
MASB **Standards Project**

MMAP Marketing Metrics Catalogue **Ongoing**

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Issue

There are numerous metrics in the marketing literature and even more measures in practice

Measures of the same or similar name quite often differ from one another in their construction, collection, sensitivity and validity in measuring the outcome of the marketing activity

They are also poorly documented in this regard

Objective

Create a Catalogue of Marketing Metrics that provides detailed documentation regarding the psychometric properties of the measures and specific information with respect to reliability, validity, range of use, sensitivity, etc...

. . . particularly in terms of validity and sensitivity with respect to financial criteria.

MMAP: Marketing Metric Audit Protocol

While marketing does not lack measures, it lacks standard metrics explicitly linked to financial performance in predictable ways

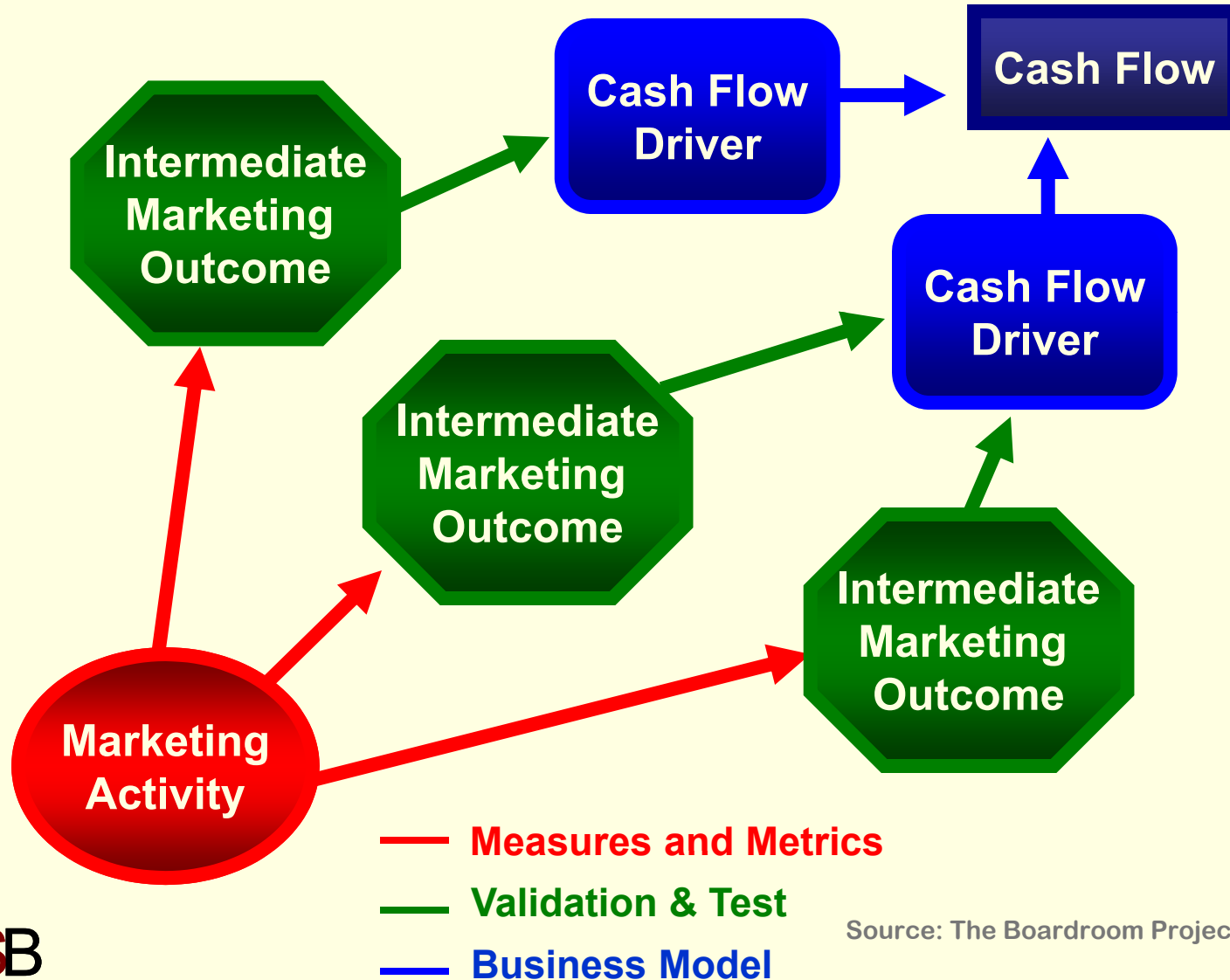
Cash flow both short-term and over time is the ultimate metric to which every business activity, including marketing, should be causally linked through the validation of intermediate marketing metrics

The process of validating the intermediate outcome metrics against short-term and/or long-term cash flow drivers is necessary to facilitate forecasting and improvement in return

The Marketing Metric Audit Protocol (MMAP) is a formal process for connecting marketing activities to the financial performance of the firm

The process includes the conceptual linking of marketing activities to intermediate marketing outcome metrics to cash flow drivers of the business, as well as the validation and causality characteristics of an ideal metric

MMAP: Marketing Metric Audit Protocol



The MMAP Audit

Dimensions audited

Provider

Definition

Source Data

How Derived

How Used/Activities

Strengths

Limitations

Relationship to Financial Metrics

How Does It Meet 10 MMAP Characteristics of an Ideal Metric?

How Does It Fit Guidelines for Marketing Productivity Measures?

Source Documents

MMAP: 10 Characteristics of an Ideal Metric

- 1. Relevant...addresses specific (pending) action**
- 2. Predictive...accurately predicts outcome of (pending) action**
- 3. Objective...not subject to personal interpretation**
- 4. Calibrated...means the same across conditions & cultures**
- 5. Reliable...dependable & stable over time**
- 6. Sensitive...identifies meaningful differences in outcomes**
- 7. Simple...uncomplicated meaning & implications clear**
- 8. Causal...course of action leads to improvement**
- 9. Transparent...subject to independent audit**
- 10. Quality Assured...formal/on-going processes to assure 1-9**

Source: The Boardroom Project 2006

Challenge Encountered & Solution

Summer interns engaged in the initial stages of this project encountered problems finding marketing measures to profile from provider websites or by direct contact:

- Little detail offered about their measures
- Focused on integrated suites of products and services
- No technical information or measurement characteristics
- Few answers when asked about reliability & validity

Solution: MMAP Center Training & Advisory Services will populate the Metrics Catalogue as providers have their measures audited & profiled.

Status

- APM Facts profiled & published to Catalogue & Wikipedia (8/10)
- CoreBrand metrics profiled and published to Catalogue (10/11)

Why go through the MMAP Audit?



**FOR IMMEDIATE RELEASE –
CoreBrand Completes the
MASB Marketing Metric Validation & Causality Audit**

NEW YORK, NY (October 19, 2011) – CoreBrand (www.CoreBrand.com), a pioneer in the measurement and management of the intangible asset, the corporate brand, is the first brand measurement firm to have its methodology underlying the “Brand Power Ranking” system, independently audited for validation and causality by The MMAP Center of MASB [Marketing Accountability Standards Board (www.themasb.org)], according to CoreBrand CEO James Gregory.

Why go through the MMAP Audit?

In time, firms will require and rely on the audits to select marketing metrics that will help them improve market & financial performance.

Next Steps

- Profile CLV for CPG according to MMAP (2012)
- Profile metrics used in BIV project (2013)
- Profile others who step up



Thank-you!



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