Marketing Analytics

In recent years, the growth of efficient analytical tools and new methods, have given marketing heads a new oil fueling the organizations with new decision-making firepower and spark. Increase in growth and marketing return on investment (MROI) is greatly influenced by Marketing Analytics. The use of analytics in Marketing has increased greatly in the last couple of years and a Forbes Magazine article reported a 67% growth in hiring in Marketing Analytics.

Consumer is Dynamic!

The understanding of the target audience's buying behavior is a key factor that determines an effective MROI. With the advent of internet and e-commerce, products that were purchased traditionally from brick and mortar stores like microwave oven, refrigerator, apparels, books to insurance policies are also purchased from the web today! This calls for accepting the fact that the consumer is more dynamic and that consumer behavior is subject to many different moments of influence which demands a change in media mix, marketing and advertising budget, distribution channels etc.

Marketing Indicators

So long, strategies were based as well as evaluated typically on last year's dollars spent or how well a product faired in the market. A much better approach measures plans based on their strategic return, economic value, and payback window. Evaluating plans using such measures provide a consistent method for comparison, and these measurements can also be combined with preconditions such as baseline spending, thresholds for certain media in the media mix based on the type of product and the target customers, prior commitments etc.

Benefits of Marketing Analytics

In order to gain proper insights to generate smart business decisions, Marketing Analytics follows a methodical and efficient process of understanding and interpreting data. Collection of appropriate and logical data is one of the key element in measuring marketing effectiveness but data would remain numbers unless meaningful analysis is done. Marketing analytics, measures effectiveness in business metrics like traffic, leads, and sales which in turn influence whether leads become customers. In many marketing situations you need to slice and dice data to gain valuable insights into marketing as well as decide future strategies. For example,

- Study Sales volume by store location, weekly/monthly and product wise and then use it to predict future sales that helps in advance planning of marketing as well as supply chain resources
- Investigate global drift of a business due to global and local policies, new technology etc. – this influences current and future product marketing strategy
- Assess effects of marketing campaigns in different media and decide on media mix, budget and spend
- Regulate the impact of demographics on a merchandise
- Understanding and getting insights on customer preferences and trends to drive current sales as well as for future product strategies
- Internet marketing analytics and social media analytics helps in monitoring campaigns and their respective outcomes thus enabling to spend money effectively

Marketing – Integrated Approach

MARKETING ANALYTICS – GOING BEYOND: CONNECTING ANALYSIS AND ACTION

The importance of product development, customer satisfaction as well as brand awareness has made 'analytics' presence significantly felt and marketing is no longer limited to just customers searching for a product. How people look for you indicates how the market talks about you and how your brand and products are being portrayed. Therefore, it is imperative to analyze the available data correctly by using the right algorithm, tools and techniques for taking the right action. We need to imagine analysis and action as connected and dependent upon each other and not detach them as together they are of value and becomes greater than its part. In other words:

Analytics + Actions = Actalytics

We have numerous data as well as analytical tools to make smart choices in business. Existing techniques starting from descriptive statistics to predictive modeling, optimization techniques, time-series forecasting and newer text mining algorithms for analyzing unstructured text data from social media, mobile devices etc. are being used widely in marketing analytics. For unveiling significant and meaningful insights and driving above-market growth for brands, businesses must put analysis at the heart of an organization and take an integrated analytical approach to succeed.