

- and costs of databases on recipients of marketing communication (e.g. creation or purchase, as well as updating and servicing databases, purchase of equipment, etc.).

The amount of expenses needed to achieve goals (in the form of effects) of marketing communication influences the degree of its efficiency. Efficiency occurs when positive effects outweigh incurred costs, i.e. when there is predominance of effects over expenses (see Figure 46).

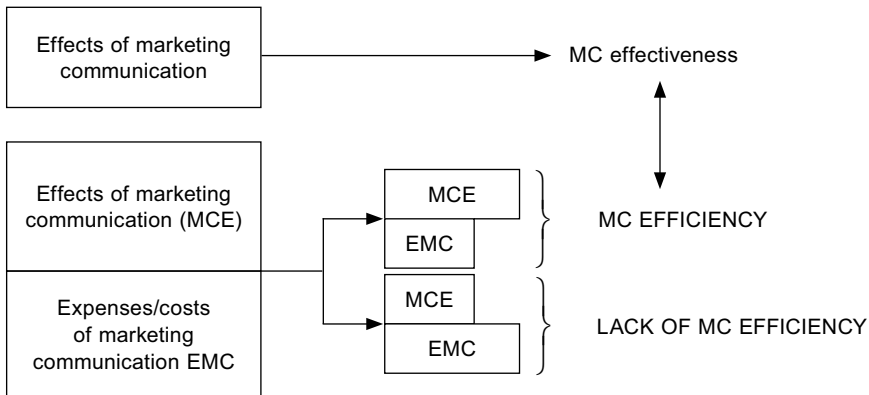


Figure 46. Efficiency and effectiveness of marketing communication (MC)

Source: own study.

Lack of efficiency is associated with incurring higher expenses on a specific communication activity than the amount of achieved positive effects. In determining the effectiveness of marketing communication, expenditure is not taken into account. Only the effects resulting from achieving the intended goals are analyzed. In the light of the above, effectiveness is the ability to achieve the desired effects, and at the same time it is “a necessary condition for achieving and increasing efficiency” (Taranko 2015, p. 229).

4.3. Measuring the effectiveness and efficiency of marketing communication – methods and indicators

Referring to theoretical considerations on the effectiveness and efficiency of enterprises, the measurement of the efficiency of marketing communication will be presented in the “objectives – effects (results, outputs) – outlays (inputs)” relation. The specificity of selected indicators of effectiveness and efficiency of marketing communication used for its measurement is presented below.

The basic indicator showing and measuring the efficiency of marketing communication activities (EMCA, Polish: EDKM) is the one that takes into account the relationship between economic effects and financial outlays (Taranko 2015):

$$EMCA = \frac{\text{economic effects of the marketing communication activities}}{\text{financial outlays for marketing communication activities}}$$

Efficient activities can be described when the counter of the above fraction (effects) is greater than its denominator (financial outlays). Estimating both the effects and outlays for communication activities is one of the extremely difficult activities resulting from the separation of this activity from the general activity of the enterprise. Furthermore, these effects are very often intangible in nature and it is difficult to estimate their financial value. Taranko (2015) gives as an example the use of marketing communication tools for building the corporate image or maintaining good customer relationships. Thjomoe, Olson and Bronn (2002) came to similar conclusions, analyzing companies that incorporate sponsoring in their marketing activities. The surveyed entities had a sense of well-invested money in this type of activity, but only approximately 1/3 of them measured them economically.

Difficulties in measurable measurement and determination of the general level of efficiency of marketing communication activities result in the fact that few enterprises undertake this task. The results of research conducted by Forrester and ITSMA in 2013 confirm that the most frequent activity in the field of efficiency measurement is the preparation of reports that present operational results concerning, e.g. the number of page views, the range of exposure, advertising consumption, etc. The efficiency of marketing communication in relation to the presentation of economic (business) results in the form of e.g. measurement of market share, return on marketing investment or measurement of the impact of communication tools on customer loyalty is much less frequently examined (as cited in: Karpińska-Krakowiak 2015).

Reports on the activity of enterprises and the results of scientific research indicate that the measurements of the efficiency of communication activities is separated due to the tool used. Entities much more often use, for example, analyses of the impact of advertising or sales promotion tools on total sales than measure all marketing activities (including communication).

Measuring the effectiveness of marketing communication is a smaller problem for entities using its tools in their operations. It results from the essence of the term, i.e. the degree of achieving the intended goals/effects (see Figure 46), as illustrated in the following EsMCA (Polish: SDKM) relation:

$$EsMCA = \frac{\text{achieved goal of marketing communication activities}}{\text{intended goal of communication activities}}$$