

5 top strategies for maximizing marketing ROI

What does the industry landscape look like for marketers currently?

The big landscape theme for marketers today is the accelerating rate of change in all aspects of reaching customers. Media, customer touchpoints, distribution channels, and the appropriate and effective messaging about your brand are all in a constant state of flux. This rate of change makes the marketer's job more challenging, more technical, more time-sensitive, and higher stakes. The distinction between winners and losers becomes more pronounced.

Those marketers who can adapt to this accelerated marketplace are in the best positions to succeed. Look at what fast fashion has done to the mass market clothing industry. What was once a seasonal industry is now a weekly industry - brands like Zara and H&M use weekly data to link their manufacturing directly to the tastes of their customers. Fast fashion goes from data to decision-making so quickly that it allows them to win by collaborating with their customers to speed up their supply chain. Marketing must participate in the entire commercial enterprise behind the brand.

More than ever, stakes are higher, and things move faster. Consider the brand boycott of Anheuser-Busch InBev's Bud Light that erupted over an influencer-based campaign. The Bud Light customer reaction to the marketing was swifter and harsher than anyone anticipated. The Anheuser-Busch marketing machine took weeks to respond, with the brand going silent on X for about two weeks. Once considered the top position in the category, the brand reported a 10.5% drop in revenue during the second quarter – and has lost nearly \$40 billion in value.

More complexity and an accelerating marketplace create more data. This data needs to be analyzed with speed and purpose to inform decisions that can keep pace with the market. The results of these decisions need to be analyzed so marketing, messaging, and even product can be fine-tuned to meet the needs, habits, tastes and desires of customers. The good news is technology, technique, and strategy can light a pathway to success, but it takes commitment and vision.

What are the biggest challenges marketers are facing when it comes to maximizing their marketing ROI?

The biggest challenge today, when it comes to maximizing marketing ROI, involves gathering the relevant intelligence quickly and accurately to make astute decisions. The first step to gathering intelligence is analyzing the appropriate data. That data is getting bigger by the day, and is compartmentalized in ways that make it difficult to integrate. Some of the most important data is siloed and behind walled gardens (Meta, Amazon, Google, etc). Moreover, person-based data is deprecated by privacy regulations.

If you can't measure and ascribe your marketing ROI with a sufficient degree of accuracy, how can you expect to improve your marketing ROI? While the challenge is significant, the good news is that all marketers are facing the same headwinds. You are (mostly) on an even playing field. Those marketers who can effectively navigate the measure-decide-execute-measure again cycle have a distinct competitive advantage.

The marketers who end up winning are the ones who take a long-term strategic approach to maximizing marketing ROI. You cannot approach this existential, brand-building puzzle as a one-and-done project. Instead, successful marketers treat marketing ROI as a multi-year program since building a brand takes years, if not decades. Maximizing ROI should be viewed from the same perspective. You never want to hurt your long-term brand equity for short-term marketing ROI. Even if short-term ROI is your directive, there are ways to achieve ROI goals while nurturing the value of your brand. Smart, enduring marketers understand that using tactics to create a round, but sound strategy, based on a systematic approach, wins the tournament.

How can CMOs prove the worth of their marketing spend?

You cannot prove the worth of your marketing spend unless you have a commanding knowledge of all the components of your marketing performance. This starts with data and requires a commitment to accurate analysis and timely reporting. Once you have your evidence-based intelligence, then you have the tools to make your case for your budget.

Knowing your numbers and having the confidence that you get from expertise are keys to proving the worth of your marketing spend. Too often, I have seen corporate cultures where marketing is viewed as a cost-center as opposed to THE engine that drives the enterprise. As the data and science behind marketing measurement gains traction, CMOs have the evidenced-based justification to take a seat at the budget-setting table. Gone are the days when the CMO could be dismissed as a free-spender who needs tight budgetary controls. With the right data and analytics, CMOs can earn, retain, and grow their credibility.

Ultimately, the brands representing any organizations' products are the most valuable assets of a business. The person most responsible for the health, growth, and value of a brand is the CMO. It is incumbent on CMOs to partner with the other C-suite leaders to increase the value of the enterprise by championing the brand. The first step is to know your numbers better than the CFO.

What are the top 5 strategies for maximizing marketing ROI? And how can/should brands integrate these strategies into their marketing plans?

1 – Align Key Stakeholders

Organizational buy-in of analytics to drive decision-making is crucial to achieve strong marketing ROI. To gain buy-in across finance and other key stakeholders, be relevant to your audience, remain transparent, continuously educate, and inform. It is critical to involve cross-functional stakeholders to define goals, demonstrate successes, and consistently deliver value.

2 - Don't Get Drowned in Data

Data has never been bigger. And it is often overwhelming and time-consuming. Focus all stakeholders on key goals to streamline data efforts. Evaluate data for privacy compliance, robustness and accuracy while augmenting your data to support measurement and decision-making.

3 – Establish a Commercial view

Marketing is the engine behind your brand; it doesn't exist in a vacuum and should be understood through a commercial lens incorporating a consumer's complete experience with a brand. Brands can maximize marketing ROI by understanding the synergies and cascading impacts across all commercial drivers - from the economic environment to pricing, to customer experience and more.

4 – Look Forward and Far

Don't treat marketing ROI as a report card-like measurement of performance that validates past decisions. Create value by demonstrating that marketing is not a cost center with a budget that can be trimmed without consequences to the long-term health of the enterprise. Leverage the understanding of marketing and performance drivers to simulate short-term and long-term outcomes to best forecast and iteratively plan for the future.

5 - Don't React, Adapt

When faced with uncertainty and economic disruption, spending often attracts scrutiny and budgets become vulnerable. However, it is important that brands don't react, and instead adapt to new and changing business conditions. In fact, our [ROI Genome](#) showed that the brands that increased media investment during the last recession saw a lift in incremental sales, and more than half realized subsequent marketing ROI improvements year over year.