

MAKE IT COUNT:

How to Measure Digital Marketing Effectiveness

With Jeff Baker, Director of Digital Marketing Strategy at Brafton

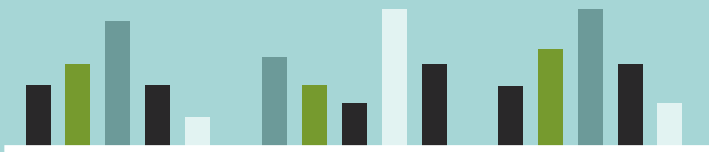


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TIP: Look for these blue boxes containing insider advice from Jeff Baker, Director of Marketing Strategy at Brafton.

THE ABCs OF KPIs

Key performance indicators are by no means unique to digital marketing. Yet in an industry where so much weight is placed on intangibles and abstracts, such as “thought leadership” and “Facebook likes,” **the ability to properly evaluate your digital marketing strategies is essential.**

That said, the types of performance metrics you measure are just as important as quantifying digital marketing effectiveness in the first place.



Every business has specific goals, from gaining market share to being seen as an authoritative voice in its space. However, at the end of the day, these goals come second to one overarching objective: **generating revenue.** Businesses don’t exist to generate Facebook likes, they exist to make money.

Are you confident the marketing metrics you put stock in are pulling their weight?



MEANING IN YOUR METRICS

Digital marketing gives fans of statistics and measurements a lot to love. Common KPIs used to assess digital marketing effectiveness include:



Impressions



Website traffic



Traffic sources



Social media interactions



Time on site



Keyword ranking



Bounce rates

These metrics, among others, reveal useful information regarding everything from search engine results page visibility to how many people land on your website only to immediately bounce.



Of course, the question you should be asking yourself after capturing and collating this data is a simple one: **So what?**

You may be scoring big in terms of organic traffic and time on site, but is it actually translating to increased sales? Perhaps you recently hit a new milestone for mentions, favorites and retweets on Twitter, but are your social fans opening up their wallets as well?

VANITY VS. VALUE

High traffic and keyword rankings don't automatically translate to increased revenue.

Understanding the difference between vanity metrics and return on investment helps explain why.



Put simply, **vanity metrics** are **KPIs that do not correlate to ROI, but are reported as ROI.**



Jeff says: “Surface-level metrics can be very important insofar that they tell a story. **They are indicators of something deeper.** But does it matter if it's not leading to commercial success? Does it really impact your business in any way, shape or form?”

Long story short, an increase in time on site metrics could be the result of poor web design — users might be struggling to navigate.



TAKE A STOREFRONT APPROACH



In order to effectively measure digital marketing, you must ask yourself two questions:

What is the purpose of your online presence?

What is your ideal online interaction with a customer?

Answering both questions is easy if you view them through a real-world lens.

Think of your website as a storefront. Your keyword ranking is your store's address (and dictates whether it's located in a bustling downtown neighborhood or deep in the woods). Organic traffic becomes foot traffic, with landing pages serving as the gleaming shelves holding your products and services. The layout of your store? That's your UX design.

So, what is the purpose of your store? **To make money, of course.** And what would an ideal new customer interaction look like? Someone enters your store, browses and makes a purchase.

Now it's time to apply these brick-and-mortar fundamentals to your digital landscape.





ESTABLISH DESIRED ACTIONS

Increasing earnings may be your ultimate goal, but unless your website serves as an e-commerce platform, getting there typically requires a visitor to do more than pull out their credit card.



Jeff says: “Most B2B web properties generate business value through **lead gen activities**, which translates to **transactions that occur off-site**. In that case, what is the ideal site interaction? What do you want the visitor to do?”

You want them to view the content of a web page, absorb it, understand it and then request more information. If not during that visit, then hopefully at some point in the future.

Successfully ranking for a keyword or search phrase is only step one. For the second step, you must determine what actions you want visitors to take when they arrive, as well as how to encourage them to do so.

For nearly every business operating online, this will mean increasing conversions that capture sales lead information.



FOSTER COMMERCIAL GOALS

Content marketing is key to encouraging desired online interactions, as is understanding how different types of content engage website visitors.

For example, blog posts represent the top of the sales funnel, meaning visitors who click on them are gaining initial awareness of your brand. These individuals are much like prospective new customers spotting your storefront from the street.



Jeff says: “Blogs are tippy top of the funnel — walking along the upper rim of the funnel. We need to understand that this audience is not in the same mindset as someone browsing product pages, and we need to address them accordingly. They are much less likely to submit contact information at this stage, therefore **softer calls to action that provide more ‘get’ than ‘give’ at this stage are more appropriate.**”

Meanwhile, a landing page visitor is the digital equivalent of someone walking into your store to compare prices.

Jeff says: “This person is doing information gathering, and may want to see some case studies or whitepapers. **They will request more information from a sales representative or provide their own information in return for more in-depth content.**”



YOUR NEW FAVORITE TRACKING TOOL

Google Analytics (or another web analytics tool of your choice) allows you to create conversion goals, such as lead generation forms being filled out or assets being downloaded.

Every time a specific action is taken, you can view what page the visitor landed on, what channel led them to your website and much more.

For non e-commerce sites, Google also provides the opportunity to assign a specific dollar amount to each goal.



This requires you to calculate the value of web leads based on the percentage that become paying customers and the average dollar amount brought in by each deal.

Once this is established, you can easily measure digital marketing effectiveness using the most important metric of all: **revenue**.





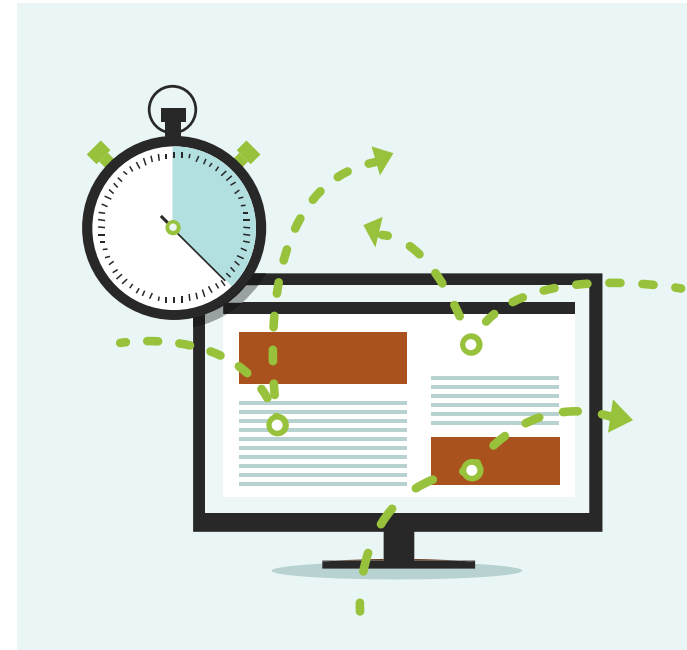
ASSIGNING WEIGHT

While top-level metrics can certainly provide insight, they will take on new meaning once revenue generation is properly measured.

For instance, say you have a landing page with a very low bounce rate and high time on site. However, it is responsible for zero conversions. Now consider a landing page that boasts a significant number of on-page conversions in addition to a high bounce rate and low time on site.

Suddenly digital marketing metrics like bounce rate and time on site seem much less important. **Metrics should be viewed through the lens of commercial value.**

Jeff says: “You need to see which portions of your website are actually leading to more business. Once you’re focusing on the right metrics and what they mean, **you can keep doing what’s working and start fixing what’s not.**”



SEE THE FOREST FOR THE TREES

KPIs are necessary and important, but should always be put into context.



Jeff says: “A lot of times, when you look at your website for too long, you get hung up on the wrong things and don’t see the forest for the trees. It’s good to take a step back and **put yourself in the shoes of your target audience.**”



Determine how you will measure success, and make sure the digital marketing metrics you use support it. Don’t get hung up on meaningless numbers, and remember that no measurement exists in a vacuum.

In the end, the single most important performance metric is **whether your online efforts are generating revenue.** The other metrics are there to help you figure out why that is or isn’t happening.



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