

Real-Time Analysis of Marketing ROI



What some call lead generation, CFOs often term maverick spending. As marketers are increasingly expected to justify expenditures, measuring campaign success becomes critically important. The Siebel real-time analysis of marketing ROI best practice effectively measures marketing.

Measuring Marketing:

A New Imperative

According to the 2005 Benchmark Survey conducted by the Marketing Leadership Council, companies spend between 2 and 15 percent of their revenues annually on marketing. Yet, according to the Marketing Leadership Council survey "Measuring Marketing Performance," many chief financial officers consider marketing the "last bastion of unaccountable spending" and are pressuring marketers to justify and account for every dollar spent.

Effectively Measure Marketing Impact

Marketing plays a critical role in sustaining revenue. Effectively measuring its impact is a financial imperative.

The Siebel real-time analysis of marketing ROI best practice was developed to effectively measure marketing ROI. In following this best practice, the marketing team first identifies the type of campaign—for example, acquisition, lead generation, cross-sell/up-sell, survey, or retention. For each of the 11 campaign types, Oracle's Siebel Marketing Analytics application specifies a scorecard that captures key success criteria for that campaign type. For example, in a cross-sell campaign, relevant metrics would include change in average revenue per targeted customer and percentage of targeted customers that bought additional products.

Avoid the Three Pitfalls of Measurement

Due to shortcomings in technology and processes, marketers are often unable to measure ROI in ways that will enable

executives to justify investments. They measure response rates and cost per response, but not the actual revenue produced by a campaign. Knowing that a campaign generated 100 leads is, by itself, not very useful information—the Siebel solution makes this information valuable by also revealing how much revenue was closed from those leads.

Companies also fail to measure the success of a campaign's individual processes. As a result, they lack visibility into problems that could adversely impact the success of the campaign. With insight gleaned through the Siebel solution, they can take timely corrective action. For example, they can adjust sales response to telemarketing-generated leads before and at the end of campaign.

A third limitation occurs in the planning stage, when companies do not clearly lay out metrics to define success for a particular campaign. Using the Siebel solution, they have a reliable way of gauging success based on predetermined criteria.

Fact: Organizations spend an average of 10 percent of their revenues annually on marketing.

Measuring Milestones

Once a scorecard is identified, the business process then defines milestones that might affect each metric. Virtually all lead-generation campaigns include stages, such as message delivery, response capture, response qualification, lead generation, lead acceptance, and lead-to-order conversion. For each stage, the Siebel process specifies areas of analysis.

For example, to measure message delivery, one must analyze it against treatment aspects (for example, offer, message, and creative) and customer grouping aspects (for example, segment, target group, list, and partner). If analysis reveals that targets for an e-mail campaign are not responding by opening the message, the message might need to be revised to be more appealing. Or an organization may find, after comparing list vendors by number of undeliverables, that it should drop a given vendor or renegotiate the contract.

By enabling marketing to more easily and effectively collaborate with internal and external parties on campaign design, offer development, and targeting strategies, the Siebel high-velocity collaborative campaign design best practice significantly improves the speed and quality of marketing campaign execution. The results are stronger relationships among partners, greater campaign effectiveness, and higher return on investment.

Real-Time Corrective Action

Using Siebel Marketing Analytics, a marketing organization can measure every important

aspect of campaign execution in real time and take immediate corrective action. Because the Siebel best practice enables the effective measurement of campaign activities, it gives marketers a better grasp of still-developing ROI, allowing them to better manage their spend, allocate resources, and justify their investments. This helps them satisfy both their own operational objectives and their corporate accountability.

Gain Easy Access to Campaign Effectiveness

With the Siebel solution, a scorecard provides a summary of campaign progress. The business process specifies a scorecard for 11 types of campaigns and comprehensively captures the different business aspects that need to be measured.

To understand which aspects of a campaign are working and which are not, the application analyzes metrics such as response rates and conversion rates against both treatment aspects and customer grouping aspects.

A high-level business process lays out campaign phases from message delivery to booking orders. Analysis of each phase's subprocesses provides insight into factors affecting success and failure within each phase.

The interactive, easy-to-use Siebel Marketing Analytics dashboard allows marketers to drill into specific details of each campaign phase and subprocess. By leveraging contextual navigation and the seamless integration of historical and real-time data, marketers



can track campaign progress, share data throughout the organization, and take corrective actions to get the most of their marketing dollars.

About Siebel Enterprise Marketing Suite

Siebel Enterprise Marketing Suite is a complete, insight-driven, closed-loop solution that enables marketing organizations to achieve performance breakthroughs and become more effective, accountable, and customer-centric. It offers integrated but modular solutions covering planning and resource management, customer analytics and segmentation, campaign management, e-mail and Web marketing, real-time marketing, events management, partner marketing, trade promotions management, loyalty program management, lead management, and marketing analytics.

Using Oracle's Siebel Enterprise Marketing Suite, organizations can acquire more-profitable customers, cross-sell and up-sell more effectively, retain valued customers longer, and drive superior marketing return on investment.

CONTACT US

For more information on Siebel marketing solutions, call +1.800.ORACLE1 to speak to an Oracle representative or visit oracle.com/applications/crm/siebel/enterprise-marketing/index.html.