



Are Your Marketing Dollars Working Full-Time?

John Wanamaker said, "Half the money I spend on advertising is wasted; the trouble is, I don't know which half."

Sterling Park's unique Return on Marketing Investment (ROMI) analysis offers a **breakthrough in examining business results in relation to each type of marketing activity as well as to external variables** (e.g. the economy). The effects of the various **combinations** of marketing activities and economic indicators can be particularly enlightening. We use not just a single modeling approach, but an innovative suite of modeling tools. As a result, both direct and indirect effects of activities can be examined and both positive and negative synergies between activities can be measured.

The findings of ROMI analyses help our clients determine:

- Which marketing activities are most effective? Which ones don't add value?**
- In what areas are spending levels too high? How should funds be reallocated?**
- What external conditions (e.g. unemployment) affect marketing's ability to generate results?**
- How should incremental funds be allocated?**

Process

ROMI's begin with clear definitions of the goals and actions which will be taken based on the results. Once the goals are established, both internal and external data is collected, cleaned and normalized to make certain the input is accurate.

A variety of techniques are utilized to discover relationships in the data. While general business processes may be similar across organizations, the details are unique.

- Significant variables and interactions are discovered using GMAX™, an evolutionary "genetic" computing tool.
- Findings are explored with more traditional data mining techniques.
- Initial findings are refined in partnership with the organization.
- Models are refined and tested. Latent variables are identified with structural equations modeling (SEM).

Results

Every analysis has "Ah ha" moments, where unexpected results are discovered and examined for implications. Developing findings is an iterative process - results can be directional as well as definitive. Judgment illuminated by data has created breakthrough actions for our clients.

Please give us a call if you are interested or have a question about ROMI.

All the best,

Paul Kulavis

Debra Isenberg