HUFF POST BUSINESS CANADA

# How to Get the Most Bang for Your Marketing Buck

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All too often, marketers of all industries will look at one piece of measurement and decide whether a campaign was successful or not. If sales are up, the campaign worked; if sales didn't move, the campaign flopped.

It's true that an overall success or fail is easily determined by the key objectives set out at the beginning of a campaign. But how can you measure the success of each of the campaign's elements? How can you make sure you're getting the most bang out of each of your marketing bucks?

Let's look at an example. If company XYZ runs a national TV campaign and sales go up, the campaign is labeled a success -- end of story. But what if they could have spent less on media buying and given that money to an experiential or digital activation instead? Would that have given them even better results? Or was the decision to invest heavily in an ad-buy the way to go? It's a good question that isn't asked often enough.

The fact is, in an era of big data, many chief marketing officers are struggling with how to leverage the information they have at hand to maximize both the effectiveness of their campaigns and efficiency of their budgets. But there's good news: we have tons of information to analyze and find the answers we're looking for. We just have to know where to look and what to look for.

I've had the pleasure of working with some smart people in my career, and I believe the smartest of the bunch are the first ones to identify they don't know the answer and need to find someone who can help. I saw this happen first hand in the case of finding an ROI for marketing -- now labeled ROMI (Return On Marketing Investment). It was the president of one of my sister companies, Brett Marchand of Cossette, that set out to answer the question of how to make a great campaign even more effective, on the same budget.

He turned to SATOV Consultants, a management consultancy he's worked with in the past on a number of initiatives, to build a solution that allows executives to make more effective marketing decisions based on clear business evidence.

As always, the proof would be in the pudding, so they worked closely together with one of the agency's major clients, BMO Bank of Montreal, to test and prove the model.

"There are a number of companies that measure campaign effectiveness vs. marketing spend, but the missing link was the analysis required to develop some meaningful and measurable outcomes," said Samuel Puchala, Principal at SATOV Consultants. "Some of the best marketing organizations on the continent know they have campaigns that work, but they don't have the full confidence that they are spending in the right places and maximizing the entire marketing mix."

When you look at some of the data produced by the model, it becomes pretty clear that you can spend a lot of money reaching the same people, over and over. It's very similar to one of my favourite economic principles, the Law of Diminishing Returns, which tells us that after a certain point, trying to doing more (or too much) can actually lead to achieving less. The key is to hit that point of maximum return -- and then either stop, or invest in alternate channels to improve your results even more.

But you can only know when you've hit that point when you're taking advantage of the data available. And that's why it is a step that marketers should be taking on every campaign -- the successful campaigns even more than the failures.

I'm not suggesting there's only one way to look at it -- the ROMI model I mention above involves some deep analysis and a management consultancy. What I'm saying is that the information we have at our fingertips can tell good marketers how to be even better. Dig a little deeper, think a little harder, and you just might make every campaign great.

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