

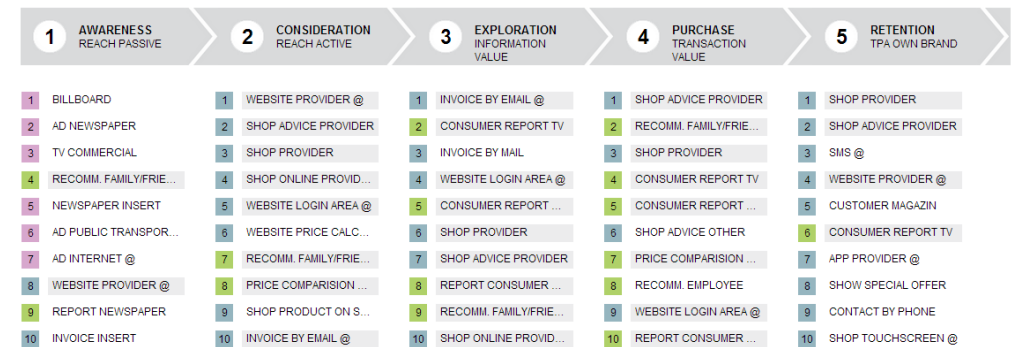
How to maximise the total audience in your marketing mix

MULTICHANNEL MANAGEMENT How many target individuals can really be reached with a particular mix of selected instruments and media? The only way to answer this basic question about total audience is to use validated methods and new tools to create a comprehensive overview and deliver reliable figures.

BY CHRISTOPH SPENGLER*

Today's digitalized and networked world means there is constantly increasing pressure to adjust the marketing approach. Business success depends on managing the multichannel marketing mix comprehensively and professionally, whether for strategy, campaign development, or target group marketing using currently employed or completely new and innovative instruments and media. The question of how to maximize marketing Return on Investment (ROI) using a simple, impact-oriented management system is all the more important.

Multichannel-Customer-Journey



The path from activation to purchase to loyalty passes different touchpoints in all categories (Owned, Paid and Earned).

The answer begins with the levers: the touchpoints.

Many options - too little transparency on impact

Every company and

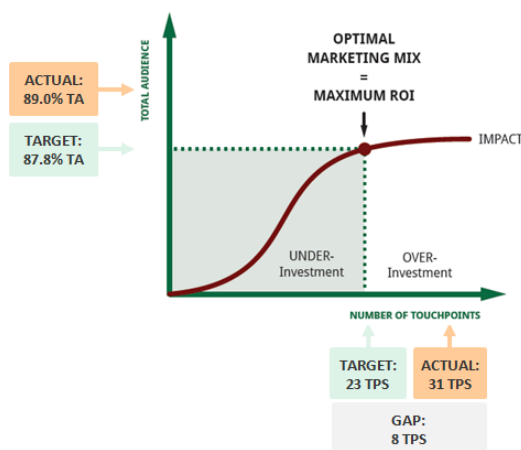
every brand has numerous opportunities for contact with (potential) clients. Depending on the definition, there can be from ten to easily over a hundred touchpoints. These include classical push media (paid touchpoints) with advertising messages; a company's own marketing instruments (owned touchpoints) such as sales consultations, the website, and brochures; plus earned touchpoints ranging from test reports to recommendations by customers via social media or in personal discussions. As a result, there are numerous mix options. Off- and online channels in sales, marketing, media, corporate communications and customer service can be

combined almost endlessly. However, being present at every possible touchpoint is far from efficient.

Success does not come by chance

Whether multi-, cross-, or omni-channel, the key "total audience" question has to be answered: how many target individuals will actually be reached with a particular mix? Also: what is their significance? By only observing individual instruments and media there is a danger of coming to the wrong conclusions on strategies and activities. The complex interconnections between individual touchpoints affect their impact, and can otherwise remain hidden.

ROI maximisation



Management system: Total audience and „optimal multichannel marketing mix“ for integrated marketing ROI maximisation.

Maximise ROI with the right touchpoint mix

Intense global competition means that every market investment must be justifiable and achieve the greatest possible impact. The “total audience” value reveals the combined reach of all instruments and media used in a mix combination. In the example based on our practice, the “optimal multichannel marketing mix” uses 23 touchpoints and reaches a total audience of 98% of its target market (see diagram: ROI maximisation). Adding eight additional instruments and media would achieve very little additional reach. Under-investment is similarly significant: using too few or the wrong touchpoints, with too small a budget, means that critical thresholds cannot be reached and market success remains unachieved.

Comparing apples with pears increases risk and wastage

When evaluating mix combinations across all touchpoint categories: owned, paid and earned, traditional methods run up against their limits. The attempt to create transparency on the impact of individual instruments becomes a Sisyphean task because of the differences in what is being measured: newspaper circulations, TV GRPs (gross rating points), clicks on Google Analytics, and (often fantasy) BEPs (brand experience points). This means

■ Touchpoint development

Touchpoint category	Contribution	Trend
Owned touchpoints	40-50%	Slightly increasing
Earend touchpoints	30-40%	Increasing
Paid touchpoints	20-30%	Decreasing

Source: Industry study, Accelerom AG

that newspaper readers, TV viewers and internet surfers are equated with purchasers, which inevitably increases risks and also wastage. The challenge can be solved using single source market research based on unified values. This provides a cross-media impact evaluation using, among others, measurements of reach, contact frequency, relevance and brand performance.

Be where the customers are

The “optimal multichannel marketing mix” needs to promote purchases and positively anchor the brand experience in people’s minds. In a digital, networked world, it is impossible to find the right mix using purely intuitive or creative methods. Potential success remains unexploited, and is actually thrown away, if brands fail to cover the entire customer journey to the purchase decision. The only way to make maximum use of the opportunities available – and do so every day – is to combine creativity, which is still undeniably necessary, with cutting-edge marketing analytics.

Use the potential for success in every interaction

Every individual touchpoint along the multichannel customer journey directly influences the success of client acquisition and retention, and contributes towards brand perception. “Customer journey attribution” identifies the right touchpoints from the set of all possible touchpoints. All phases of the purchase process are included. Whether B2B or B2C, traditional advertising channels alone rarely influence purchase decisions. And there is no super touchpoint, however hoped or prayed for. Instead, the mix has to be adjusted to match the dynamics of the customer journey. This becomes even clearer when looking at the contributions of the different touchpoint categories in the purchase process (see table: Touchpoint development).

Mix scenarios instead of trial and error

Particularly in the era of “big data”, data quality is essential. Measurable and comparable touchpoint management

helps managers to maintain an overview and take better decisions faster. The quantitative and qualitative impacts of up to 100 touchpoints are revealed, and their management in a complex environment made simpler. Using tools in real time, different mix scenarios for strategy development, campaign planning and target-group marketing can be played out and evaluated. In addition, comprehensive data enables forecasts of the impact of digitalisation on the mix. Decision-makers and specialists can now see what they need to do to achieve success and avoid failure.



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