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Shuchi Mehra
Research Associate
Zonal Technology
Management & Business
Planning and Development
Unit, Indian Agriculture
Research Institute, New Delhi,
India.

Correspondence
Shuchi Mehra
Research Associate
Zonal Technology
Management & Business
Planning and Development
Unit, Indian Agriculture
Research Institute, New Delhi,
India

Marketing is not just numbers to drive successful return on investment

Shuchi Mehra

Abstract
Marketing is not just numbers states 75 percent of your results come from 25% of your efforts. It applies to everything not only in sales and marketing but also to everything what you do and then you are armed with all you need to excel. Marketing is currently working in your marketplace and then progressively pour more of your resources into those areas. Keep doing this over and over and you can achieve 100% results in your sales performances**.**
Moreover, don't treat all your customers as equal. The top 20 per centers can be incredibly profitable. If you keep offering them products which are 10 times as expensive but which delivers 10 times or more value of your existing products, then 20 percent of those 20-percenters will buy. That can work out well because usually it costs you less than 10 times as much to deliver that added value. Also, it is always easier to meet your sales numbers through your existing customers than to find new customers.

Keywords: Marketing, not just numbers, ROI, sales, strategy, revenue, customers

Introduction
In a brand new world where online ads, viral promotions, and smart-phone– enabled marketing strategies are blending with traditional vehicles like print, TV, and radio, it's crucial to use the right metrics to ensure effective spending with your marketing budget. If you want to track your results accurately and justify your spending across the new digital playing field, it's time to blow off your old-school ROI analytics and join the age of Web 2.0.
Connecting your marketing spending to actual sales and revenue has always been a convoluted path, but never have the outcomes been more urgent than they are today. With helpful techniques, checklists, and case studies and research papers reveal how you can effectively use the data at your disposal, and take advantage of every marketing opportunity. With marketing budgets stretched tight, it's harder than ever to justify expenditures, and ensure that marketing dollars are spent in ways that get results. How to increase numbers by marketing, how to implement, evaluate, and utilize key analytics to maximize marketing ROI? Explaining best practices and the most useful dashboards and tools, this research topic will help to:

- Predict, monitor, and measure the success of campaigns based in both traditional and Internet media
- Align business and marketing goals
- Concentrate on the right metrics rather than drowning in a sea of data
- Turn data into actionable recommendations

Providing case studies, techniques, checklists and journals pay special attention to the new generation of web tools, and reveal how any business can effectively use the data available to them; and take advantage of every marketing opportunity. This study reveals how to increase ROI through marketing which tells you how things are tough out there. It doesn't matter if it's a profitable business organization, a nonprofit, an educational institution, or a government entity with a message to impart. Experienced marketers need to learn new tricks to stay competitive. The techniques and best practices recommended for web marketing aren't just replacing traditional marketing spending; they're driving traditional marketing spending. How often do you see a car commercial on television that doesn't include a website URL? Why does every trade magazine you subscribe to have an online version?

When you shop at a favorite store, do you bring in downloaded coupons? As for your own marketing efforts:

- How often do you integrate your own online/offline strategies?
- Do you measure effective spending across multiple media?

Market Challenges

One of the worst marketing attitudes is desperation – and we see it all the time. New media marketing, with it's high level of competition and many portals for message sharing, can drive companies to feel compelled to be seen and heard. This results in a lot of marketing activity that's propelled by very little understanding what marketing means.

This is where it gets interesting. The average marketing team for an enterprise level company has various members who have one or two key talents. They make up a talent pool that then becomes the driving head of that business' marketing efforts. In many cases, that head is controlled by someone outside of marketing who doesn't understand this side of the business that well but still has a voice that drives expectations. For our enterprise level company, this means that marketing is often directed and dictated by high ups who don't understand that quality is better than quantity.

We see this problem more so in email marketing because email preceded social media. While social media is a largely mysterious realm of new media marketing that many people are happy to leave to the pros, email marketing doesn't quite benefit from those hands off attitude. People have been using email regularly since 90's, which for us means that there's a tendency to assume we also understand email marketing. In other words, you might be pushing – or you might get pushed – to quickly draft up a long list of subscribers from existing contacts.

Here's a small piece of advice: don't do it.

Email marketing is not a numbers game when it comes to the only thing that matters in email marketing: the end goal. The end goal of any email marketing campaign is to have a high click-through rate. Novices in this field make a common mistake: throw everyone into one email pile and blast off messages. This is a blunder. For one, having a high number of contacts who haven't opted in doesn't mean you have a high number of people genuinely interested in your email campaigns. Here's what happens when you engage in that practice: you're going to have a high bounce rate, subscription rate, and spam rate.

The bad news doesn't end there. Not only are you losing credibility, you're also unlikely to get any of these people back as authentic email subscribers. Then there's the last follow-through of any email campaign – the analytics. When you engage in this practice, your data is completely skewed. You now have, let's say, 1000 subscribers and no real way to understand behavior patterns once an email goes out.

We could take one case example, but the fact is that almost every company that decides to embrace email marketing is guilty of this time-consuming mistake.

Instead of thinking you're going to have an army of email subscribers and this high level of activity, understand that email campaigns are a long game just like most other new media marketing strategies. It's a brick-by-brick process. The first step is to start with the small pool of subscribers you already have and work with creating content they're going to want. If that means you only have 8 people to send a campaign to, then make sure you make those 8 people happy and motivated to share that campaign with their network.

The second step is to have subscription access points across key places, including social media. You can use widgets, apps, and even directly share a subscription link in your social media "about" page. You definitely want a signup form on your website and a pop-up as well.

Ultimately, email marketing is about data and the last thing you want is skewed data. If you take shortcuts, that's exactly what you're going to end up with.

It's quite frustrating when it is heard from salespeople to talk about numbers in relation to sales. Like if you need X in revenues, then you need to generate X number of leads because you'll only close X% of them. That kind of thinking gives permission to lose deals because a rep is only expected to close a certain percentage.

Seems to me that's setting most sales reps up to only ever make the X%. Research shows that only 50% of reps are making quota today.

What's interesting is that marketing's first challenge is to generate high-quality leads. Likely because they've been tasked with front-loading the top of the funnel with as many "leads" as possible so that sales reps could make that convoluted formula work. Therefore, the focus on volume over quality has meant that they weren't defining quality, but rather a type of contact that might have some interest in acquiring something your company sells. And, dare I say, sometimes not even that.

So does this fascination with formulas keep sales and marketing from alignment?

Marketing is being charged with generating more qualified leads as well as accountability for doing so. Sales are charged with meeting a revenue quota which many of them thinks is defined by a formula. Yet one of the outcomes of generating quality leads means less volume because you've removed the unlikely candidates and extended the dialogues with those who remained. But it also means those leads will have a higher propensity to convert into customers.

What do you suppose that does to the sales formula?

If we turn it on its head, what will happen?

What if the CEO says to sales team: Here's 10 high-quality leads. Close 6 of them. How would that change the sales process? What would it do to the collaboration between marketing and sales?

What would it take to empower marketers to share a better story and for salespeople to have better conversations that provide more recognizable value to prospects?

What would it take for marketing to provide leads with quality high enough for sales reps to be able to close 6 out of 10?

If the numbers are based on past results, they are what they are. No one wants to close fewer deals.

Regardless of how well one qualifies a lead, an individual company can't close every sale because there are always differences between one prospective buyer and another that sales cannot control. The differences can be as obvious as another company having a more well-known brand to something subtle as the buyer having a personal contact at a competitor's company. Relying on numbers alone is not smart. But ultimately, one must use the numbers (cost-per-lead, closing ratios, cost-per-sale) as the metrics to guide all marketing and sales activities.

The goal should always be to provide quality leads to the sales team. But numbers are good for something like seeing what the capacity is for the team to handle and for generating forecasts and goals based on past trends. Like a majority of companies, we have a revenue target and know that we need x number of new leads to build X pipeline to reach the revenue number.

The alignment issue that is mentioned, I believe, is simply spawned from communication. How does marketing know what sales consider 'quality' and how will sales know that 10 great leads are better than 100 good ones?

A way to help sales is to find out what the prospect is missing to get them to a close. Is it helpful in building a business case to buy? Is it a conversation between your CEO and their CEO? What is the barrier to getting quality leads to convert? Figure this out and get it to them. And if you don’t have it already, then make it.

The Key Areas for Increasing Sales Revenue

As the head of sales you have one job, drive revenue. The best sales leaders get this and know it's no small task. The problem is too many of us make it way too difficult. We thrash about pulling levers and making changes. We leverage the data and work diligently to add to the pipeline, to create new collateral, to drive leads, to increase up sells, to train the team, to improve close dates, to add new logos and more. We are obsessed with finding the next big "thing" that will take our organization to the next level.

Here's the deal, growing the sales team, adding new logos, increasing top of the funnel activity, leveraging inside sales, new marketing campaigns, etc can add to an increase in sales revenue, but they aren't the sure fire way to get you over the top. The key to increasing revenue and blowing up your sales organization is aligning 4 critical areas; strategy, structure, people and process. Without having specific, measurable objectives and tactics across all four of these areas, your sales team is not optimized for crushing it.

Strategy

It all starts with a clear, powerful sales strategy. What's your 2017 sales strategy? How are you going to market? How are you going to slay the dragon? What market opportunities or weaknesses are you going to exploit? What competitors are you going to take out? What new markets are you going to penetrate? What industry changes are you going to leverage, etc? Starting with a killer strategy is key. Having the wrong strategy or worse yet no strategy can be devastating.

Before you look to do anything, make sure you have a clear sales strategy that aligns with your revenue goals. It's extremely difficult to grow revenue without a strategy, yes there are a lot of initiatives that can move the needle, but a clear, well thought out strategy is at the core to increasing revenue. Take the time to evaluate your surrounding? Where do you see areas to exploit? What opportunities are presenting themselves? Where are there latent revenue generating windows? Where is the competition failing? What is the current customer base doing? What market dynamics have changed? Look deep, inside and outside of the company for opportunities to build a killer strategy -- it's key to growing revenue.

Structure

Structure is the framework that holds up strategy. It's the core to executing on strategy. Structure makes sure you have the right pieces in place. Without a solid structure your strategy is dead in the water. The key is to make sure your structure supports your strategic efforts. Does your strategy require inside or outside sales? Does it require hunters or farmers? Does it require content and new web support? Does it require alternative compensation plans? Does it require new territories? What does your strategy require to be successful? Your structure needs to answer those questions and make sure the answer delivers for the strategy. Structure includes sales operations and sales enablement as well. It's all the things that enable your strategy to take flight.

People

People: the most important aspect of driving revenue and often the most forgotten. This is the biggest problem most sales organizations face. If you don't have the right people in the right roles nothing gets done. People are the core to execution. Making sure you have the right people in the right roles is critical. If the people part isn't correct, nothing else matters.

Take a look at your team. Do you have the right people in the right roles? Does the team have the right skill sets? Do they have the necessary knowledge? Is the team performing at the level required to be successful? Can you prove your conclusions? Do you have the data? Can you measure the strength of your team in relationship to your strategies? Do you even know what skill sets are required to be successful in each of the roles in your organization? Have you catalogued the key traits and skills required by your team to crush it? Have you measured each and every member on the team against these skills and traits?

The people part is the most important and the most difficult to get right. People are unpredictable. Making sure you have the people part right is at the heart of increasing revenue. Make sure your plan has a people element that makes sure you have the right people in the right roles, that they align with the strategy and are motivated and to get things done.

Process

To make sure everything is running smoothly, to ensure velocity and efficiency and to avoid wasting time and effort killer processes have to be in place. Bad process is like throwing a monkey wrench into the gears. Poor process can impede time to market and execution and slow things down. When processes aren't working correctly or they don't exist, the ability to achieve the goals is severely hampered.

Take a good look at your processes. Do they enhance the selling process or hurt it? What does your sales process look like? Does it accelerate the sale? Does it include the customer's buying process? What is your team development process? What about your pipeline meeting process, coaching process, lead development process, your win/loss assessment process, the on boarding process, your hiring process, etc. Do you have the right processes in place to ensure that you can deliver?

Implementing light, functional, effective processes is like supercharging your car. It makes everything go BOOM! Take a look at all your processes and make sure they improve your teams’ ability to sell. Make sure they align with the strategy and structure as well as empower the people.

Growing revenue is more than just a handful of efforts, but rather a targeted, precise, aligned set of objectives across these four areas. If a sales organization isn't delivering you will find the problem in one of these areas; the strategy isn't sound, the structure doesn't support the strategy, the wrong people are in the wrong roles or the right processes aren't in place. When all or any of these four are out of whack, then driving revenue is almost impossible.

If growing revenue is part of your mandate, which it is, then break your organization into these key elements, strategy, structure, people and process and ask yourself how well you're doing across each. I promise you, you'll learn more than you were prepared for and that's a good thing.

Sales strategy, structure, people and process, are the only ways to grow revenue, so get them straight!

Want To Increase Sales? Target Your Existing Customers

We tend to forget about our existing customers, and when we do, it is always to our detriment. Yes, of course, gaining customers and/or market share is inevitably a goal of every marketing campaign and communications effort we undertake. But as you go about crafting those efforts, make sure you are paying attention—and, I would argue, a lot of attention—to the customers you already have. There are three key reasons.

1. If you gain a customer through your marketing efforts but lose one you already had because you weren't paying enough attention to her, you end up with the same number of customers—but lower margins--because it costs far more to gain a new customer than to keep an existing one. So, staying even—by adding one customer to offset everyone who goes away—is actually causing you to lose ground (in the form of decreased profits that come about through increased marketing costs). That is no way to run a business.
2. Conversely, there are times when, by remaining in place, you actually gain ground. Let's use a straightforward example: Let's say you have 14% of 100 crore markets. Your sales: 14lacs. (Add a bunch of zeroes if you think the example is too simplistic; divide by 10 if the example is too big.)Now assume two additional competitors enter the field, increasing the size of the total market to 110 crores. If you can just keep your market share at 14 percent, your sales will climb to 15.4 lacs. Even better, since your share has remained the same, it means some of your competitors would have lost ground to the new entrants, i.e. their market share would have declined while yours is increased.
3. It is far easier to sell products and services to existing customers than to someone you don't have a relationship with. If you have done a good job taking care of your customer in the past, and your products have performed well for them, they are usually willing to give any addition to your product line a try. Because the relationship is in place, far less (expensive) selling is required. The two takeaway points here are simple, even if we tend to forget about them. A key part of creating a growing business is making sure you don't lose the customers/clients/members you already have. And once you have them, make them your first option when you have an additional product or service to sell. Your costs of sales will be less and you will find it easier to gain momentum. Once you have sold all you can to your existing customers, you can start reaching out to gain more.

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