MARKETING ANALYTICS ROADMAP

METHODS, METRICS, AND TOOLS

Jerry Rackley

Apress®

Marketing Analytics Roadmap: Methods, Metrics, and Tools

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The Apress Business Team

*To Lisa: my wife of three decades.
A man could want no finer or truer partner in life.*

*And,
To marketers who are searching for a better
way to answer the question:
“What have you done for us lately?”*

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About the Author

Jerry Rackley is Chief Analyst for Demand Metric, a marketing research and advisory firm, where he leads the company's research efforts. His recent studies have covered such topics as marketing analytics, social media analytics, sales and marketing alignment, digital marketing, email marketing, sales enablement, employee engagement, and content marketing. Rackley began his marketing career at IBM, and since then has held product management, marketing, and marketing communications roles in various startup, emerging, and established software companies. He is keenly interested in the culture

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Introduction

I entered the marketing profession quite by accident. Over 30 years ago I graduated from university with a degree in computer science, and for the 4 years I was earning that degree, I worked at the university data center. I had the academic underpinnings to develop software and a résumé that included highly relevant experience. Despite the relatively poor job market when I graduated, I had three good offers. Surprising myself, I chose the one with the lowest starting salary, at IBM, because I liked the culture and upward mobility there. IBM didn't see me as a software programmer, but instead put me in a sales and marketing branch office. I never wrote a line of code from that day forward, and I didn't regret it.

I was immediately drawn into the world of sales and marketing, and I learned everything I could from IBM, one of the best in the business at marketing its solutions. Through a series of job changes, each one pulling me deeper into the marketing profession, I learned from mentors and experience (mistakes) about how marketing works in the real world. My analytical programming background never left me. As fascinated as I was with marketing, I was also troubled by how little was known about how to connect my marketing efforts to business results. I have seen marketing get credit for business results it didn't necessarily produce, fail to get credit when it did produce results, and get blamed (fairly and unfairly) for its lack of contribution. In almost every case, judgments about marketing were based on opinion and conjecture, not data. This bothered me.

The inescapable conclusion was that the determination of marketing's success was too arbitrary, too subjective. Even if marketing was performing brilliantly, without data to prove it, the CFO could still cut marketing's budget. The CEO would question marketing's contribution. The rest of the organization could easily view marketing as a luxury, not a necessity. When reviewing other corporate functions, such as development, human resources, or sales, I noticed they each had a specific set of metrics that created clarity about how well they were getting their jobs done. This was not the case in marketing. If marketing were to get taken to court and tried for its performance, what evidence could the defense provide in favor of marketing? Very little, it seemed.

What marketing needed was a set of metrics that moved the determination of its success out of the realm of subjective conjecture and into the world of objective fact. As a leader, I knew we needed more than the ability to say that we had churned out X number of assets or managed participation in Y number of trade shows and other, similarly vague attempts to connect our work to something the C-suite cared about. These attempts at accountability left questions in everyone's minds about how well marketing was truly performing. The solution was analytics with a set of metrics that provided meaningful data about marketing's contribution, so that even for those who might disagree with marketing's methods, there was no argument about the results.

This book was born out of my past frustration and experience with how marketing manages its performance and how that performance is judged. I've written this book for the marketing organizations that have not yet started their analytics journey but know that they need to and are trying to figure out where to begin. I intend for this book to inspire marketers and marketing organizations to get moving and point them in the direction they should go. The advice contained here will provide them with a roadmap, as the title suggests, with recommendations on methods, metrics, and tools to consider on that journey. What this book will not do is provide detailed, turn-by-turn directions from start to finish of the marketing analytics journey. The reason is simple: each organization's journey must be different. The things that define the speed, vehicle, and even detours of that journey vary from company to company.

This book is not for those who have already achieved maturity with their marketing analytics process, unless perhaps they want a nostalgic tour of where they've been. That still leaves a broad audience for the direction this book provides. A study I completed in partnership with VisionEdge Marketing just as this book went to publication reveals that just one in five marketing organizations have an effective analytics process in place. For everyone else—the 80 percent—this book will provide some encouragement and advice for starting and completing the marketing analytics journey. As the Chinese proverb attributed to Lao Tzu states: “The journey of a thousand miles begins with a single step.” I hope this book helps many marketers take that first step.

—Jerry Rackley
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