

COLUMNS

After the click: The ROI fallacy

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What is the difference between looking successful and being successful?

Many business owners believe they are the same thing. If you have enough customers, drive a nice car and can pay your bills each week, conventional wisdom says your business is successful. The same can be said for digital marketing. If a campaign looks like it is working, then it must be successful.

Ad vendors reinforce that belief. When they put together reports, they include the numbers that make it look like the campaign is performing well. But what do these numbers actually mean, and how do they relate to the success of the business?

Boiling down your marketing results to a single number cannot give you the full story.

Marketing metrics start with visibility. Impressions tell you how many people saw or had the opportunity to see your content, advertisement, post or email. When you measure views, reach or open rate, it is all about eyeballs.

But these high-level metrics are the easiest to manipulate.

Looking for more impressions on social media? With \$5 you can boost a social post and watch the number of views skyrocket. Want to increase open rate for your email campaign? A catchy subject line can do wonders.

Impression metrics can give you an initial sense of confidence in your digital marketing strategy, but you need to go deeper to see the true impact.

Clicks = Engagement

Next comes the click. Typically, only a fraction of the impressions will take this next step. Click-through rate is the first opportunity to measure engagement.

But not all clicks are equal.

The only way to tell what a click means is by looking at what happens next.

Like impressions, clicks can be manipulated to artificially inflate the CTR without providing true value in each click.

Scroll through a social media feed and it will not take long to find an example of click bait. These posts do not give any information upfront, but are intriguing enough to get people to click through to the linked article.

If phrases such as "You won't believe what happens next!" did not get people to click, we would not see so many

online every day.

But are the extra clicks worth it? Are people clicking from impulsive curiosity or are they actually interested in your company, product or service?

Your goal is not simply to get clicks. Your goal is to get meaningful clicks.

How much is a click worth?

Meaningful clicks turn into leads. They are the people who click as a way to raise their hand and say, "I'm interested in what you're offering."

Which is why marketers also measure conversions.

How you define a "conversion" depends on the goal of your campaign. Because, while impressions build brand awareness and clicks measure interest, conversions typically represent some action filling out a contact form, calling your business or purchasing a product online.

Conversions tell you which clicks matter and which do not. It filters out the looky-loos and tire kickers to get to the people who are genuinely interested.

But that is still not the whole picture.

Yes, conversions are where most marketing reports end. But this is the point where the true value of your marketing is only beginning.

The ROI fallacy

Do you want to look successful, or do you want to be successful?

Impressions, clicks, conversions and return on investment (ROI) may make a campaign look successful, but it does not always translate to the success of your business.

When you look at all of these numbers and reports, from impressions to clicks to ROI, you see a particular moment in time. But to truly understand the effectiveness of your marketing, you need to look deeper than a one-time measurement.

The most valuable marketing produces results that last months, even years, beyond the initial campaign.

If you shrink your focus down to a single interaction, you will miss the big picture. It is the difference between activity and results.

Activity means clicks on your digital ad, cars in the parking lot, and customers at the counter. But these things, measured in clicks or ROI, can only show you the tip of the iceberg.

The right kind of marketing goes to work beneath the surface to raise the value of your customers.

The campaign improves the health of your customer base with retention and customer loyalty. The message nurtures lasting relationships with repeat customers who trust you. The marketing grows your business with recommendations and referrals.

Most reports stop at the surface. Metrics such as clicks and ROI focus on the initial burst of activity generated from a marketing campaign. But the business goals run deeper than a single snapshot or one-time event.

MEASURING ACTIVITY instead of results is the difference between looking successful and being successful.

Looking successful is like driving a fancy car and wearing expensive suits when you only have \$5 in your pocket and are living paycheck to paycheck.

Being successful is having a sustainable, full bank account with the control and freedom you have dreamed about when you first started your business.

Being successful is the ability to go play, knowing your business is full and your marketing is bringing in the right kind of customers.

To truly be successful and know that your marketing is making a lasting positive impact on your business, do not focus on activity, click or ROI. Look deeper for the true results.

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