

# **Marketing Mix Modelling for SMEs**

## **Case studies from 2020 & 2021**

# Businesses behind the cases

## Business A

- Industry: B2B & B2C services, automotive
- Operating since: 2005
- Geographic focus: Europe
- Scale: £1-5m annual turnover
  
- Sales & marketing channels: PPC, catalogues, website live chat
  
- Key business questions: 1. impact of PPC 2. impact of catalogues 3. impact of covid-19

## Business B

- Industry: B2B & B2C services, professional certs
- Operating since: 2001
- Geographic focus: Europe
- Scale: £10-20m annual turnover
  
- Sales & marketing channels: PPC, outbound phone calls, email, paid social
  
- Key business questions: 1. impact of PPC, email, paid social 2. salesforce role 3. impact of covid-19

# Scope for each business

## Business A

- Approach: marketing mix modelling
- KPIs modelled: website visits, transactions
- Countries: UK, Italy
- Timeframe: weekly Jan 18 - Jul 20
  
- Deliverables:
  1. Feasibility study
  2. Interim presentation
  3. Final presentation
  4. Forecasting tool

## Business B

- Approach: marketing mix modelling
- KPIs modelled: website visits, orders
- Countries: UK, Germany, Netherlands
- Timeframe: weekly & biweekly Jan 18 - Oct 21
  
- Deliverables:
  1. Feasibility study
  2. Interim presentation
  3. Final presentation
  4. Handover of model assets to in-house analytics

# Findings and recommendations

## Business A

1. PPC was working but recommended to reduce spend by 20% to avoid paying for sales that would probably have happened anyway
2. Recommendation to divert this spend into catalogues which had a longer lasting effect on transactions, acting as a brand reminder
3. No evidence that marketing worked less well during lockdowns. It was clear that live chat came into its at this time as people sought clarification
4. Advice to monitor google algorithm changes closely because these had caused measurable step changes to website visits via organic rankings

## Business B

1. PPC drove incremental revenue but below breakeven profit ROI. Driven by CPM and order value, not wastage
2. No current alternative that drives as many visitors to the website as PPC, so need to continue it
3. If PPC budget needs to be cut advised on which months to take budget from to minimise losses
4. Both paid social platforms used drive incremental, even when spend increased YoY. Look into audience for each
5. Response to emails varies by type of message. They work both to drive website visits and also to close sales
6. Salesforce is crucial for conversion, but a given team can only handle so many calls and maintain quality
7. Website is the shop window so its important that new products are visible when they are available to buy
8. Business is vulnerable to competitors who have put money behind driving website traffic since covid started

# MMM in a nutshell @ jogordonconsulting.com

1. Marketing Mix Modelling under **Services** for related blogs
2. Get 5-minute download from **Resources** or, if you have time
3. Read *Market Measure Plan Profit* - get it from **Resources**



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