Marketing Accountability Standards

Measuring Sponsorship Return

Jane O'Keefe & Megan Lineberger MillerCoors August 2015 Chicago

MASB Marketing Accountability Standards Board of the Marketing Accountability Foundation

Context Around MillerCoors Alliances

- Total Alliance Contracts = 15% all marketing \$
- Number of Alliances = 523 (broadly defined)
- Activation Average = 25% contract value
 - Average Benchmark Activation is 150% contract value
- Goal is to exit "low return" alliances and reinvest those \$ into activation into "higher return" alliances.

How do we do this without marketing mix data to evaluate ROI?

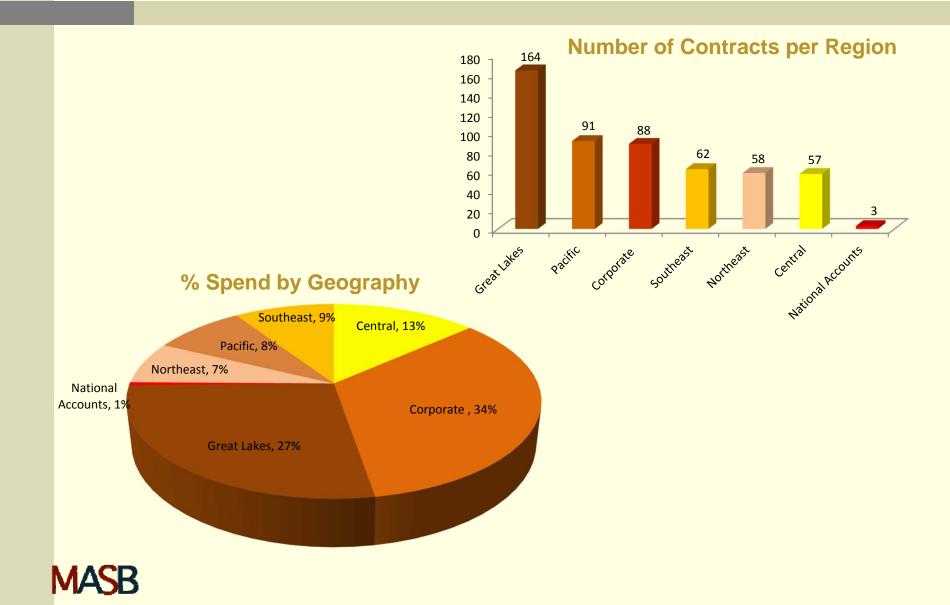


Unique Factors Impacting MillerCoors

- Many more alliances and related \$ are local vs. national (and certainly not global)
- Independent distributors fund 0% or 100%
- "Emotion" runs high and can drive decisions
- Heavier emphasis on retail activation vs. "equity build" (in alcohol we cannot buy shelf space)



Estimated MillerCoors Alliance Spend



Efforts to Date to Evaluate Alliances

- Create single source collection point (database) to capture Alliance Spend
- Identify and weight key business metrics that should impact alliance spend decisions
 - Defining strategy is critical to identifying what metrics to track and include
- Score each property and filter high to low weighting
- Assess lowest scoring properties that are up for renewal in current year



Efforts to Date to Evaluate Alliances

Prior custom analyses have focused on better quantifying the value of consumers or markets impacted by the alliance.

| Monetizing Consumption of Fan Base | We can approximate penetration of relevant, engaged consumer populations in a team's home marketing territory Miller Lite Vikings fans = % LDA Miller Lite drinkers who are very interested in NFL in Minneapolis/St. Paul Volume/value of fans' consumption during the season can be used to estimate ROI for the contract. |
|---------------------------------------|--|
| Ad Hoc, In-Market Analysis | Where events are highly localized or time bound, more focused pre/post or AB testing can be executed. In the case of NASCAR sponsorship, incremental volume trends were evaluated in race markets during race weeks to estimate lift due to heavy-up sponsorship support. |



Current ROMI Alliance Evaluation Scoring

| Overall Scoring: 10 Activation Investment | Point weight (2) |
|--|---------------------|
| Property Fit | (2) |
| Distributor Match | (2) |
| Priority Market | (2) |
| Venue Volume | (1) |
| % of total budget | (1) |



Next Steps

- In process of solidifying alliance strategy
- Adding alliance activation to marketing mix model for 2016
- 2016 and beyond opportunity for outside support to measure and provide another formal ROI tool.



Discussion Guide for Other Marketers

- How much of marketing spend?
- How many alliances (few, many)?
- How measuring?
- How forecasting/allocating \$\$?



Thank You!

