

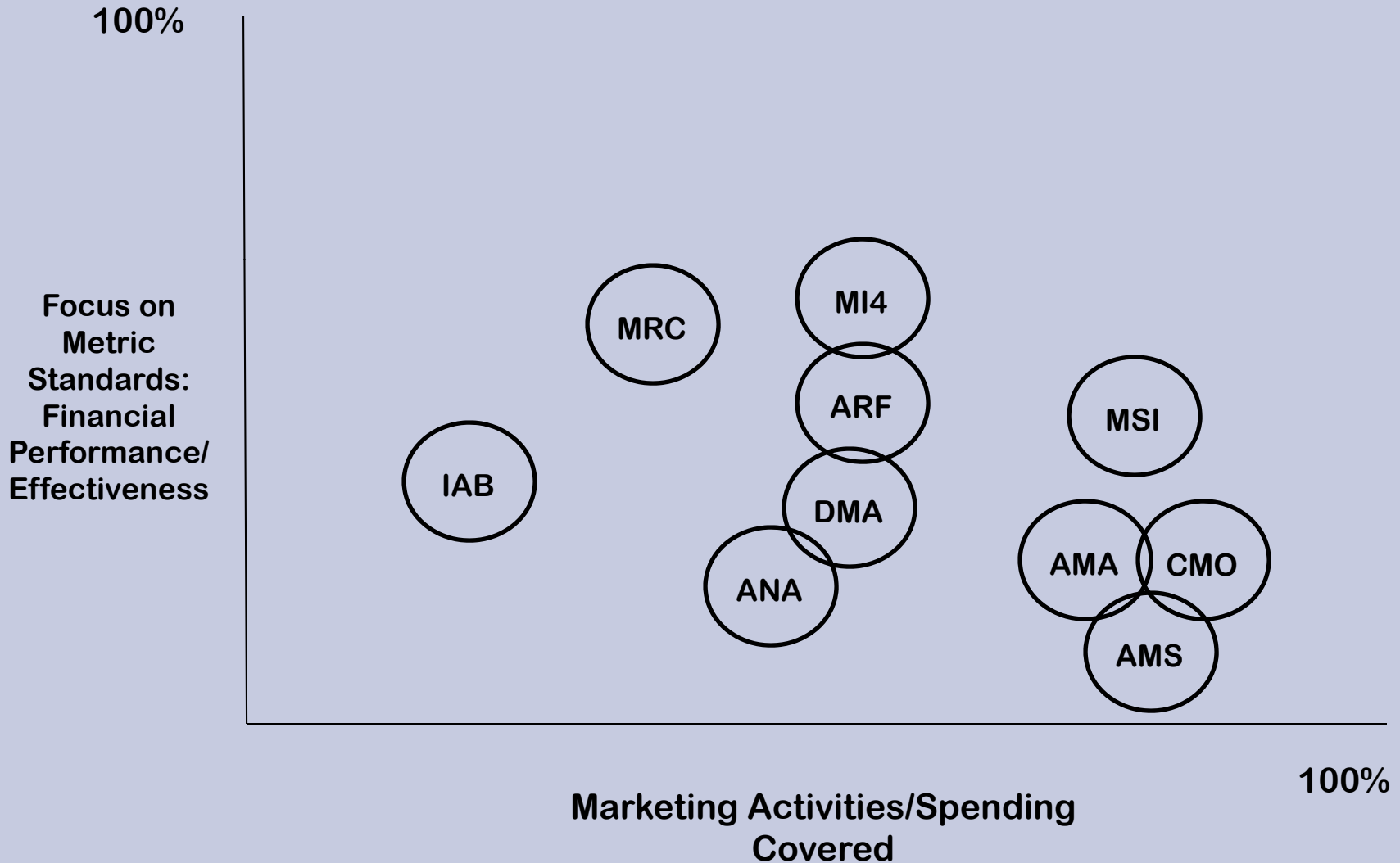
The Landscape

How We Will Work Together

Kate Sirkin
(August 16-17, 2007)

**THE
BOARDROOM PROJECT**

Marketing Bodies w/Metrics, Standards, or Accountability Initiatives



Advertising Research Foundation (ARF)

- Creating, aggregating, synthesizing & sharing knowledge required by decision makers in the field
- Increase contribution of research to better marketing, more effective advertising, profitable organic growth
- *Journal of Advertising Research (JAR)*; Joe Plummer editor
- 375 Corporate members (all constituencies)
- Initiative: Assessment of proposed new services based on review of research design, analysis & reports*
- Status: Active member TBP, Charter Member MASB, Board

*Reliability... can be estimated by application of statistical methods based on theory of probability
Validity...a known relationship to the real-world event of interest

Marketing Science Institute (MSI)

- A learning organization dedicated to bridging the gap between marketing science theory and business practice
- Supports academic research for development—and practical translation—of leading-edge marketing knowledge on topics of importance to business
- Output in form of working papers
- 72 Corporate members worldwide (marketing scientists)
100 Universities
- Initiative: Research Connecting Metrics with Marketing Strategy (e.g. relationship between metrics of customer satisfaction, customer loyalty, and financial performance)
- Status: Active member TBP, Charter Member MASB, Board

Direct Marketing Association (DMA)

- Global trade association of business & nonprofit organizations using & supporting direct marketing tools and techniques
- 3600 Corporate members worldwide (all constituency)
- Initiative: Advocates industry standards for responsible marketing, promotes relevance as the key to reaching consumers with desirable offers, and provides cutting-edge research, education, and networking opportunities to improve results throughout the entire direct marketing process.
- Status: Charter member MASB, Board

Association of National Advertisers (ANA)

- Organized exclusively for client-side marketers
- Providing business insights, collaboration opportunities and strong industry advocacy
- 400 Corporate members (marketers only)
- Initiative: Marketing Accountability Committee (MAC) will focus discussions on use of appropriate brand & sales metrics to optimize expenditure choices & increase marketing effectiveness
- Status: Joint meeting TBP/ANA MAC (2/07) where takeaway was SOX CFO potential threat of external regulation. ANA will join MASB once seen as necessary & helpful...

ANA Annual Agency Relations Forum

“Why are there so many Agency reviews at the drop of a sales chart?

Why did Cramer-Krasselt get fired when its Superbowl Campaign failed to score well on a USA Today Poll?

Since when is the USA Today Poll a valid measure of anything?”

Burtch Drake, President CEO, AAAA

O., Why? Burtch Has Some Questions for ANA Audience”; *Ad Age*, 7/19/07

“Why,

Necessary & helpful answers lie w/MASB.

CMO Council

- Dedicated to advancing the effectiveness, stature & influence of chief marketing executives [tenure of CMO continued to decline in 2006...Spencer Stuart]
- Luminaries from top business schools invited to serve as advisors to CMO Council & CMO Council Advisory Boards
- 3000 Individual members worldwide (senior marketers/15yrs+)
- Initiative: Coalition to Leverage & Optimize Sales Effectiveness; Gauging Attachment & Purchase Intention; Improving Campaign Impact & Outcome
- Status: Dave Stewart has become luminary advisor & will invite into MASB Charter Membership w/Board seat

Interactive Advertising Bureau (IAB)

- Dedicated to helping online, Interactive broadcasting, e-mail, wireless television media companies increase their revenues
- Initiative: Organize industry to set standards & guidelines that make Interactive easier for marketers to buy & capture value
- Status: Distracted by issues surrounding standards. Consider MASB Membership at a later date

Academy of Marketing Science (AMS)

- Devoted exclusively to the Marketing professorate
- 1300 Individual members worldwide
- *Journal of the Academy of Marketing Science (JAM)*;
David Stewart Editor
- Initiative: None as a body
- Status: Several on MASB Board are members of AMS and will draw upon AMS as Advisory Council & project work develops

American Marketing Association (AMA)

- For individuals and organizations involved in the practice, teaching and study of marketing worldwide
- Advancing marketing competencies, practice & thought leadership; Being an advocate for marketing & promoting its importance, efficacy & ethics; Being an essential resource for marketing information, education/training & relationships
- *Journal of Marketing (JM); Journal of Marketing Research (JMR)*
Stewart past editor *JM*; Winer past editor *JMR*
- 38,000 Individual members (all constituencies)
- Initiative: None as a body
- Status: Consider MASB membership at a later date

Media Ratings Council (MRC)

- **Accredits audience measurement services**
- **MRC was founded in 1964 at the urging of US Congress**
- **Maintains audience research confidence & credibility w/goal of securing audience measurement services that are valid, reliable and effective [narrow in breadth: are the eyeballs being counted properly]**
- **Internet medium bypassed MRC**
- **Status: Potential conflict/distraction initially as to definition of validity. Consider MASB Membership at a later date**

MI4 Consortium

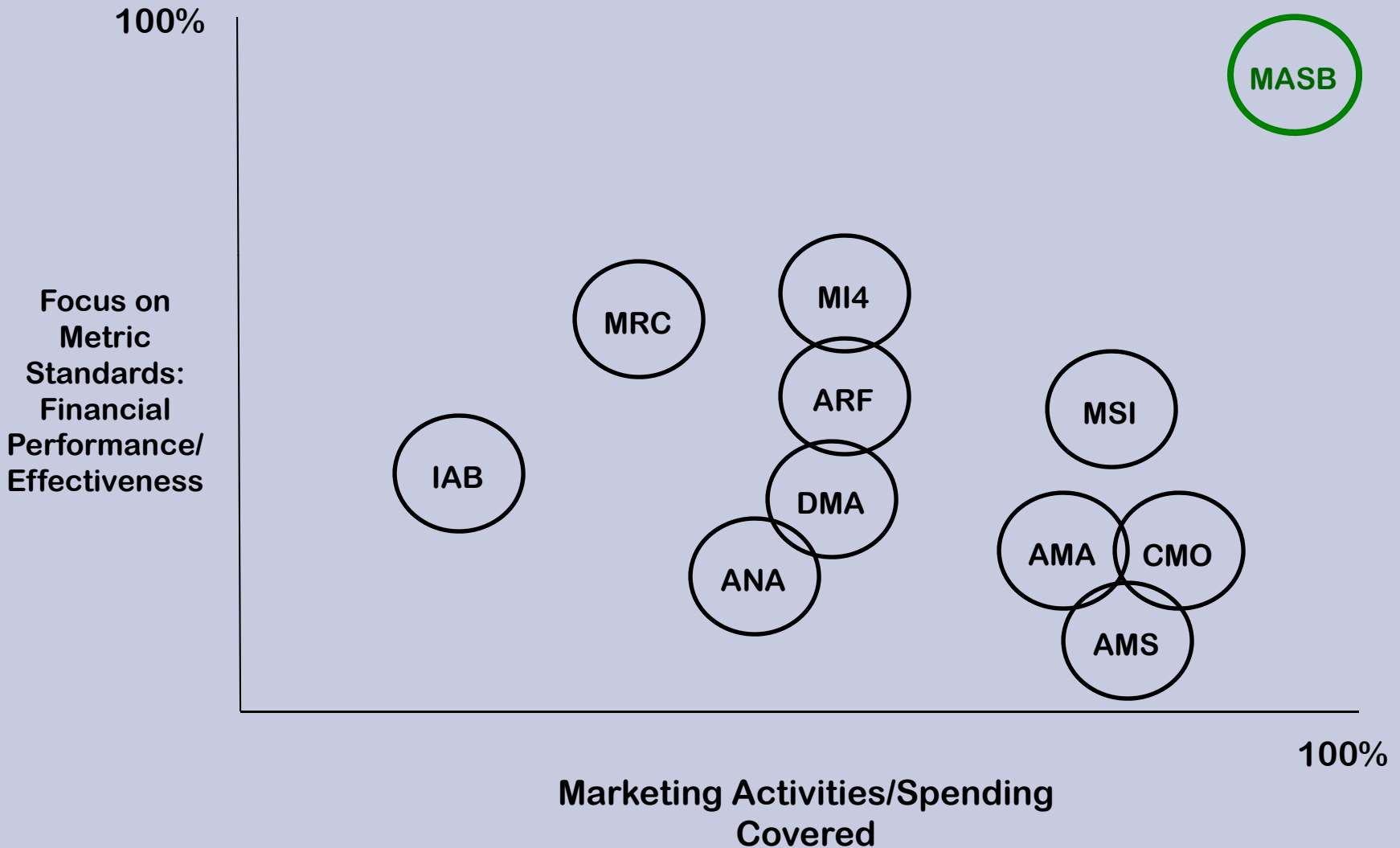
- Together ANA, AAAA, ARF in search of new metric/standard that will capture both media & message. Sirkin & Plummer involved.
- Define engagement as: "Turning on a prospect to a brand idea enhanced by the surrounding context"
- Firms/brands experimenting w/combination of traditional paradigm & new relevance & engagement paradigm. Most on sidelines waiting for validation, sense of proper measurements, confidence in new ways of working together
- Initiative: Select group of advertisers will each lead consortium of partners (advertisers, media, & research) in use of engagement & development of a valid engagement metric
- Status: ARF member of TBP, Charter Member of MASB, Board. ANA invited to become Charter Members, Board. Consider inviting AAAA as members later.

Summary

Marketing is not ignoring the issues surrounding marketing accountability, but the many initiatives currently underway are narrow in focus & lacking integration

Establishing MASB is our opportunity to approach the metrics foundation of accountability at the highest level: across industries, disciplines, and domains with common language, common purpose, common financial denominator, and coordinated efforts.

Opportunity to Serve All



Fit w/other Initiatives & Bodies

- **MASB will involve all constituencies, at many levels**
 - Trustees
 - Board of Directors
 - Advisory Council
 - Sub-Committees
 - Specific and Prioritized Projects
- **Focused on setting & improving measurement standards (tied to financial performance)**
- **Allowing other organizations to achieve their specific objectives and to serve their particular constituencies and/or domains**

Thank you!

**THE
BOARDROOM PROJECT**

Apollo

NEW YORK, FEBRUARY 1, 2007-Arbitron Inc. (NYSE:ARB) and The Nielsen Company announced today that they have signed an agreement that will govern completion of development and testing of the 'Project Apollo' marketing research service and the expansion of the pilot panel to a full national service if the test results meet expectations and generate marketplace support.

The proposed 'Project Apollo' service would use the Arbitron Portable People Meter™ system, ACNielsen Homescan technology and other technologies to provide advertisers with a better understanding of the connection between consumer exposure to advertising on multiple media and their shopping/purchase behavior.

If the market supports this service over many observations, we'll learn about the overall effectiveness of various media relative to the overall prices (price/value).