



Accountability—What the ARF is Hearing From Its Members

Prepared for MASB meeting 8/14/08

Joel Rubinson

joel@thearf.org



What the ARF hears



- » The ARF is at the nexus of all stakeholder groups, so our listening spectrum is quite broad.
- » We “hear” via councils, industry leader calls, interaction with members and others in the industry, speakers and papers.
- » Because we have a research focus, we will hear more about the research challenges of getting the right data, creating the right metrics, and using the right tools.



Accountability—even more important

» In a nutshell...

- A top issue...we live in a “what’s the ROI?” world
- INCREASING in importance, fueled by optimism, greater uncertainty, and changes in business practices
- Optimism..
 - New tools are emerging (it’s not just about marketing mix modeling of sales data)
 - Single source and census will transform our capabilities and economic structure for conducting such analyses
- Uncertainty...
 - Media/comm options constantly emerging where little track record exists...can’t follow precedent for media buys
- Changes in business practices
 - Ratings systems are breaking down (upfront was not based on MRC accredited ratings), search for the “Euro”, some deals are including proof of sales results
 - Engagement metrics seem to be influencing the pricing models



Segmentation of tools

- » MMM of sales data
- » Single source, individual level analysis
- » Experimental design
- » Adstock modeling from tracking data
- » MCA/integration-style tools



Single source

» The good...

- Incredible power to integrate media viewing with actual sales data across huge sample sizes
 - TRA (cable plus frequent shopper data)
 - Comscore (online plus Krogers)
 - Nielsen (fusion solution)
 - Google, Microsoft, Yahoo, Double click
 - TIVO, DirecTV
- Ability to observe the effect on the long-tail due to millions of datapoints
- Understand reach and frequency, brand loyalty dynamics
- Potentially offers passive and turnkey solutions
- Timely information...can make mid-course corrections

» The bad...

- A work in progress
- Limited to packaged goods mostly
- Incomplete data (most shoppers shop in numerous stores)
- Not a purely representative sample



- Meta-analysis of the effectiveness of TV/video advertising over time
- Media effectiveness council
- Cross-Media Council which is likely to have four sub-committees:
 - Planning
 - Testing
 - Accountability
 - Revision of the ARF (Cross) Media Model
- Invitation only roundtable knowledge-sharing regarding online marketing planning and accountability

Analytic Challenges



- No well-established long term measures of brand value
- Methods are too costly to become something an organization does automatically
- Communications objectives are sometimes softer (e.g. banner on Yahoo homepage creates awareness, not just clicks)
- Integrated marketing poses very difficult analytic challenges (e.g. effect of product placement)



Where will the answers come from?

- Will they come from research and analysis organizations or will they come from media companies?
- For example, Double-click (now part of Google) and Microsoft are each working on richer tools to measure, perhaps in a turnkey fashion, what contributes to conversion and “engagement”
- What will we get from Canoe?

