
Warm-Up

What's Been Accomplished What Lies Ahead

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Las Vegas



Marketing Accountability Standards Board
of the Marketing Accountability Foundation

- **August 2004: Growing Demand for Accountability**
 - Handful of industry academics & practitioners
 - Saw opportunity to increase contribution of Marketing
 - Through development of standard metrics & processes
 - Linking marketing activities to firm's financial performance

- **Comprehensive Review**
 - Study over 3 year period
 - Current practices
 - Needs
 - Accountability initiatives underway



An Analogy: The Quality Movement

Marketing is where quality was 50 years ago

- Highly idiosyncratic
- Viewed as a cost (Scrap & re-work as “Low Cost” quality substitute)
- Lacking consistent metrics
- Lacking standardized processes

The quality movement has spent 50 years proving itself

- Developing metrics
- Creating standard processes
- Linking to financial performance (through demonstrated cost savings and higher returns in the market)
- Demonstrating its value

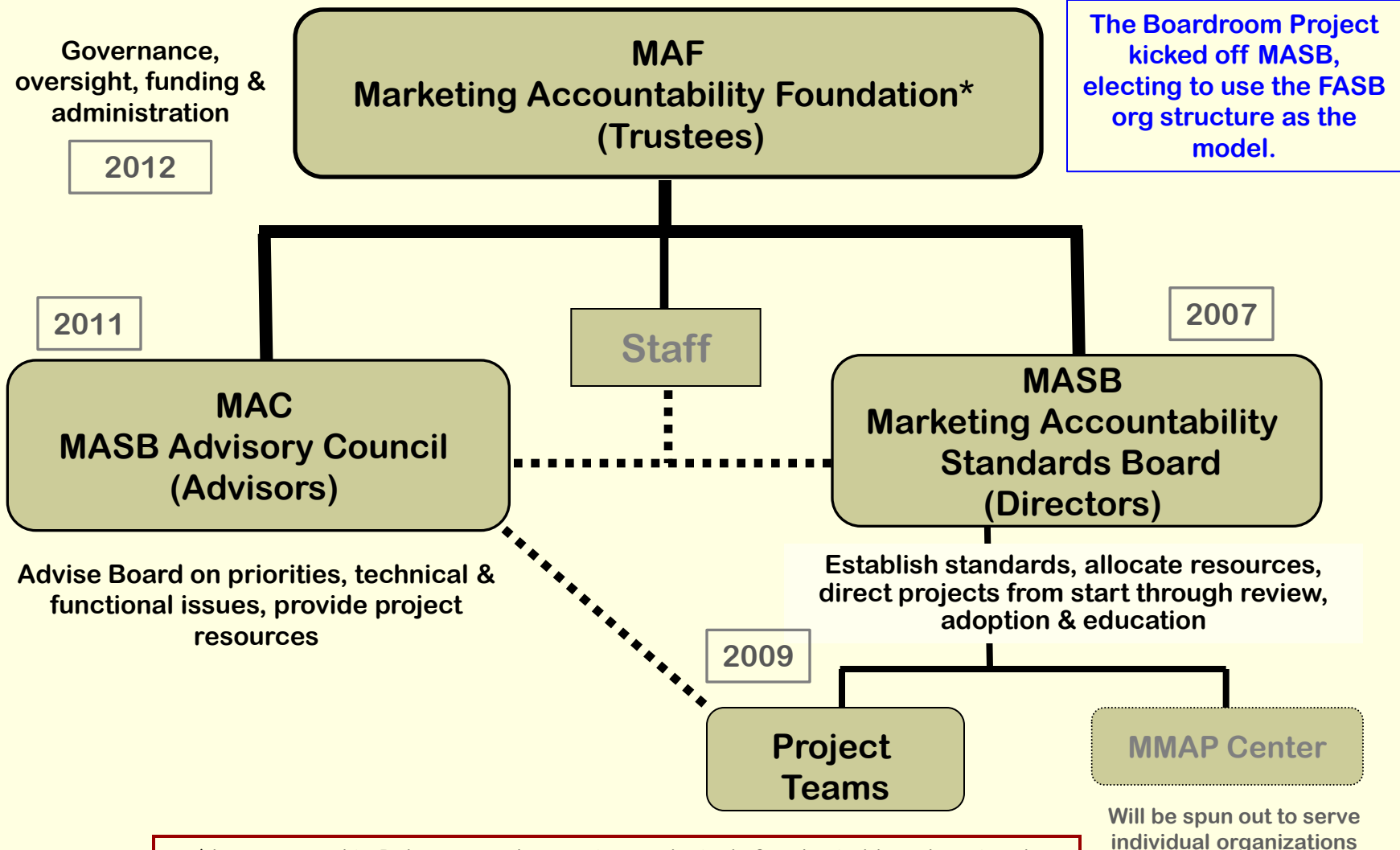
Conclusions & Recommendations

- Marketing relegated to “default” category (control costs) because it lacks metrics that reliably tie activities & costs to corporate return
- Standards across industry/domain, and transparent process to develop & select metrics will be necessary to emerge from current situation
- Market unlikely to achieve consensus on its own
- Need for industry level “authority” to establish standards & ensure relevancy over time
- This was true for manufacturing & product quality (with ANSI & ISO) and for accounting & financial reporting (with FASB & IASB)
- So it will be true for marketing and profitable growth (with MASB)

The Premise

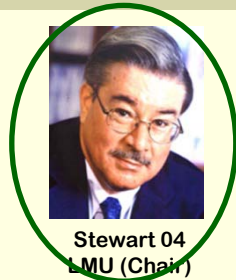
Marketing will move from discretionary business expense to board-level strategic investment through accountability and a standards setting “authority” for measuring (forecasting & improving) the financial return from marketing activities.

Organizational Structure



* Incorporated in Delaware and operating exclusively for charitable, educational, scientific, and literary purposes - 501(c)(3) Not-For-Profit

MASB Directors



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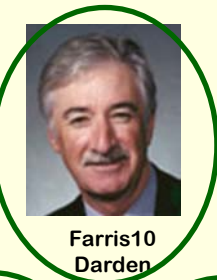
Reibstein 10
Wharton



Stacey 10
Stern



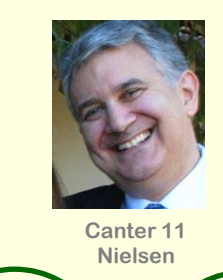
Richardson 10
Kimberly-Clark



Farris 10
Darden



Mitra 10
Coca-Cola



Canter 11
Nielsen



Alcaraz 12
Hershey

The Standard
Setters
(Directors)
meet
monthly...this
is our 2013
February
Meeting

Here Today



Ebben 12
GM



Forbus 12
Frito Lay



Zengel 13
ANA



Meier 13
MillerCoors

MAC Advisors



Hanssens 06
UCLA (Chair)



Winer 08
Stern



Lehmann 08
Columbia



Kumar 09
At Large



Batra 09
U of M



Wind 10
Wharton



Allen 10
Darden



Fischer 11
U of Cologne



Gregory 11
CoreBrand



Donahue 11
AAs



McAlister 11
UTA



Mane 11
IAB



Costopoulos 11
AMA

Advisors meet twice a year (at Summits) and on Project Teams monthly



Sexton 11
Columbia



Bahary 12
comScore



Moore 12
UCR



Hess 12
Nielsen



Parcheta 12
Blue Marble



Scaramuzzi 12
ConAgra

Here Today



Bane 12
Kimberly Clark



McKerracher 12
Frito Lay



Sinclair 12
At-Large



Winsper 12
Winsper



Berg 13
MillerCoors



Haigh 13
Brand Finance

Foundation Trustees & Officers



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Sirkin 04
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Plummer 06
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(Secretary)



Tisor 07
Kearney
(Treasurer)



Liodice 11
ANA

First 6 Trustees in place...

Trustees meet quarterly for governance, oversight, funding and administration (ie long term sustainability of the body)

Here today to review results of initial CFO outreach project...and to pass the torch

Projects Completed & Posted*

- Marketing Productivity, Effectiveness & Accountability
- Objectives of Marketing Standards
- Academic Review: Role of Standards
- C-Level Views on Marketing Accountability
- Methods of Brand Valuation
- ➔ ■ MMAP Metrics Catalogue
- ➔ ■ The Long-Term Impact of Advertising, What is Known
- ➔ ■ Measuring (Forecasting & Improving) the Return from TV
- Marketing Metric Audit Protocol – MMAP
- Practices Underlying Ideal Metrics
- Rationale & Proposed Principles for Brand Valuation
- Over 35 Articles & Presentations
- 12 Two-Day Summits

Specific MASB output that marketers can embrace for more consistent growth and improved return.

Projects Underway & On-Going - Tomorrow

- **Measuring Return from Interactive Project Review & Update on 3MS Initiative**
- **Marketing Metrics Catalogue (on-going)
Connecting metrics to financial metrics via MMAP**
- **Measuring Return for CPG with CLV
Pilot results & Proposal for Full-Up Study**
- **Common Language on Wikipedia (on-going)
Eliminating ambiguity in marketing terminology**
- **The MASB Book I
The best of MASB work in edited volume**



The Game Changers – This Afternoon

- **Brand Investment & Valuation Standards (BIV)**
Establish “generally accepted brand investment and valuation standards” for both acquired and internally developed brands



- **Improving Financial Reporting (IFR)**
Ensure marketing is at the table when reporting of Brand Value is required for internally developed brands



- **Marketing Communications (MarCom)**
Effectively communicate importance of MASB work to the advancement of the marketing discipline (rise of the accountable CMO)



Setting The Stage – **This Morning**

- **CMO's Accountability Agenda**
- **CFO's Accountability Agenda I**
- **Marketing & Finance Pairs I & II (Panel)**
- **New Charter Members Weigh In (Panel)**
- **Putting it Together: Delivering on Agenda**





Thank-you!



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