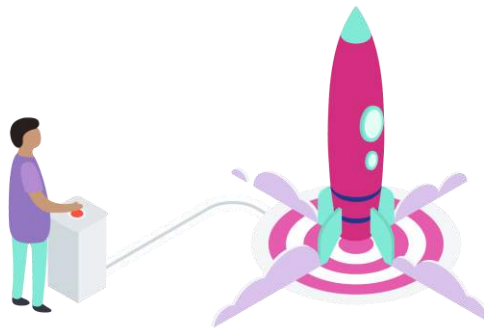




## Display Marketing

### Subject Code: 21DMS001



#### Reference Notes

### Session 6: Digital Marketing Metrics



# Digital Marketing Metrics

## What are digital marketing metrics?

- Digital Marketing Metrics and KPIs are **values used by marketing teams to measure and track the performance of their marketing campaigns**. Digital marketing teams use a number of tools to promote their services and products, and tracking the results can often be time consuming and difficult.

# Digital Marketing Metrics

- A sound Digital marketing strategy with well-defined marketing metrics is critical for determining the success of your online activity and efforts for impactful sales.
- As a marketer when you carve out a digital marketing strategy, or a marketing campaign, there are certain tough questions you inevitably face.
- Am I reaching out to my target audience effectively? Are they responding to my CTAs? Should I focus on a different set of demographics? Am I getting the conversions and the ROI that I want?

# Digital Marketing Metrics

- The answers to these questions are crucial to measure the success of your marketing campaign for the desired results. But, it is usually this measuring part which is tricky because numbers unfortunately don't tell you everything. And neither do they necessarily help you demonstrate real value for your organisation every time in terms of sales and returns. If this weren't true, then the bounce rate and number of sessions fleshed out by Google Analytics would be magical! However, there is good news!
- Over the last few years, the practice of measurement has evolved tremendously. Not only are there some incredibly knowledgeable Digital Marketing and Website Analytics master minds out there, but also a vast array of tools that aid you in monitoring and measuring your Digital Marketing activity.

# Digital Marketing Metrics

- Although the metrics you want to measure will depend on your most important business goals, we have pulled out 5 mainstream marketing metrics for you.
- These can serve as a foundation on which you can measure the success of your marketing campaigns and they in return provide you with the proof that you are doing your job well.

# Digital Marketing Metrics

## Total number of conversions

- The conversions are the visitors that convert into records for your marketing database and let you focus on what truly matters. But most of the organizations that rely on Google Analytics as one of the most important measurement tool make a couple of mistakes. First, they look at overall site averages and second, they fail to set up goals.
- Without goals, you can't see whether your visitors are responding to the desired CTAs like buying something, subscribing to a service, filling out a form, downloading a brochure or signing-up for a newsletter.

# Digital Marketing Metrics

You can either refer to the total amount of conversions or segment them according to the audience type to identify the nuances of your customer behavior.

# Digital Marketing Metrics

## Reach & Engagement levels

- Consider reach and the level of engagement as the two major elements of the measuring process.
- For e.g. let's investigate the social media marketing metrics. Each social platform has its own specific Digital Marketing metrics like Facebook Insights, YouTube or Twitter analytics. But regardless of the way it is represented, the most important aspects to look at are the levels of reach and engagement. You can consider these two elements as a measure of the health of your social media marketing profiles.
- In terms of, are you being visible? And are your online communities interacting with your content?



# Digital Marketing Metrics

However, be mindful that although these social media marketing metrics are easily accessible, trying to establish a correlation between the reach, engagement and action levels is vague and nonexistent. But since social media activity effectively provides a sturdy platform for business impact, monitoring it should be considered as an important rung in the ladder and not as a complete evidence of success.

# Digital Marketing Metrics

## Conversion rate by channel

- As a marketer it is imperative for you to identify which activity has the greatest impact on your ROI and sales. Measuring conversion rate by channel helps you calculate this.
- To get accurate data on the best performing channels, you need campaign tracking and Google's campaign tracking tool simplifies the tracking of your online activity back to your site provided you use it well and consistently.

# Digital Marketing Metrics

## Cost per sale/acquisition

- If you start using campaign tracking, it gets easy for you to work out the cost per sale or acquisition (CPA). However, there may be times when it is confused with cost per conversion but there is a difference. Conversion is non-revenue based like filling out a form etc. while an acquisition is about a customer spending money on your product or service.
- A simple way to calculate CPA is to work out the average revenue per customer and from that pulling out how much you're spending on an average to capture a customer.

# Digital Marketing Metrics

## Return on investment

- The next step after CPA is determining your ROI.
- It means how much you had to invest to get a customer and how much did they subsequently spend?
- $ROI = \text{Net Revenue} / \text{Cost}$ .
- ROI is usually expressed as a percentage. While a high ROI is always welcome, it should always be used along with other metrics like as cost per sale and overall conversions.

# Digital Marketing Metrics

## Digital marketing metrics every business should track

- **Digital Marketing Metrics and KPIs** are values used by marketing teams to measure and track the performance of their marketing campaigns. Digital marketing teams use a number of tools to promote their services and products, and tracking the results can often be time consuming and difficult. By creating specific digital marketing KPIs and tracking them on a [dashboard](#), it's easy to determine targets and goals and measure performance based on those values.

# Digital Marketing Metrics

## Best Digital Marketing Metrics

- The top KPIs for modern digital marketers that are data-driven:
- Web traffic sources
- Brand awareness
- Cost per lead
- Website traffic leads
- Returning visitors
- Online conversion rates
- Lead conversion rates
- Click thru rate
- Customer lifetime value

# Digital Marketing Metrics

## Digital marketing metrics you've never heard of

- While the right metrics can keep you ahead, all the data available can be overwhelming.
- That's why we've gathered the ones you need to know, so you can organize and prioritize.

# Digital Marketing Metrics

## Why bother tracking?

- Tracking metrics will warn you when certain trends begin to fade, and they'll help you decide where to invest your marketing budget.
- For example, anywhere from 34% to 63% of millennials block ads, making this once-lucrative channel less effective. ([MediaPost](#))
- Social media ad revenue is expected to grow by 42.9% in 2018 but is expected to grow as little as 13% by 2022. ([Statista](#))



# Digital Marketing Metrics

## Simple and Reliable Digital Marketing Metrics

- **Digital Marketing Staples**
- **Overall Traffic - *What:***
- “All Traffic” (from Google Analytics) will show you how many people visited or engaged with your site in total. It can be broken up into source/medium, which describes where your traffic comes from.
- ***Why:***
- Overall traffic will give you a bird’s eye view of where you stand. It’s a good idea to benchmark or keep an eye on your total traffic over time. You may begin to see similar patterns emerge—like seasonality—that can put you ahead of the game later. The rule of thumb here is that if you’re doing a good job, your overall traffic from all sources should steadily increase over time.

# Digital Marketing Metrics

## *How to Measure:*

- First, enter your Google Analytics dashboard.
- Go to the Acquisition report section
- Go to Overview
- Look in the Sessions column in the table

# Digital Marketing Metrics

## Channel-Specific Traffic

### **What:**

- These metrics depend on where people were immediately before arriving at your site. The channel is the type of door they used to enter your site.

### **Why:**

- Looking at your top mediums is important to measure for full-scale digital marketing campaigns. It allows you to see what's causing a drop in visits (if you see dips in overall traffic) and where your campaign excels.

# Digital Marketing Metrics

## Total Conversions

- ***What:***
- Traditionally, a “conversion” is when someone evolves from a simple user visiting your site to a paying customer. However, in today’s digital world we want to track engagement and what our customers are doing on our website to get them deeper into our funnels.
- More generally, it’s when users complete any desired action, such as filling out a form, clicking a download button, sign up for a trial, download an ebook, create an account, etc.

# Digital Marketing Metrics

## ***Bounce Rate***

### ***What:***

- Your site's bounce rate is the average number of visitors who left your website after only visiting one page—the page they came in on (the “entrance page”).
- Each page can have its own bounce rate. You'll find different pages tend to have different bounce rates, and not all bounce rates are equal.

# Digital Marketing Metrics

## ***Why:***

- Bounce rate can tell you whether your site content is relevant or if you are using the right landing page for a paid campaign. The number is very relative, however.
- On one hand, a bounce rate for a specific page may be high because users leave the site after viewing the single page after finding the precise info they needed, and had no interest in going further. Perhaps they even called in and became a paying customer after bouncing off a contact page.
- On the flip side, users that experience issues with usability or site design might leave the site from the entrance page and never go to a second page.



# THANK YOU

**Ms. Lavina Goyal**

The Path to Digital Journey

**Session 6: Digital Marketing Metrics**

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