

MASB Standards Project

Continuous Improvement in Return (CIR)

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Boston

10 Year Anniversary



Marketing Accountability Standards Board
of the Marketing Accountability Foundation

CIR Game Changer

Project	Continuous Improvement (CIR) (O'Keefe, Banks)	Strategy Document “what is known” about the Science and the Governance required for <u>continuous</u> improvement in return, then create roadmap and measure/track success (revising map over time)
Issue Addressed	Continuous Improvement requires more than Science	
Project Objective	Document elements of Science & Governance for CIR, then measure success & revise RM	
Expected Outcome	Roadmap for all involved in Marketing Accountability Journey	
When	2015 & Ongoing	

CIR Milestones (2014 & 2015)



El Frame-Up 10/14

Leaders & Plan 11/14

Base Terms Defined 12/14

Science Reviewed 3/15

Gaps in Governance ID'd 4/15

Governance Terms Defined 6/15

Definitions Consolidated 8/15

Initial Roadmap 10/15

High Level Considerations 11/15

CIR Milestones (2016 & 2017)



High Level Roadmap 2/16

Next Layers Down 4/16

Refinements to Elements 5/16

Discussions w/Marketers 6-7/16

Initial Findings 8/16

Roadmap to Scorecard 10/16

Scorecard Refined 12/16

Scorecard Applied 2/16

Scorecard to Assessment 4/17

Assessment On-line 6/17

Summer Summit 8/17

Response Has Been Very Positive

“This project is perhaps the Ultimate Game Changer... something that Wall Street would likely embrace... and the EYs and Deloittes should expand their financial audits to include this process... are they using it and have they made headway?”

Source: MAF Trustee Meeting January 2017

MASB CIR Key Terms & Definitions

Science	¹ Measurement Development	Process of improving measurement reliability, predictive validity, sensitivity & calibration
	² Integrated Data Bases	A method for managing data from multiple sources and combining it around some type of single ID (e.g. a single customer). Integrated databases provide marketers and other decision-makers with a unified view of these multiple, sometimes disparate, data sources.
	³ Research-on-Research/ Analytics	Process of explaining variance/identifying the causal drivers of the business or human behavior.
	⁴ Knowledge	Profound understanding (of the business process or human & customer behavior) that yield a clear prioritization of action; Learning or principles that yield true predictions with unvarying uniformity (MR Vision 2003).
	⁵ Better Practice/ Continuous Learning	Documented method of operating that yields higher level of performance than other operating behaviors (BID); Process of applying Knowledge to the operating process for improved performance.
	⁶ Forecasting Models	Analytical techniques that represent causal relationships among various conditions & actions taken to achieve specific business results, and forecast future outcomes of various potential actions & conditions (IBID).

MASB CIR Key Terms & Definitions

Governance	⁷ Cross-Functional Team with CIR Orientation	X-Functional Team w/CI Orientation, Common Purpose & Rewards, Central Funding & Thresholds
	⁸ Common Financial Metric	A financial metric that can be applied to most or all marketing, which is easily understood by non-financial people, (e.g., long-term profit/cash flow).
	⁹ Common Purpose	All or most marketing personnel and suppliers focused on improving against the common financial metric (i.e. definition #8).
	¹⁰ Common Rewards	Rewards for marketing personnel and their suppliers — including pay, promotions, recognition — based heavily upon success against common financial metric.
	¹¹ Central Funding	All marketing investments funded from a single source, which releases funding based primarily upon the likelihood of success against the common financial metric.
	¹² CIR Planning Process	A method of planning for marketing funding, based upon the principles of CIR, most notably: teams compete for funding for their respective brands and vehicles based upon proven (or at least plausible) ability to help hit overall financial metrics.
	¹³ Ever-rising Thresholds	A minimum threshold of financial return is required to receive marketing funds, and this threshold is typically raised year over year.

Assessment On-Line

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Continuous Improvement in Return

ASSESSMENT



Measuring and Tracking Success

CIR Next Steps

- **MASB marketers continue assessments**
 - Establish benchmarks
 - Accountability metrics included for validation
- **Refine standardized assessment report**
- **Publish ‘what we have learned’ white paper**

CIR Team Members

Team Leaders



Greg Banks
Foresight ROI



Jane O'Keefe
MillerCoors

Team Heroes



Kelly Johnson
ESPN



Rick Abens
Foresight ROI



Mike Hanssens
UCLA



Ash Ambani
PepsiCo



Klein
MSW.ARS

Staff



Frank Findley
MASB ED
Sponsor



Tony Pace
MAF/MASB



Erich Decker-Hoppen
Communication



Karen Crusco
Executive Assistant
Admin

Thank-you!



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