE funnel previously mentioned. (Chaffey & Smith 2017.)

Setting clear objectives is the key to finding the right metrics and tools to measure digital marketing efforts. But what does it mean to measure its effectiveness? The word “measure” is defined as “seek to know, to determine a quantity by means of a measurement” (Florès 2014, 8). Whatever the objectives are, measuring allows companies to assess the expected impact of those objectives.

The objectives will set the guideline to choose the right metrics and indicators. These measures should be set in advance, before launching a marketing campaign. Nevertheless, too often, the measures are set during the “monitoring” stage, due to

different factors such as inadequately planning. This can affect the accurate measurement of the impact of a campaign, which is essential to demonstrate the effectiveness of marketing so as to justify investment. (Florès 2014, 9.)

### 2.3.3 The 5s

One way to approach the objectives can be the 5s framework to develop objectives (Sell, Serve, Speak, Save and Sizzle). The 5s framework summarizes the objectives of digital marketing, which are: grow sales, add value, get closer to customers, save costs and extend the brand online (Chaffey & Smith 2017, 23).

#### Sell

Sell summarizes the digital marketing objective *Grow sales*. Companies must be able to sell or transact online to meet the customer needs in the online and offline world, thus supporting those customers who want to buy online or offline. A key objective for this can be *the direct online revenue contribution* for different products and different markets. (Chaffey & Smith 2017, 26-27.) Other objectives can include *indirect online revenue contribution* which is the proportion of sales that are influenced by digital communications or the reach of a website within a target audience. (Chaffey & Smith 2017, 28.)

One of the main benefits of digital marketing is the capability to sell from an online presence, not only to the target market but to new markets and even allowing to reach specific segments. The presence in the online world can also support the customer buying decisions which can lead to sales in the offline world through the traditional channels. Organizations can use web analytics systems to make sure their goals are being achieved. (Chaffey & Smith 2017, 30.)

#### Speak

This objective is about using the internet as a communication tool to speak to and with the customers. By doing so, companies can get closer to customers and understand them better. (Chaffey 2017, 39.) Companies must analyse the best way to speak to their audience. The organizations can use different kinds of media for this, such as the paid media, earned media or the owned media. (Chaffey & Smith 2017, 34.)

Inbound marketing is a powerful tool that can help companies to gain visibility and relevancy while encouraging interaction and driving conversations with the customers. Businesses can use content marketing to reach and engage with their audience through a combination of static and dynamic rich media content. It is important that the content is well planned and managed as there are so many different types of content delivered in

different forms to different places on different platforms, while it is still important to engage with customers in social media. (Chaffey & Smith 2017, 35.)

Marketers have the opportunity to use a great range of communication tools to speak to their audience even when they are not on their site, and invite them to visit it. There are many options for traffic building, some key digital media channels include:

#### Search Engine Marketing (SEM)

SEM consists on placing messages on a search engine, encouraging click-through to a website by using specific keywords phrases in response to a query by a researcher, in this case the customer. Within SEM there are two main disciplines, Search Engine Optimization (SEO) which improves the company's position in the Search Engine Results Pages (SERP) and paid search marketing, which uses sponsored content, such as ads, usually on a Pay Per Click (PPC) basis. Search marketing brings great opportunities for businesses to increase the awareness and drive response. (Chaffey & Smith 2017, 37.)

#### Online PR

Only PR consists of increasing favourable mentions of the company, brands or websites by third-party websites. Online PR can offer a low-cost way to increase awareness of a brand. It also uses other resources such as backlinks, which consists of links which link to content on the same site. (Chaffey & Smith 2017, 37.)

#### Online partnerships

Online partnerships is about building and managing long-term arrangements to promote the business on third-party sites. There are many types of partnership including co-branding, online sponsorship, among others. It is a way to reach other audiences via other sites. (Chaffey & Smith 2017, 38.)

#### Interactive advertising

Interactive advertising is the use of display ads and rich media to attain brand awareness and foment the clickthrough to the site.

#### Social media marketing

Social media should be combined to these other approaches. It helps to strengthen a message through interactions in social media, viral marketing or word-of-mouth marketing. (Chaffey & Smith 2017, 38.)

The speaking objective is about talking at and with the audience. Companies need to analyse the database behind the website and find more information about their customers,

such as response to promotions. Businesses can speak to their customers, observing their behaviour, and offer relevant products, all in an invaluable and non-intrusive way. One of the many benefits of digital marketing is getting closer to the customer and this can be achieved by speaking to them. (Chaffey & Smith 2017, 39.)

## Serve

This digital marketing objective is about serving or adding value using the internet as a customer service tool to improve the customer experience at different stages of the buying process. Serve is all about customer service and how good a company is at it and, how it can be improved. In order to assess it, the organizations need to set customer satisfaction goals. (Chaffey & Smith 2017, 30.)

How a company serves and speaks to its online audience is determined by measures of online customer engagement (Chaffey & Smith 2017, 31). In Digital Marketing Excellence, Chaffey suggested a checklist with different engagement metrics and tactics that can be used for assessing online customer engagement as follows:

Table 1. Measures of online customer engagement checklist (Chaffey & Smith 2017)

Engagement metric	Engagement tactic
<p><b>1. % of non-home page entry visits:</b></p> <p>The home page is not always the landing page. Hereby, a company needs to make sure the message is distributed throughout the website.</p> <p><b>2. Bounce rate:</b></p> <p>Visitors who leave immediately after entering to the site/page</p> <p><b>3. Duration:</b></p>	<p><b>Run-of-site OVP messages</b></p> <p>Using promotional messages throughout the website explaining the essence of the offer.</p> <p><b>Run-of-site sign up:</b></p> <p>Using value-based messages and calls-to-action throughout the website.</p> <p><b>Heatmaps or overlays to assess engagement:</b></p> <p>Certain tools, such as Google Analytics show where and how soon people click</p>

<p>Duration of the visits or pages per visit</p> <p><b>4. Marketing outcomes</b></p> <p>Assigning values to outcomes or events to assess the success rate, for instance giving points to each newsletter sign up.</p> <p><b>5. Micro or step conversion rates</b></p> <p>Assessing the effectiveness of the website</p> <p><b>6. Brand search-term strength</b></p> <p>Assessing the number of people searching for the company's name or URL. Then, determining how powerful the company is attracting new and repeat visitors.</p> <p><b>7. Email activity level</b></p> <p>Using email communication for engaging with customers, while analysing the levels of activity and response.</p>	<p>on, helping companies to improve the messages and calls-to-action</p> <p><b>Determine your scent</b></p> <p>Discovering what is attractive to the visitors. Experiment with design or language in hyperlinks or images.</p> <p><b>Interactive sales advisers</b></p> <p>Repeating the steps used in a physical sales situation, looking at the types of questions asked and adapting the responses to visitors accordingly.</p> <p><b>Generating awareness</b></p> <p>Online or offline sponsorships to generate awareness.</p> <p><b>Refined strategy</b></p> <p>Developing a strategy which allows the improvement of the messages ensuring the customer reach.</p> <p><b>Personalize by activity or lifecycle</b></p>
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<p><b>8. Define activity levels or hurdle rates</b></p> <p>Setting metrics to review different types of user activities.</p> <p><b>9. Emotional response</b></p> <p>Conducting benchmarking research with users to assess the emotional responses to different aspects such as design, messaging, etc.</p> <p><b>10. Outcomes</b></p> <p>Using more programmes to find what people think, including aspects such as relevance, likeability, etc.</p>	<p>Offering different messages depending on user status, for instant, different messages for new and regular visitors.</p> <p><b>Testing</b></p> <p>Testing different elements to evaluate the responses</p> <p><b>Using secondary navigation to highlight next steps</b></p> <p>Using a combination of different elements to invite users to do other things in the website.</p>
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## Save

The marketing objective “saving” will be the most meaningful for the financial director since together with the “sell” objective increase the profitability –saving time, money and effort. This objective can help a company to estimate the savings that digital marketing can offer in terms of digital media channels, customer service, transactional costs, print and distribution, and so on.

For instance, a company can estimate the savings if they serve their customers via web site rather than over the phone. Also, a business can have huge savings when transactions are completed online, when they are using the most cost-efficient digital media channel or when they save money through sending emails rather than post. Other savings can be found in print and distribution, since annual reports, user manuals and other materials can be stored and distributed electronically, saving storage space, paper, money, time, etc. (Chaffey & Smith 2017, 39.) Companies can find different ways of

saving by using web operations that help them to save money and time, but also that generate extra revenues.

A key metric used here is the Cost Per Acquisition (CPA). It is crucial in controlling media and to directly measure the revenue impact of marketing campaigns. (Chaffey & Smith 2017, 40.) It depends on a combination of conversion rate and Cost Per Click (CPC). It can be calculated:

Cost per Acquisition (CPA) = Cost Per Click/conversion rate

Digital marketing can help a business to save money in many ways. From all its benefits, Saving is the ideal when presenting any business case as it is so easy to relate to savings very quickly. The other benefits of digital marketing (selling, serving, speaking and sizzling) will help to strengthen the business. (Chaffey & Smith 2017, 40.)

Sizzle

Objectives should also consider how to strengthen a brand by adding value online. Building a brand is very important since it creates trust, recognition and even help to build relationships between the buyer and the supplier. Brands are affected by reality and perceptions. The reality is the actual experience while using the brand, while perception is the image correlated with the product. Besides real experience, the perceptions can be created through different communications tools such as advertising, sales promotions, PR, packaging, direct email, and so on. These tools work online and offline and contribute to the brand as the experience does.

As one of the benefits of digital marketing it can help to build a brand, add value, get closer to the customers, sell and save and everything needed for a business case.



### 3 DIGITAL MARKETING METRICS

#### 3.1 Universal challenges

Marketing productivity analysis deals with the universal challenges of MPM by increasing our understanding of marketing costs and revenue from marketing inputs (Morgan et al. 2002). However, the analysis of the marketing productivity is affected by our limited knowledge of casual relationships and time lags between the relationship between the results of marketing or marketing output to the effort and resources put into marketing or marketing input (Gao, 2010). Therefore, there are two universal MPM challenges that marketing productivity analysis that hasn't been solved: (1) linking marketing activities with long-term impacts and (2) separating the impact of precise marketing activities from other influences (Pavlou & Stewart, 2000).

##### 3.1.1 Linking marketing activities with long-term impacts

The central idea of marketing productivity analysis was endorsed from the finance and manufacturing literature, which ended in a strong emphasis on financial performance metrics (Morgan et al. 2002). Subsequently, the use of financial metrics experienced growing criticism for being too unyielding and retrospective (Ambler & Roberts 2008, 19). For instance, ROI is the result of previous marketing efforts striking back years and therefore, is a poor indicator of future performance. The reality is that financial metrics generally ignore the long-term effects of marketing activities and might then lead to incorrect conclusions (Ambler & Roberts 2008; Morgan et al. 2002).

Regardless of the strong evidence demonstrating the ineffectiveness of financial metrics, executives tend to overemphasize them at the expend of non-financial measures associated with future performance. According to Ambler and Roberts (2008), this short-sightedness is demonstrated by top management's desire for financial metrics that are simple to capture and easy to understand. They claimed that executives would like to have a single profit-related number, or silver metric, for alternative marketing plans so that they can easily see the plan with the highest number and then retrospectively compare the approximated number with the actual one. Evidently, MPM suffers from a focus on quarterly earnings; when marketing performance is assessed based on short-term results, making it difficult to justify those marketing investments that affect long-term performance (Webster et al. 2005, 38).

The reason for management's wish to evaluate marketing performance with financial metrics is that academics have been unable to provide actionable ways to quantify the

long-term impacts of marketing investments (Morgan et al. 2002, 373). In a CMO Council survey (2004), the CEOs were discontented with the performance metrics assessing long-term impacts (Steward 2009, 637). This discovery entails that marketers lack credible long-term marketing performance metrics that can be linked with financial outcomes, despite the enormous corpus of literature devoted to investigating the long-term impacts of marketing.

### 3.1.2 Isolating marketing impacts from other influences

The second universal challenge of MPM is associated with difficulties separating the impact of an individual marketing activity from other effects. For instance, if the sales of an industrial company increase after an advertisement campaign, it is difficult to estimate which portion of the total sales increase came from that particular campaign and how much can be explained by other factors, such as the timing of the campaign, price promotions, improvements in the economic situation of that market, etc. McDonald (2010) explained that the relationship between marketing activities and market outcomes is often noticeable, but that there are many other factors taking place at the same time, which might affect market outcomes, like competitor actions, pricing, sales efforts, and so on. Hence, the key challenge is to manage the influence of other factors on market outcomes.

Pavlou and Stewart (2000) explained that marketing communications generate only one aspect of marketing impact and that there are many other effects that add to the total impact. For instance, if a product's price is decreased at the same time that it is being promoted, it is difficult to establish to what extent each action affected sales performance. Likewise, if the product is promoted in other marketing channels, it is hard to tell the effectiveness of each channel in terms of sales impact (Pavlou & Stewart 2000, 71). This suggestion is consistent with an old marketing motto that half of the money spent on advertising is wasted, but it is difficult to know which half. Unfortunately, it seems that the development of MM has advanced slowly in this regard.

## 3.2 Selecting the metrics

One of the most assiduous tasks in designing MPM systems is related to the selection of metrics. The measurability of digital media has been pointed out as one of its greatest benefits in comparison with other media. With the development of new tools of measurement, the technology has become less of a barrier to analyze the impact of digital marketing efforts. However, people and process issues have increased in importance. One of the reasons for this might be the lack of marketers with the skill sets to analyze the tons of online data available. Getting underneath the data and understanding why the

numbers have gone up or down is a key factor for success. Knowing why, makes it possible to focus on reducing the inefficiencies, allowing marketers to understand their senior managers' problems; and providing solutions through analytics. (Chaffey & Patron 2012, 32.)

One of the biggest challenges for an organization is to choose a set of metrics that fits the needs of all organizations, since there are no clear standards for building it, and there is not a concrete formula that a company can use to evaluate the appropriateness of marketing metrics for its specific needs. In fact, the selection of metrics depends on the context in which the company operates (Frösén, Tikkanen, Jaakkola, & Vassinen, 2013). However, there are several things firms can take into consideration when selecting the right metrics.

The literature asserts that the selection of metrics should be aligned with a specific marketing strategy and targeted business outcomes (Morgan et al. 2002). Marketing metrics should be tied to business performance in a way that allows a company to monitor the achievement of business objectives (Chaffey & Patron, 2012; Frösen et al. 2016).

Moreover, according to Frösen et al. (2013), metrics should not focus on a single dimension of marketing, instead, MPA systems need to comprise a mix of different kinds of metrics, focusing on customer reactions and product-market impact alongside with metrics for financial outcomes. Nevertheless, a large number of metrics can complicate assessments and misguide managers if the metrics are not integrated into a holistic system that supports decision-making. Therefore, firms' MPA systems should be straightforward to provide managers with information that is relevant in their decision making. (Frösen et al. 2013, 717.)

Different kinds of marketing controls and performance data are needed in diverse situations. MPA systems reflect the managerial focus on marketing, therefore different contexts require different approaches. There are no global best practices for MPA systems, and firms need to find the MPA systems that best fit their firm and market-specific contexts. (Frösen et al. 2013, 730-731.)

Clearly established metrics communicate what they are used for and how a change in metric performance will affect the accomplishment of a concrete business goal. The metrics system need to be multidimensional. This means that the system should reflect short and long-term results, as well as financial and non-financial results, giving a clear understanding of the marketing impacts. (Webster 2005, Ambler & Roberts, 2008).

The structure of the set of metrics also plays an important role. The key is to adopt a comprehensive but feasible set of metrics; too many can lead to confusion, while too little will not capture the multidimensional nature of marketing.

The advantage of digital analytics provide a variety of objective, standardized, and quantitative metrics that are somewhat easy to communicate to senior management. Accordingly, the ever-growing power of the internet, will inevitably increase managerial emphasis on objective metrics (Seggie, Cavusgil & Phelan, 2007). On the other hand, the vast amount of data provided by digital analytics makes difficult the selection of the most critical ones needed. In fact, many companies can get overwhelmed by it, emphasizing the need for understanding and analyzing meaningful metrics for the specific company context. (Spiller & Tuten 2015.) Organizations must prioritize the metrics so they do not overpass the capacity of the firm to understand and use them (Day, 2011). Chaffey & Patron (2012), affirms that companies need to start the digital analytics metrics selection by identifying the key performance indicators and differentiating them from other metrics.

### 3.3 Measurement process

Hong (2007), reveals that companies generally are eager to use digital analytics metrics but lack a strategic plan for how to use them to enhance performance, turning them meaningless. There are a few crucial phases that need to be taken into account in the adoption of an effective performance measurement process: data collection, result reporting, and data evaluation, taking actions and updating the metric systems (Bourney, Kennerley & Franco-Santos 2005; Bourne, Mills, Wilcox, Neely & Platts 2000).

The data can be gathered from different sources and using different methods. However, the challenge is to gather reliable and objective data (Steward 2009). Thus, data gathering must be planned closely with metrics selection decisions as there might be significant differences between what the company wants to measure and what it can actually measure with the tools and methods used.

It is still uncertain how much precise information management is eager to receive from marketing performance or how reporting should be done. Most companies gather performance-related data, but its true value is determined by how the data is evaluated, understood, and processed into insights (Bourne et al. 2000). The same situation applies to the use of digital analytics, where the value of the data depends on proper analysis and interpretation (Chaffey & Patron 2012). Therefore, the data analysis and interpretations can be considered as the most essential task in the MPM process, as it can be considered the key to performance improvement.

Performance measurement outcomes must inform corrective actions. Even though one of the main objectives of measuring marketing performance is to prove the input of marketing to the business, the measurement data should be used to optimize current activities and guide decision making.

According to Chaffey and Patron (2012), several established approaches to process improvement, such as Six Sigma, can be used for reviewing and improving business performance. As many measures are accessible for digital marketing, it is important to categorize the measures in a way that the correct measures are used to drive business performance. Therefore, it is essential to differentiate the metrics used to evaluate and improve the efficiency and effectiveness of the marketing process and KPIs. KPIs show the overall performance of a process and sub-processes. On the other hand, performance metrics are used to evaluate and improve the efficiency and effectiveness of marketing activities. (Chaffey and Patron, 2012.)

Chaffey and Patron (2012) highlighted the importance of grouping measures within a measurement or KPI framework to analyze the data collected through web analytics and that is relevant for different types of people in the company. The authors suggest that different metrics should be reviewed by different teams related to their roles and that measures relating to the management of different marketing activities are grouped together.

## 4 METHOD AND DATA ANALYSIS

### 4.1 Data collection and analysis

To answer the research questions, the author carried out semi-structured interviews to Oilon's management group. The author chose this data collection method to clearly understand the reasons behind the answers, as well as the attitudes and opinions. In other words, the data collected can help to understand the "how" and "what" but also "why". Additionally, this data collection method allowed the participants to explain and/or build on in their responses. The interviews provide them with an opportunity to reflect on events and receive information about how the information will be used. (Saunders et al. 2009, 321-324.)

The interviews were carried out via Microsoft Teams between July 23rd and July 25th, 2020. A total of 5 members of Oilon's management group were interviewed, including 3 Chief Brand Officers (CBO), a Chief Customer Service Officers (CSO) and a Chief Executive Officer (CEO). The interviews were scheduled to take half an hour. The thesis topic, process and reason for the interview were explained before each interview. The interviews' questions are listed in Appendix 1. The interviews were in a conversational form where participants were given the opportunity to explain their answers and express their opinions. The interviews were recorded with the consent of each participant.

### 4.2 Qualitative interview results

In this part, the author will display the information received from the interviews. To achieve greater clarity, the author will discuss the findings from the interviews question by question; finding a common answer among the interviewees, hence a consensus on what is important for the management group, and therefore Oilon.

- **How relevant do you consider digital marketing is for Oilon?**

All the interviewees consider that digital marketing is very relevant to the company's business. They all agreed on the importance of building a strong online presence, and continue developing digital marketing strategies.

- **In your opinion, has Oilon received measurable benefits from the use of digital marketing?**

All participants agreed that Oilon has received measurable benefits from digital marketing. Some of them are very involved with the monitoring of marketing spending and the

optimization of the channels. Others pointed out the measurability of digital marketing as the main benefit.

However, 3 out of the 5 participants believe that even though digital marketing is relatively easy to measure in comparison with traditional marketing, the benefits aren't very clear.

The participants were able to see the benefits of, for instance, how having the website in other languages has increased the traffic to the website and the visibility, creating an opportunity to get more inquiries and leads. Nonetheless, it is hard for them to link marketing activities with long-term impacts and non-financial results. An example of this is the website traffic and number of inquiries. They stated that the relationship between those two metrics is clear in the short-term; however, it is not clear for them to see the impact of the website traffic for the long-term goals or how it can affect other aspects of the business.

- **How is digital marketing performance being measured at Oilon?**

Digital marketing performance is mainly measured using Google Analytics. All the participants are familiar with the reports that the person in charge of the digital marketing builds every month with the data gathered by Google Analytics, such as traffic, location, average time spent, and so on. The reports also include information regarding social media channels such as LinkedIn and Facebook.

In some business units, they have their own KPIs that they constantly check and have access to reports created by the partners for specific marketing campaigns.

However, the participants noted down the lack of measurement of the digital marketing efforts in other countries, such as China, as well as the need for more insightful metrics linked to the marketing goals.

- **How much time do you spend reading and analysing digital marketing reports? Do you find the information in the reports relevant?**

On average the members of Oilon's management group spend 1 hour per month reading and analyzing the data included in the website and social media reports.

Regarding the content of the reports, the participants find the information interesting but not relevant. One of the members considers the general reports as not very useful since he is highly involved in the measurement of digital marketing activities at his business. The other participants believe there is room for improvement, for instance, they suggest

the use of graphics that display clearly the general trend of digital marketing efforts at Oilon. In other words, they would like to see a comparison report where it can be seen how the digital marketing efforts and results have been changing over the months or years.

They emphasized the need for a centralized marketing strategy and reports that include information regarding the marketing activities in other locations, the reasons behind them, and the results achieved. Moreover, they suggested meetings where they can discuss in more detail the information contained in the reports, as well as the need for more participation of other members of the board in those meetings.

- **Does Oilon measure the results of digital marketing against objectives?**

According to the interviewees, digital marketing is not measured against digital marketing objectives at Oilon. They highlighted the lack of clearly defined objectives and therefore, the difficulty to measure the marketing performance.

Digital marketing is measured by objectives set on a campaign level rather than on high-level goals for the overall digital marketing strategy.

- **What kind of goals do you think are more relevant for digital marketing measurement (e.g. sales-related goals such as sales revenue and leads)**

For the interviewees, the most important goals are sales related and the overall perception of Oilon as a brand. They would like to see the direct impact of digital marketing on sales. For instance, they would like to see not only the numbers of new leads but what happens before a user becomes a lead, how the traffic to the website or the followers are linked to new leads, contacts, inquiries, and so on.

In other words, they would like to see the overall picture of how digital marketing is supporting sales.

- **Do you think the current metrics used allow to monitor the attainment of business objectives? Why?**

4 out of the 5 members think that the current metrics used in the reports do not tell if the objectives have been achieved. They think that there is not a clear connection between the actions and the impacts, therefore, it is hard to estimate the future situation of Oilon in



terms of digital marketing. In other words, they cannot see how these metrics are connected to the goals and targets.

The metrics used in the reports do not give a clear understanding of how the objectives have been achieved. One of the interviewees thinks that the metrics used to allow him to monitor the attainment of objectives, however, he only monitors the results of his business unit.

- **Do you think Oilon has a clearly structured metrics framework where it can be seen how metrics are related to each other and which metrics are prioritized?**

The interviewees are satisfied with the current structure of the marketing reports. However, they highlighted the need for further development of a clear framework that will allow them to see the goals and impacts of the digital marketing efforts, and the link of the marketing activities with the overall strategy.

- **Do you consider that Oilon's metrics system reflect short and long-term as well as financial and non-financial results?**

All the interviewees think that the current metrics in the marketing reports successfully showcase the long-term results, especially the non-financial results such as the perceived brand value. However, they emphasized the need for a deeper analysis of the metrics on those reports, as well as the need to portray more financial results

- **Do you consider that the information provided on marketing activities is relevant and supports decision-making? Why?**

The respondents consider that the information provided on the marketing activities support the decision-making at Oilon Finland.

Nonetheless, some of them think that there is not enough information regarding the marketing activities in other countries where Oilon is present. They believe that there is a need for a stronger and more connected digital marketing strategy and reporting that includes other markets as well. Hence, the information gathered in the reports does not support the decision-making for the company as an international group.

- **In your opinion, what kind of metrics should be included in the marketing reports? What metrics are you interested in?**

For this question, all the interviewees are satisfied with the current metrics used, such as website traffic, visitors, time spent on the site, etc. But they would like that those metrics are more linked with each other, so it is easier to understand how the metrics are intertwined. In other words, they are interested in a clearly defined metrics framework where it is easy to see the relationship between the metrics. One of the members highlighted the need for defined KPIs and not only results to be included in the reports.

Additionally, they are interested in metrics such as leads, new contacts, inquiries, and customer journey on the website. They are also interested in knowing what is happening in other markets where the company operates and a comparison between campaigns.

- **How would you like to receive information about the performance of digital marketing at Oilon?**

All interviewees are satisfied with the current format, distribution system, and frequency of the website and social media monthly reports.

There were a few suggestions regarding the distribution format and for further developments. For instance, one of the interviewees suggested to upload the reports to the company's intranet, so other members could have access to it at any time. Additionally, one of the respondents suggested organizing monthly meetings where all the members of the board and members of the marketing team, not only in Finland, could discuss on a deeper level the metrics, results, and possible improvements for Oilon's marketing strategy.

## 4.3 Answers to the research questions

### 4.3.1 Why to measure

In these modern times, practically everything is quantifiable, and one of the key benefits of digital marketing is its measurability. Nowadays, there are plenty of resources a company can use to gather data regarding its customers and the results of digital marketing efforts.

A well-planned metrics framework can help a company to have a clear understanding of the short and long-term impacts of its marketing activities. Measuring digital marketing can also serve as a guide during the decision-making processes. With a thoroughly designed set of metrics, the companies can allocate the resources and get the most out of it.

For Oilon, it is essential to keep measuring its digital marketing efforts, as the company is investing in marketing activities and it has a strong online presence in several countries.

Digital marketing measurement can guide the company in its decisions where and how to invest. Thus, expanding and strengthening, even more, its name across the industry.

#### 4.3.2 How to measure

The findings of this thesis present a number of managerial connotations that are divided here into suggestions for marketing managers and top management. Firstly, we will look into the suggestions to the marketing managers for the effective usage of digital analytics for measuring and optimizing digital marketing performance.

Marketing managers should start planning the whole process by setting goals for digital marketing. The goals must be clearly defined, measurable, and linked with the business strategy. By setting measurable goals, one can understand how far or close the goal is from being achieved. Therefore, I suggest avoiding the selection of abstract goals, unless it can be defined what it actually means and how it can be defined. I suggest the adoption of sales-related goals (e.g., sales revenue, leads, inquiries, etc.). This proposition is based on the finding that digital analytics, such as Google Analytics, is more appropriate for measuring short-term impacts than long-term impacts. This will allow marketing managers to show concrete benefits to top management and therefore acquire more resources for developing a more holistic MPM system.

Once the goals have been set, the next step is to choose relevant metrics and create an actionable metrics framework. This metrics framework should have a clear structure that shows how metrics are related to each other and which metrics to prioritize (e.g., KPIs vs. metrics that support the achievement of the KPIs). There are two ways to design a metrics framework. One option is to break down the framework by key marketing goals. The second option is to separate the framework into different phases of the customer's path or selling process (e.g., traffic, website behaviour, etc.).

However, one of the main challenges organizations find when putting the metrics systems into action, is the lack of a systematic process for managing metrics data. This is why marketing managers should plan the measurement process thoroughly before the implementation stage. They must take into account how the data is gathered and which tools are used for this. This tool selection process should be guided by which data is needed for the metrics system. It is important to highlight the benefits of Web analytics tools such as Google Analytics, as it offers extensive information about customer behaviour and resulting outcomes and it is easy to use and it does not require direct monetary investments. Moreover, it provides marketers with features for visualizing data and communicating it to the management group.

Reporting the results regularly to the top management group in a substantial way is important so that they can fully understand the content on the reports without investing too much time in them; as reporting is they to communicating the contribution of marketing to business performance.

Data analysis is the foundation of optimization efforts. Its role is to determine which digital marketing activities are the major drivers of performance and, especially, which areas perform sub-optimally in regards to the accomplishment of the digital marketing goals. A critical part of the analytical task is to develop hypotheses about how to enhance activities that are important but that are currently underperforming. These activities might be connected to the selection of digital marketing tactics or the way in which the tactics are executed at this time. After developing the hypotheses, marketers should try each one of them, for instance through A/B testing. This kind of experimental and continuous optimization is becoming more popular and mirrors the movement towards data-driven marketing.

As Oilon is already using Google Analytics to gather data and build the reports, I truly believe that they can adopt more data-driven approaches that will be even more successful in the future, since they will continue learning and exploiting the endless opportunities of digital analytics for continuously improving marketing performance.

For the suggestions for the top management group, I encourage the executives to begin a movement towards data-driven marketing since it can bring many benefits to the company. Although this might put more pressure on marketers to demonstrate the outcomes of marketing and explain their decisions on the basis of data; executives must understand that the transformation towards data-driven marketing takes time and resources. Executives need to be patient and understand that marketers might make mistakes during the process. In addition, it is fundamental for the management group to be more involved with the design of MPM systems, so that marketers and executives can agree on goals, metrics, and reporting methods. The fundamental task of the top management is to monitor and make sure that marketing performance is improving and be aware of what marketers have done to fill in the performance voids identified in the prior report.

#### 4.4 Most valuable metrics for Oilon

##### 4.4.1 Valuable metrics for Oilon's management group

The suggestions of the metrics is based on the results of the interviews with Oilon's management group. The interviewees were satisfied with the current metrics included in the website and social media monthly reports. These reports include the following metrics:

##### **Gathered by Google Analytics:**

- Website traffic
- Devices
- Audience demographics: age and gender
- Audience location
- Most popular pages
- Traffic sources
- Keywords: organic & paid words

##### **Gathered by social media analytics:**

- Number of total followers
- Number of new followers
- Traffic to the website from different platforms

Additionally, the members of the management group would like to see also sales-related metrics such as:

- Leads
- New contacts
- Inquiries
- Conversion rate
- Sales (on and offline-influence)
- Customer Acquisition Cost (CAC)

##### **And more about user behavior:**

- Time on site
- Website Customer Journey

#### 4.4.2 Further suggestions for Oilon

The interviews' results showed that Oilon's management group is also interesting to see the impacts of digital marketing in other countries where the company operates. One of the members emphasized how they are lacking more information regarding digital marketing activities in one of their biggest markets outside of Europe. They also highlighted the need to link those metrics to each other and the overall digital marketing goals. Additionally, they pointed out the need for clearly defined marketing goals with their respective objectives and KPIs.

In light of the findings in this thesis, I suggest that Oilon needs to develop a holistic MPM system with clearly defined objectives goals, objectives, and KPIs. The goals for digital marketing must be measurable and linked with business strategy. After the creation of the system, the next step is to select the metrics and create an actionable metrics framework. This framework needs to have a clear structure that shows how the metrics are related to each other and which metrics to prioritize. The company can either structure the metrics framework by key marketing goals or by dividing it into different stages in the selling process.

I also recommend that the company plans the measurement process carefully before the implementation phase. For this, they need to take into account how the data is gathered and which tools they are going to use. The selection of the tools should be guided by what data is needed for the metrics system. I believe that Google Analytics is an excellent tool that can give a vast amount of information about customer behavior and resulting outcomes.

Another recommendation is to include the marketing activities carried out in other countries in the reports. The current reports focus mainly on Finland. By including other countries' information, the management group would be able to see the big picture and analyze what things are working in other locations that might work in Finland as well, and vice versa.

#### 4.5 Ethics analysing

This thesis does not contain any sensitive data or secret information that could affect the company.

For the interviews, I have informed the interviewees of what the thesis topic is, what is the research goal and what information is needed from them. Each interviewee was asked for permission to record the interviews for the subsequent analysis. The name of the

interviewees was omitted in this document in order to avoid the exposure of sensitive data.

#### 4.6 Validity

The results displayed in this thesis are based on information gathered from educational theory books, academic reports, and articles, and other academic documents that have already investigated the measurement of digital marketing performance in the B2B sector. This thesis also includes a personal point of view based on the experience of the management group members of Oilon.

During the interviewing process, the author of this thesis tried to avoid interviewers bias by noting down direct comments, transcribing the recorded interviews, and sticking to the answers I received.

## 5 SUMMARY

The purpose of this thesis was to find out which metrics offered the most valuable information to Oilon's management group. In the beginning, the author discusses the theory regarding the measurement of digital marketing, including Marketing performance measurement (MPM); approaches to objectives such as SOSTAC and RACE models; and the measurement and metrics selection process.

The author wanted to highlight how setting a holistic metrics system with a clear structure could help Oilon to improve the measurement of its digital marketing efforts; and therefore, communicate effectively the inputs of digital marketing to the business performance.

The author used as a way of collecting data, the working experience at Oilon, the company's website and social media reports, and collecting information from various online and printed sources. Additionally, the author interviewed 5 members of Oilon's management group. From these interviews, the author was able to gather useful information for answering the main research questions of this thesis: **Which digital marketing metrics provide the most valuable information to the company's management group?**

To answer the research questions, the author first looks into the theory of marketing performance measurement (MPM), including normative and contextual systems. Then, the author discusses more the importance of setting goals and objectives to start measuring effectively the digital marketing efforts. Among the approaches to objectives discussed in this thesis we find the SOSTAC planning framework, the KPI pyramid, the RACE model framework, and finally the 5s model.

Then the author highlights some of the universal challenges of MPM, such as linking marketing activities to long-term impacts and isolating the marketing impacts from other influences. Next, we find more theory about building a holistic MPM system with a clear structure that can help with the data analysis and performance improvement.

Finally, the author discusses the data collection method used and answers the research questions. The answer to the main research question is based on the semi-structured interviews with Oilon's management group. However, it is important to emphasize that the questions were built using the theory previously mentioned.

This thesis focuses on finding the key digital marketing metrics that are relevant to Oilon's management group. However, it largely ignores the discussion about how the company



can use digital analytics tools, such as Google Analytics, for measuring and optimizing offline marketing performance. This thesis uses as a baseline Oilon's website and social media monthly reports which include information regarding digital marketing gathered by Google Analytics and Social media analytics. But it does not include any information regarding the use of digital analytics for offline marketing or its measurement, although there are many ways digital analytics can be used for that.

Normally, measuring digital marketing performance in isolation from other activities is greatly disputable. We live in an Omnichannel world, where customer purchasing processes implicate both digital and offline channels. Thus, measuring digital or offline marketing efforts in isolation may lead to inaccurate conclusions. More research is needed to investigate how to build MPM systems that can measure overall marketing performance with Omnichannel metrics. Another reason for this is that during the interviews, the management group expressed their desire for seeing more connections not only between digital marketing metrics but also offline metrics. Therefore, more research is needed to test the applicability of the discoveries and improve the understanding of the impact of digital and non-digital marketing activities on online and offline results.

Second, this thesis focuses only in the website and social media monthly reports that contain data gathered mainly by Google Analytics. However, there are plenty of other tools that are emerging at an ever-increasing rate and provide more data that the management group might be interested in. The ultimate challenge is to merge and make sense of such big data in different manners, databases, and platforms to grant a complete recognition of the marketing impacts to the top management group. Therefore, more research is needed to describe the processes of integrating, analyzing, and using data of different types and origins.

Lastly, it is important to mention that the thesis only focuses on the website and social media reports built with the information gathered by Google Analytics; and that digital analytics is more appropriated for measuring short-term sales impacts than long-term marketing performance. Therefore, the usage of digital analytics, such as Google Analytics, can contribute to measuring and optimizing short-term revenue at the expense of long-term business growth. Therefore, I believe that future research is needed to find out how digital analytics can help to measure long-term marketing impacts.

To sum up, this thesis aims to find what kind of digital marketing metrics provide the most valuable information to Oilon's management group. Yet more research is required to detail how the company can create a successful MPM system that satisfies the needs and supports the decision-making of the management group.

The author of this thesis expects that this material can help the company to further improve its digital marketing measurement efforts, as well as for future researches to use this as a base for future research.

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## APPENDICES

### Qualitative interview questions

- How relevant do you consider digital marketing is for Oilon?
- In your opinion, has Oilon received measurable benefits from the use of digital marketing?
- How is digital marketing performance being measured at Oilon?
- How much time do you spend reading and analysing digital marketing reports? Do you find the information in the reports relevant?
- Does Oilon measure the results of digital marketing against objectives?
- Do you think that the metrics currently used are aligned and/or reflect the business goals and objectives?
- What kind of goals do you think are more relevant for digital marketing measurement (e.g. sales-related goals such as sales revenue and leads)
- Do you think the current metrics used allow to monitor the attainment of business objectives? Why?
- Do you think Oilon has a clearly structured metrics framework where it can be seen how metrics are related to each other and which metrics are prioritized?
- Does Oilon's metrics system give you a clear understanding of marketing impacts?
- Do you consider that Oilon's metrics system reflect short and long-term as well as financial and non-financial results?
- Do you consider that the information provided on marketing activities is relevant and supports decision-making? Why?
- In your opinion, what kind of metrics should be included in the marketing reports? What metrics are you interested in?
- Do you think Oilon has an organizational culture that favours data-driven decision making, cooperation and information sharing?
- How would you like to receive information about the performance of digital marketing at Oilon?