



31 How to test and measure the return you get from marketing

***If 50% of your marketing is working,
which 50% is and which isn't?***

What is testing and measuring?

Testing and measuring means finding out what specific results you are getting from the marketing activities you engage in. It is about generating some tangible facts and figures to support your future marketing plans. It will enable you to go beyond gut feel or 'suck it and see'. By testing and measuring you will create the figures, the sales results and the numbers to support your marketing proposals.

Why is it important?

Do you know for sure which of your current marketing methods work the best? Can you tell where the majority of your new enquiries come from? Do you know how much of your product or service you sold as a direct result of a particular advertising campaign? If you do not have this information you have no way of learning about your business or your customers' responses to your marketing activities. How can you fine tune your delivery to improve results if you don't know what they are in the first place? How can you make decisions about where to spend your budget year on year? How can you decide what to drop and what to repeat? Testing and measuring the specific results you get from marketing is absolutely necessary if you want to evaluate your return on any investment you make.

Your challenge

Your challenge will be setting up a system to test and measure each of your marketing activities. You will need the discipline to work your system until you have gathered enough information to come to meaningful conclusions. Don't give up before you have had a chance to test and measure thoroughly. It will be worth it in the long run. You will save time, money and effort by ultimately focusing on what works and stop wasting money on what doesn't.

Some marketing methods will be harder to test than others. Direct response marketing like advertising, direct mail, email campaigns and telesales campaigns

are easier to test and measure than general brand awareness marketing like poster campaigns, transport advertising and billboards. To come to a buying decision customers may have come into contact with a number of your marketing messages over a period of time before a positive response is triggered.

What makes testing and measuring successful?

Testing and measuring needs to be systematic. You need to decide how each method will be tested and measured prior to starting. You will also need a system of recording the information. A simple spreadsheet can be an easy way to do this.

Test on a smaller scale first

If you are planning a direct mail campaign, test a smaller number on a targeted group and count up the responses you get before you send out the larger batch. If it doesn't work well enough you will have a chance to fine tune the approach, then try a different headline or a different offer.

Get team understanding and support

If you have a team of people working in your business it is likely that they will be involved in gathering customer response information. The more they understand about the importance of finding out what is working and what isn't the more likely they will be to follow through with the system necessary to get it right.

Choose the right measure for the right method

Make your measures creative and different. You may make a specific offer in one advert. You might have a particular response process that applies to a sales campaign that enables you to track the results. You could propose an outrageous freebie in a local directory listing. You may set up different codes or reply references on email campaigns. You may have signed up to a website traffic report. The measure will need to be appropriate to the marketing method used and easy to monitor.

Ask people where they heard about you

Asking people where they heard about your business is probably the easiest and

most instant way to get answers. Get everybody in your organisation to gather this information. It can be done on the telephone when you get an enquiry. It can be asked in conversation or at the end of a customer transaction. This information needs to be recorded, collated and evaluated.

YOUR TEST AND MEASURE – SPECIAL RESPONSE CHECKLIST

- ▶ What marketing methods are you using at the moment?
- ▶ How are you testing and measuring the return you get?
- ▶ Do you know what is working best?
- ▶ If not, what could you do to introduce relevant measures?
- ▶ How could you systemise your testing and measuring process?
- ▶ Decide on what you can test and measure.
- ▶ How you are going to do it?
- ▶ How and who is going to record the information?
- ▶ Review results and make decisions.

How to use this information

The information must be used to optimise the return you get from your marketing. Cut out those methods that do not work after thoroughly testing and fine tuning. Use more of the methods that work by doing everything you can to maximise impact.

For example if your window display is one of the most popular customer magnets, then make the most of it. Change the display, promote special offers, use it to introduce new products. Keep it clean and clear. Use testing and measuring to support continuous learning about your marketing and your customers' responses.

***Think test and measure and find out
what works and what doesn't***