

WHAT IS MARKETING REACH AND HOW TO CALCULATE IT

When it comes to your marketing campaigns, you want to make sure that you're getting the most out of your marketing expenditures. It's important to make sure that the amount of resources you're allocating for any given project are justifiable. In other words, you want to make sure that your return on investment (ROI) is where you'd like it to be.

One of the ways to determine how a campaign is performing is to figure out the marketing reach. Today, we'll talk about what exactly marketing reach is, why it's important, and how to calculate it using a basic formula. Organization

MARKET RESEARCH 101

There are hundreds and hundreds of nuances that the average marketer needs to know.

What are the latest trends, what products are influencers pushing, and most importantly today, how are politics factoring into consumer shopping habits?

Because the consumer landscape is always shifting, it's important to quantify your marketing activities to make sure they are effective in relaying your message and attracting new, prospective buyers.

This is where your marketing reach comes into play. Essentially, the marketing reach is the estimated number of potential customers you can reach with the campaign.

For example, let's say you created an ad to air during the Final Four championship games. This advertisement cost you a pretty penny, so you'd like to confirm that it was worth the cost by making sure that a large number of people were tuned into the game and therefore saw the ad. The next day, you check the <u>tv ratings</u> and see that 16.5 million people watched the game. This marketing reach is a little higher than you were expecting, so you are happy with the results.

However, you also must consider the fact that people just don't pay attention to ads like they used to. People look at their phones, talk to one another, run to the bathroom, grab a snack during commercials, etc. So, is it realistic to think that 16.5 million people are watching your commercial? No. But, at least you have a very rough estimate into how many people could have seen it.

And that's the tricky part about marketing reach — actually estimating the correct number.

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CALCULATING MARKET REACH

When it comes to calculating marketing reach, some mediums are easier than others.

Let's say you released a series of tweets to help roll out a new product line. Twitter easily allows you to check and see how many impressions your tweet had so you can assess your ROI, which is especially important if you paid to promote the tweet.

The basic formula for calculating reach is impressions divided by frequency (reach = impressions/frequency).

For impressions, use this formula:

Impressions = Cost / (Clicks Per Impression/1000)

And for frequency, use this formula:

Frequency = Impressions / Unique Users

We are at a point now where it is easier and easier to quantify your reach for specific online campaigns because of the technology and <u>tools</u> available (ie. Google Adwords will just straight up tell you the reach of a banner ad campaign if you use their software).

There are some marketing initiatives that make it impossible to calculate your market reach. If you posted an advertisement on a billboard — it would be darn near impossible to figure out how many cars drove by the billboard each day and how many people walked by it. You can estimate, but the chances of an accurate estimate are very low.

Keep in mind, it's not likely to get the exact number for marketing reach, but an estimate can help determine if you should run a campaign or how to calculate the results.

HOW A DAM CAN HELP YOU FIND YOUR MARKETING REACH

Another way to calculate reach is by asset instead of campaign. With a digital asset management (DAM) system, you can attach information to assets, such as what campaigns have used a particular image asset. With this information, you can calculate the marketing reach of the asset and analyze results to see if the creative is resonating with the campaign audiences.