






**90% of Architects
have an Architecture Degree**



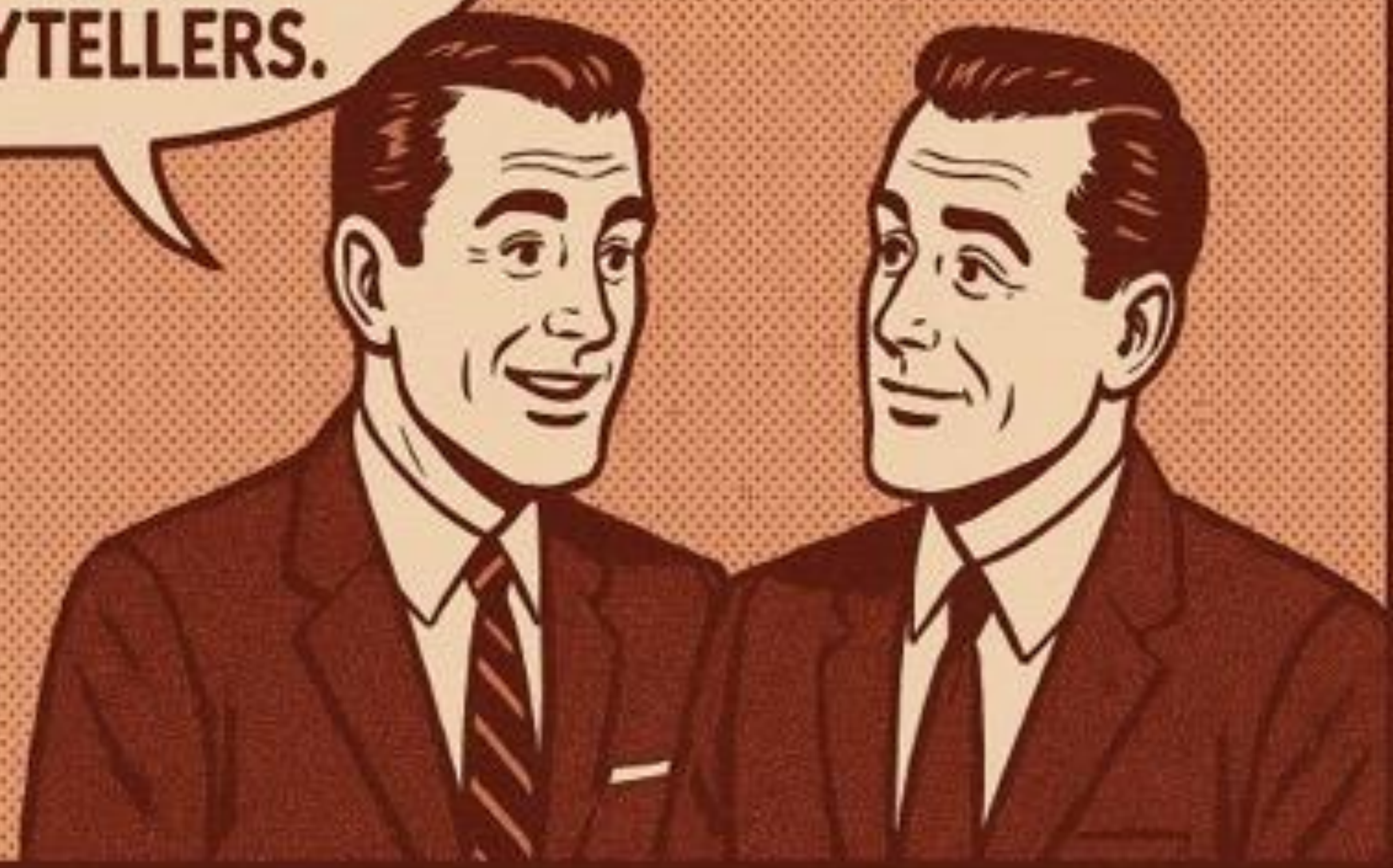
**There are 71 professions
that require a degree...**



**There are 71 professions
that require a degree...
and marketing is
not one of them.**



**MARKETING APPEARS TO BE
A COLLECTION OF ANECDOTES
THAT ARE ROLLED UP INTO
STRATEGIES TOLD BY
GOOD STORYTELLERS.**



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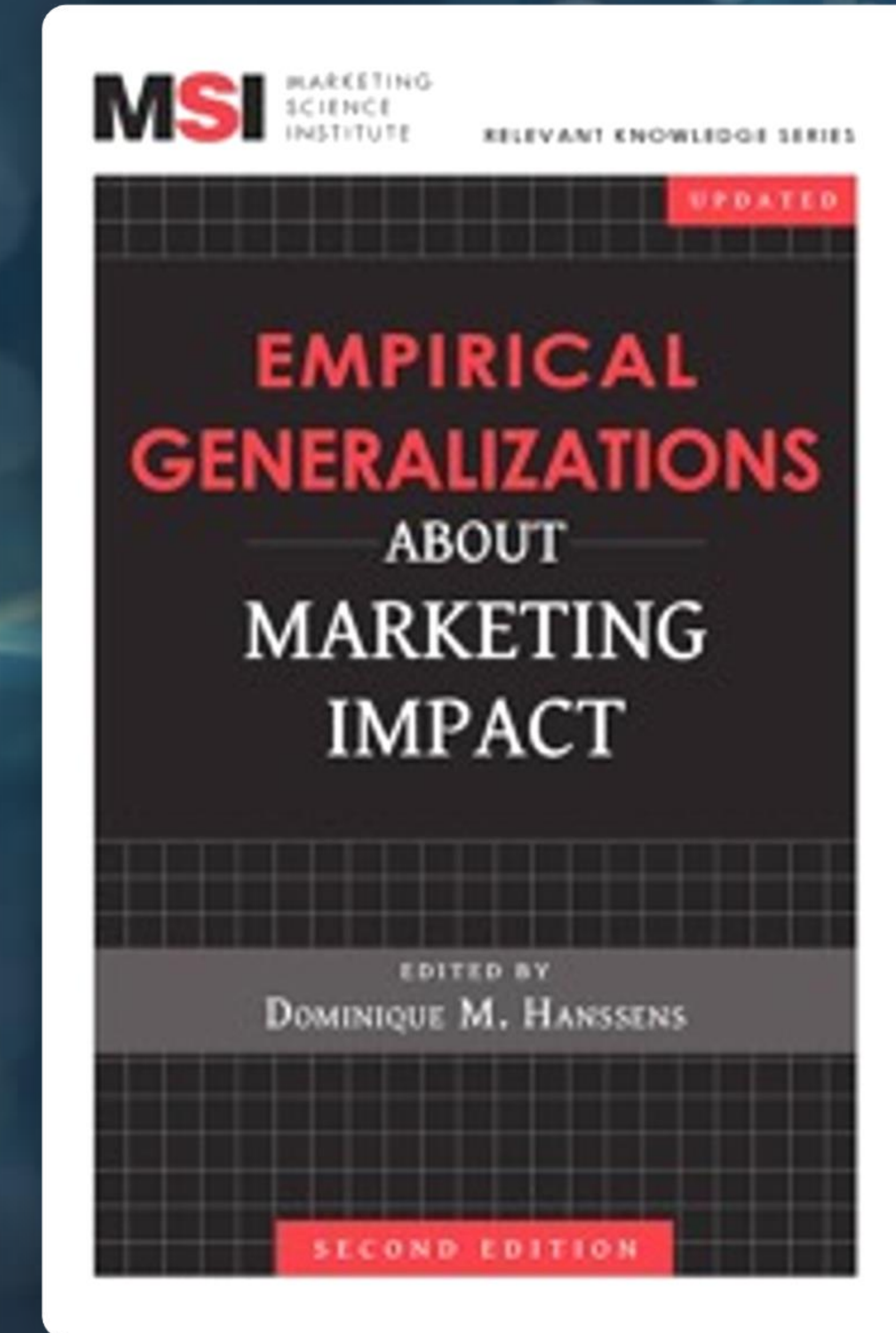
**FEELS
LIKE IT.**



To be a profession:

We should have a CODIFIED
view of marketing 'truths'

It is our *Knowledge*



An aerial photograph of a bridge under construction. Three workers in orange safety vests and yellow hard hats are on the bridge deck. Several orange traffic cones are placed around the work area. A white SUV is parked on the right side of the bridge. The bridge is surrounded by blue water.

‘The discipline of marketing is largely undisciplined’

We Must Believe in and Know Science



25 years ago...

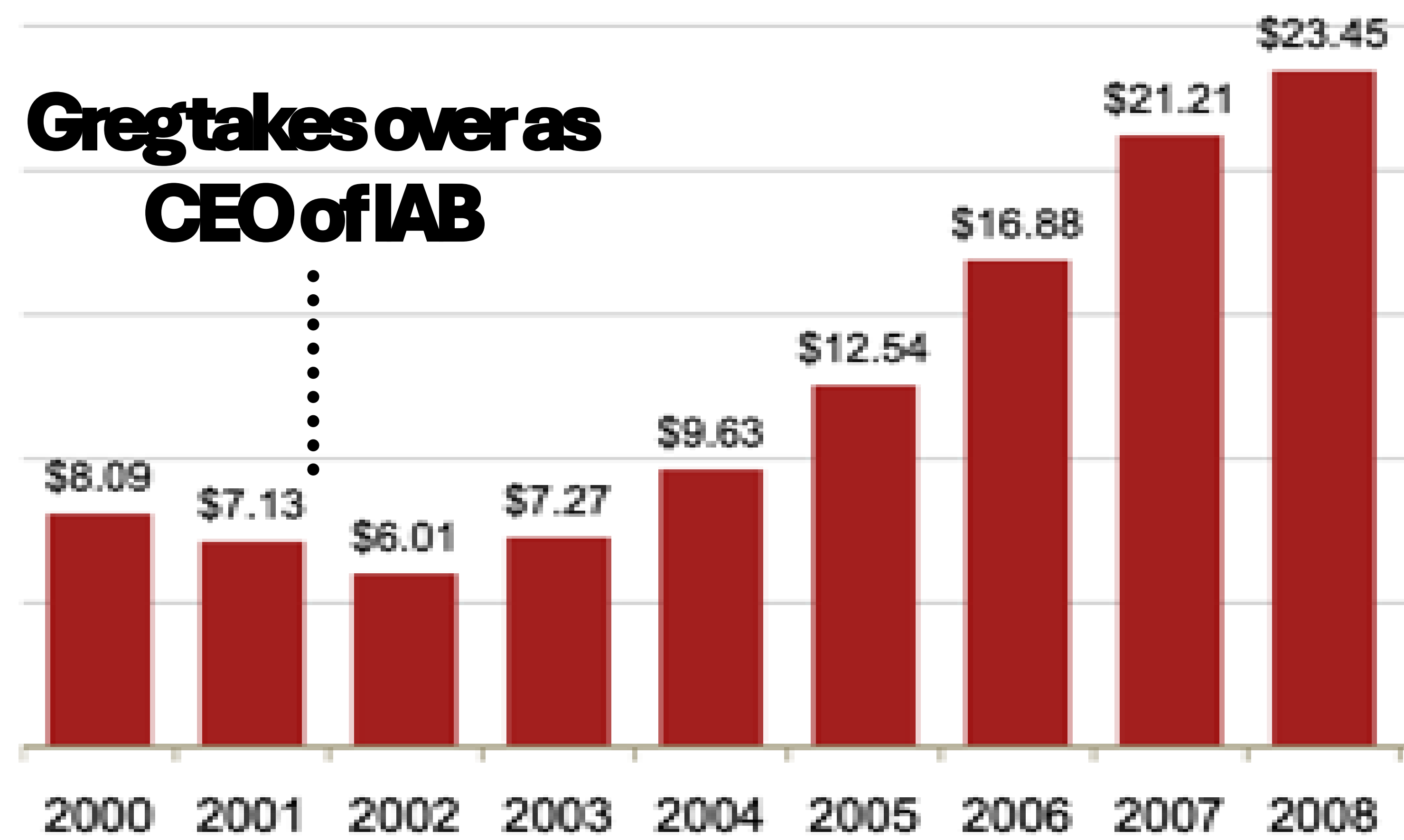
**I first experienced that
science mattered.**

A lot.





Annual Revenue, In billions







It's a deal

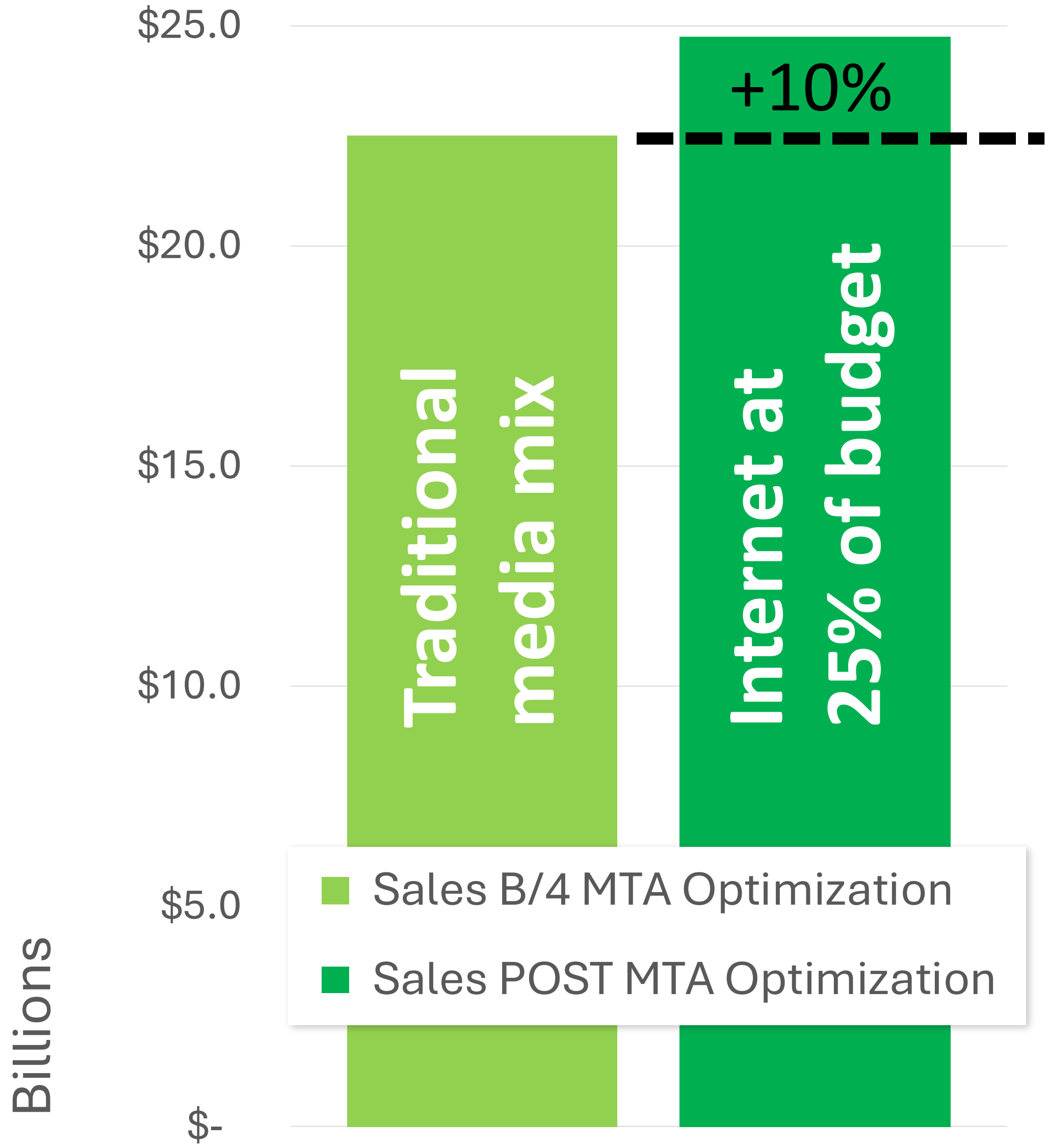


25% → \$2.5B





Increase in Sales Due to MTA Optimization with Internet





**MTA Adoption is Still Only
52% by Marketers...**

After 25 years



UGH

A close-up photograph of a person's arm and hand. The hand is clenched into a fist, with the fingers tightly curled. The arm is extended upwards and slightly to the left. The skin is a warm, brownish tone. The background is a textured, grey surface, possibly concrete or stone, with some darker spots and a slightly grainy appearance. Overlaid on the right side of the image is the text "Be wrong but be strong" in a bold, white, sans-serif font. The text is arranged in two lines: "Be wrong" on the top line and "but be strong" on the bottom line. The overall composition is simple and powerful, emphasizing the strength of the fist and the message of the text.

**Be wrong
but be strong**

1

THE SCIENCE

...an autopoietic approach with unsupervised machine learning via
One Hot Encoding with K-Modes Clustering...

...for personalization of ads to consumers

1

THE SCIENCE

...an autopoietic approach with unsupervised machine learning via One Hot Encoding with K-Modes Clustering...

...for personalization of ads to consumers

RESULTS

22 studies to date
gains of **+149%**,
one as high as **+270%**.

THE SCIENCE

...Neuroscience inherent in “inattentional blindness,” via studies by Simons & Chabris (Harvard) via their Selection Attention Test (1999)...

...Informed new segmentation-based growth strategy*...

THE SCIENCE

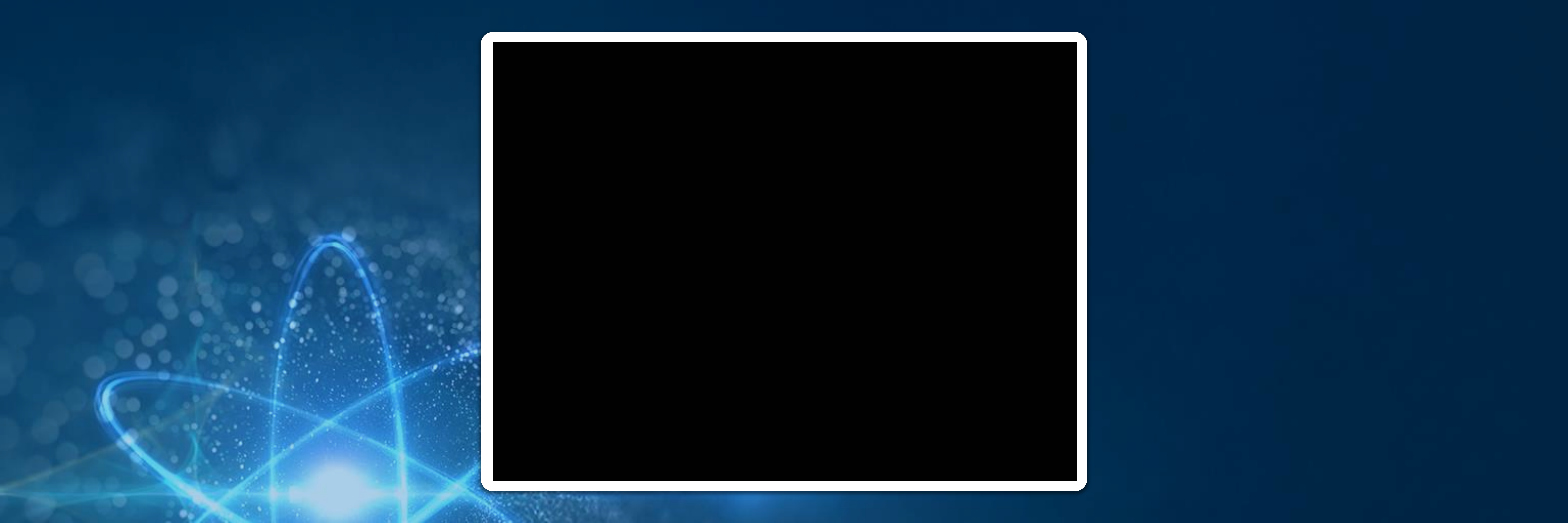
...Neuroscience inherent in “inattentional blindness,” via studies by Simons & Chabris (Harvard) via their Selection Attention Test (1999)...

...Informed new segmentation-based growth strategy*...

RESULTS

...that beats every other targeting segmentation
resulting in Campaign performance
+50% to double.

* Also leverages economic science of Marginal Utility and the statistical techniques in Beta Distribution and Logit Function, basically what Moneyball was all about.

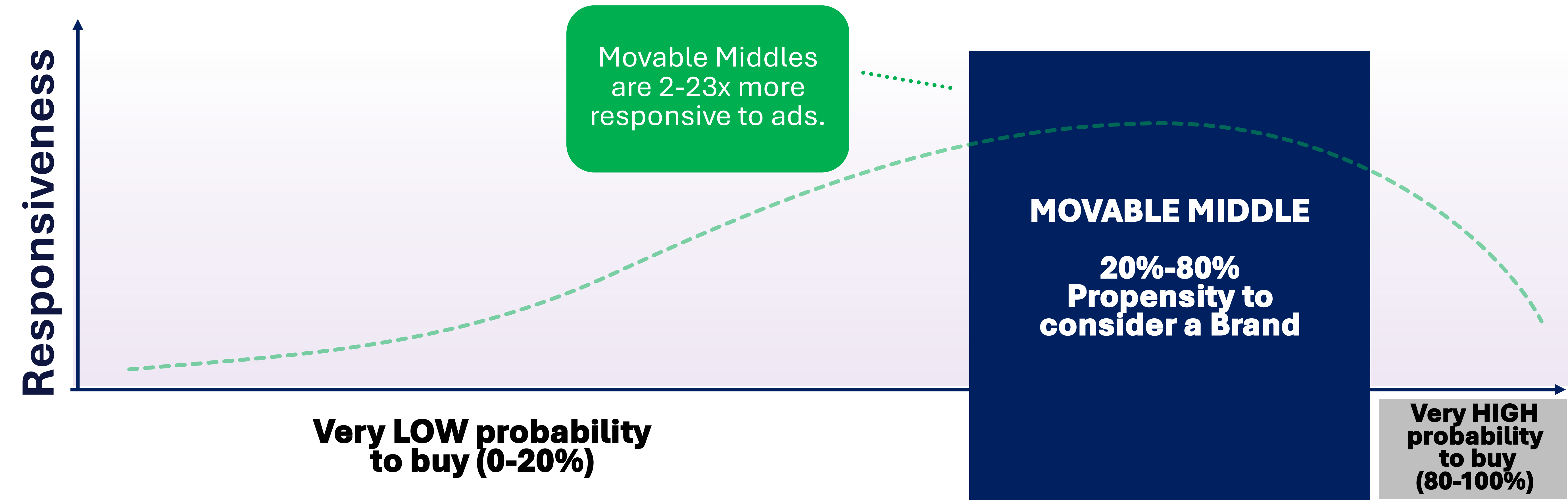




Your
Brand
Here

Movable Middles Growth Framework (MMGF) Targets Consumer's Propensity to Consider a Brand

Approaches targeting with science



Advisors



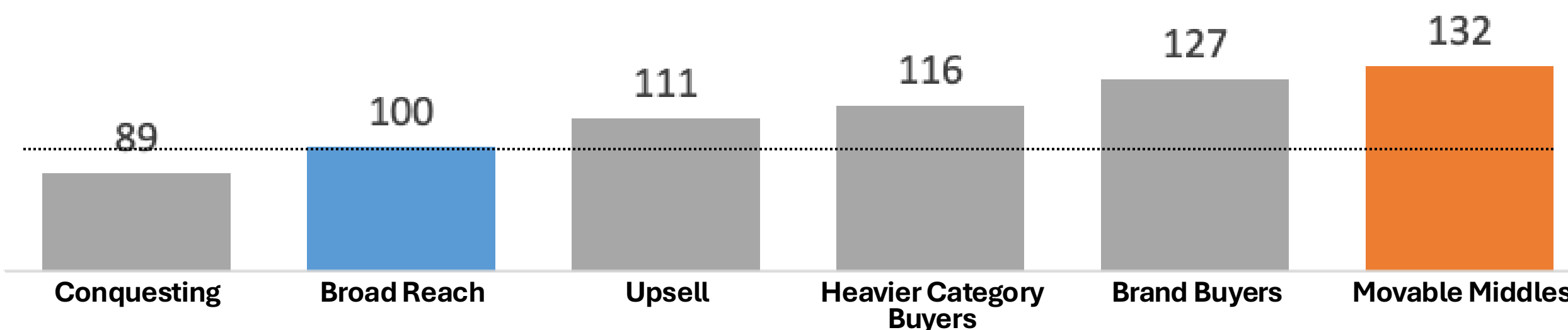
Academic Advisors

Marketer Advisors

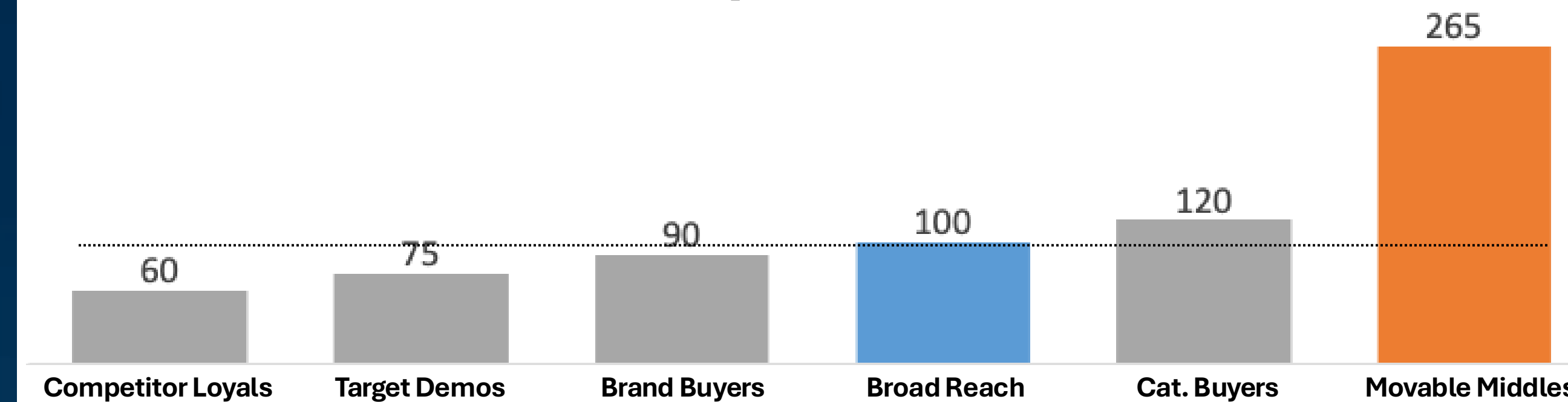
Data Partners

Movable Middles Appears to Outperform All Other More Traditional Audience Targeting Strategies

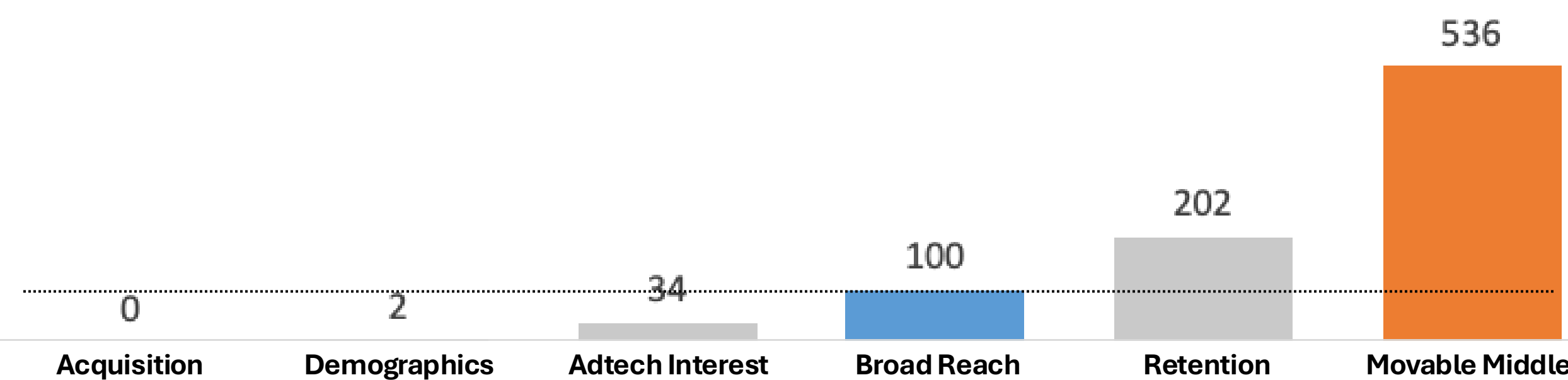
ROAS: Index for different audience strategies



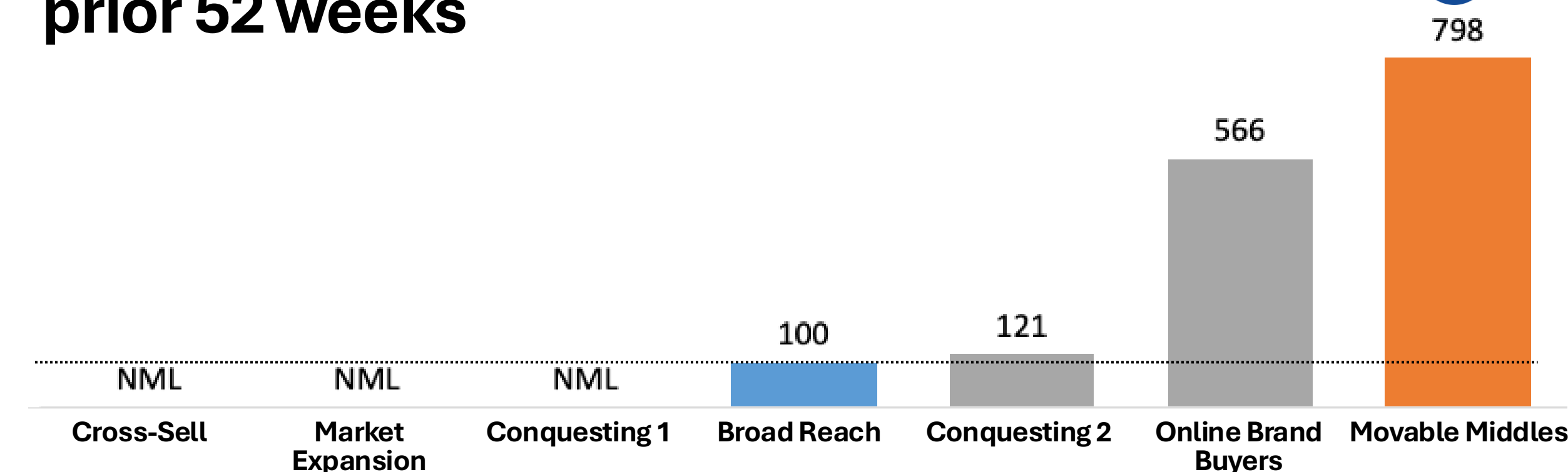
Account openings: 3-month incremental accounts per \$



Penetration: Index for increase in buyers



Sales: Index of \$/HH Lift vs. prior 52 weeks



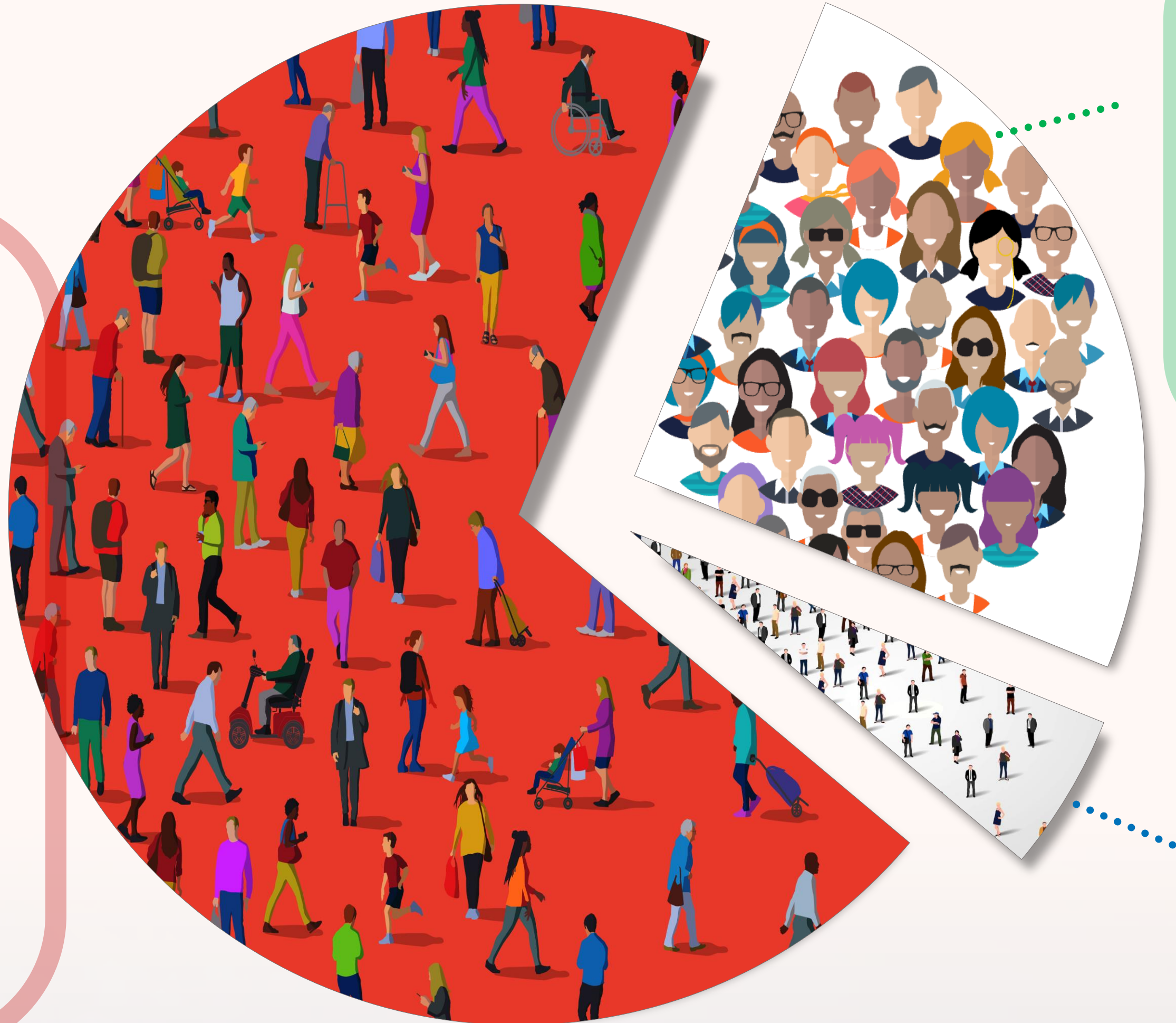
Movable Middles™ Validates Advertising to Unresponsives is *Value-destructive*

UNRESPONSIVES

**\$0.34 Revenue above
\$1 media invested**

50-90% of audience
Very unlikely to purchase
or respond to ads ¹

¹ But your advertising will still reach them given their size and that targeting is an imperfect science.



MOVABLE MIDDLES

**\$4.84 revenue above
\$1 media invested**

10-40% of audience
2-23x more responsive to ads

BRAND LOYALS

**\$0.88 revenue above
\$1 media invested**

2-5% of audience
Very likely to purchase anyway
Low incremental return from ads

The Science(s) of Marketing

1. Behavioral Science

- Behavioral economics
- Cognitive psychology
- Social psychology
- Decision heuristics

2. Neuroscience

- Cognitive neuroscience
- Affective neuroscience
- Neuropsychology
- Neuroimaging techniques (EEG)

3. Data Science

- Statistics
- Machine learning
- Predictive analytics
- Data visualization

4. Decision Science

- Judgment and decision-making

- Game theory
- Risk analysis
- Choice modeling

5. Marketing Science

- Econometrics
- Attribution modeling
- Marketing mix modeling
- Quantitative research

6. Communication Science

- Media effects theory
- Information diffusion
- Semiotics
- Linguistics

7. Computer Science & AI

- Algorithms
- Natural language processing
- Automation systems

- Computational modeling

8. Sociology

- Social structures
- Group behavior
- Cultural norms
- Identity formation

9. Anthropology

- Cultural anthropology
- Ethnography
- Symbolic systems
- Human behavior in context

10. Systems Science


- Systems thinking
- Network theory
- Complexity science
- Feedback loops

DANIEL
KAHNEMAN
WINNER OF THE NOBEL PRIZE IN ECONOMICS

Kahneman points out that **“We are not as rational as we think, and much of our behavior is shaped by invisible mental shortcuts.”**

THE NEW YORK TIMES BESTSELLER

THINKING,
FAST AND SLOW



DANIEL
KAHNEMAN
WINNER OF THE NOBEL PRIZE IN ECONOMICS

"[A] masterpiece. ... This is one of the greatest and most engaging collections of insights into the human mind I have read." —WILLIAM EASTERLY, Financial Times

Strength in Numbers: How Does Data-Driven Decisionmaking Affect Firm Performance?

33 Pages • Posted: 24 Apr 2011 • Last revised:

[Erik Brynjolfsson](#)

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[Heekyung Hellen Kim](#)

MIT - Sloan School of Management

Date Written: April 22, 2011

Abstract

We examine whether firms that emphasize decision and business analytics ("data driven decision making") outperform their peers in productivity and profitability. Using detailed survey data on the business information technology investments of 179 large, publicly traded firms, we find that firms that adopt DDD have output and productivity that is 5-6% higher than what would be expected given their other investments and information technology usage. Furthermore, the relationship between DDD and performance also appears in other performance measures such as asset utilization, return on equity and market value. Using instrumental variables methods, we find evidence that the effect of DDD on the productivity do not appear to be due to reverse causality. Our results provide some of the first large scale data on the direct connection between data-driven decision making and firm performance.

[Erik Brynjolfsson](#)

National Bureau of Economic Research (NBER); Stanford

[Lorin M. Hitt](#)

University of Pennsylvania - Operations & Information Management Department

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MIT - Sloan School of Management

“...data-driven decision-making outperform their peers in productivity and profitability...”





Thank You!

 **MMA**

Made in Kaiber.ai Music credit: Matt Simons

The logo features the letters 'MMA' in a bold, white, sans-serif font. To the left of the first 'M' is a graphic element consisting of three horizontal bars of equal length. The top two bars are grey, and the bottom bar is orange. The entire logo is centered on a solid blue background.

MMA

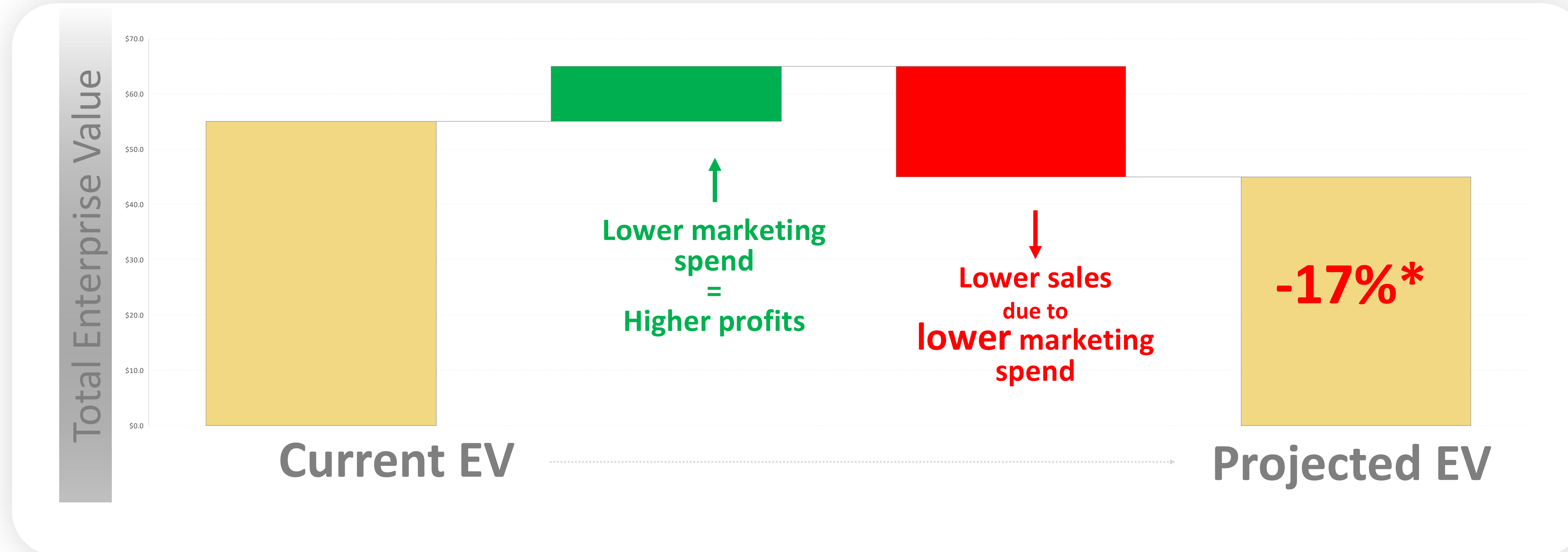
**Here to advance marketers'
knowledge and ability to create value.**

Together!



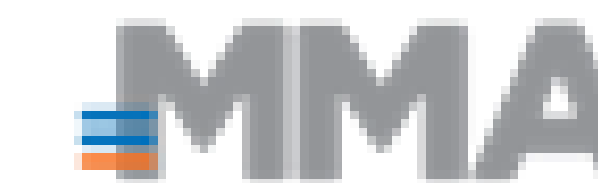
This is our Biggest Indictment

(We can't say what happens, with confidence, when marketing budgets are cut)



Retailer Example: MMM Vendors Report

*Directional but not validated. Likely MMM vendor over-claiming ROI by only calculating cost as direct media cost.
Actual likely closer to 8% to 10%



The Good News – There is Still a Lot of Room for IMPACT!

In fact, MMA projects that previous initiatives, if implemented, could add +10% to market valuation*

Equity Value of MMA Programs

- Estimated from publicly available data



Inputs		Kroger's Data	
	Company Actuals	Notes	
Company Revenue (\$M)	\$ 146,484	Trailing 12 Months (TTM)	https://finance.yahoo.com/quote/KR/financials=KR
EBITDA (%)	5.35%	Normalized EBITDA TTM	https://finance.yahoo.com/quote/KR/financials?p=KR
Net Income (%)	1.61%	Net Income from Continuing Operations TTM	https://finance.yahoo.com/quote/KR/financials?p=KR
Market Cap (\$B)	\$ 31.50	Feb 17 Close	https://finance.yahoo.com/quote/KR?p=KR
Stock Price (\$)	\$ 43.85	Feb 17 Close	https://finance.yahoo.com/quote/KR?p=KR
Price to Earning Multiple	13.84	Feb 17 Close TTM	https://finance.yahoo.com/quote/KR?p=KR
Share Outstanding (M)	754	Jul 31 2021 financials	https://finance.yahoo.com/quote/KR/financials?p=KR
YOY Revenue Growth (needed for MOSTT Calc)	4.07%	July 31 22 over 2021 financials	https://finance.yahoo.com/quote/KR/financials?p=KR

Base Case										
MMA Program Being Modeled	NA	CAP - AI	Moveable	Brand as	Quality	First Second	Multi-Touch	Marketing		
(A) Percentage of Marketing Budget Impact	NA	Personalization	Middles	Performance	Digital	Strategy	Attribution	Org -		
(B) Boost in Performance from Program	NA		Framework	Analysis	Ecosystem			Readiness		
		35%	100%	100%	25%	40%	40%	100%		
		149%	40%	25%	55%	65%	30%	25%		
Incremental Market Cap from MMA Mkt Program (\$)	\$ -	\$ 905,934,272	\$ 694,868,090	\$ 434,292,556	\$ 238,860,906	\$ 451,664,258	\$ 208,460,427	\$ 434,292,556	\$ 3,368,373,065	
New Share Price from MMA Mkt Program (\$)	\$ 43.85	\$ 45.07	\$ 44.78	\$ 44.43	\$ 44.17	\$ 44.46	\$ 44.13	\$ 44.43	\$ 48.38	
% Valuation Increase from MMA Mkt Program	NA	2.8%	2.1%	1.3%	0.7%	1.4%	0.6%	1.3%	10.3%	

* Estimated based on publicly available data

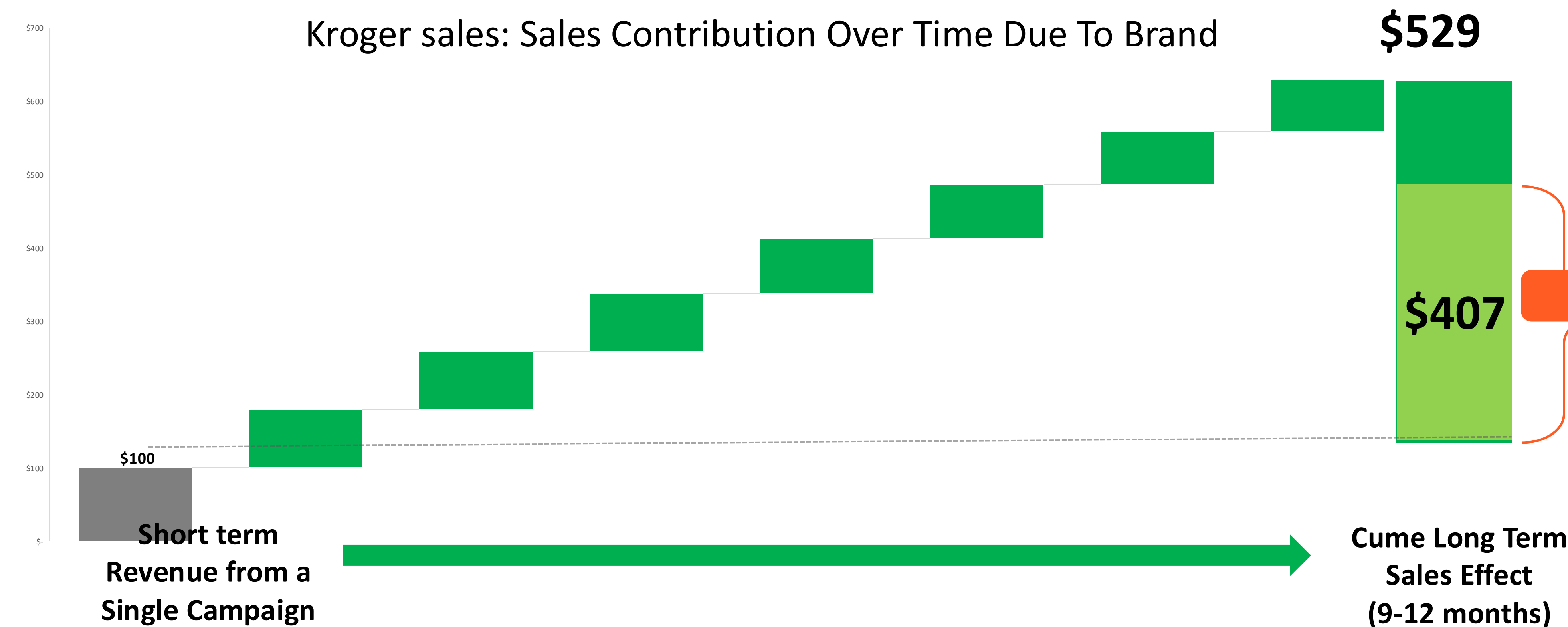
Company Revenue (\$M)	\$ 146,484	\$ 148,232	\$ 147,825	\$ 147,322	\$ 146,945	\$ 147,356	\$ 146,886	\$ 147,322	\$ 152,984
Expenses before EBITDA (\$M)	\$ 138,648	\$ 140,303	\$ 139,917	\$ 139,441	\$ 139,084	\$ 139,473	\$ 139,029	\$ 139,441	\$ 144,800
EBITDA (\$M)	\$ 7,836	\$ 7,930	\$ 7,908	\$ 7,881	\$ 7,861	\$ 7,883	\$ 7,858	\$ 7,881	\$ 8,184
Expenses after EBITDA (\$M)	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478	\$ 5,478
Net Income (\$M)	\$ 2,358	\$ 2,452	\$ 2,430	\$ 2,403	\$ 2,383	\$ 2,405	\$ 2,380	\$ 2,403	\$ 2,706
Calculated P/E Ratio	13.84								
Implied Market Cap - Price in P/E ratio (\$)	\$ 32,634,720,000	\$ 33,928,911,817	\$ 33,627,388,700	\$ 33,255,137,937	\$ 32,975,949,865	\$ 33,279,954,655	\$ 32,932,520,610	\$ 33,255,137,937	\$ 37,446,681,521
Implied Market Cap Increase (\$)	\$ -	\$ 1,294,191,817	\$ 992,668,700	\$ 620,417,937	\$ 341,229,865	\$ 645,234,655	\$ 297,800,610	\$ 620,417,937	\$ 4,811,961,521
Reduced Market Cap Increase by 30%		\$ 905,934,272	\$ 694,868,090	\$ 434,292,556	\$ 238,860,906	\$ 451,664,258	\$ 208,460,427	\$ 434,292,556	\$ 3,368,373,065
New Market Cap (\$)	\$ 32,634,720,000	\$ 33,540,654,272	\$ 33,329,588,090	\$ 33,069,012,556	\$ 32,873,580,906	\$ 33,086,384,258	\$ 32,843,180,427	\$ 33,069,012,556	\$ 36,003,093,065
Earnings (\$)	\$ 2,358,000,000	\$ 2,451,510,969	\$ 2,429,724,617	\$ 2,402,827,886	\$ 2,382,655,337	\$ 2,404,621,001	\$ 2,379,517,385	\$ 2,402,827,886	\$ 2,705,685,081
Incremental Market Cap from MMA Mkt Program (\$)	\$ -	\$ 905,934,272	\$ 694,868,090	\$ 434,292,556	\$ 238,860,906	\$ 451,664,258	\$ 208,460,427	\$ 434,292,556	\$ 3,368,373,065
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% Valuation Increase from MMA Mkt Program	NA	2.8%	2.1%	1.3%	0.7%	1.4%	0.6%	1.3%	10.3%

1. Sales from Brand campaigns long term?...

For the first time ever, we know the FULL compounding economic effect of Brand marketing over time.

CMOs and CFOs have never had this knowledge.

What happens when they do?



7x!

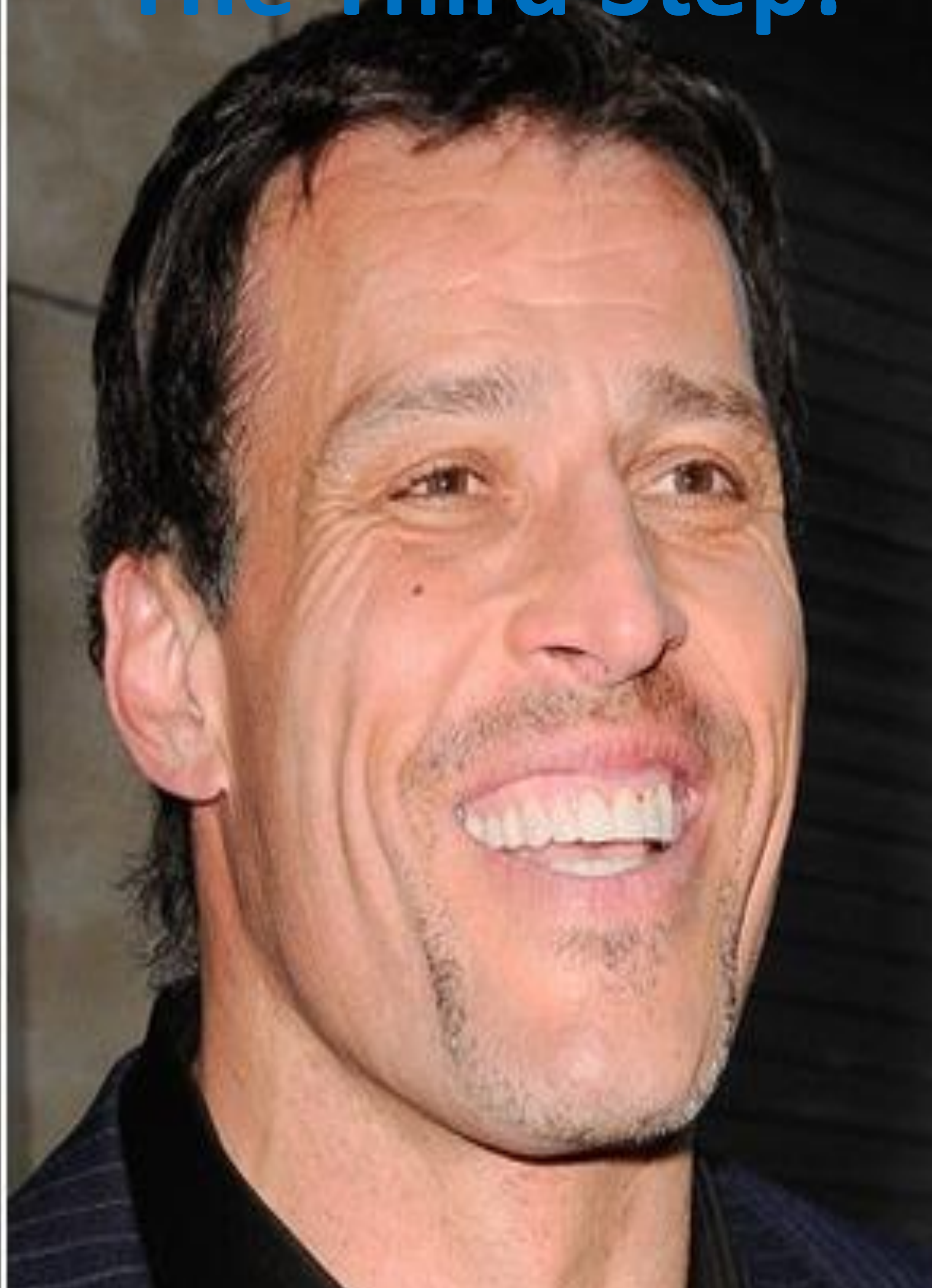
**MMA is committed to make marketers stronger,
more impactful, through better knowledge**

**KNOWLEDGE
IS POWER**



Footnote: MMA Global is a Non-Profit Industry Body for the Greater Good of Marketers & CMOs

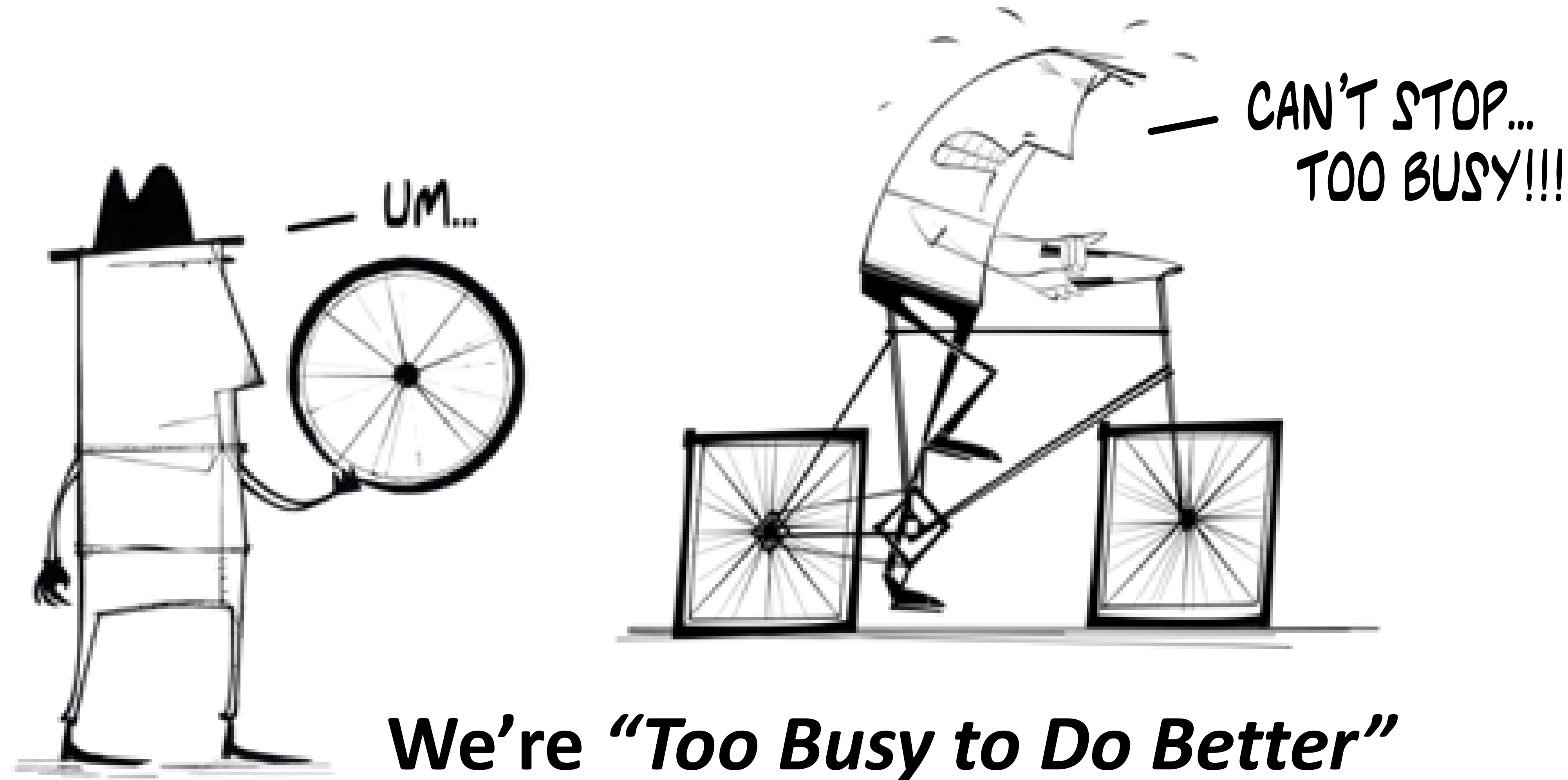
The Third Step:



Knowing is not enough! You must
take action.

— *Tony Robbins* —

**The First Step: Because you are here,
you are NOT *too busy to do better***



We're "*Too Busy to Do Better*"