

# MARKETING 360: EVALUATING YOUR INTEGRATED MARKETING PLAN

*How the right metrics keep your plan  
moving in a profitable direction*

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When a carpenter begins crafting a new piece or project, he or she has a number of tools available: Various sizes and types of hammers, screwdrivers, and other types of hand tools may be the right choice for some jobs. In other cases, power tools are a more effective option. However, without an understanding of what each tool does and the jobs for which it is best suited, the efforts will be inefficient and will not generate the best possible results.

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Small business marketers are in much the same position. Faced with an increasing number of tools to promote their businesses—especially in an environment of ever-increasing online media and digital marketing options—it can be difficult to make the right decisions about investing marketing dollars. Today's marketing plan might include a wide variety of technology-fueled media such as websites, social media, online video, and email marketing in addition to traditional media such as print, radio, outdoor, television advertising, and direct mail. This integration allows small and medium-sized businesses to reach broader audiences with greater frequency, effectiveness, and measurement options and to tailor campaigns targeting prospective customers accurately, especially as more of these prospects choose online media in addition to traditional media consumption.

For savvy small businesses, success begins with crafting a set of measurable goals, creating communications that achieve those goals, then selecting the marketing tools that will best reach a well-defined target audience. This lays the foundation for creating an integrated marketing plan that can be measured through such metrics as quantifiable reach and frequency, awareness, perception, analytics, and costs.

## Metrics and Measurement

Marketing activities can be measured using a variety of benchmarks that have various applications within an integrated marketing plan. For example, awareness- and perception-based metrics help marketers understand consumers' knowledge of, and associations with, the brand, product, or service, while analytics deliver deep insight into the online behavior of customers as it relates to the brand. Understanding key metrics such as those described above is essential to forming, evaluating, and refining your integrated marketing plan. As the plan is deployed, many of these metrics can be combined with budget figures to calculate cost-based metrics that can help marketers determine those investments that provide the best return.

### Overall reach and frequency

Reach is a method of evaluating how many individuals or households will be exposed to your message via a particular medium. Frequency is the number of times the individual or household will be exposed to the message.

These metrics are particularly important during the initial planning stages. The reach of a medium like a magazine or website, or tactic, (e.g., an event), tells you how many audience members will likely get your message. Ideally, the characteristics of the vehicle's audience, such as interest, occupation, age, income, or other factors, will match closely with the characteristics of your ideal customers or, at least, people who are interested in your products and services. For example, if you sell organic dog food, a canine-focused publication or event would be obvious choices to place your brand because of the likelihood that the readers have dogs and buy dog food.

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While frequency is simply the number of times your message appears, *effective* frequency relates to the number of times your message needs to be repeated before it is remembered. That will vary depending on a number of aspects, including the level of competition in your market, (i.e., the more competition, the greater the need for frequency), the complexity of your message, and the uniqueness of your brand. To get an initial idea of frequency for your plan, look at past marketing and advertising efforts. If that data is not available, seek out similar brands or competitors, and try to estimate their advertising frequency in various media. If that seems reasonable to you and effective for the business, use that data to plan for frequency within your budget. Of course, such estimates will give you preliminary targets that can be refined as your plan moves ahead.

## Awareness-based metrics

Awareness-based metrics measure the extent to which customers and prospects remember your brand and other associations they have about your business, products, and services. Measuring awareness typically includes soliciting the feedback of the target audience directly via surveys, questionnaires, interviews, focus groups, and other similar vehicles. This is often an easy, inexpensive way of measuring how well-known and well-liked a brand is, especially with the advent of low-cost and free survey services and the ease of sending email questionnaires.

The challenge with awareness-based metrics is that they often rely on the customer's memory or perception of where he or she saw the messages about your company. This is not always accurate. Customers may have seen your message in multiple places, but only remember one. So, it's best to use this measurement method in conjunction with others, like reach, frequency, and perception-based metrics.

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For example, if a restaurant customer read a great review of the establishment, but also received a coupon as part of a multimedia campaign, it can be difficult to discern what actually motivated them to dine there. Asking the customer where they heard about the restaurant might reveal they saw the review and remembered it, while a special code on the coupon will directly reveal which medium reached that customer.

## Perception-based metrics

Without knowing what actually moved someone to respond to your message, it's hard to truly evaluate the effectiveness of a plan, says Angela Sinickas, founder of Sinickas Communications, Inc., a communications firm in Laguna Woods, California. It's one thing to evaluate the number of people who saw your message or the number of times they saw it, but that offers little insight into how effective the message was. For example, perhaps 14,000 people saw your ad an average of three times—but did it change their perceptions or interest and, therefore, inspire them to take any action?

Perception-based metrics can help you measure the impact your message has had on your audience.

They can be tracked through methods like surveys, phone, and in-person interviews by asking questions about the associations made with the brand. For example, does your audience see your business as the high-end, service-oriented market player? Or is the impression of your brand more low-end? Are these associations in line with how you intended to position your brand? If not, you may need to make changes to your marketing or even within your business to reflect the image you wish to project.

By collecting and tracking customer feedback, you may also begin to see patterns in responses that will often indicate particular referral sources and marketing methods that are remembered by prospects. For example, a restaurant coupon placed in a daily newspaper may pull better when it runs in the food section rather than the business section, or one version of landing page copy may work better than another.

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## Analytics

Online media offer precise, granular tracking in terms of actual behavior as well as a variety of insights that can yield important information about your messaging; they can even enhance measurement of traditional media activities.

Your web host or online advertising venues should provide you with basic data such as click-through rates and overall site traffic levels. (Click-through rate can be calculated as the number of users who clicked on an ad [clicks], divided by the number of times the ad was delivered [impressions].) Similarly, email service providers should be able to provide you with reports on open rates (the number of recipients who opened your email).

Beyond that, most analytics programs can tell you revealing data, such as which sites visitors were on before they got to yours and which search terms they used to find your site, as well as which pages on your site were visited and the average length of time spent on each. For example, an analytics report may tell a consulting firm that a white paper on how to cut business costs is the most viewed content on the website, and that “cost-cutting” is the number-one search term that leads visitors to the site. As a result, the firm may add more content about cost-cutting to meet the demand for and interest in that information.

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## Cost-based metrics

Beyond measuring general reach, frequency, perception (including awareness), and action, cost-based metrics can shed additional light on the efficiency of your campaign, says marketing consultant Jill Snyder, a self-described “chief marketing officer for hire” for small businesses. Snyder finds that many business leaders don’t understand these costs or even have a good grip on the number of leads it generally

takes to generate a sale. Of course, you're not going to "land" every prospect, she says. But you should have a good idea of the ratio that end up as customers.

In practice, this takes a bit of calculation and historic information. Use the data from your sales and marketing efforts to look at a sample of prospects that have been targeted over a specific period of time. This data will include the total revenue generated, as well as the average deal or sale amount during that time period. Also, review your various marketing expenditures and any information you've gathered from your awareness- and perception-based measurements. Some of the questions you should ask when trying to determine the cost effectiveness of your leads include:

- How much did it cost to target those prospects?
- What is the percentage of deals that you and your employees closed?
- Was this typical, or were there extenuating circumstances that skewed the ratio?

To fully understand the work and cost leading to a sale, your calculations will likely include a number of elements you have not considered. For a business seeking \$100,000 in new revenue, this is what such analysis may look like:

### Cost-based Metrics in Action

Revenue target	\$100,000
Average deal size	\$5,000
# of deals needed from new customers	20
% of proposals from new customers that close	75%
Number of proposals to new customers	27
% of sales calls that lead to a proposal	20%
Number of sales calls needed	133
% of qualified leads that turn into a sales call	10%
Number of qualified leads needed	1,333

Source: Jill Snyder, 2010. Reprinted with permission.

According to its historic data, this business needs 1,333 leads to generate approximately \$100,000 in new business. But how can a company get those leads? Further analysis of marketing results can show a business owner exactly what needs to be done to bring in those prospects. However, this also takes tracking. In the following chart, “The *Real* Cost of Lead Generation,” the audience represents the reach—the number of prospects seeing your message. From there, you need to have an understanding of how many conversions each activity generates.

The <i>Real</i> Cost of Lead Generation					
Marketing Tactic	Audience	Conversion	Leads	Cost	Cost per Lead
E-mail marketing campaign	15,000	3%	450	\$2,000	\$4.44
Exhibit at conferences/events	5,000	5%	250	\$10,000	\$40
Local/regional media coverage	5,000	2%	100	\$4,000	\$40
Speaking engagements	500	10%	50	\$1,000	\$20
Search engine marketing (PPC)	35,000	2%	700	\$5,000	\$7.14
Seminar series	600	5%	30	\$1,000	\$33.33
Internet advertising	12,000	2%	240	\$3,000	\$12.50
Direct marketing	15,000	2%	300	\$15,000	\$50
Print advertising	10,000	1%	100	\$2,500	\$25
	<b>98,100</b>		<b>2,220</b>	<b>\$43,500</b>	<b>\$19.59</b>
			<b>Target: 1,333</b>		

Source: Jill Snyder, 2010. Reprinted with permission.

As you can see, measurement and analysis of your marketing plan can yield tremendous insights into the actions and investment necessary to grow your business. By capturing this data, reviewing it, and using the resulting insights to refine your media mix and messaging, you can create the most effective marketing plan possible and ensure that your marketing expenditures are being invested in the best possible way.

## Gauging Metrics in Real Time

How do businesses apply these principles in “real life?” We spoke with three growing small businesses about their marketing tactics and how measurement has helped them grow.

### Cowabunga Computers: Maintaining Visibility

While Honolulu, Hawaii, may seem like a big city to outsiders, Yasuo Ogawa, founder of Cowabunga Computers, a computer repair and network integration provider, is very aware of the close-knit nature of the city’s business community. For example, he relates, “we’ve seen major brands come in, and if they ignore the customer—like getting a bad review on Yelp and not responding to it—they can get into trouble.” As a result, he works hard to provide fast, reliable customer service and makes sure that his customers know that his nine-employee shop is a local, independent business.

Ogawa’s focus on networking and building trust in the community led to an exclusive referral agreement with Time Warner Cable. Now, the media giant refers any local customer in need of computer repair to Cowabunga. This accounts for fully one-quarter of the firm’s business. In addition, he consistently reviews the responses he gets from customers after asking them where they hear about Cowabunga. From that feedback, he has created an integrated plan that focuses on a few key marketing components.

Ogawa’s team is often on the road, repairing computers and working on networks throughout the city. To optimize that opportunity for exposure, he branded the company’s vehicles with a black-and-white “cow patch” motif, along with the company’s logo. And because prospects in need of computer repair often turn to directories,

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he advertises in two of the city's yellow page publications. Other vehicles include an online newsletter that reaches 17,000 people monthly and a recurring editorial feature he writes that is distributed via email to Time Warner cable customers.

By reviewing the responses of his customers and his online analytics, Ogawa has dropped some of the giveaways he was offering, such as t-shirts and other branded products, since customer feedback indicated they weren't adding value to the marketing plan. His holiday "thank you" mailing is simply a postcard, since he found that referrals and loyalty were based more on his team's speed and performance than inexpensive gifts.

Ogawa regularly reviews his website analytics to determine the search terms people are using to find his site and the topic areas where they spend the most time, so he can devote more of his content to reflect the most popular terms and topics. His email service provider reports newsletter open rates, which helps Ogawa determine the topics customers read most, so he can write more about those areas in future issues.

## Parties That Cook: Landing Leads

A combination of effective marketing and a dedicated team of people has helped San Francisco, California-based Parties That Cook, a cooking class and party company, expand into Chicago and Seattle since its launch in 2006. The company lands the lion's share of its business—about 85 percent—through its online marketing, including a robust website, search engine advertising, and social media. In addition, Parties That Cook advertises on local directory sites, which refer prospects that are looking for the products and services the company provides.

Direct marketing is also an important part of the company's marketing mix. Marketing manager Crissy Gershey notes that monthly email newsletters and offers are among the company's most effective ways of keeping in touch with prospects. In addition, Parties that Cook sends two postcard direct mail programs to its lists each year. Public relations efforts focus on getting the company placed in articles about food-related topics and positioning company spokespeople as food experts.

To monitor the success of these varied efforts, the Parties That Cook marketing team uses an online service to store the data it collects about its marketing efforts. The company rigorously monitors its web analytics, including reviewing the sites from which various clients and prospects found the Parties That Cook website, search terms used to find the site, and which areas of the company's site get the most traffic. In addition, it reviews the reach of its various offline programs.

Gershey collects information from each customer and tracks, as closely as possible, which marketing efforts led the customer to the company. The costs of those marketing efforts are then prorated across various leads, and Gershey is able to calculate an average cost per lead and average cost per customer. Cost-per-lead and cost-per-customer metrics are used to cut back underperforming methods in order to focus on those that garner better results. In reviewing the revenue generated per lead, she found that the company's referrals are increasing, and those leads typically generate high revenue at low cost. As a result, the company is working on more referral incentives to offer its current customer base.

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## Launch Education: Leveraging CRM for Leads

When well-heeled parents want their children to get into good schools, they call Santa Monica, California-based Launch Education, an upscale tutoring firm. And because these parents trust the company with their children's educational futures, the company's marketing has to focus on highly targeted efforts that build trust and nurture it over time.

"Because we're high-end, it's not really about sales. It's more about letting people know about what we do and how we do it," says managing director and co-founder Andrew Finn.

To promote itself, the company focuses on its website, which has a number of resources and extensive information about the company, including a blog about education. The firm has launched an annual event to get more face-time with prospective clients, in an effort to earn their trust. They also run two regular print advertisements in regional publications to create general awareness among a local audience and attend education conferences to network. The latter is a very important activity, since it supports the critical marketing component of meeting prospects and gaining their trust. However, their most concerted efforts are focused on search engine advertising, on which the company has spent approximately \$3,000 over a period of nine months. That investment has yielded five clients. “And while that may not sound like many, one client can return that amount several times over,” Finn says.

The Launch Education team uses a customer relationship management (CRM) system—which is essentially a database that captures contact, referral source, and other relevant information about customers and contacts—to track the various referral sources through which clients hear about the company. Several private schools frequently recommend the firm to parents, so the company’s management keeps those sources aware of the company’s progress, programs, and success stories. Finn says the team also reviews analytics provided by online advertising venues and is working on refining its evaluation of its web marketing by using analytics provided by its web hosting company.

“All of this data is entered into the CRM system so the team can track what’s working and refine what’s not,” he says.

In each of these three cases, capturing data from and about customers helped the business refine its marketing efforts and generate better results. By using the various measurement means available to them, they were able to cut waste and use their marketing dollars more efficiently.

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Integrated marketing plans that are measured and refined based on the varied metrics available allow small business owners and marketers to improve accuracy and reduce waste. When used together, reach, frequency, awareness- and perception-based metrics, as well as analytics and cost-based metrics give marketers a more comprehensive understanding of the interests, needs, and wants of their target audiences. When businesses capture and apply this information, they are in a better position to meet those needs and wants, attracting and maintaining a satisfied, loyal client base.

## Expert Advice from Yellowbook360

Sometimes, having so many tools available can be overwhelming—like visiting a restaurant with hundreds of choices on the menu.

The good news is that you have a guide to help you navigate the integrated marketing menu: Your Yellowbook360 media consultant. He or she can help you select from Yellowbook360's suite of tools and develop a customized solution designed to effectively promote your business across multiple platforms. Among the many solutions Yellowbook360 provides:

- Strategic advice about what works within your budget
- Website development
- Online advertising on Yellowbook.com
- Search engine marketing (SEM)
- Search engine optimization (SEO)
- Online video advertising
- Direct mail campaign development and execution
- Social media monitoring
- Print directory advertising
- Data reporting that tracks the performance of your campaign

Think of your Yellowbook360 media consultant as a partner who can help you build the *right* customized marketing solution for your business—and help you save money along the way.

*Got questions? We're here to help.*

Call **1-800-YB.YELLOW (1-800-929-3556)** toll-free today or visit us at **Yellowbook360.com**. Your Yellowbook consultant is eager to work one-on-one with you to create a customized multimedia marketing plan that works for your business.

## Learn How a Multimedia Platform Can Drive the Success of Your Business

*In our first Marketing360 guide, “Developing an Integrated Marketing Plan,” we discussed how multimedia marketing can help take any company to the next level.*

If you've ever heard a good piano player, you know that a solo act can create beautiful music, pleasing everyone within earshot. Now, combine the piano with a guitar, vocalist, saxophone, and a few other pieces. Suddenly, you have a richer, more powerful sound.

Similarly, marketing tools may produce one level of results when used alone or independent of each other. However, when you combine the tools into an integrated marketing plan—a cohesive symphony of marketing efforts with coordinated timing and consistent messaging—the synergy increases results dramatically. The explosion in new media combined with more traditional promotional platforms means that there are more opportunities than ever to create strategic integrated marketing plans. This guide will help show you how to optimize the marketing tools and resources currently available to create an integrated plan for your business.

To learn more, download your free copy of “[Developing an Integrated Marketing Plan](#)”.