
INDEX

- Acquisition cost (AC) per customer, 100, 135–136
- Activation, 120
- Activity, vs. results, 33
- Adaptive learning, 5, 252–253, 268
- Advanced tool use, 262
- Advertising:
- awareness, 78
 - cost model, 158
 - effectiveness of, 177
 - and measurement, 86
- Age based segmentation, 147
- Agile marketing, 191, 271
- about, 189–190
 - defined, 190
 - design for measurement, 196–200
 - execution speed, 190–196
 - failure speed, 190–196
- Agility marketing, 55
- Air France, 167
- Amazon.com, 206–207, 233
- AMD, 21
- America's Greenest School (AGS)
- contest, 84
- Analytic marketing:
- approaches to, 201–221
 - business case for, 218–220
 - decision trees, 207–214
 - event-driven marketing case examples, 214, 216–218
 - market basket analysis, 206–207
 - propensity marketing, 202–206
- Analytics:
- event-driven marketing, 207, 216–218
 - impact of, 217
 - infrastructure for, 137, 222, 271
 - take rates, 102–103
 - target segmentation, 15, 42
 - use of, 6
 - on Web, 175
 - WOM sharing, 183
 - “wow,” response using 202
- Anton, Frank, 21
- Apple, 56
- Appliance data marts, 224, 230–231
- Approaches to analytic marketing, 201–221
- AQuantive, 157
- Artemis, 173
- Asahi (beer), 36
- Assist clicks, 174
- Association rules, 207
- Assumptions, 123, 129
- @Risk (software), 131–132
- Attribution, 172
- Attribution modeling, 168, 172–175
- Average page views, 171
- Average purchase per trip, 15
- Awareness and branding, 53
- Awareness marketing, 35, 53–55
- Baker, Scott, 87
- Balanced scorecards, 7, 62–67

286 Index

- Balancing short- and long-term customer profitability, 146–151
- Bar-code scanners, 24
- Barriers to professionalizing marketing processes, 260–262
- Base case analysis, 116
- Base case assumptions, 124
- Behavior and measurement, 46–48
- Behavior prediction, 153
- Bell curve, 130
- Benchmarks, 123
- Bereavement fares, 140
- Best Buy, 4, 5, 140
- Best case, 132
- Bethune, Gordon, 31
- Better Homes and Gardens*, 204
- Bid strategy, 160
- Bills, David, 55
- Bing, 159
- Blue Nile, 96
- Bottom line, 116
- Bounce rate, 168–171
- Bounce rate metric, defined, 169
- Boushy, John, 238–239, 241
- Brand:
 - and loyalty, 99
 - recommendations of, 96–99
- Brand awareness:
 - defined, 55
 - and recognition, 80
 - and sponsorship, 120
- Brand awareness metrics:
 - about, 75
 - brand marketing for business-to-business, 82–86
 - consumer product brand marketing, 76–82
- Brand awareness surveys, 54–55, 86, 196
- Branded credit cards, 95
- Brand equity, 76
- Branding, 5, 8, 54, 256
- Branding and awareness, 18, 53
- Branding initiatives, 35
- Brin, Sergey, 158
- Budgets, 5, 17
- Bureaucratic culture, 44–45
- Burrows, Cathy, 28
- Business case for analytic marketing, 218–220
- Business objectives, 6
- Business requirements, 223, 233
- Business Science International, 21
- Business strategy and direction, 266
- Business-to-business (B2B):
 - vs. B2C investment portfolio mixes, 256–259
 - branding goal of, 82
 - co-marketing with channel partners, 36
 - customers, 12
 - data challenge issue, 35
 - marketing, 35
 - measurement challenges, 67–71
 - partners of, 82
- Call centers, 141, 217
- Call to action, 60, 102
- Campaign effectiveness metric, 99–103
- Campaign management processes (CMPs), 271
- Campaign media, 80
- Campaign objectives, 217
- Campaign return on investment (ROI), 251
- Campaign ROMI, 5
- Campaign ROMI template, 116
- Campaign selection, 250–251
- Capcom, 183
- Capital rationing, 267
- Carnival Corporation, 151
- Casino gaming, 237
- Causality, 27
- Cell phone networks, 25
- Centralized databases, 6
- Central processing units (CPUs), 87–88
- Chambers, John, 35
- Change:
 - and crisis, 46
 - vs. people, 45–46
- Channel partners:
 - churn, 95
 - co-marketing with, 36
 - data sharing, 35–36
 - profitability spectrum of, 143

- Churn, 58, 91–95, 136, 222
- Churn reduction, 92, 94–95, 212
- Circuit City, 4
- Cisco e-Sales portal, 35
- Cisco Systems, 35
- Classical marketing metrics, 8, 271
- Click-through, 159
- Click-through rate (CTR), 60, 162, 192
- Click-through rate (CTR) metric, defined, 162
- Clooney, George, 182
- CLTV (customer data lifetime value).
See customer lifetime value (CLTV):
- Cluster analysis, 143, 207, 208
- Coca-Cola (Coke), 37
- Comparative marketing activities, 9
- Comparative marketing metric, 87–91
- Complexity:
 - governance requirement, 266–268
 - growth of, 243–244
 - and real-time response, 232
 - of requirements, 225, 229
- ComStore, 176
- Contact cost, 100, 102
- Continental Airlines, 23, 31–33, 44, 63, 140–141, 144–145, 233, 236
- Control and measurement, 47
- Cook, Kelly, 32, 44–45
- Cookies, 168, 173, 176
- Coopers & Lybrand, 21
- Corporate cultures, 44–45
- Cost of capital, 109
- Cost of goods sold (COGS), 116
- Cost of marketing and serving the customer, 135–136
- Cost per click (CPC), 157–159, 185
- Cost per click-through, 159
- Cost per thousand impressions (CPM), 79, 157–159
- Cost savings, 233
- Covato, 175
- Creative components, 248
- Creative X-factor, 268–271
- Creativity, outsourcing of, 52
- Creature (ad agency), 182
- Cross-functional alignment, 260, 263
- Cross-market play, 239
- Crystal Ball (software), 131
- Cultural change, 49
- Cultural issues, 235
- Current state assessment, 49
- Customer acquisition and self-service booking, 240
- Customer behavior predictive models, 207
- Customer data collection:
 - channel partner data sharing, 35–36
 - ethical and legal issues, 39
 - frequent drinker programs, 36–38
 - surveys as customer data proxy, 38–39
- Customer engagement, 85
- Customer equity, 256
- Customer Experience Council, 214
- Customer lifetime value (CLTV), 7, 33, 251
 - analysis, 224
 - balancing short- and long-term customer profitability, 146–151
 - customer life cycle management, 151–154
 - customer value defined, 135–137
 - defined, 63
 - value-based marketing, 138–145
- Customer loyalty, 8–9, 236
- Customer profitability, 145
- Customer purchasing characteristics predictive models, 207
- Customer relationship management (CRM), 42, 261
- Customer relationship management (CRM) system, 89
- Customer relationships, 18, 258
- Customer relations management, 5
- Customer retention, 93
- Customer retention marketing focus, 211–212
- Customers:
 - high-churn, 209–210
 - low-churn, 209–210
 - trust from, 39
 - value proposition for, 38

288 Index

- Customer satisfaction (CSAT), 58–60, 251
 - financial impact of initiatives, 241
 - and future sales, 59
 - metric, 96–99
 - and repurchase intention, 59
 - survey, 97
- Customer segmentation, 142
- Customer targeting, 23
- Customer tiers, 217
- Customer value, defined, 135–137
- Custom web uniform resource locator (URL), 10

- Data, marketing organizations use of, 6
- Database quality, 235–236
- Data collection frequency, 190–191
- Data consolidation issues, 233–234
- Data dilemma, 22
- Data-driven marketing:
 - and customer loyalty, 238
 - fine-grained segmentation, 23
 - keeping score in, 11
- Data-driven marketing culture creation, 44–49
 - about, 44–45
 - change vs. people, 45–46
 - incentives for change, 46–48
 - measurement and behavior, 46–48
 - skills gap, 48–49
 - top down and bottom up, 49
- Data-driven marketing infrastructure:
 - about, 39–41, 222
 - data consolidation issues, 233–234
 - data requirements, 223–224
 - data warehousing structure size, 225–229
 - Harrah's Entertainment, 237–245
 - large firm, 41–43
 - marketing and IT relationship, 42–44
 - monitoring and intervening in, 234–237
 - portfolio, 237–245
 - requirement complexity, 229–233
- Data-driven marketing obstacles:
 - about, 26–28
 - customer data collection, 35–39
 - data-driven marketing culture creation, 44–49
 - data-driven marketing infrastructure, 39–44
 - getting started, 28–33
 - implementation road map, 49–51
 - small experiments, 33–35
- Data-driven marketing road map, 51
- Data-driven marketing strategy, 22–25
- Data lack, 27
- Data marts, 224, 230–231
- Data mining, 15, 208
- Data-mining algorithms, 179
- Data-mining methods, 8
- Data purchase, 154
- Data requirements, 223–224
- Data updating, 152
- Data warehousing and analytics requirements, 222
- Data warehousing infrastructure, 226
- Data warehousing structure size, 225–229
- Data-warehousing technology, 15
- Dayton, Ohio, 243
- Decision points, 200
- Decision trees:
 - defined, 208
 - for EarthLink customer retention, 8
 - essential approach to analytic marketing, 207–214
 - hyper-segmentation with, 221
 - vs. regression, 215
 - for Royal Bank of Canada (RBC), 149
 - for target marketing, 151, 202
- Dell, 56
- Demand generation (trial) marketing, 61–62, 119
- Demand generation marketing, 5, 18, 34, 99, 101, 122, 257
- Demand prediction, 90
- Dental Care Partners (DCP), 93
- Depreciation expense, 127
- Derived data, 231
- Design for measurement, 196–200
- Diagnosis stage, 50
- Dickson, Tom, 267
- Direct mail, 9

- DIRECTV, 216
- Discount rate, 110, 113
- Discovery Education, 85
- Display advertising, 176
- Display advertising in social media, 178–180
- DoubleClick, 157, 175
- DSW (footwear retailer), 97–98
- DuPont:
 - business-to-business (B2B) marketing, 82–83
 - sponsorship of Gordon, 11, 196
 - TV exposure from NASCAR sponsorship, 55
 - Tyvek brand, 11
 - uniform resource locator (URL) use, 198
- Early wins, 266
- Earnings before interest and taxes (EBIT), 116
- EarthLink, 93–94, 207, 209, 210, 211–214
- EarthLink customer retention, 8
- Efficient frontiers, 240
- Egalitarian marketing and sales, 135
- 80/20 Rule, 23, 172, 233
- Einstein, Albert, 107
- Electric shavers, 79–82, 86
- E-mail marketing, 203
- Employees, incentive scheme for, 31
- Employee training/skills, 48–49, 235, 261, 267
- End-state infrastructure and business requirements, 233
- End-to-end tracking, 11
- End-user participation, 235
- Enterprise data warehouse (EDW), 6, 15, 42–43, 224
- ESRI mapping and graphing software, 30
- Essential financial metrics, 61, 104–133
 - finance for marketing managers, 106–115
 - metrics for profit, 105–106
 - return on marketing investment (ROMI) for new product launch, 122–129
 - return on marketing investment (ROMI) for sports sponsorship, 119–122
 - return on marketing investment (ROMI) framework, 115–119
 - sensitivity analysis, 129–133
- Essential metrics for marketing, 8
- Ethical and legal issues, 39
- Evaluation marketing, 56–57
- Evaluative stage of purchasing cycle, 91
- Event-driven marketing, 6, 207
- Event-driven marketing case examples:
 - about, 214
 - DIRECTV, 216
 - National Australia Bank (NAB), 216–217
 - Ping Golf, 217–218
- Excel (software), 7, 23, 40, 50, 127, 129, 152
- Execution speed, 190–196
- Expected case, 132
- Experiential ads, 68–70
- Experiments for pilot marketing campaigns, 33
- Eye chart, 194
- Facebook, 178, 180, 182
- Failure speed, 190–196
- Feldner, Mike, 29–31, 34
- Finance for marketing managers, 106
- Financial crisis, 112
- Financial impact of customer satisfaction initiatives, 241
- Financial metrics:
 - and awareness marketing, 35, 54
 - and branding marketing, 54
 - essential. *See* essential financial metrics
 - and evaluative marketing, 56
- Financial performance prediction, 99
- Financial return on investment (ROI):
 - of branding initiatives, 35
 - and marketing investments, 82
- Financial return on marketing investment (ROMI), 218
- Fine-grained segmentation, 15, 23, 38, 206
- Firing customers, 147

290 Index

- Firm performance, marketing processes and technology, 252–256
- Five forces analysis, 15–16
- Focus groups, 32, 39, 70
- Foot traffic, 57
- Forklifting data vs. rearchitecting data, 233
- Forward looking metrics, 63
- Free cash flow, 127
- Frequent drinker programs, 36–38
- Future sales:
 - brand awareness metrics for, 82
 - and customer satisfaction (CSAT), 59
 - customer satisfaction (CSAT) and, 98–99, 181
 - intention to purchase indicator, 78–79
 - metrics for, 56
 - and test-drives, 57, 91
- Future value and profitability, 146
- Game plan definition, 49
- Gartner Business Intelligence award, 144
- Gartner magic quadrant, 259
- Geographic versioning, 15
- Geospatial data, 34
- Getting started, 27, 28–33
- Google:
 - advertising ranking, 162
 - click-through rate (CTR) and bounce rate, 167
 - growth of, 157
 - innovation development, 158–159
 - keyword pricing, 190
- Gordon, Jeff, 11–13, 55, 196, 198
- Gorman, Mike, 33, 145
- Governance dissemination, 268
- Grieve, Robin, 182
- Griffin, Rob, 178
- Grocery store card, 24
- Gross margins, 15
- Hanley Wood (publisher), 21
- Harrah's Entertainment, 33–34, 43, 47–48, 63, 237–245
- Health Insurance Portability and Accountability Act (HIPAA), 39
- Heat map, 160
- Hewlett Packard (HP), 106
- High-churn customers, 210
- High-value customers:
 - characteristics of, 139
 - retention of, 58
- Holden, Betsy, 269
- Home Shopping Network, 190
- Hoskins, Erin, 204, 206, 207
- Hotel rooms, 240
- Household data, 152
- Hurd, Mike, 106
- Hurdle rate, 109, 113
- Hybrid school busses, 83–86
- Hypertargeting, 180, 271
- Hypotheses, 248–249
- IC Bus, 83–86
- Implementation road map for data-driven marketing, 49–51
- Implied commitment to purchase, 89
- Impression advertising, 176, 178
- Incentives and penalties, 47–48
- Incentive scheme for employees, 31
- Incentives for change, 46–48
- Incremental cash flows, 116
- Information technology (IT):
 - communication, 41
 - management issues, 233–234
 - project difficulties/failures, 234–235
 - reliance on external employees, 235
 - requirement definition, 228
- Infrastructure. *See also* data-driven marketing infrastructure:
 - for analytics, 137, 222, 271
 - and capabilities, 257
 - data warehousing, 226
 - funding for, 5, 18
 - scale needed, 231
- Intel, 21, 82, 87–88
- Intention to purchase, 78
- Intention to purchase estimates, 57
- Internal rate of return (IRR):
 - for financial return on investment (ROI), 114
 - metrics, defined, 61
 - vs. return on investment (ROI), 112–113

- Internet display advertising impact, 175–178
- Internet Encyclopedia* (Wiley), 26
- Internet marketing best practices, 9
- Internet marketing innovation, 157
- Internet marketing metrics:
 - about, 156
 - attribution modeling, 172–175
 - bounce rate, 168–171
 - CPC versus CPM, 157–159
 - display advertising in social media, 178–180
 - Internet display advertising impact, 175–178
 - social media marketing, 181–186
 - TCR and ROA, 159–168
 - word of mouth (WOM) for Internet marketing, 181–186
- Internet metrics, 271
- Internet networks, 25
- Internet search campaigns, 166
- Internet URLs, 87
- Interviews. *See* surveys:
- Intuit, 141
- Invoke Solutions, 38–39
- iPhone, 46, 56
- Ipsos ASI, 77, 81, 86

- Jacobs, Donald, 47
- Jeffery, Mark, 249
- Jet Blue, 96
- “Jills,” 5
- Johnson Controls, 21
- John Wanamaker (retail store), 4, 9
- Judge, Barry, 4

- Keeping score, 15, 245
- Kellogg School of Management, 47, 249
- Key business objectives (KBOs), 66, 189
- Keyword bidding, 159
- Keyword placement, 159
- Kim, James, 180
- Kirin (beer), 36
- Kissinger, Henry, 44–45
- Kmart, 13
- Kovach, Brian, 93

- KPI impact, 167
- Krasnikov, Alex, 5, 249

- Lampert, Edward “Eddie,” 13
- Large firm, 41–43
- Lasik surgery, 96
- Last click keywords, 173–174
- Lead conversion, 61
- Leaders vs. laggards. *See also* marketing divide:
 - key differences, 17–20
 - marketing budgets, 19–20
 - performance management and ROMI by, 5
- Leaders vs. laggards, key differences:
 - about, 247–248
 - B2B versus B2C investment portfolio mixes, 255–259
 - barriers to professionalizing marketing processes, 260–262
 - complexity, governance requirement for, 266–268
 - creative X-factor, 268–271
 - marketing campaign management, 249–251
 - marketing campaign management processes, approach to upgrading, 262–266
 - marketing processes, technology, and the link to firm performance, 252–256
 - research methodology, 248–249
 - summary, 271–272
- Leads, 87
- Learning and feedback, 251
- Leuchter, Dena, 84–86
- Lexus, 91–92
- Limited-time sales, 61
- Lists, 9
- Lock-in backlash, 140
- Lose It (calorie counter), 46–47
- Loveman, Gary, 239
- Low-churn customers, 210
- Lowe’s, 202
- Loyalty and brand, 99
- Loyalty cards, 95
- Loyalty initiatives, 92

292 Index

- Loyalty marketing, 57–58, 61, 93
- Loyalty marketing metric, 91–95
- Loyalty program, 37
- Luxottica, 89–90

- Macy's, 4
- Maintenance costs, 124
- Margin, 135
- Market basket analysis, 143, 206–207
- Market campaign scorecards, 6
- Market-centered focus, 143
- Marketing:
 - efficacy of, 79
 - vs. sales, 105
- Marketing activities and metrics:
 - awareness marketing, 53–55
 - customer satisfaction (CSAT), 58–60
 - demand generation (trial) marketing, 61–62
 - evaluation marketing, 56–57
 - loyalty marketing, 57–58
 - marketing operations metric, 60
- Marketing and IT relationship, 42–44
- Marketing budgets:
 - leaders vs. laggards, 19–20
 - percent allocation of, 258
- Marketing campaign management (MCM):
 - adoption competency, 263
 - campaign selection, 250–251
 - defined, 272
 - effectiveness stages, 248–249
 - execution, 251
 - learning and feedback, 251
 - measurement and value capture, 251
 - optimization of, 261
 - process components, 268
 - state of the industry in, 249–251
- Marketing campaign management
 - processes, approach to upgrading:
 - about, 262
 - advanced, 265–266
 - defined, 263–264
 - intermediate, 264–265
- Marketing campaigns, 9
 - alignment across, 252
 - funding education of, 5
 - performance of, 60
 - screening, evaluating and prioritizing, 6
 - tracking and monitoring, 6
- Marketing costs, 125
- Marketing database, 206
- Marketing divide:
 - about, 3–7
 - case examples, 9–17
 - data-driven marketing strategy
 - definition, 22–25
 - in Internet marketing, 157
 - key differences between leaders and laggards, 17–20
 - marketing budget portfolio differences, 19, 105, 257
 - marketing metrics, 7–9
 - marketing metrics to weather difficult economic times, 20–22
- Marketing governance, 272
- Marketing investments and financial return on investment (ROI), 82
- Marketing management capabilities, 252–253
- Marketing measurement, 40, 190
- Marketing metrics, 7–9, 20–22
- Marketing metrics, classical:
 - about, 52
 - B2B measurement challenge, 67–71
 - balanced scorecard for marketing, 62–67
 - marketing activities and metrics, 53–62
- Marketing network, 9
- Marketing operations metric, 60
- Marketing portfolio components, 256
- Marketing portfolio spending, 259
- Marketing processes, technology and firm performance, 252–256
- Marketing resource management (MRM), 6, 261
- Marketing spending during recessions, 21
- Market segments/segmentation, 5, 15
- Market shaping, 257, 258
- Market share vs. profit, 105
- Marshall Fields, 4
- Marx, Groucho, 198
- MasterCard, 64–66
- Match type, 160

- Maturity model, 248
 McGraw-Hill Research, 21
 McKeveny, A., 65
 McPaul, Sam, 94, 208
 Measurement:
 and advertising, 86
 and behavior, 46–48
 and control, 47
 design for, 66–67
 pre and post sales, 13
 and value capture, 251
 Meckler, Edward H., 93
 Media Contacts, 167, 173–174, 176
 Meredith Corporation, 202–206
 Meredith Publishing, 7–8
 Meteor Solutions, 183
 Metric categories, 63
 Metrics. *See also* brand awareness metrics;
 essential financial metrics; financial
 metrics; Internet marketing metrics;
 marketing metrics, classical;
 nonfinancial metrics:
 awareness marketing and financial, 35
 bounce rate, defined, 169
 brand awareness surveys, 54–55, 86
 campaign effectiveness, 99–103
 categories of, 63
 classical marketing, 8, 271
 click-through rate (CTR), defined, 162
 comparative marketing, 87–91
 customer satisfaction, 96–99
 definition of, 50
 essential, 8
 evaluative marketing and financial, 56
 forward looking, 63
 Internet, 270
 IRR, defined, 61
 loyalty marketing metric, 91–95
 marketing, 7–9, 20–22
 marketing activities and, 53–62
 marketing operations, 60
 net present value (NPV), defined, 61
 new age marketing, 9
 nonfinancial brand awareness, 82
 nonparametric data, 214
 payback, defined, 61
 profit, 61, 105–106
 ROMI, 127–129
 take rate, defined, 60, 99–100, 163
 test-drives, 90, 91
 word of mouth (WOM), defined, 181
 Metro (food retailer), 24
 Microsoft:
 aQuantive purchase by, 157
 co-marketing with channel partners, 36
 geospatial data, 34
 Internet search wars, 159
 marketing measurement for b2b, 67
 mid-market portal, 38
 OEM partners, 37–38
 Security Guidance Campaign, 44
 Security Guidance campaign, 191–196
 X-Box, 127
 Microsoft Excel. *See* Excel (software):
 Microsoft Media Center Edition (MCE),
 69
 Mishra, Saurabh, 5, 249
 Modified accelerated cost recovery
 schedule (MACRS), 126
 Monitoring, 252–253, 268
 Monitoring and intervening, 234–237
 Monte Carlo analysis, 130–131
 MRI and CAT scanners, 89
 Multiple campaigns, 119
 MySpace, 179, 180

 NASCAR, 11–13, 55, 82–83, 196
 National Australia Bank (NAB),
 216–217
 Natural search, 159
 Natural search ranking, 160
 Navistar, 83–86, 89, 181
 NCR (National Cash Register), 243
 Near-time data, 190, 194, 199
 Near-time data use, 189–200
 Negative-CLTV customers, 140
 Negative profitability drivers, 141
 Net present value (NPV), 7, 110–112, 114
 Net present value (NPV) metrics, defined,
 61
 Net promoter score, 96
 Net revenue, 163
 Neural networks, 208
 New age marketing metrics, 9

294 Index

- New product launch template, 118
- New products, 128
- NewsCorp Media, 22
- Newspaper marketing, optimization of, 34
- Next-best product model, 203, 206
- Nexus customers, 149
- Nike, 55
- Nissan, 270
- Nonbranded click-stream, 172–173
- Nonfinancial brand awareness metrics, 82
- Nonfinancial metrics:
 - brand awareness metric, 75–86
 - churn, 91–95
 - customer satisfaction (CSAT), 96–99
 - take rate, 99–103
 - test-drive, 87–91
- Nonparametric data, 214
- Nordstrom Concierge Service, 57–58
- Normalized revenue, 177
- NPV (net present value). *See* net present value (NPV):

- Omniture, 175
- Online focus groups, 39
- Online travel companies, 190
- Operational metric categories, 63
- Opinmind, 179
- Opportunity definition, 50
- Organic search, 159
- Original equipment manufacturers (OEMs):
 - difficulties with, 67–71
 - evaluative marketing, 67–68
 - Microsoft and, 36
 - partners, 88
- Outsourcing vs. in-house data operations, 206
- Overture, 158

- Page, Larry, 158
- Page views, 168, 171
- Palm, 182
- Palm Centro, 182
- Partner loyalty marketing, 95
- Payback metrics, defined, 61
- Payback period, 113, 114
- Penton Research Services, 21

- People and change, 28
- PepsiCo, 22
- Perera, Jonathan, 191
- Performance:
 - of call centers, 218
 - financial prediction of, 99
 - of firm, and marketing processes, 252–256
 - of marketing campaigns, 60
 - real-time monitoring of, 171
- Phased approach, 262
- Philips Electronics, 76–77, 79–82, 86
- Philips Medical Systems, 89
- Phillip Morris, 21
- Phone interviews, 86
- Pilot marketing campaigns, 6, 33
- Ping Golf, 217–218
- Point-of-sale (POS) data, 228
- Political culture, 44–45
- Politics, 235, 236
- Porsche Cars North America, 87–88
- Porsche First Mile Campaign, 87
- Porter, Michael, 15, 238
- Portfolio view, 252–253, 268
- Pre-baseline analysis measurement, 118–119
- Predictive models:
 - customer behavior, 207
 - customer lifetime value (CLTV) for, 63
 - customer purchasing characteristics, 207
 - decision trees, 208
 - difficulties with, 215
- Pre-post perception change, 84
- Present value, 109
- Price competition, 105
- Pricing strategy, 106
- Privacy laws, 24
- Privacy policy, 39
- Probability of action, 136
- Probability of purchase, 163
- Process documentation, 267
- Process reviews, 50
- Proctor & Gamble, 22, 201
- Product-centered focus, 143
- Product launch cost, 116
- Product launch marketing, 78

- Product life, 128
- Product life cycle, 90
- Profile-based campaigns, 180
- Profit:
 - defined, 105
 - vs. market share, 105
 - metrics, defined, 61
- Profitability:
 - data, 146
 - and future value, 146
 - vs. revenues, 135
 - spectrum of channel partners, 143
- Pro-forma cash flows, 125
- Propensity marketing, 202–206
- Propensity model, 206
- Pryor, David, 87
- Purchasing cycle stages, 91, 154
- Purchasing funnel, 53

- Qashqai (suv), 270–271
- Qashqai games, 270
- Qualified leads, 159
- Qualitative data, 70
- Quick assessment, 50
- Quickbooks, 141
- Quick wins, 29, 44, 46, 50–51, 237, 243, 261, 272
- QVC, 190

- Radio frequency identification (RFID)
 - tabs, 24
- Range of possible outcomes, 130
- Rate of return, 109
- Rational culture, 44–45
- Ray-Ban web site, 89
- Real-time data warehouse and analytics, 218
- Real-time heat mapping, 241–243
- Real-time performance monitoring, 171
- Real-time pricing, 240
- Real-time response, 232
- Rearchitecting data vs. forklifting data, 233
- Recognition and brand awareness, 80
- Recommendation clicks, 184
- Recommendations, 59–60, 96–99, 182
- Regression, 7, 214–215
- Regression vs. decision trees, 214–215
- Reichheld, Fred, 96
- Relationship marketing, 256
- Repurchase intention and customer satisfaction (CSAT), 59
- Requirement complexity, 225, 229–233
- Research methodology:
 - hypotheses, 248–249
 - research team, 249
 - respondent demographics, 249
 - survey and interviews, 249
- Research team, 249
- Resellers, value proposition for, 38
- Resident Evil 5 (RE5) game, 183
- Resources, lack of, 235
- Resources and tools, 27
- Respect, 260
- Respondent demographics, 249
- Restocking fees, 140
- Results vs. activity, 33
- Retention of high-value customers, 58
- Retention rate, 136
- Return on ad dollars spent (ROA), 159, 163
- Return on investment (ROI) vs. internal rate of return (IRR), 112–113
- Return on marketing investment (ROMI), 5, 33, 61, 114, 128
- Return on marketing investment (ROMI) for new product launch:
 - about, 122
 - base case, 123–124
 - depreciation for new product development, 125–127
 - new product and marketing costs, 124
 - pro-forma cash flows, 125
 - ROMI metrics, 127–129
 - upside assumptions, 124–125
- Revenue impact of churn reduction, 94–95
- Revenue life, 124
- Revenue management model, 240
- Revenues vs. profitability, 135
- Revlon, 21
- Risk, 107
- Risk and return, 50
- Road maps, 266

296 Index

- Robertson, Jamie, 80
- Roesel, Stuart, 207–208, 212–214
- ROMI (return on marketing investment).
See return on marketing investment (ROMI):
- Royal Bank of Canada (RBC), 23, 28, 63, 146, 149, 232–233
- Sainsbury's, 142–144
- Sales:
vs. marketing, 105
validation of incremental, 121
- Sales cycle, 88
- Sales predictions, 89
- Sample size, 70
- Sapporo (beer), 36
- Sarbanes-Oxley legislation, 125
- SAS (software):
customer base ranking using, 147
Enterprise Miner, 152, 209
JMP, 41
natural breakpoints in a multivariable data set, 152
skills to use, 213
- Satre, Phil, 238–239
- Sawhney, Mohan, 258–259
- Scalability issues, 228, 235
- School buses, 83–86
- Scorecard. *See also* metrics:
- Score cards, 50, 271
- Search engine marketing (SEM):
cost per click (CPC), 158
demand generation marketing through, 258
effectiveness of, 9
online marketing budgets for, 157
optimization, 167, 175
web campaign optimization, 192
- Search engine publisher selection, 165–166
- Search order by links, 158
- Sears, 23–24
- Sears Catalog, 13
- Sears direct mail marketing, 13
- Sears mailers, 14
- Segmentation:
age based, 147
customer, 142
fine-grained, 15, 23, 38, 206
household data for, 152
market, 15
value-based, 151, 154, 271
- Selection, 252–253, 268
- Self-service booking and customer acquisition, 240
- Senior executive support/sponsorship, 235, 237, 260, 261
- Sensational Grilling* cookbook, 204
- Sensitivity analysis, 116, 133
- Service recovery, 145
- Shaping markets, 18
- Share price, 111–112
- Skills gap, 48–49
- Small experiments, 33–35
- SMS (short message service) text numbers, 27
- Social media:
impression advertising in, 178
marketing, 9, 181–186
relative cost of marketing, 180
- Social media multiplier, 185
- Soft benefits, 128
- Sponsored searches, 160
- Sponsor firms, 120
- Sponsorship:
and brand awareness, 120
uniform resource locator (URL) in advertising, 198
- Sponsorship-related marketing, 66
- Standard deviation, 130
- Standish Group, 234
- Stock keeping units (SKUs), 142
- Straight-line depreciation, 126
- “Strategic Marketing ROI: Myth versus Reality,” (Jeffery) 17
- Strategic metric categories, 63
- Sunglass business, 89
- Suntory Malts (beer), 36–37
- Surveys:
brand awareness, 54–55, 86, 196
as customer data proxy, 38–39
customer satisfaction, 97
for fine-grained segmentation, 38
and interviews, 249

- research methodology, 249
 - for target marketing, 38
- Sustainable competitive advantage, 17, 238, 245
- Table stake, 128
- Tactical metric categories, 63
- Tagtow, Kelly, 206
- Take rate. *See also* analytics:
 - and call to action, 60
 - campaign effectiveness through, 99–103
 - components of, 192
 - lift, 219
 - metric defined, 60, 99–100, 163
- Targeted print advertising, 202
- Targeted retention marketing, 239
- Target marketing surveys, 38
- Team building, 267
- Technology, 15, 252–256. *See also*
 - enterprise data warehouse (EDW);
 - information technology (IT);
 - marketing resource management (MRM)
- Test-drives:
 - comparative marketing, 87–91
 - conversion rate, 91
 - evaluative marketing initiatives, 63
 - and future sales, 57, 91
 - metrics, 90, 91
- Text message numbers, 55
- 30- And 90-day churn analysis, 94–95
- 3M, 142–143
- Tiered loyalty program, 240
- Time on site, 168, 171
- Time value of money, 107–108
- Today Is Another Day (TIAD), 213
- Tools, 50
- Top down and bottom up data-driven marketing culture, 49
- Top-of-mind recall, 55
- Total clicks, 185
- Total Rewards, 239, 244
- Touch points, 223
- Training of employees. *See* employee training/skills:
- Transactional data, 241
- Transaction conversion rate (TCR), 60, 159–168, 192–193
- Trend data, 107
- Trial marketing. *See* demand generation (trial) marketing:
- Trips generated, 15
- Trust, 24, 39
- Tucci, Sabrina, 80
- Turf battles, 236
- Twitter, 178
- Tyvek brand, 11, 12
- Ungless, Derek, 98
- Uniform resource locators (URLs), 55, 169, 198
- United States Navy, 47
- Value-added resellers (VARs), 67–71
- Value-based customer acquisition marketing, 154
- Value-based marketing:
 - churn management, 222
 - Continental Airlines, 144–145
 - customer lifetime value (CLTV), 138–145
 - Sainsbury's, 142–143
 - 3M, 142–143
- Value-based segmentation, 151, 154, 271
- Value proposition:
 - for customers, 38
 - evaluative marketing, 56
 - grocery store card, 24
 - for resellers, 38
- Verizon, 22
- Viral marketing, 183–184, 269
- Viral videos, 270
- Virtual mirror, 90
- Virtual test drive, 89
- VISA, 64
- Visibility issues, 80
- Vision, 235
- Walgreens, 29–30, 34
- Wal-Mart, 4
- Watson, Hugh, 234
- Web analytics, 175

298 Index

- Web portals, 122
- Web site landing page, 192
- “Will It Blend?,” (video) 269
- Win, Richard, 41
- Windows 7, 67
- Winter, Richard, 41, 227–228
- Wixom, Barbara, 234
- Word of mouth (WOM):
 - cost per click (CPC) of, 185
 - for Internet marketing, 181–186
 - metric, defined, 181
 - tracking component, 183
- Work processes, 252
- Worst case, 132
- X-Box, 127
- Yahoo!, 159
- Yield management capability, 240
- YouTube videos, 269
- Zasso, Charles, 93

<http://www.pbookshop.com>