

Justifying Your Marketing Dollars

When it comes to marketing, just because something worked last quarter does not mean it's going to work this quarter. This article is a reminder to have the checks and balances in place so that you can make sure your marketing dollars continue to be justified and are working for you and your clients.

We all get busy chasing the next auction, putting out the daily fires, and managing the day-to-day of our businesses. This evaluation process can often get thrown by the wayside and could end up costing you money. We recommend a quarterly review of your marketing campaigns and review them against previous quarters or the previous year. Our marketing department meets quarterly, and we review the data provided by the advertising platforms against internal traffic data within Google Analytics. We are tracking cost-per-clicks, conversions, and other metrics that are important to us and gauge that against our ad spend to make sure that we are still getting the results we are looking for.

By having someone in your organization tracking these numbers, this data can and should also be used as a negotiating tactic when it comes to renewals or contracts with advertising platforms. We know that costs are increasing across the board, but if your results are not showing a positive ROI, it would make sense to renegotiate or dedicate that budget to some other platform.

For a real-life example, we recently reviewed results from an aggregate listing site that automatically pulls some of our industrial inventory and promotes them on their website. We noticed a very steep drop off or referral web site visits of about 95% over the last three months. When we contacted the company and viewed the reports that they provided monthly, the numbers painted a different picture with consistent traffic and referrals from the previous three months.

Upon further review, our numbers were correct and there was an issue on their back end with the automated feed and links provided. We have no doubt that this was an unintentional error, and this company was not trying to cover anything up. However, by catching this mistake and verifying reports and numbers against our back-end analytics, we were able to save hundreds of dollars and extend our agreement with this company. Had we not conducted our own internal audit, we would have been paying for something we were not receiving.

Third party data is handy to have; but as with most things in life – Trust but Verify!