

## DIGITAL MARKETING BENCHMARKS LEVERAGED BY MARKETING ANALYTICS TOOLS

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### ABSTRACT

*The aim of this paper is to provide a structured overview of several marketing analytics tools and guidance in creation of company's own digital marketing dashboard and benchmarks. Digital analytics tools display in a clear and creative manner the trends and dynamics of the numbers (budgets, costs, investment), the percentages (shares, ratios), as well as various statistical data, rankings and KPIs. By exploiting the data from these tools, the entire business of a company can be leveraged. Ideally, the data should be regularly monitored and benchmarked to relevant criteria and business results of the industry leaders. If some benchmarks are not available within an analytics tool, a company can develop own benchmarking system and ranking scales based on own database. Such dashboards would be highly personalized to the needs of the company – they would reflect performance of own product assortment per lines of business, digital capabilities of B2B partners, and allow scores comparison through markets and through time (MoM / YoY trends and dynamics). By combining external and internal analytics tools, a company can achieve insights of greater value in relation to its core-business, products/services and its digital marketing strategy. The paper also covers detailed review of digital marketing metrics within the tried-out tools, as well as tools' advantages and disadvantages. The author discusses development of internal digital marketing standards, ranking scales and benchmarking criteria which can support decision-making in digital marketing practice, and it also addresses the probable direction of future development of digital marketing analytics tools in general.*

**KEYWORDS:** digital marketing analytics tools, data-driven marketing, marketing dashboards, digital marketing benchmarks, digital marketing metrics

### 1. INTRODUCTION

It is difficult to imagine how the society of today would collect information, communicate and interact in various situations, and/or purchase goods and services without digital technologies. What used to be difficult to imagine would ever exist, today has become the firm new norm - the starting point for all other activities in an average day of a modern-day citizen or business. From the perspective of businesses which use digital platforms for trade and advertising of products / services, tracking of business results through analytics tools and interactive dashboards has become "the new black". With valuable analytics tools in place offering data on a silver platter, the only remaining obstacle still is the sceptical mind-set of some digital

marketers. Apart from digital marketers who have already embraced the analytical part of marketing job as its integral component equal to any other, there are others who don't quite jump with joy when terms "data" and "analysis" are mentioned. When confronted with marketing analytics tools or dashboards, they chose to carefully watch from afar and continue neglecting them as valuable sources of information. Perhaps they believe that creativity (which is often attributed to marketing) cannot be integrated into analytics as such. Not even when it comes to the systems which support marketing decision-making / marketing intelligence tools? And so some people take their time when it comes to full adoption of analytics tools and their integration into regular daily work. But the absence of creativity cannot be what is actually keeping these colleagues from approaching the analytics tools with curiosity and faith, can it? Most probably they just lack the knowledge to feel confident about using the available data in their work effectively. (Carstensen, 2019) The practical use of analytics is up to the people who work in a company, who need to not only know how to gather data but also how to use it correctly. (Techopedia, 2019)

The data which these tools provide is arguably 100% applicable to every business scenario and/or every company but without data, it would be like doing business "in the dark" so it is far better to use them than not to use them at all. By exploiting the data from these databases, entire business can be leveraged, not just the marketing aspect. These tools display in a clear manner the dynamics and trends of the most important numbers (budgets, costs), the percentages (shares, ratios) as well as various statistics, rankings and *Key Performance Indicators*. Whereas KPIs measure and evaluate how well an organization is achieving its pre-set goals and objectives; benchmarks help with establishing the appropriate targets and performance thresholds for the KPIs. In this way a corporation knows if it is on the right path or not. (Heffernan, 2019) Marketing KPIs can vary widely within particular industries, therefore using a general, average marketing KPI would not be appropriate for evaluating the success of a particular marketing initiative. (Kononenko, 2018)

The author's motivation to perform research on this subject can be found in both personal and professional interest in all aspects of digitization and digital communication as the main pillars of today's omnipresent way of work and way of life. With the intention of being an active agent in changing readers' attitudes towards data-driven marketing and digital marketing benchmarks, the author proactively approaches various aspects of digital marketing analytics. Some of the insights presented in this paper stem from author's own work experience at the position of *EMEA Marketing Analytics Manager* at Microsoft during the period from November 2018 to March 2020. The author has used marketing analytics tools in practice for the purpose of internal analyses and reporting. During this scientific research, which took place in the period from January 2019 to March 2020, different sources were used to collect information - not just mainstream literature but also online sources. Considering that digital analytics tools present a rather new area of research, not many industry books and professional papers have been found which would cover the topics of digital marketing analytics, marketing dashboards and digital marketing benchmarks. The lack of recognized references represents the main limitation of this research. To perform search within *Emerald Insight* database, the author used the following keywords and search terms related to the field of digital marketing: digital data analytics, digital marketing analytics tools, marketing intelligence, data-driven marketing, marketing dashboards, marketing benchmarks, benchmarking criteria, digital marketing metrics, marketing budgets, competitive benchmarking, digital marketing benchmarks, online marketing, mobile marketing, e-commerce, m-commerce, cognitive analytics, predictive analytics, and other related terms. During the writing of this paper, the methods of analysis and synthesis were used, and deductive and inductive reasoning applied.

The aim of this paper is to provide a structured overview of different types of marketing analytics tools in digital marketing practice and to highlight the importance of benchmarks in digital marketing. The paper also discusses development of internal digital marketing standards and criteria which can be internally developed. The paper is consisted of introduction chapter, middle chapter and the conclusion. The main chapter opens with the discussion on which analytics tools to invest in and what the companies should consider when deciding which tools they will choose to use. After giving an overview of selected marketing analytics tools, the author explains how internal analytics tools and developing own benchmarks can benefit marketing decision-making. The emphasis is placed on digital marketing benchmarks and how marketing analytics tools can leverage them. The final chapter addresses the changing attitude of Digital Marketing Managers towards the usage of analytics tools in everyday decision-making. The author mentions probable future implications and outlines recommendations for future research.

## **2. DIGITAL MARKETING BENCHMARKS LEVERAGED BY MARKETING ANALYTICS TOOLS**

Approximately a decade ago many authors began writing about the importance of *marketing decision support systems*. Back then analytics tools have not yet been invented. Everyone seemed fascinated by the idea of having a system for gathering information which would be “flexible, computerized and which would enable managers to obtain and manipulate information as they are making decisions” (Lamb, Hair, McDaniel, 2009) The term “marketing analytics tools” refers to the platforms, online applications and databases specifically developed for the purpose of analysis of numerous digital marketing initiatives of companies which do business at the online market. The major parties which are taken into account in this arena include: e-retailers, digital visitors, digital buyers, the suppliers, non-consumers and the competitors on local markets and the global market. Digital analytics tools provide insight into their activities tied to e-Commerce, conversions, traffic and engagement. Using the right analytics tools which track all of company’s digital marketing data through all of the channels and platforms, helps Marketing Managers make more informed decisions about adapting digital marketing strategies. (Fronetics, 2019)

The term “*benchmarking*” understands evaluating own strategies and operations against *best-in-class* results, practices and methodologies in order to improve own performance. According to Gowing, digital marketing benchmarking can be described as “a method of objectively evaluating own company’s digital marketing activities after carrying out an assessment of own existing digital marketing activities, tracking how often they are carried out, how much they are engaged with and what effect they have. Once a company has a snapshot of the quality of own digital marketing at the present moment, the next step is to use this information for improvements in the future”. (Gowing, 2016) Benchmarks should not be confused with best-practice cases but should rather be viewed as best case scenarios (i.e. ideals) which a business should strive towards. When a company knows its similarities to and discrepancies from the benchmarked goal, it is much easier to understand own market position, competitors’ positions and to take appropriate actions at a certain moment in time. Benchmarking involves identification who to benchmark against, selection of business aspects which will be benchmarked, collection of relevant data which will enable comparison of processes and operations, as well as own processes with the identified benchmarks. (Hooley et al., 2017) If some benchmarks are not available within a certain analytics tool, a company can develop own benchmarking system according to which it will track digital marketing execution on its own, taking into account own digital capabilities, as well as those of its B2B clients / partners.

The term “*marketing benchmarks*” stands for standard measurements used to compare own company’s results to those of the competitors or the industry as a whole. (Spacey, 2018) By benchmarking own marketing activities the company can easily identify its competitive position and have a clear understanding of aspects which needs to be improved. However, to be able to perform benchmarking, data concerning competitors should be obtained and put into right context (in other words “*apples should be compared to apples*”). According to Spacey, some of the most important marketing benchmarks are: market share, conversion rate, customer retention rate, to name a few (Spacey, 2018). However, this is just a bare minimum of what could and should be included in the analysis.

## **2.1. HOW MOBILE TECHNOLOGY HAS AFFECTED LIFESTYLE OF HUMAN KIND**

For the past fifteen years digital transformation has revolutionized all aspects of business across all industries. Digitalization is one of the most significant on-going transformations of contemporary society and it encompasses many elements of business (Hagberg, Sundstrom and Zandén, 2016). New online IT solutions and applications allow tracking of marketing activities in online environment in marketing dashboards by providing easy and transparent measurement of success rates, profitability and effectiveness of each marketing activity. The technologies integrated in the mobile devices are constantly being upgraded and changing the world we live in. On a mundane level, this offers more and more possibilities to individuals for better organization of their everyday lives, time savings, money savings, spending more quality time with family and friends; achieving satisfactory work-life balance; finding the best deals; travelling more and affording themselves luxury goods and services. Thanking to handheld devices which have caused mobile to become the number one channel of communication and trade, lifestyle of millions of people across the world is being leveraged to a whole new level. Various forms of technological equipment are present in individuals’ day-to-day activities, and new forms of communication are developing rapidly (e.g. new social media platforms or smartphone apps). (Backholm et al., 2018) It is not coincidence that richer countries enjoy a higher degree of digitalization (Vizek, 2018) – which is a direct result of highly developed technologies which are used there in all walks of life. To clarify, it is well known that Norway, Denmark and the Netherlands are some of the most technologically advanced countries in Europe. Additionally, they are at the very top when it comes to 2019 GDP per capita PPP rankings (International Monetary Fund, 2020) and the readiness to adopt 5G technology, which will be the game changer for ICT industry in the upcoming years. (Knezović, 2019)

To illustrate how technology affects and irreversibly changes the lifestyle of human kind, let’s take Scandinavian markets as excellent examples of highly digitised society; where digital technologies are at high level of development and immersed into all aspects of everyday life of local citizens, making it a benchmarking paragon to other countries. In Norway, most citizens don’t carry cash on them but they rely mostly on debit cards, credit cards and mobile payment apps for usual daily purchases (Nikel, 2018). Most of the communication between companies and end-consumers who are gathering information online, happens via their mobile devices. Precisely, during the period from April 2019 to June 2019 incoming website traffic of the most popular websites in Norway, Sweden and the Netherlands were analyzed by the means of SimilarWeb analytics tool. Specifically, the following e-retailers were studied: Elkjop.no, Elkjop.se Power.no, Power.se, GameStop.no, GameStop.se, Cdon.no, Cdon.se, NetOnNet.no, NetOnNet.se, MediaMarkt.no, MediaMarkt.se, MediaMarkt.nl, Bol-com, and Coolblue.nl. The findings show that in Norway mobile traffic gained greater share within total website traffic in the observed period (approximately 45%-63%), while a much smaller share (approximately

37%-54%) derived from desktop search. Similarly, in the Netherlands desktop traffic made up a 39%-52% in average, while mobile traffic prevailed with an average of 48%-61% per retailer. In Sweden the results are even more impressive, with mobile search making up between 63%-70% of total website traffic, and desktop search between 30%-37% (SimilarWeb, 2019) depending on the digital retailer. For the purpose of identifying whether there is a growth trend in the studied cases, the analysis was repeated six months later, from November 2019 to January 2020. The results are the following: there is a visible growth trend of average mobile traffic share within the total website traffic in comparison to average desktop traffic share.

Table 1. Average share of mobile vs desktop traffic in total website traffic (2019 trend)

	Apr/2019 - Jun/2019		Nov/2019 - Jan/2020	
	Average share in website traffic			
Country	Mobile	Desktop	Mobile	Desktop
Norway	54,0%	45,5%	59,8%	40,2%
Sweden	66,5%	33,5%	62,7%	37,3%
the Netherlands	54,3%	46,7%	57,9%	42,1%

Source: Author's summary based on SimilarWeb data (2019, 2020)

To summarize, only six months later, the share of mobile traffic has further increased in Norway and the Netherlands, coming close to 60% of total traffic of the selected websites. Even though there has been a slight decrease in case of mobile share at Swedish retailers' sites within this period, mobile share is still significantly higher than desktop traffic share (2/3 vs 1/3). In other words, the majority of citizens residing in Norway, Sweden and the Netherlands search for information using mobile phones, they make mobile purchases and carry their smart phones with them at all times. This dynamic will surely continue throughout 2020 and 2021 – mobile traffic will dominate and desktop traffic will fall even more. With forecasted mobile commerce (i.e. "m-Commerce") sales rising from 4.13 billion USD in 2019 to 5.43 billion USD in 2023 (eMarketer PRO, 2019), it is expected that in the upcoming years the usage of mobile devices in general will rise further and mobile technologies will play even a greater role in people's lives than they do today.

## 2.2. HOW CONSUMER RATINGS HELP BUSINESSES BOOST SALES

It is highly important for the managers running corporations to understand how psychology can leverage their business, if implemented continuously and properly in all aspects of business and interactive communication with the customers. Adding to that, moving forward "knowing thy customer" principle will become an even more prominent rule in the digital universe. Therefore using of customer intelligence programs / software / analytics tools / applications / platforms will soon become the new norm in everyday work and the use of psychology in their build will be unavoidable. Ratings and reviews are gaining more and more importance in digital business, being the fastest way for the companies to learn about consumers' opinions on specific products/services. Based on this fact, it is understood that in the next several years the analytics tools which will be developed based on feedback from the consumers, will slowly replace current analytics tools which do not rely on consumers' feedback as much. However, at this moment the technologies are still not developed enough to be able to support all that such advanced tools should be covering – they are still somewhat limited in this view because it is not just about collecting data and forming them into reports filled with number. What also needs to be taken into account are customer circumstances – in which situations in real life are the potential customers looking for solutions to their specific problems? (Christensen et al., 2016)

Sales can be boosted also from having precise insights on the exact circumstances in which the potential consumers are while they visit certain websites, in order to respond to their needs most appropriately. It is suggested that website visitors who manage to find easily some innovative solutions to their problems will give a high product rating due to their high satisfaction, which is entirely a subjective product/service rating. Sometimes, these can have a bigger influence than the ratings which just objectively analyze product specifications and attributes, compare pros and cons, because subjective ratings have a lasting effect and can influence many other potential buyers, due to the positive emotion they are charged up with.

Moreover, in the upcoming years we will probably witness the majority of products having consumers' ratings and reviews online, which will require from the firms to restructure their digital marketing investment. Apparently, many corporations still tend to allocate much of their marketing funds into the upper stages of marketing funnel, such as raising brand awareness, enticing consumers' interest into their products, as well as consideration and evaluation. Yet, the lower stages of the funnel still seem to be stumbling stones for many entrepreneurs and managers. They struggle with understanding that repeated purchase of existing clients can be even more important than attracting new customers. For some of them it seems that they are stuck within an endless loop of trying to achieve higher revenues by repeatedly starting from scratch, which is in fact a more difficult path to take. On the contrary, the firms should be re-focusing their efforts more on to activities of keeping the same customers through post-purchase activities – precisely: maintaining of relationships with the customers, ensuring their satisfaction and getting their loyalty in return. Eventually, they will turn to advocates of the brand, who will more likely write good online product / service reviews. This will result with product assortment improvement and will in turn boost new sales of products which will be accepted, purchased and appreciated by more new people.

### **2.3. WHICH ANALYTICS TOOLS TO INVEST IN?**

In the world of data in which we live in nowadays, the power of data must not be underestimated. The importance of data science is growing day by day in all industries, specifically in telecommunications and high-tech industries. With the enormous quantity of data being collected each day, the demand for tools which will help analyse and make sense of it all has gone through the roof. Online environment has been flooded with analytics tools in the past five years. Now there are data analytics tools, business analytics tools, website analytics tools, social media analytics tools, content analytics tools... but which one to choose?

How long will a tool manage to outlive the competition depends mostly on the value which it is able to continually provide to its users. Since every business lies on sales and marketing as two interconnected disciplines, the best approach would be to find a tool which combines the results of both. Data Scientist will prefer an in-depth, narrow type of tool in which they will be able to drill down the data and get to the very bottom. However, Business Analysts and Data Analysts will appreciate a tool which offers an overall view of many more aspects of business and the effect which they eventually have on company's cash flow because this data is requested by the management, who always needs to have knowledge of everything going on in and around the company what is affecting its business results. Sadly, out of many tools available, there isn't a single one that would suit specific needs of every company 100%. This is what brings companies to a standstill when it comes to choosing of the analytics tool they will invest in.

Some Digital Marketing Managers perceive analytics tools as a “good read” database which contains numerous articles on different subjects so they turn to them when they wish to find out interesting facts on their industry or when they need to get acquainted with market research

results. Naturally, such tools cannot provide concrete answers and precise solutions to specific problems related to the business of a particular company. Due to this, many analytics tools are seen as a “semi-product” which cannot complete users’ high expectation that they will get a comprehensive monthly report, which they are always hoping to get with every new tool. Therefore, a digital marketing team have to use more analytics tools at the same time and not just one in the attempt to collect all the relevant information from the field which would then help form a complete picture of the situation. Digital Marketing Managers would appreciate if the data from the tools was:

- a) Combined in a single place,
- b) Relevant and business-specific,
- c) Easy to understand and work with,
- d) Benchmarked to realistic criteria,
- e) If it contained precise suggestions which way to go moving forward and why.

In that case, the data from the tools would be most valuable to them. The purpose of the analytics tools isn’t just to provide the data and the numerical results backed-up with nicely looking tables or colourful charts. Key justification why a company decides to invest into external analytics tools is to get the benchmarks against which the achieved results can be compared to and to get recommendations for further marketing actions. Otherwise, any business can get rather satisfactory reports from its own systems and continue deciding on further actions based on tradition, professional experience, intuitive insights, own market research results or competitive analysis. In other words, every company already has a lot of information at hand and does not need analytics tools which would just confirm the information which it already has from other sources. Instead, each business needs tools which would bring the reporting in general to the next level and add value in the form of benchmarked results and guidance based on factual data, in which direction to go from here and now. Luckily, analytics tools are no longer available exclusively to huge companies with large budgets. Instead, now firms of all sizes are able to use a wide range of open source tools and resources to gain new insights on the data which is out there, at their disposal. Data-driven insights are enabling them to gain richer insights into their customers and consequently innovate and add new products and services quicker than ever before. (Walker, 2017)

### **2.3.1. WHAT TO CONSIDER WHEN DECIDING ON ANALYTICS TOOLS?**

A digital marketing analytics tool that offers a large quantity of data which cannot be understood easily and applied into future business-decision, or which is presented in the interface without a proper context, isn’t actually that promising in terms of bringing value to the company. On the other hand, a tool offering a small amount of quality data cannot be a solution on its own so a company would need to invest in additional tools which would supplement it. For a business to be able to drive its marketing based on data, it is essential that certain metrics are selected from the pool of marketing metrics available and that they are closely monitored through time. There are hundreds and thousands of different variables that could be tracked in digital marketing unlike in traditional marketing media. (Erhart, 2016) When choosing an analytics tool, another very important aspect to consider is its price - in online environment free tools with open access can be found, but there are also paying tools with yearly license fees rising up to as much as 10.000 EUR per each company’s subsidiary using it at their respective local market, which most companies will see as a rather risky investment with a more than probable very low ROI.

Apart from many advantages which external analytics tools bring to the table, their main disadvantage is the fact that they are designed by independent vendors aiming to achieve profit of their own business by attracting as many various B2B buyers as possible. They make their analytics tool too general, hoping they would be able to offer their product/service to a greater number potential users. Some analytics tools offer a wide overview of a large number of markets across the world, across all industries, with too general metrics which cannot be applied to every single company and every market. Other analytic tools manufacturers make their product way too granular, allowing deep-diving into a particular field but they do not give users the big picture because such tool doesn't deal with other aspects of digital marketing. Such tool limitations result with delivering less value to the individual B2B clients/users, and satisfaction of their needs only up to a certain extent.

Apart from categorizing marketing analytics tools according to their primary focus (e.g. social media marketing analytics tools, website analytics tools, etc.), analytics tools can be divided most generally into internal and external ones. While internal analytics tools are mainly developed by the very company using them for its own purposes with the intention of using it internally for tracking and reporting, the focus of external analytics tools is mainly on website traffic, website ranking, marketing channels, market research results, statistical data related to market, marketing benchmarks, various forecasts and trends. Account-based external tools can be used only by registered individuals / employees of companies that regularly pay the license fee. Yet many analytics tools can be accessed through a temporary, free of charge demo account with a fairly limited view of the basic metrics but enough for the users to get acquainted with the interface and the tool's possibilities. Nevertheless, even such general data gathered from several tools at once can be combined in a single report and serve as a valuable business decision-making platform with an overall comprehensive view for the management.

It will be interesting to observe how analytics tools will evolve in the next five years and to track the progress of defining ideal digital marketing benchmarks within the tools. It can be expected that in several years' time the business analytics tools which many companies currently use, will transfer from computer software level to mobile application level where Digital Marketing Managers will be able to access the data relevant to their business on their mobile devices (and mobile devices' accessories connected) without having to pay any licence fees. Approximately by the year 2024, we can expect to witness the rise of popularity of analytics tools. Already today they are evolving with tremendous speed, and in the near future they will probably be able to flag overachievement and underachievement based on pre-set criteria / benchmarks, as well as specific suggestions and recommendations for the next steps based on superior knowledge of big data management and the information which the tools will have gathered by then (and which will be stored in the background databases). Full contribution of these tools will be evident when they start predicting specific benefits that particular business decision or projects will have, the opportunity costs, the risks which companies can expect in different situations and scenarios, as well as gap analysis (i.e. comparison of current situation with the desired one). Additionally, it should not come as a surprise when many of the current marketing metrics blend (during the next ten-year period) because then the calculation of yearly return on marketing investment will have to include the share of customers retained, as well as average share growth of extended customer lifetime in general.



### 2.3.2. OVERVIEW OF SELECTED MARKETING ANALYTICS TOOLS<sup>1</sup>

For instance, *SimilarWeb* offers a variety of data which can be tracked through a desired period, on a certain market, through metrics such as: website traffic, global or local website ranking, website visits over time (total traffic and number of unique visitors), share of organic vs. paid traffic, traffic share between selected websites; demographics and geography of website visitors; overview of marketing channels generating highest incoming traffic; highest ranking referring websites; highest ranking keywords / search terms, search traffic by engines, etc. The data presented in this tool comes both in numerical and graphical form.

Another relatively easy-to-use tool is *SEMrush* which offers a smaller number of website domains and marketing metrics. In *SEMrush* the focus is on *Search Engine Optimization* (i.e. “SEO”), social media metrics and content marketing. Especially useful characteristic of *SimilarWeb* is the ranking of a website within a particular category, such as “Computer Electronics and Technology / Consumer Electronics”, which allows the tool users to gain a deeper understanding of the strength of the website on a global level, but only within the selected category (i.e. among the websites which are their biggest competitors). Data extracted from *SimilarWeb* or *SEMrush* can give more valuable insight if complemented with slightly different tools, which track the same websites in the same respective period, but which focus on different metrics. A business can achieve the highest value if it decides to use several different analytics tools simultaneously, each of which would contain a different set of metrics. In this way, one tool would deliver the data which is missing in the other one, and vice versa.

One of the most important insights which an analytics tool can offer is the marketing/sales funnel analysis, which not only provides data of the share of visitors per each stage of the funnel, but also gives a clear recommendation what next steps to take, which marketing tactics to focus on, in order to improve the weakest stage of the funnel. In marketing decision-making the data which would be valued as pure gold is the comparison of certain website’s funnel performance with the main competitors at a particular market, which transparently shows the competitive position of the analysed websites at every stage of the marketing funnel. This kind of useful insight is what analytics tools should aim to incorporate. For an example:

- If only 3.6% of the total number of visitors who interacted with the site in a particular period, added to cart, Marketing Managers need to adopt tactics which would increase “Add to cart” rate.
- In case the share of the visitors who started checkout within the total number of visitors who added to cart is higher than 80%, it can be concluded that there isn’t such a problem in this stage of the funnel, compared to the previous stage.
- If the share of the visitors who converted (out of the total number of visitors who started checkout) is 60%-80%, there is room for improvement in this stage.

Next, unlike most of the tools which allow insight into marketing data only, *Profitero* tool offers the possibility to analyse digital marketing data of chosen websites at a certain period together with sales data achieved at web shops of the same websites. What this tool offers, brings its users closest to digital marketing ROI estimation. The unique value of this tool is seen in its usage at B2B arena – the platform is designed in such a way to allow access to the manufacturers / brands of products to have the needed insight into traffic and sales results of their B2B partners (e-retailers) who sell their products on B2C market. The tool has proved to be especially useful in case of websites which are not just e-Commerce sites but marketplaces as well, such as:

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<sup>1</sup> In the opinion of the author, based on own work experience as the user of the tools during the period of November 2018 – March 2020.

Amazon Germany, Amazon Spain, Amazon Italy, Amazon UK, Amazon France, Argos UK, Fnac France, John Lewis UK, etc. because it offers the possibility to separately view and analyse 1P sales data from 3P sales data.<sup>2</sup> The background database from which the tool pulls information into the user interface is being refreshed on a daily basis, unlike SimilarWeb, which is being refreshed at the beginning of every month, only to show the data related to the month which just finished. A rather similar tool to Profitero is *BlueBoard*, which has most of the same e-Commerce metrics, but also offers additional few, such as: real-time notifications of new product reviews, real-time best-offers, real-time price-tracking, etc.

Certain analytics tools are not related only to digital marketing and can therefore be used also by other departments in the company. In *eMarketer Pro* tool different sets of data can be found, including various analyses, reports, statistics, forecasts, performance metrics, trends and benchmarks for over 250 countries in the world, covering all marketing channels, not just digital marketing ones. The data found in this tool can be useful for decision-making related to e-Commerce and digital marketing due to the fact that it provides a number of local benchmarks and downloadable graphic results combined with the forecasted results on the same matter, covering up to 8-10 years of time-frame in total (e.g. monitoring revenue dynamics from the year 2015 until 2023). General data needs to be selected and analysed within the context of a specific market, industry and time frame. Most sought after are the insights into trends and forecasts for the upcoming three-to-five-year period because this gives the tool users better understanding of market they are interested in. *Statista* tool is convenient for finding out statistical data, dossiers, studies, market research results, etc. for a specific market and a specific industry.

Table 2. Some of the tried-out digital analytics tools

Digital analytics tool	Tool focus
<b>SimilarWeb</b> <a href="https://www.similarweb.com/">https://www.similarweb.com/</a>	Global and local website ranks; website traffic (visits) in chosen period; organic vs. and paid traffic on selected websites; marketing channels generating traffic; website category rankings, top ranking referring websites; top ranking keywords / search terms; search traffic by engines, etc.
<b>Profitero</b> <a href="https://www.profitero.com/">https://www.profitero.com/</a>	E-Commerce analytics: Sales analytics (tracking of availability), Digital shelf analytics (tracking of traffic and conversion). Sales and share, product content, search and placement, pricing and promotions, assortment and availability, ratings and reviews.
<b>BlueBoard</b> <a href="https://blueboard.io">https://blueboard.io</a>	E-Commerce intelligence platform covering the main e-Commerce areas: Assortment and availability, Price and promotion, Search and digital shelf, Content and conversion.
<b>SEMrush</b> <a href="https://www.semrush.com/">https://www.semrush.com/</a>	SEM (SEO, PPC), Social media metrics and advertising, content marketing, highest ranking search engine keywords
<b>Statista</b> <a href="https://www.statista.com/">https://www.statista.com/</a>	Business data, statistics, studies reports, dossiers, market research results
<b>eMarketer</b> <a href="https://www.emarketer.com/">https://www.emarketer.com/</a>	Benchmarks, market research results, various forecasts (e.g. sales forecasts) and trends (e.g. yearly average growth rate trends)
<b>Google Trends</b> <a href="https://trends.google.com/trends">https://trends.google.com/trends</a>	Trends in popularity of specific search terms on a selected market in a selected period.

<sup>2</sup> “1P products” are original brand products purchased by the e-retailer such as Amazon, and offered at their web shop to B2C consumers, whereas “3P products” are products posted to the same website / marketplace by individual persons, resellers or suppliers which are not monitored by the brand or by Amazon, which generate a significant share of the total sales of a product.

<b>Datorama</b> <a href="https://datorama.com/">https://datorama.com/</a>	Intelligence for marketing, Marketing performance optimization, Marketing campaign ROI.
<b>Smart Insights</b> <a href="https://www.smartinsights.com/">https://www.smartinsights.com/</a>	E-Learnings, consultancy and training for digital marketers, digital marketing strategy advice.

Source: Author's selection

*Google Trends* tool offers useful insights which could be incorporated into specific local reports because the tool contains specific country, period and category filters which have to be applied at the start of the analysis. The tool allows also the selection of maximum five separate search terms whose trends can be analysed and compared at the same time, and which the user chooses based on its business name and products or services. It would be best if the insights from this tool were integrated into wider reports, within which they would play a supportive role. The disadvantage of the tool is the lack of benchmark values, which makes it difficult to understand if the displayed points are good or bad because the comparison criteria is missing. Analytics tools which can also aid Digital Marketers include: *Datorama* and *Smart Insights*. Whereas *Datorama* focuses on marketing intelligence and marketing campaign ROI, *Smart Insights* is designed as an e-Learnings platform, offering consultancy and training for digital marketers.

## 2.4. INTERNAL ANALYTICS TOOLS AND OWN MARKETING BENCHMARKS

Most digital marketing analytics tools are designed in the USA and so external analytics tools such as *eMarketer PRO*<sup>3</sup> abound with benchmarks from US perspective which are impressive but often not easily applicable (nor attainable) for most other countries around the world. These benchmarks can act as guiding light to companies in countries other than the USA when it comes to showcasing what can be done and what business results achieved ideally. However, what companies across the world really need in their everyday work are benchmarks relevant to their own local market or region. Until every market has developed own marketing benchmarks which will be locally applicable to the fullest extent, for the time being they will need to find a role-model market which is similar to theirs in terms of macroeconomic factors such as population size, GDP per capita, geographic location, territory size, market size, competition, local business leaders in each industry, and best ways of tracking success rates for each of the digital marketing categories and channels.

Undoubtedly, the practical “value” of marketing analytics tools would skyrocket if their intelligent design contained marketing benchmarks as well (in online, mobile and retail channels). Until the day when this becomes the reality, many companies will alternatively create their own marketing dashboards / analytics tools in which they will incorporate own benchmarking criteria, depending on the needs of their business, the requests of the local market and own business industry. Such benchmarks entail pre-set ranks of scores (i.e. possible points which can be achieved) of various digital marketing aspect. Based on such internal ranking scales, the performance / execution / success can be measured and tracked through a period of time.

Such benchmarks contain grading scales with score categories assigned to each of the pre-set criteria - example:

- 81-100 = excellent performance
- 61-80 = satisfactory performance
- 41-60 = average performance

<sup>3</sup> Expressed standpoints are not supported by any market research results so they should not be treated as a solid fact - they only represent author's viewpoint developed through own work experience with this analytics tool.

- 0-40 = bad performance

One such criterion can be an aspect of a website for which the company wishes to track digital marketing execution through a period of time, or on a MoM basis or YoY basis. Specific examples would be:

- The existence of product specifications on product display page on e-retailer's website, the existence of ratings and reviews from other consumers who already purchased the product, and similar.
- Specific expected behaviors and actions of website visitors in a certain phase of the purchasing journey (how do visitors search for specific products within the website?, how do they learn about the products on product display pages?, are all the needed product information available and embedded where they need to be?, do visitors make conversions as a result of a cross-sell?)

It is possible to track month over month changes of scores and results, year over year, quarter to date, year to date, weekly trends and expected monthly results before the current month is over. In setting up standards for good benchmarking, a company needs to take into account that the benchmarks are relevant, reliable and realistic. (Heffernan, 2019) Pre-set normative results enable Data Analysts to quickly recognize the best-performing categories and the apparent roadblocks, and flag them to Digital Marketing Managers. Another excellent benchmark, highly accepted and often used is the threshold benchmark (e.g. in marketing budgeting scope there is the maximum cost/investment needed for a certain type of marketing activity, against which the cost for all similar activities is benchmarked and ROI evaluated – the threshold is usually set to 80% of the maximum cost/investment and the goal is to keep the costs below this threshold since all the costs above this threshold signalize possible overspend to finance).










Once ranking scales with minimum, maximum, average and standard results are set up, achieved scores have to be compared against the ranking scale and afterwards the results need to be clearly presented in the dashboard in any of the chart types by choice – recommended types of charts are the standard and mostly used Excel and Power Bi charts, such as Column chart , Pie chart , Bar chart , Line chart , Area chart  or the data can also be presented in the form of a small table. It is always better to have fewer tabs in the dashboard with more filters and drilling options. It's recommended to combine many different types of information in one tab but not to overwhelm to dashboard, so to keep in mind to create between four and six charts in every tab of the dashboard. The source files should be flattened Excel tables (i.e. containing unified data), which exclude pivot tables and which have no filtered cells. It always good to have many filters on the side of the dashboard, but to keep the source files as simple as possible, with only columns such as marketing campaign name and the most important marketing metrics. Data which should rather be set up as filters than columns are: year, quarter, month, country/market, product group, marketing goal (raising brand awareness or interest, informing the consumers, enticing sales, etc.), marketing category (ATL/BTL), marketing channel, marketing tactic, etc. In this way, any unnecessary repetitiveness can be avoided in the source files, which will divest them of all irrelevant data and only the values which are the skeleton of the entire dashboard will remain instead. Internal marketing dashboards should be “live”, meaning should be connected to source files which are easily maintained and regularly updated, which is immediately reflected in the dashboard.

Table 3. displays possible charts themes which an internal digital marketing dashboard can contain. In a simple graphic view a lot of aspects of a multi-country digital marketing project can be presented in an easy to understand form. The emphasis of this sample case is on financial aspects (budgets, costs) of the project as well as on internal digital marketing execution scores

(i.e. benchmarks) combined in a single view to show the profitability and the effectiveness of the project. Depending on the focus of the analysis, each set of data can be displayed in absolute or relative amounts.

Table 3. Possible charts of an internal digital marketing dashboard tool

<b>Tab 1</b>  <b>Executive Summary</b>	<b>Tab 2</b>  <b>Marketing Project Overview</b>	<b>Tab 3</b>  <b>Investment by Vendor</b>	<b>Tab 4</b>  <b>Plan for the Next Fiscal Year</b>
Investment per product group per quarter	Average scores trends and dynamics per country, per partner, per month/quarter	Marketing investment share per vendor by country	Planned investment (budgeted costs) vs. actual costs
Planned vs. actual investment per product group	Marketing activities per product group and per type / category	Marketing investment share per vendor by product group	Planned ROI for each marketing tactic per vendor
Planned vs. actual investment per vendor	Planned vs. implemented marketing activities	Vendor share in marketing activities implemented per country	
Investment share per product group per vendor and per fiscal year quarter	Implemented activities per country / partner / product group		

Source: Author

### 3. ADVANCED FORMS OF ANALYTICS TOOLS

New forms of analytics tools that are becoming more and more popular are predictive analytics tools and cognitive marketing analytics tools. We can expect these tools leverage the efforts of digital marketing, especially when it comes to predicting consumer behaviour and purchasing decision journey. Statistical data gathered from cognitive marketing analytics tools combined with other digital metrics will result with consumers changing their expected decision journey in online environment. By integrating predictive and cognitive analytics tools into the existing business intelligence systems, companies will be able to predict consumer online / mobile behaviour and gain direct insight into their opinions at an early stage of a product development. This can be done by collecting consumers' cognitive and emotional responses through a number of analytics tools, e.g. consumer online behaviour analytics, consumer emotion analytics, voice emotion analytics, social media sentiment analysis or emotion recognition tools, as well as their initial reactions (positive or negative feedback). To clarify, cognitive tools will study the processes which occur inside consumers' minds while they are learning about new products, how they perceive products, what do they remember about the ads they had seen, what they think about the products, etc. The benefits of enabling cognitive analytics will be seen in enhancements of customer engagement that will increase the efficiency faster which will then further increase the growth of the business. (XenonStack, 2018)

Certain corporations will increase funding not just in product/service improvement research, but also in the various ways of predicting which ratings and reviews the consumers might actually give in the future. This is where predictive analytics will gain immense popularity, as a type of cognitive analytics where data mining and other cognitive uses of data can lead to predictions for business intelligence. (Techopedia, 2019) Predictive marketing analytics are a type of advanced analytics, which will integrate various techniques from data mining, statistics, modelling, machine learning and artificial intelligence to process and analyze various data sets for the purpose of developing predictions. (Xue, 2020) What we know for sure is that predictive analytics tools will study buyer reactions, search for patterns and try to predict future buyer behavior related to purchase transactions, purchasing decision journey, as well as satisfaction

with particular products. It is a fact that most of the decisions which consumers make are heuristic in nature, without thinking things through. This is when the unconscious mind makes decisions without consulting the conscious mind (the rational and logical part of the brain). Since heuristics are hardwired into consumer decision making processes, through understanding them, marketers can predict and influence customer behaviour. (Digiterati, 2019)

Furthermore, it can be concluded that various aspects of psychology will have to be more applied to business in general, and that understanding of them will become an essential skill, which many 21<sup>st</sup> century managers will need to acquire. Additionally, IT developers will have to study the principles of cognitive and behavioral psychology before designing analytics tools. It can be expected that in the upcoming years, IT experts will have to work more closely with psychologists in order to construct these tools adequately. Corporations will always prefer analytics tools which will provide specific recommendations and new solutions that are practical and useful to various stakeholders. Since consumers' reactions are the main instigators of market changes, tool developers must not forget on ratings and reviews as crucial tool metrics, and not focus only on tracking of competitors' performance (which is still the case). It has to be remembered that businesses and individuals are inter-connected in a broader view (*the circular flow of economy*) and that consumers' opinions are essential in building of the product/service portfolio and improving it, so much more value should be given to the feedback which can be collected from them.

#### **4. CONCLUSION**

What we have witnessed happening in 2010s in terms of digitization of businesses was just the introduction to what is coming up now in 2020s. We are living in a period when all market players are going through such a significant transformation that by 2030s there will be hardly any companies left that haven't fully adopted the new business mindset and which haven't been using some of the must-have technologies during 2020s. The ventures that are trying to resist this change, will not be able to survive because they will be perceived as incompetent to keep up with the rest of them, which will be light years ahead. It can be concluded that digitalization has no alternative because the market requires that GDP continually grows and the only way to achieve this is to keep up with the requirements of the moment, i.e to develop the technology, to digitise the business, to innovate and completely change the old way of working

This paper provides an overview of several marketing analytics tools, which are proved to be useful in business practice, as well as an in-depth analysis when it comes to creating company's own digital marketing dashboard. The author offers clarification of the existing misconceptions around the topic of marketing benchmarks and provides instructions and real-life examples with specific explanations. The main obstacle in the research was the relative novelty of all topics related to digital marketing analytics tools and benchmarks, the unavailability of certain information due to their confidential nature (such as business facts of some companies), non-existent information due to not yet developed digital business models as well as not fully developed habit of using analytics tools for reporting and decision-making in business practice.

Today, a venture can achieve highest value from analytics tools if it uses more different analytics tools at the same time, each of which should come with a different set of metrics, and cover the gaps of the other tools. The practical "value" of marketing analytics tools for Digital Marketing Managers will skyrocket after specific recommendations and marketing benchmarks get integrated into them. Moreover, by combining the use of external and internal analytics tools, a company can achieve insights of greater value, which will be more related to core-business of a company, own specific products in focus, as well as own digital marketing

strategy. When it comes to managing marketing data, there had been a lot of mistreatments in the past, owing to the non-existence of adequate tools needed for the task and the human factor. Many Digital Marketing Managers were not ready to deal with a marketing data analysis on a daily basis but today they are growing to like the analytics tools because they are recognizing the numerous benefits which the tools can bring to everyday marketing decision-making.

Also, it will be interesting to observe how the entire approach of the firms towards their consumers will be reshaped, predominantly in digital environment. By the time this transformative period of digital revolution gets completed, after technology and marketing have blended into one, the psychology of digital marketing will never be the same again.

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