



# Data Driven Marketing

David Mitroff, Ph.D.

# What We Will Cover

- Marketing Divide
- 15 Marketing Metrics
- Obstacles
- 10 Classical Marketing Metrics
- Online Presence – 9 Key Areas
- 12 Month Marketing Calendar / Plan
- Next Steps
- Raffle (business cards / sign-in sheet)



# David Mitroff, Ph.D.

## My Background

- Founder and Chief **Consultant** of Piedmont Avenue Consulting, Inc. ([www.PiedmontAve.com](http://www.PiedmontAve.com)), an Oakland based award winning business consulting and marketing firm with a proven track record of producing results for our successful clients. The firm has 3 full-time employees and 7 part-time workers.
- **Founder** of 7+ Companies including recruiting and staffing firm, consulting and marketing firm, event planning, hotel and restaurant collective, and more
- **College Instructor** in Marketing and Entrepreneurship for the University of California at Berkeley International Diploma Business program and a **Google Mentor** for the Google Startup Launchpad Accelerator
- **Keynote Speaker** and **Author** who has trained and advised 35,000+ business owners through keynote talks, workshops and business consulting. Author of the book *Online Business Growth Strategies*.
- Featured **Media Expert** for NBC, ABC, Forbes, Entrepreneur, Inc. Magazine, Washington Post, Chicago Tribune, The Meeting Professional, Hospitality Technology, California Lawyer and more.
- **Professional Connector** ([www.ProfessionalConnector.com](http://www.ProfessionalConnector.com)) and hosts over 50 events each year for the last 7 years.
- Extensive educational background, which includes a Doctorate in Clinical Psychology with coursework in Business Administration, Legal Studies, Marketing and Culinary Arts





DIRECTING SUCCESS THROUGH CREATIVE INSIGHT AND MEASURABLE  
RESULTS

Piedmont Avenue Consulting, Inc. is a San Francisco Bay Area based business development and marketing consulting firm who creates brand awareness, strengthens customer loyalty, and increase lead generation by leveraging new technologies and streamlining business processes.

WHAT WE DO

- Business Development Consulting
- Customer Loyalty Programs
- Brand Awareness and Positioning
- Business & Sales Strategy
- Internet Social Media Marketing
- Website and Internet Marketing Optimization
- Managed Marketing and Email Services
- Creative Front of Mind Customer Interactions
- Streamlining Operations; Technology Integrations

SCHEDULE A FREE CONSULTATION

Make sure to give us your business card to schedule your consultation or to receive the presentation

# Online Business Growth Strategies

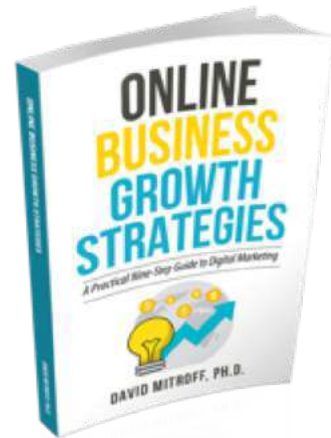
A Practical 9 Step Guide to Digital Marketing

Get your book

How much easier would it be for your business to have a guide outlining the 9 key areas to follow to develop an online presence?

In this book, readers will find out their current online presence score, receive practical examples to reach online success and uncover numerous free and paid tips and tricks that will help to create a dominating online presence. The higher your online presence score, the more successful your business will be. This book is designed to make an impact.

[HTTP://PIEDMONTAVE.COM/MARKETING-BOOK/](http://PIEDMONTAVE.COM/MARKETING-BOOK/)



Available at  
**amazon**



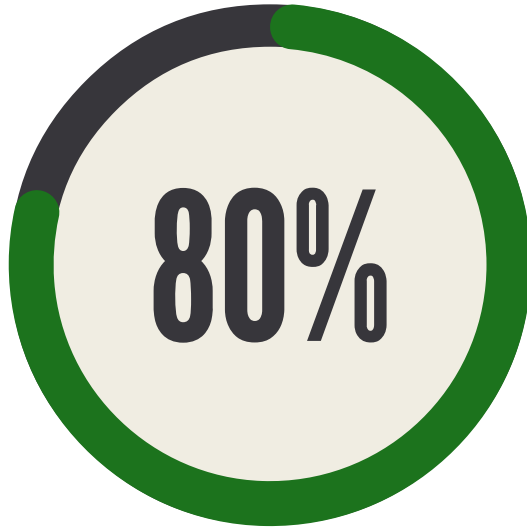
# DATA-DRIVEN MARKETING

MARK JEFFERY

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Chapter 1: The Marketing Divide

# MARKETING DIVIDE



- More than **80%** of companies do NOT use data-driven marketing.

# MARKETING DIVIDE



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- A **marketing divide** exists between organizations that do data-driven marketing and those that do not.

# MARKETING DIVIDE



- More than **80%** of companies do NOT use data-driven marketing.
- A **marketing divide** exists between organizations that do data-driven marketing and those that do not.
- Organizations that embrace marketing metrics have a **competitive advantage**.

A top-down view of a wooden desk. On the left, a white laptop is open. In the center, a pair of dark sunglasses lies on the desk. To the right, several camera lenses and a camera body are visible. The background is a light-colored wall.

# 15 Essential Marketing Metrics

- Brand Awareness
- Test-drive
- Churn
- Customer Satisfaction (CSAT)
- Take Rate
- Profit
- Net present value (NPV)
- Internal Rate of Return (IRR)
- Payback
- Customer Lifetime Value (CLTV)
- Cost per Click (CPC)
- Transaction Conversion Rate (TCR)
- Return on Ad Dollars Spent (ROA)
- Bounce Rate
- Word of Mouth (WOM)

## Non Financial Metrics



- Brand Awareness
- Test-drive
- Churn
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## Non Financial Metrics



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## Financial Metrics



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## "New Age Marketing Metrics"



- Cost per Click (CPC)
- Transaction Conversion Rate (TCR)
- Return on Ad Dollars Spent (ROA)
- Bounce Rate
- Word of Mouth (WOM)

# LEADERS VS. LAGGARDS

## KEY TERMS

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- **Demand Generation Marketing** - Drives revenues in a relatively short time period (i.e. sales, coupons, events)
- **Branding and awareness** - Drives and is designed for awareness, not to promote an upcoming sale (i.e. sports sponsorship)
- **Customer Relationships** - Focuses on creating a personal link to the customer to drive loyalty and engagement (i.e. thank-you notes after a purchase)
- **Shaping Markets** - Designed to make the market receptive to your products or services (i.e. social media blogging)
- **Infrastructure** - Investments in technology and training to support the marketing system (i.e. EDW, analytics)

# COORDINATION OF ACTIVITIES



KNOW YOURSELF



**Strategic Objectives**



KNOW YOUR  
CUSTOMERS



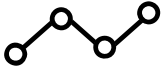
**Create a Database  
Analysis**



SEGMENT YOUR  
CUSTOMERS



**Customer Selection  
Customer Targeting**



DATA-DRIVEN  
MARKETING



**Marketing Campaigns**



BUILD TRUST



**Privacy Issues**



KEEP SCORE



**Metrics**

# 80/20 RULE

Successful marketing strategies don't require 100% of the data to get started.

**20%**

What is 20%  
of the data...

**80%**

...that will give 80%  
of the value?

A man with dark hair is sitting at a desk, looking frustrated with his hand on his forehead. He is using a silver laptop covered in various stickers, including GitHub, PHP, Node.js, and others. In the background, a large monitor displays a data dashboard with a line graph and a pie chart. The line graph shows a fluctuating trend, and the pie chart is divided into blue and green segments. The overall scene suggests a struggle with data analysis or a technical problem.

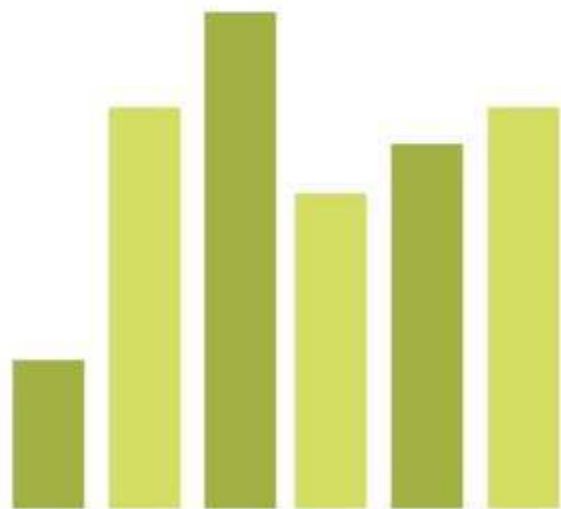
# OBSTACLES

TO DATA-DRIVEN  
MARKETING

Chapter 2: Where Do You Start?

# FIVE OBSTACLES

- 1 Getting Started
- 2 Causality
- 3 Lack of Data
- 4 Resources and Tools
- 5 People and Change





# Getting Started

OBSTACLE #1



**Start small and  
collect the right  
data.**



**Secure executive  
support.**

A magnifying glass with a black handle and a clear lens is positioned over an open book. A dark-colored pen lies horizontally across the pages of the book. The book's pages are filled with text, though it is mostly out of focus. A semi-transparent dark grey rectangular box is overlaid on the lower portion of the image, containing the title and subtitle in white text.

# Causality

OBSTACLE #2

## Isolate Cause and Effect...

...by conducting small experiments with  
**control groups.**

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...by conducting small experiments with  
**control groups.**



An aerial photograph of a city skyline, likely New York City, showing numerous skyscrapers. A thick layer of white smoke or steam is rising from the buildings, partially obscuring the sky. The sun is visible in the upper left corner, creating a hazy, golden light. The text 'Lack of Data' is overlaid in white on a dark semi-transparent rectangle in the lower half of the image.

# Lack of Data

OBSTACLE #3



# **B2B Businesses**

**How to obtain customer data when businesses sell to other businesses:**



# **B2B Businesses**

**How to obtain customer data when businesses sell to other businesses:**

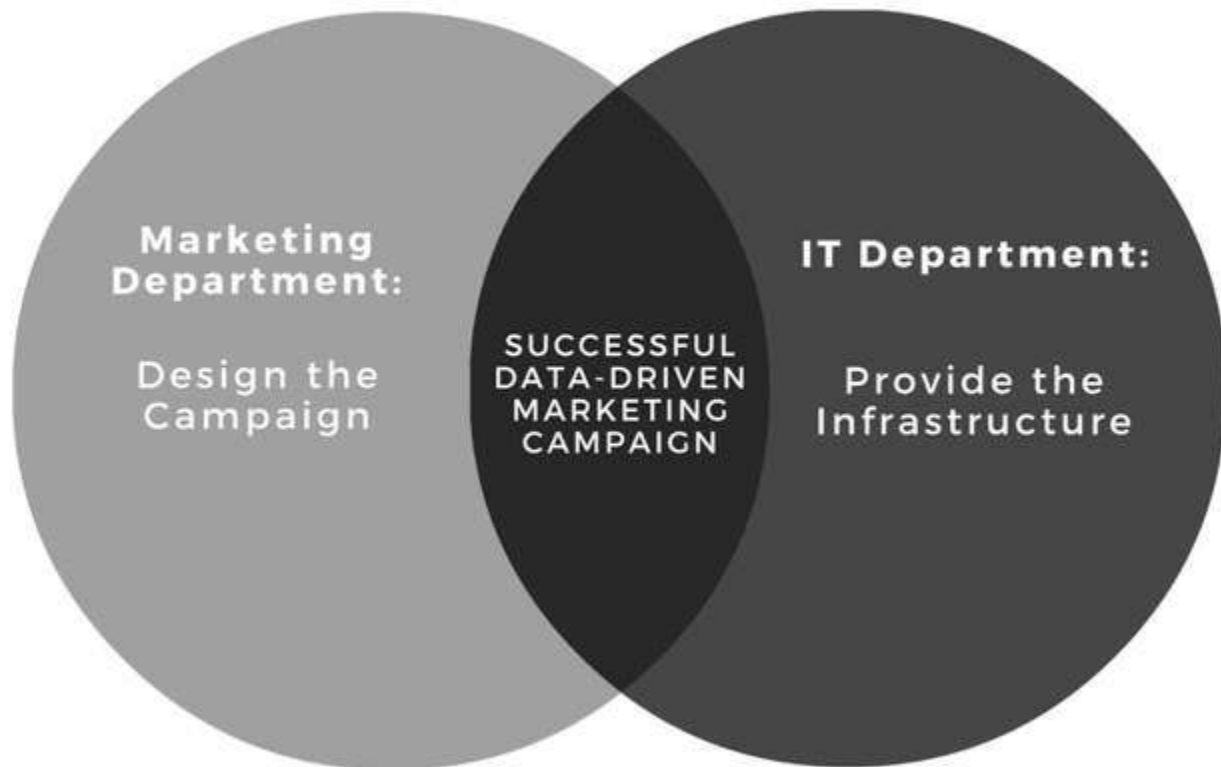
- **Share data with business partners**
- **"Frequent drinker programs"**
- **Surveys to customers**

A top-down photograph of various tools laid out on a dark, weathered wooden surface. The tools include two axes with wooden handles and metal heads, a claw hammer, a mallet, a pair of large metal pliers, a pair of worn tan leather work gloves, a silver flashlight, a blue circular tin, a curved metal hook, a folding knife, a utility knife, and a small metal cup. The scene is lit from the left, creating strong shadows.

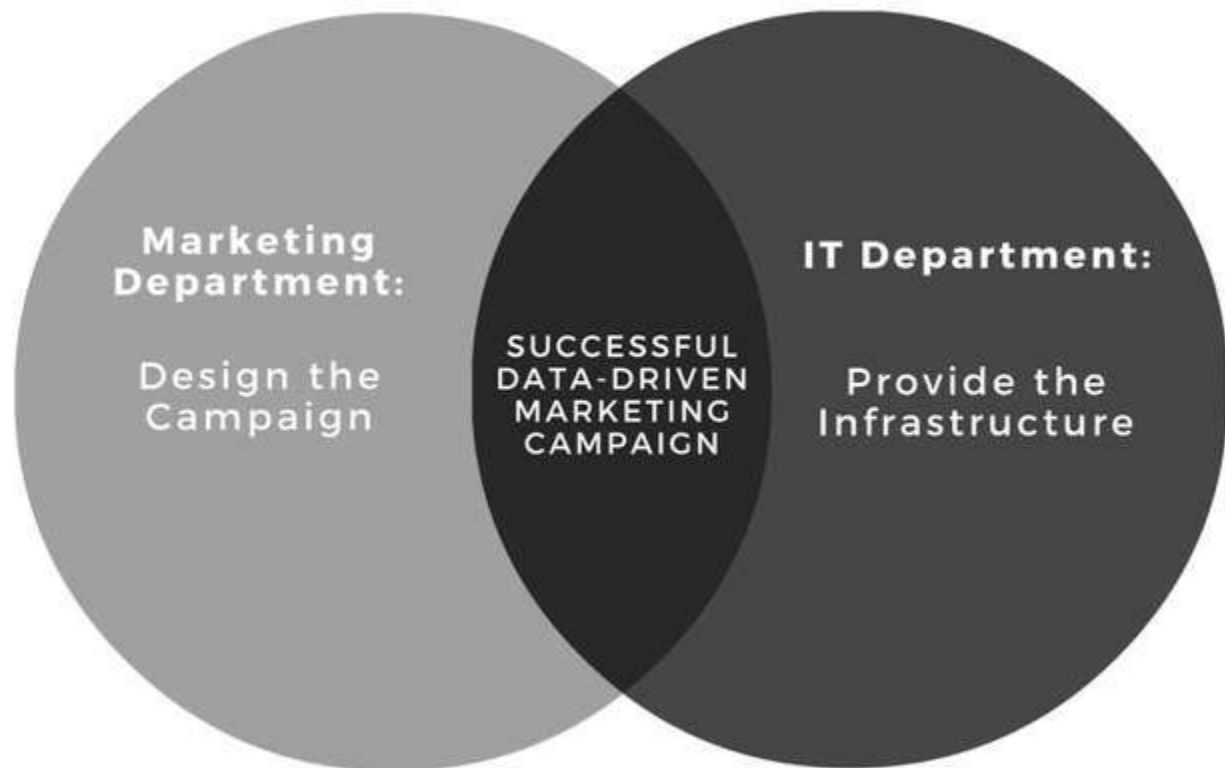
# Resources & Tools

OBSTACLE #4


# Resources for Success



# Resources for Success



**TAKEAWAY: Marketers and technologists must work closely together to design an effective campaign.**

A group of people are seen from behind, sitting at a long table in a high-rise office. They are looking out a large window at a city skyline. The most prominent building in the view is a large, classical-style building with a prominent dome, likely a state capitol building. Other buildings of varying heights and styles are visible in the background under a clear sky. The scene is brightly lit, suggesting daytime.

# People & Change

OBSTACLE #5

# Create A More Data-Driven Culture

**Measure results**

**&**

**Reward results**



# Create A More Data-Driven Culture

## **Training:**

Introduce techniques, approaches, and tools.



# Create A More Data-Driven Culture

**Senior Executive Leadership**  
should lead the  
movement for  
change



# Road Map



# THE 10 CLASSICAL MARKETING METRICS

CHAPTER 3  
DATA - DRIVEN MARKETING



**"Marketing is creative"**



# But creativity and marketing can coexist



The Behavioral  
Impact Model



Metric #1:

**Brand Awareness**





Power of brand:



**White coffee cup vs. Starbucks coffee cup.**  
How does adding a logo change this product?

# Metric #1: The Essential Awareness Metric

Do you recognize this brand?



# Metric #1: The Essential Awareness Metric



Brand awareness = ability to recall a  
product or service



## Brand Awareness Marketing:

When the acquisition cost of a customer is greater than the money made from the product or services, this is a good indicator to change marketing tactics.



Metric #2:

**Test Drive**





"Test Drive" is a customer pretest of a product or service prior to purchase

**i.e. trying on clothes!**



A photograph of a grocery store aisle. The aisle is filled with shelves of various products, including canned goods and packaged items. In the foreground, two shopping carts are visible, one on the left and one on the right. A person is partially visible in the background, standing near the center of the aisle. A red sign with the number '4' and the text 'ready to serve' is hanging from the ceiling. The text overlay is centered and reads: 

Test Drive Conversion Rate =  
# of purchases / # of drives

EXAMPLE

# Luxottica

Ray-Ban website offers a "virtual" mirror to try on glasses.



## **Metric #2: The Essential Evaluative Metric**



Test drive = customer pretest of a product  
or service prior to purchase



Metric #3:

Churn





- % of existing customers who chose not to do business with you
- Measure customer loyalty through repeat purchases



EXAMPLE

## Lexus

1. Marketing incentives
2. Free touch-ups

Lexus boasts  
incredibly loyal  
customers

# Metric #3: The Essential Loyalty Metric



Churn = % of existing customers who stop purchasing your products/services

Metric #4:



**CSAT**  
(Customer Satisfaction)



A close-up photograph of a person's hands holding a small, round, light-colored bowl filled with several cherry tomatoes. The person is wearing a light-colored, textured work glove with blue polka dots on the back of the hand. The background is a blurred green field with a yellow flower. A semi-transparent dark grey rectangular box is overlaid on the center of the image, containing white text.

"Would you recommend this product/service to others?"

A group of people, including children and adults, are gathered around a light-colored table. One person is holding a tablet, and another is pointing at a smartphone. The scene is brightly lit, suggesting an indoor setting like a classroom or a meeting room. A semi-transparent grey box is overlaid on the center of the image, containing white text.

Ultimate for marketing =  
when your customers are so  
excited about your products or  
services that they persuade  
others to use it

# Metric #4: The Golden Marketing Metric

Ask the question:

Would you recommend this to a  
friend or colleague?



Metric #5:

**Take Rate**

% of customers who accept an offer



Take rate =  
# of accepted offers / # of contacts

**AC = Acquisition Cost**

$$AC = \frac{\text{Cost per contact} \times \text{Number of contacts}}{\text{Number of accepted offers}} = \frac{\text{Cost per contact}}{\text{Take rate}}$$

# Metric #5: The Essential Operational Effectiveness Metric

Merry Christmas & happy holidays from your friends at the  
**7th Street Deli & Sweet Shoppe!**

**Buy one, get one free.**

Offer valid with any regular purchased classic  
fountain treat on Saturday, December 1st  
or Sunday, December 2nd 2007



Limit one per customer per coupon per visit,  
only original coupons are valid.

The 7th Street Deli & Sweet Shoppe  
317 7th Street  
Hoquiam, WA 98550  
(360) 533-7112

Take Rate = % of customers accepting a  
marketing offer

## Metric #6-9: Four Essential Financial Metrics

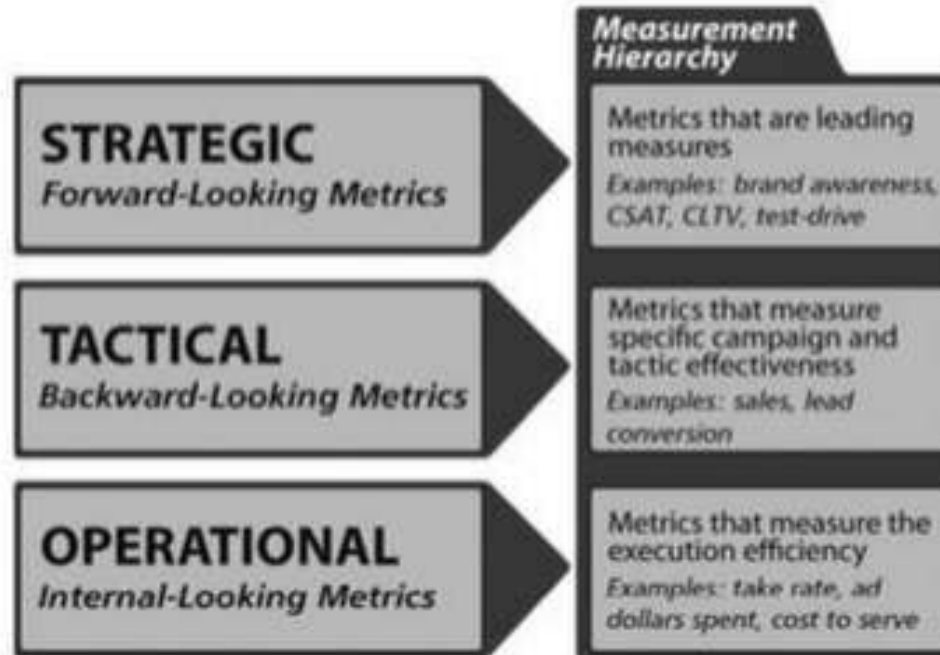
6. Profit = revenue - cost
7. NPV = net present value
8. IRR = internal rate of return
9. Payback = the time for a marketing investment to pay back the cost of the initiative

# Metric #10: The Essential Customer Value Metric



CLTV = future value of a customer

# Scorecard: Marketing Campaign Planning



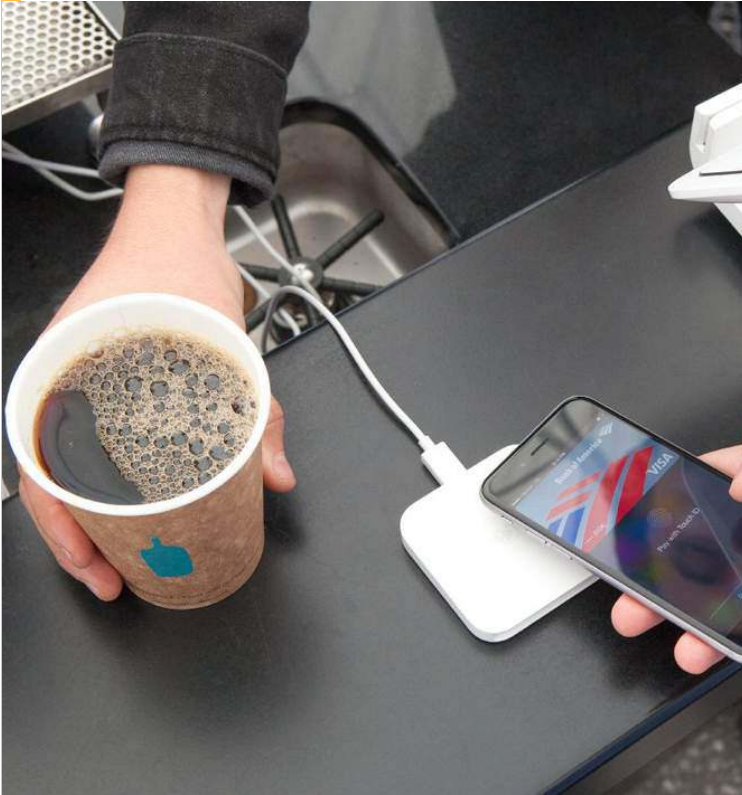
# Scorecard: Marketing Campaign Planning

Strategic =  
forward looking  
metrics

i.e. evaluating  
brand awareness



# Scorecard: Marketing Campaign Planning



Tactical =  
Backward  
looking metrics

i.e. # of sales  
made

# Scorecard: Marketing Campaign Planning

Operational =  
internal metrics

i.e. evaluating  
the success of  
marketing  
campaigns



# B2B Measurement Challenge

Why might B2B businesses have a harder time using metrics to measure marketing success?



# B2B Measurement Challenge

Customer surveys can be used as a proxy for customer data.



# SUMMARY

- #1 Brand awareness
- #2 Test drive
- #3 Churn
- #4 CSAT
- #5 Take rate
- #6 Profit
- #7 NPV
- #8 IRR
- #9 Payback
- #10 CLTV

# ASSESSMENT PROCESS / BOOK

## 9 Key Areas of Social Media

1. Website & Blog
2. Online Directories
3. Review Sites
4. Social Networks
5. Micro Blogging
6. Rich Media
7. Mobile Apps
8. Industry Specific
9. Event Promotion



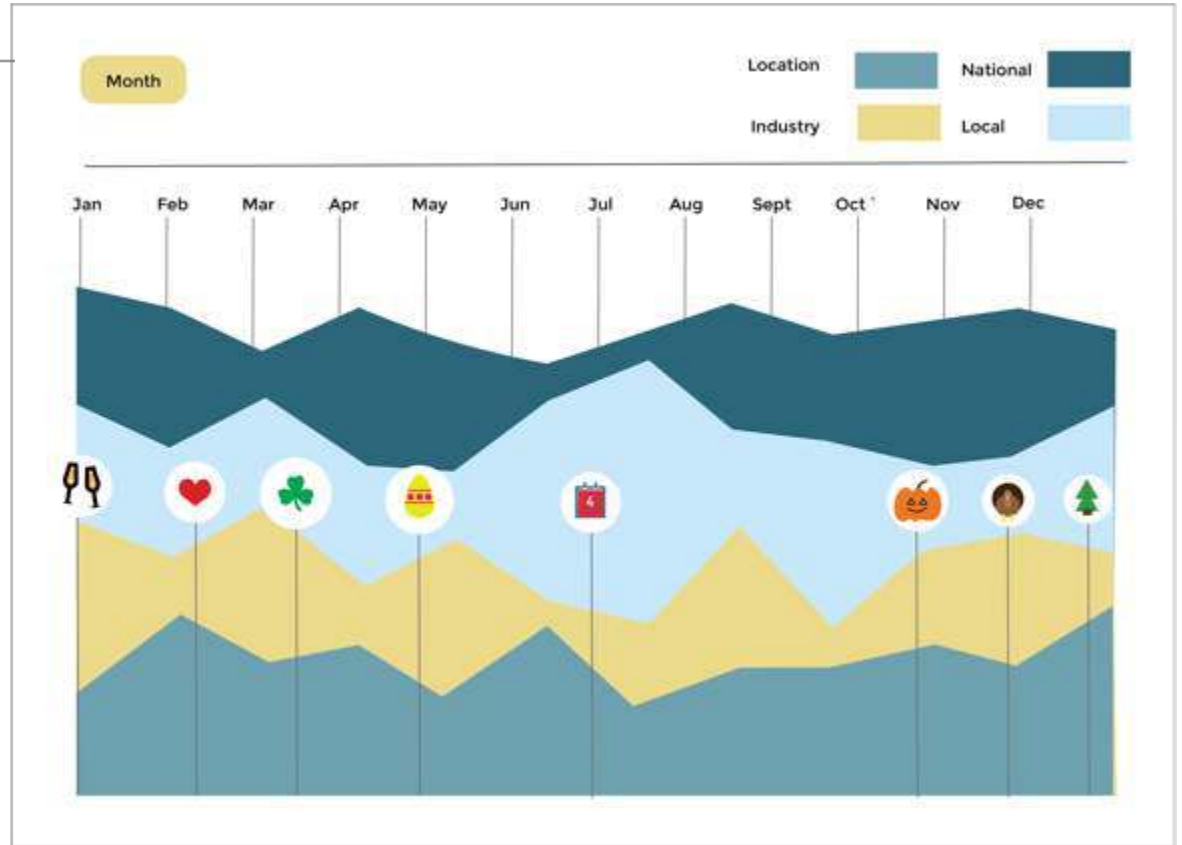
# 12 Month Marketing Calendar

National Holidays

Local Holidays / Events

Industry Related

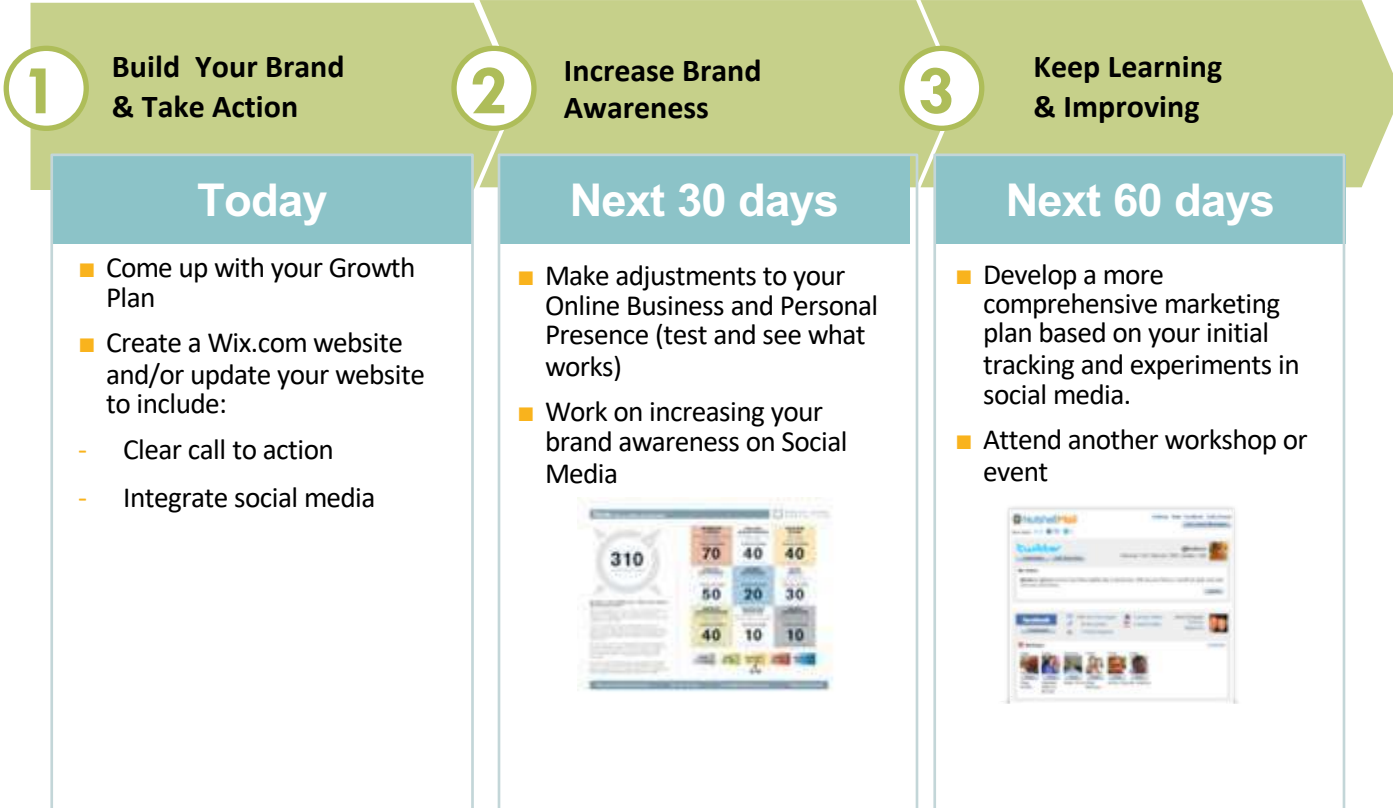
Location Based



# Next Steps

A person with long blonde hair, wearing a denim jacket, stands on the Golden Gate Bridge, looking out over the bay. The bridge's towers and cables are visible, and the water is blue. The text "Next Steps" is overlaid in the center.

# Next Steps



Find more at [www.PiedmontAve.com/Resources](http://www.PiedmontAve.com/Resources)



# QUESTIONS?

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MONTH **1** Upcoming Events

