

Metrics That Matter to Your CEO





About Your Presenter

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Agenda for Today

- Measuring challenges
- What is a KPI?
- Tips for defining KPIs
- What CEOs want to see
- 5 metrics your CEO cares about
- Other metrics to consider
- Communicating results





Measuring Challenges

- Not knowing what to measure
- Not sure how the metrics actually effect the bottom line
- Unable or unsure how to tie marketing results to business results / objectives
- Data synchronization across channels
- Accepting that results are rarely as expected





What is a KPI?

A **key performance indicator** should measure how an organization is progressing; it should help an organization **define and evaluate success**. A KPI is a quantitative measure over time.

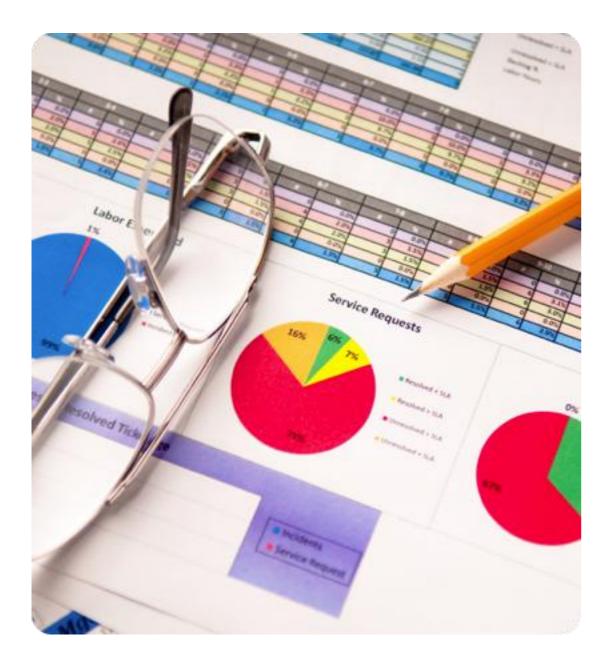




Tips for Defining KPIs

- Have a way to capture data at relevant points
- Focus on 'context' and how marketing moves prospects through the entire buying cycle
- Focus on alignment with sales and qualified leads
- Measure and forecast metrics that matter to CEO





What CEOs Want to See

- Metrics that align with business
 objectives, goals and sales forecasts
- Summaries of activities, less granular, metrics that tie to **sales forecasts**
- Qualitative data; is this number good or bad? What do the numbers reveal?
- That marketing investment and marketing is framed in terms of revenue and growth





Metrics for CEOs

- Database growth (overtime)
- Conversion rates
- Qualified lead volumePipeline growth (MQLs, SALs, SQLs)
- Marketing attributed revenue, ROMI





Other Metrics to Consider

- Marketing activities that resulted in closed business
- Shorter sales cycle; pipeline velocity and pipeline acceleration, increased win rate overtime
- Customer lifetime valueEffectiveness of sales enablement
- Lead nurturing effectiveness



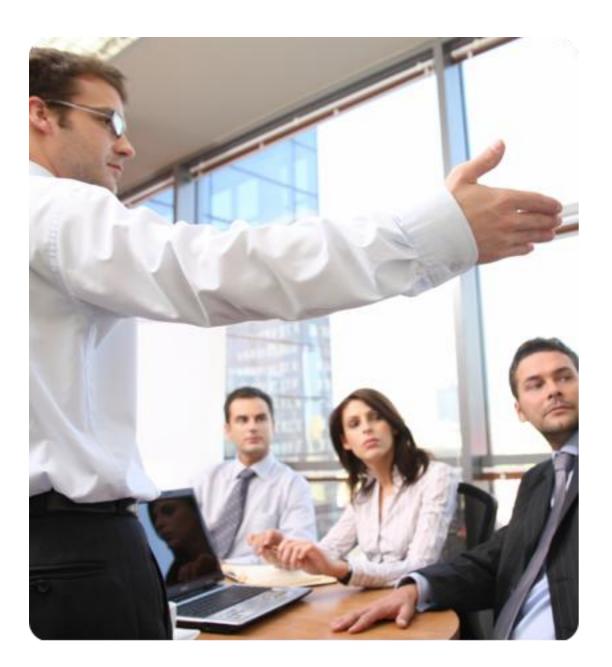
Some Industry Benchmarks

| Metric | Average |
|---|-----------|
| Database: % of database with bad/incomplete records | 25% + |
| Inquiries: hand raiser | 2-5% |
| Marketing Qualified lead: lead deemed qualified by marketing to send to sales | 4-8% |
| Sales accepted lead: Lead accepted by Sales | 45-55% |
| Sales Qualified lead: Lead that is designated an opportunity in pipeline | 55 to 60% |
| SQL to close: leads that have closed | 20-30% |

| KPIs | Benchmark | Best in class |
|---|-----------|------------------|
| Marketing sourced pipeline % of sales pipeline uniquely created by marketing Marketing | 21% | 32% |
| Marketing influenced pipeline % of sales pipeline touched by marketing | 71% | 82% |
| Investment-to-pipeline Average cost of demand creation of the sales pipeline | 4-6% | 3-6% |
| Investment-to-revenue Average revenue generated from \$1 invested in demand creation | \$32 | \$60+ |

Source: Sirius Decisions





Communicating Results

- Use visuals and dynamic dashboards to show results over time
- Always tie your metrics to benchmarks
 and targets
- Put results in a 'context' that's relevant to that audience. A CEO for example is looking at the 'big picture'
- Be honest about the results and where you need work



Before

| | | Job Function / Months Customer | | | | | | | | | | | | | | | | | | | |
|---------|-------------------------------|--------------------------------|-----------------|----------|-----------------|-----------------|---|-----------------|-------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Finance | | | | | | Marketing | | | | Sales | | | | | Other | | | | |
| Product | | 00 to 03 | 04 to 12 | 13 to 24 | 25 to 36 | 36 and up | | | 13 to 24 | 25 to 36 | 36 and up | 00 to 03 | 04 to 12 | 13 to 24 | 25 to 36 | 36 and up | 00 to 03 | 04 to 12 | 13 to 24 | 25 to 36 | 36 and up |
| | Count of Number of Records | 6 | 11 | 21 | 18 | 101 | 6 | 5 | 5 | 7 | 42 | 4 | 10 | 11 | 25 | 70 | 3 | 13 | 6 | 20 | 68 |
| | Satisfaction Rating | 4.66666 6667 | 4.18181 8182 | | | I X 7/1 | 4 | 5 | 5.2 | 7.28571 4286 | 8.48780 4878 | | 5.1 | 5.72727 2727 | 7.44 | 8.58571 4286 | 4.33333 3333 | | 5 | 5.35 | 8.71641 791 |
| | Count of Number of Records | 3 | 6 | 8 | 7 | 23 | | 2 | 2 | 1 | 11 | 4 | 10 | 7 | 6 | 18 | 6 | 7 | 3 | 4 | 19 |
| | Satisfaction Rating | 7 | 7.66666 6667 | 7.625 | 7.71428 5714 | 8.34782 6087 | | 7.5 | 6.5 | 8 | 7.63636 3636 | | 7.6 | 6.85714 2857 | 8.16666 6667 | 9.05555 5556 | 6.6 | 7.57142 8571 | 5.66666 6667 | 7.25 | 7.36842 1053 |
| | Count of Number of Records | 12 | 22 | 25 | 55 | 114 | 5 | 17 | | | | | 29 | | | | | | | 33 | |
| | Satisfaction Rating | 7.33333 3333 | | 7.64 | 8.23636 3636 | 8.63716 8142 | | 7.29411 7647 | 6.9 | 8.22727 2727 | 8.13333 3333 | 8.14285 7143 | 8.06896 5517 | 8.07142 8571 | 8.21428 5714 | 8.66666 6667 | 8.5 | 7.5 | 8.60869 5652 | 8.33333 3333 | 8.50505 0505 |
| | | | | | | | | | | | | | | | | | | | | | |



After

