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# Evaluating Hotel Marketing Effectiveness: The Audit

## **Abstract**

Hotel management is increasingly looking for ways to evaluate marketing effectiveness. A system is needed to assess objectives, strategies, and performance. The Marketing Audit provides a workable, worthwhile tool for managers to assess current performances and long-range goals.

## **Keywords**

Peter Goffe, Hotel Marketing Audit, Marketing competition, FIU

# Evaluating Hotel Marketing Effectiveness: The Audit

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*Hotel management is increasingly looking for ways to evaluate marketing effectiveness. A system is needed to assess objectives, strategies, and performance. The Marketing Audit provides a workable, worthwhile tool for managers to assess current performances and long-range goals.*

Hotel marketing today has achieved a high degree of sophistication and skill compared to a few years ago. It has made major strides in taking advantage of contemporary general marketing theory, especially with regard to consumer goods. Today's marketing textbooks use hotel examples to illustrate established principles where they would not have done so a few years ago. Hotel marketing is gradually receiving authoritative recognition as having come of age.

As the level of sophistication has risen, however, so has the pressure for performance. A number of factors are responsible for this. One is the increasing complexity of the decisions and choices to be made. Greater knowledge among hotel marketing management about the intricacies and potential of advanced market segmentation techniques, computer-assisted marketing information systems, highly-specialized market research, advertising media alternatives, and other variables in making decisions is changing hotel marketing into a much more demanding function than ever before.

Another factor placing even greater demands on hotel marketing management is intense competition. Not only has the number of competitors risen significantly everywhere, but competitive marketing tactics have grown increasingly aggressive and proficient. No market position or area of marketing activity is sacred, and even the most well-established properties can no longer eschew active competition. Effective hotel marketing management must compete competently.

A third factor in the pressure on hotel marketing management today is rapid and radical increases in costs and expenditures. This sector of management is increasingly being held accountable for

greater return on marketing investment, cost-effectiveness, and profitability as expenditures continue to rise inexorably. The size of the marketing budget is increasingly being questioned, especially the way in which it is derived, and management is more than ever expected to demonstrate a direct, measurable, predictable correlation between expenditure, sales volume, and profits. Hotel marketing management must respond to this pressure as well.

All these factors have combined to increase the pressure on management to perform and to find ways to evaluate strategic marketing performance and effectiveness. Some hotels, of course, are not yet as aware of the pressure as others, while those that are may respond differently to it.

Many hotels seem content to do without any systematic, comprehensive attempt to evaluate their marketing effectiveness. This attitude is the result of a failure by top management to understand or accept the total marketing concept and the persistent belief that marketing is synonymous with sales. Top management may be more concerned with short-term results than with long-range growth, stability, and profitability. In such a situation, marketing effectiveness is evaluated in terms of short-term sales performance, as indicated by such measures as occupancy and average rate. But occupancy and average rate results in the short term may be due more to factors outside the hotel's control than to effective or ineffective marketing.

Even hotel managers who question strategic marketing performance and desire to evaluate marketing effectiveness systematically and comprehensively can find little guidance on how to proceed. Hotel marketing literature has conspicuously failed to address this area, and there seems to be no practical precedent for such a procedure in the industry. Other types of marketing review do exist, such as that which surrounds the preparation and monitoring of the execution of the annual marketing plan. But they are not designed to make a thorough, dispassionate examination of long-term marketing objectives, strategies, organization, policies, and procedures. Lacking the needed tools, marketing managers at these hotels continue from year to year without any real attempt to evaluate whether they are doing the best they can with what they have to ensure long-run profitability.

What is needed is a system to analyze and evaluate how the marketing function is being performed in order to improve the hotel's overall continuing marketing effectiveness, a tool to assess and appraise long-range performance. The questions to be answered include the following: Is our marketing as effective as it should be? How can we know? What factors determine marketing effectiveness? How can we improve?

One tool which can make a valuable contribution is the marketing

audit. It offers a useful mechanism for evaluating hotel marketing effectiveness.

### **The Marketing Audit: What is It?**

The marketing audit is not a new idea. Leading management consulting firms have been doing such audits since the early 1950s. However, the marketing audit is not yet as widespread and accepted a business practice, nor is its methodology as well-developed and sophisticated as the accounting audit. Unlike the latter, which seeks to determine quantitative accuracy and adherence to established procedures, the marketing audit is intended to expose inappropriate or uncoordinated objectives, strategies, policies, and procedures and guide the hotel toward the practice of the marketing concept as a strategic orientation. The methodology of the audit is also primarily one of judgmental analysis, without the quantitative precision of the accounting audit methodology.

A full-scale marketing audit is comprehensive. It covers not just specific marketing activities such as advertising and personal selling, but also objectives and strategies, and analysis, planning and control systems. Like the accounting audit, it should be done according to an established sequence of systematic steps, going from the general to the specific, without jumping any step. And, again like the accounting audit, it should be scheduled as part of the regular calendar of recurrent management events. It should not be reserved to diagnose problems as they arise or seen as a source of quick solutions to produce fast results. It is these characteristics that distinguish the marketing audit from other, less sophisticated types of review and evaluation.

The marketing audit, like the accounting audit, evaluates people's work. As a result, its conclusions and recommendations can have strong political repercussions within the hotel organization. With regard to who should do the marketing audit, the best choice would be to use an external, independent auditor with hotel marketing auditing experience. However, while a self audit is not likely to be equally objective, it may yet provide a useful stimulus for significant improvement and a further, external audit. In the case of hotel chains, corporate, divisional, or regional offices might provide relatively objective internal marketing audit services to member hotels either on request or as a matter of policy. Whoever does it, pains should be taken to have it perceived as non-threatening and supportive, although some people will be defensive nonetheless.

### **The Marketing Audit Procedure**

The first step in doing a marketing audit is establishing its objectives, scope, data sources, and expected duration in consultation with the responsible hotel executive prior to beginning any data collection. This is essential to ensure unrealistic

expectations are avoided and a positive, cooperative attitude is established throughout the audit between the auditor and the executive. Once this is done, a detailed determination of the documentation required should be made and a request made to the appropriate sources for organizational charts, marketing plans, advertising and sales promotion material, advertising media schedules, publicity clippings, sales call reports, other sales force reports, and all other forms and reports which can reveal the internal marketing information system.

The next step is to draw up an interview plan. This identifies who is to be interviewed, where and when the interview is to take place, and the questions to be asked. When a team of auditors is used, this step would also specify who is to be interviewed by whom. Careful preparation and implementation will significantly reduce auditing time and cost, and improve how the audit and the auditor are perceived by those whose cooperation is needed.

A decision has to be made whether to require individual interviews or group discussion. For individual instances, it is important to rehearse precisely which questions will be asked of whom in advance, and to prepare separate questionnaires for each person to be interviewed. This will better concentrate the focus of each interview. A decision must also be made whether to supply interviewees with advance copies of their respective questions. Submitting questions in advance is helpful for the more quantitative questions, but eliminates spontaneity, which may be especially valuable for qualitative, judgmental questions. Some questions are best asked of a team of those directly responsible and involved.

Interview reports, whether individual or group, should be prepared daily to reveal any areas requiring further clarification or exploration while the audit is still in the data collection stage.

The marketing audit should never rely too heavily on those being audited or on any one person, even if senior or experienced. Information obtained in interviews should be cross-checked and adjusted for bias where justified.

The marketing audit should also include interviews of hotel guests, major client accounts, travel agents and tour wholesalers who do business with the hotel or its competition, sales agents and hotel representatives, advertising and public relations agencies, and physical transportation middlemen such as airlines, car rental firms, and other ground transport operators. Often these outside information sources are more important than those within the hotel. Information should also be collected by simple observation.

During this data collection stage, the marketing auditor should meet a least once with the responsible executive to review progress against the original plan, identify and resolve any problems, and modify the scope, as may be necessary. However, no preliminary recommendations or decisions should be made or opinions formed

at this time until the audit is completed.

At the end of the data collection stage, after all interviews have been conducted, preliminary conclusions, suggestions, and general recommendations should be verbally presented to the responsible executive prior to preparing the final, written report. Discretion may also justify making only a verbal report of any material especially disparaging about anyone audited. The final report should restate the original objectives and scope, report the findings in detail, and make specific recommendations for action. Recommendations should be prioritized according to urgency, probable cost, and ease of implementation, and each should be assigned to a person who becomes responsible for implementation and is allotted a prescribed time for completion.

While these procedures may seem at first to be disagreeably time-consuming and difficult to put into practice, in fact they are no more so than the standard accounting audit already long in use. Initial, start-up problems can be expected, of course. But with recurrent use, the marketing audit can quickly become as routine as the accounting audit. Moreover, for hotels committed to maximizing marketing performance, its benefits outweigh its limitations.

The above procedure is only meant to illustrate the marketing audit technique in general terms. Before doing an actual audit, a more detailed procedure would need to be designed and tested on a small scale. Some audits might be more complex than others, involving other stages and information sources.

### **Corporate Marketing Audits**

While attention here is focused exclusively on the individual hotel, marketing audits find equal application as a technique for analyzing and evaluating corporate strategic marketing effectiveness of a hotel chain. A corporate marketing audit of a chain would examine marketing objectives, policies, and procedures at the corporate level in terms of the marketing performances of the company as a whole. It would need to assess the corporate marketing information system, planning and competitive strategy, and communications, organization and control in terms of the company as a single business unit, rather than its constituent hotels. Although the specifics of the marketing audit procedure would need to be modified to accommodate the different focus involved, the general direction would remain the same.

### **A Marketing Audit Framework**

One obstacle in the development of hotel marketing audits has been the need to produce a framework of logical, detailed points of inquiry, custom-fitted to hotel operations and marketing activities. These points should evolve from the recognition of what constitutes marketing effectiveness for a hotel and what factors determine it.

The checklists that follow suggest basic guidelines and starting points for such a framework. They show the direction to follow and are meant to stimulate and precipitate more detailed questions. The checklist approach is useful because it provides an orderly, methodical procedure and avoids the danger of forgetting important topics. Checklists also save time in data collection and allow comparison of results obtained over time. However, they should not be used restrictively, but should be subject to modification for improvement at the discretion of the marketing auditor.

Hotel marketing is today under ever-increasing pressures to perform because of such factors as the increased variety of variables involved in making marketing decisions, the intense competition, and the runaway marketing costs. Hotel marketing managers should make a deliberate, determined effort to respond constructively to such pressure for their own best interests. A new tool must be developed and perfected to aid in the assessment and appraisal of hotel marketing effectiveness. The hotel marketing audit offers a workable, worthwhile mechanism to accomplish this goal. The purpose here has been to suggest a feasible approach in this direction.

Marketing audit methodology is not yet so sophisticated as to be immediately implementable in every hotel. Each would need to invest the time and other resources necessary to develop its own marketing audit procedures before doing one, but the benefits to be derived in terms of revealing opportunities for improving marketing performance and productivity seem eminently timely and worthwhile.

## The Audit Checklist

### Part I: Marketing Information System

The marketing audit should begin with a look at the hotel's overall marketing information system to determine the extent and effectiveness of its role and contribution in making marketing decisions. An advanced, planning-directed, marketing information system is purpose-built exactly to provide maximum input into marketing strategy decision making, and is distinguished from a rudimentary system made up of assorted procedures and reports with low impact on marketing decisions. Generally, the more committed management is to a planning-directed marketing information system, the more advanced the system is likely to be, and the more each of its component parts—market intelligence, market research, and internal reports—is likely to be carefully structured and managed. Key points to look for are:

- **Market Intelligence:** Is management very knowledgeable about its competition and their marketing efforts, both



current and future? Does management appear to be in touch with current trends in the marketplace? Is the sales force encouraged and expected to spot and report new market development? Has management specified the kinds of market information it wants regularly collected and by whom? Are the front office and food and beverage units also involved in collecting market information? Is the system formally organized or treated casually? How are sales force reports used? Are they studied and discussed?

- **Market Research:** Does management do any research into the hotel's markets and sources of business? What market research projects have previously been done? Has management made any effort to measure the cost-effectiveness of varying marketing expenditures to see what happens when they spend more or less in any area?
- **Internal Reports:** Are accounting reports in a form that permits easy, regular use by marketing? Are accounting and front office reports respected and valued by the marketing department for their accuracy, timeliness, and relevance in making marketing decisions? How does marketing use the reports? What changes in record-keeping and report formats could be made to improve the usefulness of internal reports in making decisions? What information does marketing want that it is not now getting?

## **Part II: Marketing Planning**

The objective in examining the hotel's marketing planning activities and methods is to evaluate management's approach to and use of planning in its competitive strategy. The audit should look at the hotel's planning philosophy through its policies and procedures, forecasting, objectives and strategies, and actual marketing plan document. The auditor must be careful, however, to avoid undue emphasis on the hotel's marketing plan, and go beyond token symbols of planning to the real planning process as it is in practice. Some the main criteria to use are:

- **Policies and Procedures:** Does management do any formal marketing planning? Is there a documented planning cycle policy? Is the planning cycle enforced? Does the cycle include stages for review while plans are in the process of being prepared? Is there both long and short-range marketing planning? Does planning appear to be done mainly to satisfy a corporate policy rather than being valued in its own right? Do managers tend more to plan

what they think their superiors want to see than what they themselves genuinely believe?

- **Forecasting:** What forecasting methods are used? How accurate have forecasts been in the past two years? What time periods do they cover? Are there immediate, short-term, medium-term, and long-term forecasts? Are there optimistic, most-likely, and pessimistic forecasts? Are forecasts made by market segment? Is market share measurement used? Is market share measured for each target market? How are the hotel's market shares explained? How are competitors' market shares explained? What trends in market share are projected?

Is any attempt made to measure the current and future sales potential and profitability of different market segments? Have growth markets been identified? Which departments use which forecasts, for what purpose and how? Are forecasts generally respected by all departments for their accuracy and reliability? How can forecasting accuracy be improved? Would the benefit be worth the cost?

- **Objectives and Strategies:** Have target markets been clearly identified, prioritized, and profiled? Are there separate marketing objectives and strategies for each? Are the objectives clearly stated, logically related to, and appropriate for the hotel's competitive position, resources, and identified target opportunities? Are the strategies clear, logically derived from and compatible with the objectives? Are there strategies that are not documented but are being implemented in practice? Is there any confusion among marketing staff about the hotel's marketing objectives and general strategies?

- **The Marketing Plan:** Does the hotel have a formal, written marketing plan? Is there an annual as well as a five-year plan? How detailed is it? Does it cover all the key areas? Does it contain detailed analyses of the hotel's markets, competition, product, rates, marketing communications, sales channels, marketing information system, and marketing organization? Does it contain clear statements of objectives and strategy for each target market? Have strategies been translated into specific, measurable action plans? Is there provision for periodic progress review and control?

Does it contain detailed forecasts and marketing expenditure budgets? Is it fully circulated to all those with

an active responsibility for implementation, including non-marketing personnel? Is there evidence that the plan is used throughout the year for reference, guidance, and control? Are the marketing resources adequate to achieve the goals set? How large is the gap? What resources are needed to close the gap? Will they be made available?

### **Part III: Product**

Here begins the examination of each marketing-mix element. It may be useful to clarify the product concept on which this section is based. The product of a hotel is the total experience offered to and expected by the target market in the form of benefits. The purpose of the marketing audit is to identify and appraise the hotel's product objective and strategy in relation to its target markets and competition. Often, the hotel's product objective is implicit in its product strategy rather than clearly articulated or understood, or there may be no discernible, coherent product objective or strategy at all. The highly intangible nature of the hotel's product makes a clear, specific product objective especially valuable for the strategic marketing focus and reference point it provides. Some of the factors to look for are:

- **Objectives:** What kind of hotel experience is management aiming to offer its guests? Has this been clearly stated and effectively communicated to all levels throughout the hotel? Is there consensus about it? Has the intended experience been determined and based upon the hotel's best capabilities and management's understanding of guests' desired benefits? What benefits does the experience aim to offer guests? Have different versions of the experience been designed to satisfy different kinds of guests? What is the hotel's positioning objective? In what way is the experience being offered favorably differentiated from the competition? Is there an official image objective?
- **Strategy:** What are the hotel's features? How effectively do they provide the intended benefits for each target market? How do current guests evaluate the hotel's strengths and weaknesses, appeals and drawbacks? How do they evaluate competing hotels? How does management think guests rate the hotel and its competition? Which features and benefits desired by guests are not being provided by the hotel? What factors prevent the hotel from providing these features and benefits? How can the hotel's drawbacks be overcome? Do the guests get a trade-off for the drawbacks?  
Is there an active, continuous practice of generating,

screening, and implementing new ideas to offer guests more satisfaction and value for their money? Are these ideas generally original or copied from the competition? Does the stimulus for innovative change come more often from operations or finance considerations rather than a guest satisfaction orientation? What are the projections for innovation in the features and benefits provided by competing hotels, both existing and planned?

#### **Part IV: Rates**

The marketing audit is not concerned with establishing or recommending rates, but rather it seeks to analyze and evaluate how the hotel uses rates in relation to its general marketing objectives, competitive marketing strategy, and other market-mix elements in each target market. Key areas the audit should cover are:

- **Objectives:** Is there a clear purpose regarding how rates are to be used to achieve overall marketing objectives in each target market? Has management defined the role of rates in achieving profitability and market share objectives? How do competitors use rates?
- **Strategy:** How are rates determined and structured? Do they support the positioning objective? How do rates compare with competitors' rates? What discounts are offered by the hotel and by the competition? How closely are rates administered and controlled? To what extent are rates used competitively and exploited for competitive advantage? To what extent are rates used as a promotional tool?

Is there any widespread rate resistance from any market segment? How well are rates received? To what extent are rates in or out of line with each target market's perceived value of the experience offered by the hotel? How does this compare with their perceived value of competing offers? How are rates changed? Have recent rate increases been justified to the market by real improvements in guest satisfaction and value for money?

#### **Part V: Trade Middlemen**

Because the hotel is unlikely to carry out all its marketing activities entirely on its own, it is important to identify those marketing tasks it expects others to perform or assist in performing, and assess their suitability, effectiveness, and working relationship with the hotel in terms of the hotel's target markets, competition, resources, and trade motivational efforts. In general, trade middlemen would assist the hotel in making its product more

efficiently available, accessible and known to its target markets, and would include wholesale and retail travel agents, general sales agents, hotel representatives, customer transportation firms, and marketing research and communications specialists. Examples of criteria to use are:

- **Objectives:** What tasks does management assign to independent trade middlemen to assist in achieving marketing objectives in each target market? To what extent is management dependent on wholesale, retail, or other selling agents and outside marketing specialists to achieve these objectives? How does this compare with the competition?
- **Strategy:** What trade middlemen does management use? What criteria are used in the selection of which wholesalers, sales agents, or hotel representatives to work with? How effectively are they kept informed, motivated, and evaluated on a regular basis? What support services does the hotel offer its wholesale, retail, or other selling agents? How does this compare with the support services offered by competing hotels? What services and assistance would these agents value that are not now being offered by the hotel? What are the hotel's policies regarding special rates and booking and payment terms for these agents? How do they compare with those of the competition?

What effort is made to stimulate agency cooperation and performance? Does management appear to understand agency operations and problems? Is there any special program to improve agency relations by helping them achieve their goals? Is management generally indifferent or distrustful toward agents? Are there joint, agency-hotel marketing efforts?

Is there a strong, cooperative relationship with transportation intermediaries such as airlines and car rental firms? Are there joint marketing efforts between the hotel and these transportation firms? What outside marketing specialists are used? How are they selected, motivated, and evaluated? How closely do they cooperate with each other and work as a team on the hotel's behalf? Is there any conflict or competition between them? How do selling agents, transportation firms, and outside marketing specialists evaluate the hotel, its marketing strategies, and its competition?

## **Part VI: Marketing Communications**

The goal here is not to measure the return-on-investment productivity of advertising, sales promotion, or public relations expenditures, but rather to identify and evaluate objectives and strategies for each from an integrated, targeted, marketing communications perspective. All three elements should be mutually supportive and planned together for optimum, combined impact, and results in relation to the hotel's target markets, competitive strategy, and marketing communications resources. Important factors to cover are:

- **Objectives:** Are there clear objectives for advertising, sales promotion, and publicity? Are these objectives practical and measurable? Are they mutually supportive and interconnected? Are those responsible for implementing advertising, sales promotion, and publicity efforts aware of them?

- **Strategy:** Is there an established creative strategy, indicating the desired appeal to be used for each target market? Does the appeal effectively promote benefits rather than hotel features? Is each target audience clearly defined and profiled? On what basis was the target audience and desired theme chosen? How is the advertising budget determined? Is it prepared by market segment? Does the advertising being done conform to the creative strategy in design and copy? Are the advertising media used well chosen? What methods are used to evaluate advertising effectiveness? What do the sales force and agents think of the advertisements? Is there a direct mail program and do campaigns conform to the established creative strategy? Do they have quantitative goals?

How are sales promotion expenditures established? What consumer and trade promotion tools are used? Do they conform to the established creative strategy? Is trade show participation well-chosen and effective? Is there a sales promotion plan for each target market? How do sales promotion activities compare with competitors' efforts? How is their success evaluated? How is publicity used? What methods are used to obtain publicity for the hotel? How is the effectiveness of publicity efforts evaluated? Is there a detailed publicity plan? How does the publicity generated by the hotel compare with its competitors' effort?

## **Part VII: Marketing Communications: Personal Selling**

The hotel's sales force should be examined to determine its

principal marketing role and how efficiently and effectively it performs it. The marketing audit should look at its structure and resources, and its day-to-day operations, including actual sales calls. Some key points to look for are:

- **Objectives:** What tasks is the sales force expected to perform to help the hotel achieve its marketing objectives in its target markets? How are these tasks ranked in importance? How does this compare with what the competition expects from its sales force? Is the sales force expected only to produce the budgeted sales volume, with little involvement in producing guest satisfaction and profitability?
- **Strategy:** How well is the sales force fulfilling its expected role? What is the size of the sales force and how is it determined? Is the sales force large enough for the task it has been assigned? Is it organized along territorial or market segment specialization lines or both? Is the type of sales force organization appropriate for the assigned task? How does the hotel's method and level of sales force compensation compare with competitors'? How is the sales force recruited? What training do they receive? What is the level of turnover? What is the major cause? Does the sales force in general display high morale, ability, and effort?

How does the sales force feel about the job? Do they seem very knowledgeable? How many days per month are actually spent selling? What can be done to reduce the amount of non-selling time? What is the average number of calls per day? How many calls are made to solicit new business? What percentage of new business comes from sales force solicitation? To what extent is telephone selling used? How does the sales force perform on calls? Does top management often accompany the sales force on calls, make telephone sales calls, or meet clients on site inspection? Does the sales force feel their activities are effectively supervised and controlled by management? Do they use time efficiently and effectively? Is the general working atmosphere highly pressured or calmly efficient?

How is the hotel's sales force perceived by clients in comparison to the competition? How do other departments evaluate the efficiency and effectiveness of the sales force? Are there any major interdepartmental problems and conflicts? Do the salespeople work well with operations people to resolve issues in the interest of guest satisfaction? Are interdepartmental relations genuinely close and team-spirited or merely cool?

## Part VIII: Marketing Organization and Control

Any evaluation of the efficiency and effectiveness of the hotel's marketing organization must first consider the hotel's commitment to the marketing concept as a strategic philosophy. This will heavily influence its attitude toward sales versus marketing and how it assigns sales and marketing authority and responsibility. The marketing auditor must be careful, however, not to take titles at face value. Often, a title with "marketing" in it has more form than substance in terms of genuine authority and responsibility. The audit should also examine those formal techniques and procedures used to track and control the performance of each marketing-mix element. Examples of areas to cover are:

- **Philosophy:** Is management largely operations- or market-oriented? Is more attention paid to operational efficiency and productivity than to identifying and satisfying guests' desires? When there is a conflict between the two, which is more likely to prevail? Is efficient operation taken as an end in itself or as a means toward guest satisfaction? Are guests' complaints generally considered more a routine nuisance to be endured than an opportunity for improvement?
- **Structure:** How is marketing authority and responsibility assigned? Is overall marketing authority and responsibility fully brought together in a specific position at the highest executive level? Is the assignment of personal selling responsibility clearly distinguished from the assignment of responsibility for other marketing activity?
- **Marketing-Mix Controls:** Are periodic techniques in use which are designed to measure performance against projected results? Do they reveal any variance? When identified, are such variances analyzed to determine their cause, and alternative courses of possible action evaluated for their suitability to remedy the variance? Is there evidence of corrective action being taken after such an analysis? What policies and procedures exist to control and ensure the quality of the guests' experience at the hotel? How effectively is guest dissatisfaction identified and resolved? Is there any recurring pattern of guest dissatisfaction? Is there an observable commitment to reduce and minimize guest dissatisfaction?  
How are the setting and quoting of rates controlled? Is rate control considered too rigid or too lax by the sales force of the front office? Are variances from rack rates



adequately monitored? Is there formal, on-going measurement of agency productivity? How is the productivity data used? How is advertising and public relations agency performance evaluated? What quantitative marketing control instruments are used? Are advertising-to-sales and sales-staff-to-sales ratios monitored? Are there sales force productivity standards? How are they used? How is the sales force evaluated? Do sales force evaluations appear to be frank and improvement-oriented?

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