

InfoTrak: ‘Dash’ to More Effective Marketing

Using a dashboard approach to monitor collateral and fulfillment performance

MARKETING ROI AND PROFITABILITY RANK AT OR NEAR THE TOP OF MOST EXECUTIVES’ AGENDAS IN TODAY’S COMPETITIVE BUSINESS ENVIRONMENT.

With this ever-growing emphasis on accountability and measurement, marketers increasingly are turning to information dashboards to help them track their departments’ opportunities, successes and shortcomings.

Launching an effective marketing dashboard involves a range of formidable tasks, not the least of which is defining meaningful metrics or key performance indicators. Even while debating appropriate measures and implementation strategy for the overall marketing function, CMOs – in partnership with their fulfillment vendors – could be developing dashboards to improve collateral and fulfillment performance. Their fulfillment metrics will not only help them track and refine the effectiveness of their collateral and its distribution, but also will support broader program metrics.

This article provides an overview of the dashboard concept and its benefits, as well as potential metrics for fulfillment and collateral functions.

OVERVIEW OF A DASHBOARD

Dashboards come in many shapes and sizes and are designed to give marketers a capsulized, graphic view of key performance and operational metrics they need to manage their functions. Like your car’s instrument panel, a marketing dashboard should let you know – at a glance – whether all is running smoothly, or whether any of your activities are operating in the danger zone.

The benefits of a well designed dashboard can include:

- Reducing the time your marketing team spends on purely administrative functions;
- Creating a better understanding of how you spend your marketing budget;
- Providing an integrated view of business objectives, marketing strategy and marketing tactics;
- Defining objectives for, and measuring results of each activity and relating those to budget spent; and, thereby,
- Making your marketing spend more productive,

To achieve these benefits, a dashboard needs to:

- Be concise and intuitively designed. The graphics should clearly and quickly communicate the important information without taking up a lot of space – preferably on one screen, so you can monitor all important indicators easily.
- Be customized. Information required to achieve effective performance varies from company to company, function to function, department to department, and job to job. Depending on your business needs, they can also include key information from and for channel partners and customers.
- Provide data in real time. Periodic snapshots may not be enough to stay ahead of the competition. Providing data in real-time ensures an accurate picture of what’s happening 24/7.

APPLYING DASHBOARD CONCEPTS TO FULFILLMENT

As noted earlier, collateral fulfillment is one area where marketers could be doing more to understand the overall return of their marketing literature program, even in the absence of other marketing dashboard indicators.

Better fulfillment companies already provide real-time reporting, including customized data gathering and compilation. It’s a relatively short step from there to creating dashboard graphics that give customers a better handle on communication effectiveness, customer responsiveness and cost savings.

For example, one very simple indicator would be the number of orders received on a given day. By itself, that number doesn’t mean much. But by comparing it to the average number of daily orders, trended over time, you can get an indication of whether the day’s orders are normal, above normal or below normal. (Of course, you have to have some type of “control” to define normal, such as the average number of daily orders produced by a long-running, tried and true promotion.)

Another useful indicator is the number of literature requests on backorder. Out-of-stock and backorder situations prevent prospects or partners from getting what they requested in a timely fashion, so, ideally, backorders should always be zero. If that’s not the case, you need to do something about it quickly.

While dashboard graphics can tell you what is happening, they don’t tell you why. Using the car analogy again, when your “check engine” light comes on, you don’t know what’s wrong, but you know you need to pull over and take a look under the hood.

Correlating that to the marketing dashboard, if you see a sudden jump in the daily average of orders, you can tie that in to the effectiveness of a recent advertising campaign or that trade show your company attended last week. By tracking orders against your control as you launch new campaigns, you can develop more effective strategies for communicating with your prospects and markets.

Similarly, if you find your backorders are high – or persist for very long – it’s time to adjust your reorder quantities, institute a digital print or electronic file strategy, or a combination of both.

In both cases, your fulfillment partner can provide norms, based on ordering and usage patterns tracked over time, taking into account seasonal patterns, campaign dates, or other variables pertinent to your business.

WHAT SHOULD YOU MEASURE?

While some fulfillment metrics will be useful to all customers, better fulfillment companies can suggest and develop metrics of particular importance to a specific customer. For example, suppose a customer wanted to free up more working capital for strategic aims. Their fulfillment provider could suggest ways to minimize collateral inventory through digital printing and just-in-time print strategies, complemented by a dashboard graphic that monitors the value of their inventory. If the indicator rises above a certain set-point, their CMO can take steps to bring it back in line or justify the additional expense to C-level executives.

The dashboard approach is especially helpful for complex campaigns. For instance, metric indicators can be developed to monitor each stage of a multi-touch communication program – e.g. one utilizing direct mail, email, and phone calls – to track results, norms and exceptions over time by the type of touch, the number of touches, region and product, or any other pertinent variable.

Another potential use is to correlate collateral usage to sales effectiveness by looking at what the top five sales people are ordering, versus what the bottom five sales people are ordering. If the use of a particular piece of collateral and sales are both up, there's cause to believe the piece is effective. If the piece is heavily used, but sales don't go up – or, alternatively, if sales are up, but the piece isn't heavily used – it's time to reevaluate the value of, or need for, that particular piece.

The possibilities for developing such fulfillment metrics are wide-ranging. The key is to focus on measurements that get to the heart of your business and marketing objectives. With that information in hand, marketers can make accurate, cost-effective decisions regarding collateral choices and plan more efficiently for future activities.

IN CONCLUSION

The potential of marketing dashboards is enormous, but – to date – still largely unrealized. Fulfillment is a smart, and relatively easy place to get started. The longer your fulfillment company works with you, the deeper its understanding of your business and strategies, enhancing its ability to suggest useful metrics and collateral optimization strategies and implement effective monitoring techniques.

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