

---

# **Brand Investment & Valuation Model**

**Who Needs It  
What Firms Will Do With It  
Discussion**

**James Richardson  
Global Advanced Capabilities  
Kimberly-Clark  
MASB Director  
August 2012  
Chicago**



**Marketing Accountability Standards Board  
of the Marketing Accountability Foundation**

# Who needs it?

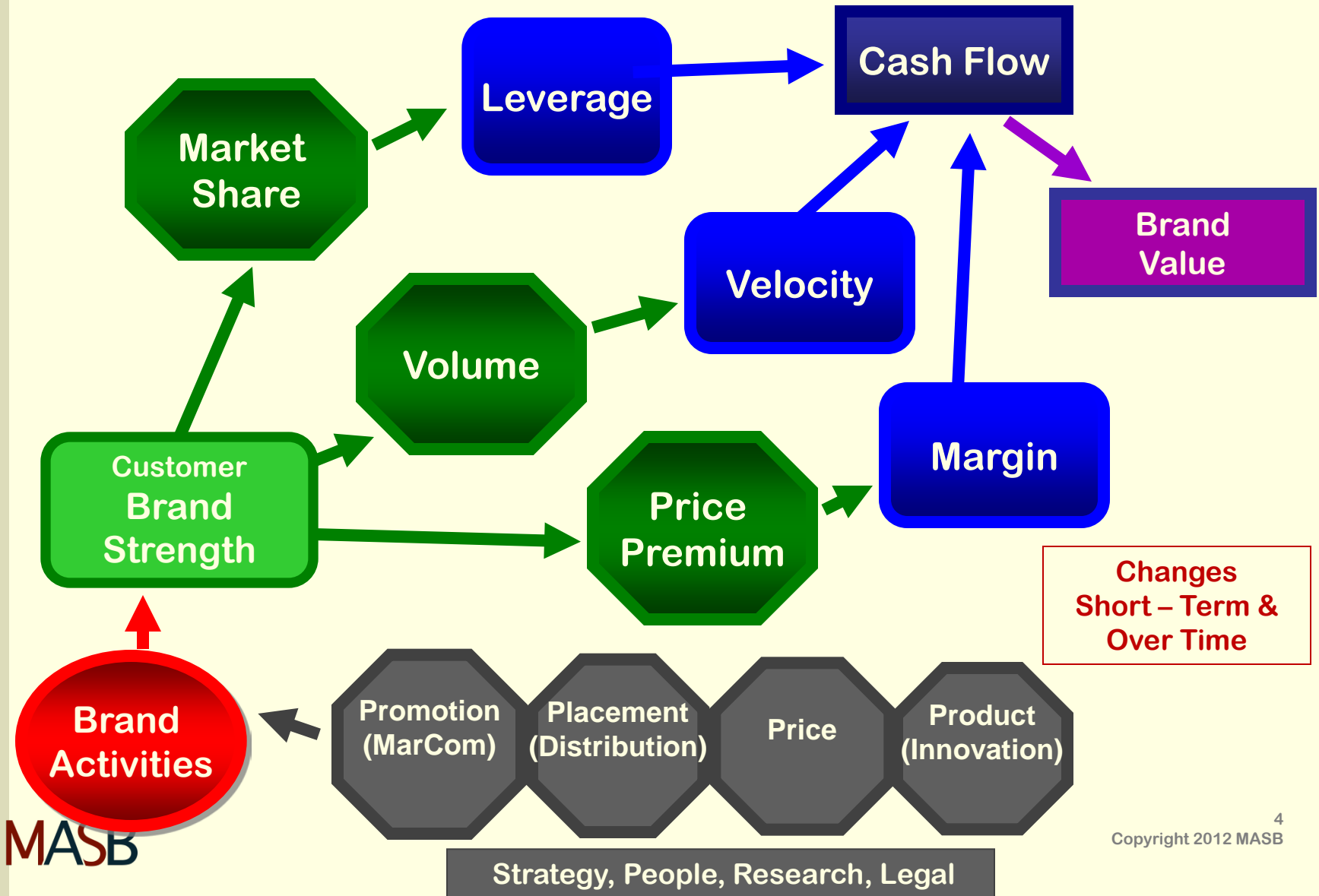
- All performance oriented managers including
  - **CMOs**, because their job is to create, build & protect the brand (asset) which represents both short and long term growth potential (revenues at a premium price/margin)...and they need to demonstrate this on an on-going basis.
  - **CFOs**, because their job is to forecast return from various “investments”... and they currently view marketing as discretionary expense because they have not seen proof otherwise.
  - **CEOs**, because their job is to determine where to invest for both short and long term corporate performance.
  - **Investors**, because their job is to understand what the firm’s future growth potential looks like.

Stewart 2/16/12

# Why this is Important – Swimming in Data



# BIV: Building the Bridges



# What Will Firms Do With It?

- **Calculate & Monitor Brand Value on an on-going basis**
  - Forecast future cash flows from brand
  - Model/method in hand
  - KPI in Corporate Scorecard
- **Starting with proven “brand strength” metric(s)**
  - Collected in on-going customer tracking
  - Reliably predictive of return/customer behavior in markets
  - Secondary/marketing KPI in Corporate Scorecard
- **Learn what drives “brand strength”**
  - Overall and for specific brand
- **Turn knowledge into Better Marketing Practice**
  - Manage/reengineer the process
- **Continually Improve Return**
- **Repeat**

# Discussion: How Will It Help Them

- Internally
  - Marketing more relevant to the business purpose
  - Ability to make better informed “investment” decisions
  - Acknowledged financial tools to justify/motivate plans
  - Continual improvement in financial performance over time
- Externally
  - Analysts have very little data on brands..have to estimate
  - Analyst inquiry to CEO would help move this forward
- Overall: Which is more important, Brand Value or Change?
  - From Audience: “Both”

---

# Thank-you!



**Marketing Accountability Standards Board  
of the Marketing Accountability Foundation**