

Monthly Newswire

Welcome to our monthly newswire. We hope you enjoy reading this newsletter and find it useful.

September 2019

Return on Marketing Investment

Calculating return on investment (ROI) on marketing activity has been a longstanding challenge for businesses.

Return on marketing investment is a metric used to measure the overall effectiveness of a firm's marketing strategy in order to help the management team to make better decisions around future marketing investments.

Marketing activity adds value to different business functions in different ways. Your sales team might define marketing value in terms of revenue growth whereas your operations team might view it in terms of cost management or pricing strategy. As such, you should map out what value means to each function and create metrics that measure the impact of marketing for each part of the business.

In order to track and measure ROI on marketing, you need to know how much you are spending on it - this is where your marketing budget comes in. Set a marketing budget at the start of the year alongside clear objectives which focus on areas such as new client acquisition, client retention, brand and reputation development, etc.

It can be helpful to explain the marketing budget to colleagues. By providing visibility on how each spend in the marketing budget aligns with the firm's key strategic objectives, you can educate your colleagues and establish the credibility of your marketing function.

It is often necessary to educate your colleagues in relation to the uncertainties of marketing. Just because the firm invests £100 in marketing doesn't necessarily mean it will make £1,000 in new sales. There are various uncontrollable factors which influence the outcomes of marketing activities and you should take the time to help your colleagues to understand this.

You can then create some KPI's which illustrate the return on marketing investment against each strategic objective and also measure how the marketing investment has delivered value to each business function in your firm.

If your business has a client relationship management (CRM) system you can track how many customers your marketing campaign has targeted. You can also track the conversion rate - i.e. what percentage of customers who were marketed to by your firm actually purchased from you each quarter.

Marketing is a long-term investment in developing relationships with potential customers. The ROI may take several months to start coming through. As such your reporting should focus on longer-term measures (i.e. quarterly rather than monthly measures). As time goes by you should be able to show how business growth followed each marketing campaign.



Creating a more inclusive workplace

Diversity and inclusion are hot topics as society is driving firms to become more inclusive.

Most business owners and managers are well aware of the value of having a diverse workforce. Different views, different experiences and different ways of thinking among team members can help businesses to come up with new and innovative ideas.

However, having a diverse team of people working in your business doesn't work very well if the firm doesn't have an inclusive culture. To make the most of your team you need to welcome them to the team and encourage them to get involved.

Put simply, diversity is the mix of people in your business. Inclusion is how you leverage and utilise that mix of people. An inclusive business gives everyone the opportunity to contribute.

While managers and business leaders have ultimate responsibility for setting the firm's culture, employees can do their part in making it a more inclusive environment. For example, your team members could make an effort to interact with other employees outside of their own team. This could help them to gain new insights from other parts of the business and encourages them to become interconnectors between different teams / departments.

Another good way to encourage inclusion is to involve other people in your meetings - you could invite a guest from a different department to join your monthly team meetings.

They could contribute their views and this would also give them the opportunity to get to know your team. To change things up even more, you could rotate the person who leads the meeting each month. This means that at least one different person is speaking at each meeting.

The most inclusive businesses leave their assumptions at the door. It is easy to make assumptions about other colleagues. Making a conscious effort to leave your biases at the door will encourage others to do the same.

Inclusive businesses are about empowering others. Encourage your team members and colleagues to grow by letting them solve problems, come up with new ideas and develop new skills. Encourage them to be accountable. This shows your colleagues that you have confidence in them and in their ability to perform their job well.

Dispute resolution through arbitration

Arbitration is the process of bringing a business dispute before a neutral third party in order to resolve the situation.

Arbitration is a form of alternative dispute resolution (ADR), used in place of litigation in the hope of settling a dispute without the time and expense of going to court.

The process begins when two parties agree to settle their dispute through arbitration. The decision may also have been made for them by the addition of an arbitration clause to a contract that both parties have signed. The third party, an arbitrator, hears the evidence brought by both sides and makes a decision. Sometimes (usually) that decision is binding on the parties. It is worth noting that there is generally no appeals process, unlike in court proceedings.

There are various benefits to settling a dispute through the use of arbitration. The speed and informality of the arbitration process are major reasons

why many businesses select arbitration over litigation. In many cases, arbitration can be a shorter process, and if no lawyers are needed, it can be less costly.

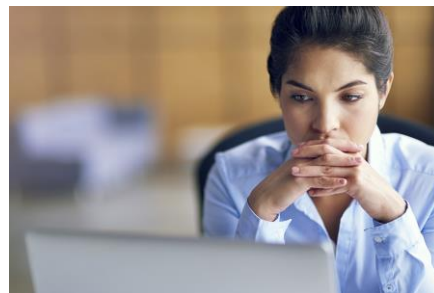
The two parties to the arbitration can also have control over the selection of the arbitrator. This differs to a court case where the judge and jury selection is out of the hands of the two parties. Finally, arbitration hearings are private and the results are not on public record. This can save face for both parties who may not want to publicise their dispute.

More businesses are including arbitration clauses in their agreements and contracts as a way to quickly and quietly resolve disputes. These clauses can help to protect businesses from expensive court cases while still giving customers and third parties an avenue to resolve disputes.

The power of saying “no”

It’s important to be able to say “no” at work without making enemies.

It’s a simple word, but one that far too many of us have trouble saying. Perhaps it is because you’ve become successful by saying yes to every business opportunity, every request that has come your way, in order to grow your business or develop your career.



However, as you progress through your career, you become more successful and new opportunities will inevitably emerge. More people and more projects will vie for your time.

You cannot do everything and this is when it may be necessary to start saying no to things.

More than ever, we are all working harder with less resources which means that we can often take on too much work. Sometimes saying “yes” to another project when you are already at full capacity effectively means that you’re saying no to completing the tasks that you already have to do.

Steve Jobs famously said that “focusing is about saying no”. Focusing on what matters, not just what is in front of you, is the key to driving the success of any business.

Most teams in most businesses set out their annual objectives at the start of the year. These objectives should align with the overall goals of the business. Individual projects and day-to-day tasks should align with these objectives. If a new project or request doesn’t align with your team’s objectives then it might be best to push back and say “no”.

If a senior colleague asks you to do something, a flat “no” may not be an appropriate response. Instead it may be more appropriate to say that you don’t have any capacity at the moment, outlining the key projects that you are currently working on. If the new request is to be prioritised, your colleague may suggest that one of your other projects is put on the back burner.

When it comes to managing your time, your career, and your business, over-committing yourself isn’t a sign of success. If you’re struggling to say no, think back to all the times when agreeing to take on something new distracted you from your own priorities. How much time, energy, and stress might have been saved if you had just been able to say no?

If you don’t have time to take on more work, next time simply say, “No, I can’t commit to that due to other priorities.” You don’t need to apologise or over-explain. Just be polite and move on.