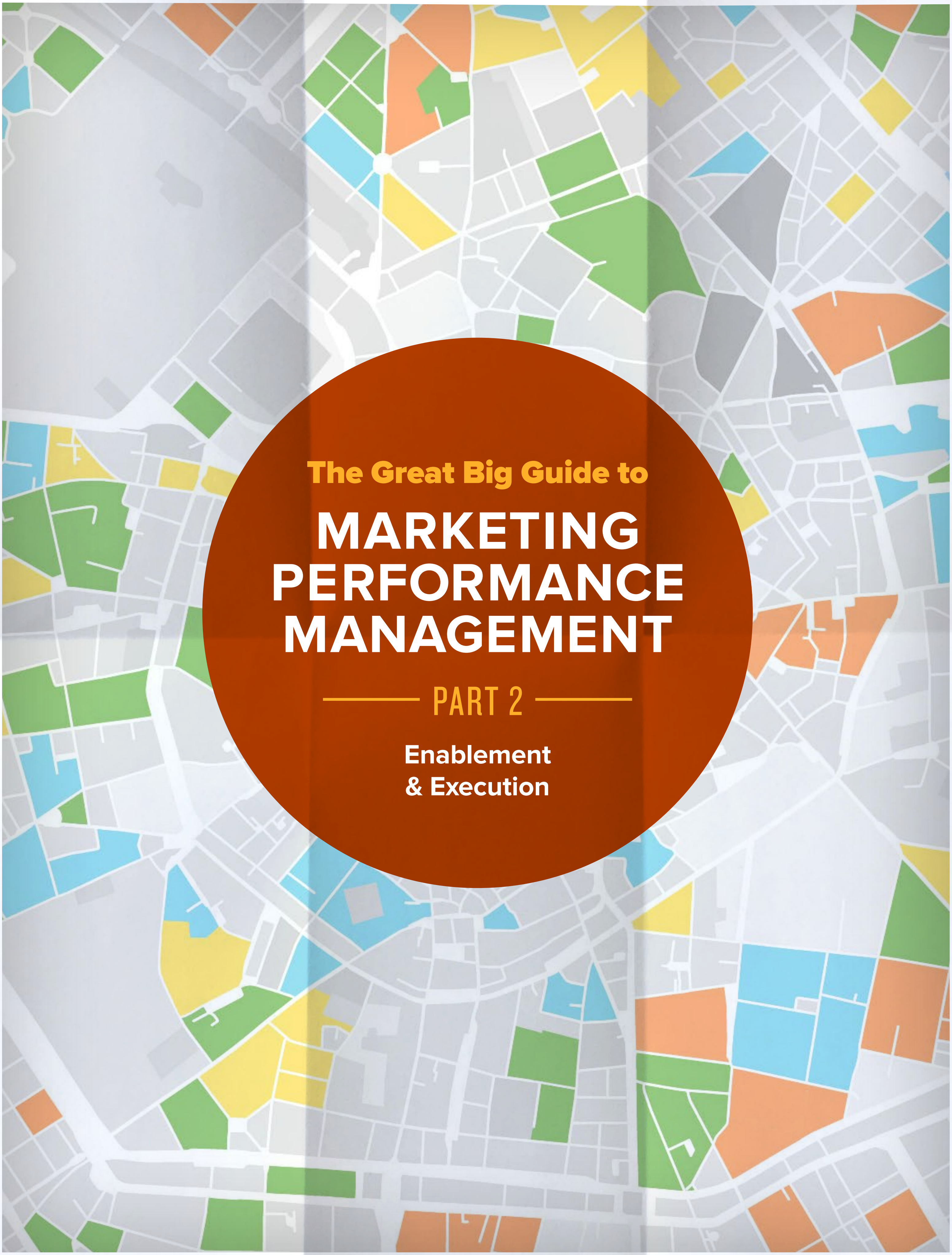

The Great Big Guide to

MARKETING PERFORMANCE MANAGEMENT

PART 2

Enablement & Execution

TABLE OF CONTENTS

FOREWORD

IMAGINE A WORLD WITHOUT THE ABILITY TO LEARN FROM EACH OTHER'S EXPERIENCES, MISTAKES AND SUCCESSES. IMAGINE STARTING EVERY INITIATIVE – BIG OR SMALL – FROM SCRATCH WITHOUT THE BENEFIT OF INSTITUTIONAL KNOWLEDGE OR BEST PRACTICES. DESPITE YOUR BEST INSTINCTS, THE PATH TO SUCCESS WOULD BE FAR MORE DIFFICULT.

Thankfully, we have an exponentially increasing volume of such insights available to us, especially B2B sales and marketing. Tragically, too often these insights go unheeded or unsought. And in other cases, the insights you need are so decentralized it can be overly cumbersome to get everything you need, at the right time, to impact your efforts. This information can sometimes feel like the greatest library in the world with all the books on the floor.

As marketers, we struggle with this reality as deeply, if not more so than other roles. So, we tend to focus on activities and outbound best practices – content, demand generation, and campaigns. Yet there's one topic that can tie all of this together – **Marketing Performance Management (MPM)** – and it should be at the very top of your priority list for learning.

MPM helps solve the problems with dislocated data, misaligned teams, and inefficient processes. Your primary function as a Marketing leader is to get the most out of your resources while delivering maximum impact on your organization. You need visibility and control to make this happen. Without that, it becomes hard to have a conversation about performance, let alone lead it, which is where you want to be.

Thankfully you've found this eBook series. It's smartly organized by the folks at **Allocadia**, **Origami Logic**, **Response Capture** and **VisionEdge Marketing**. Each are leaders in their respective fields and thus well qualified to guide you. Read front to back or piecemeal. Find the content that speaks more directly to your current challenges and read that first, then take the time to read it all three parts and go back to re-read sections most important to your company, your marketing, and your performance.

Managing Marketing performance is critical in today's modern marketing environment. We're being asked to operate Marketing as a profit center, to drive revenue and own the customer experience, and to measure the real impact of our efforts. This guide can help you get there.

MATT HEINZ
PRESIDENT | HEINZ MARKETING INC.
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INTRODUCTION

We chose the title of this ebook series - *The Great Big Guide to Marketing Performance Management* - for two main reasons: first, it's a collection of 19 different stories spread across 3 parts, which is a direct result of the second reason; Marketing Performance Management (MPM) is a large and complex domain, as you're about to discover.

In **Part 2: Enablement & Execution**, you'll learn how to deliver on your marketing plan with maximum impact. This involves positioning your marketing team to achieve your corporate goals, implementing efficient team processes, maintaining accuracy and flexibility with your budget mid-flight so you can make every dollar count, and selecting and integrating with smart technologies that will help you achieve your goals.

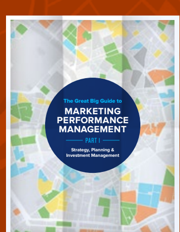
To keep everything in context, a brief reminder of what we mean by Marketing Performance and specifically, Marketing Performance Management (MPM).

Marketing Performance is the evaluation of marketing output compared to a defined and agreed-upon set of plans and objectives. Marketing Performance Management is simply the combination of processes and technologies used by an organization to create the plans and objectives, put them into action, measure the results and feed the next cycle through insights gained and wisdom achieved.

Think of MPM as the structure that guides performance-oriented marketing teams. There is no single MPM silver bullet, as much as there is no single marketing silver bullet. What you need will differ from your competitor based on your organization's goals, culture, and structure. And that will be different from another company in an entirely different sector.

The goal of *The Great Big Guide to Marketing Performance Management* is to highlight the key components of a mature MPM approach, against which you can compare your current capabilities and identify areas where you can improve. Our hope is you'll find at least one story that teaches you something now and store this series somewhere handy for you to refer to as you continue your journey to better marketing performance. If that happens, we will have succeeded.

Bróna O'Connor
Editor-in-Chief



Check out Part 1 of our guide on Strategy, Planning and Investment Management!

ALLOCADIA

visionedge MARKETING

RESPONSE CAPTURE

Origami logic

Positioning the marketing team to achieve your growth targets.

LAURA PATTERSON
CO-FOUNDER & PRESIDENT

visionedge MARKETING

Organizations thrive only if they can acquire and keep customers. No truer words were ever spoken. So if you subscribe to Peter Drucker's philosophy that the "purpose of business is to create a customer" and Phil Kotler's position that it is Marketing's purpose is to find, keep, and grow the value of customers, then Marketing must be at the center of the structure that drives your company's value. But how do you position it there?

The organizational structure for many companies today was created in the first half of the 20th century and derived from Max Weber's and Frederick Taylor's management theories. This traditional approach is based on establishing clear lines of authority and control where there is a leader for each occupation/function and multiple layers of subordinates.

As the Age of the Customer where "empowered customers are shaping business strategy" continues to dominate - organizational structure and the metrics companies need to use to survive, let alone thrive, must also evolve. Such a change can propel your growth strategy. When you can be more adaptive and agile, you can drive your business and create a competitive advantage.

"It's important for the marketing function to hold the **right balance of strategy and tactics**, but more importantly to tell a clear story of how it's going to **address the opportunities in the marketplace and drive the business forward.**"

JERRY LEVY, DIRECTOR OF MARKETING & COMMUNICATIONS | OIA GLOBAL

READ CASE STUDY #22 HERE

TWEET THIS

How to Evolve Your Organizational Structure to Promote Customer Growth.

Transforming to a more customer-centric organizational structure requires mobilizing the organization and investing differently – all while maintaining current performance. How do you begin the transformation?

Your customer experience map can serve as a structural guide. Mapping the customer journey is a key initiative for many companies and an important part of the transformation process. A customer experience map is an end-to-end diagram that illustrates the steps your customers (markets, segments or personas) go through to engage with your company. Using a customer experience map allows you to more easily capture the steps and the touchpoints, (such as analyst reports, peer reviews/testimonials, demonstrations, solution information), and channels (such as phone, in person, online, etc.) that a customer prefers in each part of the journey.

Early stage of the prospective new customer as they make contact

Movement from contact to consideration to purchase

Purchasing and implementation/deployment experienc

Post purchase such as support, billing, and problem resolution

Loyalty, advisor for innovation, and advocate

The beauty of the customer experience map is that it captures every incremental stage of the journey. These maps string together the processes associated with each of the following phases:

By understanding the process from the customer's point of view, it will quickly become clear at which points a customer interacts with the business as well as what kind of support will be required to ensure a successful interaction and outcome.

Support Transformation with Successful Organization

A step forward on the transformation begins by the Chief Marketing Officer (CMO) becoming your Chief Value Officer (CVO). The CVO is responsible for managing all Customer Experience phases comprising cross-functional teams. Members of the team are chosen based on what skills are needed to support that specific customer phase. Supporting this front line would be the "middle" layer built from customer insights.

Customer insights based on data and analytics would be applied to each phase to improve its effectiveness and efficiency. Data and analytics are used to help determine which marketing materials and assets, such as content, messaging, and positioning would be brought into play, and how and when these would be distributed through channels, influencers, and partners.

Marketing Operations serves as the base and central nervous system, facilitating the planning, performance management, resource management, and systems/tools and workflow to support the entire customer experience map. The following picture illustrates this idea of the structure for a customer/audience centric Marketing organization.

Successful transformation (from the initial signaling of a cultural shift to ongoing improvement) and the growth that ensues will require you to make changes to your organization structure. To effectively structure an organization to operate in conjunction with the flow of the customer journey, it is going to take more than changing the words on the organizational chart. Modifications to your structure also have implications for how you set your outcomes and establish your metrics. Your KPIs/metrics must also change to support your strategy and drive business results. Each customer process will need customer specific outcomes with customer equity becoming the overall measure of success. So, if you have not yet mapped your customers' journey that is a good place to start your transformation. To get you started, sign up for a customer journey mapping workshop and use this workbook to build your customer-centric metrics.

Implementing trainable, repeatable processes to accelerate team performance

PETER MATTHEWS
VP, OPERATIONAL SOLUTIONS

RESPONSE CAPTURE

Air France Flight 447 crashed into the Atlantic Ocean on route to France from Brazil. A frozen pitot tube caused issues, but the plane was more than capable of flying. The investigation from BEA revealed the main reasons for the failure were pilots' (3 of them) error:

- The pilots had not applied the unreliable-airspeed procedure
- The pilot-in-control pulled back on the stick, thus increasing the angle of attack and causing the aircraft to climb rapidly
- The pilots apparently did not notice that the aircraft had reached its maximum permissible altitude
- The pilots did not read out the available data (vertical velocity, altitude, etc.)
- The pilots did not comment on the stall warnings and apparently did not realize that the aircraft was stalled (it hit the water like a brick at over 150 Knots)

Chesley "Sully" Sullenberger was commanding US Air Flight 1549 from New York City to Charlotte, North Carolina when it struck a flock of Canada geese and lost all engines. He had never landed an unpowered commercial aircraft on water. With his training, following procedures, working with his copilot and ground control he managed to get everyone out alive.

Flight 447's errors were readily avoidable. The difference in these two outcomes is first not to panic and second, follow your training and procedures.

Sometimes, it's all about the processes

While your business may not be responsible for people's lives, it does demonstrate the value of processes and training in challenging situations. Today's marketing organizations have never been in a better position to realize opportunities of outlining their business acumen and develop skills training for critical functions to scale and achieve needed agility.

A company hiring a pilot and immediately allowing them to fly, even a seasoned one, creates undue risks. They first must go through training and procedures. Yet, companies still hire marketing team members this way and expect them to be high performers. Today's marketing teams, looking to be the best-in-class, can no longer endure in this manner. The top performing companies seek to instill attributes that make them best-in-class so they can maintain a competitive edge.

Laura Patterson, VisionEdge Marketing, says the **five critical traits** to accomplish this are:

- Rapid decision-making and execution
- A high-performance culture
- Ability to access the right information at the right time
- Accountability and credibility
- Teams that can flex

We get it, your company may be growing fast and your product is the differentiator. Training is down on the list along with process development. But what happens when that is no longer an effective strategy?

To achieve of a high level of agility and performance, a growing marketing team needs to think and act differently. A crucial element to success is trainable, repeatable processes. From a 15-year study from the Harvard Business Journal (HBJ), The Great Repeatable Business Model, they concluded:

> *"...to the inescapable conclusion that most really successful companies do not reinvent themselves through periodic "binge and purge" strategies. Instead they relentlessly build on their fundamental differentiation, going from strength to strength. They learn to deliver their differentiation to the front line, creating an organization that lives and breathes its strategic advantages day in and day out. They learn how to sustain it over time through constant adaptation to changes in the market. And they learn to resist the siren song of the idée du jour better than their less-focused competitors. The result is a simple, repeatable business model that a company can apply to new products and markets over and over again to generate sustained growth. The simplicity means that everyone in the company is on the same page—and no one forgets the sources of success."*

Executives who want high-performance marketing teams understand the importance of this and develop the traits and environment to:

- Create, refine and communicate repeatable mission-critical processes that support a vision
- Have the flexibility to adjust to market changes
- Produce multi-faceted metrics that visually indicate areas performing or underperforming
- Simplify its complex nature
- Develop a sense of employee enablement that contributes to the company's and their individual success and their importance in the process

Training

Marketing departments still tend to throw new-hires in the water and expect them to swim. With today's cost-effective education tools, we know that bite-sized, easily understood instructions for specific tasks provide great opportunities to educate. From the same HBJ article,

> *"...our research and the recent history of business reflect the importance of supporting your differentiation with rapid learning and adaptation. Some 48% of managers in our top group of performers felt that their companies were characterized by strong learning systems, compared with only 9% among the rest."*

Today's best-in-class marketing teams invest in their teams' development so company's core values become habit. They ensure employees understand:

- The company's mission & vision
- The Customer Journey Experience (CJX) – how they buy
- How it markets & sells to its target market
- The go to market plan
- How their function supports its mission & vision
- All other colleagues' functions & responsibilities

Would it not be great, on your first day at work someone walked you through this?

Without proper training, people's jobs are based on their job description but not their function, leading to wasted effort and resources as they figure it out on their own.

Mapping & training aligns & defines team member's roles & responsibility with what is required. It:

1. Identifies areas of risk providing sound mitigation plans
2. Identifies the resources & skills that are needed maximizing the effort
3. Identifies critical process gaps
4. Allows teams to understand and appreciate each other's responsibilities and abilities
5. Holds people accountable for their functions
6. Allows managers to guide the team to success
7. Allows teams to accurately fix or modify the precise issues or vulnerabilities

Best-in-class marketing teams that can make a measurable impact on the company's top and bottom line need repeatable, trainable, mission-critical process and performance-based, skilled staff to execute against it.

Three reasons why you need to integrate your marketing tech stack, and one place to start

SAM MELNICK
VP OF MARKETING

ALLOCADIA

Of all the departments in your company, chances are high that Marketing has the greatest number of technologies in play. We need only look at the latest landscape by chiefmartec.com to see that. With so many tools in use, and so much valuable data being generated, how can we make sure we're learning what we need to learn and making decisions when and where they need to be made? How do we ensure we're not drowning in data and suffering from serious productivity issues? In other words, are we sufficiently integrating our disparate systems when and where we need to?

Here are three reasons why you need to commit today to better integration.

Reason #1: Better productivity

Top of the list of three, but in fact not the most compelling reason, is the need to drive better productivity within the marketing team. Productivity is a key MPM metric because a more productive team is a more responsive and effective team, driving down costs and increasing return on marketing investment.

When information in one system can be leveraged to trigger actions in another, you'll save a lot of time and effort both running and doing marketing. You'll also make great strides in standardizing your company's taxonomy - making it easier to talk programs and activities, and easier to on-ramp new employees and service providers. Below is an example of how this can work with a well-integrated hypothetical corporate martech stack comprising the following tools:

- Enterprise Performance Management/Corporate Performance Management
- Marketing Performance Management
- CRM, demand generation, and marketing automation
- Project Management

1. Start with the plan. If your top-down budget comes from your EPM/CPM platform, it can easily be loaded into your MPM solution to populate the plan for the year. If it lives in a spreadsheet, that too can be loaded into Allocadia with minimal effort to streamline the real work of building bottom-up plans.
2. Connect your projects. If you use a project management platform like Workfront or Wrike, you can save valuable time and effort through a direct connection between your MPM and project management solutions. Implementing a standard taxonomy

and singular lexicon for budget items and projects will keep everyone on the same page, avoiding confusion while also allowing for easier tracking.

3. Add your digital marketing activities. Populate your MPM platform with the tactics and activities created in your CRM or marketing automation systems. Once connected this way, the foundation is in place for detailed results reporting (see #3 below).

You're now ready to go, with zero duplication of effort between teams, a common language in place when referencing projects and programs, and the groundwork for thorough program evaluation fully in place. But before we jump to the insights reason, let's review the benefits of deeper system usage first.

Reason #2: Improve technology ROI

Once you have your broader marketing team working together more efficiently, with strong ties between key marketing systems as per the example above, another benefit of integration emerges: better use of more pieces of your tech stack and the resulting stronger returns on the investments you made in them.

Total Cost of Ownership (TCO) is a common formula used to evaluate the purchase of any capital asset, including technology. TCO is calculated by summing all the costs associated with buying, maintaining, replacing, and upgrading any piece of technology. When you integrate different pieces of your tech stack, you can potentially lower the TCO of the pieces in question. Here's how:

1. Reduce or eliminate replacement costs. Much like a car or a house, it's usually a lot cheaper to use what you have than it is to buy a new one. Assuming you've chosen the right ones, connected systems are more likely to be used by more people, delivering more value to your organization while costing you less in the long run.
2. Shift responsibility - and cost - to the vendor. Assuming you've completed integrations using tools supported by the vendor, you can shift some if not all of the burden of maintenance onto them. If something stops working, it's their issue to resolve. While you may be impacted by the outage, it will cost you a great deal less than if you built your own integration, because the affected vendors could potentially charge handsomely for help.

Reason #3: Data Insights

Just in case the two reasons presented above weren't enough to convince you why integration of your core marketing systems is so valuable, this one puts the icing on the cake.

As we learn to cope with the deluge of data being generated by our ever-growing roster of marketing technologies, there's one simple, unalterable truth that can help keep us sane, productive, and effective: the better the context, the more useful the information (data). Here's a simplified example to illustrate the point:

Your latest email campaign to 4,000 appropriately-segmented people in your database had an open rate of 16%, a click-through rate of 2.7%, and an unsubscribe rate of 0.02%. Good data or bad data? Well, that depends on the context. Your marketing automation team may like it, but what does it mean to the rest of the organization?

Now imagine layering in data from your CRM system, where you can point to pipeline created or influenced by this campaign, and actual revenue down the road. More context, better data, right? We're not done yet.

Now back up and compare pipeline and revenue to campaign costs, and you have the complete story. The question then is: how easily can you do this? Without integration, it will take you more time than you have, and when you finally do get the story you're after, the landscape has shifted and stakeholders have moved on.

When you integrate your marketing automation platform to your CRM system and your marketing investment management platform (not ERP, Finance won't let you and it will take too long to massage the data, which is why you need MPM!), you combine all the relevant data sources, in real-time, for real insights that help you make better decisions. Mic drop.

> When you integrate your marketing automation platform to your CRM system and your marketing investment management platform, you combine all the relevant data sources, in real-time, for real insights that help you make better decisions.
>
> **SAM MELNICK, VP OF MARKETING | ALLOCADIA**
>
> TWEET THIS

If integration were easy, everyone would do it. But it's not a question of ease, it's a question of reward. The payoff will be huge, as we outlined above. So once you've chosen your tech stack, glue it together with good integrations. In fact, the ability to integrate should be a prime factor in deciding which technologies to adopt, because when you can a) work more productively, b) lower your TCO, and c) make better use of your data, you'll be a better, higher-performing marketer.

And about that place to start? If you haven't yet, your first priority should be connecting your marketing automation system to your CRM system. That's the foundation for tying activities to results and helping you prove your impact on the company. But it's just the beginning…

Achieving successful automation implementation despite the odds.

PETER MATTHEWS
VP, OPERATIONAL SOLUTIONS

RESPONSE CAPTURE™

Failed, underutilized or abandoned CRM systems continues to be a top discussion in companies and with marketing leaders. And according to leading industry analysts below, there's no clear evidence that it's improving or that there's widespread interest in improving it.

2001	GARTNER GROUP: 50% CRM SOFTWARE FAILURE RATE
2002	SELLING POWER, CSO FORUM: 69.3% CRM SOFTWARE FAILURE RATE
2005	AMR RESEARCH: 18% CRM SOFTWARE FAILURE RATE
2006	AMR RESEARCH: 31% CRM SOFTWARE FAILURE RATE
2007	AMR RESEARCH: 29% CRM SOFTWARE FAILURE RATE
2007	ECONOMIST INTELLIGENCE UNIT: 56% CRM SOFTWARE FAILURE RATE
2009	FORRESTER RESEARCH: 47% CRM SOFTWARE FAILURE RATE
2009	GARTNER – 42% CRM SOFTWARE FAILURE RATE
2013	MERKLE EXECUTIVE SURVEY – 63% CRM SOFTWARE FAILURE RATE

While these stats fluctuate, we know that the CRM market was $23B+ in 2014 (Gartner CRM) and is expected to be $36B in 2017. At a minimum that is $4B -$35B+ potential of poor investments into a solution expected to help generate revenue, add efficiency, attain agility and scale.

We know the key reasons for failure and they are just as varied as the stats:

- Unclear project goals
- Lack of up front planning
- Process to system mismatch
- Lack of customer strategy plan
- Lack of executive sponsorship
- Buying on price versus the value attained
- Lack of business maturity to get to the next level
- Lack of perceived value for the users
- Poor, unmanaged data or data strategy
- Misunderstood customer experience and user experience
- Lack of buy-in from the team upfront
- No leadership executive accountable for the process and system
- The expectation does not meet reality
- Lack of metrics strategy

And if a post-mortem is done it will reveal that it is a combination of these.

The impacts can be immense:

- Fixing a bad install can cost twice the original investment
- A $1B company with 250 sales people, 75 marketing people, all licensed, with implementation & integration (2 other applications) costs & average yearly maintenance of 18% assuming it is all done within a year can expect to pay $580,170. If it fails and additional investment is made to correct it can cost over $1M.

This does not include:

- Opportunity costs loss of increased revenue or gained efficiencies
  - Sunk costs for licenses gone unused o Features that go unused o Costs of training & retraining
- Costs of migrating customization when upgrades are due
  - Even after corrections are made it may not be successful because stakeholders have moved on
  - If there is an ROI & TCO expected this has now been pushed out by years.

Who's to blame – the seller/buyer paradox.

So, where does the responsibility lie? Buyers with a poor experience will say the seller sold me a box of goods or did not provide clear guidance. And in speaking with the vendors, if they don't sell it to you, someone else WILL. They are hired and motivated to sell it to you knowing full well of the failure rates. Many of these vendors can readily tell you who has the best chance of success long before the implementation starts. If one knows it is going to fail should one sell it or move on to a more successful deal? Setting aside the moral discussion, this is truly a paradox.

We do know this: “if one spends less than 1% of the expected return on a one or two-week exercise to identify the objectives of your automation system, as well as what your two-year plan will be to achieve those goals, you’re probably five times as likely to achieve your objectives, versus just implementing this or that software. And really, what did the planning cost? If your returns are over 100 times that initial planning exercise investment, wasn’t the planning more than justified?” (Adam Honig, Co-founder and CEO of Sprio Technologies). This investment could save you 2x the cost of fixing issues on a poorly implemented solution.

With all this and the fact there are thousands of solutions, how does one set themselves up for the highest odds of success? It is possible and it is all under your control. Let’s start by assuming the following:

- You are a successful business and revenue is trending upward (i.e. you know how to sell your product)
- The intent is to scale with company growth efficiently (i.e. you’re not doing it to turn around failing sales)
- You think you are ready for automation but there is no objective evidence yet
- You have an executive level sponsor and interest for this to be a strategic enhancement tool

A proven method:

1. **Build a business case and attain executive’s strategic buy-in**
2. **Determine what processes are working and why**
3. **Map mission critical, revenue-generating processes to a detail where you can train a new hire**
4. **Determine how the mission critical processes would need to change to scale**
5. **Develop & establish or adjust top-down metrics & dashboards for these processes**
6. **Define the stakeholders and use cases for these processes**
7. **Determine a set of at least a double scale metric for implementation plan over a set period of time**
8. **Convert all the above into business requirements**
9. **Convert the business requirements into a functional specification**
10. **Discuss and present (to your executive sponsor) what a solution might look like**
11. **Then and only then, invite a vendor in to discuss how they are going to meet these requirements and goals**
12. **Repeat all above for the next set of automation plans**

The above demonstrates your company’s growth maturity. You will have developed a plan that is systematic, with reduced risk, provides the steps for achievement, is flexible to meet unforeseen hurdles and puts you in control of your success. You will have increased your odds by 80%-90% in attaining your goals. If you had to, you could stand in front of your executive staff and justify the money allocated to you…without breaking a sweat.

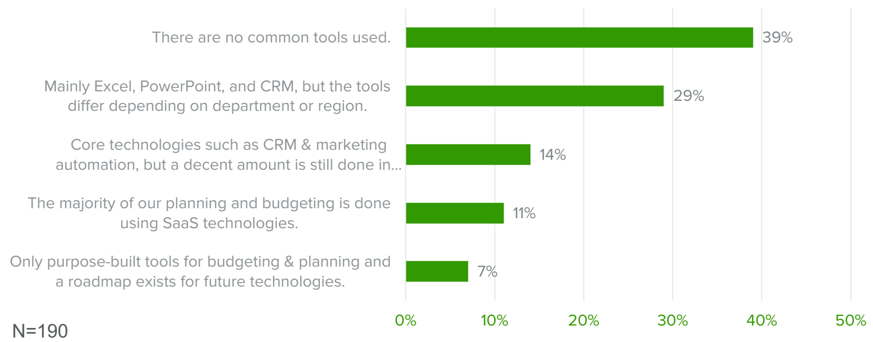
How to spot and overcome budgeting challenges.

SAM MELNICK
VP OF MARKETING

ALLOCADIA

Marketers have traditionally used spreadsheets for the day-to-day management of their marketing budget, and according to Allocadia's 2017 Marketing Performance Management Maturity Study, only 18% of companies have graduated their planning and budgeting out of spreadsheets and into purpose built technologies. That leaves 82% still wrestling with the failings of spreadsheets; frustration with formulas, manual tasks and navigating challenging interactions with other departments. These issues become even trickier as the marketing organization increases in size and complexity.

Which Tools does your company use for budgeting & planning?



Source: *Allocadia 2017 Marketing Performance Management Maturity Study*.

We've identified the five most common marketing budget pains and proposed recommendations so you can spend less time running marketing, and more time doing marketing:

1. Staying on top of your budget

The term "set it and forget it" doesn't apply to marketing budgets. Marketing is a dynamic function and change is needed often, this means budgets must be adjusted often as well. The end goal is to make better marketing decisions, and this starts with having control over your budgets and investments. By actively managing your budget, it's easy to determine where you're underspending, overspending and then make reallocations to maximize your ROI.

Remember to forecast spend and update the budget as changes occurs. These actions assure a holistic view of what you're on track to spend versus your budgeted spend and how this has changed against the original plan. These will lead to ability to make more effective decisions with your budget.

2. Internal collaboration

No marketer is an island. Your marketing budget is meant to be shared but sharing comes with challenges. Formula errors and permission controls lead marketers to working off their own independent budgets. As a result, there's no single source of record for marketing and it usually falls on one team member to pull all the budgets together and try to conduct meaningful data analysis. When you improve collaboration, you improve your budget workflow. Manage your budget in a cloud-based system to enable your team to leave a breadcrumb trail of updates and collaborate more effectively.

3. Dealing with actuals

"A successful marketing function in today's economy requires a multi-faceted approach, tying together paid ad budgets, campaign-level tracking, marketing automation initiatives, freelance team members, link building efforts, and forecasting. Unless you're an Excel wizard, you can't do all this in a spreadsheet (at least not one that your team can understand)." Matt Keener is a marketer who understands small business.

For many marketers, the reconciliation process between planned spend and actual spend can be one of the more tedious parts of the daily budget workflow. The time delay between spending the money and reconciling the actual spend only exasperates the process. That's why we recommend you reconcile early and often. The more frequently you reconcile your actuals, the better handle you'll have on your marketing performance throughout the quarter. You'll be able to stay within 1-2% of budget and eliminate end-of-quarter scrambling to spend hastily or shift money around.

4. Reallocating funds

In most organizations, marketers risk losing dollars they don't spend. High performing marketers take the initiative and move dollars between activities, within the same budget, to ensure they are maximizing their investment and making every dollar count. You can move money at will as long as your quarterly or annual planned spend amounts stay consistent. Just keep two things in mind: First, reallocations may affect the balance of your spend; be mindful to maintain your strategic allocation targets. And second, don't run afoul of your finance department's guidelines for reallocations. It's helpful to keep a record of all the reallocations that happen throughout the quarter. It can help marketers become more accurate in the future with their bottom-up plans, while Finance or Leadership can use it to improve future top-down allocations.

5. Budget transfers

For marketers in large organizations, they may need to reallocate money not only between quarters or activities, but between budgets. Budget transfers can be messy and time-consuming, often generating a flurry of emails. Unlike reallocating within the same budget, there's much more involved than simple copying and pasting. Most organizations have strict procedures to be followed, and errors can lead to double-counting and other financial management headaches. To ease this burden, we recommend allowing “horse-trading” — empowering marketers to transfer funds between budgets at their discretion, so long as the dollar amount is under a certain threshold and a record of the transaction is captured. Some companies, such as those in regulated industries, are forced to disallow budget transfers. But if that’s not the case in your organization, and your company doesn’t yet allow horse-trading, we recommend you advocate for it.

Marketers as a whole are increasingly being asked to demonstrate their impact beyond basic metrics like event attendance, click-through rates or social sharing. Leadership want to see how Marketing are contributing towards revenue. Without a firm handle on the engine of your marketing plan, i.e. your budget, you will struggle to demonstrate your impact on the growth of the organization. It explains why thousands of marketers are being proactive; taking their marketing budgets out of spreadsheets and into a cloud based Marketing Performance Management (MPM) platform. Modern marketers take the lead on the conversation about revenue. Step up to the plate and demonstrate your value too.

CONCLUSION

Part 1 of *The Great Big Guide to Marketing Performance Management* covered the notion that 'failing to plan is planning to fail', and provided guidance on how to build better marketing plans. But a plan is only as good as how it's carried out. As Walt Disney said, "the way to get started is to quit talking and start doing".

Properly equipping your marketing team to take action - giving them the structure, processes, and technologies they'll need - is absolutely critical to executing your plan successfully. You can't rely on hope. In Part 2, we explored several angles of enablement and execution, with the goal of helping you identify and tackle some of the more important elements of effective marketing execution. Here's a quick recap of each story, presented in one clean, simple, if not understated bullet:

1. Stay focused on the customer journey, and invest in Marketing Operations as an executional hub for your marketing team
2. Build the right processes to support your goals, and indoctrinate your team through focused training on vision, values, and goals
3. Build a well integrated tech stack, methodically analyzing what you need and assessing vendor capabilities against well defined expectations
4. As you execute, keep a close eye on spend, making adjustments as needed whenever you veer away from established goals and KPIs

So now you're ready to go out there and win. In our third and final installment of *The Great Big Guide to Marketing Performance Management* we'll explore how to measure success and drive maximum impact, closing the loop on marketing planning and execution with a critical look into the results you've generated. Stay tuned!

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