



# CONVERTING NUMBERS AND CHARTS INTO MARKETING ACTION ITEMS

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It's common knowledge that to grow your practice, you need a constant flow of leads. For most practices this requires a marketing strategy backed by a healthy budget.

The industry standard for medical marketing is to allocate 1–10% of your actual (or projected) revenue. If you are just starting out, you may need to be more aggressive in your marketing budget (8–10%); highly established practices may be just as effective with a smaller percentage (1–3%).

Internal conversion rates are also a key factor in growing your practice. If your practice falls short on standard conversion percentages, no amount of marketing dollars will help your cause. (You may need to invest in staff training first to help your staff learn how to help people overcome their obstacles to elective surgery.)

Determining the number of leads you need to generate in order to attain conversion rates that lead to a reasonable return on investment (ROI) of your marketing budget involves a few calculations (see sidebar, p. 18) and a thorough understanding of how you can use analytics to your advantage.

## LEVERAGING YOUR ANALYTICS

Your marketing activities should generate a plethora of analytics about your efforts. There is no need to hire a statistician to decipher the data that is collected. Whether you do your marketing in-house or hire an outside firm, you can learn to interpret the data that is collected to tweak your strategies, lower your cost per lead (CPL), and improve your ROI.

Unfortunately, all too often this important data is painstakingly collected

and then abandoned in piles of paper or lost in the digital graveyard. In fact, only 21% of marketers are using analytics to measure ROI.<sup>1</sup> Don't fall into this trap!

## LEAD GENERATION ANALYTICS

Lead generation analytics should include activity throughout all of your lead generation channels:

- Website
- Email marketing
- Pay-per-click advertising
- Online radio advertising
- Traditional advertising
- Social media marketing
- Grassroots marketing

## WEBSITE ANALYTICS

Google Analytics provides an easy-to-understand analysis of your website performance. You can learn

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how patients find your website online, how they interact with your site, what type of device they use when looking at your site, and more. Measure the effectiveness of *your* website against these ideal benchmarks:

- Bounce rate: 50–60%
- Time spent on site: 2 minutes
- Page views: 2.2 or more

If your website isn't performing at or above these standards, you may need to incorporate these changes:

- Update your site to a responsive design so it is easily readable from any device.
- Add or tweak calls-to-action so they entice visitors to take the next step with your practice.
- Improve the content on your site so it is educational, easy-to-understand, and free of platitudes.
- Incorporate new search engine optimization (SEO) strategies to move your website to the top of search engines.
- Add SEO-rich weekly or monthly blog posts to your site.
- Adjust your navigation so information is easy to find.

### **EMAIL MARKETING ANALYTICS**

Email marketing can include targeted emails to purchased databases as well as ongoing drip marketing campaigns to fuel the relationships with people who have expressed interest in your services. The effectiveness of email newsletters to your patient database should also be monitored.

- Targeted promotional emails: Aim for an open rate of 10% and a click-through rate of 2%.

- Drip marketing emails: Aim for an open rate of 20% and a click-through rate of 5%.
- Email newsletters: Aim for an open rate of 10% and a click-through rate of 5–8%.

If your email marketing falls below these standards, look closely at your messaging to ensure that you are speaking the right language for your target audience. The subject line of your email also needs to grab the recipient's attention and stand out in their email inbox. You may want to rethink the parameters you place on your rented list to reach a more specific audience.

### **INTERNET ADVERTISING ANALYTICS**

This is one of the easiest marketing methods to track. The cost of internet advertising such as pay-per-click (PPC) varies depending on your geographical location, but aim for a 1–2% click-through rate. The stronger your call-to-action, the better results you will see.

### **ONLINE RADIO ADVERTISING ANALYTICS**

Online radio advertising is significantly more targeted than traditional radio. You can target specific messages by zip code, age, gender, household income, music channel preferences, and more. Not only can you send your message via audio, you also have corresponding banner ads listeners can click to take action (include a strong call-to-action in your message). Aim for a 3.0 share of voice in this medium and create a specific landing page on your website to track the effectiveness of your message.

(A 3.0 share of voice means that the user will likely hear your message three times during the week.)

If this tactic falls short, don't abandon the idea right away. Test different messages and/or targeting segments. Practice makes perfect in this medium.

### **TRADITIONAL ADVERTISING ANALYTICS**

Print advertising in newspapers or local publications, traditional radio advertising, and television advertising typically carry a very high cost-per-lead (CPL). However, for some patient segments, such as cataract-age patients, these can be effective. If you test these methods, pay close attention to the budget you are allocating and the number of leads you generate when the ads run. Measure your results against these benchmarks:

- Print: under \$300 CPL
- Radio: under \$250 CPL
- Television: under \$500 CPL

If these tactics are not resonating with potential patients, consider updating your messages, moving the location of your print ads within the publications, or changing the frequency or timing of your broadcast ads. If these changes don't boost your leads, it may be time to back away from traditional advertising.

### **SOCIAL MEDIA ANALYTICS**

Social media is more than posting selfies and entertaining Facebook fans. It is a highly effective way to reach people of all ages—especially Millennials. Social media advertising on sites like Facebook can be targeted to potential patients who have visited your website in the past (this is Facebook retargeting). Hundreds of social networking sites engage with the 2 billion internet users who use social networks.<sup>2</sup> You can target your messages on Twitter, Instagram, Pinterest,

## LINKING MARKETING DOLLARS, CPL, AND CONVERSION RATES

Regardless of your budget amount, allocating marketing dollars is not a spend-it-and-forget-about-it process. The following guidelines are basic to using knowledge of lead generation analytics to grow your practice.

1. Measure your budget against the number of leads, consultations, and surgeries you will need to attain a reasonable ROI. For this you need to estimate your internal conversion rates and compare your rates to these benchmarks:
  - Lead-to-consultation conversion rate: 65% or higher
  - Consultation-to-surgery conversion rate: 75% or higher
2. Next, determine your cost-per-lead (CPL) for each lead generation tactic used (see tactics described in this article). Divide the CPL by your budget to get the estimated number of leads that should be generated, then calculate your conversion rates. Consider this example:

ANNUAL MARKETING BUDGET	\$100,000
ESTIMATED LEADS GENERATED (ESTIMATE \$200 CPL)	500 ANNUAL LEADS GENERATED
65% LEAD-TO-CONSULT CONVERSATION RATE	325 ANNUAL CONSULTATIONS GENERATED
75% CONSULT-TO-SURGERY CONVERSION RATE	243 ANNUAL SURGERIES GENERATED

Snapchat, and elsewhere. The benchmark is to keep your internet/social media costs under \$100 CPL.

Surprisingly, 53% of social media marketers don't measure their success.<sup>3</sup> Remember that social media advertising is just as important to track.

### GRASSROOTS MARKETING ANALYTICS

Don't forget to track any grassroots efforts you engage in such as participating in community events, sponsoring a local team, or creating corporate flyers. Aim to keep your event marketing costs under \$50 CPL. In order to track the effectiveness, you may need to offer a special deal the day of the event, have a drawing at the event, or direct people to a specific landing page on your website so you can capture those leads and calculate your CPL.

The bottom line? Numbers count! The more you keep track of your efforts, the more successful you will be. **AE**

### NOTES

<sup>1</sup>Tiffany, A. (2016, April 11). 18 stats about marketing analytics that will make you nervous. Retrieved from <http://www.business2community.com/marketing/18-stats-marketing-analytics-will-make-nervous-01509524#4gGM8CT6FoSjUc04.97>.

<sup>2</sup>Statista. (Sept. 2016). Most famous social network sites worldwide as of September 2016, ranked by number of active users (in millions). Retrieved from <https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/>.

<sup>3</sup>Tiffany, A. (2016, April 11). 18 stats about marketing analytics that will make you nervous. Retrieved from <http://www.business2community.com/marketing/18-stats-marketing-analytics-will-make-nervous-01509524#4gGM8CT6FoSjUc04.97>.



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### IN A BLINK

- Allocate 1–10% of your actual or projected revenue to marketing.
- Estimate your internal conversion rates.
- Know the benchmarks for lead generation analytics.