



Lappeenranta-Lahti University of Technology LUT

School of Business and Management

Master's Program in International Marketing Management (MIMM)

**THE USAGE OF MARKETING METRICS IN THE DECISION-
MAKING PROCESS IN THE FAST-MOVING CONSUMER GOODS INDUSTRY**

April 10, 2021

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ABSTRACT

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The usage of marketing metrics in the decision-making process in the fast-moving consumer goods industry

Master's thesis
2021

70 pages, 3 figures, 3 tables, and 1 appendix

Examiners: Associate Professor Anssi Tarkiainen and Assistant Professor Jenni Sipilä

Keywords: Marketing Metrics, Decision-making

Studies shows that the usage of marketing metrics as a part of companies decision-making process and as the supporting tool in marketing activities is growing. There is a clear need for marketers to improve their skills in demonstrating the performance of the done marketing activities inside the company. The need for numeric presentation is a vital element when considering new investment for marketing activities. Nowadays there has to be financial inducement for the marketing activities for to deciders to be interested in investing more money to the activities. The expected level of performance is increasing through new opportunities to receive and interpret data.

In this qualitative study three marketing manager from three different companies were interviewed face-to-face to learn about the working culture with marketing metrics and about the decision-making process in the companies. The answers of the interviewees were analyzed and compared to each other's and findings were made. The study recognized challenges in the process of using marketing metrics as a part of the decision-making process and based on those finding there are recommendations for the future made.

The findings and results of this study are founded based on the opinions and experiments of the interviewees. Therefore, no solid quindelines can be drawn from this study, rather observe and collect more experience of the current status of the usage of marketing metrics at the moment in the fast-moving consumer goods industry.

TIIVISTELMÄ

Lappeenrannan-Lahden teknillinen yliopisto LUT
School of Business and Management
International Marketing Management -Maisteriohjelma

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Markkinoinnin tunnuslukujen käyttö päätöksenteko prosessissa päivittäistavarakaupan alalla.

Pro gradu – tutkielma
2021
70 sivua, 3 kuvaa, 3 taulukkoa ja 1 liite

Tarkastajat: Apulaisprofessori Anssi Tarkiainen ja Apulaisprofessori Jenni Sipilä

Avainsanat: Markkinoinnin tunnusluvut, päätöksenteko

Tutkimukset osoittavat että markkinoinnin tunnuslukujen käyttö osana yritysten päätöksenteko prosessia ja työkaluna markkinoinnin toimenpiteitä suunnitella on kasvanut. Markkinointijilla on kasvava tarve parantaa taitojansa tulosten esittelyyn. Taitoja eritoten numereellisen tiedon esittämisellä kaivataan kun uusia markkinointi investointeja harkitaan.

Nykypäivänä markkinointi toimenpiteissä pitää olla rahallinen houkutin, toimenpiteen täytyy tuoda joko myyntiä tai muuta rahallista arvoa yritykselle. Markkinointitoimenpiteiden odotetaan olevan kannattavia ja kannattavuutta halutaan seurata tunnuslukujen kautta.

Tässä laadullisessa tutkimuksessa kolmea markkinointipäällikköä päivittäistavarakaupan alalta haastatellaan, jotta heidän kokemusten kautta voidaan oppia työkaluista tunnuslukujen sekä päätöksenteon ympärillä. Haastateltujen vastaukset analysoidaan ja vertaillaan keskenään, jotta löydöksiä ja havaintoja voidaan tehdä. Tutkimus tunnistaa ongelman tunnuslukujen käytössä päätöksenteon yhteydessä ja niiden löydösten ympärille on tehty suosituksia tulevaisuutta varten.

Tämän tutkimuksen löydökset perustuu vastaajien kokemuksiin ja omiin näkökulmiin, jonka vuoksi tutkimus ei sovi ohjenuoraksi kyseisille teemoille, vaan voi tuoda laajempaa näkemystä lukijalle aihepiireistä.

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1 INTRODUCTION

The amount of data in the world has been rapidly growing and there seems to be no stop to that growth in this digitalized world. In 2010 there was worldwide 2 zettabytes data available, and it is predicted that in 2024 it will be 149 zettabytes. In year 2020, the amount was 59 zettabytes. These values speak of the accelerating growth speed of the data volume available (Statista, 2020). Usage of data can be considered as a tool to help companies to perform better with their marketing (Bendle, N. & Bagga, C. 2016). Data is likely to enable companies to deepen their knowledge of the markets they are operating at and to learn about the behavior of their customers and through that be more profitable than their competitors (Ling-Yee, L, 2011). Like this they are able to offer, operate and decide to do marketing activities based on facts, based on data. (Bendle, N. & Bagga, C. 2016). The top management level tends to require increasingly for the accountability for marketing, which means butting pressure to marketers to produce and present marketing metrics such us ROI which shows the real cost of the done marketing activities. (Ling-Yee, L, 2011).

In the recent years data-based marketing has become a markable cornerstone of companies' everyday business. The performance needs to measurable to marketers to be able to demonstrate the success of the marketing activities. Despite to that there are still many marketers that do not deeply understand how to use the metrics. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017) There are more data available for companies to use than they are able to analyze and use due to their limited resources. The markable amount of data available makes it hard for management level specialist working with the data, to choose and analyze the right data and as a consequence, to take the knowledge across their department, to their teams. (Bendle, N. & Bagga, C. 2016). This leads to the themes of this research; How are the marketing metrics being used and understood across the marketing department and how are the metrics being used to support the decision-making process when talking about marketing activities.

The demand for marketing accountability keeps increasing and concerns resource allocation as also investment decisions. From the financial decision-making perspective ROMI (return on marketing investment) has an important role and can be considered to function as a financial trigger towards marketing activities. (Smyth, H., & Lecoeuvre, L. 2014).

1.1 Goal of the Research

The goal of this research is to find out whether marketing metrics are used to support the decision-making process throughout the marketing department and whether the influence of a marketing activity to a certain metrics is understood. The goal is to know whether there are differences on the level of usage and understanding in the employee level, management level and the executive board level. This research was fulfilled with face-to-face interviews so that the research material could be collected from the specialist working with these themes and so that there could be additional questions presented if something was left unclear.

To be able to have more specific overlook of one industry the research material was collected and analyzed only from consumer goods industry, where the marketing activities are in key role with supporting the performance of the company and there are a lot of marketing activities made, as explained in the in chapter 2.1. Consumer goods industry.

In this thesis there is one main research question and two sub questions through which the analyzed phenomenon is being approached. The main research problem is “Are marketing metrics systematically used as a part of the decision-making process”. The problem is being analyzed through the experiences of the interviewees. The aim is to understand how the specialist working on supervisor level experience that the marketing metrics are used in their department and how well are the metrics being understood throughout the department, in their experience. The sub research questions are: Are marketing metrics used to track the performance of done marketing activities by the companies? And are the chosen metrics understood throughout the department or are they only being monitored and observed by the management level?

1.2 Preliminary literature review

The material collection for the literature review was started as the first step of this study. The literature was searched from the concepts of Marketing Metrics and Decision-Making. There was literature found from these both concepts but could be noticed that literature that would have combined both of these concepts were not widely available. Other observations of the literature were that there was a lot of literature of marketing metrics that was focusing of talking about the metrics, but there was not that much research made about the usage of the marketing metrics.

The main source of the literature review were academic articles that could be read through online. There were also books used as sources in other parts of this study, but the closing of the libraries due to the corona during years 2020 and 2021 had an impact to the used sources as the collection and ordering of the books had to be done online and was experienced to be rather slow and complicated in practice.

The familiarization process to marketing metrics started by searching description to the concept marketing metrics and what it actually means: A metric is a built system to measure success from a quantitative perspective. Through metrics findings can be explained and analyzed. Through metrics the findings can be also compared from different time periods. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017). “A metric is not just another word for measure – while all metrics are measures, not all measures are metrics. Metrics should be necessary, precise, consistent and sufficient for review purposes” (Ambler, T. 2000). Then there was more information of the need to use, and the actual usage of the metrics searched and collected.

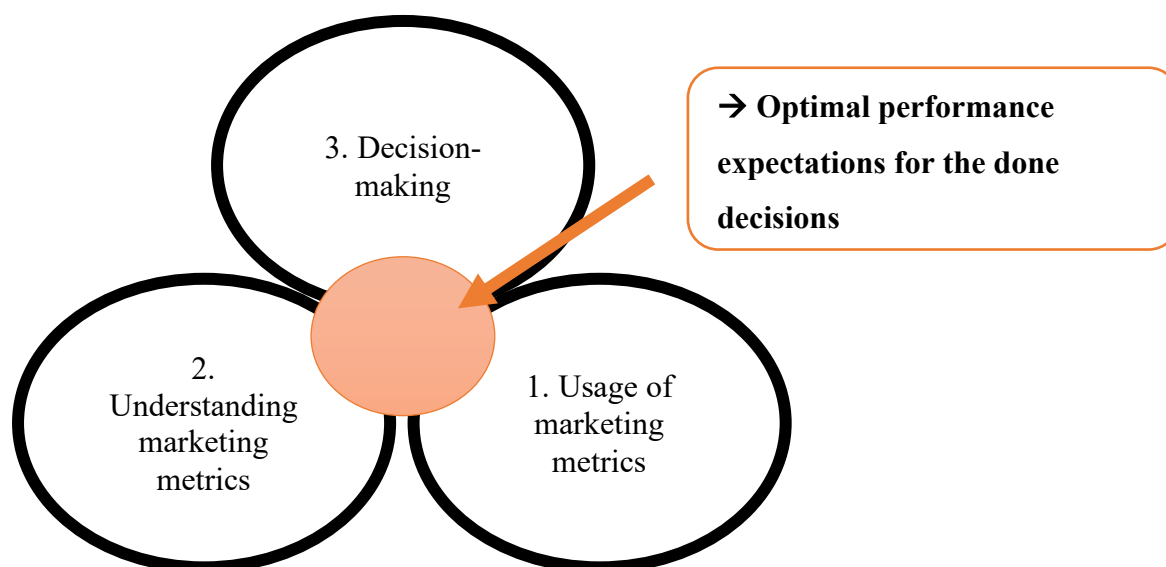
The literature found of the decision-making concept opened up the current stand of decision-making in the modern business world today and how it is experienced. The approach for this concept was somewhat different as the concept was thought to be already slightly more approachable and easier to understand. The assumption was that the amount of data available in the business world today has changed nature of the decision-making. The interest to base the decisions on quantitative and analytical facts has increased and the believe that data-based decisions promise improvement to the business is strong on the management level. (Lessmann, S., Haupt, J., Coussement, K., & De Bock, K. W., 2019). According to Streukens, S., Hoesel, S. & Ruyter, K. (2011) there is a need for decision-making model which brings together marketing theories and the financial side. Literature of combining marketing theory and financial activities is not widely available. More research on that combination would help in the decision-making with marketing investments.

1.3 Theoretical framework

In the literature review there will be three theoretical point of views presented: marketing metrics, understanding of marketing metrics and decision-making. The usage of marketing metrics is the first theoretical theme after that comes the understanding of those metrics. Through the literature review there will be a theoretical framework formed. The meaning of

the framework is to combine the themes elaborated in the literature review. Like this the focus and findings will be easier to find from the research material when disassembling and analyzing the material. The figure below illustrates this built framework and will be more closely interpret in the summary of the literature review.

Figure 1. Theoretical framework



1.4 Definitions of the key concepts

Decision-Making refers to a process of how companies do decisions. The process includes methodical and systematical attributes to collect information so it can be analyzed, and decisions made (Petrou, A., Hadjielias, E., Thanos, J. C. & Dimitratos, P., 2020). There should be different aspects taken into consideration in the decision-making process: what technical tools are used to assist the process and then the organizational perspective of who and how the decisions are made. Decision-making process is compulsory in every company as there needs to be decisions made to take the company forward in their journey. As said in the research written by Lunenburg, C. (2010) an important step of decision-making process is evaluation of the outcome, whether the done decision was effective. The done decision should always result the wanted outcome, but if that does not happen then there might have been something could have been done differently.

Marketing Metrics refer to a concept of different numerical values that are composed of the results and influences of the done activities. “A metric is not just another word for measure – while all metrics are measures, not all measures are metrics. Metrics should be necessary, precise, consistent and sufficient for review purposes” (Ambler, T. 2000). A metric is a measuring system for success from the quantitative perspective. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017). It is critical for a manager in marketing to use metrics when making decision as it has been seen to improve decisions quality and the performance of the companies. (Mintz, O., Gilbride, T. J., Lenk, P. & Currim, I. S., 2020).

1.5 Delimitations of the study

This research aims to find out the level of metrics usage in the decision-making process in the fast-moving consumer goods industry. The industry was limited to focus on only on fast-moving consumer goods industry as the aim was to have a picture of the working habits and culture on that specific industry. The used theories were delimited to marketing metrics and decision-making process. The framework used in this study was constructed by comping the theoretical information collected for this study. The built framework was used as a guiding tool to analyze the material.

The used concepts in this study were marketing metrics and decision-making. There were studies found from both of the concepts and could be said that decision-making concept was widely studied from different ankles. The concepts were examined from marketing and managerial perspective only to be able to keep the focus on the objectives of this study, which were highly attached to the selected industry, fast-moving consumer goods.

The study was made in Finland by interviewing in finish. The companies where the interviewees work at had to have a headquarter in Finland and an own marketing department. The interviewed persons had to have their own marketing teams, meaning they had to be operating in a supervisor position. Companies using only external agencies and consultants were not considered to be suitable for the interview as the working culture and usage of metrics in the whole marketing department is in focus at this study. For that reason, those companies were for delimited from this study.

The research questions focus to investigate how marketing metrics are used and understood and how are they used in the decision-making process in the marketing department. The specific tools to use and monitor metrics were not investigated as were not the specific used metrics. There were only three marketing managers interviewed so the results and finding of this thesis cannot be used as a material for teaching or as an only source of material when the aim is to have a wide scope of marketing metrics, decision-making or of the fast-moving consumer goods industry in general.

1.6 Research methodology

The interviewees were selected through the companies they are currently working at. The limitation was that the company needed to be operating in the fast-moving consumer goods industry and that the company possessed a headquarter in Finland. There was no limitation for the origin and size of the company. The reasoning for these limitations were the desire to interview persons that are working at the consumer goods sector in Finland and have experience of a Finnish decision-making processes and use of marketing metrics. Like this there can be conclusions made that refer to the characteristics of the examined industry and to the Finnish market.

The limitations when choosing the interviewees was that they had to be working as specialist in marketing related positions and as supervisors so that the decision-making process and the usage and understanding of marketing metrics could be examined from the mid-level to the executive board level.

As the interviewees are working and representing different companies working as a competitor to each other's it was a request of the interviewees that their identities were left unmentioned. For this reason, the interviewees will be addressed as Interviewee 1, Interviewee 2 and Interviewee 3.

The research methodology determines which characters will the research be aligning with. The research methodology can be quantitative or qualitative. (Kananen, 2014, p. 20-21). This thesis is a qualitative research, in other words a qualitative case study. Typical research methods for a qualitative research are interviewees, observations and analyzed of other materials that are produces without any connection to the researcher. Eskola, J. & Suoranta, J.

1998, p. 15). This thesis can be seen as empiric oriented, as the literature available is defining the theories being used and the approach to the phenomena being studied.

1.7 Structure of the report

This thesis is structured of the following parts: introduction of the reserach, overview of the consumer goods industry in Finland, literature review, methodological part, interview results and analysis, recommendations, conclusions and summary. In the literature review there will be marketing metrics and decision-making concepts discussed and the economic influence of marketing metric usage as a part of decision-making process from the business perspective will be discussed. Based on the discovered literature review there is an approach of a conceptual framework created. In the methodological part there will be the methodological selections opened up and explained why those where chosen. In that section there will be also described how the research material was collected and how it was analyzed. Also, the liability of the research will be discussed. Then the results of the research will be presented, and the research problems will be answered based on the analyzed research material. Finally, the conclusions will be presented, and future research proposals discussed.

1.8 Research Questions

Based on the goals set to this research the research questions can be defined (Table 1). The research questions function as a frame for a successful achievement of this research.

Table 2. Research Questions

No	RESEARCH QUESTIONS
1	Are marketing metrics systematically used as a part of the decision-making process?
2	Are marketing metrics used to track the performance of done marketing activities by the companies?
3	Are the chosen metrics understood throughout the department or are they only being monitored and observed by the management level?

The first question aims to solve whether marketing metrics are being systematically used to support the decision-making process by the people working in the marketing department. The first questions also function as the main research question for this thesis. The second question aims to solve whether the metrics are used to track the performance of the done activities. The third question aims to solve whether the metrics are understood by all the members of the department or whether they are only really internalized by the management level. The aim is to analyze these questions based on the experiences of the interviewees.

2 CONSUMER GOODS INDUSTRY

2.1 Consumer Good Industry

The companies operating in consumer goods industry operate with food, packed goods, electrics, clothes and accessories and beverages (Investopedia 2020a). The consumer goods can be categorized to three different groups. First durable goods that have a longer usage period such as microwaves or smoothie mixers which last from three to more years. Second there are nondurable goods such as food and beverages that have a very short period of usage. Third there are services such as a massage or IT service (Investopedia 2020b).

Companies in consumer goods industry tend to invest on advertising and differentiating their brand identity. At the industry it is normal to have very close competitors and new potential competitors, which reflects to the high competition level on price and quality. As the industry can be strongly influenced by consumer behavioral changes it is important to invest to ongoing product development and marketing in the consumer goods sector (Investopedia 2020a).

In the past consumer goods industry was mostly formed of strong and known brands. During the last decades this has changed and the private labels, also called as store brands, have taken a strong position on the market (Steenkamp & Dekimpe, 2009). According to the research of Steenkamp and Dekimpe, 2009, the private labels have always been able to strengthen their position on the market during economical turndowns when customers have first chosen the more economical option due to the financial pressure that they have and ended up doing so in the future too, when finding the good price-quality balance. The value share growth of private label goods in 2016 on a global level was 16,7 percentages and in EU it was 31,4 percentages (Nielsen, 2017).

The characteristics of consumer goods industry differs from other industries. The sector is formed of companies that have their core business with goods that are made and sold directly to final use to the individual consumers (Investopedia 2020a). The goods can be called final goods as the goods are being produced, stocked and putted on a store self, where the consumer can directly buy the good for himself without having to do anything to finalize the item (Investopedia 2020b). This means the buyers in this sector buy only for their own need.

2.2 Overview of the Consumer Goods Industry in Finland

The consumer goods industry in Finland has been growing steadily over the years. In 2018 the sales in the industry were 18,2 billion euros when in 2019 it was 18,6 billion. The market shares in the Finnish consumer good industry are mostly divided between four grocery store chains. These four companies have shares between 46,2% to 3,1% and in total they possess 95,4% of the total market share. The remaining companies possess 4,5% of the total market share. (PTY 2019a) From this could be said that the positioning of the four biggest chains is quite strong and that the competition could be assumed to be strongest between them four. Below a table from which the can been seen the market share as also the sales that those chains have on the retail industry.

Table 2. Market shares and sales in the Finnish retail industry in 2019. (PTY 2019a)

Chain	Market share %	Retail sales (milj.€)
S-Group	46,2%	8.615
K-Group	36,5%	6.809
Lidl Suomi Ky	9,6%	1.797
Tokmanni	3,1%	579
Minimani	0,5%	99
M-Group	0,4%	75
Other businesses	3,6%	672

The market includes private and cooperative owned stores selling consumer goods in Finland, concatenated stores located in the service stations, low-cost stores, special grocery stores and market hall stores (PTY 2019c). The total sales of groceries have been developing faster than the consumer prices (PTY 2019b).

Concatenation and centralization of logistical functions are typical characteristics for the Finnish consumer goods sector, as it is also in other Nordic countries. The reasons for these are the need for centralized, high volumes and cost-effective logistic (PTY 2019c).

3 LITERATURE REVIEW

3.1 Marketing Metrics

A metric is a built system to measure success from a quantitative perspective. Through metrics findings can be explained and analyzed, and the findings can be compared from different time periods. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017). “A metric is not just another word for measure – while all metrics are measures, not all measures are metrics. Metrics should be necessary, precise, consistent and sufficient for review purposes” (Ambler, T. 2000).

As said in the research written by Tim Ambler (2000) the fundamental problem for measuring marketing performance is defining and identifying both the best metrics and best practice. The findings of the research suggests that there should be a converging way when talking about metrics and there should be performance measurement system introduced in every company. It also recommends that the board should regularly go through external and internal market metrics. The research lined that if the measurement system of a company were not on a needed level the company was not being market oriented. The research states that for a company to be aware and have a plan wherefrom will the cash flow in the future come from, they should know the market where they are operating at, in other word, they need to be market oriented.

Market orientation is a customer-centric approach to business. It means that companies invest to market research to find out what are the customers’ needs and concerns in the specific market section. (Investopedia, 2020c). When companies are able to learn from the market, they are able to compete effectively (Farrell, M. A., 2000). When being market oriented it is very usual for a company to use external data to analyze the customers desires and the future trends. (Investopedia, 2020c). By being market-oriented companies can drive their competitive advantages (Farrell, M. A., 2000).

According to the research of Li Ling-ye, 2011, there are five main reasons for companies to focus and be interested on marketing metrics: being able to monitor and analyze the past and through that plan and implement marketing activities and strategy better in the future, to track

how are marketing metrics used to reach and implement the objectives set by the executive management level of the company, to have a wider overview of the performance of the brand equity and its diverse dimensions, to be more market oriented and sense the markets properly through marketing data and to verify through metrics on what level is the performance financially. Through these could be concluded that marketing metrics can have strong influence on the operations and activities done in the company when the metrics are decided to be used on a regular basis as a part of marketing functions and reporting.

Marketers need metrics to measure activities and to be able to present their accomplishments in numbers. Without the numbers everything would be only depending on the verbal explanation, without any numerical support. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017). A company to be a best practice level in their measurement system the board must systematically require information of the behavior of the end-user and probe why does the consumer behave the way they do. The reporting of these issues should be on a regular base; monthly, semi-annually or annually. The reports should be compared against the previous reports and against the forecasts that have been made to the company's business plan.

Marketing related investments are expected to improve the company's positioning on the market and accelerate its sales. (Smyth, H. & Lecoeuvre, L. 2014). This means it is important for the marketers to be able to demonstrate their results. For this purpose, for example ROMI (Return of marketing Investments) could be appropriate. ROMI is a practical tool but needs to be evaluated and closely considered before using it to decision-making. ROMI includes only investments and returns related to marketing activities (Smyth, H. & Lecoeuvre, L. 2014).

There are many metrics to use but difficulty is to make the decision on which metrics should be used. This can be a pressure situation for the marketing managers who have to report their metrics to different department. Due to that pressure some managers may end up decreasing the performance of the done decisions for marketing by using the wrong metrics. (Mintz, O., Gilbride, T. J., Lenk, P. & Currim, I. S., 2020). The research of Smyth, H., & Lecoeuvre, L. (2014) says that many marketers find ROMI complex and challenging to induce in practice. The marketers also said to prefer using multi-data models where they can use both qualitative and quantitative approach. (Smyth, H. & Lecoeuvre, L. 2014).

Companies need marketing to stand out and to make result, therefore it is important for the board members to be also interested of it and to but it as a priority. Market-oriented and customer-focused companies tend to be more profitable than other companies. Companies paying attention to marketing metrics have also be identified as market oriented. (Ambler, T. 2000).

3.2 Understanding of Marketing Metrics

As said in the research made by Bendle, N. & Bagga, C. (2016) many marketing metrics are not well understood, or they are faulty interpreted. The assessment of the value of marketing is still under-researched, in theory and in practice (Smyth, H. & Lecoeuvre, L. 2014). This could easily lead to misuse of the metrics in the decision-making process. In marketing the pressure to use metrics to validate the performance of done marketing activities is on a high level, but marketers should learn to read the metrics and choose the right metrics to follow. As also mentioned in the research; all the marketing metrics might not be perfect, but if they are understood correctly, they can be very useful for marketer. (Bendle, N. & Bagga, C. 2016). It was discovered in the research made by Sridhar, S., Naik, P. & Kelkar, A. (2017) that there are no researched made on how unreliable marketing metrics can influence negatively to the performance of the companies who decided marketing activities based on unreliable data and how unreliable data can lead to budget overspendings. From this can be pointed out that the usage of data in the decision-making process has not yet been researched so widely, that the negative influences could be recognized. For this reason, it was also pointed out in research made by Sridhar, S., Naik, P. & Kelkar, A. (2017) that marketers should always use multiple marketing metrics when making decision to have as wide understanding level of the issue as possible. Closely defined metrics are critical for effective marketing but even defined metrics can be misused or faulty understood (Bendle, N. & Bagga, C. 2016). This means there has to be a wide understanding and expertise to use marketing metrics among the marketers.

The demand for marketing accountability keeps increasing and concerns resource allocation as also investment decisions. From the financial decision-making perspective ROMI (return on marketing investment) has an important role and can be considered to function as a financial trigger towards marketing activities. (Smyth, H. & Lecoeuvre, L. 2014).

Through the literature summary of marketing metrics could be said that in the business world today marketers need to know their metrics. They need to know the dimensions of the metrics they use to truly understand what the metric stands for. Can also be said that marketers should consider which metrics to use to surely have enough wide scope of the matter. The pressure to use marketing metrics is increasing and it forces marketers to react and to push themselves and their know-how to the next level. Should be also noticed that there can also be financial negative influence of misusing metrics and for that reason it is important to use several metrics to back up the decision-making process.

3.3 Decision-Making

The amount of data available in the business world today has changed the decision-making. Nowadays there is an interest to base the decisions on quantitative and analytical facts. The believe that data-based decisions promise improvement to the business is strong on the management level. (Lessmann, S., Haupt, J., Coussement, K., & De Bock, K. W., 2019). According to Streukens, S., Hoesel, S. & Ruyter, K. (2011) there is a need for decision-making model which bring together marketing theories and the financial side. Literature of combining marketing theory and financial activities is not widely available. More research on that combination would help in the decision-making with marketing investments.

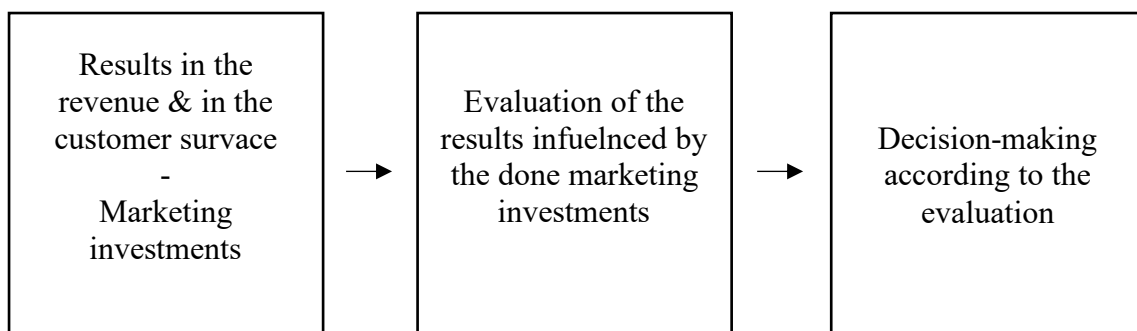
Streukens, S., Hoesel, S. & Ruyter, K. (2011) built up a decision-making approach that can be used as a tool when decision need to be made concerning marketing investments. Their model takes in consideration the profit and the costs of marketing activities so that companies are able to analyze their marketing investments. Then possible changes in the customer surface need to be taken in to notice as well and taken into account when measuring marketing investments as the consequences should always be connected to the investments. The investments and results should be monitored together so conclusions can be drawn from it and decision made according to the fact, according to the performance of the done marketing activities. Like this the managers can evaluate whether it is meaningful to make investment to certain marketing activities or not. Like this the risk of investing big amounts to an unprofitable activity can be avoided.

As said in the research written by Fred C. Lunenburg (2010) an important step of decision-making process is evaluation of the outcome, whether the done decision was effective. The

done decision should always result the wanted outcome, but if that does not happen then there might have been something could have been done differently. The evaluation of the made decision is important as there is always something that can be learned for the next time a decision needs to be made.

Aligning the decision-making approach of Streukens, S., Hoesel, S. & Ruyter, K. (2011) there can be a simplified figure of the approach made. Figure is placed below.

Figure 2. Decision-making approach inspired by Streukens, S., Hoesel, S. & Ruyter, K. (2011)



Trough marketing metrics the marketers can have a more solid evidence and justification for the financial decisions towards their marketing activities. (Smyth, H., & Lecoivre, L. 2014).

There are multiple different marketing metrics and formulas to count them open. Metric can be very complex and hard to interpret and for that reason the safest way could be to use a dashboard, which includes few key metrics to follow. Like this any decision would not be influenced by only one metric. (Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D., 2017).

3.3.1 Decision-making in the multi-channel environment

In marketing management level there is a need to do decision on marketing activities on different marketing channels and this can be called as marketing channel management. When company is operating in multi-channel environment it is important to be on top of marketing channel management. Every channel has its characteristics, its pros and cons and managers need to able to balance across every channel, by investing right investments at the right time to the right channel. This can be a demanding and difficult task. (Chen, Kou & Shang, 2014).

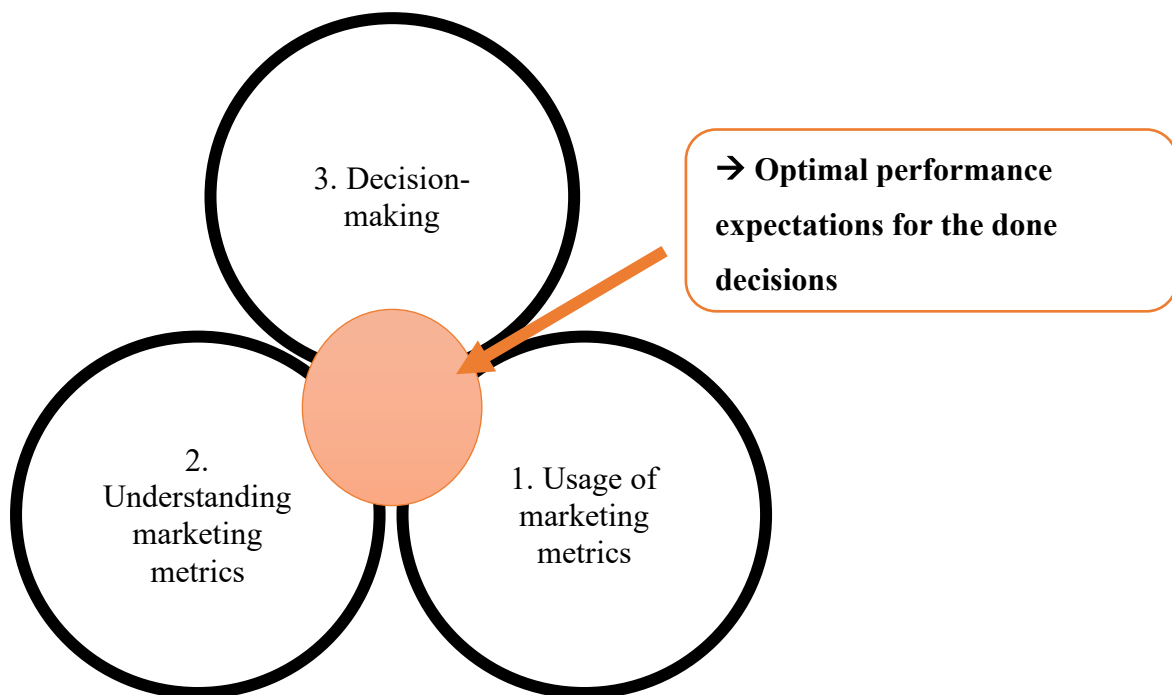
According to the study made by Chen, Kou & Shang (2014) cost of a channel is one of the key factors that influence on wheatear the channel will be chosen or not. When making decisions in multi-channel environment there should be procedures for decision-making in the marketing department so that the managers doing the channel decision could be able to do homogeneous decisions on which channels to employ, with what kind of volume and when. It is said, that if a company is using more than two marketing channels when launching a new item or a service, they are said to be functioning on a multi-channel strategy. (Chen, Kou & Shang, 2014).

3.4 Summary of the literature review

In the literature review there are three theoretical point of view presented: marketing metrics, understanding of marketing metrics and decision-making. All these themes are connected to each other from the perspective of the research aims. There is a continuum from theory to another. The usage of marketing metrics is the first theoretical theme after that comes the understanding of those metrics. The first two themes are very close to each other but still separated to two different themes as the usage and understanding of marketing metrics can be on a different level depending on the company. The understanding of the metrics is not in a perfect state in the business world today and the possible negative influences of misusing the metrics are not that widely researched. The last part is about decision-making which can be considered as the result of those two first themes as the assumption in this research is that the decisions are made by using metrics as a supporting and guiding tool.

Through this review there can be a theoretical framework formed. The meaning of this framework is the combine the themes in the literature review to have a more focused concentration to the right themes when dissembling and analyzing the research material.

Figure 1. Theoretical framework



Decision-making optimization

1. Clear focus on which metrics should be in use → balanced combination of observed metrics in a dashboard
2. Understanding the used metrics through out the management level as in employee level
3. Decision made based on facts, based on presented metrics by the marketers

4 EXECUTION OF THE EMPIRICAL RESEARCH

4.1 Research Methodology

The research methodology determines which characters will the research be aligning with. The research methodology can be quantitative or qualitative. (Kananen, 2014, p. 20-21). This thesis is a qualitative research, in other words a qualitative case study. Qualitative research is one of the scientific methodological orientation in which the focus is to find out and deeply understand or illustrate an activity or phenomena. (Eskola, J. & Suoranta, J. 1998, p. 61). The qualitative methodology normally relays on a relatively small amount of observation units, which the researcher then pursues to investigate as closely as possible. (Kananen, 2014, p. 17). As the research relays on a relatively small amount of observation units, statistical generalization is not the meaning with qualitative research. (Eskola, J. & Suoranta, J. 1998, p. 61; Kananen, 2014, p. 17).

Qualitative research is normally seen as an understanding, soft, interpretative or in other words, anthropological research (Tuomi, J. & Sarajärvi, J. 2004, p. 9). It is specified as the opposite for a quantitative research (Tuomi, J. & Sarajärvi, J. 2004, p. 66). Typical research methods for a qualitative research are interviewees, observations and analyzed of other materials that are produces without any connection to the researcher. Eskola, J. & Suoranta, J. 1998, p. 15).

Qualitative research method is typically used when researching new themes and theories. When there is no previous research made on the topic there first needs to be found out with qualitative methods what is the phenomena formed of and then connect the needed theories and models to it. Like this there can be a foundation set to the qualitative research. (Kananen, 2014, p. 17)

In qualitative research the aim is to create as overall and objective overview of the phenomena the is being examined (Hirsjärvi, Remes & Sajavaara 1997). This thesis can be seen as empiric oriented, as the literature available is defining the theories being used and the approach to the phenomena being studied. The empirical part was made as case study where the phenomena being studied was examined through the point of view and experiences of the interviewed marketing managers and the literature available of the theme.

4.2 Collection of the research material

The research material for this thesis was collected through three face-to-face interviews and the interview method was theme interview. Interviews are the most common ways to collect qualitative material (Eskola, J. & Suoranta, J. 1998, p. 86). There are different interviewing methods. The interviewing methods can be separated to four different types: structured, semi-structured, theme interview and open interview. In the structured interview the questions are very well constructed and are presented to all interviewees in the same order and way. As on opposite to structured interview is the open interview, where the theme of the interview is predefined, but other ways it is carried out in very freeform. (Eskola, J. & Suoranta, J. 1998, p. 87). As said, there was theme interview used in this research. In theme interviews the questionnaire and structure of the interview is constructed of different, predefined themes. The extension of each theme and the number of questions does not need to be the same in different themes. (Eskola, J. & Suoranta, J. 1980, 87 & Hirsjärvi, S. & Hurme, H 2011, p. 48). As one advantage of theme interviewes can be seen the fact that it provides the opportunity for the interviewee to share their own experiences and personal point of views upon the theme. (Eskola, J. & Suoranta, J. 1998, p. 89).

Interviews can be seen as a speeches, conversations and interactions, where the researcher/interviewer asks questions from the interviewee (Eskola, J. & Suoranta, J. 1998, p. 86). This method is suitable especially to situations where the aim is to find out the thoughts and experiences of the interviewees. Furthermore, the reasons for a certain activity wants to be understood. (Tuomi, J. & Sarajärvi, J. 2004, p. 74 & Hirsjärvi, S. & Hurme, H. 2011, p. 11).

The interviewees did not receive any information about the questions beforehand. The three interviews were all conducted by using the same questionnaire. The questionnaire can be found from the end of this research (Appendix 1).

The questionnaire had three main themes that were opened up for the interviewees. The focus in these three parts were: Usage of marketing metrics, Marketing metrics as a part of decision-making process and Level of understanding of the marketing metrics. The interview session started with a short introduction of both parts and the interviewees told something about their background.

All the interviews were done as a face-to-face interview. This enabled the interview session to be more relaxed and open to supplemental questions. The interview sessions lasted from 30 minutes to 1h 15minutes. As all the marketing managers were Finnish the interviews were decided to be fulfilled in Finnish so that the interviewees would not have to feel any pressure due to a foreign language in the face-to-face moments. The interview sessions were recorded with a mobile phone, with a Huawei dictation application. The material obtained from the interviews was then transcribed and translated to English.

4.3 Background of the Interviewee

As the interviewer and the interviewees were all working in the consumer goods industry, in retail business the interviewees wanted all to be left anonymous. For that reason, they will be referred in this research as Interviewee 1, Interviewee 2 and Interviewee 3. The companies where the persons were working during the interviews are Hok-Elanto, also called the S-Group, Verkkokauppa Oy and Lidl Suomi Ky. Interviewee 1 and 2 have been working in marketing management tasks for over 10 years and Interviewee 3 for 2 years. All of the interviewees have been studying marketing in University level. All of them have worked and lived only in Finland. The age scope among the interviewees were between 35-45 years. Interviewee 1 and 3 have been working in the consumer goods industry for more than 6 years in a row. Interviewee 2 has been working in communication and media industry before entering the consumer goods industry.

There were no specific questions presented of a certain marketing activity or a strategic decision made as the interviewees did not want to share too much information about their companies' activities.

The questionnaire was planned so that it would not push the interviewees to speak about the ongoing projects of the company etc. The questionnaire was focusing to generally question whether something was or was not being made in the company from the perspective of the chosen theoretical themes mentioned in the literature review. Most importantly the experiences of the interviewees were required and needed to find out whether some activities were done as could be assumed from the literature review.

4.4 Analyze of the research material

The analyze of qualitative material helps the interpretation of the material as it makes it more compact. Like this the material is more informative and easier for the reader. (Kananen, 2014, p. 18). The material needs to be analyzed so new research results and findings can be made. (Eskola, J. & Suoranta, J. 1998, p. 138).

There are many methods to conduct the analyze of the research material. The usage of a certain methods depends on the quality of the research material. (Eskola, J. & Suoranta, J. 1998, p. 152). Here three different methods are more closely observed. According to Tuomi, J. & Sarajärvi, A. (2004, p. 95-97) the analyze can be carried out inductively or deductively. Inductively means from the research material perspective and deductively from the theory perspective. According to Kovács, G & Spens, K. (2005) the third method is abductively which could be said to be in the middle of the two previously mentioned methods; from the theory and research material perspective.

The method chosen to conduct this research is the abductively method. Like this the previously done research material can be used during the analyze process in a reflective meaning and findings can be compared to the previous findings in, which are presented in the literature review of this research.

In contrast to quantitative research, qualitative research is done in in few steps and the analyze continues throughout the research. There are no strict limitations and rules like for the interpretations for the material like in quantitative research. (Kananen, 2014, p. 18).

The analyze process of the material can be done in few different ways: splitting the material in different classes or different themes or different types. When focusing on different themes the researcher needs to focus on making the essential observations of those themes that are used in the research, in the theory. (Tuomi, J. & Sarajärvi, J. 2004, p. 95). When focusing on themes the combination of the theory and empiric parts should be in focus. (Eskola, J. & Suoranta, J. 1998, 137.) In this analyze the focus will be on the themes that are also strongly present in the questionnaire and the theoretical part of this research. For this reason, this option is a natural selection for this material analyze.

The transcribe of the interview material was conducted in two parts. First the text was written down from the recordings in Finnish and then translated to English. The transcribe part was done with high focus but during the process some of the filler words were dropped out to make the analyzing part easier. The amount of the transcribed text summed up to 24 pages. Then the analyzing was started by closely reading through the interviews and making observations. Then the theming was started. This part was quite easy as the whole questionnaire was already conducted in three clear theoretical parts.

An operationalization table was made to reflect how are the aims of the research, the research questions, the theoretical knowledge and the empirical research material combined together. The connections can be seen from the table. The theoretical parts and the themes in the questionnaire are linked and they all have a connections and intension to answer to the research questions presented. With this table a wider view of the research and its main parts can be seen.

Table 3. Operationalization table

The intension of the research	Research questions	Theoretical parts	Empirical research
<i>The intension of this research is to find out how are marketing metrics used and understood and further on, how are those metrics used in the decision-making process.</i>	<i>1. Are marketing metrics systematically used as a part of the decision-making process?</i>	<i>3.3 Decision-Making</i>	<i>Interview theme: 2. Marketing metrics as a part of decision-making process and</i>
	<i>2. Are marketing metrics used to track the performance of done marketing activities by the companies?</i>	<i>3.1 Marketing Metrics</i>	<i>Interview theme: 1. Usage of marketing metrics</i>
	<i>3. Are the chosen metrics understood throughout the department or are they only being monitored and observed by the management level?</i>	<i>3.2 Understanding of Marketing Metrics</i>	<i>Interview theme: 3. Level of understanding of the marketing metrics</i>

4.5 Limitations and liability of the research

This study was conducted as a face-to-face interview of marketing managers working in supervisor roles in marketing department of different retailing companies. There were three management level marketing specialists interviewed and their responses were analyzed. The analyses were then combined together, and the conclusions were drawn from those answers and results. The interviewees were chosen only from companies which operate and have a headquarter located in Finland. The geographic boundaries were set to limit the cultural

differences among the interviewees. The initial origin of the company was not limited in any way.

As the case companies were competitors for each other's it restricted the depth of the questions and the topics. The Interviewees did not want to share too specific information about the process of using marketing metrics as a part of the decision-making process. This limited the research to be more on a general level and resulted to more opinion and experience-based answers. The nature of the industry influenced to the amount of the reached interviewees as the potential candidates felt that sharing information of the needed themes from their company was not allowed from their point of view. As this research focused to the retailing industry in Finland the findings of this research should not be reflected to any other industry.

The results and findings of his research should be examined with consideration of the mentioned limitations. The aim of this research is not to discover new findings from the field of decision-making processes or usage of marketing metrics, whether add point of views how these theories function in real business life in the specific field of business. There were three specialists interviewed from three different companies. The low amount of interviewed specialist could be also mentioned as one limitation for this research as it limited the diversity of the examined research material. If there would have been more interviewed there could have been more diversity in the findings of the research.

Should be also noticed that as this is a qualitative research it focuses to analyze the experiences and opinions of these three specialists, which means that also the personalities and personal experiences have a strong influence on the research material and could be very different from the perspective of another interviewee. Should be also noticed that the findings may be influenced by the interpretation of the researcher and could be slightly different from the perspective of another researcher.

An interview is always an interaction situation where both parties may easily have an influence on each other's and like that effect to the reliability of the research (Eskola, J. & Suoranta, J. 1998, 86.) The influence can be due to the actions made by the other parties or then it may be the way the interviewee unintentionally tends to give answers which are socially advisable. The reliability of the interview may also be weakened by the quality of the

interview recordings and the level of caution when writing the transcription of the interviews. (Hirsjärvi, S. & Hurme, H 2011, p. 35 & 185). The research material of this thesis was handled with caution and with a focus to avoid the risks and stumbling blocks mentioned in the earlier section.

4.6 Questionnaire of the Interview

The questionnaire was built up from three main sections. The first focused on the usage of marketing metrics. Through this section the aim was to find out how were marketing metrics currently being used in the company; how are the metrics monitored and which metrics are mostly being used. It also went slightly deeper with the usage of metrics between strategic and tactical marketing. This was to find out whether different metrics are used to monitor those two areas and maybe in a different cycles or methods. In this section it was also an aim to find out what experiences and opinions the interviewee had of the usage and what they thought would be the suitable number of metrics to be monitored.

The second section focused to find out how are marketing metrics being used as a part of decision-making process. In this section a wider scope of the interviewees experience of the decision-making process were gained. There were questions to find out how and whether the metrics were used in the daily decision-making process, examples were asked. The aim was also to understand whether the metrics were used in the decision-making process by only management level persons or also by the employees working in the marketing teams. Also, the level of understanding towards metrics used in the decision-making by employees was asked to find out whether the understanding only lies in the mind of the manager.

The continuance of the metrics monitoring was also investigated by asking whether the monitored metrics have stayed the same throughout the years or whether they have changed often or in a short time of period. The interviewees were asked if they use marketing metrics as a tool to plan their future marketing activities. This was asked to find out the level of the metrics usage in the planning of future marketing activities.

The third section focused to find out what is the level of understanding the marketing metrics in the companies from the perspective and experience of the interviewee. The aim was to find out whether the interviewee felt that the metrics were understood by the executive

management level as also the employees in the marketing teams. There was also a question to find out if the executive management level understands why some metrics are used to track tactical of strategic activities.

In addition to these main three sections there were two questions about the background of the interviewees and then in the end some future insights for monitoring marketing metrics were asked.

5 THE RESULTS OF THE EMPIRICAL RESEARCH

In this chapter the results will be dissembled and discussed. The same division will be used as in the theory part and in the questionnaire. First the answers of the usage of marketing metrics will be analyzed and discussed. Then the level of understanding the metrics in the marketing department from the perspective of the marketing specialists will be analyzed. Then the decision-making process and the usage of metrics within the process will be discussed.

5.1 The usage of marketing metrics

In the first theme the focus was strongly to find out how and which marketing metrics were monitored by the interviewees, their supervisors (board member) and their teams. The questions also pursued to find out whether the same manners were used to monitor tactic and strategic metrics. As an addition information was also asked about the needed marketing metrics that a company actually needs to track to be able to see the performance of the marketing activities. The assumption here was that the metrics would be in wide use in the marketing department, or at least being used regularly by the marketing managers. These assumptions were drawn from the theoretical part (3.1.) which points out that there has been a pressure for marketers to learn their metrics and present the performance of the done activities. The research has also shown that companies that are more market oriented and using marketing metrics to do decision tend to perform better with their marketing activities.

It was presented in the theoretical part that there are several reasons why a company should focus to monitor and learn how to interpret their marketing metrics: being able to monitor and analyze the past and through that plan and implement marketing activities and strategy better in the future, to track how are marketing metrics used to reach and implement the objectives set by the executive management level of the company, to have a wider overview of the performance of the brand equity and its diverse dimensions, to be more market oriented and sense the markets properly through marketing data and to verify through metrics on what level is the performance financially.

The questions concerning tactical or strategic marketing were asked to find out if any additions observations could be drawn out of the answers.

Let's say that every day each person. If you think about the digital marketing team, then every day everyone goes through the key indicators of the field they are responsible for. If you think about Google Analytics, I think I also check them multiple times a day, for example how many visitors are there on the site, how the conversions are going etc. I follow some brand indicators maybe once a week from the brand index, and how people have noticed our marketing, are there trend changes and so on, but on a daily basis some more tactical indicator.

- Interviewee 1

Not as often as we should. We do monitor the performance of the done activities in different medias but at the moment we do not have tools to follow example ROMI. We have a project about this and hopefully we are much smarter with that in the future. The thing to keep in mind is that we operate very actively in every media and this makes the measurement extremely hard. We are using a consult now to build up a suitable monitoring tool for our ROMI.

- Interviewee 2

They (the team in marketing) don't have a monitoring culture. They've done some campaign monitoring once in a while and then they've done some campaign reports and they've followed the bigger factors in relation to marketing; brand awareness and how much people consider the brand and how much people prefer the brand, but it varies between different heads of marketing – we've tried to build a framework for monitoring marketing; to create a common framework for everyone and so that everyone understands the big picture.

- Interviewee 3

All three interviewees said that the monitoring of metrics is daily when talking about online/digital teams. There the indicators are easy to reach, and new information is offered daily through different solutions such as Google Analytics as mentioned by the Interviewee 1. However, other metrics outside online world are not monitored or only monitored by the marketing manager, also called the head of marketing. Two said the monitoring is not on the level where it should be and that there is work being done to fix that situation. One mentioned

that they have hired a consultant outside to help them to measure ROMI. It was clear from the answers from Interviewee 2 & 3 that the culture of monitoring metrics does not exist or is not strong. The problem has been identified in both of the companies and the aim is to strengthen the culture of monitoring marketing metrics. Interviewee 2 raised up a point that could be considered as a character of the industry. The comment pointed out that they operate widely in multiple channels and that makes the measuring complex.

Interviewee 1 mentioned that he monitors metrics for tactical marketing activities daily and others also said that there are different metrics to monitor for tactical than for strategic activities. Sales was said to be the easiest way to track tactical marketing, and the number of customers. This could also talk about the character of the customer good industry, where the volumes of sold goods are normally higher and that explains the high focus on that matter.

We do a lot of tactical marketing. You could say we do it on a daily basis so yes, there are totally different indicators for tactical and strategic. Tactical is so easy to measure when we are talking about selling groceries. I could say it's all about the sales. We also fulfill tactical marketing in different platforms than strategic.

- Interviewee 2

Sales is maybe something that's involved or customer numbers, but in strategic we follow more of the qualitative metrics.

- Interviewee 3

The interviewees were asked to tell more of how the monitoring differs between tactical and strategic activities. Like this the nature of the monitoring culture in the industry could be understood better. First comments for the tactical measurement were discussed.

Well, the tactical side is more short-term actions, and it happens on a daily basis, for example we might monitor how a specific campaign has started and do we need to make changes to it – if it isn't working then we cancel the whole thing – as an extreme example. Then something like a weekly tactical measure could be how the different digital channels have created traffic/sales over the week, should we change the budgets. It addresses, on a weekly basis, questions

like should we make changes between different channels and on a daily basis should we make changes between different campaigns in a single marketing channel.

- Interviewee 1

Tactical is being monitored all the time and not only by marketing department, but by other departments too as it influences to so many different things. I would say the key performance indicator for our tactical activities is the units sold from our stores. Our customers are after discounts and good deals, so we see our tactical marketing investment directly from the sales numbers.

- Interviewee 2

Both are needed, you build a bridge in both. Tactical is very short-term influencing and it can be media metrics, sales metrics or customer number metrics, or activation metrics but traditionally it's quite short-term. Something like were we able to get customers into a store during the weekend or were we able to sell a new product...something very tactical. In comparison, if you asked our head of marketing...he thinks that strategically only the brand exists.

- Interviewee 3

The cycle for tactical monitoring was daily or at least mentioned to be done in a short-term basis by all the interviewees. It was also mentioned by two interviewees that sales and the amount of people in the stores are one of the metrics that are used to track tactical performance. Interviewee 1 also mentioned that tactical campaigns are being monitored in such a short-term in different channels that there might be changes made if the campaign does not perform as well as expected, or even stopped earlier than planned. As said in the theoretical part (3.1) marketing related investments are expected to improve the company's positioning on the market and accelerate its sales. For this reason, it is also important to react when it is possible and modify the planned activity, if it seems that the result would be not enough profitable with the first plan.

Could be said that the decisions are based on the metrics, to the results that can be observed on a short-term. Sales and customer flow as a metric are easy to follow in a very short-term.

When the interviewees talked about measuring strategic activities the cycle was clearly different than mentioned for the tactical.

When we think about strategic indicators it's more about big changes between channels, for example like should we decrease TV commercials X% next year and move that budget to something else or in relation to brand indicators we discuss the aforementioned such as how well the advertisements have been noticed, how people talk about our brand etc. so it's like...let's say that the changes are slower, but the extremes are more present there.

- Interviewee 1

Strategic is not that easy. Like said before we don't really have good tools to measure ROMI and this of course would be a part of measuring strategic goals as well. When we make a strategic campaign which we run it TV etc we do not actually know how many new customers actually entered to our stores because of that TV spot, or did the old customer spend a bit more due to the spot. Of course, if there would be huge changes, the situation would be a bit different, but with many cases it's not like that.

- Interviewee 2

If you asked our head of marketing, he thinks that strategically only the brand exists.

- Interviewee 3

Measurement and tracking of strategic marketing activities was not that clear among the interviewees. Two of them mentioned TV as a channel, which speaks of the chosen channels to strategic doing. The metrics were not clearly mentioned, but the brand equity would be something that counts here. How it would be measured was not mentioned. However, with strategic measurement there was not that clear way of doing things and some even mentioned that the tool to measure strategic doing is not on the level where it should be.

The interviewees were also asked how many marketing metrics a company should monitor to be well informed of the performance. All the interviewees agreed that is quite impossible to

mentioned just one exact number as it depends on the situation, but all three mentioned numbers 5 to 10.

5.2 The level of understanding of the marketing metrics in the marketing department

In the previous chapter there were already mentioned that the tools to track performance of marketing activities are not on a needed level in every company. This could be seen as one of the influencing issues when talking about understanding the metrics. If the metrics are not available, the process of learning how to interpret them might still be an ongoing process inside the companies. As mentioned in the theoretical part (3.2.) usage of unreliable marketing metrics can influence negatively to the performance of the companies and decisions based on unreliable data can lead to budget overspendings. For this reason, it is crucial for the marketers to know their metrics, know how to interpret them right and to use them as effective as possible. It was said in the research written by Bendle, N. & Bagga, C. (2016) that marketers should always use multiple marketing metrics when making decision to have as wide understanding level of the issue as possible.

In this chapter the understanding of the metrics is observed inside the organization of the companies. The aim is to find out how well metrics are understood and are they understood only by the marketers, board level managers and the employees in the marketing teams. First there were asked, if the higher management level understands why certain metrics are monitored.

So if you think about our search engine specialists who optimizes Google Ads and its tools, I have no clue what s/he's doing there and I trust that s/he knows what s/he's doing and the tools provide enough information for smart optimization and maybe in certain things you can spar and ask and so on, but the team has the deep knowledge and expertise in such issues, so what the management must understand, and there's room for improvement, is that you could build transparency in what the marketing-created profit has actually been. And that's on the list of development projects, to think how to create such a solution.

- Interviewee 1

I think they do know and understand a lot, but the connection is sometimes missing. Meaning that they do not necessarily use indicator to back up their decisions and most of the time they do not demand us to present those either. They are good with numbers it not because of that it's just the connection that is missing between the understanding of the data and the usage of it.

- Interviewee 2

That's really a yes and no thing – So, it's really difficult to use the brand key figures to point out that this is exactly how it'll go – because it takes a long time to create a strong brand and it costs to create a brand and proving this mathematically is quite difficult.

- Interviewee 3

Interviewee 1 pointed out that the management level does not need to know every metric as it is more important that the specialist working with a specific metric is aware how to interpret it and how to react to changes whit it. However, this example was from the digital landscape where the metrics are monitored daily by the specialist working in that area. He also pointed out that the management level should be able to share more information to the teams of the marketing-created profit and that is something that they want to improve in the future. Interviewee 2 also said that the problem is not with the understanding of certain metric, but more on the usage of them in the real context. Next there was the understanding between tactical and strategic metrics questioned.

As written in the theoretical part (3.2.) a research points out, that in general the marketing metrics are not that well understood, or they are faulty interpreted. This can lead to misuse of the metrics and furthermore influence the decision-making process in a negative way.

I believe that everyone, the CEO included understands what, why and how the different key figures are used, so I don't see a problem there.

- Interviewee 1

I do think that they know, especially in tactical they are very observant. For strategic activities the figures are not that clear and for that reason I think they are not that in to details nether. Of course, they follow the yearly made data set

where we can see how the customer sees us, but that does not really help with individual campaigns.

- Interviewee 2

Yeah, revenue and customer number, clicks on the online site, instant purchases, average purchases and things like that so they're quite clear and easy numbers for business operations.

- Interviewee 3

As written in the theoretical part (3.1.) there were a study made by Tim Ambler (2000) where a finding was made that companies which are more market oriented and focused on marketing metrics tend to perform better than other companies. This is why it would be important for the business of the company, that the board members would be also highly interested of the metrics and of the performance of the marketing activities in general. The answers of the interviewees indicates that the board members in these case companies are not that in to details with the company's marketing metrics and they do not seem to require that much from marketers when it comes to presenting the performance of the made activities. Companies need marketing to stand out and to make result, therefore it is important for the board members to be also interested of it and to but it as a priority.

All the interviewees welt that the difference between tactical and strategic metrics are understood clearly by the management level. Two of the replicants also mentioned tactical indicators to be followed often by the management level. When the questions were asked of the employees in the marketing teams the answers were quite different:

I'm sure at least for the most essential ones (marketing metrics), which are affected by their own actions, then yes.

E-commerce in general has the benefit that a purchase leaves a trail, and the conversions can be tracked so that the person clicked a specific ad and made a purchase or didn't so it's quite clear so yes, they do understand it.

- Interviewee 1

No, I think they are not that aware of those as we have not provided that much data for them. They only know the big lines. As said before in some cases they do not even need to know as some of the persons are not using that information in their work. – Some of them do not have the wide perspective of things. Of course, if everything would be explained from the beginning they would understand, but normally there is no time to explain that much. Sometimes they just need to do thing without knowing what the expected influences of it are.

- Interviewee 2

Well, we do that together, because right now I'm building a measurement framework so we build the know-how together and of course there are people from different backgrounds in my team so some people have a stronger digital background, and they understand the measuring of digital operations very well but then again, these people might have things to learn on understanding the strategic side.

- Interviewee 3

The experience was that the employees might know the big picture but are not that aware of what metrics are being tracked and of what does a certain metric speak from. Interviewee 3 also mentioned that the background of the person influences a lot on how well she/he is in details with the metrics. The digital landscape was also mentioned and said that in that area the employees know and understand the metrics well.

The overall feeling was that the employees are not and do not need to be in details with the tracked metrics, only with the ones that they are actually working with. It was also mentioned by the Interviewee 2 that it's also a question of time as there is not enough to explain to the employees why certain tasks are done and what is the expected influence of it.

As said in the theoretical part (3.2) the demand or accountability in marketing has increased during the years and needs more focus from the marketers. The findings of this section of the questionnaire can be considered surprising as the understanding level and the usage level was limited to the management level and in the level of employees only being utilized by the online team. As the pressure to use and understand metrics has increased the assumption was that the level would have been slightly higher in usage and understanding the metrics.

5.3 Decision-Making Process in Consumer Good Industry with marketing metrics

In this section of the questionnaire the aim was to find out on what level are the marketing metrics combined to the decision-making process related to marketing activities. As said in the theoretical part (3.3) the investments and results should be monitored together so conclusions can be drawn from it and decision made according to the fact, according to the performance of the done marketing activities. Like this the managers can evaluate whether it is meaningful to make investment to certain marketing activities or not. Like this the risk of investing big amounts to an unprofitable activity can be avoided.

The interviewees were asked if they use the metrics in their daily decision-making and if so, how in practice does it go.

Well maybe I don't do daily decisions based on key figures, but on a weekly basis let's say that even then most of the decision making is the team's responsibility.

- Interviewee 1

Unfortunately, no. The key indicators are checked when the plan for the whole year is made but after that we mostly just follow the plan. This is something that we want to change but we are not there yet. I honestly feel that many times we just follow the feeling and what the board members want. However, I do believe that we will have a change to this when we are able to measure our ROMI better.

- Interviewee 2

Well let's say that especially if you are, doing something that can be repeated, yes, then the figures support it but occasionally when you're doing something for the first time you don't necessarily have the data and the key figures – And there are also things which you have to do for the first time and then you have to measure how it went and if you continue with it, then you'll have a basis for it. But if you're doing something for the billionth time, for example the 3+1 campaign at Sokos, then you can draw numbers from 2007 to 2020 and see how

sales and customer numbers have been, so in that case of course you can do that. But let's say that things related to the marketing media budget, in those cases you can partially decide how much to invest based on the numbers but still the creative side is a bit hard to base on numbers.

- Interviewee 3

Interviewee 1 says that he is not doing daily decisions based to metrics, but that the teams do. Interviewee 1 stated earlier too that especially in their digital marketing team the usage of metrics is on a high level and that the members in that team operate quite independently with the decision which they can do based on those metrics. From the Interviewees company could be said that the usage level of metrics in that specific team is on a very good level, as they are used daily to support the decision-making process. However, the replicant himself said that he is not using metrics on a daily basis with decision-making, rather on a more long-term cycle.

Interviewee 2 pointed out the same situation that could be noticed in the earlier answers too. In their company the tools to monitor metrics are not a good level and that prevents the usage or even possible improvements of the usage of metrics. However, as mentioned before, they are working to take that situation on a next level. The necessity of metrics usage has been noticed and are considered to be important. Another issue that the replicant pointed out was that some of the decisions are made by the board members, or how they want things to be made. This does not reveal whether the board members have used some metrics with their decision-making.

Interviewee 3 does decisions based on metrics when the task or project is familiar, if there can be some information already found about the previous cases. If the case is totally new then the metrics are not used, as there is nothing to reflect the decisions on. After the first time the past knowledge is used, the replicant points out. It was also mentioned that when planning a campaign, the used medias and the investment to them can be reflected to the metrics, but the creative side cannot be planned or decision concerning it made based on any metrics.

As said in the theoretical part (3.3) the evaluation of the made decision is important as there is always something that can be learned for the next time a decision needs to be made. For this reason, could be said that if the decisions made by a board member has not been explained or the reasons of the done decision been opened up anyhow, it can lead to an unprofitable result.

Furthermore, the result cannot easily be compared and evaluated against other decisions made, as the fact around the decision is missing.

The interviewees were then asked whether their team members use metrics to support their decision-making to understand how deep in the working culture is the usage of metrics in the company. The Interviewee 1 already pointed out in the previous answers that their digital team does use the metrics very independently and this could also be noticed in this question.

They use basic processes. In online marketing of course when the key figures exist in different numbers it's quite natural.

- Interviewee 1

Well, again depends on the channel, but let say 80% does not use any indicators in their work. The rest 20% uses them because they are working with online stuff and in that area, it is so easy to monitor and have access to the data. They use the data to make better choices, which is great.

- Interviewee 2

Well, the strategists do but if you think about the marketing manager and the project managers, then no. Or they sometimes use it. I don't think they use it daily.

- Interviewee 3

Interviewee 1 & 2 both pointed out that the metrics are being used in the online/digital teams as the metrics can be easily accessed. Interviewee 2 mentioned that in online team the members use metrics to make better choices. It seems that the accessibility that the online team members have for the metrics make them active to use them. This situation should be equal for another member at the department too. Suitable monitoring tools would most likely be the solutions to solve this situation

The interviewees were asked whether they pursued to lead their team with metric knowledge. The aim of this question was to find out if the usage and monitoring of the metrics is transparent and could be used when leading the teams to the wanted direction.

Of course, at least partially, but of course marketing is a lot about compartmentalizing like for example performance marketing vs. brand marketing, we need both. We don't think that our brand image is just the way we want it to be, so we want to affect that, and it happens more through emotion-based marketing. Then again, in online marketing you have a lot of performance-based marketing where you guide it purely based on key indicators.

- Interviewee 1

Well not as much as I would wish for, but again this is because we do not have the numbers. Not so much that we could use them in our daily work. Of course, if I have data to share I do it because I think it is important for the whole team to know where we are going. Sometimes I feel that people just work and work but can't reflect their work to any numbers and numbers helps to motivate and is super informative.

- Interviewee 2

I try. It's what I'm trying to bring forth because that's what I should bring to the table. But it's a slow change because it's also a lot to do with the way in which things come to us from the business side as a given, which is very odd that the business side doesn't lead with numbers.

- Interviewee 3

The aim with all the replicants was to lead and support their team with metric knowledge, but all of them also said that at the moment they are able to do it only partially or rarely. The reasons for this were lack of metrics to use and the challenge with which metrics to use to lead in which situation. Interviewee 3 pointed out that guiding with metrics and bringing those into sight for the team is something that the marketing manager should do. The knowledge of using metrics in the daily work is clearly not a good level. It would be most likely be an profitable investment decision from the company to educate the marketer to use metrics in their work.

Interviewee 1 raise up the importance to use right metrics with right themes: Online is purely functioning through metrics, through numbers whereas brand marketing is more based one

emotional marketing. For these two themes you cannot do decisions based on same metrics. This was an important notice as could be stated in the theoretical part 3.2, the usage of right metrics in the decision-making process is important as usage of the wrong ones can be harmful for the company.

Then the replicants were asked whether they think their teams understand why certain decisions are made based on metrics.

I think you should ask them, but at least I believe that they should know, so if we increase the budget somewhere and decrease it elsewhere then they should know that it's based on key indicators that we have studied.

- Interviewee 1

I would say no, they don't know on what the decisions are based on. Sometimes even I don't know where they are based on if the decision comes directly from our board. Of course, there should be said that the teams that we have in our department do a lot of marketing production work. So, they design posters and create selling texts and plans new store marketing material – there isn't really needed to understand all the indicators or receive too much data. But of course, the specialist in the teams should be better aware of the reasons behind the done decisions.

- Interviewee 2

I don't think so. – I think that they don't always think that it's based on something, instead they think that since we've discussed that certain topic that's that. – And then often it's the case that you basically have a lot of data and you, for example, have the segments so you know that the segments 1, 2 and 3 buy more cosmetics and our dad is not included in any of the segments, because he is not a brand cosmetics customer, it really makes sense that there are certain groups of people who buy more cosmetics so we'll focus on them. So even if you had the data and had the information, implementing it requires that the people know how to use it and at that point people tend to think quite traditionally. So, a lot of work is still required to have the skills to start planning based on that.

- Interviewee 3

There were differences between the replicants. Interviewee 1 was quite sure that employees in their teams do know why certain decisions are made and to which metrics they are based on. Interviewee 2 in the other hand said that all the employees do not need to know all the facts behind the done decision as it does not necessarily influence to their work. On the other hand, the interviewee also said that when the decisions are coming directly from the board even the marketing manager does not know the facts behind the decision. Interviewee 3 thought that their team members do not necessarily even think about the facts behind the decisions. The interviewee was more concerned about the skills of using the data in their hands as there is a lot of data available, but it does not help if the employee does not know how to use the data to support their daily decision-making and work. It was also said that there is a lot of work to be done with this issue.

Planning the future activities can be also made based on marketing metrics and therefore the interviewees were asked whether they exploit them as supporting tool when making the plans.

Well, our operations are largely campaign-style by nature where we might run a campaign for two weeks, like home appliance weeks etc. so obviously the decision whether to do it again or not is based on the results that the campaign creates.

- Interviewee 1

When we plan a strategic campaign, we do talk about the reasons and goals, but we do not combine any indicators necessarily. This is something that our board has been asking for so in the future when we present some upcoming campaign, we are planning to add few slides to the beginning where we state our goals from a numeric perspective also. Like said, we are working on better data usage and this will hopefully influence to many things that we do at the moment.

- Interviewee 2

Yes, I use them.

- Interviewee 3

The answers were very similar between the replicants. The data is being exploit when making future plans, or if it is not in that use yet, as said by Interviewee 2, it will be in the future. Could be said that the aim for everyone was to back up the decision for future plans with marketing metrics.

Then the decision-making process was separated to tactical and strategic and the replicants were asked if there were a notable difference with the usage of metrics between those two.

Well yes, it's simpler on the tactical side so it's the hard figures that decide whereas on the strategic side we're addressing changes that happen more on a long-term basis.

- Interviewee 1

Yes, there is a difference, as I said earlier the tactical is mostly reflected with our sales and customers walking into our stores on specific discount periods so those would be the key indicators for tactical but for strategic the situation is more complex and not always done based on a data.

- Interviewee 2

Well, the change on the strategic side is so much slower so I think you should always be thinking about those things like where we're headed and then follow those things, but they change so slowly. But of course, you have to use them, and we have a lot of work to do, in relation to the strategic side, with the fact that if we've decided that our brand position is such and such and we've decided that we'll focus on our strengths in that brand position – it requires a lot of getting back to the basics and what we were doing. – So is it more managing through numbers or through the chosen strategic path.

- Interviewee 3

Two of the interviewees said that the tactical side is easy and done in a short-term notice. Interviewee 2 also mentioned that in tactical the metrics are basically sales and number of customers walking into the store, very straightforward, as called by the Interviewee 1 “hard figures”. For strategic the answers were not that clear with specific metrics, but it was pointed out that it is more complex, and that the changes are slow and for that reason monitored in a

long-term basis. The interviewee 3 mentioned that it is very important with strategic activities to remember where we are heading and what is the strategic path to get there, so it is not only about numeric facts when you are thinking about strategic activities.

As a last question of the decision-making theme the interviewees were asked whether some decisions are made by ignoring the information gotten from the marketing metrics. This was to ask to understand how highly the data knowledge are appreciated in the companies.

I'm sure some are also made like that. – Well, you can't foresee everything and if you're doing something for the first time, then you sometimes have to trust the empirical experience-based feeling.

- Interviewee 1

Oh yes. The retail industry is hectic, and things happen fast. And if a board member thinks that we need to lift some certain topic in our online channels even though it will not increase our sales we will do it any how. – There aren't any big reasons but as one of the strongest one I would say the influence of the board members opinions.

- Interviewee 2

Yes. – Because the market situation changes. – It's easier to stick with the chosen strategy when everything's going smoothly and you're getting great results. – it's a lot to do about changes in the market situation so either the competitors do something like Kesko does this or Lidl does this and we're not succeeding in this or they're doing this and that so should we do the same and that's typically one big risk.

- Interviewee 3

All the replicants said that decisions are also made without using metrics as a supporting tool. Interviewee 2 & 3 mentioned the situation of the markets and the hectic industry in general, which forces companies to do decisions quickly. The pressure here was said to be the overall market situation or the doings of another competitor. The interviewee 3 also added that quick actions made due to the competitors doings can also be a big risk. Interviewee 1 pointed out that sometimes when you are doing things for the first time you have to use and trust your

empirical experience-based feelings. Interviewee 2 raised up the same topic as before where it was stated that the decisions coming from a board member are not based on any metrics rather on their opinion, and this issue were raised up in this section too.

5.3.1 Future Insights

The interviewees were asked if they have noticed some changed with monitoring of marketing metrics during the past years, and if so what kind of changes.

Well let's say that more and more data is available so if earlier you were monitoring only a few key figures, mainly very general key figures then today there's so much more data available – it's not only about sales but also so much more data about the whole customer path and in this regard also the number of advertising medium has increased so much and through them the amount of available data has also increased a lot so this situation does basically increase the amount of information, but it also makes it a lot more complicated.

- Interviewee 1

There is definitely a change. At least in the will of doing something. The thing is that the tools are not just there yet, where they should be and that does not help us to go forward. But there is definitely a change in the mindset that people want to see more data and they would like to base their decisions on a fact whenever it is possible.

- Interviewee 2

Well, if you think about marketing data and understanding and utilizing it in general, it's been a really significant change and it's refinement and analyzing and so on, so people discuss it in a whole new way compared to four years ago. – And even in our organization when you look at the past two years when I came here it used to be such that you should measure everything, but nobody really did. So, no its systematic.

- Interviewee 3

All of the replicants experienced that there has been a change. Interviewee 1 said that compared to the previous years when there were only few key metrics, now there is so many metrics to use and the amount of data has constantly grown past the years. Now there is more to measure than just sales, like the customer path. Interviewee 2 pointed out that even though the tools would not be on the level they should be with the data usage the mindset is however very enthusiastic and open for the usage of metrics in the company and that people hope to reflect their decisions on metrics. Interviewee 3 felt that the level of using and understanding marketing metrics has changed significantly throughout the years, and that the measurement nowadays is more on systematic level than it was before.

However, the grown amount of information was also experienced to make things more complicated. This could refer to the multiple amounts of different metrics to use or to the number of resources that would need to be used to handle the data.

As a last question the replicants were asked how they would expect situation with marketing metrics to change or evolve in the next few years.

I expect to see changes that bring clarity, better utilization of data because now it feels like it's been poured in from all sides and we're still kind of practicing, like what can you deduce from this or what's available out there, so how to connect the data in different systems. – so that we don't optimize things in silos because right now there's a lot of data in multiple channels, but the big picture is still missing so I'm expecting technologies that will bring solutions for that.

- Interviewee 1

In our company it will definitely be new tools to measure things. We will have our own dashboard which will be planned based on our needs and wishes and that will be a huge step for us. From there the next step is to implement that knowledge to our everyday business and learn how to back up our doings with the data that is on our hands. I am so waiting for that moment. And I have to say I have a lot to learn in that area as well.

- Interviewee 2

Interviewee 1 & 2 were both expecting for new tools which would help the usage of marketing metrics. With Interviewee 1 the data is already in regular use, but the wish is that in the future the data could be utilized better, and the right metrics picked up for the right use, as now there are data coming from every direction and the utilization is not that productive. There should be a tool where a company could follow all the needed metrics at one site as now, they are spalled and being monitored from several channels. There is still improvement to be seen in the utilization of the marketing metrics and in the evolution of the process of handling the data and shorting out the data that is actually needed for a productive working. Interviewee 2 also raised up the fact that it is not enough to have the data available, but the company needs to learn how to utilize that data effectively too.

6 FINDINGS AND DISCUSSIONS

In this chapter the findings from the analyzed research material are summarized together and all the markable observations are being discussed and reflected to the theoretical part of this research. The sections of this chapter are built around the themes that were risen up from the interviews. The themes are slightly differing from the original theme division, on which the questionnaire was built on. This is due to the finding that was noticed during the analyzing of the material. The first section of this chapter addresses this finding.

6.1 Monitoring Tool for Marketing Metrics

Expectations of a new monitoring tool for metric or a more developed tool was mentioned by all of the interviewees. Some already had some kind of tool but were expecting improvements to the tools to be able to work with the constantly fluctuating data and to be able to utilize the data more efficiently. One replicant told that the company had no tools at all, but there was a project where the aim was to implement a new tracking tool and to efficiently be able to track all the key marketing metrics for that specific company. Could be said that all of the interviewees were struggling at some level with the tools for monitoring metrics and all hoped to see change in that to be able to present the performance of their marketing activities better in the future. From these findings the conclusion was drawn that for a company to be able to make successful decisions based on marketing metrics they need to have or invest to a working monitoring tool.

6.2 Understanding Marketing metrics

The level of understanding of marketing metrics among the interviewed marketing managers was on a good level. This can be considered as an important factor among the interviewees as the explaining and analyzing of findings can be done through marketing metrics as said in the study made by Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D. (2017). So can be said that it is an essential skill for a marketer. All of the replicants felt that it is at least partly their responsibility to share more information to the teams of the marketing metrics and the marketing-created profit, and that is something that they want to improve in the future.

It was experienced that the problem is not with understanding of certain metric, but more on the usage of them in the real context. These findings line the finding made by Tim Ambler (2000), which states that the real problem for measuring marketing performance is not the usage of the, but the defining and identifying the best metrics and the best practices. Through this could be said that by obtaining suitable training and the right tools the situation could be somewhat different and less complicated for the marketers.

There were two opinions about the needed understanding level of metrics among the employees. It was clear that expectations of a good understanding level were higher with the employees who belong to the online teams. There the experience was that the team members already understand and use metrics well, and even exploit them in their decision-making.

Then on the other hand there was also pointed out that all of the employees do not need to know that much about metrics in the first place as they do more production work where the knowledge of the metrics does not make a difference. From this a finding can be made that the need to understand and use metrics in the marketing department depends on the job description and that it is more needed among the employees who work with online channels as there the tempo of doing things is daily and as noticed before more tactical doing. It was also pointed out that the general understanding of metrics depended on the background of the employee. The overall feeling was that the employees are not and do not need to be in details with the tracked metrics, only with the ones that they are actually working with.

In the higher management level, the metrics were understood well and the difference between tactical and strategic was also clear. It was pointed out that the tactical metrics are monitored by the higher management level often, which indicates that the tactical marketing is experienced to be important for the companies result and demands the higher management level to be on top of the theme. In the study made by Tim Ambler (2000) it was also recommendations made that the higher management level should on a regular basis go through the external and internal market metrics. This recommendation was already in use with the tactical part but could be said that there still should be closer observation from the higher management level done for them to be on the knowledge level where they should be.

6.3 Usage of the marketing metrics

There are several different activities being done in marketing and the activities are established in different channels such as TV, radio, online. When the interviewees were asked about the cycle of how often the monitoring of metrics is being done, was digital/online as an operating area lifted up. The finding was that the monitoring of metrics is daily when talking about online/digital teams. The reason pointed out for this was the fact, that in online the indicators are easy to reach, and new information is offered daily through different solutions such as Google Analytics.

It was also found out that in online landscape the decision to change already made decision is easy to make due to the continuously flowing new data. The replicants stated that in online teams the decisions are always based on metrics. Online was said to be purely functioning through metrics, whereas brand marketing is more based on emotional marketing. The members of the online teams were also only teams where the level of understanding the used metrics is on a very good level, stated the interviewees.

In general, the level of understanding marketing metrics or understanding why some decisions are made based on those metrics were said to be not on a very good level among the employees of the marketing teams, except in the online teams. It was said that the culture of monitoring metrics does not exist in the company or is not strong. However, the interviewees all agreed that it should be on a better level. According to the study made by Farris, P., Bendle, N., Pfeifer, P. & Reibstein, D. (2017) marketers should use metrics to measure activities. Like this they are able to present their accomplishments in numbers. Numerical presentation is said to be stronger accompanied by verbal explanation than only verbal explanation. For this reason, could be said that the companies should invest for a better knowledge and expertise level in their marketing departments. Also, in other teams than online/digital. The lack of usage of marketing metrics can be considered to be a very big issue for the marketing department and for the company in general as marketing related investments are expected to improve the company's positioning on the market and accelerate its sales, as said in the study made by Smyth, H., & Lecoivre, L. (2014).

6.4 Measuring Tactical vs Strategic marketing activities

The intention was to find out differences of measuring tactical and strategic marketing activities. When asking about the measurement of tactical activities the shared experience was that tactical is being monitored almost daily and that the used metrics for tactical are example sold amount of goods, number of customers walking to the stores or in online the amount of click and purchases. These measurements were experienced to be very typical for this industry, where the sold volumes are high in a short period of time. So, could be said that the tactical measurements were experienced to be quite straightforward. From the answers of the interviewees could be also noticed that when talking about tactical doing online were raised up several times. This indicates that the interviewees experience that a lot of tactical activities are done in the online channels.

It was also found out that as tactical campaigns are being monitored in a very short-term basis, even daily, and there might be changes made during the campaign based on the monitored results. It was also said that the changing situation on the market might cause a situation where decisions are made by ignoring the metrics. An example and reason for changing plan in the middle of a campaign was said to be changing market situation when the competitor does something to what the company then feels a need to react quickly.

The monitoring cycle for strategic activities was said to be more long-term monitoring, but the timeline was not specified with any certain period of time. Could be said that the frames for measuring and tracking of strategic marketing activities was not that clear among the interviewees. With strategic campaigns TV and radio were raised up a few times which indicates that these are the most used channels for strategic doing.

There were no specific marketing metrics raised up by all the replicants but there were metrics such as brand equity mentioned. It was stated by the replicants that you cannot do decisions based on same metrics in tactical and strategic. This was an important notice as could be stated in the theoretical part 3.2 the usage of right metrics in the decision-making process is important as usage of the wrong ones can be harmful for the company. In strategic marketing the discussions were more about knowing where the company wants to take to brand and how the brand should look like from the eyes of a consumer and this is something that was experienced complicated to but to numbers.

It was also mentioned that the tool to measure strategic doing is not on the level where it should be. There were no frame for planning, implementing and measuring strategic marketing in the companies. However, there were indications that the future expectations to have improvements to this situation was on a high level. It was said in the research written by Fred C. Lunenburg (2010) that one important step of decision-making process is evaluation of the result. Like this the conclusion can be drawn, whether the done decision was effective or not. For this reason, could be said that the situation of the interviewed companies is not an good level as they are not able to make proper comparisons and conclusion of whether the made investments have been profitable for the company or not. A proper monitoring tool for tracking metrics could be here the solving key.

6.5 Decision-Making Process with the support of marketing metrics

The finding with the usage of metrics were that the marketing managers do not use metrics in a short-term basis in their decision-making process, rather on a more long-term cycle. However, some of their team members do use metrics in a daily basis as well, especially in their online/digital marketing teams the usage of metrics is on a high level and that the members in those team operate quite independently with the decisions which they can do based on those metrics.

There were indicators that to take the usage of marketing metrics on a better level there would need to be new and better tools implemented in the company. As stated in the study made by Bendle, N. & Bagga, C. (2016) marketing metrics are not well understood, or they are faulty interpreted and for this the right cure could be, at least partly, new tool to work with the metrics.

The positive finding was that even though the tools would not be on the expected level that will and need to use metrics in the decision-making process was strong. The necessity of metrics usage has been noticed and are considered to be important. This indicates that there is no resistance for the usage of marketing metrics among the marketers.

It was found that with new campaign planning the metrics are not in that deep use, but when a campaign is referable to an also campaign there are past metrics used to reflect the success of the new campaign. This finding was quite logical, as the past knowledge cannot be

straightforward reflected to something new if there are no connections between the past and the future activities. However, it was also mentioned that when planning a campaign, the used medias and the investment to them can be reflected to the past metrics, but the creative side cannot be planned or decision concerning it made based on any metrics.

The metrics were being used as a supporting tool when planning the future activities in every companies, which was a positive finding. As stated in the study made by Sridhar, S., Naik, P. & Kelkar, A. (2017) there should always be multiple marketing metrics in use when making decision. This gives the marketer a wide understanding level of the handled issue as possible. Closely defined metrics are critical for effective marketing as written by Bendle, N. & Bagga, C. (2016) and for this reason it is important that the marketers use the metrics when planning the future. Like this they make their marketing plan accountable, which is something that is being expected from the marketing investments nowadays in an increasing amount as stated by Smyth, H., & Lecoeuvre, L. (2014).

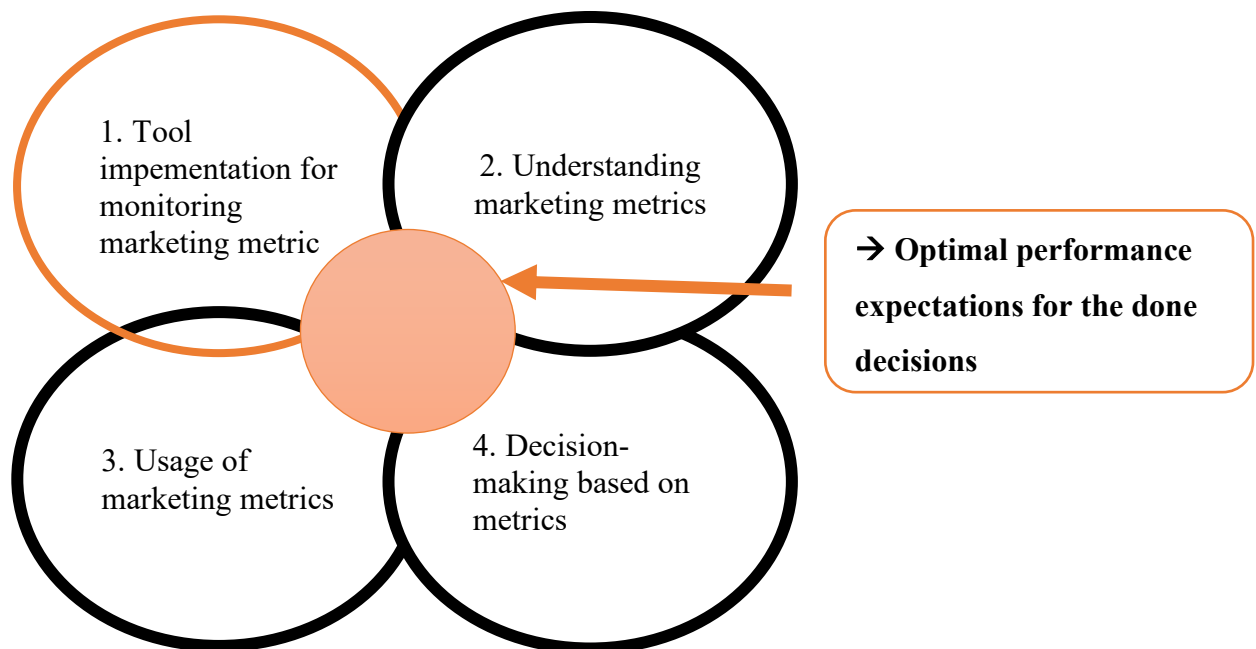
6.6 Modeling of the Decision-Making Process Framework

In the chapter 3 there was theoretical framework formed where the main points of the literature review were summed together to make build a continuum between the steps towards a successful decision-making supported by marketing metrics. The meaning was also to have a combined framework for the theories to make the material analyzing easier. Through the researched material there could be one shared problem found. The lack of well implemented monitoring tools was whether lacking completely, which prevented any learning or improvements to be made in the monitoring of marketing metrics, or then there was a future expectation that the tools would be better and more useful for a more productive decision-making.

This finding operated as an inspiration for a modified decision-making optimization approach. The framework was reformulated and a step of tool implementation for better marketing metrics monitoring was placed as a first and most crucial phase of the whole process. Without this first added step of the framework the success for the next steps can be questioned. The conclusion to this was drawn from the responses of the interviewees, where there was stated that any planning or decision-making to be supported by marketing metrics would require

monitoring tools which helps the regular monitoring of the metrics. Without any tool this could not be made. Below a reformulated framework.

Figure 3. Reformed decision-making optimization framework



Decision-making optimization framework

1. Development and implementation for a marketing metrics monitoring tool
2. Understanding the used metrics through out the management level as also in employee level → learning how to read the metrics
3. Clear focus of which metrics should be in use in which situations → balanced combination of observed metrics in a dashboard → learning how to use the metrics as efficiently as possible
4. Decision made based on facts, based on presented metrics by the marketers

6.7 Future Insights

The replicants all experienced that there has been a markable changed with how monitoring of marketing metrics has evolved and that it is a systematic level nowadays, then it has been before. The shared opinion was also that the tools for monitoring in the future are expected to

be better and more effective for decision-making. It was also thought that companies and marketers should use more metrics to be able to reflect their made decisions and future plans.

The big amount of data available on the market was thought to bring new challenges to the business world, as there should also be experience and knowhow in the companies on how to deal with all the data.

The expectations for future were better monitoring tools – tools where all the needed metrics could be seen from one platform and not from multiple different channels. And better tools to work with the data, for datamining. Also, a better skill to utilize the data would be more needed in the future.

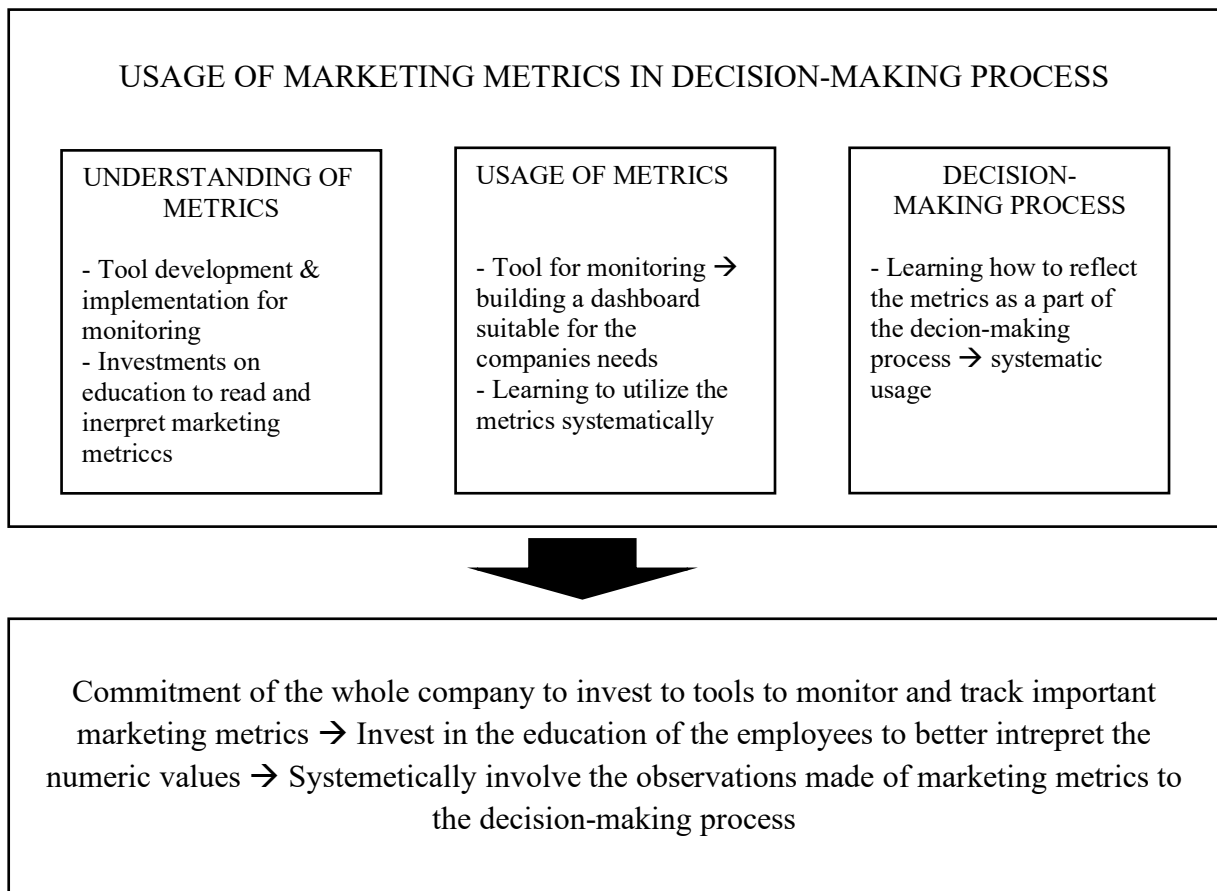
6.8 Additional findings

As additional finding the leading of the teams with metrics knowledge can be pointed out. The aim is to lead and support the marketing teams with metric knowledge, but all of the interviewees said that at the moment they are not able to do it systematically, only partially or rarely. The reasons for this were lack of metrics data to use and the challenge with which metrics to use to lead in which situation.

Another addition finding was made with through one of the replicants. The replicant pointed out several times that some of the decisions are made by the board members and not consulted with marketing managers. It was not clear whether the board members have used some metrics with their decision-making. The issue anyhow speaks of the lack of trust towards the marketing department. In this same case there was pointed out that the marketing department does not have good tools to monitor the metrics, which could change the situation of this issue.

6.9 Visualization of the findings

The important findings made from the research material were summarized to the figure below so that the key takeaways can be easily interpret. The findings were categorized according to the themes that are present in the questionnaire as in the theoretical part as well.

Figure 3. Visualization of the key takeaways

7 RECOMMENDATION FOR FUTURE RESEARCH

The continuously increasing amount of data available nowadays has changed the requirements for decision-making. The results can be evaluated and compared to the past of the history or to the competitors results. As stated by Lessmann, S., Haupt, J., Coussement, K., & De Bock, K. W. (2019) the need to base the decisions on quantitative and analytical facts is increasing and the believe that data-based decisions promise improvement to the business is strong on the management level.

Literature of combining marketing theory and financial activities is not widely available and more research on that combination is needed in the changing business environment. Research of these themes would help in the decision-making with marketing investments.

Other lacking research theme is the power of the metrics, which metrics should be used and how reliable are they. Marketers need more information and proven fact of metrics. Like this building up a dashboard for a company would be easier to establish.

This research could be continued and focus even more closely on the decision-making process and how could metrics be better utilized in that process and furthermore, which metrics should be used in which situations. The current status with the interviewed companies were that there are needed tools missing, with what the companies could fulfill a more professional tracking of the marketing metrics. Before those tools are implemented the usage of metrics can assumed not to be an a very high level.

7.1 Recommendations for higher management level

The research points out that there is a lack of skills of understanding and therefore using marketing metrics to make the working culture in the marketing departments more effective and profitable. There can already some research be found of the fact that companies basing their decisions on marketing metrics can be more profitable than other companies. For this reason, it should be the decision of the higher-level management, the board members to invest to the education that the marketing teams need. Like this the knowledge to work with data, to transform data to suitable metrics and to use those metrics in their daily work can be reached. However, this is something that needs to come decided from the higher level as it is an investment financially and timewise.

The research also clearly stated the issue of lacking tools to monitor the needed metrics. Can be assumed that the level of understanding the metrics and using them can be due to the lack of appropriate tools. This can be also seen as a decision of the higher management level, as it can also be a noticeable financial investment. It can be assumed that building up such tools needs help and expertise outside the company and requires investments.

To sum up these recommendations together, could be said that there needs to be a change in the working culture and a swift in the mindset of the people working in the company. It has to be an agreement of the whole company to start working with metrics, and to appreciate the guidelines that the metrics shows. It can be seen as a commitment to a new way of working.

8 CONCLUSIONS

The aim of this research was to find out whether marketing metrics are used in the companies operating in the consumer good industry in Finland, and if those used metrics were clearly understood by the managerial level as also by the employees working in the marketing teams. Furthermore, the aim was to find out if those metrics were used systematically in the decision-making process or not. The results of this research are not to be taken as a general guidance in the mentioned themes rather to function as a review in the analyzed industry. In this research the industry was limited to fast moving consumer good industry and only to companies which possess an own headquarter in Finland. The interviewed were contacted through email and LinkedIn and willingness for a face-to-face was asked. Due to the competitive nature of the industry not many candidates felt that they could share their comments and participate to the interview. Also, the number of suitable candidates was quite low as demonstrated in the overview of the consumer goods industry in Finland.

The research can give a status update on the usage level of metrics and give future advices on how to operate with marketing metrics in the future. The results were summed up from the experiences and opinions of three interviewees. As the sampling amount was relatively low, the results could have been quite different depending on the person interviewed. This should be kept in mind when making observations of this research.

The research could be separated in three sections:

1. Usage of marketing metrics in the marketing department
2. Level of understanding of marketing metrics in the company
3. Usage of marketing metrics in the decision-making process

The key findings of this study were made from every section mentioned above. In the first section it was found out through the analyze that the usage of marketing metrics is not a strong level in the companies. Could be said that only the operative management level uses them. As an exception there should be online/digital team mentioned, where the level of usage can be considered good. Other finding from the first section was that the tools for monitoring marketing metrics were experienced to be on a tolerable level, but expectations and wishes were to obtain better tools in the future for more efficient working. The implementation of

better monitoring tool for marketing metrics was added to the decision-making approach presented in this study.

In the second section the finding was somewhat similar to the finding made in the first part. The level of understanding metrics was good in the management level, but on the employee level it was not experienced to be strong. This was listed to the findings and could be seen as a recommendation for any company to invest to the knowhow how learning how to use and interpret marketing metrics.

From the third section there could be findings made from different angles. The decision-making supporter by marketing metrics was strong with tactical marketing activities. Decisions were based daily on marketing metrics with tactical doings. With strategic the findings were the opposite. The decisions were made most of the times without using metrics, or if the metrics were used, they were not the final reason to do or not to do something. In strategic doing it was more focused on the opinions of where the company wants to take their brand image next.

In general, there were decisions made based on metrics, but not all of them. It was said, it is not the culture to do so. Exceptions to this was again online doings, where the metrics were used systematically. To conclude could be said that in the usage of marketing metrics and in the level of understanding them in the marketing teams, there is a lot to do and things to be researched. The changing working environment packed up with data changes the way things will be done in the future, but there is a risk that the gap between the skills and tools grow up to be too big and hard to handle. For this reason, could be recommended for companies to invest for better tools and for the education of the marketers.

The questionnaire for the research was made before knowing the situation of the companies at all. For this reason, the questions did not focus to monitoring tools. The findings made of the current level of the used tools rose up in the research several times and for a more detailed evaluation of them and of the usage of them would have needed some additional questions to be added to the questionnaire. Then again, the monitoring tools in companies could be considered as a new research topic.

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APPENDICES

Appendix 1. Questionnaire

Background information of the interviewees

1. How long have you been working in the field of marketing?
2. Have you been working in other industries than FMCG? If so, in which industry?

Theme 1: Usage of marketing metrics

3. Could you describe how often and how do you and your team members monitor marketing metrics?
4. Are there specific metrics chosen to monitor tactic marketing activities and different ones to monitor strategic activities?
5. How would you describe the difference of monitoring tactic versus strategic metrics? (example: amount of metrics monitored, cycle of monitoring)
6. In your opinion: How many key metrics should a company monitor to track the performance of your marketing activities?

Theme 2: Marketing metrics as a part of decision-making process

7. Do you use metrics to support your daily decision-making? Can you give an example how?
8. Does your team use metrics to support their daily decision-making?
9. Would you say you lead your teams activities with metric knowledge?
10. Would you say your team understands why certain decisions are made based on metrics?
11. Do you use marketing metrics as a tool to plan your future marketing activities?
12. Would you say that the chosen marketing metrics have stayed the same over the year, or are there a lot of changes? If yes, why?
13. Is there a difference how the metrics are used in the decision-making of tactic and strategic activities? Describe the difference.
14. Are some decisions made by consciously ignoring the metrics? If yes, why?

Theme 3: Level of understanding of the marketing metrics

15. Would you say that in your organization's management level it's clear why certain metrics are monitored? How about, how those metrics can be influenced?
16. Would you say that in your organizations management level there is a clear understanding which metrics are (or should be) monitored for tactic activities and which to strategic?
17. Would you say that your team understands which marketing activities influences to which metrics?
18. Would you say that your team understand the reason why a certain metric wants to be influenced?

Future insights

19. Have you seen a change in the way of monitoring marketing metrics during past years? If yes, how would you describe the changes?
20. What kind of changes do you expect to happen in the next few years (regarding marketing metrics)?