Marketing Measurement

Ten tips on how to get the best from your UTN (Unique Telephone Number) campaign measurement system

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I haven't met a company that doesn't have an issue with measuring the effectiveness of its marketing. Growing channel diversity and increasingly complex customer behaviour has simply made marketing measurement a lot messier.

Many direct marketers now use UTNs (unique telephone numbers) to help them track the effectiveness of their marketing activity. This paper provides 10 practical tips to help you get the most from your UTN measurement process.

I'll post more on this subject when my new web site is launched in a couple of weeks.   In the meantime if you want to pick my brains you can contact me on +44 (0) 1225 336977 or martin@martinwrightassociates.co.uk.

UTNs used on each campaign test cell provide a huge improvement in accuracy over source codes for most companies. They remove the need for customers to look up codes or Agents to ask for them eliminating much of the error found in source coding and allowing staff to focus on the customers' needs.

However it also presents significant challenges which if not addressed can add very inefficient administrative burdens and lead to poor reporting.

Tip 1 – Reduce admin: manage your UTNs efficiently

If you have a large Direct Marketing spend you are likely to need a bank of 300 – 400 UTNs, which thankfully are now very inexpensive. Managing these requires a simple database to record what campaigns each UTN has been used for, including a start and end date and detailed description of the campaign (see 4). It should also show at-a-glance what UTNs are available for any future start date.

Best practice is to continually use the same telephone numbers for the same product and media minimising the impact of long-tail response and can reduce artwork costs.

Tip 2 – Speed up reporting: Use response curves to help you recycle numbers quicker

The balance between accuracy and speed needs to be considered carefully, for example:
- How quickly do you want your marketing campaigns to evolve?
- Will results released 3 months after a campaign have sufficient internal impact?
- Will campaign managers be forced to analyse twice? Once quickly for business/financial planning and then again later for marketing MI purposes?
- Do you have a sufficiently large pool of UTNs to allow a longer maturity cycle?

Across a basket of offline media waiting for fully mature results will take 12

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weeks on average. Cutting off and analysing at 95% maturity reduces that to 8 weeks, and at 90% to 6 weeks.

I recommend running a few campaigns to completion to build a response curve for each medium and using that to call time at 98% for press and email results and 95% for other media.   A weighting factor can then be added to these 'immature' results to allow for full maturity.

Tip 3 – Avoid errors: Test every telephone number before every campaign starts

This sounds basic but, before you go to production, unless all numbers are checked against the database and checked to ensure they are live and that they are routed to the right team, mistakes will happen. Avoidable mistakes like this invalidate expensive test programmes, create customer irritation and undermine marketing credibility.

Tip 4 – Make analysis intuitive: Maintain a strict campaign description structure

The way campaigns are named can confuse, or it can give transparency when looking at reports. Consistency can help ensure like-for-like comparisons are made over time and trends to be seen.

The naming convention you choose must cover all eventualities but not create so much complexity that you overload your people with detail and they miss the big picture. Here is a one naming structure:

Category	Data	Category	Data
UTN	0800 123 4567	Contact type	Follow-up
Drop	dd/mm/yyyy	Size/Format	DL
Stop	dd/mm/yyyy	Creative	Control
UTN	abc 012	Offer	None
Product	Alpha	Test	Timing + 5 days
Medium	Direct Mail	Description	Long-hand description
Title/list	Database A	Contact volume	11,000
Segment	Risk adverse	Cell Cost	£x

Tip 5 – Analyse call handling efficiency: Repeat caller numbers vary by media and time of day, using CLIs you can identify callers and repeat call attempts

UTN analysis can simply report on out-of-hours calls, abandoned and engaged calls (metrics which are often not shared with marketers). Moreover the same caller can make contact many times. In most sales environments this is a bad thing indicating inefficient sales processes or poor answering times. For one Client the most efficient medium generated half the number of repeat callers (1 in 6 for direct mail) than the least efficient (1 in 3 for internet). Simply counting call volumes as an estimate of campaign effectiveness can therefore mislead companies into spending money on inefficient campaigns.

An effective way around this is to de-duplicate callers using the CLI (callers telephone number or Call Line Identification). Even if a customer is ex-directory their CLI will appear as a consistent code.

Repeat call attempts can also provide operations staff with a far more meaningful measure of call answering effectiveness and can be used to provide an analysis of the opportunity cost of lost callers.

Tip 6 – Understand call quality: Use a simple measure of call duration

If UTN data cannot be appended to customer sales and quote information (see tip 8) then a proxy for sales is needed. The most successful approach, pioneered by teleconsulting business Rapport, is call duration. By timing how long it takes to get through the IVR and the minimum time it takes to make a sale, an indication of call quality can be produced i.e. any call less than the IVR time + minimum sale time is very unlikely to have resulted in a sale.

Although not perfect it gives a ready proxy for call quality allowing a comparison of the number of high value calls campaign A generated compared to campaign B.

Tip 7 – Caller IVR behaviour changes apparent campaign ROI: Track callers through the IVR

Some people will use the first number that comes to hand when they want to contact a company. Others will seek out 0800 numbers to avoid paying to speak to customer services. This type of behaviour can skew results. One company with a large, long-standing customer base for one product (which I'll call A here) and a small, newer customer base for a second product (B) found the following:

	Product A	Product B
Calls to sales UTNs	100	100
Estimated value	£9,000	£6,000
Calls transferred to Customer service	37	11
Calls transferred to other product sales team	12	3
Actual same product sales calls	51	94
Actual value	£5,310	£5,430

As you can see, the relative value of response for each product needed to be re-evaluated.

Whilst many traditional switches (switchboards) will struggle to provide this data on a campaign basis, analysis of call flows through the IVR is a simple but important task to appropriately weight the value of response. Hosted switches can provide far greater transparency.

Tip 8 – Create a joined up picture: Append UTN Code to the customer record

A true reading of ROI can best be gained by appending a UTN Code to the customer record. This can be automatically done (with support from your IT department) or done manually by Agents inputting the code presented on their screen or whispered into their headset.

Because UTNs are recycled a unique '**UTN Code'** for each UTN/date range combination is required.

Call attempts and unique callers remain a useful metric to monitor call quality and call handling efficiency. Thus three data sets are ultimately combined using UTN Code as the common key:
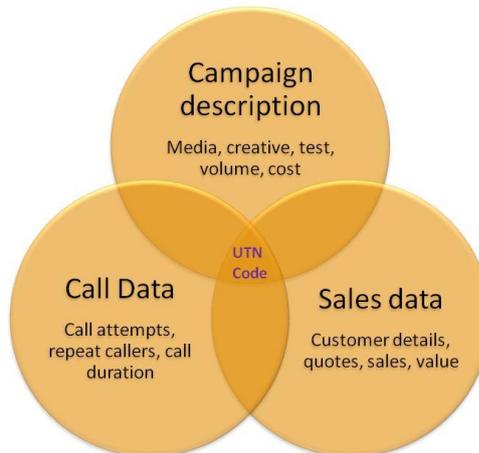
Creating a joined up view using UTN Code as the common key

Tip 9 – Make analysis intuitive: Build an automated reporting system

Once the campaign management processes, data collection, cleansing and appending routines have been established the real work of campaign evaluation can begin. At the outset standard campaign reports should be designed and agreed. These should provide all of the standard answers needed by marketing every month.

> If your company reports marketing success on a monthly basis you will need to produce two sets of reports:

- Those for business usage - *'In January we spent £x and generated £y'*
- Plus those for marketing evaluation purposes - *'We spent £x on campaigns in January that generated £y in the subsequent x months'*

Try hard to create a reporting system that allows non-technical people to interrogate results. Centrally produced reports for company-wide distribution are a good idea. However your marketing team's ability to add value will be severely restricted if they need to ask for IT resource every time they want to deep-dive campaign results.

Tip 10 – Make sure you do it right first time: Get experienced help

Marketing MI can be complex but don't be put off by this, it's simply too important. Plan to spend the time and money required to get it right. Unless your marketing MI is properly set-

up, efficiency and accuracy will suffer and much of your marketing budget will be misdirected.

Getting it right takes experience, time and careful planning. Given other competing demands teams frequently struggle to put aside enough time to ensure systems are created right first time.

If you are reviewing or creating new Marketing MI systems supporting your teams with an appropriately experienced direct marketing consultant will pay handsomely.   There are also a number of good technical suppliers who can help with outsourcing UTN solutions, configuring your switch or creating a reporting solution.

There is no perfect Marketing MI solution, the right solution for your company or Client will come from understanding the capability of each system and matching it to the needs, resources and business model of the company.

Just as important is the realisation that any system can be implemented or managed well, or poorly. Understanding the challenges, setting realistic expectations and putting sufficient resource in place to properly manage the chosen system are all necessary to get the most from it. Too many companies implement a new solution because that which they have is not managed properly or waste money on an implementation because they have not properly anticipated the steps they need to take.

If you would like more information, or a free impartial view of your marketing analytics challenges then contact me on +44 (0)1225 336977 or martin@martinwrightassociates.co.uk