
Marketing Accountability Standards

1st Step of Governance: Marketing & Finance Working Together Panel

**Rick Abens, Foresight ROI
MASB Director
February 2017
Orlando**



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

Panel PPO

- Purpose

 - Listen to current approaches

- Process

 - Finance & Marketing Panel

- Outcome

 - Input for current & future MASB work

Starting with what we know...

Why Partnering w/Marketing is Important

*Operations (and Finance) can purchase and maintain an asset;
Marketing can create and grow one.*

Jim Meier, Sr Director Marketing Finance
MASB 2015 Winter Summit
February 12, 2015
San Antonio



Partnering for performance

Part 4: the CFO and the chief marketing officer

2016



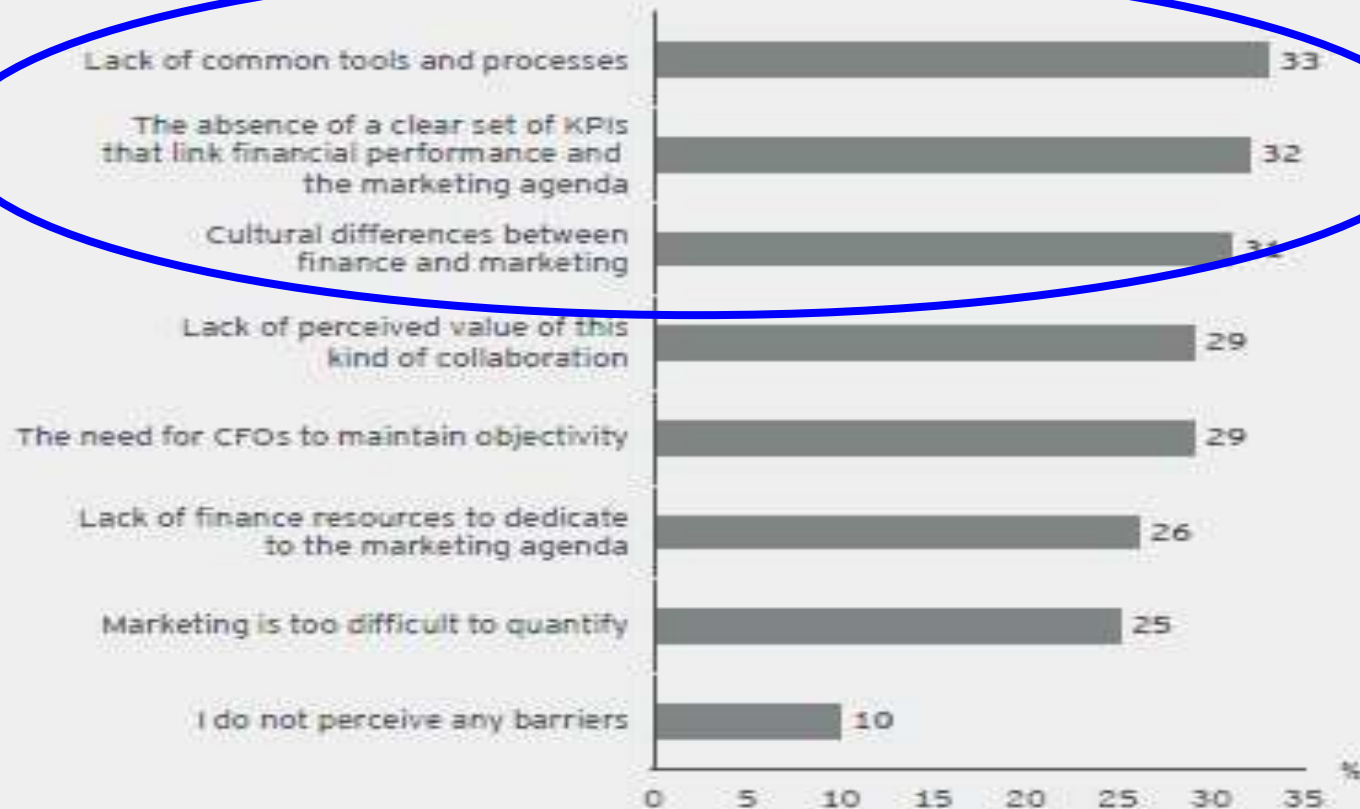
Building a better
working world

CFO & CMO

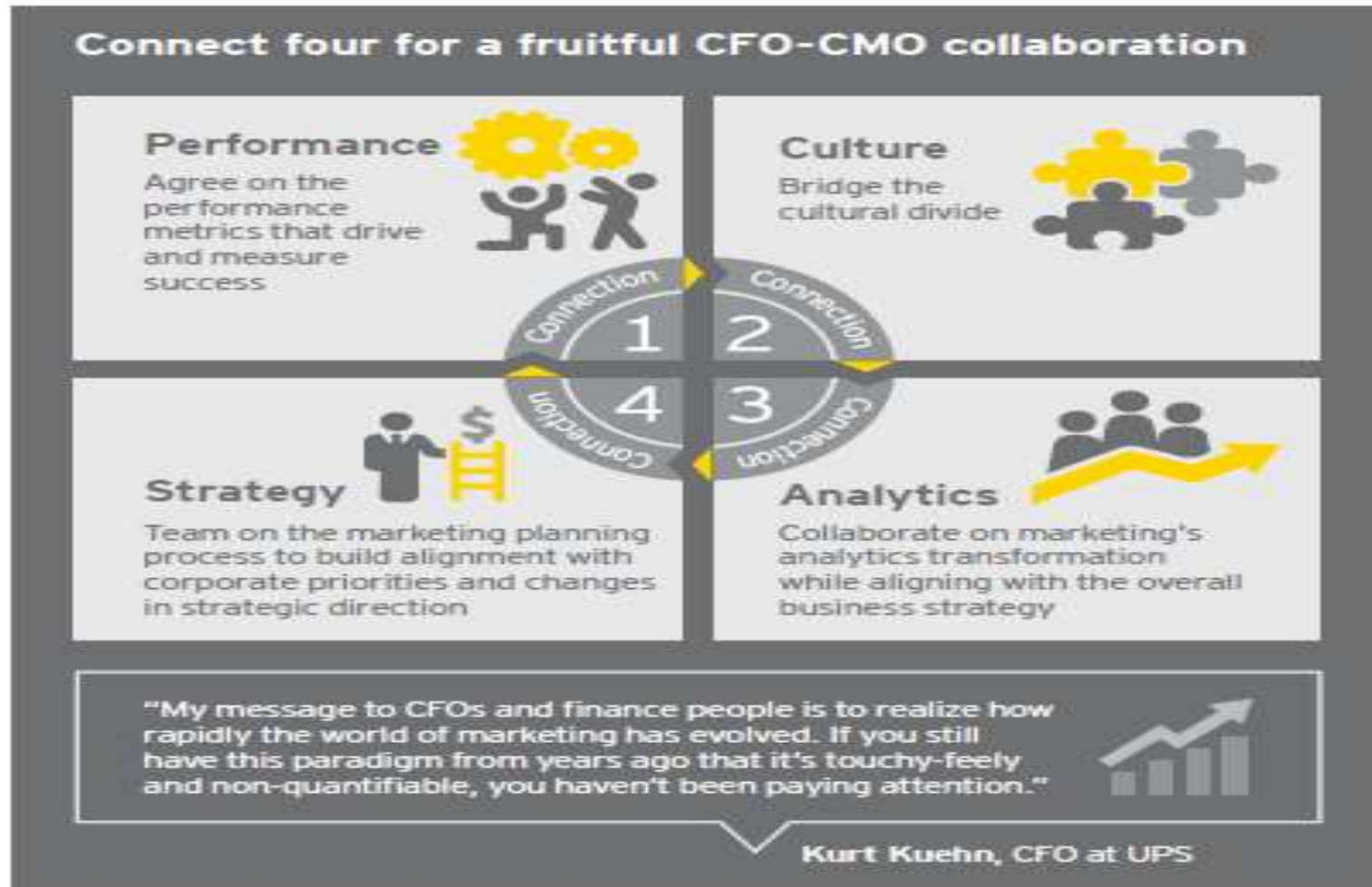
- ▶ Key findings about the relationship
 - 1. 54% of CFOs say collaboration with the CMO has increased**
 - 2. 63% of CFOs report increased involvement in marketing**
 - 3. CFOs also highlight significant relationship barriers**
 - 4. CFOs indicate shift to value-driven mindset has not taken place**

Main Barriers

Chart 3: What do you consider to be the main barriers preventing a closer relationship with the CMO? (Select up to three)



CFO-CMO success factors



Today's Panelists



Jim Meier
(Finance)



Kelly Johnson
(Marketing)



Mike Boehme
(Marketing)



Wendyjean Bennett
(Marketing)



Karen Ebben
(Marketing)



Peter Cushing
(Marketing)



Pam Forbus
(Marketing)



Ash Ambani
(Finance)



Cameron Williams
(Finance)



Nick Graham
(Marketing)

Discussion Guide

- **Are Finance & Marketing Working Together in your Company?**
- **How are you working together**
 - Agreement on Performance Measures?
 - Bridging Cultural Divide (Value driven mindset)?
 - Aligning with Marketing Analytics (to Business Strategy)?
 - Teaming on Marketing Planning Process?

MASB: The Finance & Marketing Interface

Bridging the historic gap between the two functions...fostering new level of collaboration...both focused on growth and value creation

Business Performance



MASB

Marketing

Finance

MASB

Excerpts: A Common Metric – How do you bridge that gap?

Rick Abens, Foresight ROI: Marketing and Finance is one of those great dichotomies, like offense and defense, like innovation and optimization. Both of them are mutually exclusive yet neither could exist without the other. Without Finance, marketers wouldn't have money to spend; without Marketing, Finance wouldn't have money to count.

The purpose of this panel is to listen to people that are experienced in getting marketing and finance working together – what progress they've made – and use that information to further our research and our understanding.

Kelly Johnson, ESPN: We're working really hard to do performance-based marketing and helping our clients reach their goals, but we don't do as good a job tying our marketing back into our revenue. What we've done to bring together our sales and marketing research forces is to be able to tie some of the things we've been able to learn internally about how marketing works for ESPN to the sales side, but also to better use the return on investment and sales goals that we've tied our performance to for our advertisers to ESPN. It's still really a work in progress, but I think we're getting there slowly.

Ash Ambani, PepsiCo: At PepsiCo, we actually have a pretty good system for how we evaluate our marketing spend and underlying metrics. Now these metrics may not be consistent across the enterprise. And while some of it is expected given varying dynamics across different businesses/geographies, there is an opportunity to drive more consistency than what exists today. Moreover, we could better connect measurement across the organization – Finance, Marketing, Commercial – all departments can be unified on subject of Measurement. Finally, there is also an opportunity for cross-pollination of best practices from one part of the enterprise to other. We have gotten better at it, but there is probably an opportunity to do more.

Excerpts (continued)

Pam Forbus, PepsiCo: What I've found is that where we have very strong, credible, influential Insights & Analytics leaders internally, we're able to make progress and bridge that gap.

At Frito-Lay, we ran a lot of cross-functional teams – sales, marketing and finance were all there. Finance was definitely imbedded in our teams. The CMO's office was right next door to the VP of Marketing Finance. It was a continuous relationship.

Karen Ebben, General Motors: Where we see it working best is where we combine Insights & Analytics with an experience-based on both the Finance and Marketing side. That third party is the glue that helps us bridge the gap between the two. One thing that works really well is having those key leaders from those functions as part of the ongoing business strategy but also performance reviews.

Jim Meier, MillerCoors: You cannot overemphasize the necessity of cross-functional interaction and cooperation. MASB is speaking specifically to Marketing and Finance, but it's more than that. You must involve Sales, Strategy, Supply Chain. And the big elephant in the room from an HR perspective is that some otherwise very smart people simply cannot do this well. Specifically, in my area of Finance, you cannot underestimate the potential skill gap. The necessary skills of collaboration, empathy, and dealing with ambiguity are not widely taught.



Thank-you!



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