

THE MARKETING VALUE CHAIN PROVING THE CONTRIBUTION OF MARKETING TO THE BUSINESS



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CHALLENGE: BUILD FINANCIALLY CREDIBLE MEASURES OF MARKETING'S VALUE

THE FINANCIAL CONTRIBUTION OF MARKETING TO THE ENTERPRISE

BRAND
VALUE



A 10% increase in the value of the brand will drive a 3.3% increase in stock price²

CUSTOMER
EQUITY



A 10% increase in the value of customer assets will drive a 7.2% increase in stock price²

ORGANIZATIONAL
COMPETENCE



A 10% increase in organizational competence will drive a 5.5% increase in stock price²

MARKETING
EFFECTIVENESS



Enterprise initiatives aimed at improving the Return on Marketing Investment (ROMI) Initiatives are generating improvements of up to 9 percent^{2,4}

DIGITAL
PLATFORMS



A 10% increase in the effectiveness of digital channels will drive a 2.2% increase in stock price³

QUALITY OF PEOPLE
& PRODUCTS



A 10% increase in perceptions of product quality will drive a 3% increase in stock price^{2,3}

Source: 1) Brand Value as a Percentage of Marketing Capitalization. Applying the Brand Investment and Valuation Model. Analysis of Meier, Findley, Stewart. Marketing Accountability Standards Board. 2017 2) Marketing's Impact on Firm Value: Generalizations from a Meta Analysis, AMA, Alexander Edeling and Marc Fischer, Journal of Marketing Research 2016, 3) Empirical Generalizations About Marketing Impact, Hanssens, Marketing Science Institute 4) the Marketing Accountability Standards Board CIR Initiative, 2018.

GOAL: MARKET THE FINANCIAL CONTRIBUTION OF MARKETING TO MANAGEMENT AND THE BOARD

THE FINANCIAL CONTRIBUTION OF MARKETING TO THE ENTERPRISE

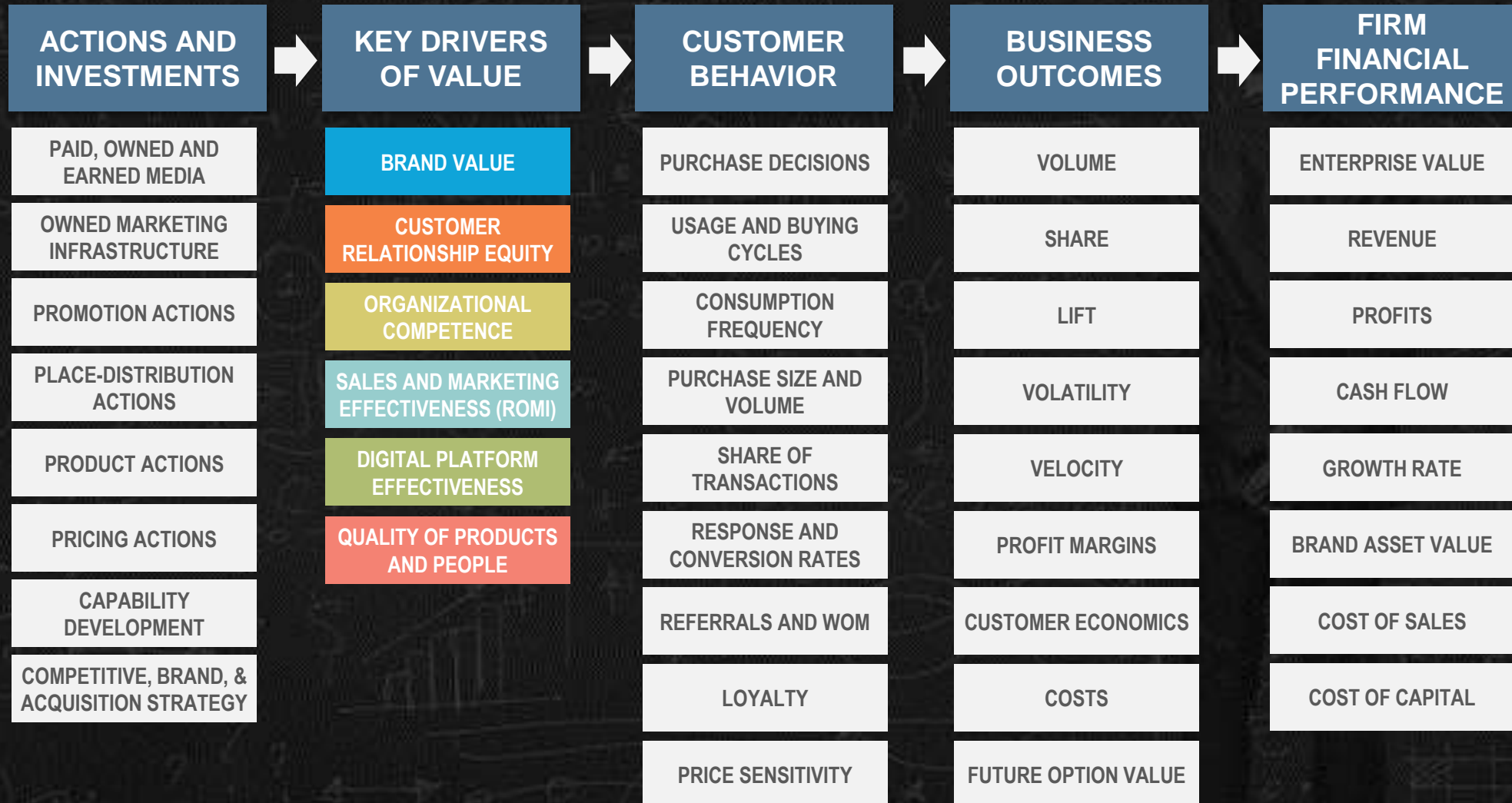


18 STRATEGIC VALUE DRIVERS OF ENTERPRISE VALUE

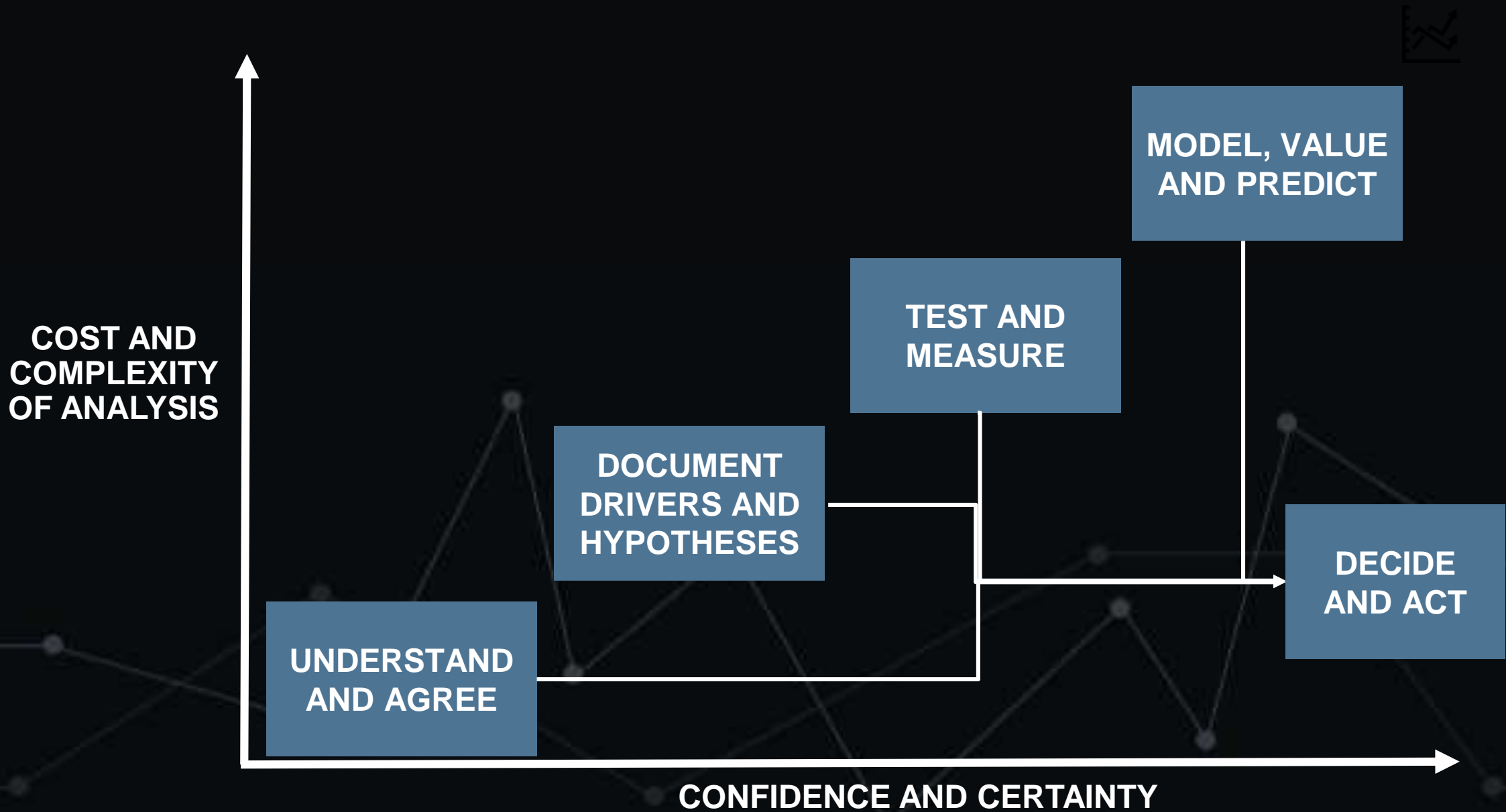
BRAND ASSETS	CUSTOMER SATISFACTION	ORGANIZATIONAL KNOWLEDGE SHARING	MARKETING EFFECTIVENESS	OWNED DIGITAL MEDIA PERFORMANCE	EMPLOYEE TALENT, LEADERSHIP AND ENGAGEMENT
BRAND PREFERENCE	CUSTOMER LOYALTY	INTER - DEPARTMENTAL CONNECTEDNESS	SALES AND SERVICE EFFECTIVENESS	DIGITAL CHANNEL PERFORMANCE	PERCEPTIONS OF INNOVATION
BRAND MOMENTUM	CUSTOMER RELATIONSHPS	ORGANIZATIONAL MEASUREMENT CAPABILITIES	CHANNEL REACH, SHARE AND PERFORMANCE	DIGITAL EXPERIENCE	PRODUCT & SERVICE QUALITY

A FRAMEWORK FOR CONNECTING MARKETING INVESTMENTS AND ACTIONS TO FIRM FINANCIAL PERFORMANCE AND ENTERPRISE VALUE

THE MASB MARKETING VALUE CHAINSM

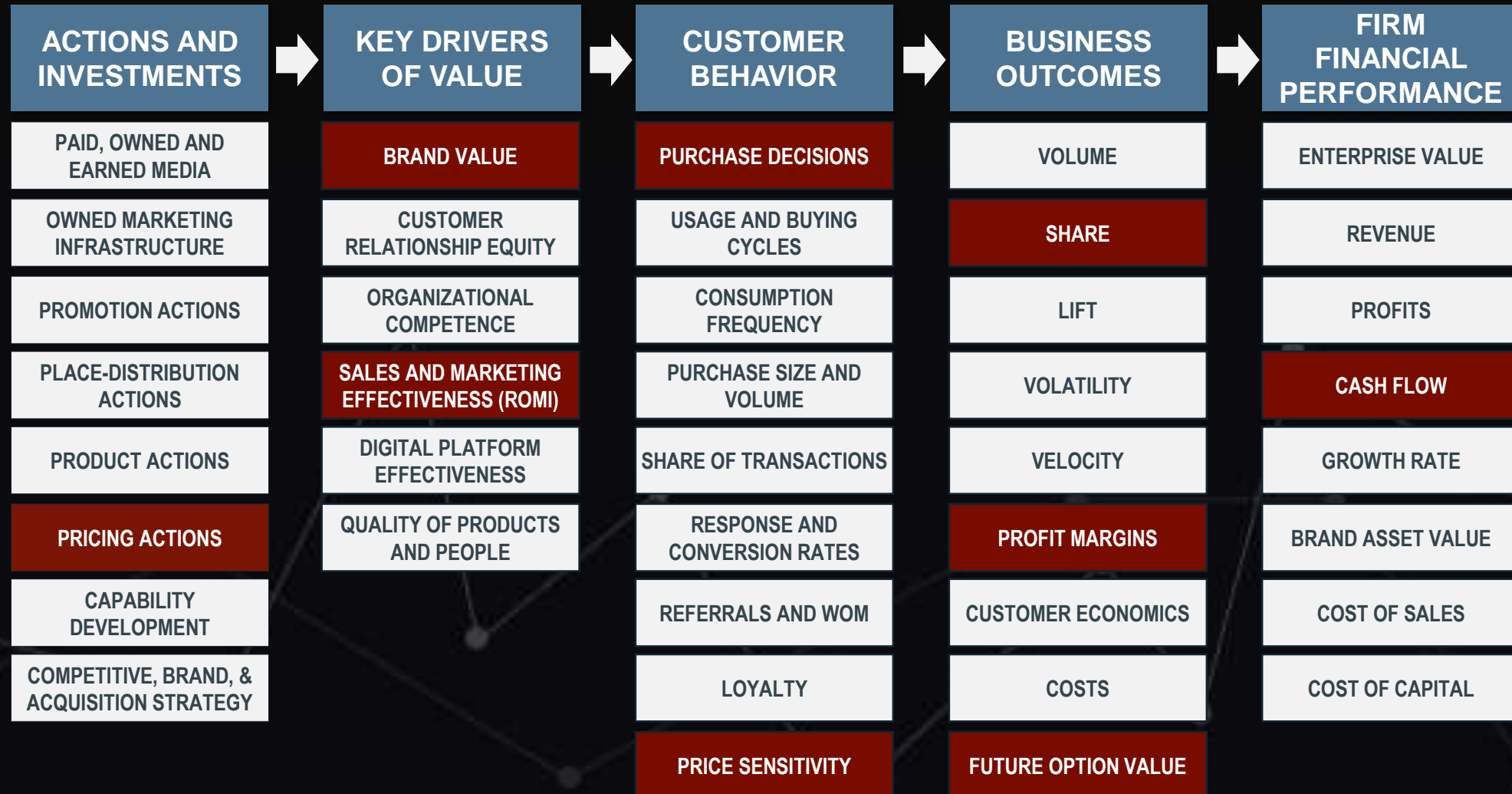


A ROADMAP FOR CONTINUOUS IMPROVEMENT IN RETURN



MILLER COORS EXAMPLE

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EDO yext



Steve Shannon

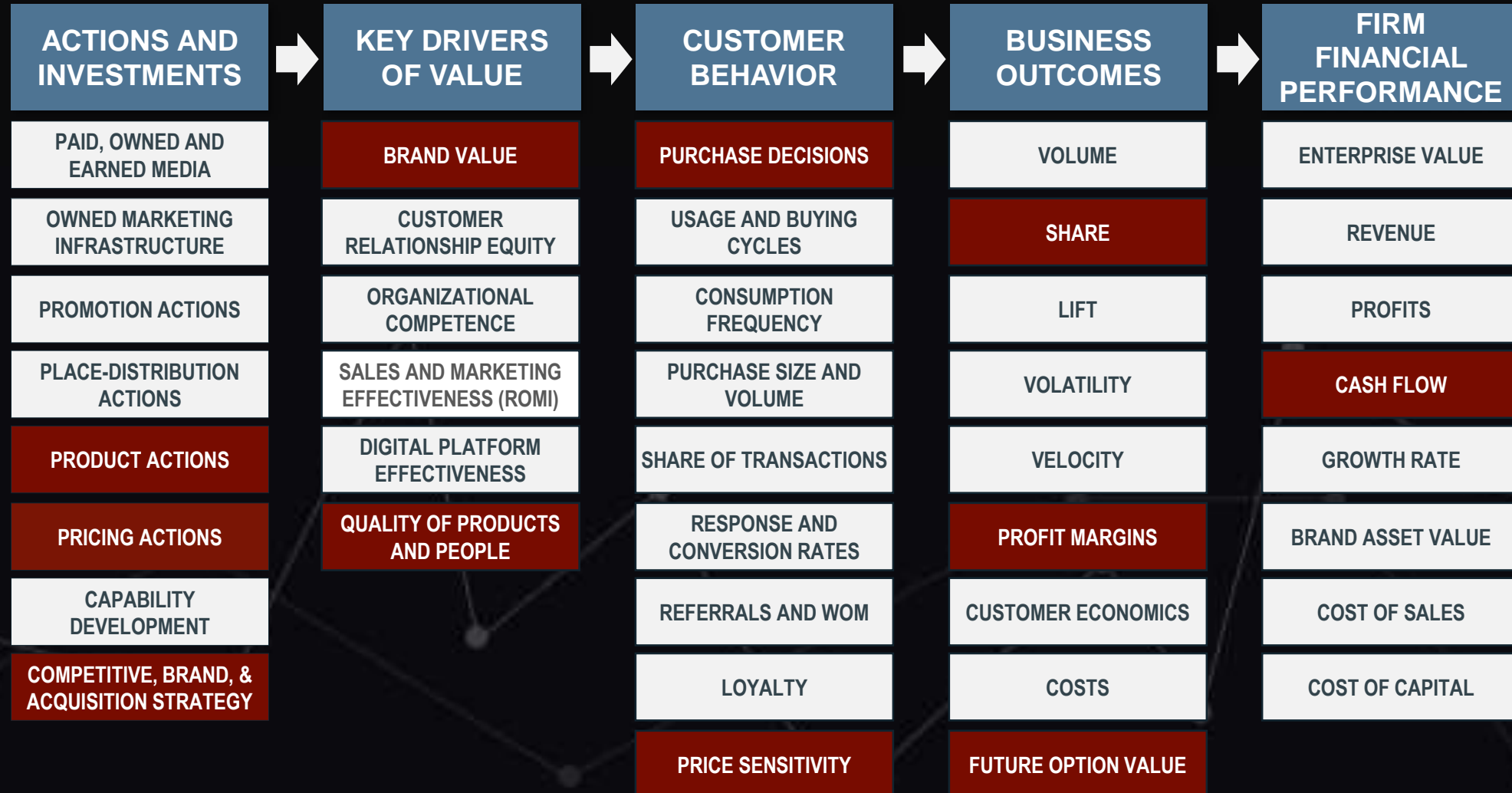
About Steve Shannon



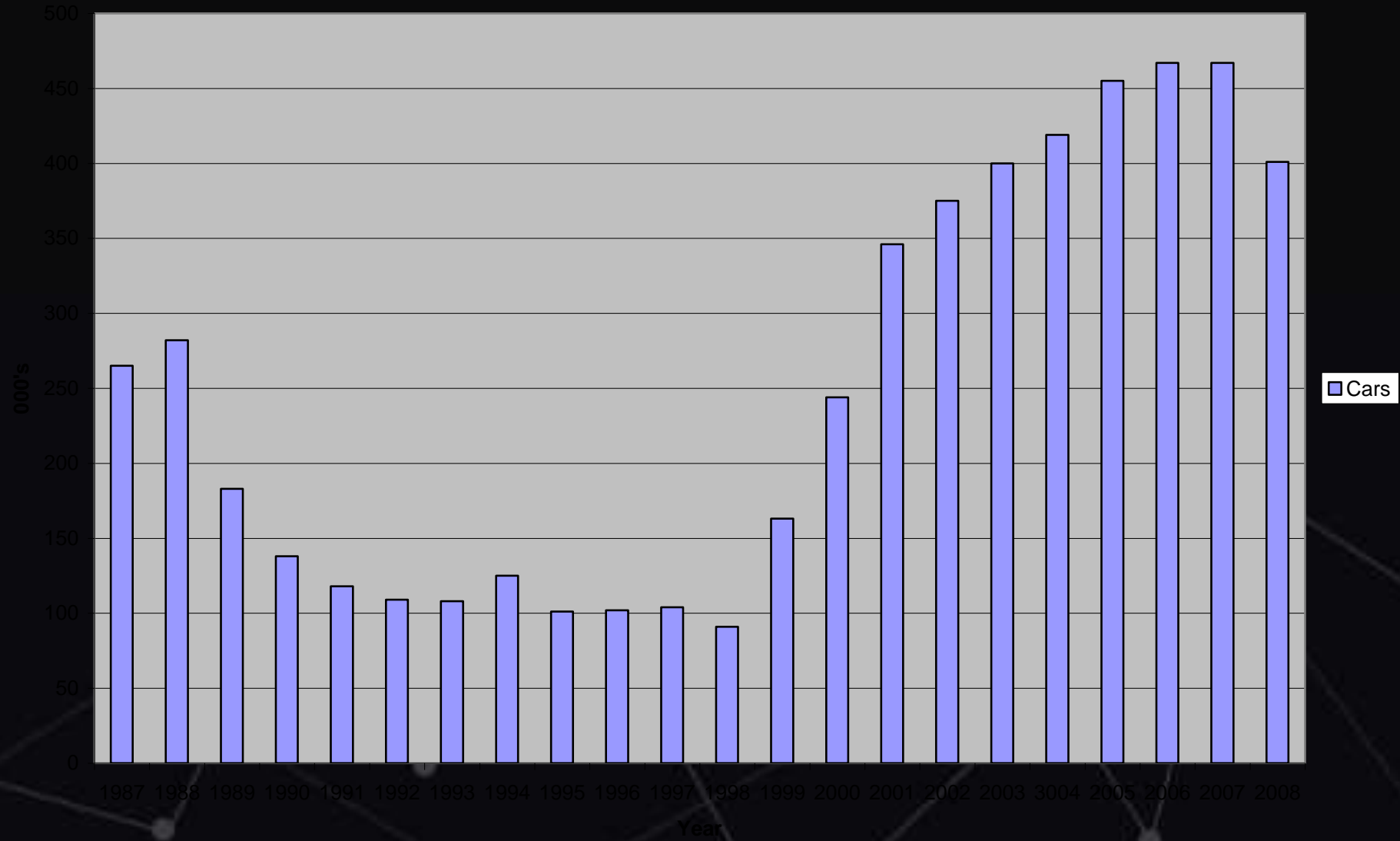
- Former CMO of Hyundai Motor America and 32-year veteran of the auto industry including Cadillac, Buick, Saab, and Saturn brands
- Led multiple Super Bowl, Oscar, Grammy and NCAA Football programs, and an award-winning integration with The Walking Dead
- Currently advisor to:
 - Yext digital knowledge management platform
 - Foursquare location data platform
 - EDO data science solution for optimizing linear TV through measuring search engagement
- Harvard Undergraduate and Columbia MBA

HYUNDAI EXAMPLE

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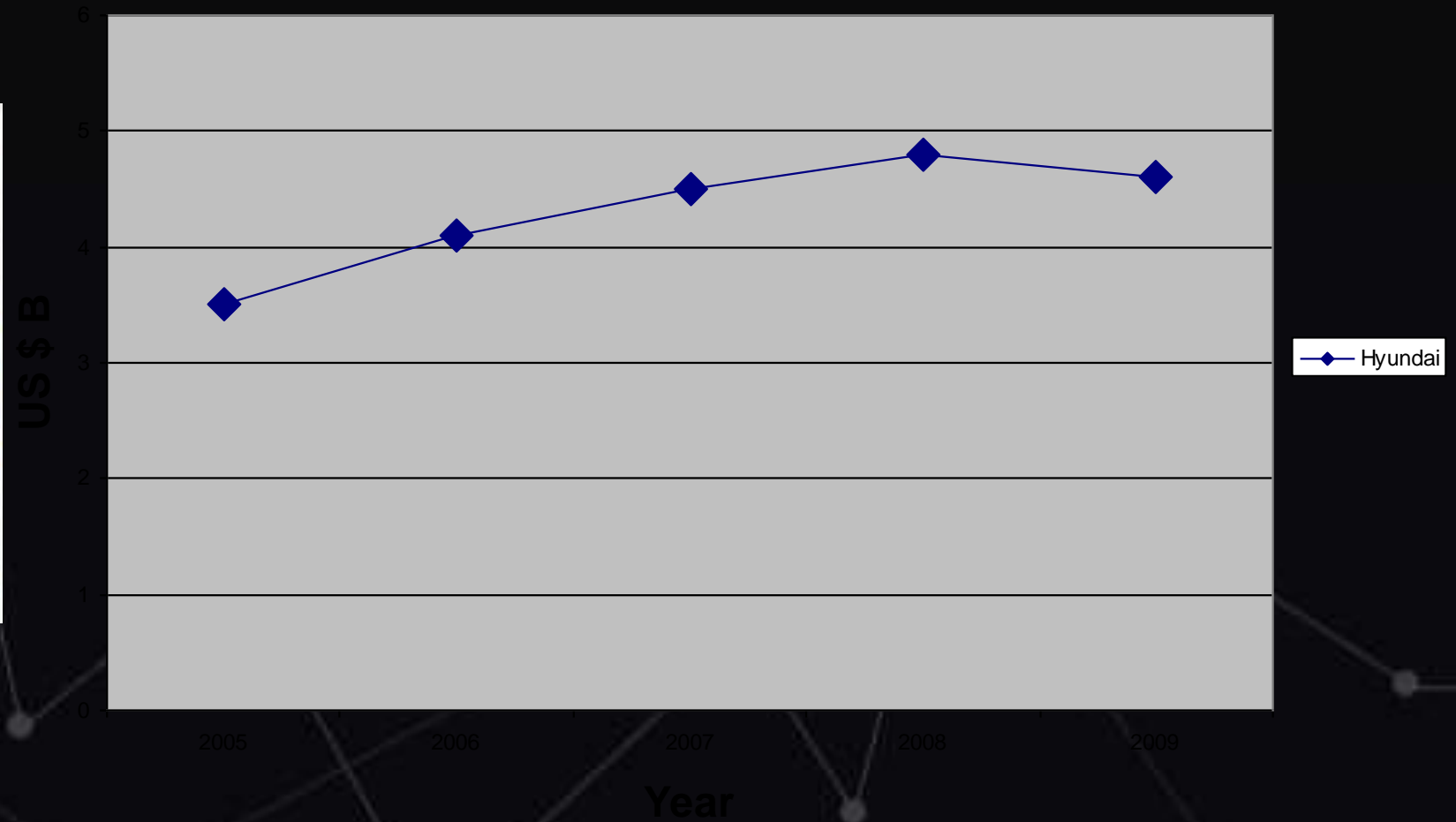


HYUNDAI US SALES

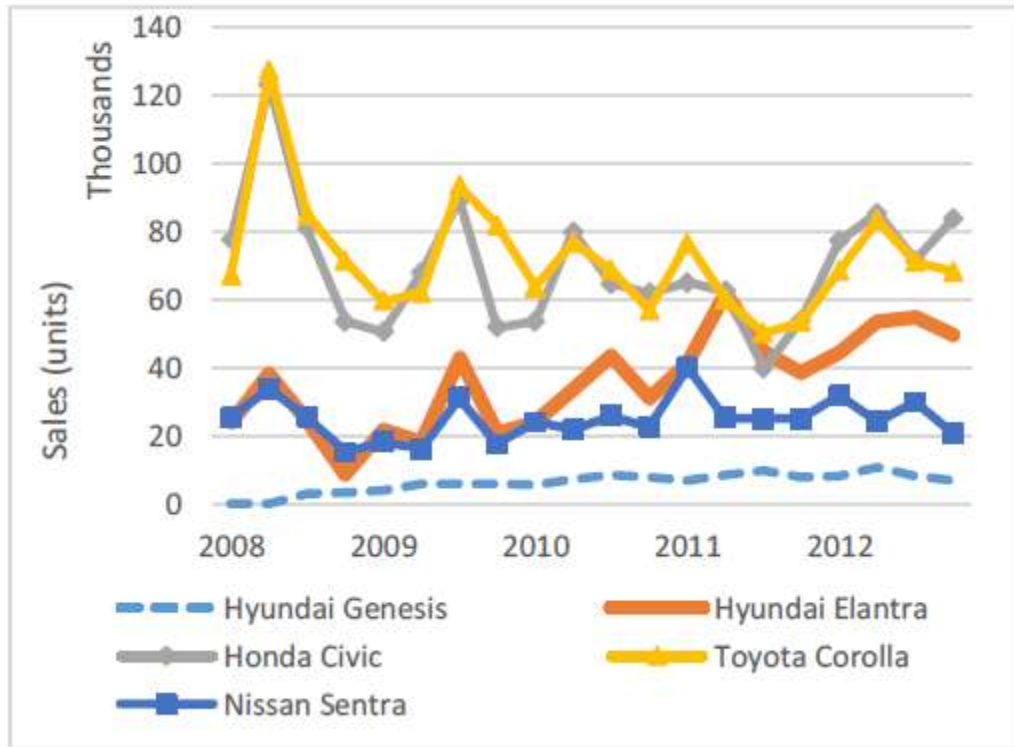
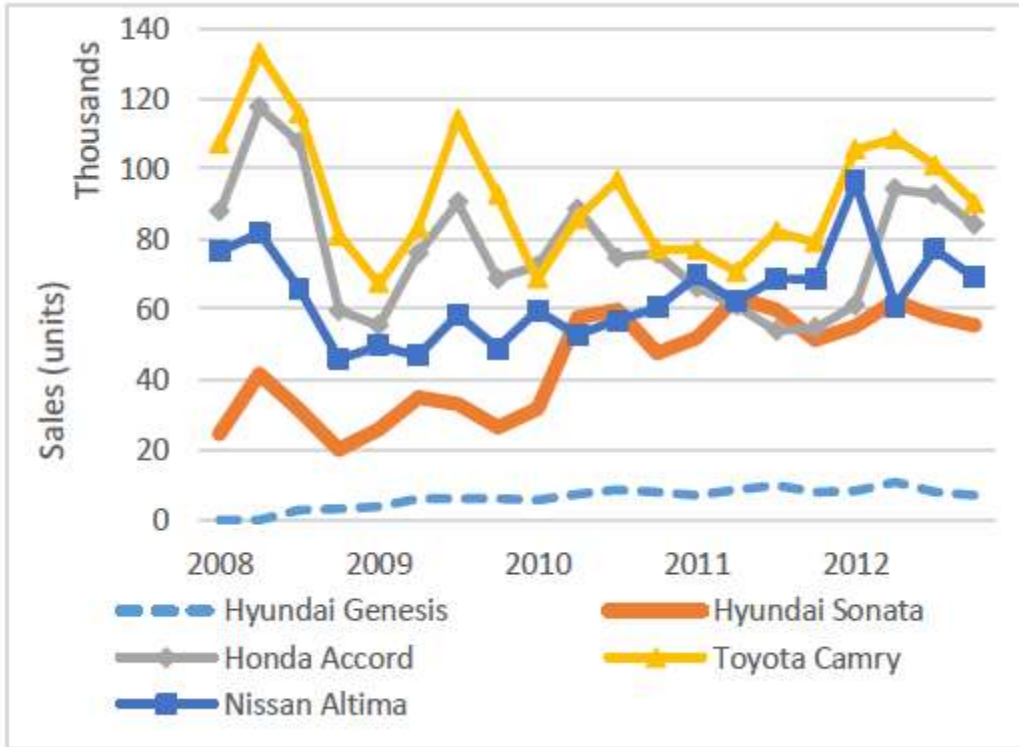


HYUNDAI BRAND VALUE OVER TIME

Hyundai Brand Value Over Time



FUTURE OPTION VALUE OF BRAND EXTENSION – SHARE GAINS



FUTURE OPTION VALUE OF BRAND EXTENSION – MARGIN IMPROVMENT

