



## 4 Important Metrics

1. Conversion Rate
2. Engagement Rate
3. Click Through Rate
4. Customer Acquisition Cost

Measuring your marketing success is where the magic happens—it's how you find out if your hard-earned dollars are really making an impact! But let's face it, most small business owners are way too busy to sit down and figure out their marketing ROI. Here are four of the most important metrics you or your team should be looking at to measure your marketing success.

**1. Conversion rate = The % of people who complete a desired action (click a link, fill out a form, purchase from your site)**

### Why it matters:

A conversion rate measures how effective your marketing efforts are in terms of turning leads into customers. *This is probably your most important metric when it comes to understanding and learning from your marketing efforts.*

### What to look for:

- Overall Trend: Is your conversion rate improving, staying the same, or declining? Consistent improvement is a sign that your marketing strategies are on the right track. Inconsistent means something must change, like your offer, headline, creative etc.
- Channel Performance: Compare how different channels (social media, email, paid ads, organic search, etc.) are converting. Some channels may be better at driving sales or leads than others. Move your resources to the ones that work the best.
- Bounce Rate: If you have a high bounce rate (people leaving your website after visiting one page), it could be affecting conversions, meaning you might need to adjust your landing pages or messaging on your website.

- Cost per Conversion: Are your conversions worth the cost? Ensure your conversion rate justifies your spending on marketing campaigns.

- Industry Benchmarking: Compare your conversion rates to industry standards to see how you stack up. Platforms like Meta allow you to choose companies to benchmark against which is very helpful.

**2. Engagement Rate = The level of interaction (likes, shares, comments, saves) with your content on digital platforms and other traditional marketing**

### Why it matters:

High engagement signals that your audience finds your content valuable or interesting and reacts to it.

### What to look for:

How many people liked your post or commented, how many people opened your email, how many people clicked that link or called you because they saw your ad in the paper. Take the winners and deploy them again!

**METRICS**

**3. Click Through Rate (CTR) = This metric is specifically for on-line marketing efforts. The percentage of people who click on your ad, email link, or Call To Action after seeing it.**

**Why it matters:**

A high CTR indicates that your content is resonating with your audience and compelling them to take action. Which is what you want!

**What to look for:**

High CTRs indicate your messaging is working, Low CTR will indicate your content is not resonating with your audience or is not the right format for the platform (i.e., text ads versus carousel ads on LinkedIn). A good CTR is typically in the single digits (5% and under). You get anything above that, winner, winner chicken dinner!

**4. Customer Acquisition Cost (CAC) = Measures the cost of acquiring a new customer through your marketing efforts. This is a more complicated metric than we have time for here, but you can use it as a quick gauge for ROI.**

**Why it matters:**

Understanding CAC helps you manage budgets effectively and optimize your spending across channels.

There are a couple of ways to measure this – basically it's your total marketing costs ÷ new customers, I recommend breaking your CAC down to the campaign and channel level. There's opportunity in organic growth and it's cheaper.

## About BrandKramp™

*BrandKramp™ is a podcast that explores the impact of branding on a company's bottom line.*

*Sharing real stories from business professionals, and offering insights on how to market your business successfully and authentically, BrandKramp™ covers topics related to design, culture, sales, and intellectual property – all with the goal to help businesses avoid the dreaded BrandKramp™.*

*Podcast creator Aileen Casey has over 25 years of personal experience working for companies with BrandKramps™ and founded AileenDesigns in 2017 to help small businesses avoid them!*

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## A quick note on reporting!

***So now that you understand the key metrics, how do you access them? Most platforms have analytics available that are user friendly.***

- ***Use google Analytics for your Website traffic***
- ***Meta has a business suite for Facebook and Instagram***
- ***LinkedIn has pretty good reporting too, especially if you are Paid advertiser***
- ***Email platforms also have robust reports too, so be sure to check those out***