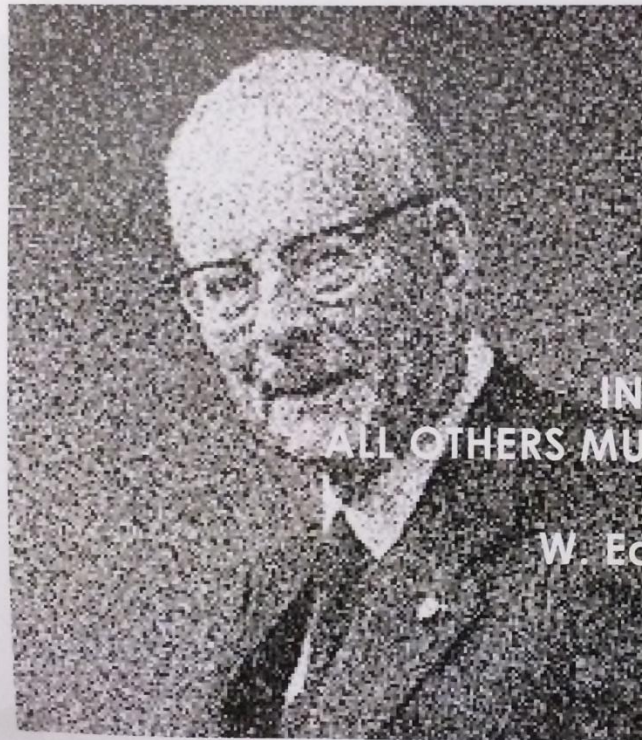

MASB Standards Project

MMAP Metrics Catalogue Project Review & Status

**Pam Forbus
PepsiCo/Frito-Lay
MASB Director
Co-Lead Catalogue Team
February 2014
Orlando**



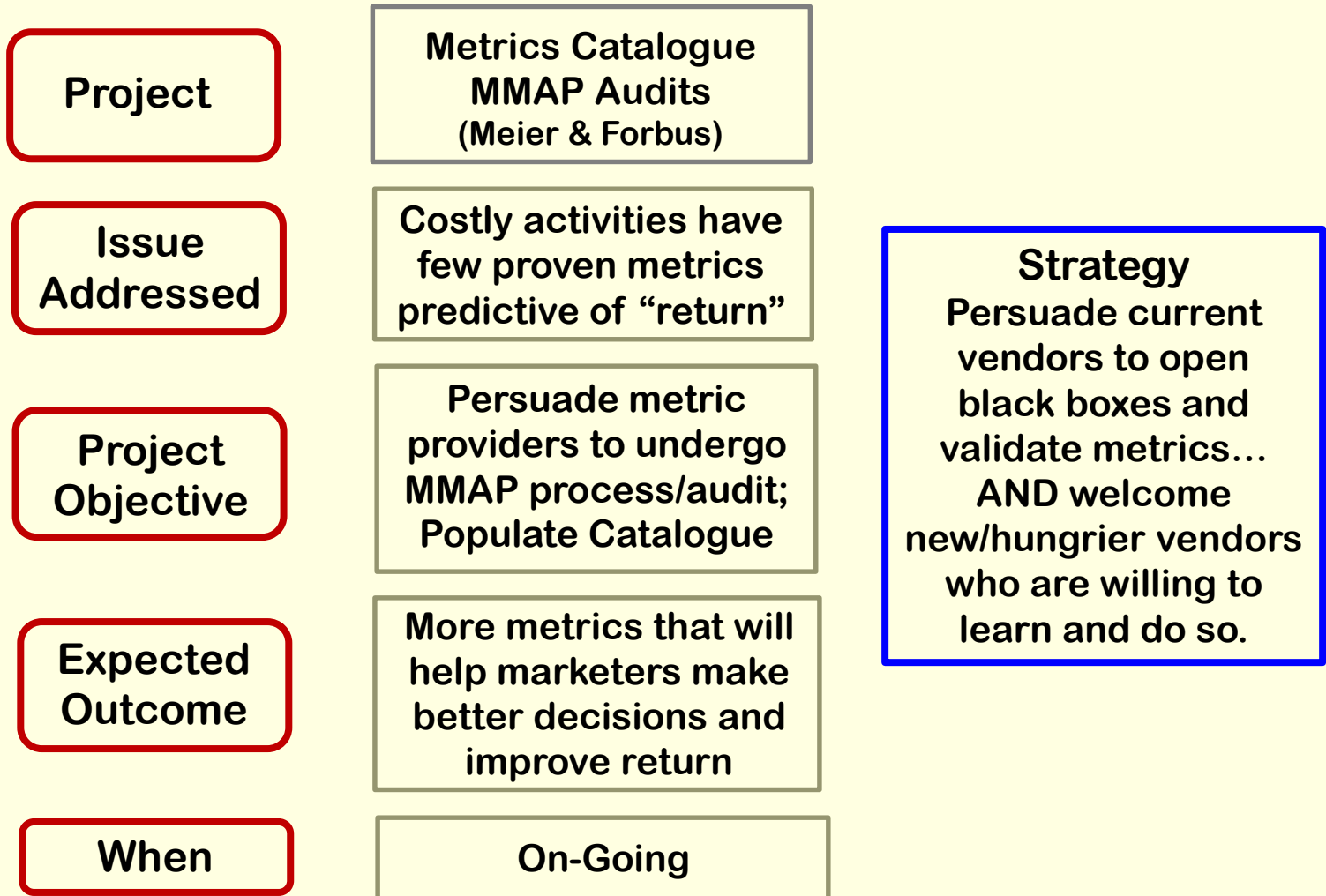
**Marketing Accountability Standards Board
of the Marketing Accountability Foundation**



IN GOD WE TRUST
ALL OTHERS MUST BRING DATA

W. Edwards Deming

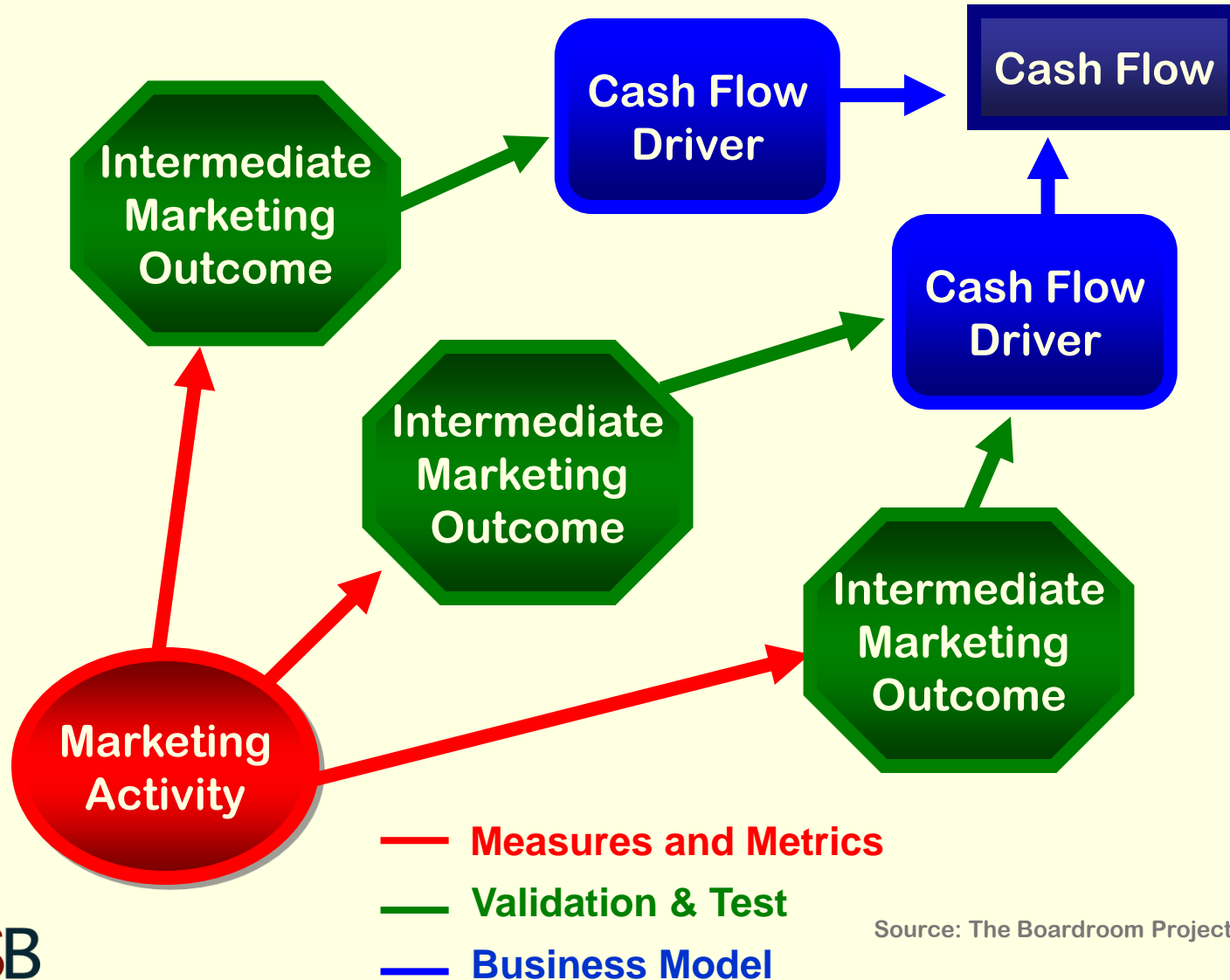
MMAP Metrics Catalogue



MMAP Catalogue Description

- While marketing does not lack measures, it lacks standard metrics explicitly linked to financial return in predictable ways.
- The Marketing Metric Audit Protocol (MMAP) is a formal process for connecting marketing activities to financial performance of the firm.
- It includes the conceptual linking of marketing activities to intermediate marketing outcome metrics to cash flow drivers of the business
- As well as an audit as to how the metrics meet the validation & causality characteristics of an ideal metric.
- The MMAP Metrics Catalogue is designed to provide vendors and users of marketing metrics with:
 - A systematic way of thinking about specific metrics
 - The criteria for assessing their usefulness (including predictive validity and sensitivity)
 - Their relationships between one another
 - And their relationships to measures of financial performance.

MMAP: Conceptual Linking



MMAP: Validation & Causality Audit

Every Intermediate Marketing Outcome Metric Should Be Validated Against Short-term and/or Long-Term Cash Flow Drivers and Ultimately Cash Flow (or to the Drivers of the Cash Flow Drivers).

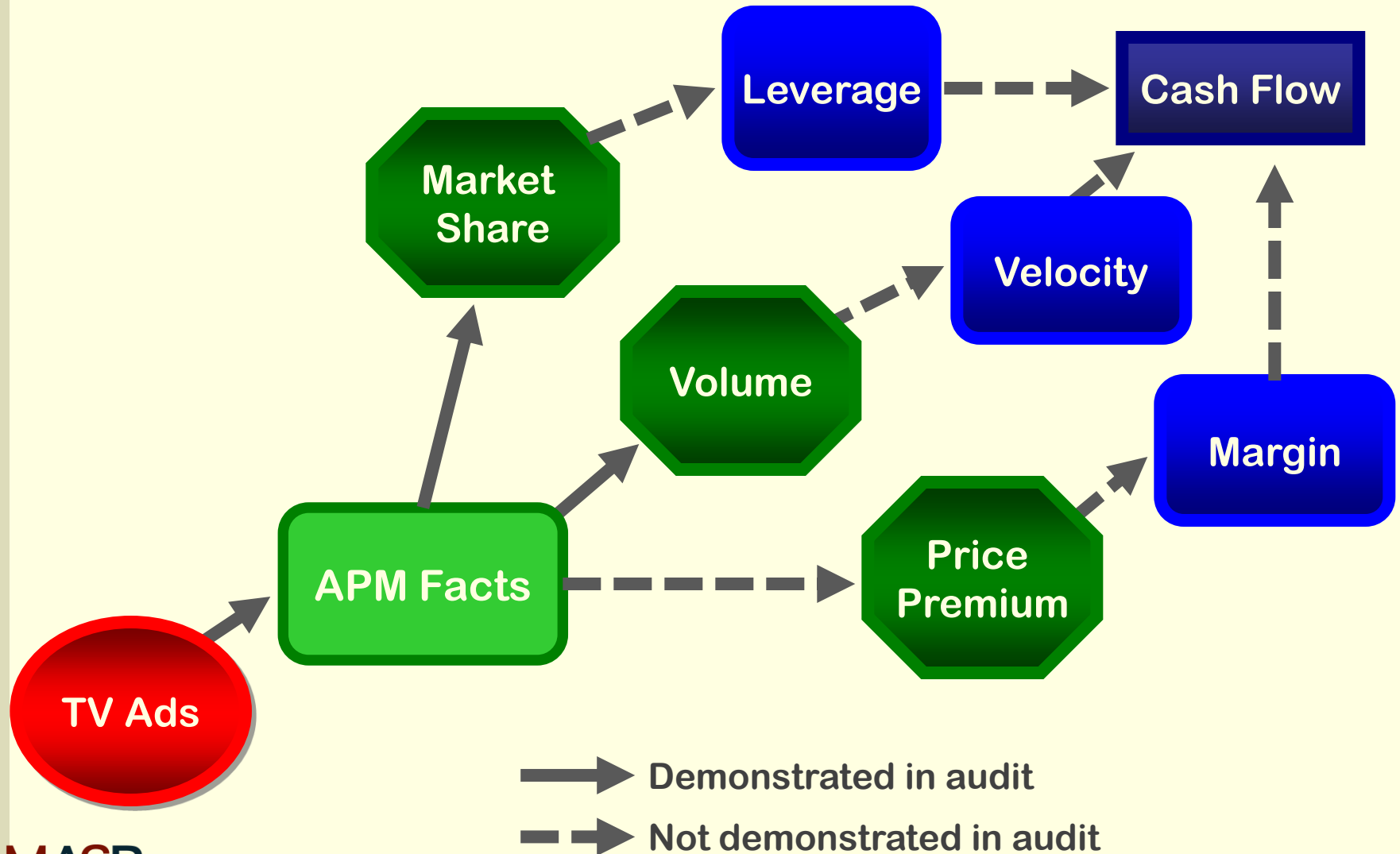
Source: The Boardroom Project 2006

MMAP: 10 Characteristics of an Ideal Metric

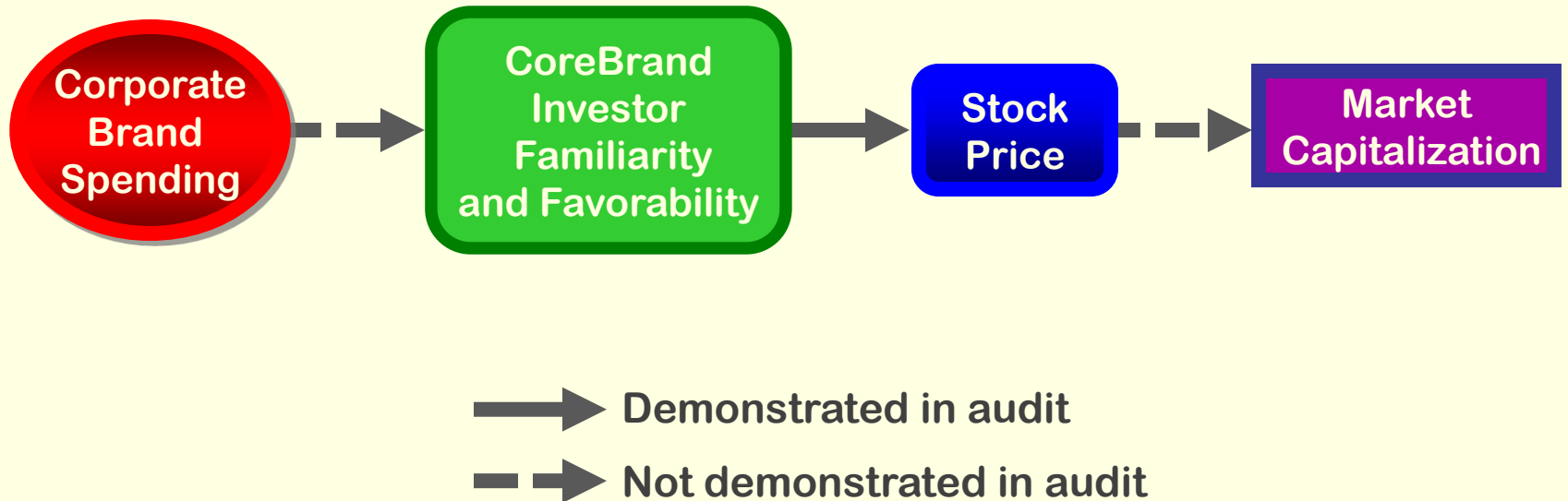
- 1. Relevant...addresses specific (pending) action**
- 2. Predictive...accurately predicts outcome of (pending) action**
- 3. Objective...not subject to personal interpretation**
- 4. Calibrated...means the same across conditions & cultures**
- 5. Reliable...dependable & stable over time**
- 6. Sensitive...identifies 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

MMAF Example from Catalogue: APM Facts



Another Example from Catalogue: CoreBrand F&F



Source: MASB website

Metrics Catalogue Milestones



El Frame-Up 3/13

Leaders & Plan 5/13

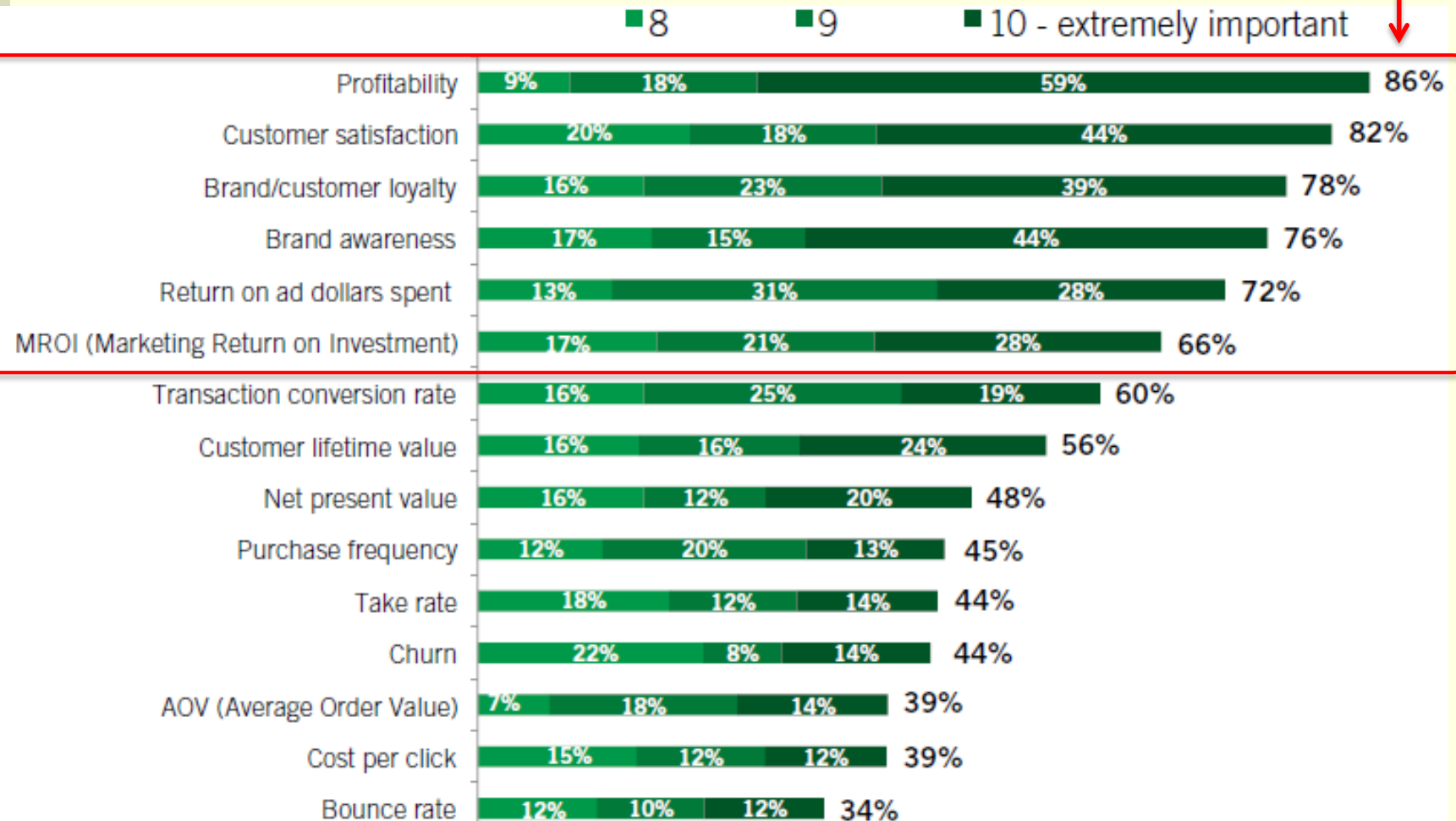
Metrics inventory begins 8/13

Inventory 4 Members 12/14

Action Plan 1/14 +

Top Marketing Metrics

Profitability,
satisfaction, brand,
and ROI



Q1. Please rate the importance of the following metrics to your organization. Rate on a scale of 1-10, where 1 = not at all important and 10 = extremely important.

Source: ANA 2012, Evolution of the CMO and Marketing Team Survey

MARKETING METRICS: 50+ Metrics Every Executive Should Master

MARKETING METRICS

"A must-read" for any business leader who wants to optimize the way they measure business activities and results in order to grow their business."

—Richard K. Shulman, *CEO, Forecast
Global Services & Water Technology, Austin, TX*

Paul W. Farris
Neil T. Bendle
Philip E. Pfeiffer
David J. Reibstein

Initial Focus of MMAP Catalogue Project Team

Not THIS now:

But THIS:

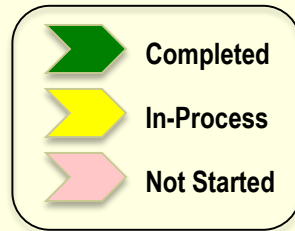
	Descriptive Metrics	Performance Metrics
Definition	Metrics/measures that describe a business situation – usually point-in-time, from easily accessible or collected data, including simple calculations from such data	Custom, proprietary and/or modeled metrics/measures that are intended (implicitly or explicitly) to predict measures of market and financial performance.
Examples	<ul style="list-style-type: none"> • Value/Unit Market Share • Share of Requirements • Brand Development Index • Brand Awareness 	<ul style="list-style-type: none"> • Brand Equity Scores/SubScores • Ad Testing Scores (Link, etc.) • Outputs from Marketing Mix Models (price elasticity, Volume contribution coefficients)
Role of MMAP	None at this time – (other than to perhaps publish a Generally acceptable standards and practices for calculation and data collection)	Actively recruit providers of these custom performance metrics and measures to go through MMAP process

Metric Provider Inventory

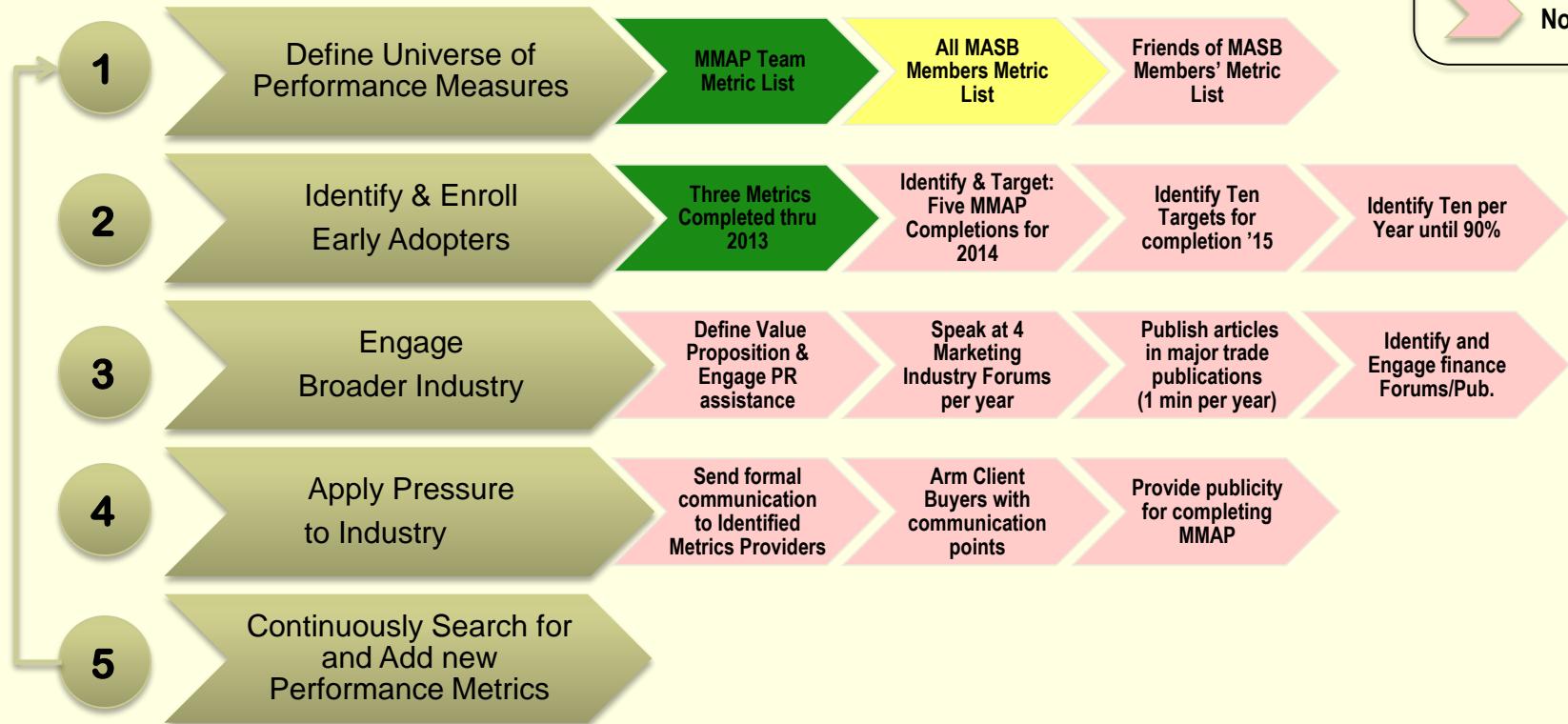
Objective	Scope	Vendor	Metric Brand Name	Other Known Vendors
Pre-Test Copy Test	TV Ad TV/Print/Digital	Millward Brown Ipsos	Link	MSW•ARS
Pre-Test	Package	PRS	On-Shelf	
Pre-Test	New Product	Nielsen/BASES	Snapshot BASES II	TNS
Post Evaluation	Market Mix Modeling	MFA MMA Ninah JDP PIN Mphasize and Fractal mLogic, Fractal, IRI	PGD [MMM] [Price/Incent Elasticities] [MMM] [Price Elasticity]	Communicus MarketShare Analytic Partners ThinkVine Nielsen
Post Evaluation	Brand Health Tracking	Millward Brown	Equity Brand Power	GFK Ipsos TNS
Post Evaluation	Sponsorship	Knowledge Network Repucom, Kantar Sports		SponsorHub

MMAP Catalog Team Objectives and Roll-Out Plan

Objective: To complete the MMAP process on 90% of purchased marketing performance metrics identified by MASB members (and friends of MASB members), completing ten per year until 90% target achieved. (note: In ramp-up year of 2014 – target is Five Completions)



Roll Out Plan and Progress:



Metrics Catalogue Next Steps (2/14)

- Complete inventory among remaining MASB members
- Identify & Target Five Vendors for MMAP Completions
- Define Value Proposition
- Speak at 4 Marketing Industry Forums
 - ARF ReThink, March 2014 (Forbus & Davis)
 - ANA Ad Financial Management, May 2014 (Meier & Berg)

Metrics Catalogue Team

Team Leaders



Jim Meier
MillerCoors



Pam Forbus
Frito Lay

Team Heroes



Karen Ebben
GM



Dave Stewart
LMU

Others TBD
by Team

Admin



Meg Blair
MAF/MASB



Allan Kuse
MMAF Center

Team Meets: 2nd Thursday, 4PM ET



Thank-you!



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of the Marketing Accountability Foundation**