

CFO Guide to data-led marketing



Is it time for finance to head up marketing?

Within any business the finance and marketing functions usually have limited interaction. However, the consequences of post-Covid and technological advances around business analytics may see a change in this relationship. As organisations increasingly utilise data to formulate decision making, the gap between finance and marketing may well shrink.

Data driven businesses believe they have a competitive advantage; after all data-driven decisions are a fundamental part of business life: predictive analytics as part of R&D, AI within IT support and business intelligence to manage major portfolios. However, to-date the adoption of data-driven marketing has been predominantly around advertising placements, customer profiling and personalised experiences.



10.4%

Average marketing spend for
accountancy firms

FINANCE

Data-driven marketing strategy

As we come out of the pandemic, businesses concerned with work winning need to review how marketing activities will support opportunity generation. Reduced budgets and smaller marketing teams (the Chartered Institute of Marketing reports just under 10% of marketers were made redundant during the pandemic) mean organisations need to adopt a smarter marketing approach to support winning work.

Establishing a data-driven marketing strategy during 2022 allows a business to have confidence that the marketing activities will be contributing to work winning and generating the required return on investment. When resources and budgets are limited it is vital the marketing activities can demonstrate they are contributing to work winning.

Who should head up the marketing strategy?

While marketing remains the natural domain for the Sales and Marketing team, using the skill-set of a finance professional to lead and review the marketing strategy provides several benefits.

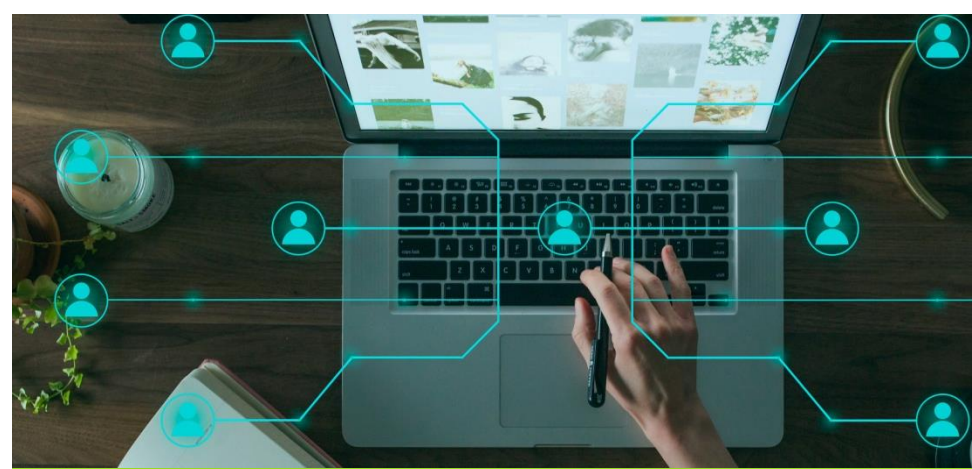
The ability to analyse data on revenue, client life-time value, levels of engagement and impact of spend means that decisions around the marketing strategy can be made using substantiated robust data.

Leading by example

One client example of where this has happened successfully is at Harwood Hutton, a firm of accountants and business specialists based in London and the Home Counties, where Adam Stronach, a corporate finance expert, heads up the marketing function.

The Executive Team believed that changing their approach to marketing would contribute to both client retention and new work. Adam Stronach led the review programme to analyse the data and performance information on clients, channels, budget ROI and engagement levels.

The data was held in different repositories, but by bringing it together through the review it allowed the marketing team to have transparency around those marketing activities that clearly contributed to work winning.



Getting smarter at marketing

“The pandemic in 2020 meant that our marketing plans for last year became radically altered,” Adam Stronach said. “This gave us an opportunity to review our total approach, so we could look at how we could get smarter at marketing. For us, it was ensuring the marketing strategy was aligned to the corporate objectives, so all the activities were linked to delivering on our key results.

“ There needed to be a clear line of sight between the marketing activities and the opportunities being generated. By analysing the data we held, monitoring the competitive market and reviewing the performance of previous marketing activities we were able to see where to focus for maximum results in 2021. ”

Adam Stronach, Harwood Hutton

The firm used 5 basic principles of creating a data-driven marketing strategy:

1. Defining the marketing objectives to be achieved
2. Gathering data from across the different data sources
3. Collecting and collating the data around clients, channels and competitors
4. Establishing trends and insights to identify the most valuable marketing activities
5. Transpose findings into a practical marketing plan

Data areas that can help the FD to create a smarter marketing strategy.

The six key areas for a CFO to consider are those with measures allowing the marketing performance to be tracked:

Strategy:

Ensure the marketing strategy is aligned with the corporate objectives. Use this to establish and track KPIs to determine the marketing contribution.

Marketplace:

How are competitors responding to the challenges post-Covid. Consider what is best practice and how the business can emulate this.

Customer:

Interrogate databases and systems to establish profiles, revenue spend and services procured. Understand who are the critical top clients and how vulnerable they are post-pandemic.

Channels:

How are your digital channels such as website, social media, platform contributions and email campaigns performing; are they increasing traction and generating call-to-actions. Analysing where they fit into the overall customer journey and which have most valuable interaction help determine budget allocations to maximise returns.

Events:

We have seen a strong move towards online events over the past 24 months; this brings both cost savings and the ability to reuse content more effectively. Evaluating uptake and opportunity generation from previous events decides the nature and regularity of events for this year.

Budget:

Reviewing the return generated from last year's marketing activities will reveal where the real contributors to work winning lie. This verification should allow an overall ROI to be finalised.

Benefits and considerations

Adopting a data-driven approach to marketing means the organisation is able to approach work winning in a far more effective manner.

The analysis a finance professional can bring in scrutinising all of the data means the marketing strategy is focused on

delivering the corporate objectives in the most efficient way. While the day-to-day marketing activities remain within the remit of the marketing team, the CFO can play an important role in transforming the marketing strategy into a business-centric contributor.



Sabre Associates

207 Regent Street
London
W1B 3HH

0207 138 1067
www.sabreassociates.co.uk
info@sabreassociates.co.uk

Sabre Associates