A Framework for Measuring and Managing Marketing Performance

António Pimenta da Gama
Professor and Program Coordinator
UNIDCOM/IADE - Instituto de Artes Visuais, Design e Marketing
antonio.gama@iade.pt
Un Encadrement Pour Mesurer et Gérer la Performance en Marketing

Résumé :

La mesure de performance en marketing est un champ de recherche très évolutif qui a mérité l’intérêt d’universitaires et praticiens du monde entier. Cependant, malgré la prolifération des mesures isolés de nature financier et non financier, la performance du marketing dans son ensemble, traduite en un instrument clair et universel, a reçu relativement peu d'attention dans les instances appropriées. Pour promouvoir l'efficacité de l'évaluation en marketing, au-delà des faits, il devient nécessaire l'existence des modèles holistiques permettant un langage commun pour décrire, évaluer et améliorer les pratiques de marketing. Dans ce papier exploratoire, nous développons un encadrement qui distille des concepts sur la littérature existante et suggère les principales catégories de mesures sur lesquelles les entreprises devraient attirer l'attention, afin qu'ils puissent mieux comprendre leur situation actuelle tout en guidant les suggestions d'amélioration.

Mots-clés : Marketing, Évaluation de Performance, Mesures

A Framework for Measuring and Managing Marketing Performance

Abstract :

Marketing performance measurement has been a fast evolving research area which features highly on the agenda of academics and practitioners all over the world. However, despite the proliferation of financial and no financial isolated measures, marketing performance as a whole, translated into a clear and universal instrument, has received limited attention in relevant forums. To promote effectiveness on marketing assessment, besides facts, it becomes necessary the existence of holistic models allowing a common language for describing, evaluating and improving marketing practice.

In this paper, exploratory in nature, we develop a framework that distils concepts from the extant literature and suggests key metrics categories on which companies should focus attention, so that they can better understand their current situation while guiding suggestions for improvement.

Key-words : Marketing, Performance Evaluation, Metrics
A Framework for Measuring and Managing Marketing Performance

1. Introduction

Today’s competitive environment requires a marketing that is both effective and efficient, if organizations want to achieve their market and financial goals. With market fragmentation, offer variety, increasing consumer sophistication, and decreasing ROI (Return on Investment) levels, measurement and accountability in marketing becomes essential.

At top management levels, marketing has not had the impact its importance deserves (Cassidy, 2005; Webster, Malter and Ganesan, 2005), among other reasons, because it has been largely practiced emphasizing its creative side at the expense of the analytical one. It is an inescapable reality that marketing is undergoing a crisis in its "toolbox", that is, the means by which their strategies and activities are represented in financial and value generation terms (Brady and Davis, 1993; Wilson and McDonald, 1994). In many organizations, current peripheral marketing position is largely a reflection of this traditional inability to justify the employed resources and to quantify the corresponding effects (Doyle, 2000; Sheth and Sisodia, 2002; McGovern, Court and Quelch, 2004; Shaw and Merrick, 2005; Petersen & al., 2009).

Some professionals say that marketing performance simply can not be measured, but the problem is that they don’t know what to measure or how to interpret results. It is our belief that if companies develop an integrated set of relevant measures and systematically collect, analyze and disseminate information about them, then marketing could be viewed as a more informed, objective, … and recognized discipline! Among other things, tomorrow’s winners will be those with the skills and the discipline of learning new ways to make marketing more effective and efficient.
This paper intends to contribute for the theory and practice of marketing in two ways. Firstly, reviewing the literature and presenting a summarized view of marketing performance perspectives and metrics. Secondly, by proposing a marketing performance assessment model that expands the existing ones, adding new evaluative criteria and factors influencing process effectiveness.

2. Marketing Performance

2.1. Perspectives on Marketing Performance Assessment

Additionally, the word "marketing" is commonly used to distinguish very different things. On the one hand, it is considered as a management philosophy that seeks to express the why and how a company should adapt to and influence its market. On the other hand, it embodies the corporate subsystem, often with the name of department, which develops a set of tasks regarding marketing implementation. In both possibilities although with different weights, it is possible to identify three dimensions underlying the concept: an action dimension, an analysis dimension, and a culture dimension. Probably the most visible trend in practice is the one that reduces marketing to the action dimension, at the expense of other analytical and behavioral components. The model here presented also intends to shorten this gap.

Weak marketing performance has been evidenced in the literature since the 1990s (Herremans and Ryans, 1995; Sheth and Sisodia, 1995; Davidson, 1999; Ambler, Kokkinaki and Puntoni, 2004; Cassidy, 2005). In these studies, a common theme emerges, expressed into dissatisfaction by top managers with marketing activity and by extension, with professionals involved. In this context, marketing practice is frequently labeled as thriftless and short of adequate assessment measures, namely in terms of the connection between actions and results.
Despite the proliferation of financial and non-financial isolated measures, marketing performance as a whole, translated into a clear and reliable universal instrument by which the respective merits can be evaluated, has received limited attention in the literature (Ambler and Riley, 2000). Additionally, marketing as a discipline has focused more on results than on the processes and systems enabling them. (O'Sullivan, Abela and Hutchinson, 2009; Grewal & al., 2009).

Traditionally, marketing productivity analysis - mainly from efficiency perspective - and the marketing audit concept - mainly from effectiveness perspective - have dominated the approaches to marketing performance assessment. But neither these two approaches by themselves provide a complete framework for an integrated evaluation, due to conceptual and implementation limitations (Morgan, Clark and Gooner, 2002):

- **Marketing productivity analysis.** This type of analysis assumes that both inputs and outputs can be accurately assessed. Tangible inputs and outputs (costs and revenues) can be measured relatively easily and accurately, but less tangible ones are typically more difficult to assess. Productivity analysis also largely ignores time lag differences between marketing inputs and their effect on outputs. Finally, productivity analysis focuses upon the amount and not the quality of marketing inputs and outputs.

- **Marketing audits.** Apart from conceptual weaknesses - the majority of existing checklists were developed with few concerns for psychometric properties - there are also implementation problems that can occur along the process: in the objective-setting stage, data collection stage, or report presentation stage (Kotler, Gregor and Rodgers, 1989).

### 2.2. Marketing Metrics

A historical revision of the subject (Clark, 1999) suggests that marketing measures have evolved in three consistent directions over the years: (1) from financial measures to no
financial measures (2) from output measures to input measures; (3) from one dimensional measures to multidimensional measures.

Initial works on performance measurement were largely directed to the analysis of productivity and profitability of company's marketing efforts. Sevin (1965) can be considered the main author of this work stream, and his book "Marketing Productivity Analysis" is still a masterpiece on the specialized literature. Other important contributions include Feder (1965) and Goodman (1970).

The 1970’s and 1980s brought an enlarged conception of output that included no financial measures, since there are important marketing elements that are not translatable by traditional financial dimensions. Financial indicators are snapshots of the present and say little about marketing’s future health. Market share indicator attracted much attention during this period, due to works at Boston Consulting Group in the early 1970’s. At the academic level we must emphasize studies by Buzzell & al. (1975) and Buzzell and Gale (1987) under PIMS (Profit Impact of Marketing Strategies) project.

Since late 1980's three new no financial output measures have attracted the attention of both researchers and organizations: service quality (Parasuraman, Zeithaml and Berry, 1988; Cronin and Taylor, 1992), customer satisfaction (Anderson and Sullivan, 1993; Oliver, 1997) customer loyalty (Reichheld, 1993;1996; Dick and Basu, 1994), and brand equity (Barwise, 1993; Keller, 1993; Aaker, 1996). Recent emphasis on these measures form part of a general movement considering financial output measures along with others occurring earlier in the input-output process. Specifically, this reality can be pictured according to Figure 1: marketing processes and activities lead to intermediate outcomes which by their turn lead to ultimate financial results. Intermediate outputs can then be considered as marketing assets leveraging superior financial performance.
Most existing performance measures focus on outputs. However, processes are the “glue” that binds everything a company does. Therefore, input measures should also capture management attention (Brownlie, 1999). Unfortunately, broad understanding of marketing input quality under the form of processes has had a less clear impact largely because of the underlying complexity. This is the reason why the definition of good marketing practice has most often been subject of conceptual or qualitative treatments rather than rigorous statistical ones (Sheth and Sisodia, 2002).

Progress toward multidimensional marketing performance measures has a great boost in late 1970’s with marketing effectiveness appraisal (Kotler, 1977) and later on with marketing audits (Kotler, Gregor and Rodgers, 1989, Berry, Connant and Parasuraman, 1991; Parkinson and Zairi, 1993; Brownlie, 1996) and the concept of market orientation (Kohli and Jaworski, 1990; Narver and Slater, 1990; Kohli, Jaworski and Kumar, 1993; Desphandé, Farley and Webster, 1993).
It is worthwhile to note that the trends shown do not mean a radical shift from some forms of evaluation to others, but only the need to consider a broader set of measures.

3. Proposed Model

3.1. Model Rationality

One way of achieving integration is through the concept of Balanced Scorecard (Kaplan and Norton, 1996), a "measurement panel" to facilitate organizational coherence and interconnection of functional measures and to allow better strategy execution. In general, this type of integrated assessment and management tools intend to communicate the logic of a business in terms of sequence and conditions necessary to success.

From an organizational point of view, the key to effective performance lies in first establishing the desired effects and only then identifying the determinants of these results and showing how they are related (Ittner and Larcker, 2003). The more thorough and unequivocal is the understanding of how strategy translates into results and determinants of success, the easier it becomes to find a set of metrics optimizing the entire process.

So the rule is to understand first and to measure later. Fundamentally, evaluating performance should not be confused with filing maps or reports (reporting system) but instead seen as a process allowing phenomena understanding that progressively will lead to better decisions and improved results (decision guiding system). How Lebas and Euske (2002-p.68) argue, the important is not so much the final quantitative score but the understanding of the situations that led to such scores and therefore what can be improved next time.

By the other hand, competitiveness theory suggests that marketing performance is a process (Hunt and Morgan, 1995;1996) composed by three stages. Firstly, identifying superiority sources regarding company’s resources and capabilities’ acquisition, implementation, and
development. Secondly, evaluating superiority positions arising from designing and implementing marketing strategies. Thirdly, knowing the financial and no financial outcomes as a consequence of the previous ones.

Thus, taking into account the above mentioned steps and also based on previous contributions by Bonoma and Clark (1988), Clark (1999), Morgan, Clark and Gooner, (2002), Ambler and Kokinaki (2002), Ambler, Kokkinaki and Puntoni, (2004), Rust & al. (2004) and Woodburn (2006), the model here suggested highlights requirements, inputs, outputs and aspects influencing marketing performance evaluation process. Model components and reasons for their inclusion are considered in the next section.

3.2. Model Content

The model shown in Figure 2 proposes evaluating marketing performance along five dimensions: Marketing Culture, Marketing Resources and Capabilities, Marketing Processes, Market Performance and Financial Performance. Two components supposedly influencing the design and use of assessment systems (External Factors) and their effectiveness (Internal Factors) are also included as part of the model.
3.2.1. Marketing Culture

Human systems need an environment within which behaviors can sediment. In its absence it is difficult for employees knowing what and how to direct their energies. Organizational culture thus provides the unifying ingredient for action undertaking.

From the moment marketing tended to be seen as the overall business from customer perspective, marketing culture has been commonly understood as a set of norms and values helping professionals to understand and feel marketing philosophy and providing them behavioral guidelines. In other words, it concerns the importance attributed to marketing and
the framework for implementing its activities (Webster, 1995). It is therefore a broader concept than market orientation (Cameron and Quinn, 1999; Gebhardt, Carpenter and Sherry, 2006) and was defined by Webster (1993) as a multidimensional construct including the importance placed on (a) service quality (b) interpersonal relationships (c) selling task (d) organization (e) internal communication (f) innovativeness.

As the human element is typically associated with performance - namely the effective development and implementation of market strategies (Dun, Norburn and Burley, 1994; Piercy and Morgan, 1994; Appiah-Adu and Singh, 1999; Sin and Tse, 2001) - building an appropriate culture that permeates the entire organization is crucial to marketing success. Narver and Slater (1990) inclusively argue that marketing culture is the organizational variable that most effective and efficiently creates the behaviors essential to value creation. Nonetheless, it should be kept in mind that given its intrinsic nature, marketing culture supposes some inertia and the association with performance benefits may take time to emerge (Noble, Sinha and Kumar, 2002).

3.2.2. Marketing Resources and Capabilities

Resources and capabilities theory (Resource-Based View) sustain that sources of competitiveness rely on existing resources and on the capabilities that allow their enhancement and conversion into relevant outputs (Wernerfelt, 1984; Barney, 2001). Resources are company controlled assets that serve as inputs to organizational processes (Day, 1994; Srivastava, Shervani and Kumar, 1999). Management literature has identified different types of resources: physical, human, legal, financial, and informational. In this context, we consider marketing investment level as the appropriate performance measure. Despite its importance, resource levels aren’t enough for good performance. It is the degree by which they are transformed into valuable outputs through existing capabilities that defines
the extent of performance (Vorhies and Morgan, 2005). Capabilities are therefore skills in utilizing company assets and allowing to successfully meet market demands (Prahalad and Hamel, 1990). They occur at multiple levels of organizational structure and functional specialization and are based on learning and knowledge, being therefore difficult to imitate. Specifically, “a marketing capability is developed when the firm’s marketing employees repeatedly apply their knowledge and skills to transforming marketing inputs to outputs” (Vorhies, 1998-p.4).

Day (1994;1999) argues that organizations can be more market oriented when they develop specific capabilities of market sensing, market relating and strategic thinking, also sustaining that capabilities and processes are intimately related, since the former support the latter. The study by Jaakola (2006) confirms the close connection between capabilities and strategic marketing processes.

### 3.2.3. Marketing Processes

Marketing processes have been defined in several ways. For instance Management consultant A.T. Kearney distinguishes between strategic and tactical marketing processes, while other classifications identify the links between the company and other related parts. An additional and prevailing possibility consists in organizing them according to the understanding of marketing as a set of processes aimed at creating, communicating, and delivering value (American Marketing Association, 2007). Once marketing begins with consumers - identifying needs - and ends with consumers - satisfying needs - then all activities susceptible of influencing them should be considered in its scope and properly assessed (Woodburn, 2006). More specifically, the commonly accepted sequence has been (1) situational analysis (2) strategic formulation (segmentation, targeting and positioning) (3) tactical formulation (4) implementation (5) control (e.g. Lambin, 1998; Kotler, 2000; Doyle, 2002).
Two concepts have been advanced in the literature to assess marketing processes and activities: marketing audits and market orientation.

The first one intends to emulate accounting and financial audits in its procedural and logistical aspects and, *mutatis mutandis*, apply them to marketing context. It is usually presented as "a comprehensive, systematic, independent, and periodic examination of a company’s - or business unit’s - marketing environment, objectives, strategies and activities with a view to determining problem areas and opportunities and recommending a plan of action to improve the company’s marketing performance" (Kotler, Gregor and Rodgers, 1989-p.50). Several authors refer to audits as the preferred way to evaluate and improve marketing performance (Rothe, Harvey and Jackson, 1997; Kotler, 2000; Wilson, 2002). Taghian and Shaw (2008) in one of the rare empirical studies on the topic present evidence that justifies audit implementation as a condition for market performance improvement.

The second concept, according the perspective, has the following main features: (a) a set of beliefs that puts customer interests first (Desphandé, Farley and Webster, 1993) (b) the way a company generates and uses market information (Kohli and Jaworski, 1990; Kohli, Jaworski and Kumar, 1993) (c) coordination of activities and resources for creating superior customer value (Narver and Slater, 1990).

Previous concepts should not be seen as opposed but rather complementary. It should be noted, however, audit's preponderance for professional purposes and market orientation for academic ones.

### 3.2.4. Market Performance

Marketing activities and actions influence market performance. At company level these metrics can be aggregated into what is often called as marketing assets, conceptualized as
customer-based measures impacting financial performance (Rust & al., 2004). The logic of such measures stands on the primary source determining revenues and profits: customers. Marketing assets are then the nearest outcome and also the link between marketing activities and financial performance (Doyle, 2004).

Traditional accounting view of assets includes only those tangible elements contained in the Balance. However, market value of modern businesses lies mainly in their intangible assets (Fisk, 2006), where marketing is predominantly included.

A simplistic approach to marketing performance chain could consider only two stages: investment and marketing activities on the one hand (inputs) and sales revenues and profits on the other (outputs). But in practice these links are often unclear due to the amount of moderating influences. It therefore arise the need for intermediate measures bridging these two realities. Specialized literature has advanced such measures, among which we select those who have evidenced to positively impact financial performance: awareness, reputation, perceived quality, customer satisfaction, customer loyalty, customer equity, brand equity, and market share (e.g. Clark, 1999; Ambler and Riley, 2000; Kokinaki and Ambler, 2002; Ambler, Kokkinaki and Puntoni, 2004, Gupta and Zeithaml, 2006).

3.2.5. Financial Performance

As previously mentioned, accounting and financial based measures have dominated quantitative approaches to evaluating marketing performance. In its review of commonly used output metrics in studies on marketing effectiveness, Bonoma and Clark (1988) identify profit, margins, sales revenue and cash flow. More recently, findings by Ambler & al. (2004) pointed generally along the same direction. Other possibilities include return on sales (ROS) and investment (ROI) and also metrics reflecting value generated for the company, such as economic value added (EVA) and market value added (MVA).
3.2.6. External Factors

At individual company level, significant variances among different approaches to evaluating performance suggest their contents are not universal, i.e., there is no such thing as a set of indicators that it is always the most appropriate in all circumstances. Instead, such systems must be adapted to each company’s context, while taking into account what is normally considered as good industry practice. By other words, there are contingent factors associated to the design, use, and consequences of marketing performance evaluation systems. In fact, a basic proposition of contingency theory is that strategies systematically depend on certain organizational and environmental variables. Based on this theory and on literature about strategic marketing, several empirical studies have shown environmental and market factors play a role not only shaping strategy and performance evaluation but also moderating those relationships (Jaworski, 1988; Nedungadi and Day, 1994; Slater and Narver, 1994). We conceptualize external factors as the combined effect of the following forces (Morgan, Clark and Gooner, 2002, Rust & al., 2004): (a) industry dynamics - magnitude and pace of changes related to customer’s preferences and composition - (b) competitive intensity - competitive level associated to competitor’s number and quality - (c) environmental uncertainty - business environment predictability degree -. These aspects are expected to influence metric selection in each dimension, performance goal setting, benchmark selection, and evaluation frequency.

3.2.7. Internal Factors

As to internal factors, we consider the aspects influencing decisively the effectiveness of performance evaluation process (Spitzer, 2007): organizational context, focus, integration, and interactivity.
A. Organizational context

True power of assessment can only be materialized in a positive psychological and social climate, that is, in an environment allowing favorable perceptions and emotional responses from those involved. Although the “technical” aspect of measurement - metrics, processes and technical infrastructure - is fundamental, the atmosphere surrounding it also largely influences its effectiveness (Krueger, 1992). Organizational context thus reflects existing feelings of openness, trust and cooperation spirit regarding certain practices of performance evaluation. Because humans and not machines transform data into information and information into knowledge, actual attitudes in this respect seem to be of utmost importance.

B. Focus

The second aspect essential to progress consists on emphasis placed on certain measures. If it is true that we can’t manage what we don’t measure, it is no less true that we manage on the basis of what is measured. Therefore it becomes vital to select the right metrics because they provide clarity and sense of action to management and facilitate the alignment of incentives and rewards (Napier and McDaniel, 2006).

It is a fact that professionals from different functional areas have today at their disposal a much more complete and sophisticated set of indicators, compared with what existed in a not too distant past. What happens is that this variety and richness also brought with it some confusion regarding the selection of the most suitable measures. It is then necessary to sufficiently distinguish between those critical few measures that have a decisive impact on performance and the immensity of others that permeate all functional areas. Efforts should concentrate in searching for those factors determining success, i.e., the factors that have the greater power to leverage results and value generation (Goldratt, 1991).

C. Integration
The third important idea is integration, since individual performance measures are almost irrelevant. For powerful some individual metrics can be, its true potential is only fulfilled when used in a more comprehensive measurement framework showing how they interact and impact each other and how the concepts they represent are combined to create organizational value (Rummler and Brache, 1995; Ittner and Larcker, 2003).

Cause-and-effect logic must be given special attention due to the inherent possibility of predicting each element composing the chain. It must be recognized, however, that exists an intrinsic difficulty inherent in such claims due to the many elements involved and the dynamic nature of their connections (Pawels & al., 2009).

D. Interactivity

Finally, if professionals view measurement as something limited to a set of routine calculations and judgments, they are losing sight of an inseparable component of any performance evaluation system: learning and improvement. In fact, learning is one of the most important organizational capabilities and mostly elapses from daily interactions and experiences (Senge, 1990).

The main challenge in this context is to create an environment in which data can be effectively and efficiently converted into useful information by its turn transformed into knowledge, which constitutes the basis of real wisdom. And for that to happen there must be considerable interaction and dialogue at every stage of the process, leading to renewed perspectives on what to measure and how to measure, ways of gathering and analyzing information, decision-making, and improvement initiatives.

Dialogue allows for viewpoint diversity along and across functions (Kaplan and Norton, 2002; Bossidy and Charan, 2002). In organizations where there is no concern for knowledge sharing the facts are ill questioned and collective commitment is normally reduced. The
consequence translates on the fact that any possibility of converting data into knowledge will most likely be more haphazard than systematic.

4. Conclusions

Benefits from extending existing knowledge about marketing performance are substantial. Proficiency among professionals regarding what to measure and how to measure and the consequences associated to measurement process - including the demonstration of relationships between marketing inputs and outputs - will lead to greater efficiency and effectiveness of marketing efforts. We also believe that properly designing and handling the here proposed model could not only contribute to strengthen accountability in marketing practice but also to better understand the issues underlying the functioning of “marketing value chain”. If marketing is to survive into the 21st century as an identifiable management function, it must address some shortcomings in its ability to contribute to the strategy and business design dialogue within the firm by integrating its culture, strategic, and tactical dimensions.

A good performance appraisal system has also the merit of reinforcing marketing credibility at top management’ eyes (McGovern, Court and Quelch, 2004, Webster, Malter and Ganesan, 2005) and facilitating financial markets judgments (Davidson, 1999). Regarding this last aspect, marketing performance information in annual reports hardly goes beyond general statements about advertising budgets or some other aspects related to the marketing mix. But at a time when over half of firm’s market value is sometimes accounted by intangible assets (Fisk, 2006) such as brand strength, customer equity, innovation or specific skills, it is of utmost importance understanding how marketing practice and its assumptions will translate in future consequences for the business.
As mentioned, marketing metrics have historically focused on outputs, whether in terms of market share and customer impact - perceptions, attitudes and behavior - as with traditional financial variables. This article aims to draw attention not only to the processes that lead to such results but also to the requirements - culture, resources and skills - necessary to proper accomplishment of activities. Although some of the models presented in the literature (e.g. Clark, 1999, Morgan, Clark and Gooner, 2002; Kokinaki and Ambler, 2002, Rust & al., 2004) suggest the sequence presented, none is sufficiently explicit about how each step can be measured. We try do so now, in an integrated manner.

Moreover, the proposed model is intended as a framework that facilitates the development of an effective dashboard (Lehmann and Reibstein, 2006; Pauwels & al., 2009). Unlike isolated measures of performance, which are often insufficient, irrelevant, or error inducing, this model positions itself as a tool allowing to measure not only the conditions determining good marketing practice but also its contribution to value creation.

We hope this contribution can enhance awareness as to the importance and the need for marketing performance evaluation and may also stimulate further research, particularly in terms of testing the content and sequence of variables composing the chain and the effect of influencing factors. We believe longitudinal case studies will be particularly useful in achieving a more solid understanding of marketing’s health and vitality in an organization.

REFERENCES


Anderson, E. and Sullivan, M. (1993), The antecedents and Consequences of Customer Satisfaction for Firms, Marketing Science, 12, 2, 125-143


Barwise, P. (1993), Brand Equity: Snark or Boojum?, International Journal of Research in Marketing, 10, 93-104


Brownlie, D. (1999), Benchmarking Your Marketing Process, Long Range Planning, 32, 1, 88-95


Cameron, K. and Quinn, R. (1999), *Diagnosing and Changing Organizational Culture*, Addison-Wesley, New York, USA


Spitzer, D. (2007), *Transforming Performance Measurement - Rethinking the Way We Measure and Drive Organizational Success*, AMACOM (American Management Association), New York, USA
Webster, C. (1995), Marketing Culture and Marketing Effectiveness in Service Firms, *Journal of Services Marketing*, 9, 2, 6-21


Performance Marketing is an online advertising strategy that is making a bigger mark in the world year over year. Learn what it is and strategies you can use. Some merchants decide to give their program to an experienced agency to manage 100%, while others engage with agencies to work in conjunction with their in-house team. These types of agency partnerships are beneficial because often in-house teams have limited resources, expertise, existing affiliate relationships, and limited market reach, so working with an agency can help fill these gaps and drive much faster results. Some companies measure their Search Engine Marketing results on a performance basis, while others partner and pay out commissions to SEM companies and campaigns based on results. First, it advances marketing performance measurement theory by elucidating how organizations can design and apply marketing metrics systems in a way that creates business benefits. Framework for investigating the use of performance metrics systems Research on DM performance measurement with WA is scarce and theoretically underdeveloped. Therefore, we consider a broader perspective for the literature review and combine findings from performance measurement and marketing performance measurement literature. We show that the existing findings regarding the use of performance measurement systems are often parallel to available anecdotal evidence regarding the use of WA for DM performance measurement. The purpose of this Performance Measurement Framework is to provide a consistent approach for systematically collecting, analyzing, utilizing and reporting on the performance of the Canadian Transportation Agency’s programs and activities. This framework is a. A performance measurement system will also enable the CTA to improve its ability to plan, manage and measure performance through the development and use of performance indicators and evaluation frameworks. This, in turn, will provide the Agency’s senior management team with timely information on the relevance, success and cost-effectiveness of programs and activities.