

Digital Marketing Performance Analytics

Digital marketing has created a great deal of value for firms by enabling potential customers to be targeted more precisely and permitting the effectiveness of marketing activities to be monitored and optimised. However, it has also increased the market power of digital marketing channels and agencies. One aspect of this is the dependence on these suppliers for metrics and analysis. Firms can mitigate this dependence by creating their own digital marketing performance analytics capability. This paper outlines some of the issues and potential remedies.

Digital Marketing Advantages

One of the promises of digital marketing is that the effectiveness of digital marketing expenditures can be effectively measured and therefore more easily optimised to maximise the productivity of the marketing spend.

Digital Marketing Issues

There is data complexity, with a large number of potential channels and marketing tools, each with their own metrics. Marketing agencies are often integrating data manually despite the fact that multi-channel digital marketing campaigns can generate weekly and biweekly data on multiple measures, data sources, products and media partners. This consumes time on data management at the expense of the quality of the agency analysis.

The metrics and analyses provided as to the performance and costs of digital marketing activities are ultimately provided and controlled by the suppliers of the services. Neither the quality of the data or the analysis is validated independently.

How Can Analytics Help?

Analytics can be used to provide far more challenging analyses of the performance and costs of marketing expenditures. Additional data can be incorporated to

provide reference metrics against which to assess the reliability of the metrics provided by suppliers and to validate costs.

Automation can eliminate the repetitive manual data extraction and transform processes so that all the relevant marketing data from multiple sources, channels and products can be quickly integrated. Additional reference data from internal transaction systems and channel partners and third party sources can also be introduced. This reduces the time taken to produce information so that action can be taken promptly.

How to Proceed

Establish a separate repository of digital marketing analytics data and so reduce the dependence on performance analysis provided by suppliers. Create reference and benchmark measures which can be used to validate the reported metrics. Combine the digital marketing data with internal transaction and commercial performance data to create holistic oversight of the marketing activity.

How Inflexion Can Help

Inflexion can help you create the data sets for more effective analysis of marketing performance and costs together with the analytics required to turn the data into actionable information.