MMA

THE GREAT DEBATE
Marketing Growth Frameworks

MARKETING SCIENCE ADVISOR
neustar®

MMA

THE GREAT DEBATE
Marketing Growth Frameworks

Hosted by:
Joanna O'Connell
FORRESTER

MARKETING SCIENCE ADVISOR
neustar

6 GROWTH FRAMEWORKS | **4** PANEL DEBATES | **24** MARKETING EXPERTS

ALL THE MARKETING GROWTH FRAMEWORKS IN ONE PLACE.

Join the Debate: #MarketingGrowthDebate

DR. PETER FADER
Wharton School of the University of Pennsylvania
JUNE 24

Customer Centricity

DR. DOMINIQUE HANSSENS
UCLA Anderson Graduate School of Management
JULY 29

Long-Term Impact of Marketing

BYRON SHARP
University of South Australia & The Ehrenberg-Bass Institute
SEPTEMBER 14

How Brands Grow

JOEL RUBINSON
Former Chief Research Officer Advertising Research Foundation
OCTOBER 14

Outcomes-Based Marketing

LESLIE WOOD
Chief Research Officer NCSolutions
OCTOBER 29

Building Brands: The Keys to Success

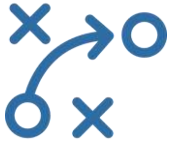
JARED SCHRIEBER
Founder InfoScout, Now Numerator
DECEMBER 1

How to Grow Brands: Findings From 1B Shopping Trips

SUMMARY SESSION

NEW

STRATEGIC SUMMARY & ANALYSIS
JANUARY 27



EY

FOUR PANEL DEBATES

ANALYTICS DEBATE
FEBRUARY 17
MOLSON COORS beverage company
+ More

MARKETER DEBATE
MARCH 31
Kroger DIAGEO
BANK OF AMERICA
+ More

NEW

THOUGHT LEADER DEBATE
APRIL 28

CMO DEBATE
MAY
P&G + More

Brand as Performance (BaP): Research Program

What is the fundamental relationship between Brand and Performance Marketing?

Program Overview:

- The **Great Marketing Growth Debate series sprang out of this project** with the goal to help marketers to understand the leading marketing growth theories
- Key elements of these theories will be tested as part of the BAP studies:
  - Importance of **reach and mass marketing** (Byron Sharp)
  - **Customer centricity** and the need to focus on the right customers (Dr. Peter Fader)
  - Role of the **movable middle** and outcome-based marketing (Joel Rubinson)

CVS Health

MOLSON COORS beverage company

YOUR LOGO HERE
contact us

Interested To Be The 3rd Marketer?
Contact: Greg Stuart
greg@mmaglobal.com

Latest Status:

- Study has been reviewed by over 50 marketers
- The topic of brand & performance compelling to EVERYONE, including every CMO
- 2 of 3 participating marketers identified: CVS & Molson Coors
- Expected execution in early 2021 (Covid paused the start)

FACEBOOK

Google

verizon media

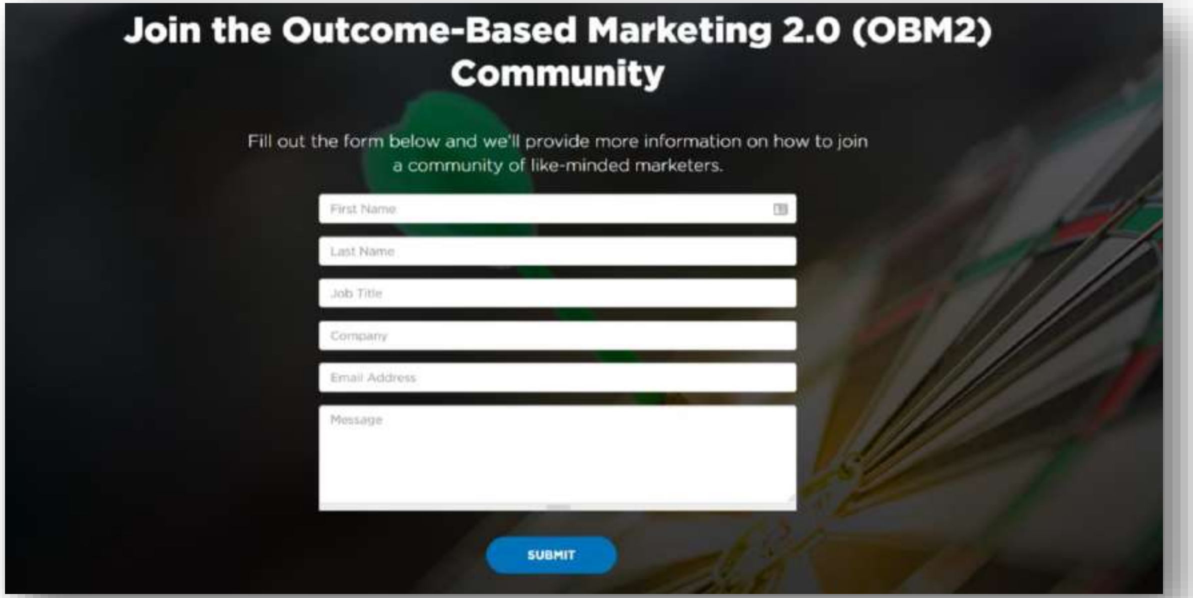
Outcome-Based Marketing 2.0 (OBM): Whitepaper & Institute

Outcome-Based Marketing Whitepaper to be released shortly. More information will be sent via email, but to learn more about research, visit:

mmaglobal.com/OBM

Interested to get involved?
Join our OBM institute!

- Join by filling out the form OR
- Email **OBM@mmaglobal.com**



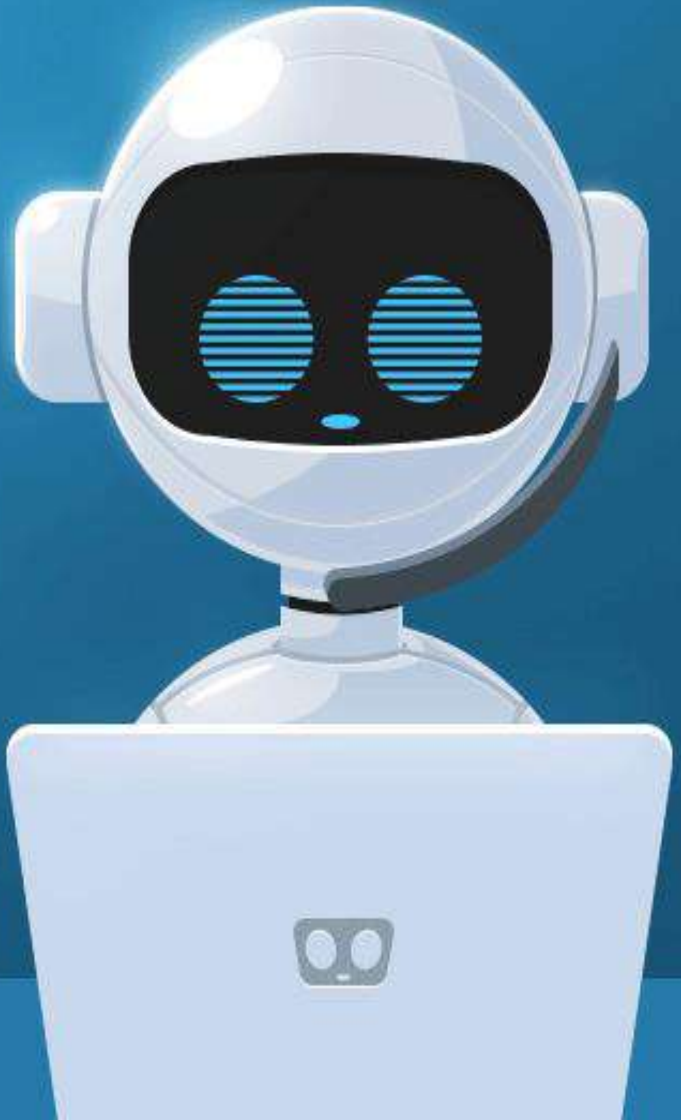
Today’s Speakers

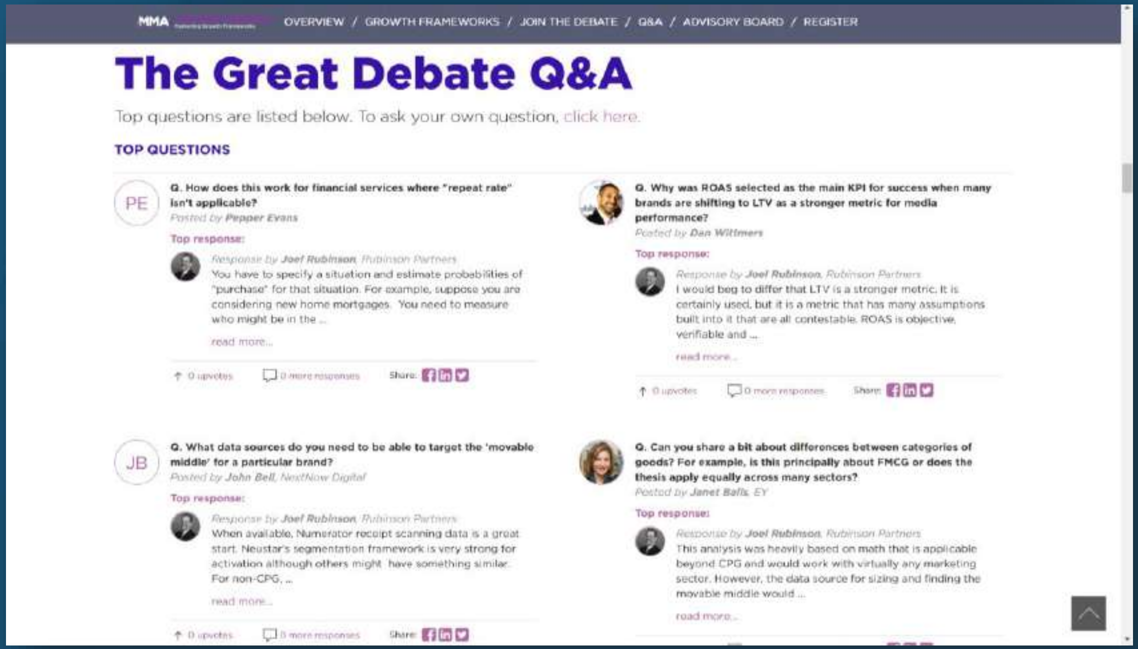
Jared Schrieber
Founder of InfoScout,
Now Numerator

Joanna O’Connell
Vice President, Principal Analyst
Forrester

Marc Vermut
Vice President, Marketing Solutions
Neustar

Asking Questions, Sharing Insights





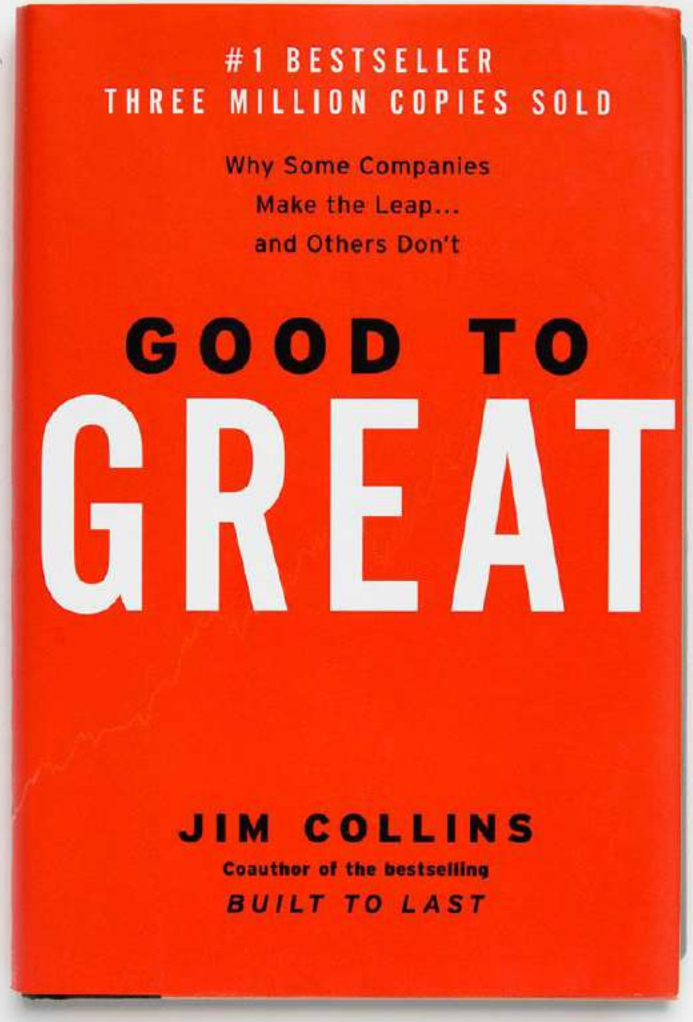
mmaglobal.com/MarketingGrowthQA
#MarketingGrowthDebate

The Brand Growth Flywheel ™
New Findings from the Study of
1 Billion Shopping Trips

Jared Schrieber

Founder of InfoScout,
Now Numerator

Inspiration & Approach



EXCEPTIONAL GROWTH COMPANIES		PAIRED LOSING COMPANIES
Abbott	→	Upjohn
Kimberly-Clark	→	Scott
Walgreens	→	ECKERD
PHILIP MORRIS INTERNATIONAL	→	R.J. REYNOLDS TOBACCO

The Study

58 Winning Brands

&

58 Matched Losing Brands

$30MM+

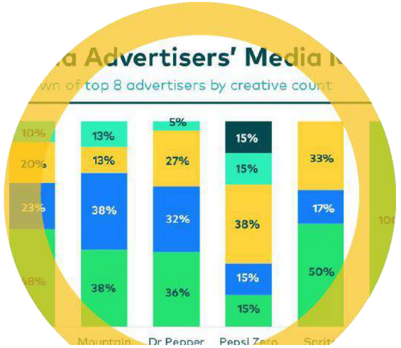
&

+1.5% Share

About the Data & Primary Sources

Numerator OmniPanel

- 450k+ US panelists
- 1 billion+ trips captured
- 44k+ retailers tracked
  - All B&M + eCommerce
- 20k+ brands tracked
- 2 million+ trigger surveys



Numerator Ad Intel

- 22 media types
- 810k+ unique ads /yr
- 145M+ impressions /yr
- $150B+ in US ad spend /yr

Numerator Promotions Intel

- 1,450+ retailers
- 1,100+ categories
- 200k+ circular ad blocks coded per week

BERA

- 4,000+ brands
- 200+ industry sectors
- Continuous, syndicated brand equity measures

Lit. Review

- Peer-reviewed empirical research from leading journals
- Case studies from books & industry publications

Every brand at every retailer with every ad and promotion

Today's Paradigm

Sales Decomposition Tree

What are the consumer dynamics driving total sales for my brand?

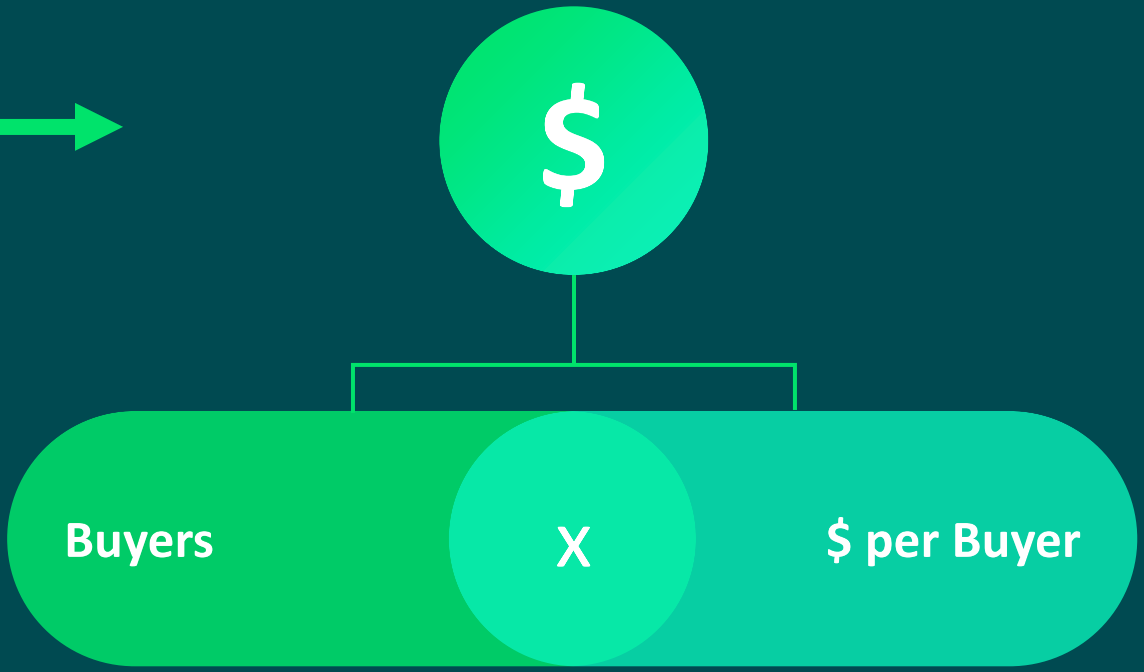
How many households are buying my brand?

Measure: Household Penetration

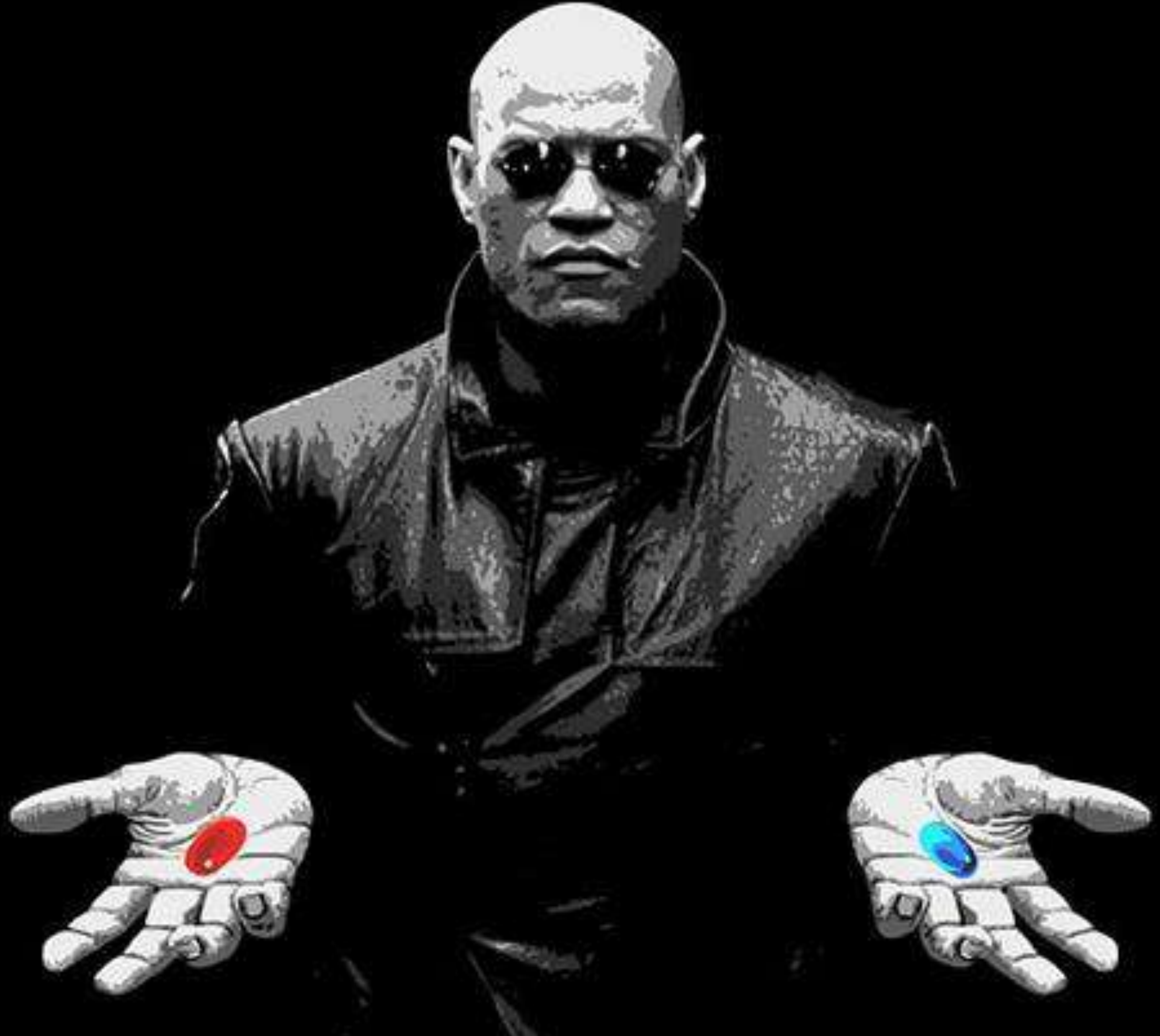
X

How much is each household buying?

Measure: Buying Rate



Source: CPGDATAINSIGHTS.com



ACQUISITION LOYALTY

FALSE DICHOTOMY

THERE ARE MORE THAN TWO OPTIONS

Valid Approaches to Sales Decomposition

$ = Buyers x $ per Buyer

= Trips x $ per Trip

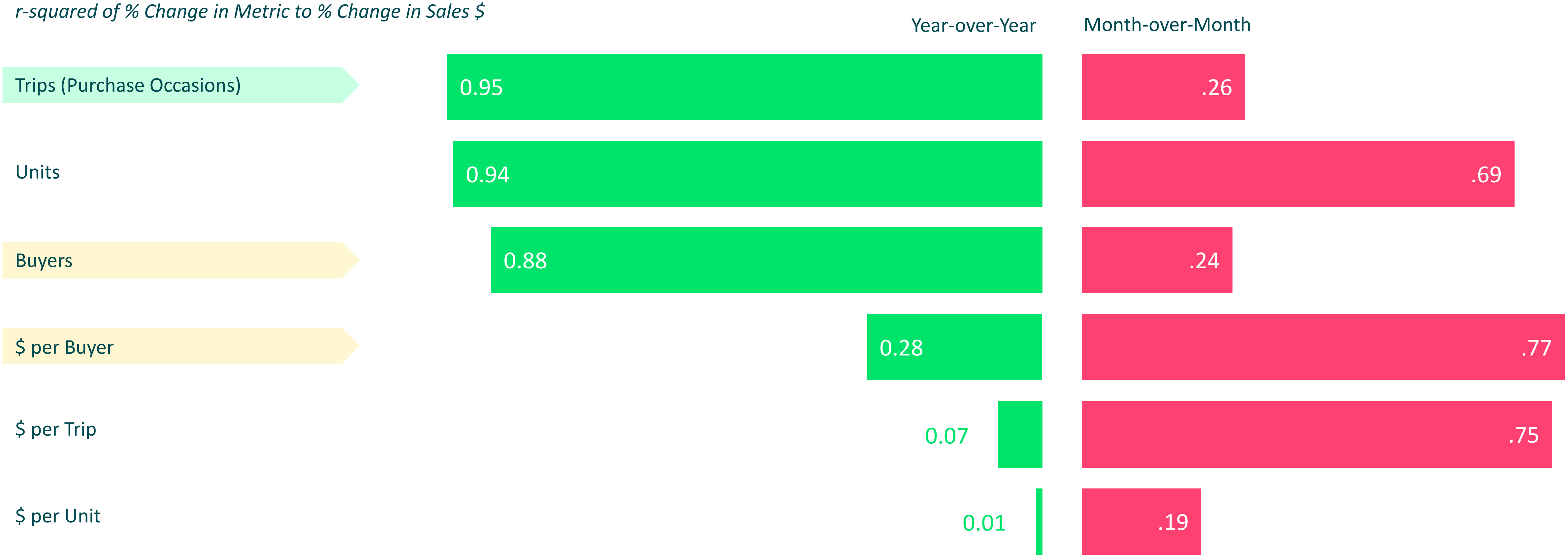
= Units x $ per Unit

Which of these metrics best explain changes in brand $ sales & market share YoY?

Buyers vs. Trips vs. Units Sold

Which metrics best explain changes in Sales $ by time period studied?

58 WINNING & LOSING BRAND PAIRS from 2016-2019
r-squared of % Change in Metric to % Change in Sales $

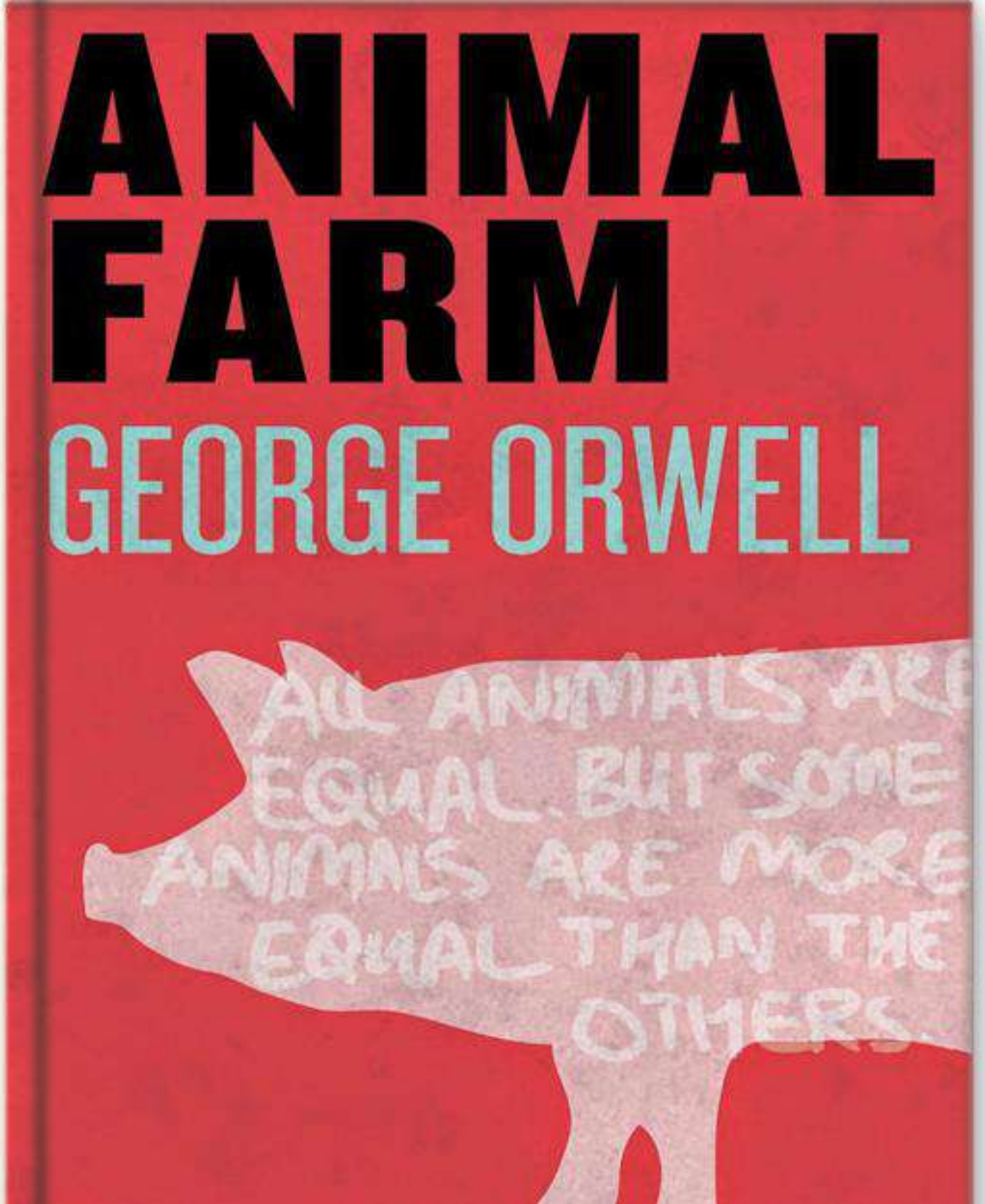


Source: Analysis of Numerator OmniPanel data. R-squared value for Buyers drops significantly when looking at all brands across categories versus just Winners & Losers

BYRON SHARP CLAIMS:

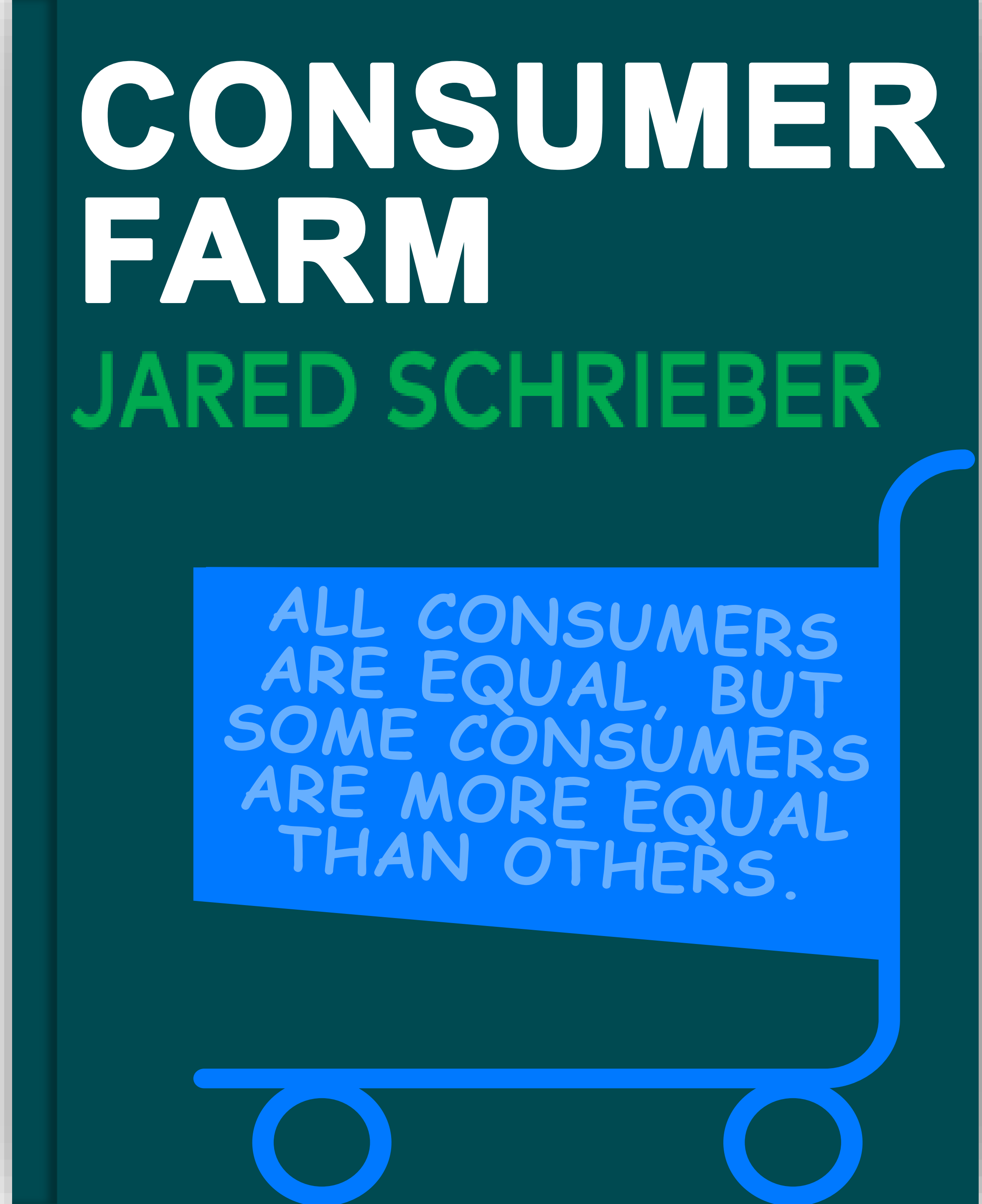
To date, nobody has seriously challenged his findings.

OOOH, THE ANTICIPATION!



All animals are equal, but some animals are more equal than others.

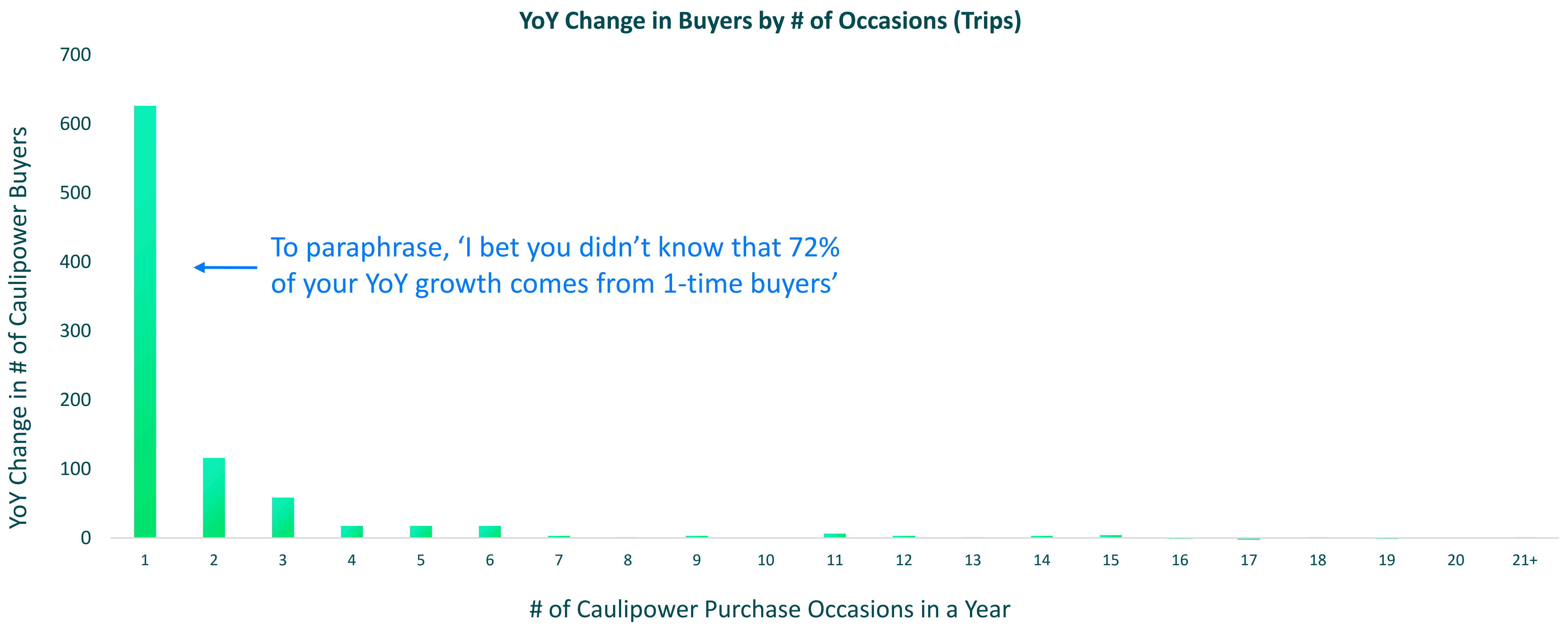
George Orwell



All consumers are equal, but some consumers are more equal than others.

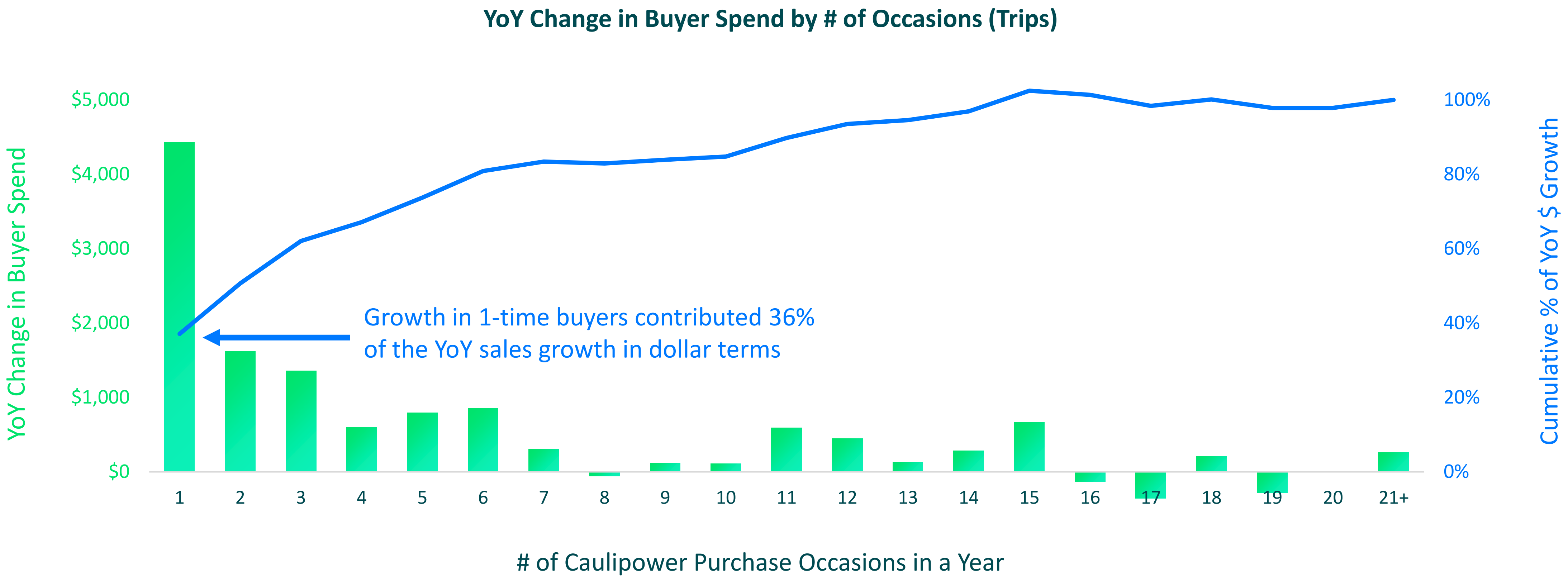
Jared Schrieber

Re-creation of Byron Sharp's 'Growth via Light Buyers'



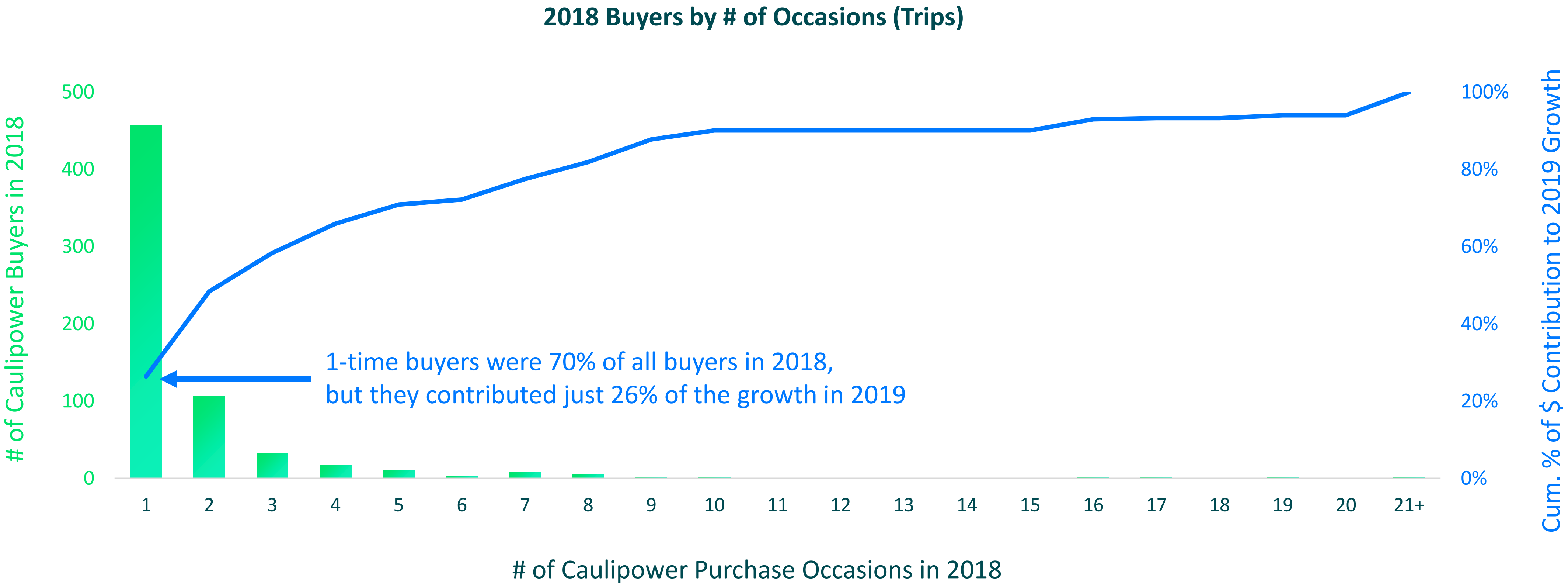
Source: Analysis of raw data from Numerator OmniPanel - Caulipower Frozen Pizza from 2018 to 2019

What is the $ contribution of those light buyers?



Source: Raw Data from Numerator OmniPanel - Caulipower Frozen Pizza from 2018 to 2019

How did buyers in 2018 contribute to 2019 $ growth?



Source: Raw Data from Numerator OmniPanel - Caulipower Frozen Pizza from 2018 to 2019

CAULIPOWER

Are light buyers equally important to win?

	Proportion of Buyers	% of Spend in 2018	$ per Buyer in 2018	$ per Buyer in 2019
One-Time Buyers in 2018	70%	35%	$7.17	$3.05
Repeat Buyers in 2018	30%	65%	$32.08	$20.28
			4.5X	**6.6X**

Source: Raw Data from Numerator OmniPanel - Caulipower Frozen Pizza from 2018 to 2019

But how can we
know in advance which
buyers will become repeat,
heavy buyers of our brand?

Are all prospective buyers really equal?

Heavy category buyers were **2X** more likely to convert and spent **3.3X** more than Light category buyers

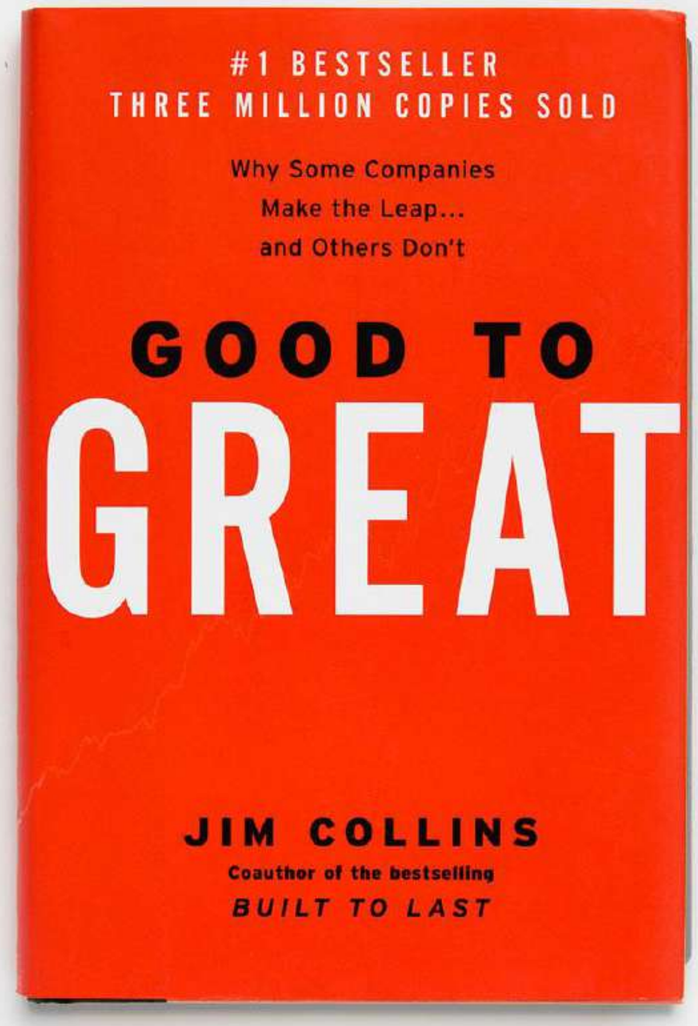
	Proportion of Category Buyers in 2017	% of Caulipower Buyers in 2018	% of Caulipower Spend in 2018
Heavy Category Buyers in 2017	33%	41%	52%
Light Category Buyers in 2017	33%	21%	16%
		2.0X	**3.3X**

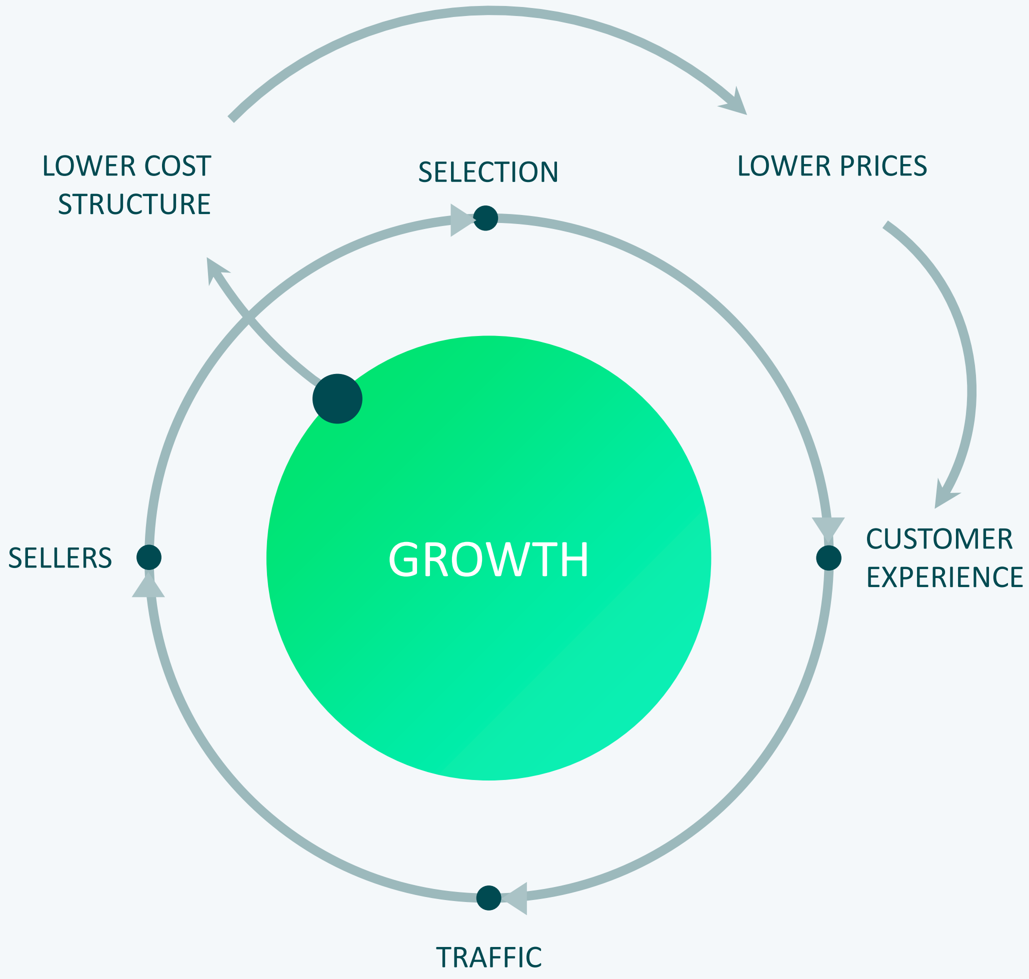
Note: These same ratios are nearly identical when comparing 2018 to 2019 as well. Similar ratios found for other brands & categories.

CAULIPOWER

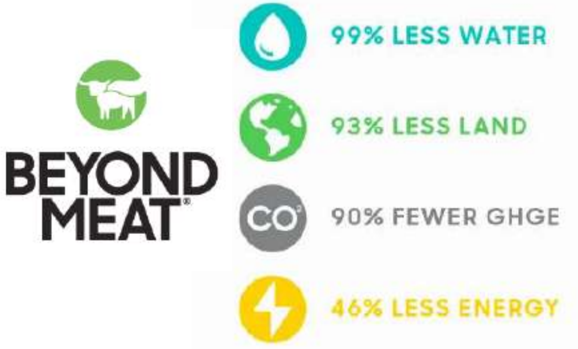
The Brand Growth Flywheel™

The Flywheel Effect





People



Key

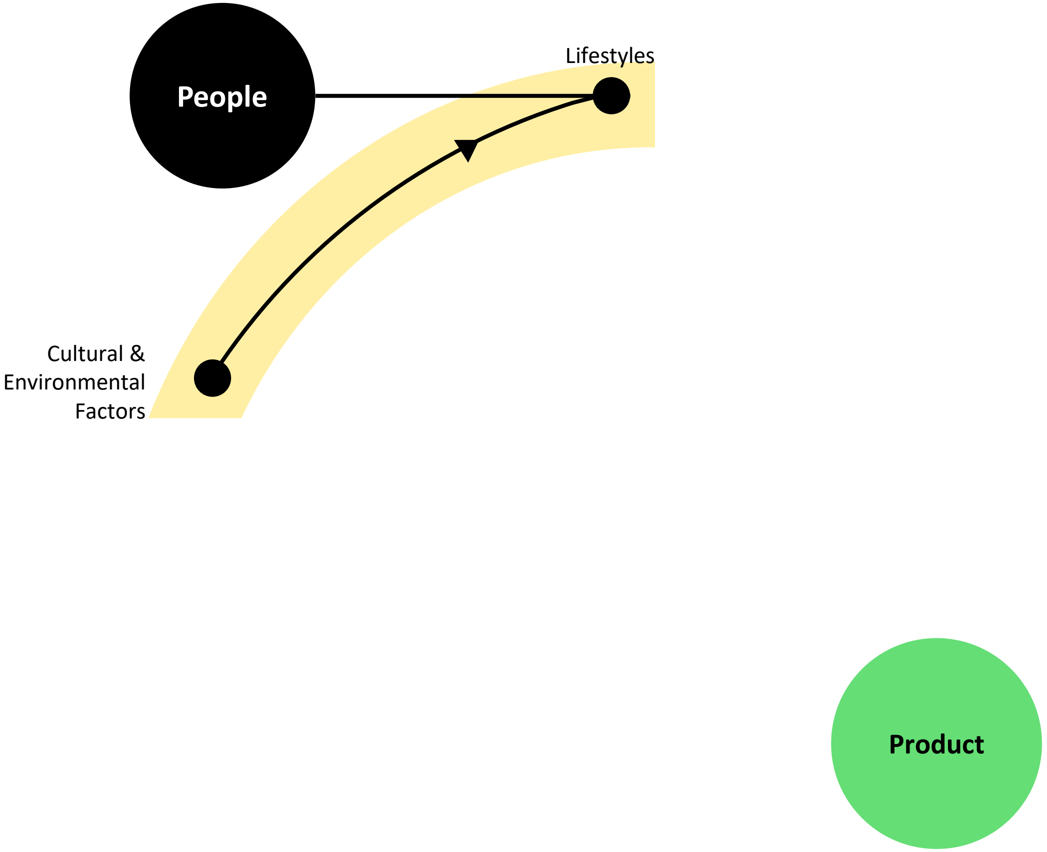
- People

People

Product

Key

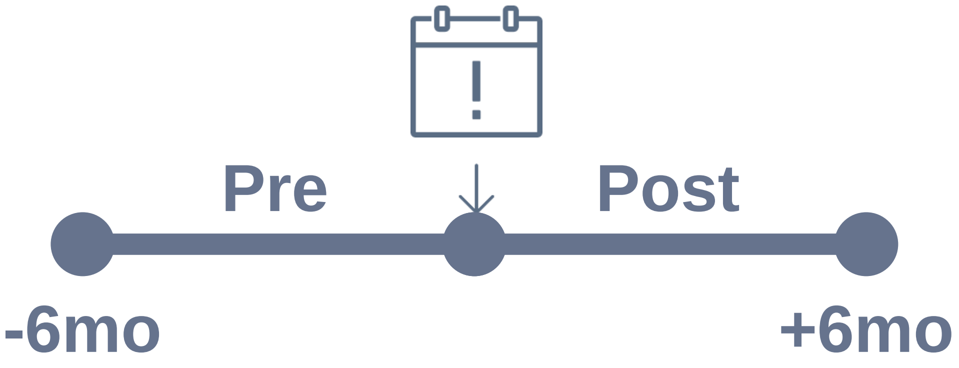
- People
- Product



Key

- People
- Product

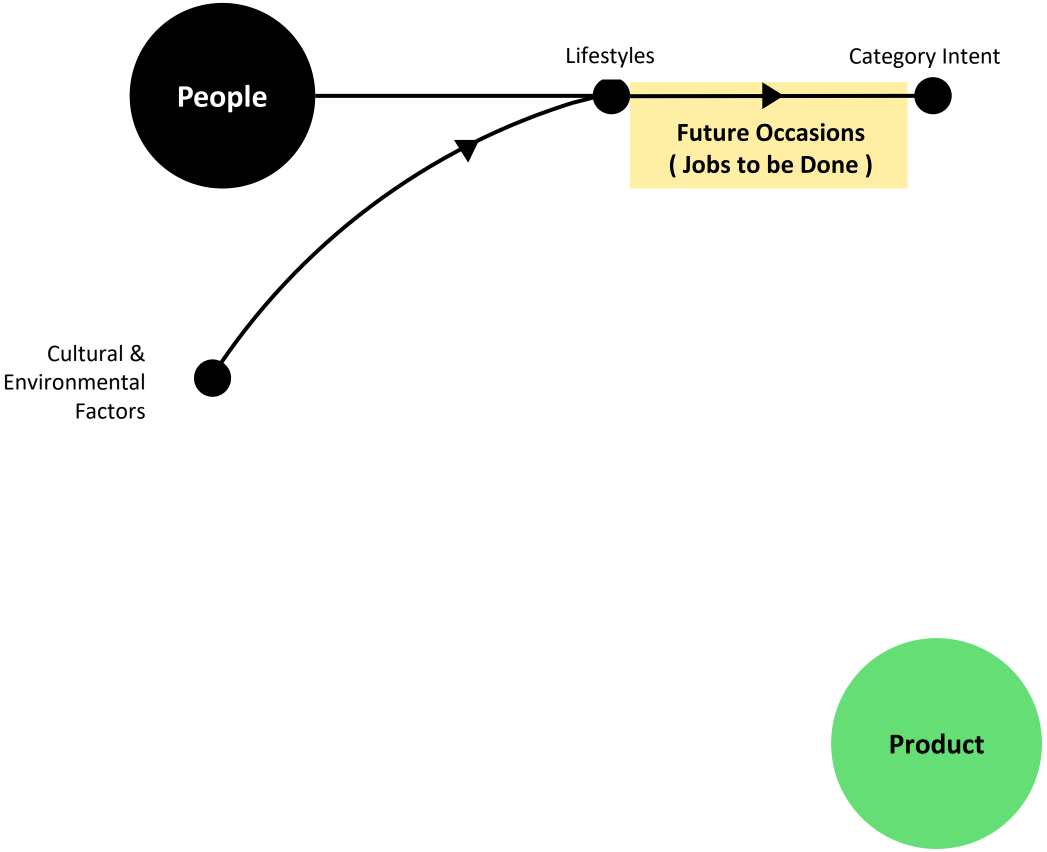
Lifestyle Changes



$$\text{Index} = \frac{\text{Post}}{\text{Pre}} \times 100$$

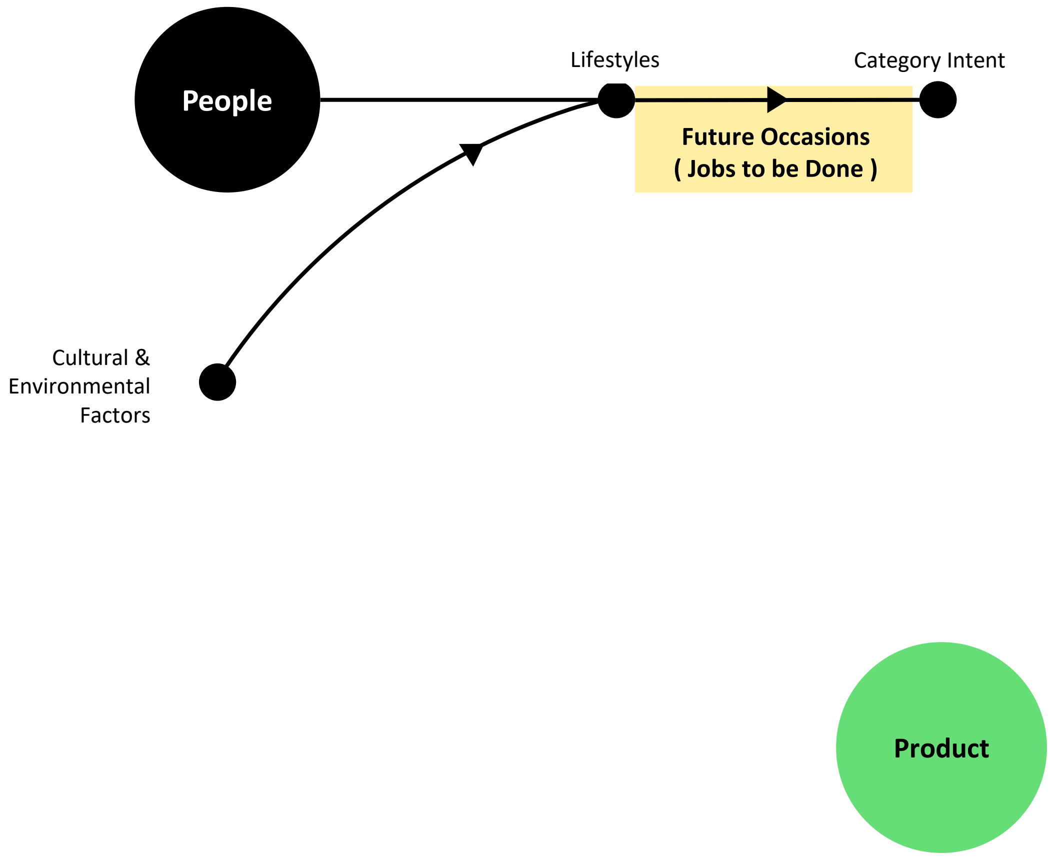
	Amazon Spend Index (Pre-Post)
Had/Expecting my first child	146
Stopped Dating someone	144
Bought my first house/condo	130
Got Divorced	120
Upsized: Moved into a larger place (house, condo, apt)	112
Started School	112
Got my first job	101
Received a promotion	98
Had/Expecting another child	97
Started Dating someone	94
Got Married	94
Child moved out of house	92
Faced major financial hardships	91
Got a new job	86
Downsized: Moved into a smaller place (house/condo/apt)	84
Became an empty-nester (all kids out of house)	75
Moved >50 miles away	74
Went on Maternity/Paternity leave	73
Retired from work	55

Source: Numerator OmniPanel Survey of N=5,062 combined OmniPanel Purchase Data of N=2.5M trips



Key

- People
- Product



Key

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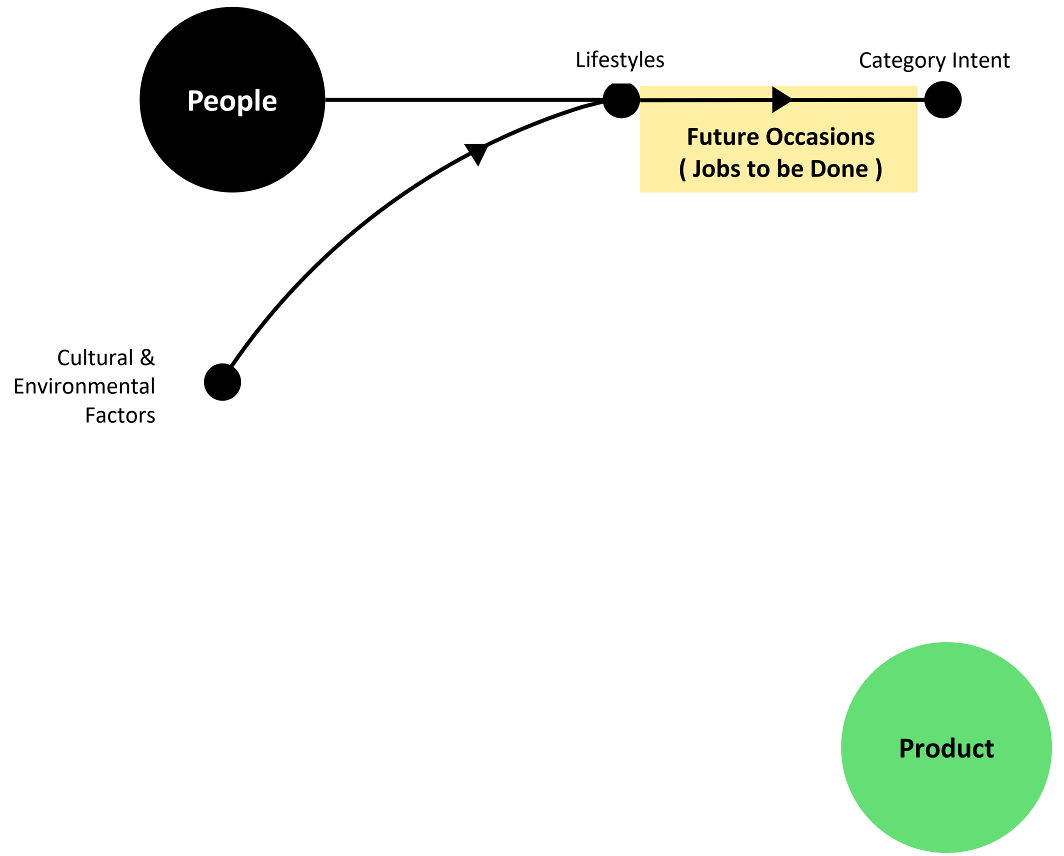
- Product



Key

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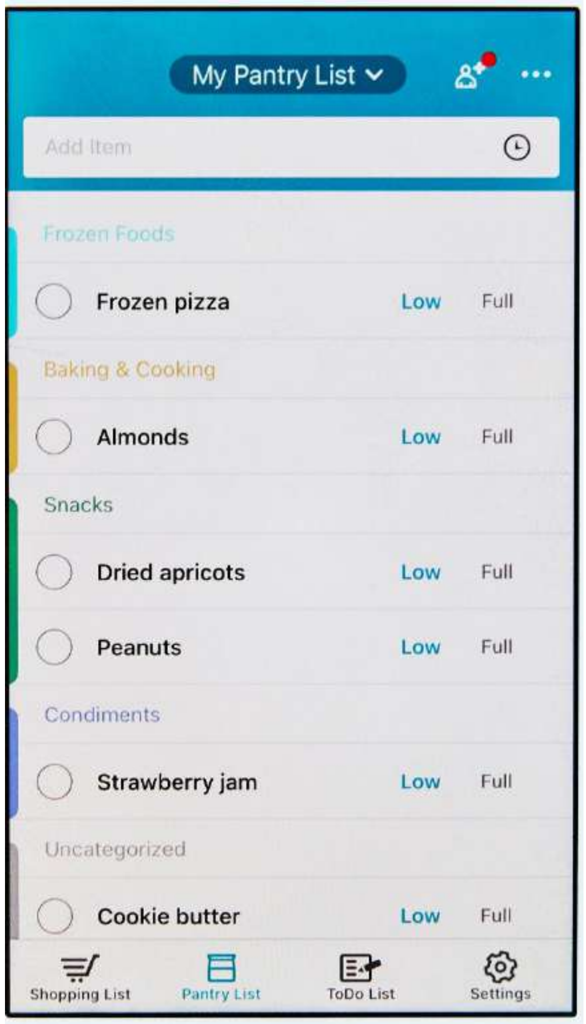
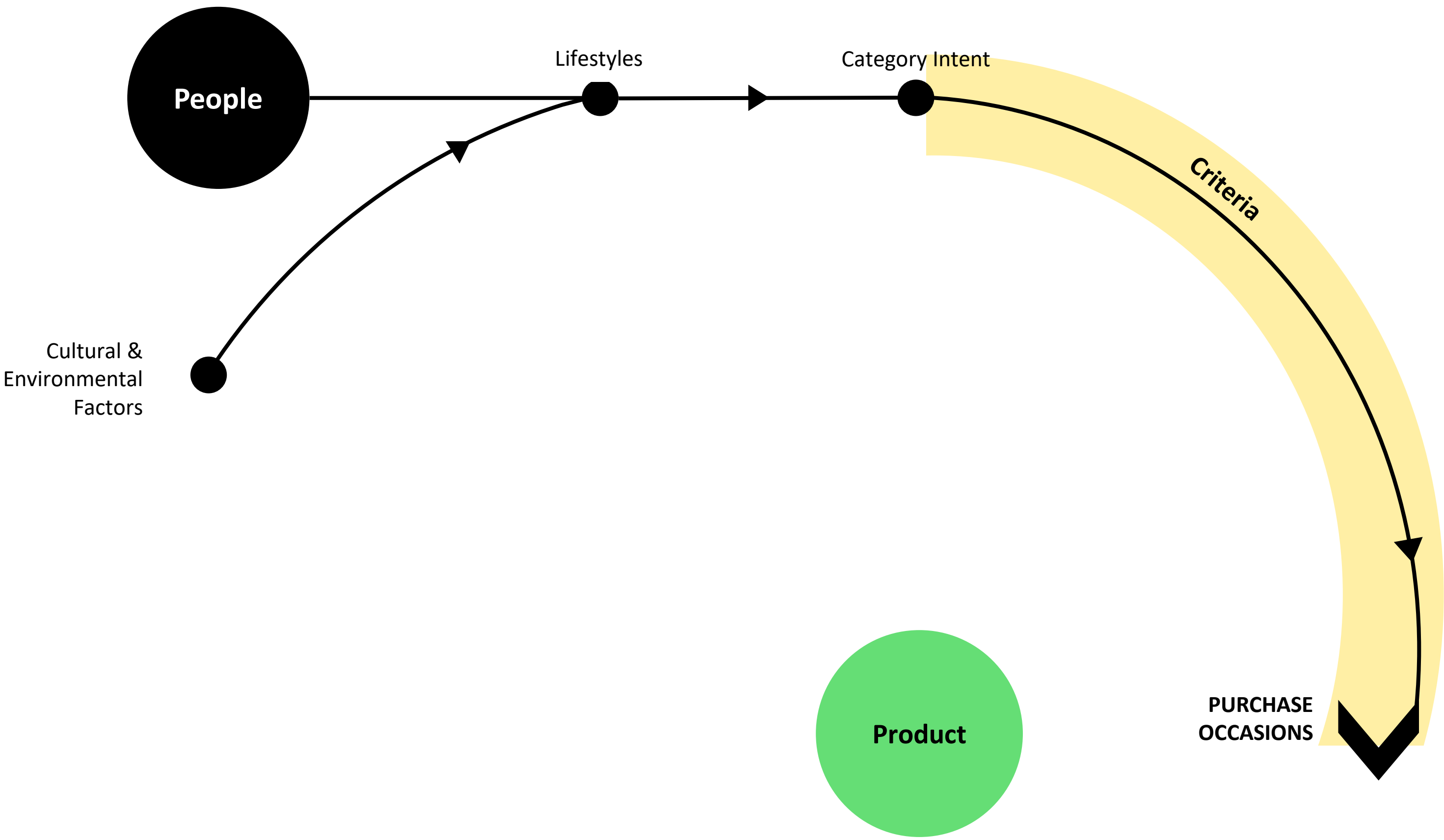
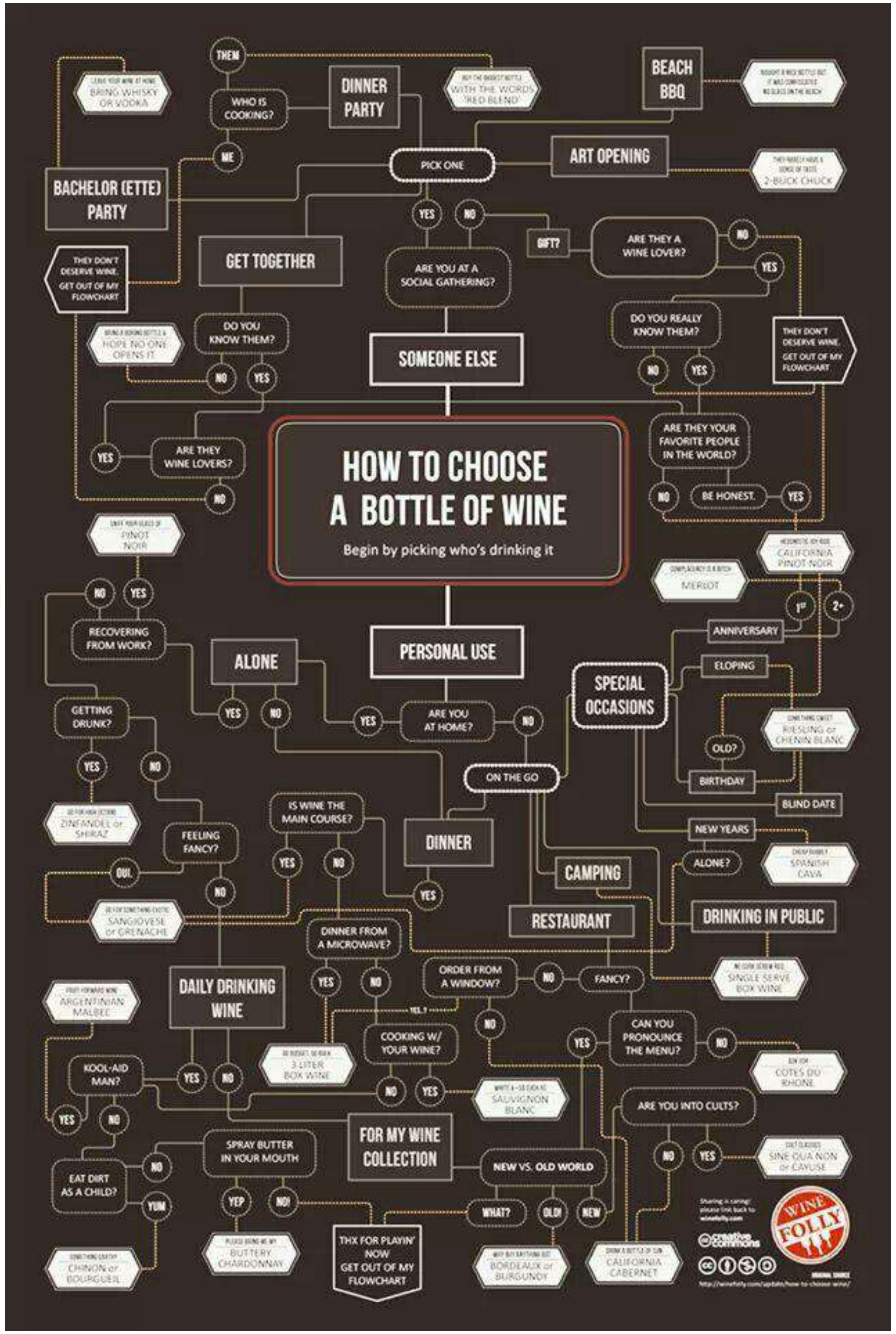


Installs
5,000,000+

Consumers don't *intend* to buy brands…

Source: Top 1000 most common shopping list entries in the Out of Milk app. Size = Frequency of occurrence. Colors = Product Category, Generic Brand representing a category, or Specific Brand.





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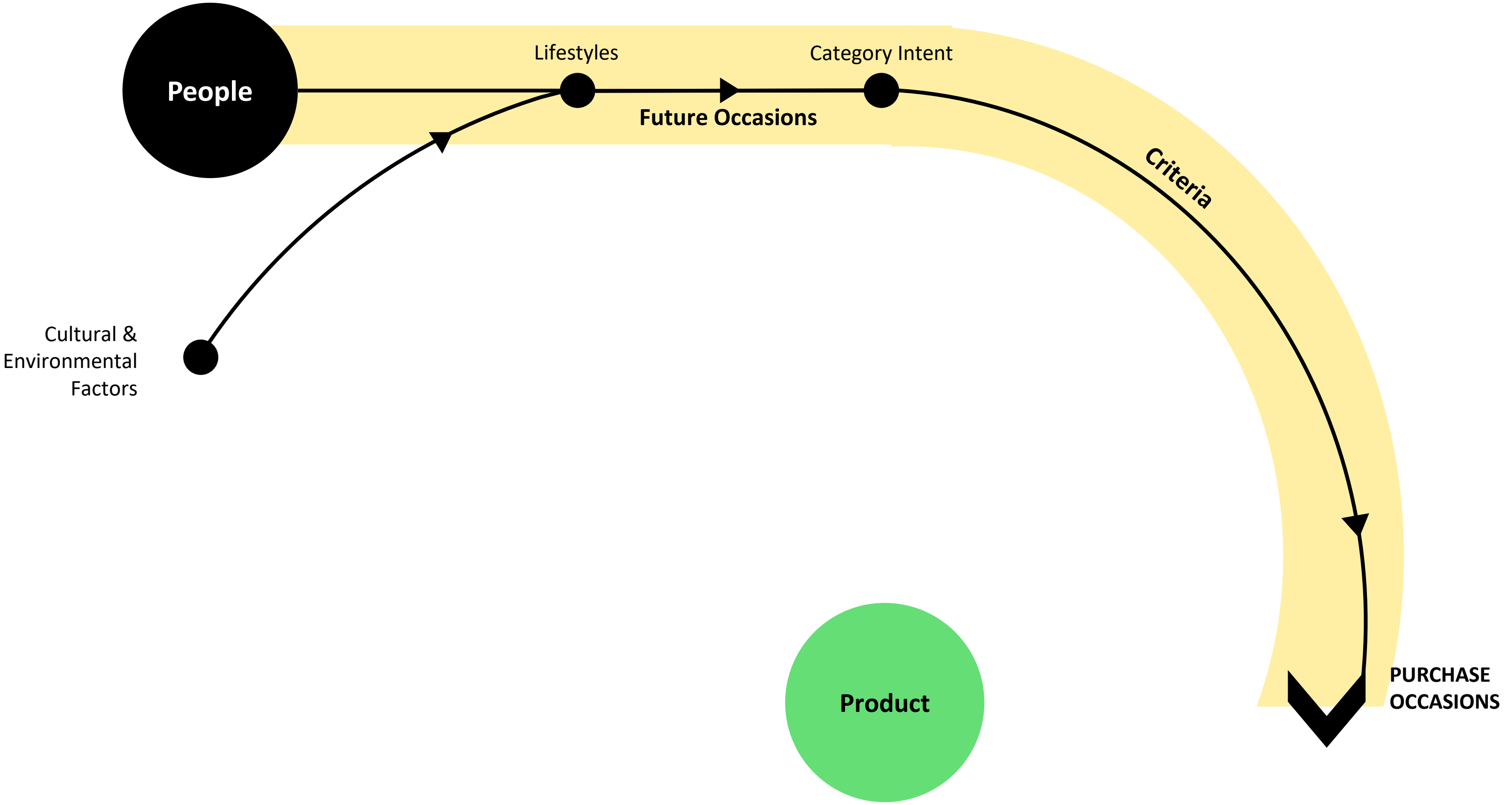


Key

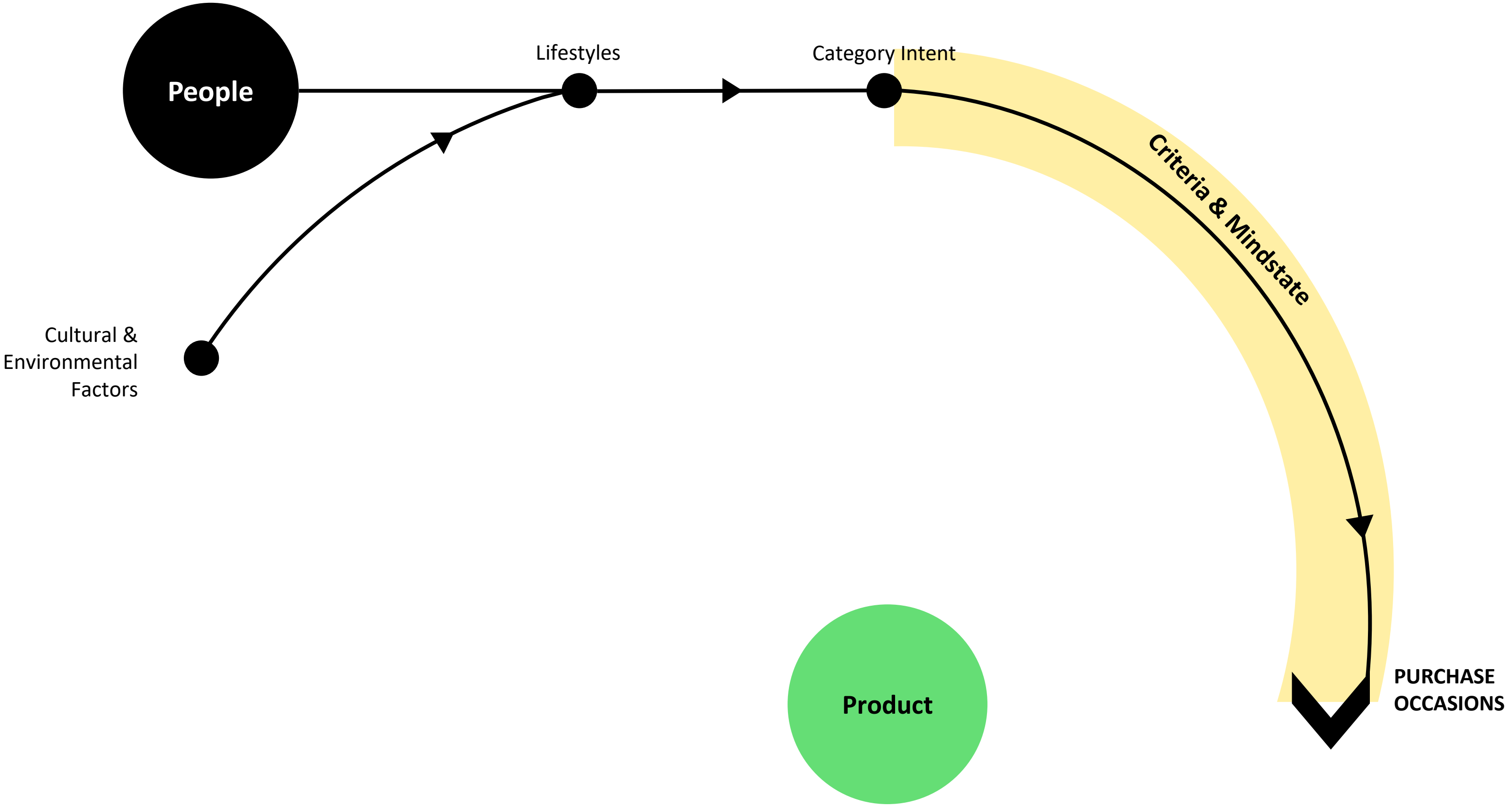
- People
- Product

Winning Brands Attract 43% More New Category Buyers Than Their Fair Share, but Steal Smaller Shares From Big Brands

Source: Current study of 58 pairs of Winning & Losing Brands via Numerator OmniPanel; Fair Share is volume weighted versus their paired Losing Brands.

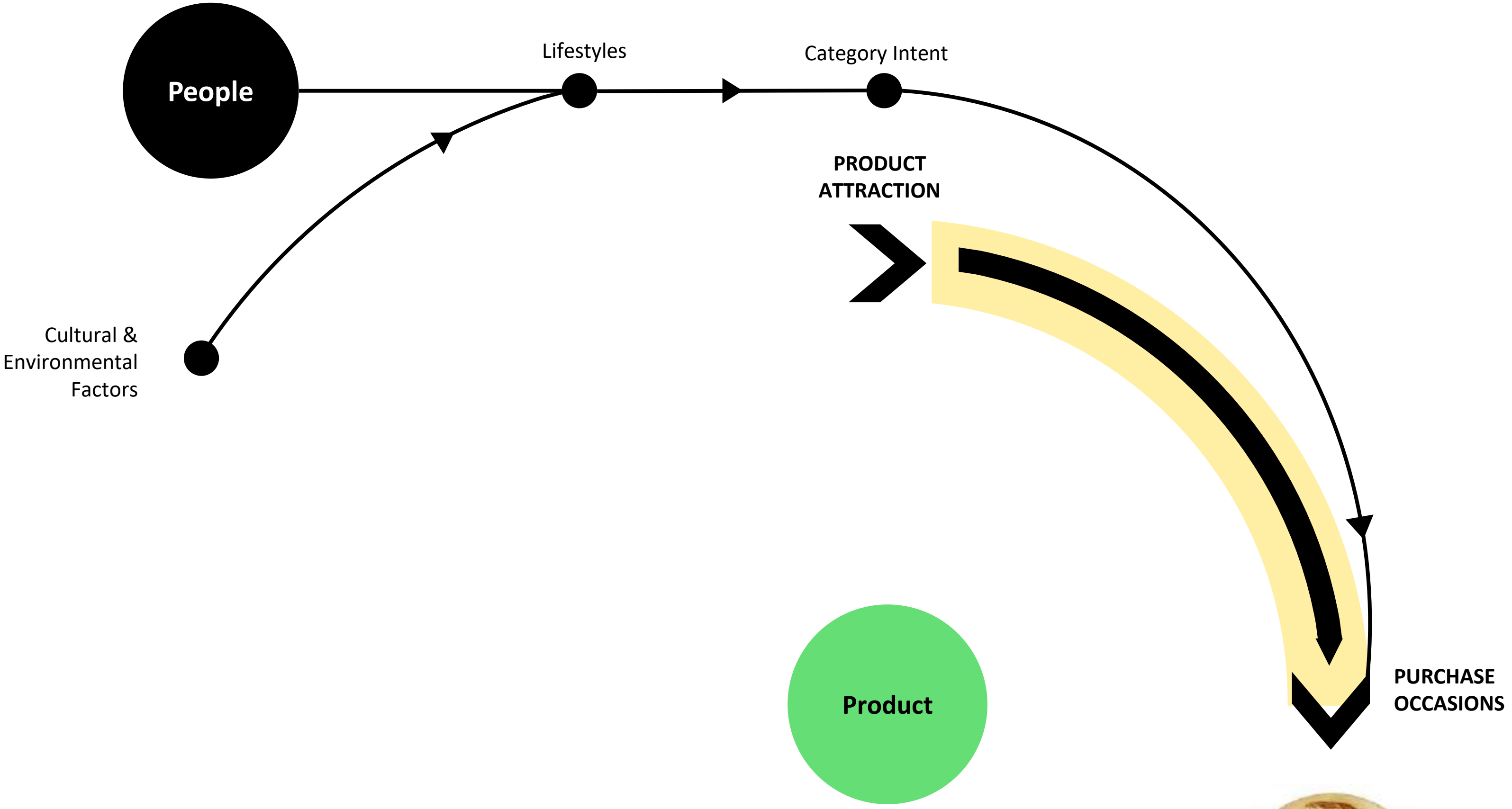
Key Takeaway

Winning Brands Win Occasions That Grow Categories



Key

- People
- Product



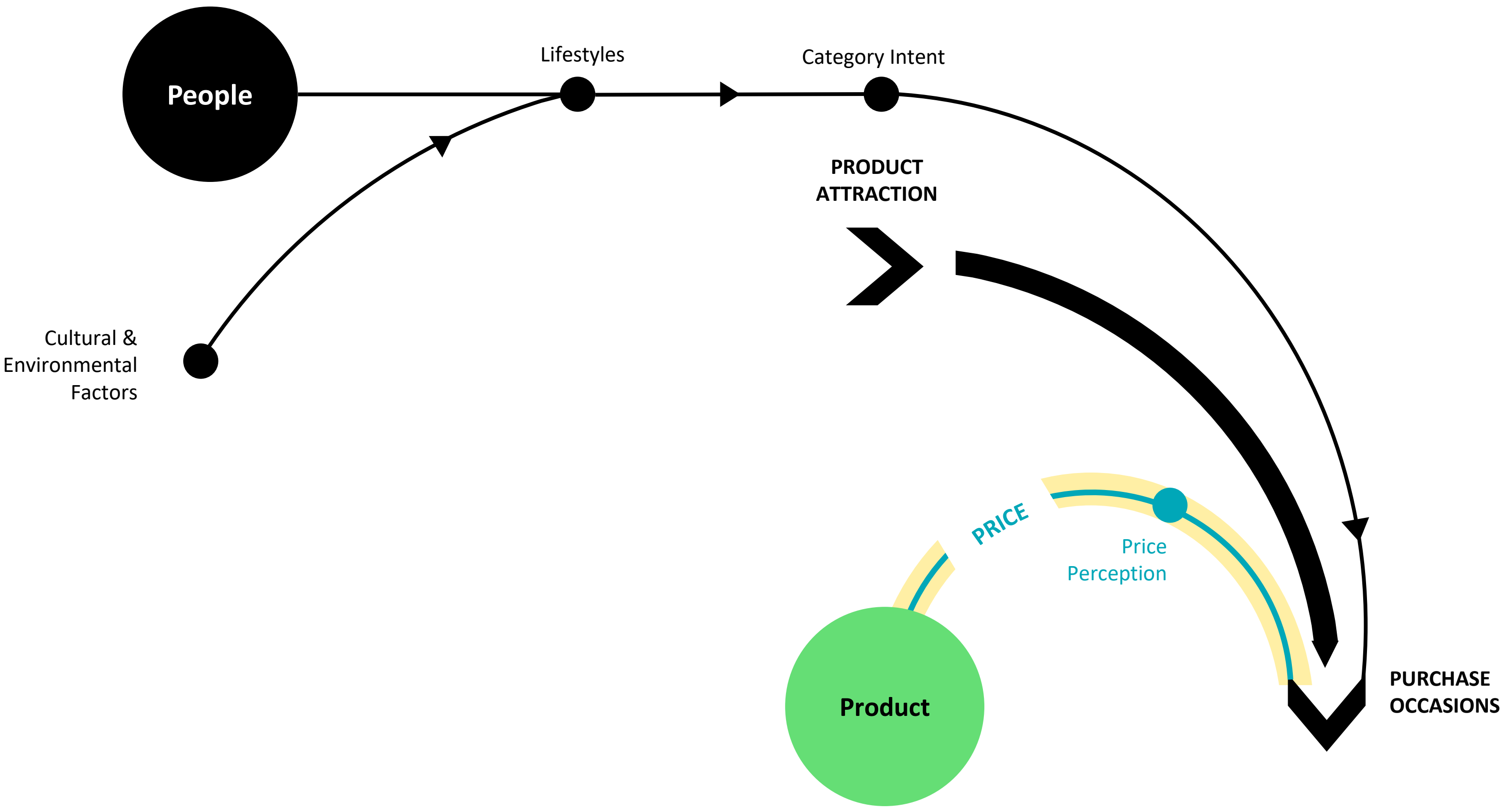
Key

People

Product

Will this get the job done?
aka
Utility Satisficing

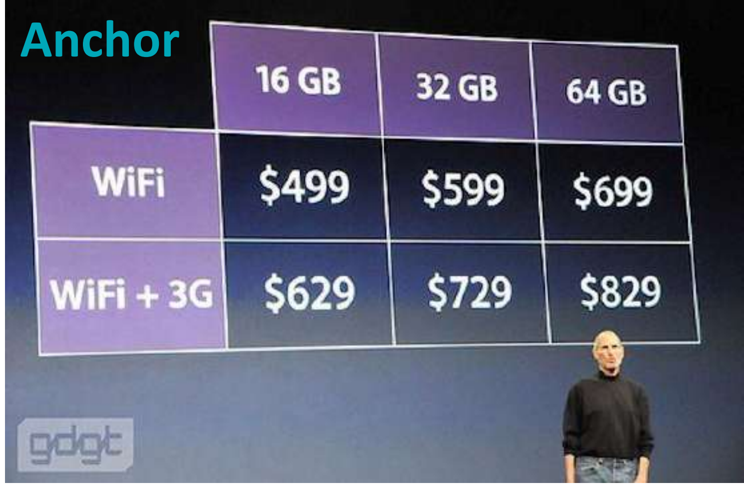
Behavioral Economics



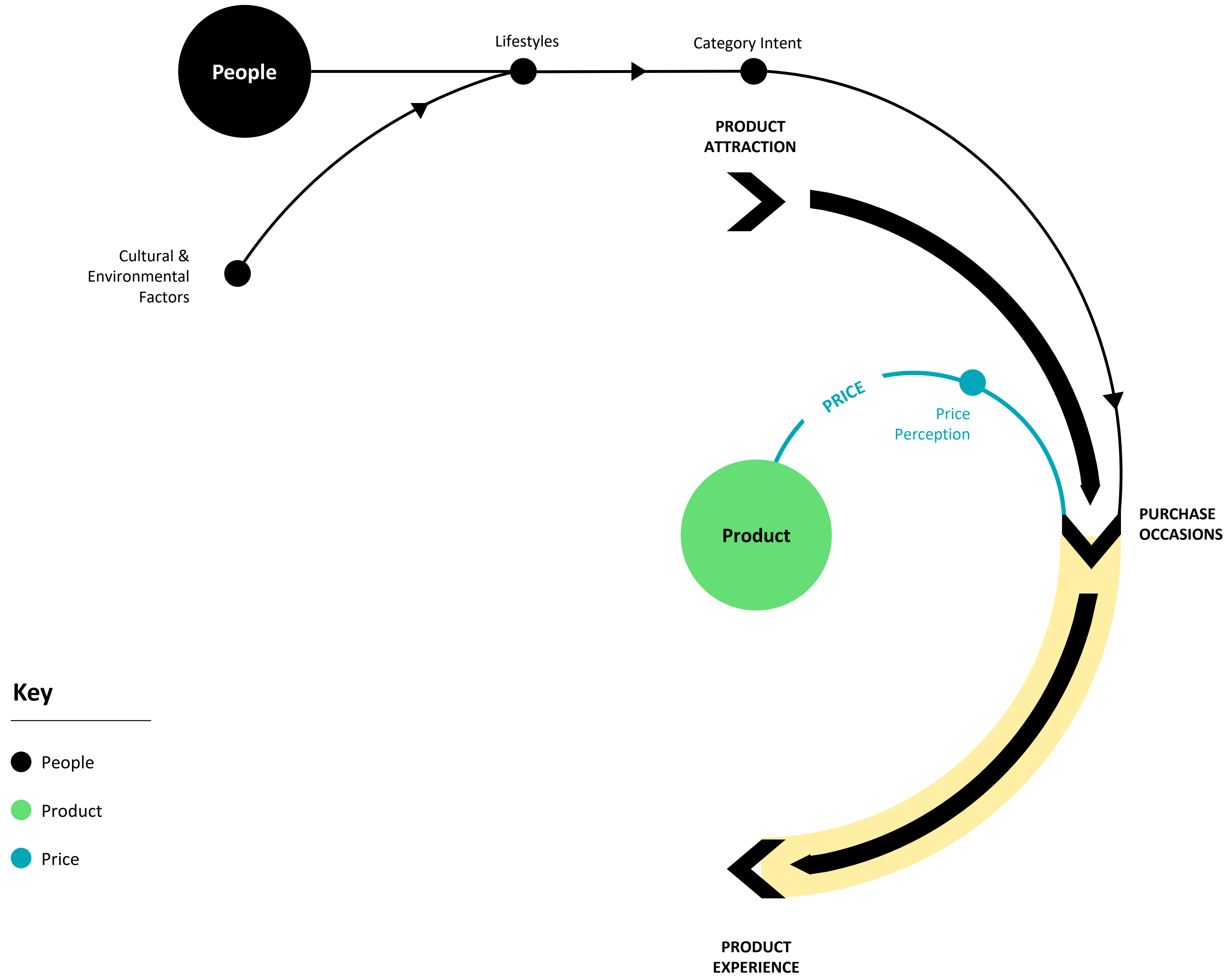
Key

- People
- Product
- Price

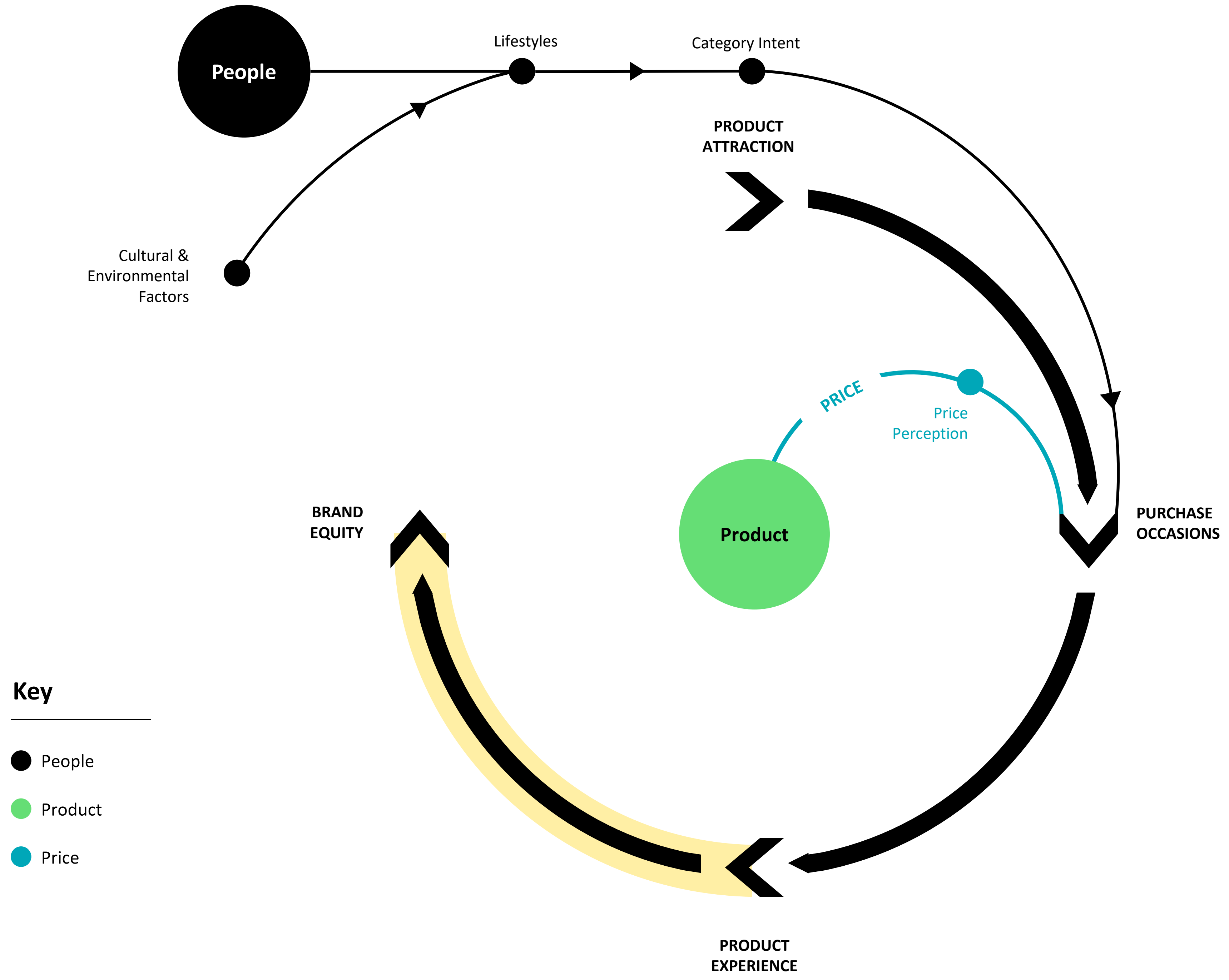
Pricing is NOT a growth lever, but Winning Brands can command a higher price.

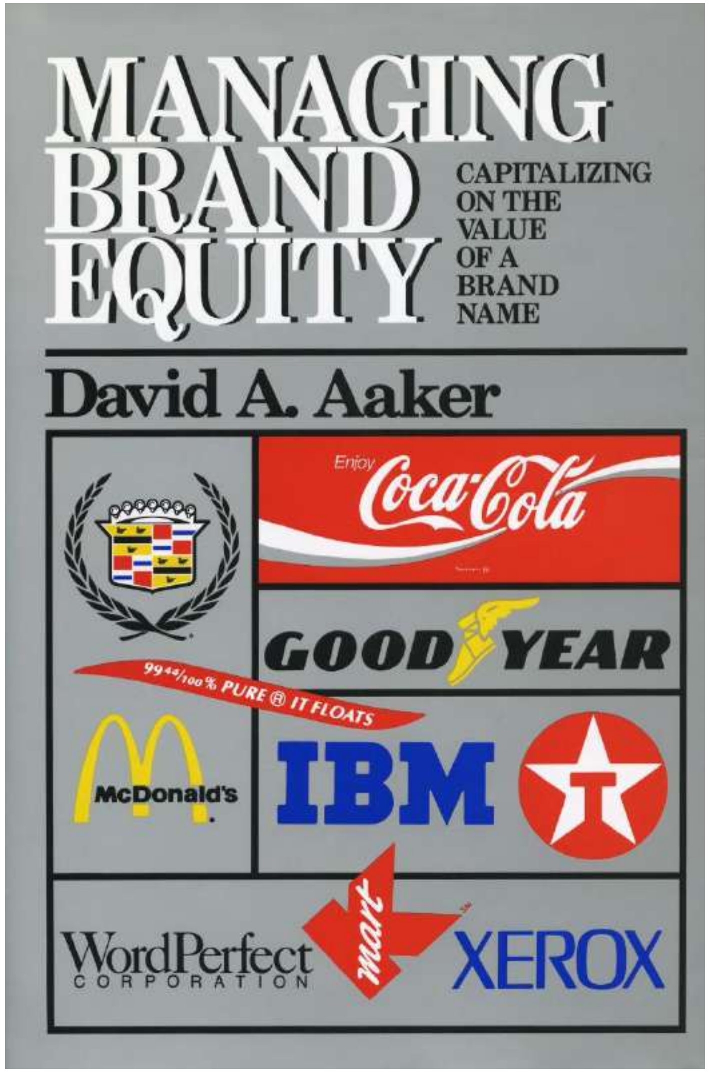


Source: BERA Brand Equity Surveys of Willingness to Pay More; Avg Percentile Difference Between Matched Winners & Losers from Q1'2017 through Q4'2019



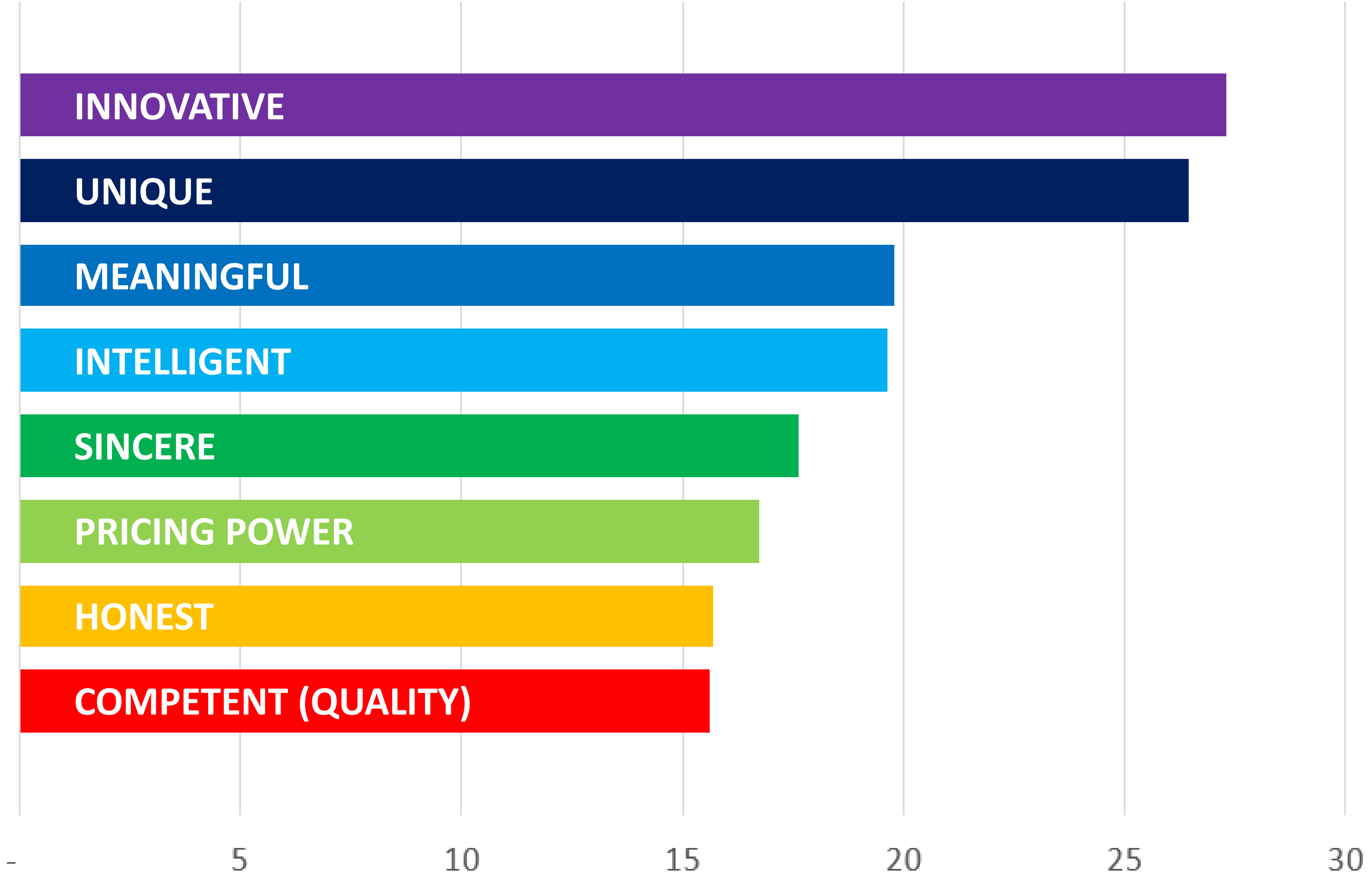
Performance against Decision Utility





- ✓ Awareness
- ✓ Salience
- ✓ Familiarity
- ✓ Quality
- ✓ Associations
- ✓ Preference

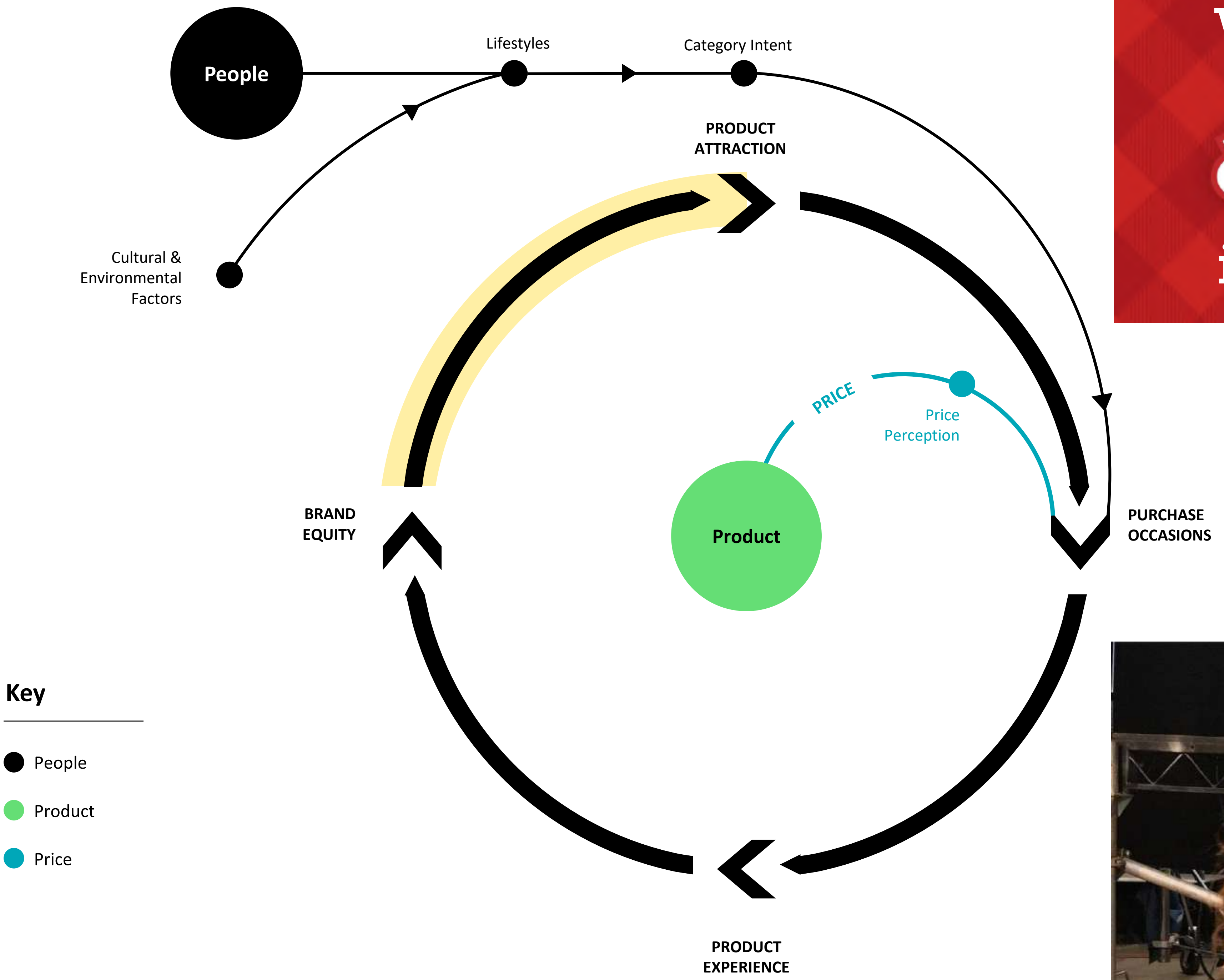
Brand Equity Drivers: Differences Between Winners & Losers

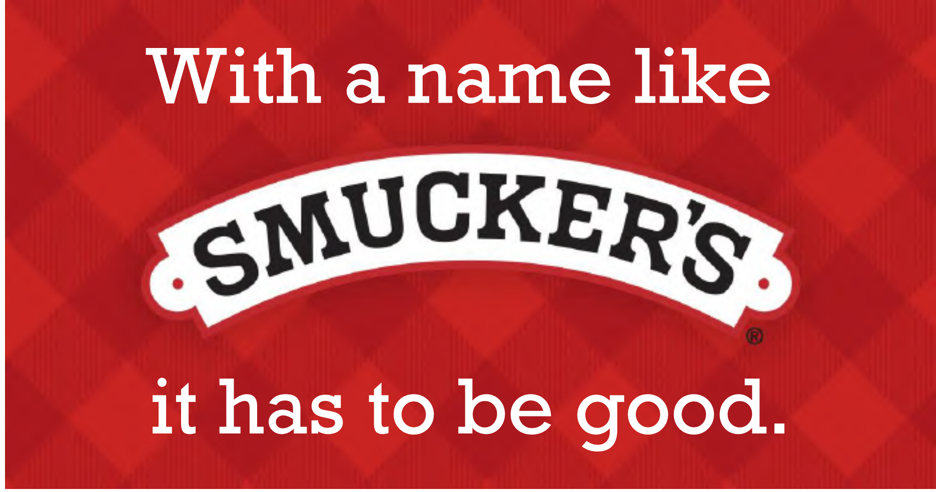


- Differentiated Products & Value Propositions
- Show Understanding of Desires, Lifestyles & Occasions
- Make Trustworthy Claims & Deliver Upon Them
- Offer Superior Value (not cheap, but worth more)

Source: Analysis of BERA metrics; Average Percentile Difference Between Matched Winners & Losers from Q1’2017 through Q4’2019

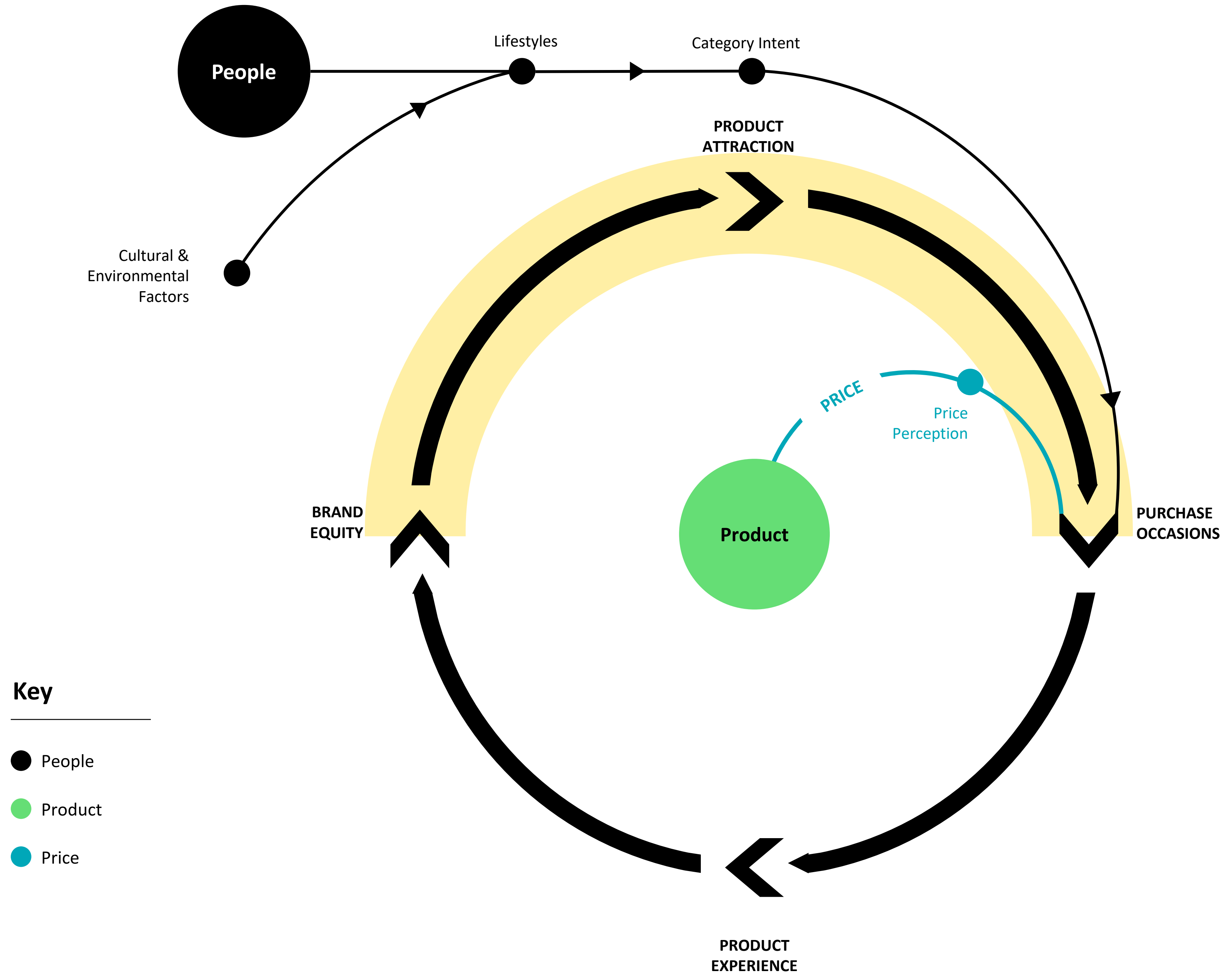
BERA





"the perceived utility and desirability a brand name confers on a product"

- Dr. Lassar



R = 0.92

The correlation between

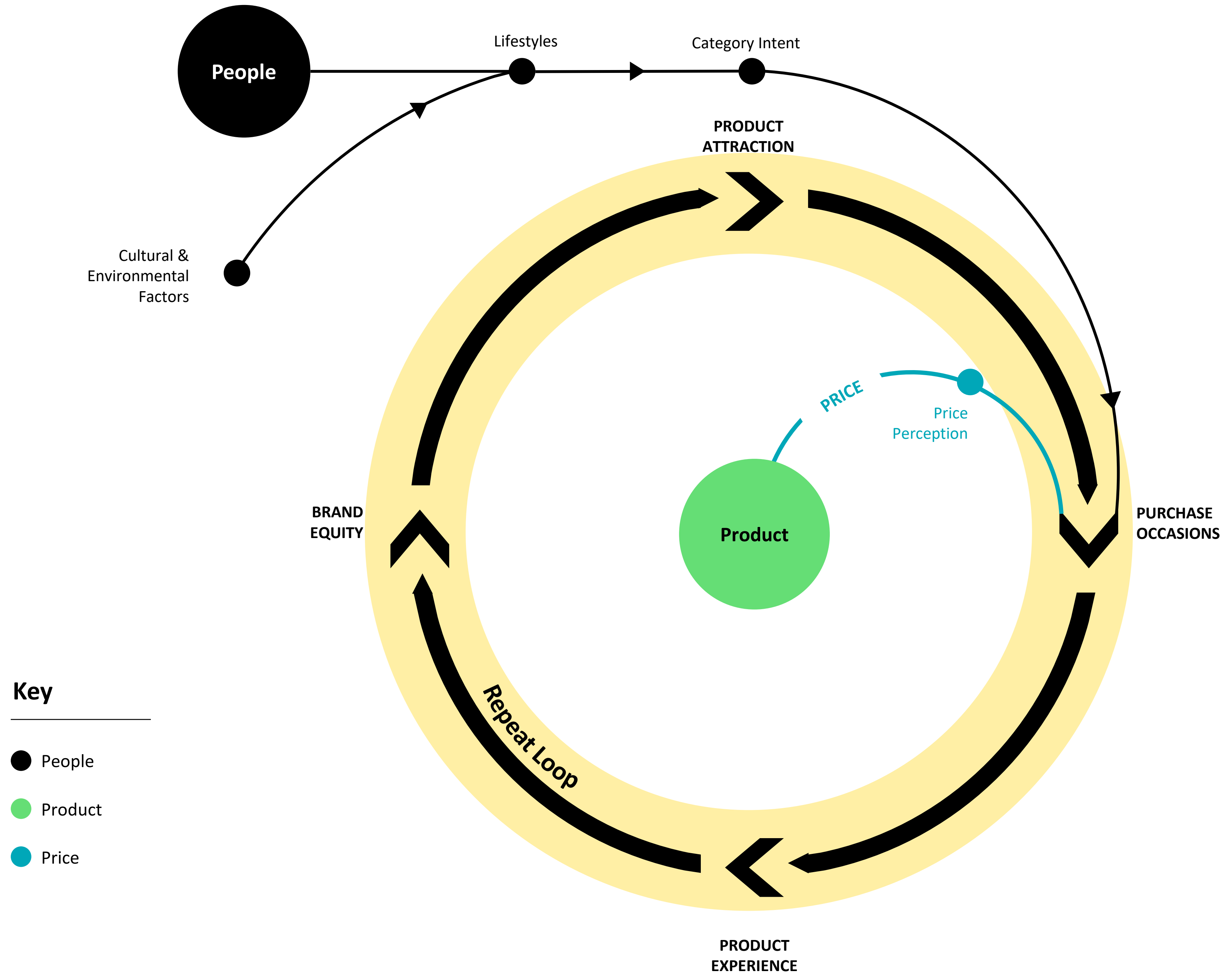
Top of Mind Awareness

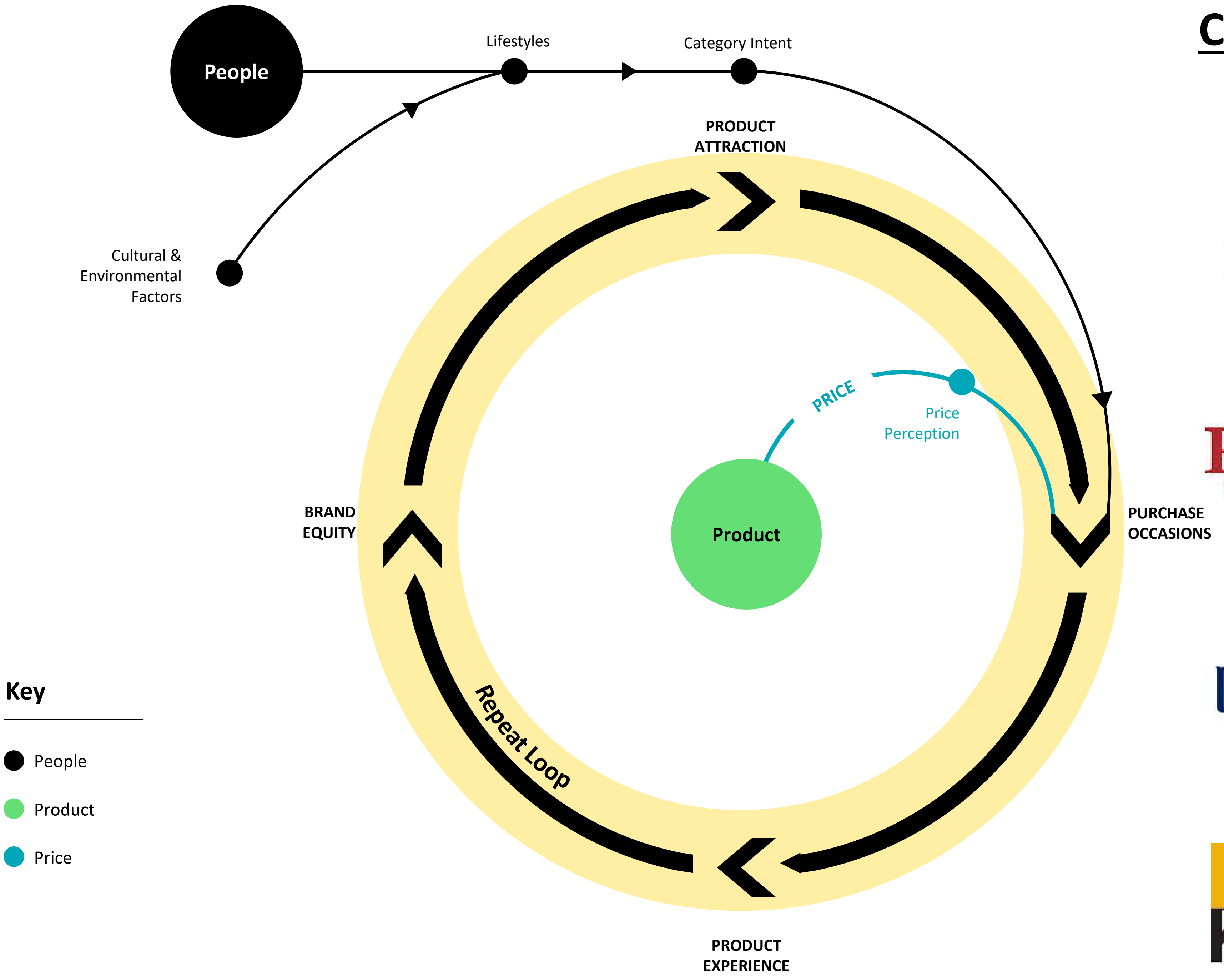
+

Unaided Awareness

relative to Trip Share

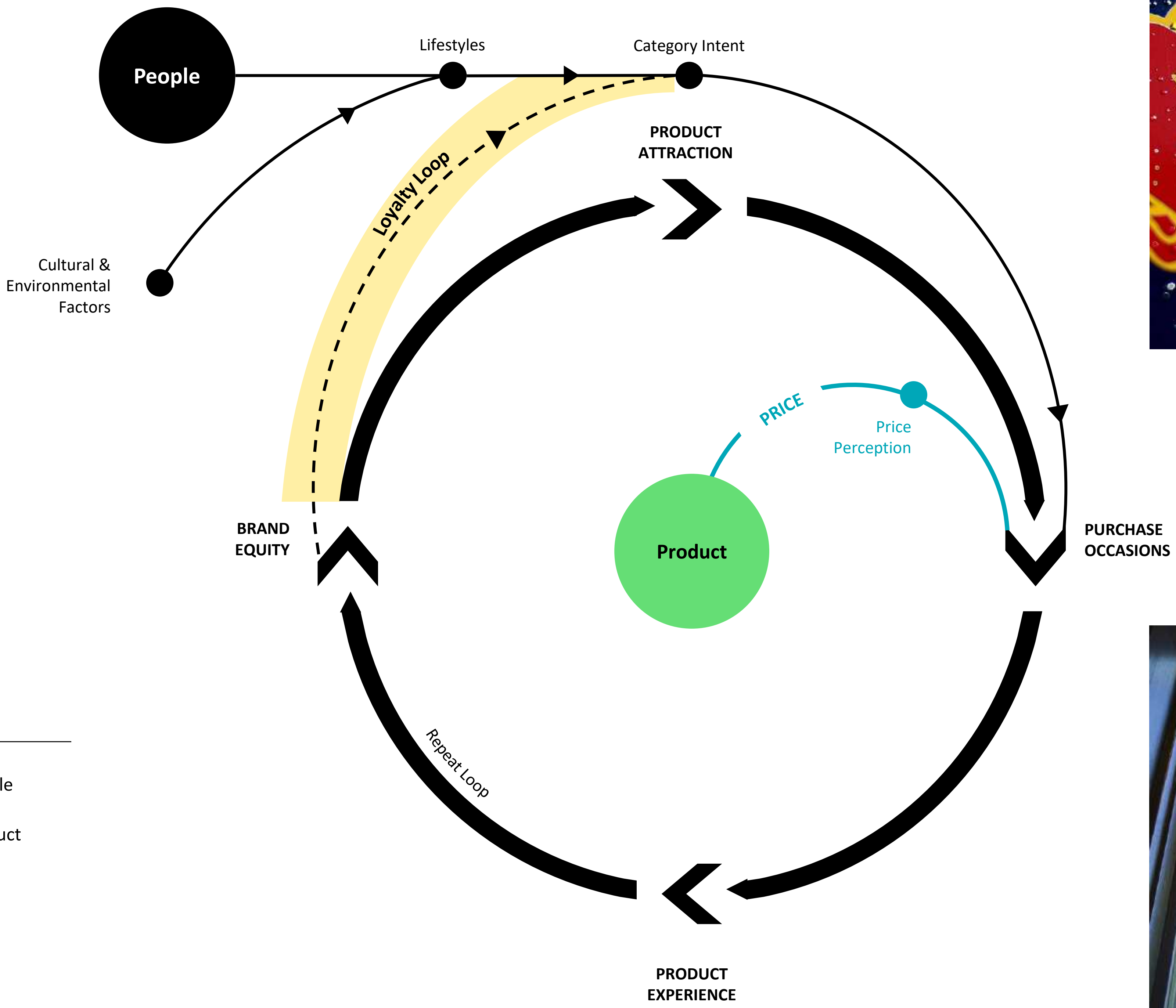
Source: Survey of N = 2415 Numerator Test Panelists across 8 categories combined with Trip Shares from Numerator OmniPanel. Excludes Private Label brands.


People
Lifestyles
Category Intent
Cultural & Environmental Factors
PRODUCT ATTRACTION
PURCHASE OCCASIONS
PRODUCT EXPERIENCE
BRAND EQUITY
Repeat Loop
Product
PRICE
Price Perception
Key
People
Product
Price



Consecutive Repeat Rates

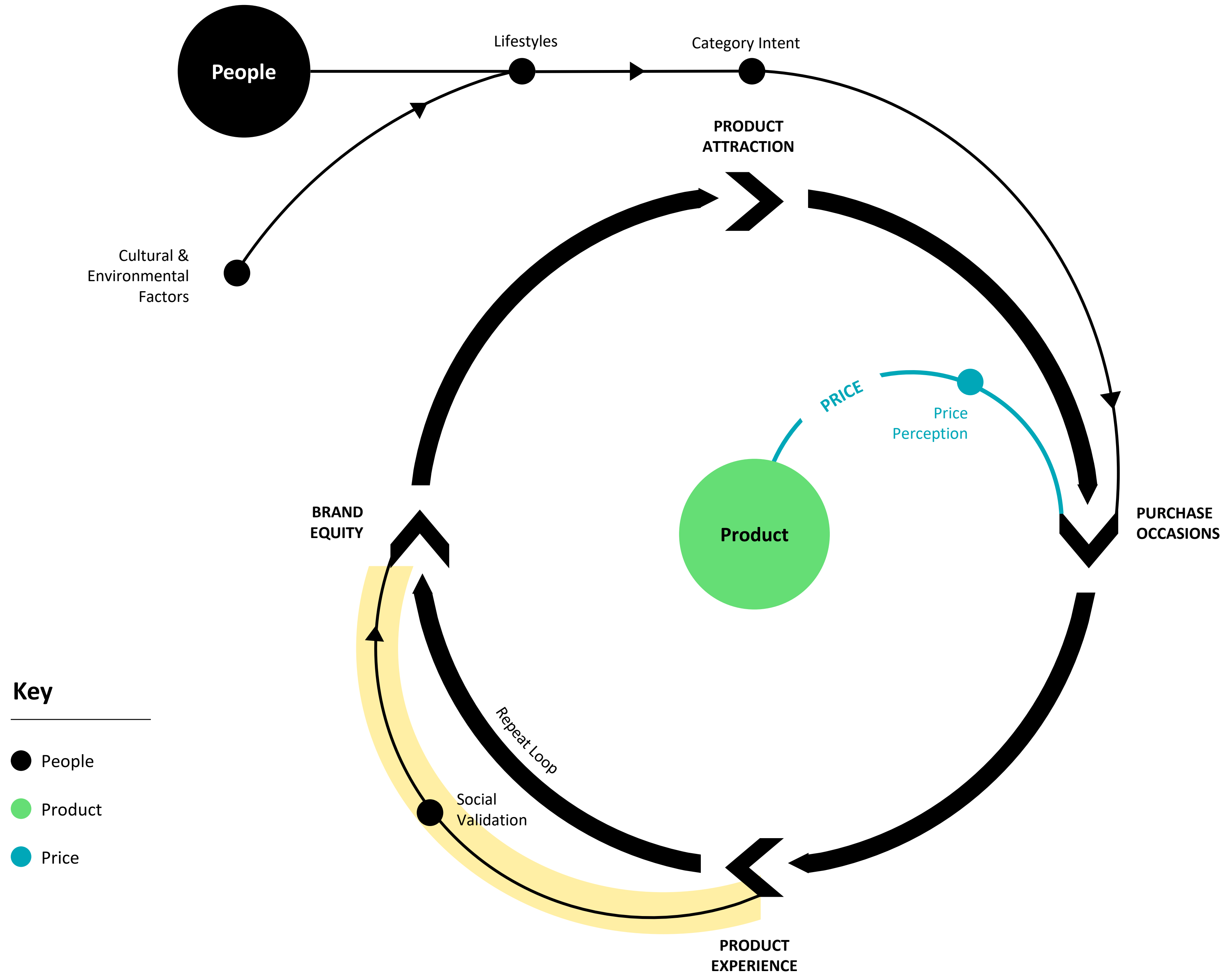
Winners	*vs.*		*Losers*
BEYOND MEAT	36%	19%	Tofurky
RAO'S HOMEMADE	42%	25%	Barilla
Downy	57%	32%	Purex
KIND	35%	28%	Kellogg's NUTRI GRAIN



Key

- People
- Product
- Price

"True loyalty is more than preference. It's when a brand defines the category"


People
Lifestyles
Category Intent
Cultural &
Environmental
Factors
PRODUCT
ATTRACTION
PRICE
Price
Perception
PURCHASE
OCCASIONS
Product
BRAND
EQUITY
Repeat Loop
Social
Validation
PRODUCT
EXPERIENCE
Key
People
Product
Price


Best Seller
Caramel
Premier
Protein
30g
PROTEIN
160
1g
LOW
FAT
Premier Protein 30g Protein Shake, Caramel, 11.5 Fl Oz, Pack of 12
11.5 Fl Oz (Pack of 12)
51,986


YAMUNA SZAPPAN 100G
BORRAD.MANDULÁS
499
Ft
4,99 Ft / 1 g
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M
Legjobbra
értékelt
YAMUNA SZAPPAN 100G
ORG.CITR.FUVEL
499
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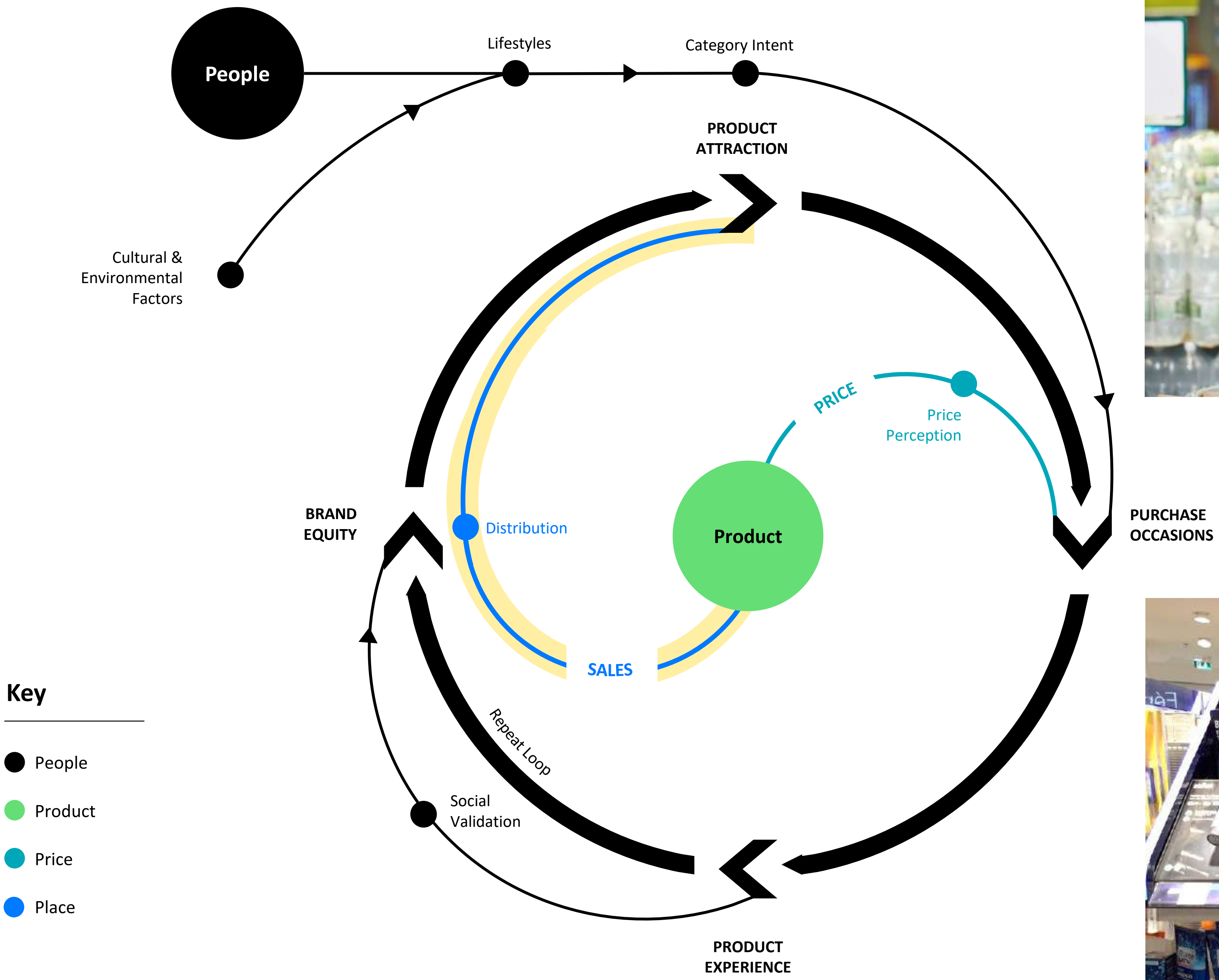
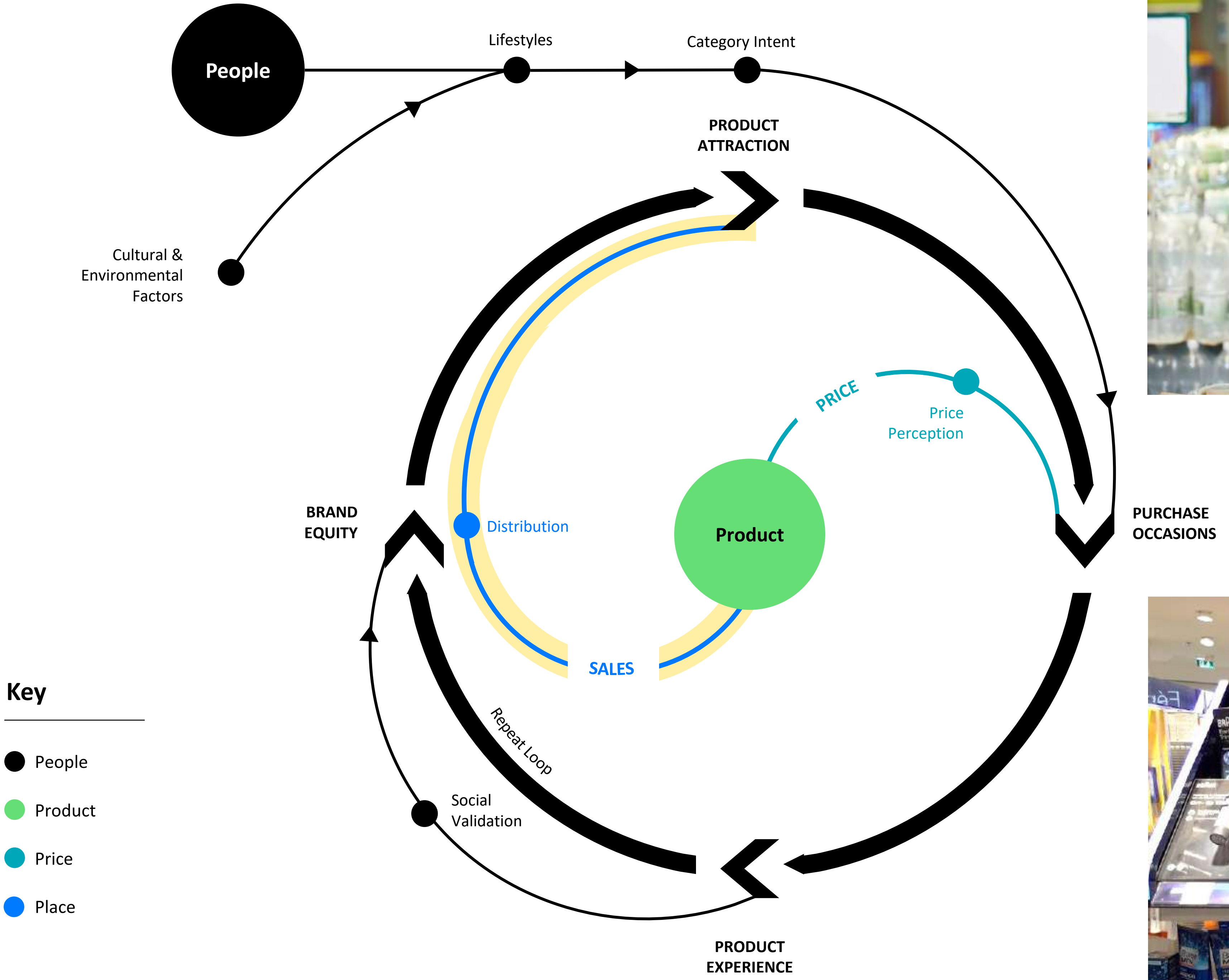
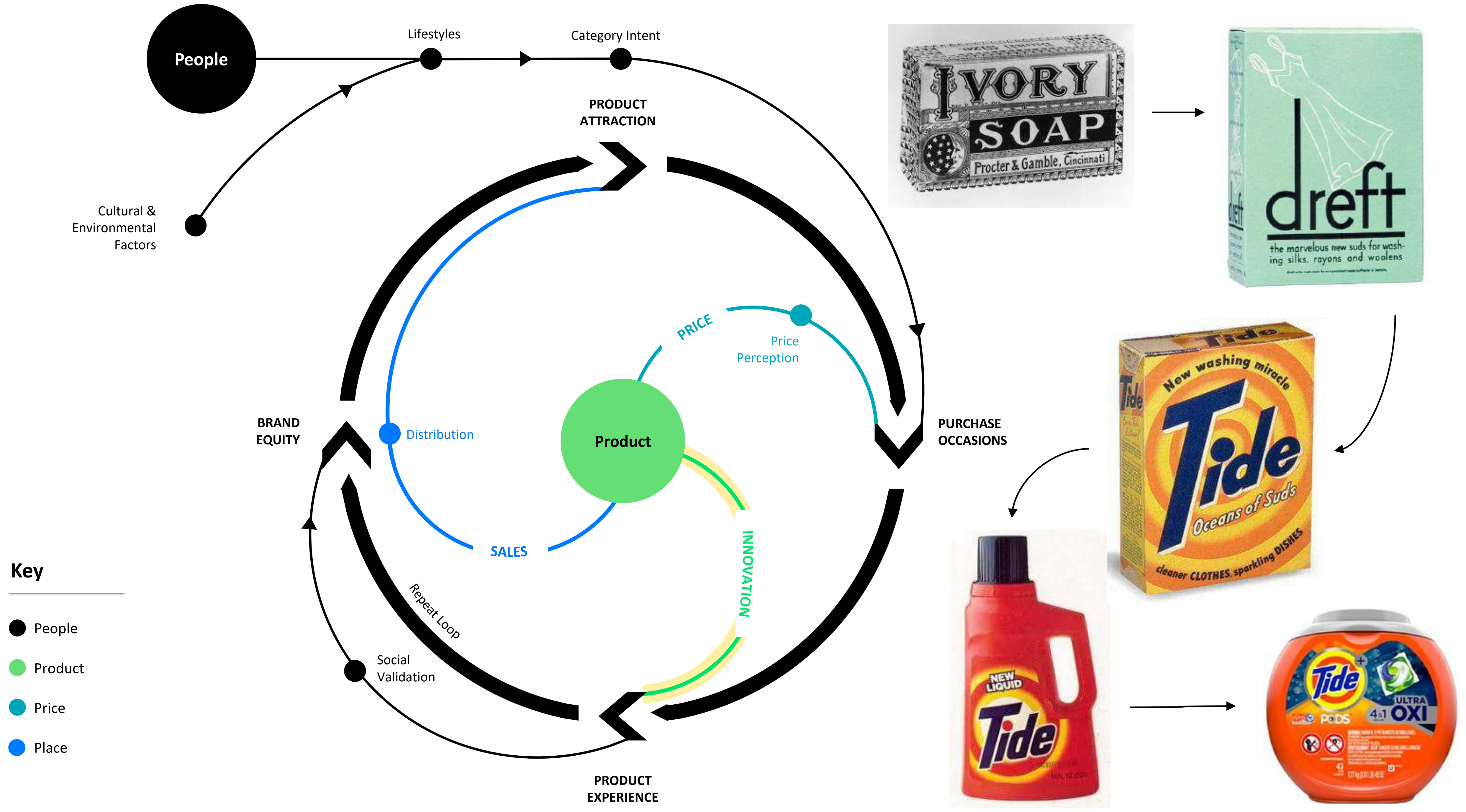


No Distribution
means
No Attraction

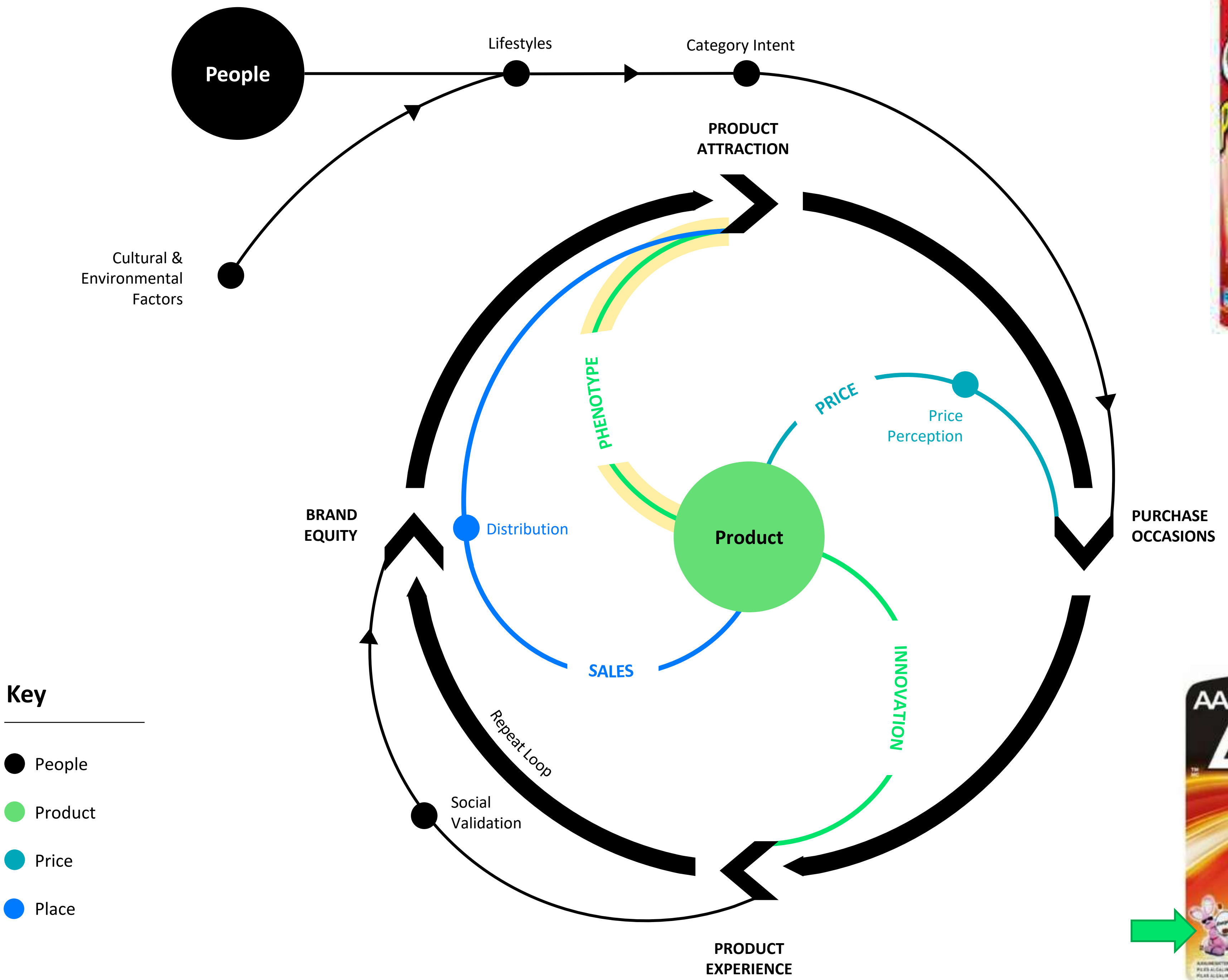


#1 Way to Grow

r = 0.93



People
Lifestyles
Category Intent
Cultural & Environmental Factors
PRODUCT ATTRACTION
PURCHASE OCCASIONS
PRODUCT EXPERIENCE
BRAND EQUITY
PRICE
Price Perception
Distribution
Product
SALES
INNOVATION
Repeat Loop
Social Validation
Key
People
Product
Price
Place
IVORY SOAP
Procter & Gamble, Cincinnati
dreft
the marvelous new suds for washing silks, rayons and woolens
New washing miracle
Tide
Oceans of Suds
cleaner CLOTHES, sparkling DISHES
NEW LIQUID
Tide
Tide
PODS
4in1
ULTRA OXI

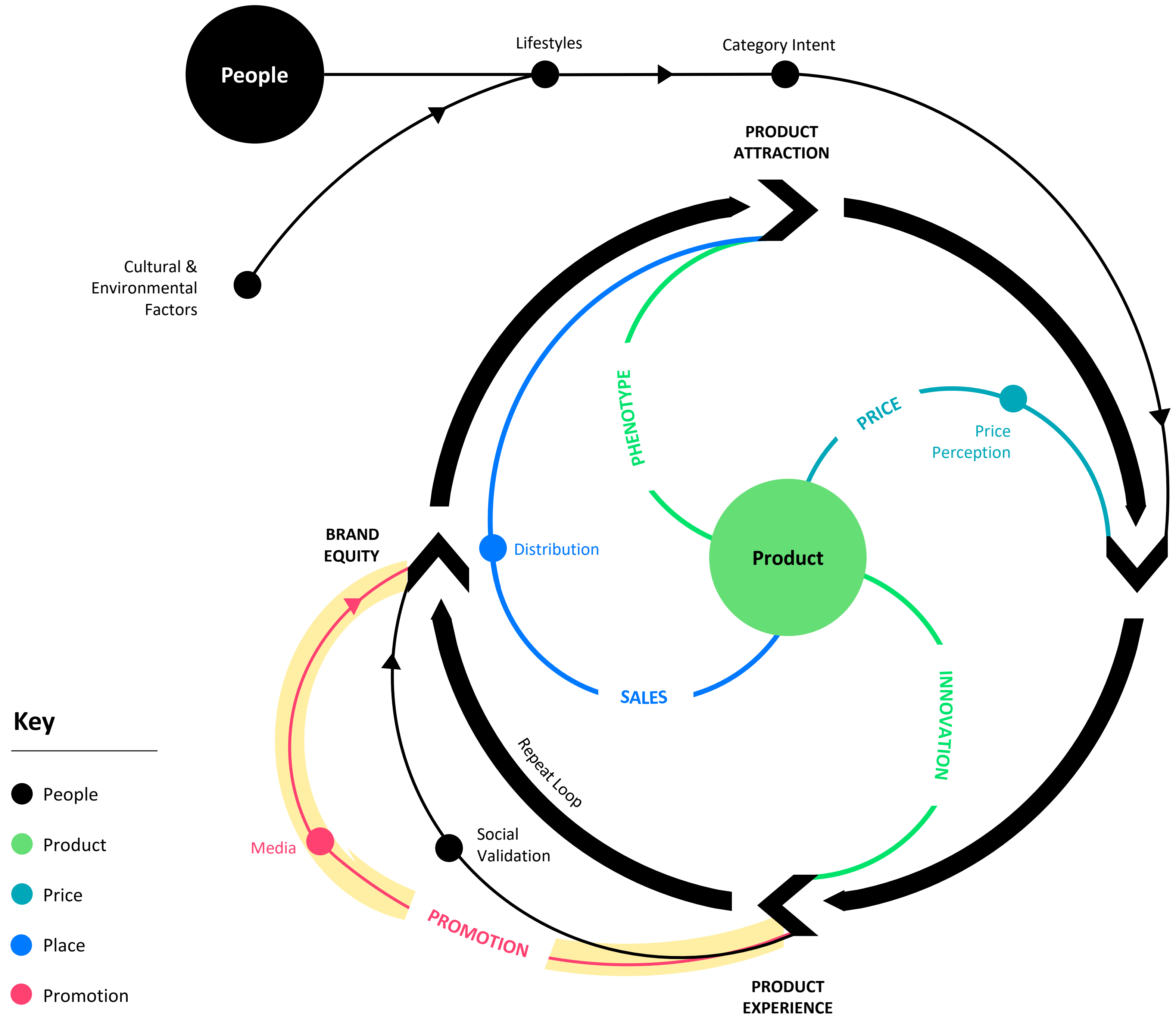


Product Phenotype

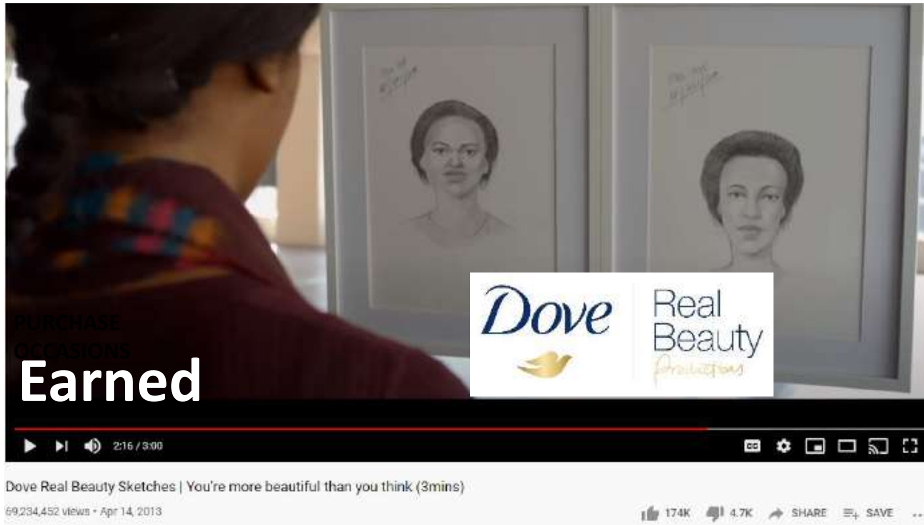
Package Visible

Product Attributes

That Shoppers Notice


People
Lifestyles
Category Intent
Cultural &
Environmental
Factors
PRODUCT
ATTRACTION
PHENOTYPE
PRICE
Price
Perception
Distribution
Product
BRAND
EQUITY
SALES
INNOVATION
Repeat Loop
Social
Validation
Media
PROMOTION
PRODUCT
EXPERIENCE
Key
People
Product
Price
Place
Promotion


QUAKER
FREE!
Life
MOST USEFUL PROTEIN
ever in a ready-to-eat cereal
Paid

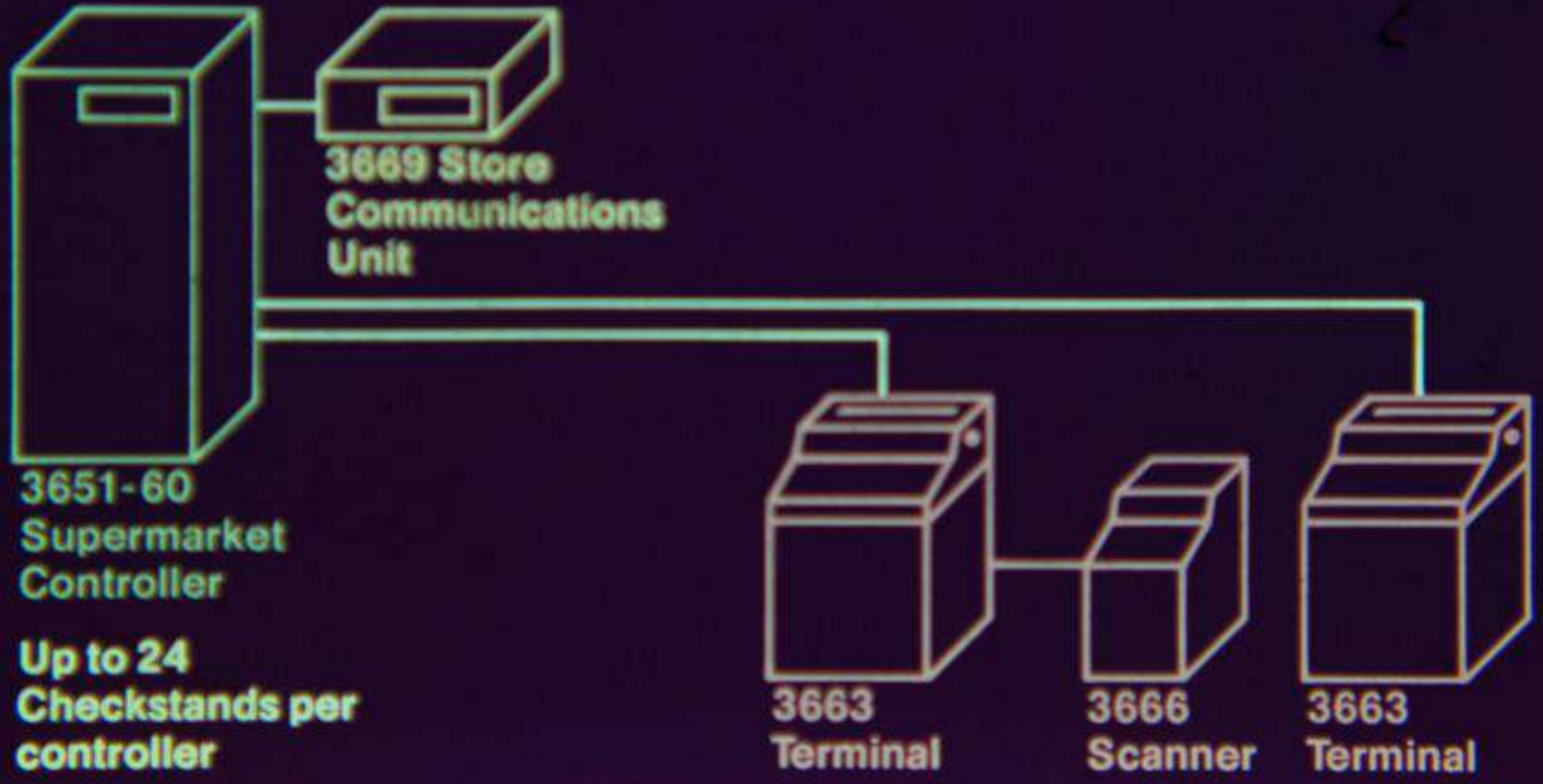

Dove
Real
Beauty
Earned
2:16 / 3:00
Dove Real Beauty Sketches | You're more beautiful than you think (3mins)
69,234,452 views · Apr 14, 2013
174K
4.7K
SHARE
SAVE


Red Bull
TV
Owned


WRIGLEY'S
JUICY FRUIT
1974
WRIGLEY'S


IBM

3660 Supermarket System Configuration –



Up to 24
Checkstands per
controller

NIELSEN SURVEY

NIELSEN
CERTIFIED PERFORMANCE
SURVEYS

Number

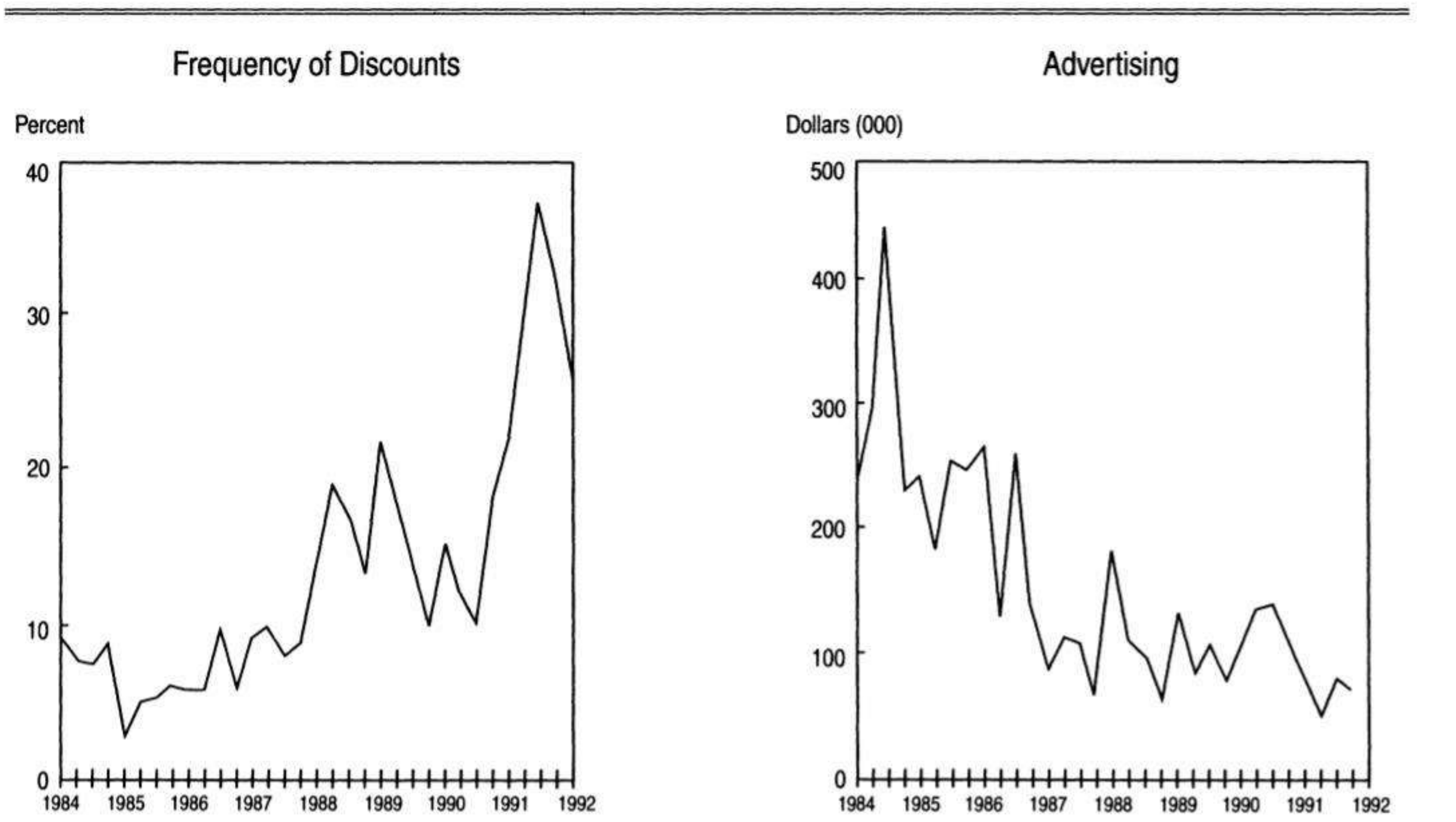
GG—5OX—TJ

Syndicated POS Data

Store

~~Consumer~~-level Measurement of Trade Promotions

CHANGES IN CATEGORY MARKETING ACTIVITY



47%
Trade

% of 2019 Marketing Budgets

13%
Ads*

Sources:
The Long-Term Impact of Promotion & Advertising;
Cadent Consulting Group 2020 Marketing Spend Study

Ads* = Traditional Advertising


One Hundred Billion Dollars

What kind of “Promotion” grows brands YoY?

Trade Promotions

r ≈ 0

e = 0 (-)

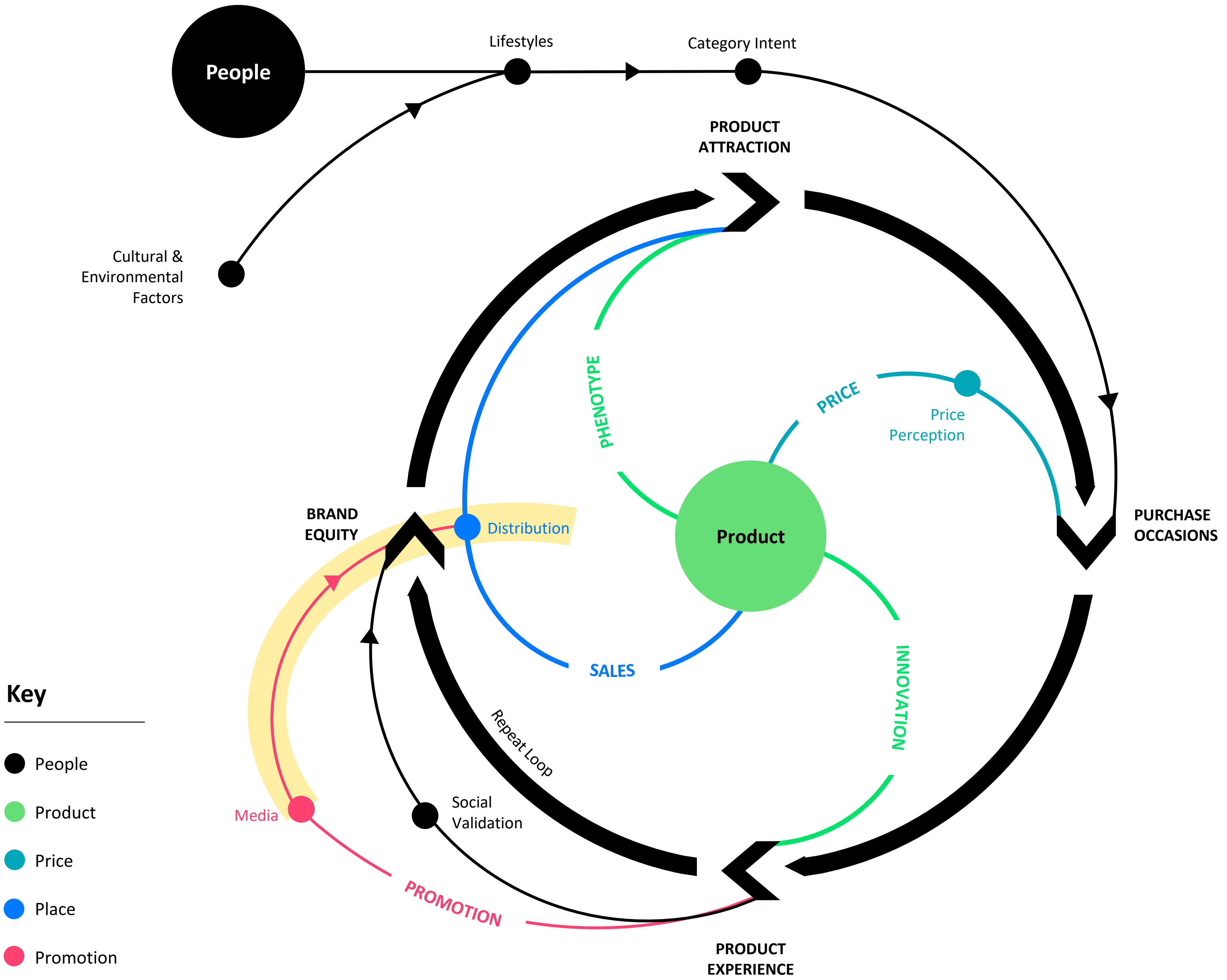
VS.

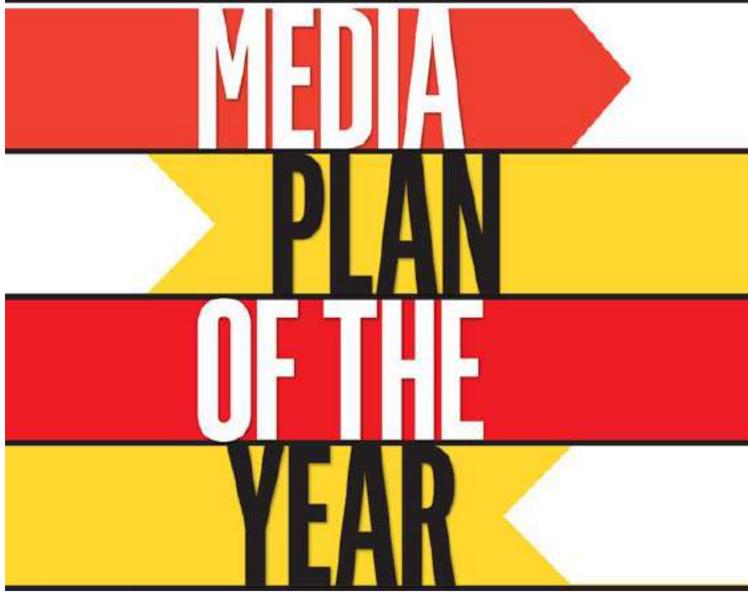
Brand Advertising

r = 0.5

e = 0.3

Sources: r-values from current research into 58-pairs of winning vs losing brands via Numerator OmniPanel, Ad Intel & Promo Intel; Elasticities from meta-analysis of 3rd party studies & journal articles measuring long-term impacts

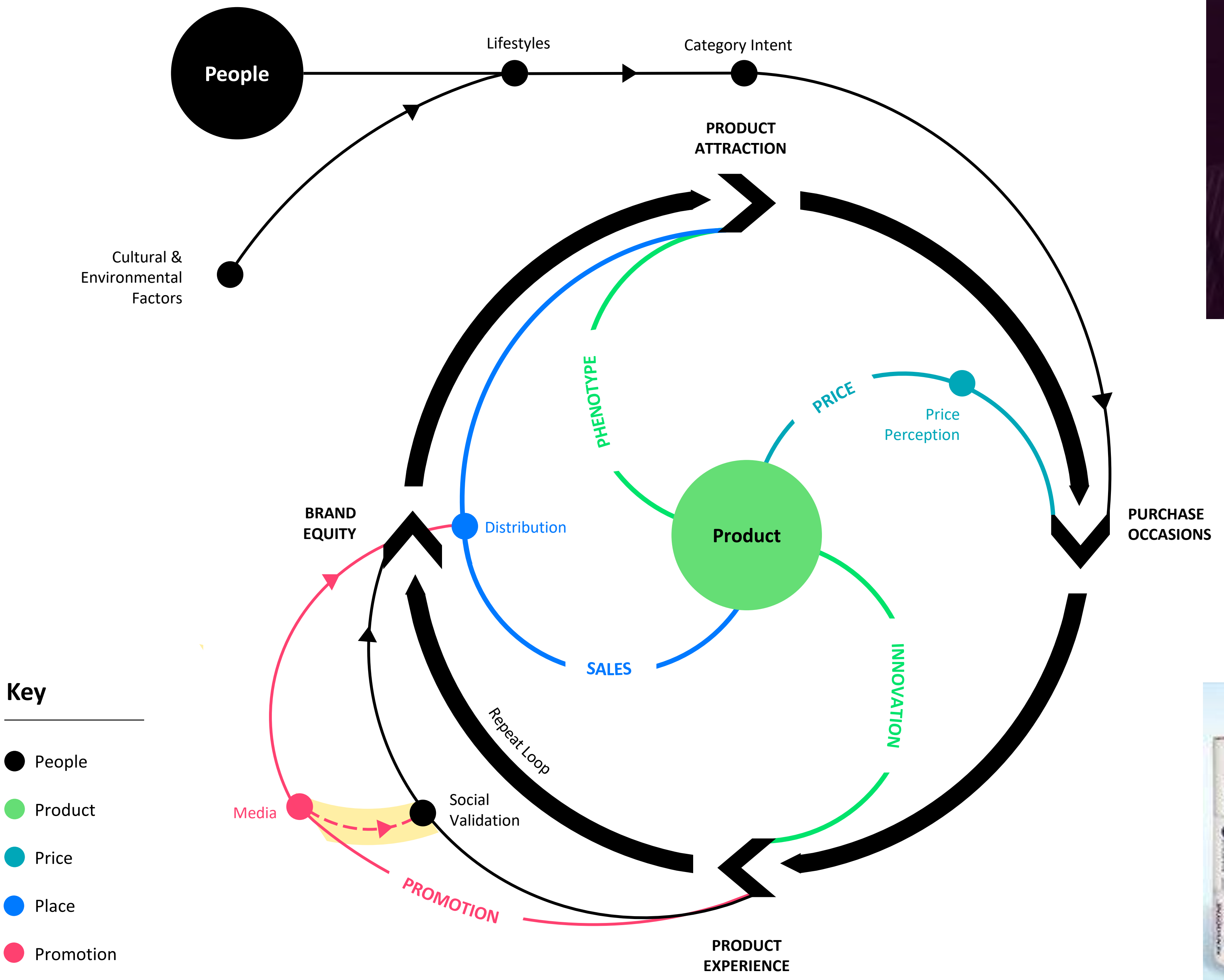




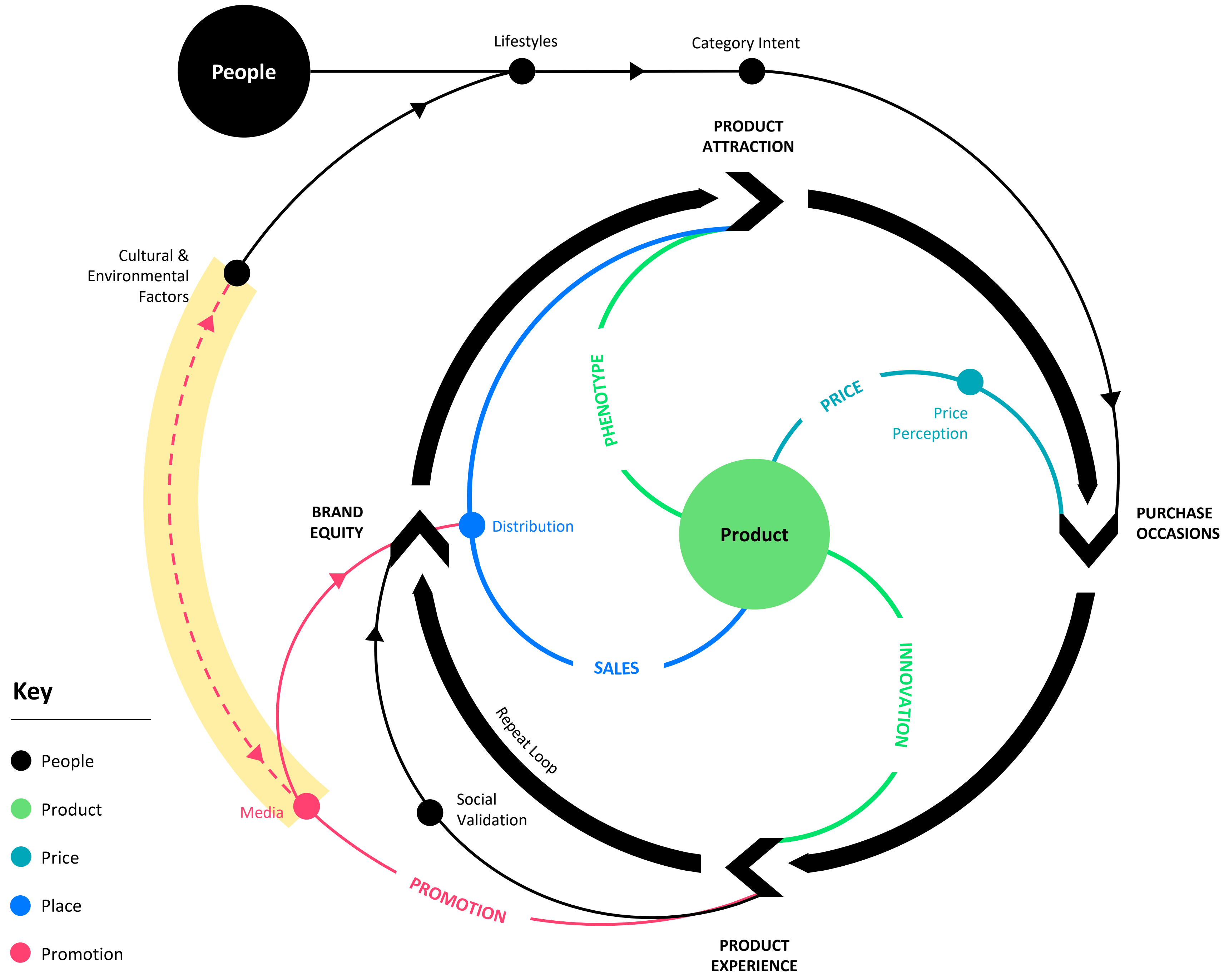
Selling In

&

Selling Through



Media offers a back door to Social Validation


People
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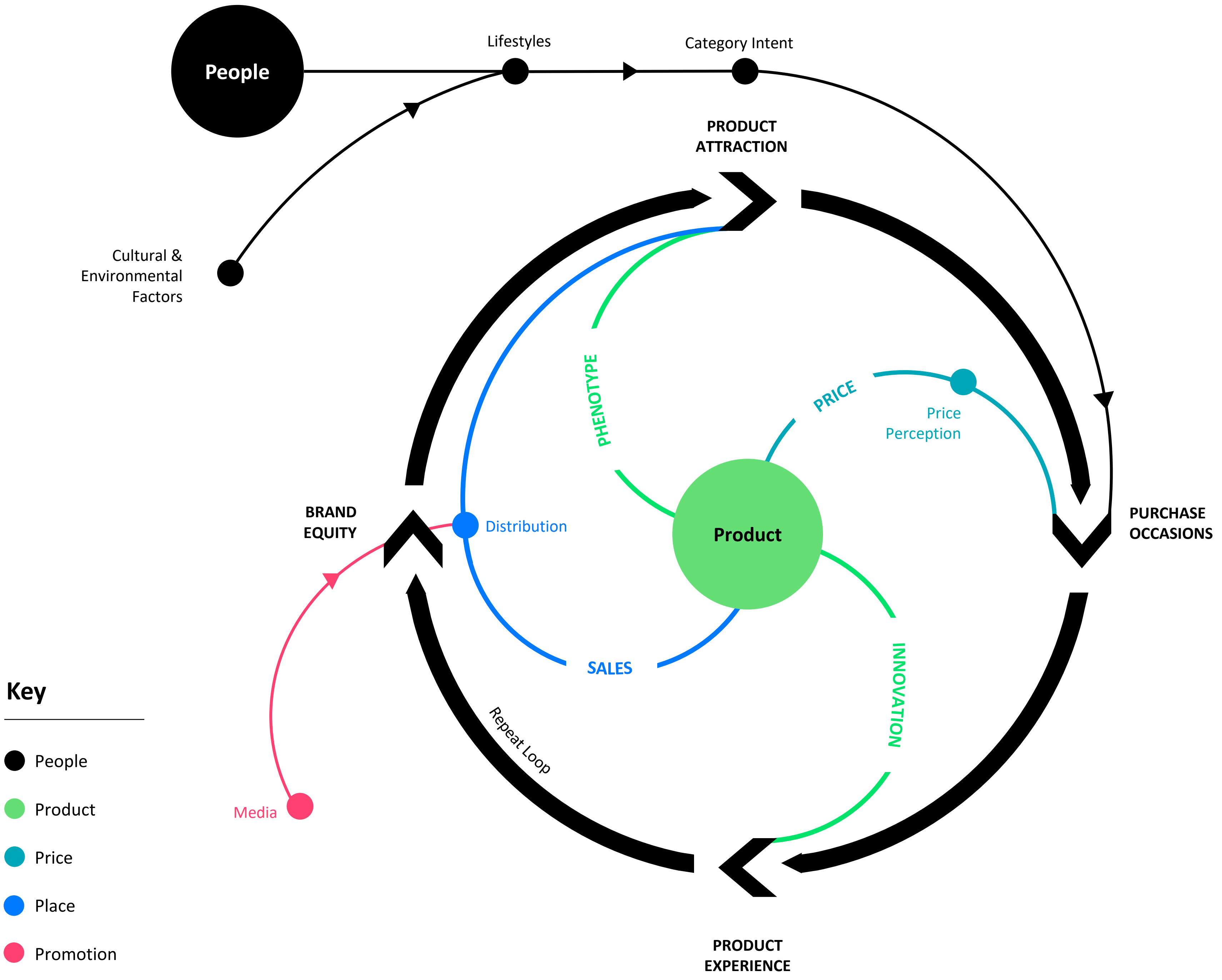
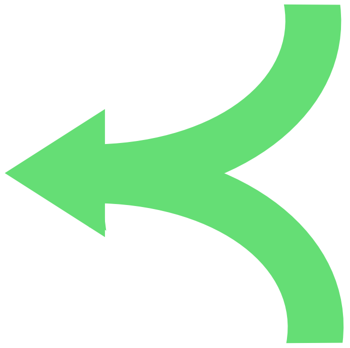
Repeat Loop
Social Validation
Media
PROMOTION
PRODUCT EXPERIENCE
Key
People
Product
Price
Place
Promotion


WHITE CLAW HARD SELTZER
AIN'T NO LAWS
WHEN YOU'RE DRINKING
CLAWS


Old Spice

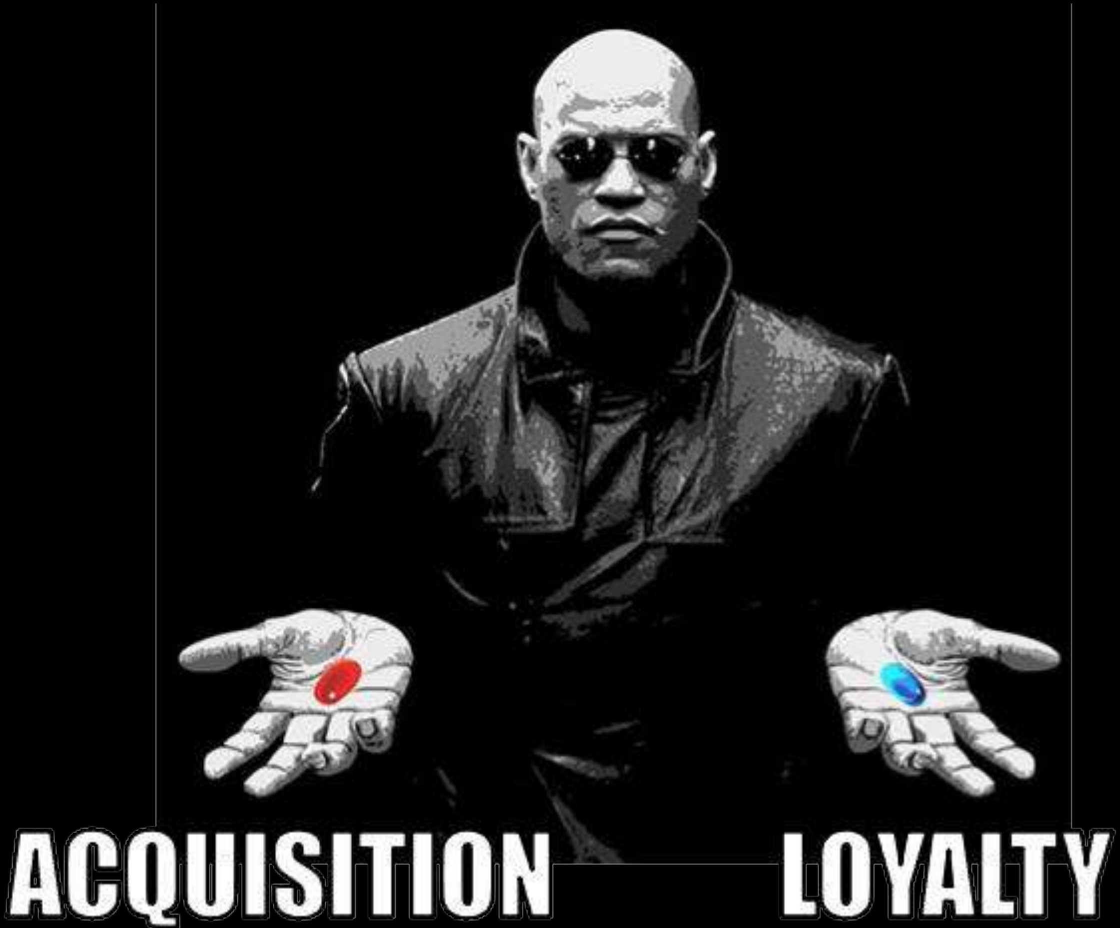


If you remember just one thing:



Winning Brands, Win Occasions.

The Reasons People Try
Are the Reasons People Buy



ACTUALLY, I'LL
CHOOSE OCCASIONS

Thank you!

Visit

www.BrandGrowthFlywheel.com

for research updates & first access to the book

Moderated Interview

Joanna O’Connell

Vice President, Principal Analyst
Forrester

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Marc Vermut

Vice President, Marketing Solutions
Neustar

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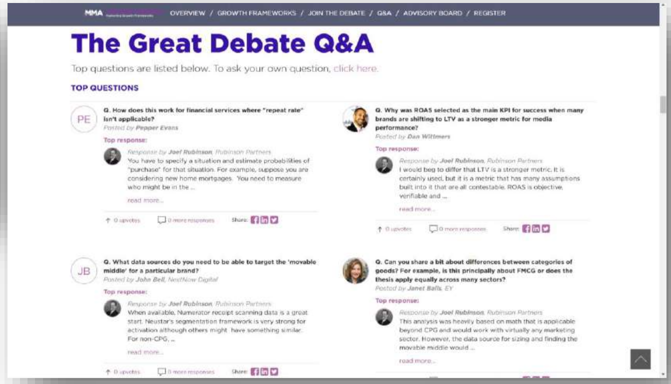

MMA | THE GREAT DEBATE
Marketing Growth Frameworks

MARKETING SCIENCE ADVISOR
neustar

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ALL THE MARKETING GROWTH FRAMEWORKS IN ONE PLACE.

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STRATEGIC SUMMARY SESSION
JANUARY 27

EY

Strategic Analysis & Comparison of the Featured Marketing Growth Frameworks

ANALYTIC DEBATE PANEL
FEBRUARY 17

First Debate Featuring a Panel of Leading Analytics

MARKETER DEBATE PANEL
MARCH 31

Second Debate Featuring a Panel of Leading Brand Marketers

For Questions or More Information:

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mmaglobal.com/thegreatdebate
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THANK YOU