

MASB Marketing Accountability Standards Board

FINANCIAL VALUE OF BRANDS PROCESS

1

Gain executive buy-in

C-suite interest in FVB should be high, but commitment must be both high *and* enduring, especially from the CMO and CFO.

Senior executives reporting to the CMO and CFO will also be critical to successful implementation.

2

Expert identification of methodology

Identify the valuation approach and provider that is right for your company and brands. As a starting point, MASB has compiled summaries from the leading FVB measurement providers. Collectively, these providers have broad experience spanning all types of categories, geographies, and branding strategies.

MASB also offers a pilot program to assist in obtaining an initial valuation, the results of which are verified by MASB experts, and plotting a path forward for continuing evaluations. To participate in this pilot, please email info@themasb.org.

3

Focus on reasonable and consistent goals for accuracy and analyzing trends

It is more important to understand major trend changes in FVB over time than it is to have 'to-the-dollar' accurate point-in-time estimates.

Use bridge charts to uncover the drivers of change. The five financial value drivers of marketing – **volume, price, mix, cost** and **optionality** – reveal the connectivity from successful marketing activities to brand preference, leading to profitable growth, increased cash flows and higher enterprise value.

4

Incorporate FVB Calculation into Marketing Return Assessment Process (ROMI, ROI, CIR)

Use the trends and relationships to uncover opportunities and guide marketing investments. Ideally, such a comprehensive approach will be institutionalized in the annual marketing resource allocation process to support investment decisions.