

# Tracking & Analysis Strategy

It is critical to know what, when, how and why you track and analyse. Measuring and analysis is done for 3 main reasons:

**Know if your campaign was successful.** Was the return bigger than the investment? Be careful here as some campaigns might not give a positive return on marketing investment right from the beginning. It doesn't mean that they were unsuccessful; sometimes it takes more than one campaign to start building positive ROI. Some campaigns only succeed because previous ones failed. Retrieving relevant information and improving results are good signs that you are on the right path.

**Know the cost of acquiring a new customer.** Divide the investment by the number of new customers that were acquired. This will help you estimate how much you have to sell to a customer in order to make it profitable.

**Know how to improve future campaigns.** You should track who responded to what and who didn't. Also, who bought what and who didn't. Simple information could help tremendously to improve your future campaigns; in some cases even the products that you sell. Knowing which profiles responded and purchased, and which ones did not helps you invest more on what is working and fix what is not. It helps you identify which profiles are failing and be successful in the awareness and/or closing phases. Knowing which profiles are responding and buying is very helpful as you can proactively try to find more customers that look like them. Profiles that do not respond will have to be analysed. We'll have to decide if they are truly your target or if the communication just failed to resonate with them. Profiles that respond but do not buy have to be looked at in a different way, too. Why aren't they converting into sales? Is it easy and clear how to buy? Is it a problem with pricing? What could be wrong? Historically marketers could only track and measure how much sales a campaign generated. Today digital technologies can not only track and measure sales, but most importantly who responded and who did not, and who bought and who did not. In the case of direct mailing it is as easy as adding a personalized QR code or URL to your direct mail piece, which will allow you to track responses and purchases on a personal level.

