Measure the Success of your Marketing through your CRM

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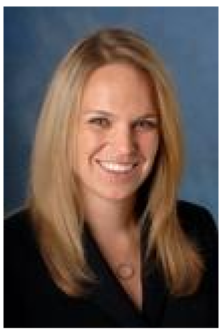

Marketing is an area of business that is often difficult to track for effectiveness. We would all like to know what our return on investment is for any specific campaign, but more often than not, we find it nearly impossible to do so.

We struggle with this is because it is rare to attribute a new client relationship to one specific campaign. For example, you might meet a prospect at a Chamber of Commerce mixer, send him an invitation to connect on LinkedIn, add him to your monthly e-newsletter distribution list and invite him to your client appreciation golf tournament before he schedules an appointment. Which one of these campaigns was responsible for bringing in the client? You might say the Chamber of Commerce mixer since that is where the initial contact occurred, but that event alone would not have been sufficient.

Some campaigns are easier to track than others, such as a radio show or a workshop, since there is a measurable call-to-action (e.g., a specific phone number to call to respond to the campaign). But who is to say that a prospect decided to attend a workshop only when they received the invitation, or because they had been listening to the radio for years?

No single marketing campaign works alone. It is your marketing campaigns in aggregate that produces results.

Just because marketing is difficult to measure, it doesn't mean you should give up trying to do so. Your time is valuable and you have a limited budget, so you will want to make educated decisions about where to best allocate your resources. The best way to do this is to utilize your customer relationship management (CRM) system to track your marketing efforts.

Each CRM will vary in its capabilities, but you should be able to customize yours to track your basic marketing activities. Depending on the system you use and your own comfort level with technology, your CRM may be able to track all aspects of your marketing campaign. But if you don't have the time, skill or resources to develop your CRM for this type of functionality, there are two things you can easily do to help you make more informed marketing decisions in the future.

1. ***Track the source of your prospects***. Depending on which CRM system you are using, have a field that tracks the source of your prospects. This field should contain information about how the prospect originally heard about you. Standard inputs for the field can include: networking event, workshop, client referral, center of influence (COI) referral, radio show, Twitter, FPA Planner Search, Google, etc. Customize the different options to correspond with your marketing campaigns. Consider being very specific when naming the sources. For example, instead of just selecting the source as "networking," choose "Chamber of Commerce" instead. This will help you not only track which types of marketing campaigns have been most successful for you (e.g., networking) but also the specific details of the campaign (e.g., Chamber of Commerce networking mixers) so that you can develop more effective marketing plans in the future.

2. ***Track referrals***. In your CRM, have a field to track referrals. While the source field will help you identify the type of referral (i.e., client or COI), it is equally important to know who specifically referred a prospect to you. In John Doe's account, you would want to create a field that showed that he was referred by Mary Smith. Ideally, you would want to show in Mary Smith's account that she referred John Doe. Some CRM systems will let you create relationships between contacts, making this process much simpler. By tracking which clients and COIs have referred prospects to you, you can tailor your future marketing efforts. For example, you may want to host a special event for or send a gift to all of the clients who referred a friend, family member or colleague to you. Likewise, you may want to spend more time nurturing relationships with the COIs who refer clients to you.

Analyze the data

Once you track this information for a year, analyze the data to make informed decisions about your annual marketing plan. Your CRM system should allow you to run a report for all of your prospects, clients and COIs with the source and referral information included. Look for the activities that are working and focus more resources on those areas.

For example, have you received five new clients come from college alumni mixers and none from your Rotary Club meetings? Perhaps it's time to cancel your club membership and spend more time with your alumni association. Look at your data to identify weaknesses and make adjustments. For example, perhaps you haven't received referrals from COIs. It could mean that you should focus more on your client referrals if that has been effective, or it could mean you don't have sufficient campaigns in place to nurture your COI relationships (e.g., a monthly communication schedule). Carefully decide which campaigns should be cut, which ones need to be improved, and which ones should have more resources allocated to them.

Marketing is still an art, but by making a few small customizations to your CRM system and tracking the source of your prospects and clients, you will be able to use more science to craft your art.

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