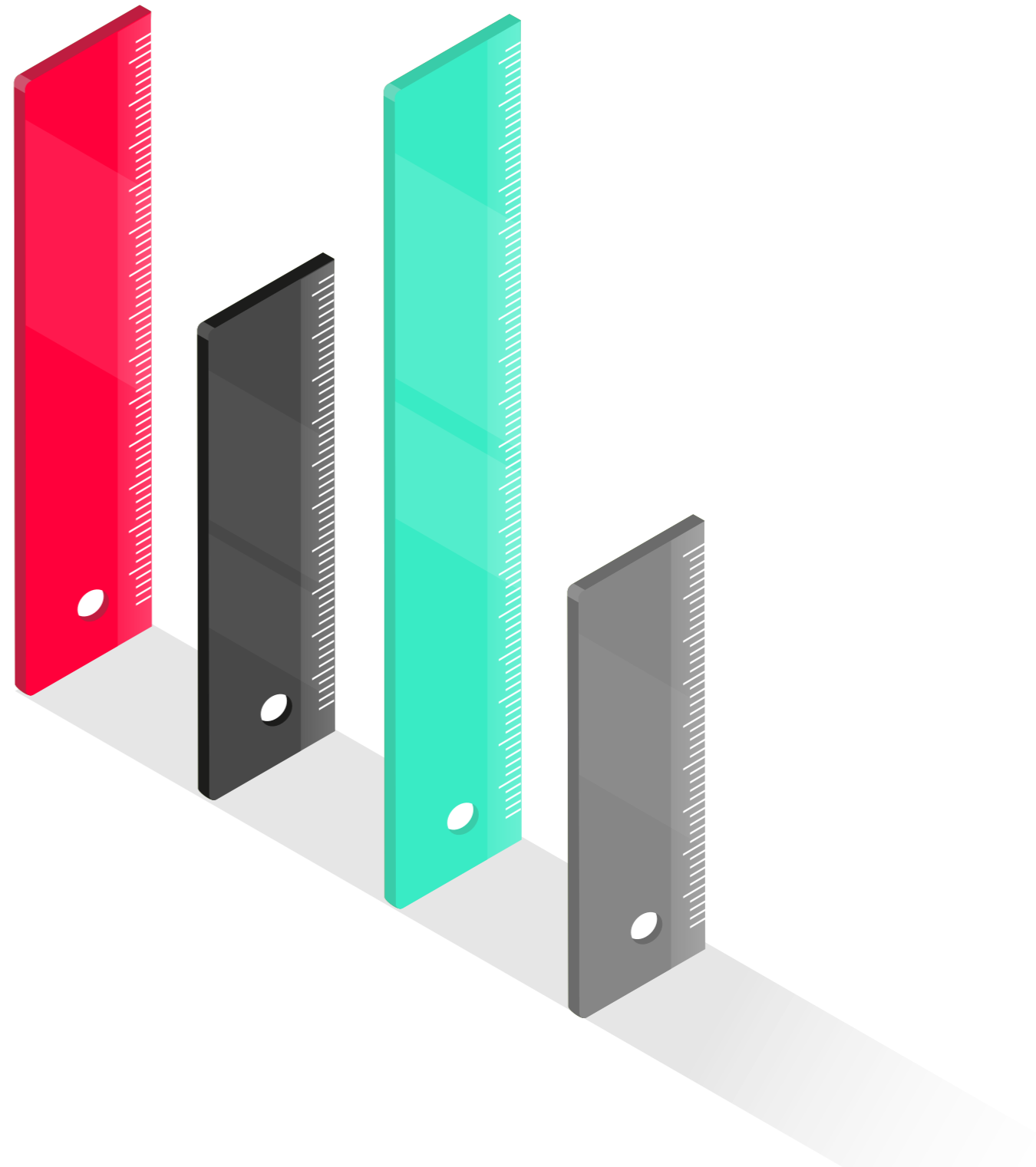


Creating a global culture of

# Marketing Effectiveness

August 2023

In partnership with: Ebiquity & IPA



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# Introduction and background

Marketing effectiveness has been a key priority for WFA members since inception in 1953. Fast forward 70 years and this topic still ranks as a top problem to address for all WFA peer groups (CMO to marketing procurement and everything in-between).

We see the same picture across WFA’s network of national advertiser associations, with markets large and small each focusing on effectiveness for their memberships.

The Swedish Advertisers Association have produced an inspiring collection of resources under their ‘[Effect Initiative](#)’. Union des marques (France) have created a repository for measuring effectiveness called ‘[Le Référentiel](#)’ and accompanying certification to ensure transparency and compliance. UPA (Italy) have published research and resources to help understand and identify the most relevant KPIs. ANFO (Norway) has collated more than a thousand brand case studies on advertising effectiveness as part of their ‘ANFO Effekt’ awards programme. There are many other examples we could draw attention to.

What’s missing is a collective view of the challenges associated with marketing effectiveness, encompassing the global and local views of clients (only). So, in partnership with 20 national advertiser associations, WFA launched a survey to establish this client-side effectiveness ‘state of the nation’.

Rather than starting from a blank sheet of paper, WFA has used the structure of the excellent [ISBA and IPA Marketing Effectiveness Roadmap](#) as the basis for our own survey. And we have collaborated with Ebiquity, WFA’s Effectiveness strategic partner, to enhance the recommendations made in this report.


We believe “it takes a village” to deliver upon company-wide marketing effectiveness, so we invited all WFA peer groups (or Forums as we call them) to participate in the



survey. And building on that theme, we then invited all Forums to join in client-only marketing effectiveness mini-conferences in Amsterdam and Singapore. We called these events Forum Connect.


Across this document we review the survey findings, combined with takeouts from the two Forum Connect meetings, to provide a rounded perspective on how effectiveness is working on the client-side (or not as the case may be) in 2023.

We hope that the collective outputs from the events and this report stimulates the debate and provides a clearer route to the destination for brand owners.



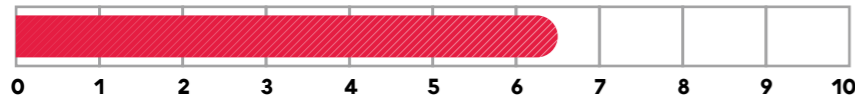
**Working towards a better marketing ecosystem.**

This initiative is one part of a broader programme of work designed to help resolve the challenges articulated in the [WFA’s Global Media Charter](#).

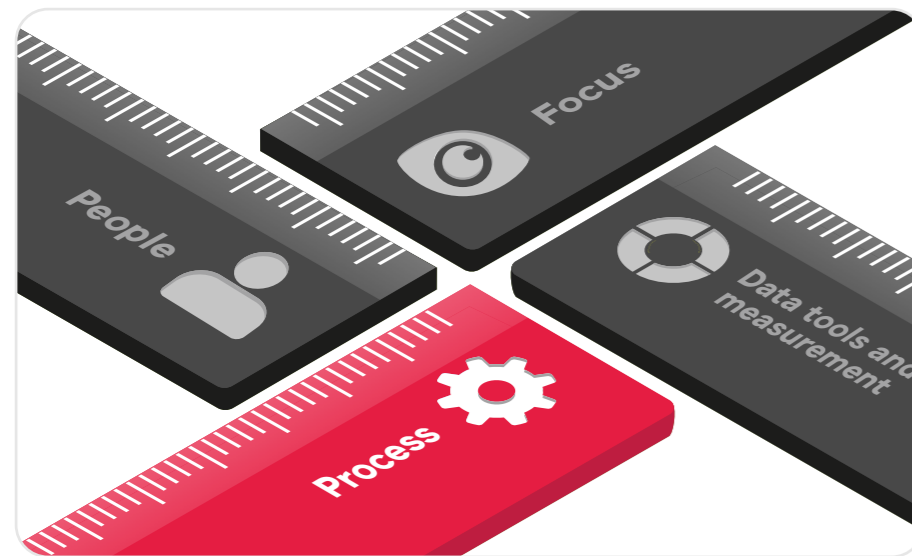


# Executive summary

**Rated by respondents as 6.5 out of 10 overall, client-side marketing effectiveness culture is in an ok state of health, but clearly with room for improvement.**



**And of the four effectiveness quadrants, it's Process (the 'glue' to the other three) where there's perceived to be room for improvement within individual organisations.**



Thinking of the Process as a set of 5 steps, it's striking that the best performing step is 'Activating marketing activities across chosen channels'. All other steps are significantly weaker. **Marketers may be too focused on the tactical delivery of activity and may need to go back to figuring out the 'why' and proving results.**

The first part of any Process should be knowing where the business challenge is that marketing is being asked to solve. **This should come from having a clearly defined measurement framework, but just 41% of respondents agree that they have this in place.**

And those in an insights/effectiveness or national roles are even less likely to agree (+/-22%) that they have a company-wide measurement framework. **There is a clear disconnect across organisations, with those closer to the data (and the market) less likely to feel they have the right framework in place.**

The best measurement frameworks reflect an understanding of how brand value is created in the short, medium and long-term. **71% of respondents agree that the long-term brand effects are crucial but just 59% say they have the metrics to measure this.**

Measurement frameworks are enabled by tools and capabilities. There is reasonable confidence among respondents that we have the right tooling to

**explain how marketing has performed (55% agree). Much less confidence that we have the tools to predict how marketing will perform (34% agree). And these resources are more important than ever.**

The tooling isn't meeting expectations and this may also explain why **52% of respondents agree that they focus too much on efficiency.** Without a clearly cascaded measurement framework and/or the right blend of measurement tools, efficiency is simply much easier to measure than effectiveness.

Only one fifth of insights/effectiveness respondents agree that their tools are used to create the right insight at the right time to suit the marketing planning process. 54% of marketing/ media respondents agree that the timing is right. Whatever the reason for this, it's clear that the **insight function too often sits outside of the decision-making rhythm of the rest of the marketing function**, which needs address.

Better alignment and collaboration between teams can help. And while 57% of respondents agree that there is good collaboration between their teams in the interest of marketing effectiveness, it's notable that **insights/effectiveness leads need to work on collaboration within their teams and with other teams.**

|                           |                   |                                             |                                  |                                                          |                                  |                            |                        |                                |                               |                          |                                   |
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# Our global community

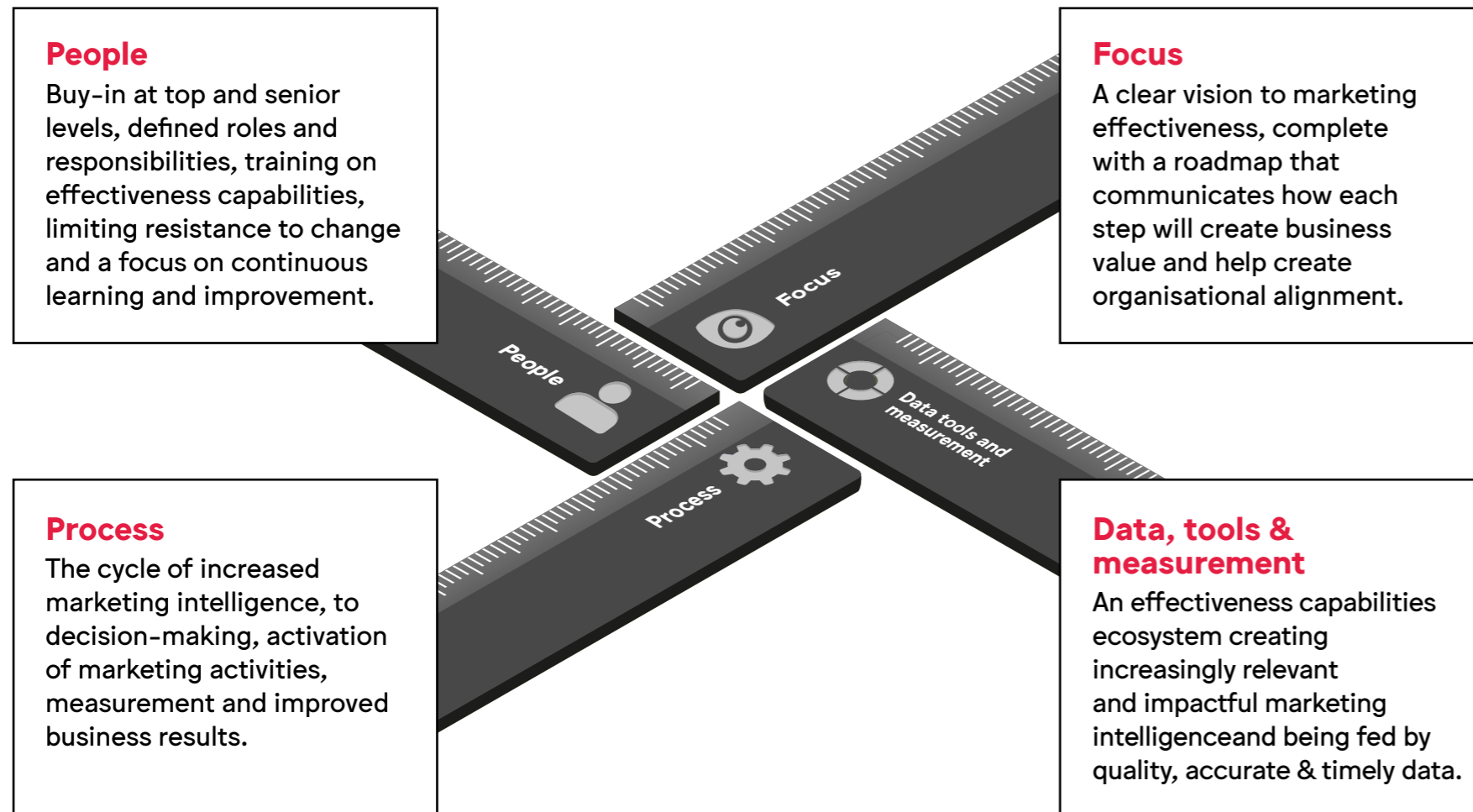
We would like to extend our thanks to the national associations who, alongside WFA corporate members, drove uptake of this study around the world to a total of 310 company respondents.



# Defining marketing effectiveness

We define marketing effectiveness as *“the **process** of improving business performance from marketing activities, made easier and more impactful by **people**; **data, tools & measurement**; and a strong & clear **focus**”*.

Using this definition, we can break marketing effectiveness down into four key quadrants:



How well a brand performs against each of the quadrants of the framework defines the health and strength of their effectiveness culture.

We believe this framework provides an industry standard to how both brands (and agencies) can set themselves up for success with their approach to marketing effectiveness.

**To be specific, it provides:**

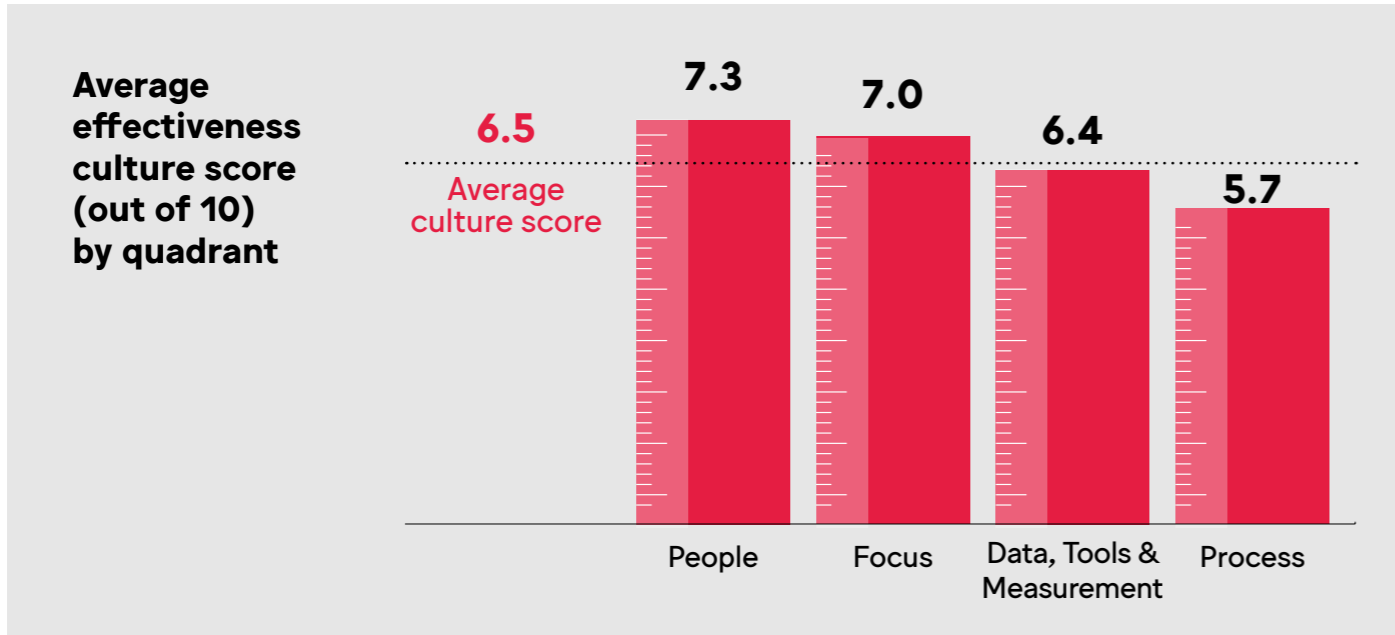
- 1 a practical and diagnostic understanding of the state of marketing effectiveness;
- 2 an assessment against each of the four marketing effectiveness quadrants, evidencing which quadrants need priority focus to improve marketing effectiveness culture;
- 3 an industry benchmark and a comparison to peers, showing how marketing effectiveness is evolving year on year.

The great news is that 93% of respondents agree with this definition of marketing effectiveness. This means that this framework can and should become a common language for the industry in defining marketing effectiveness and building/maintaining a strong effectiveness culture.

# Process – the thorn in the side of marketing effectiveness culture

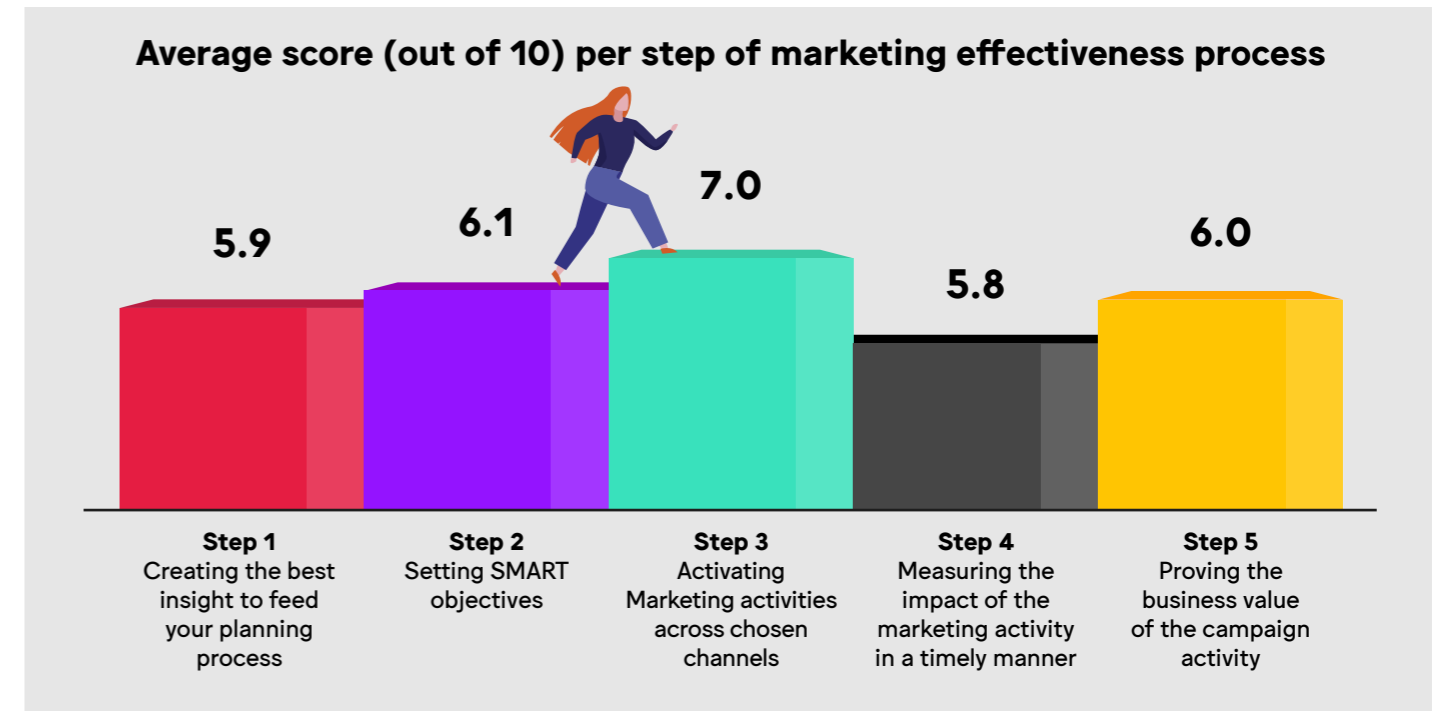
Marketing effectiveness culture is rated by global and local client survey respondents as 6.5 out of 10 overall. As ever, ‘beneath the hood’ there are a number of factors influencing this score.

Two quadrants are having a more positive influence on building a stronger effectiveness culture: Focus (7.0) and People (7.3). On the flip-side, there are two effectiveness quadrants in which respondents report that their marketing effectiveness culture is falling behind: Data, Tools & Measurement (6.4) and, in particular, Process (5.7).



The best starting point for us to explore the challenges is within Process, not only as it has the lowest score out of the effectiveness quadrants, but also because it is the ‘glue’ to the other quadrants.

Thinking of the Process as a set of 5 steps, it’s striking that the best performing step is ‘Activating marketing activities across chosen channels’ (Step 3). All other steps (insight generation, objective setting, measurement and proving business value) are significantly weaker.



The scores indicate that we are better at delivering our plans than we are at:

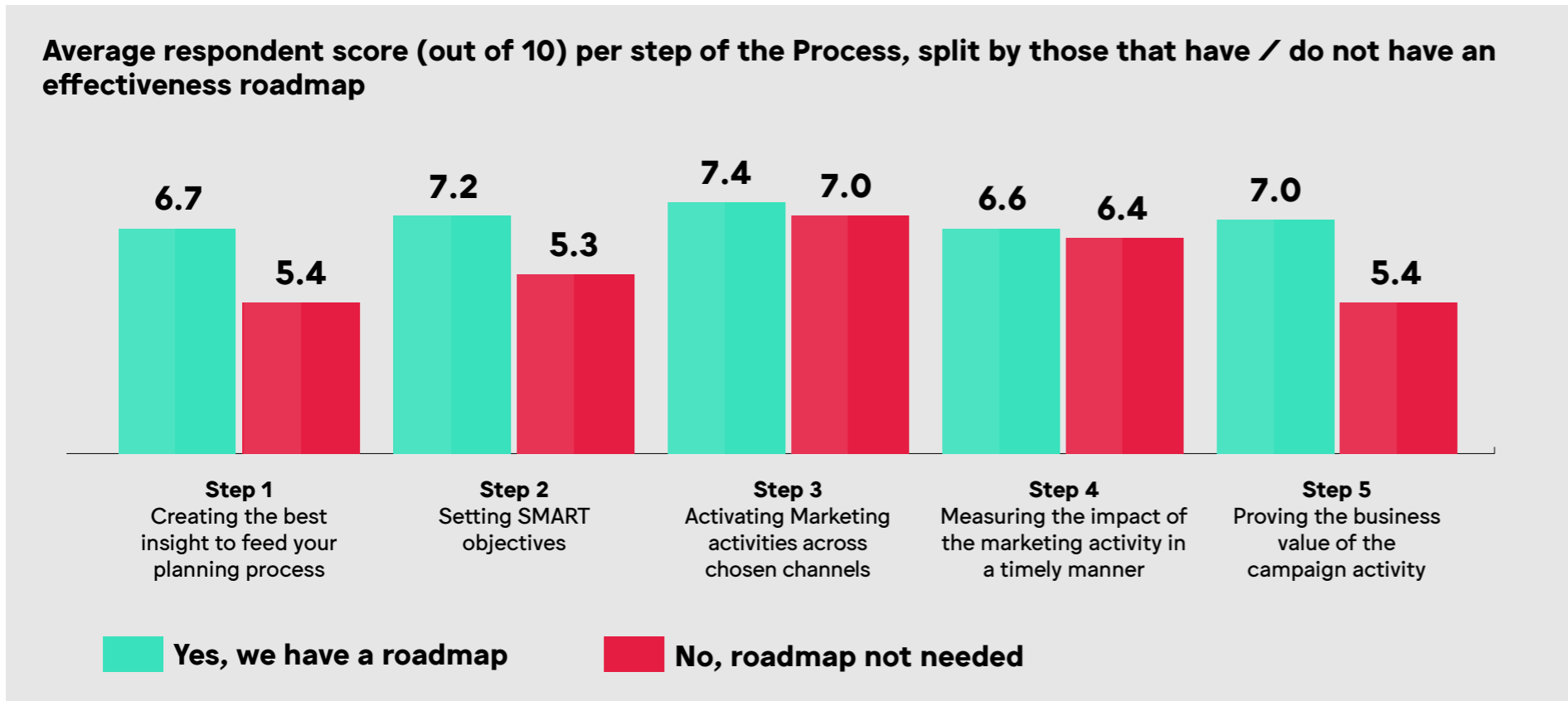
- understanding why we are doing the activity in the first place (the insight generation and objective setting), and
- measuring and understanding the value of the activity (across the short and long-term).

**Or in other words, marketers are too focused on the tactical delivery of activity and need to go back to figuring out the ‘why’ and proving results.**

There needs to be better management of the Process so that all relevant parties understand:

1. What the business challenge is;
2. How to solve it and what the objectives of any activity are;
3. What the results of the activity were and how it contributed to tackling the business challenge.

Before we dive into the different steps of Process to understand the strengths and weaknesses, it is worth noting the positive benefit of having an effectiveness roadmap. **As demonstrated below, every step of Process is improved by having a roadmap in place.**



### Key Process insights:

- 1 Marketing is too focused on the delivery and needs to improve its understanding of the objectives and the measurement and results.
- 2 The nature of complex global businesses makes stepping out the tactical delivery hard.
- 3 There needs to be better management of the Process so that all relevant parties understand:
  - a What the business challenge is;
  - b How to solve it and what the objectives of any activity are;
  - c What the results of the activity were and how it contributed to the tackling the business challenge.
- 4 Key to this is the creation of an effectiveness roadmap and ensuring that there is organisational awareness and understanding of what it is and what it will deliver.



|                           |                   |                                      |                                  |                                                          |                                  |                            |                        |                                |                               |                          |                                   |
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## Report structure

To help understand the strengths and weaknesses in Process, and analysing the role of the other effectiveness quadrants in enabling how well Process performs, there are five questions which we will look to answer in this report:

**1** Is there a clearly defined and well cascaded **measurement framework**, and does it have the right short and long-term metrics?

**4** Are there the right **relationships and collaborations** in place?

**2** Are organisations set-up with the **tools and capabilities** to understand what their marketing activity will achieve?

**5** Can **marketing procurement** be a powerful and positive effectiveness force?

**3** Does insight generation match the **decision-making rhythm** of the business?

# 1 Measurement Framework & Metrics

Is there a clearly defined and well-cascaded measurement framework, and does it have the right metrics?

The first part of any Process should be knowing where the business challenge is that marketing is being asked to solve. Best practice says that this should come from having a clearly defined measurement framework and knowing how the business is performing against the key measures within it.

Having this framework in place can make marketing effectiveness manageable and meaningful.

According to various industry reports, including the infamous IPA 'Long and short of it', marketing effectiveness is in decline (at least at a macro level). At least part of the explanation for this is due to the pendulum swing to short-term, performance media at the expense of long-term brand building and value creation.

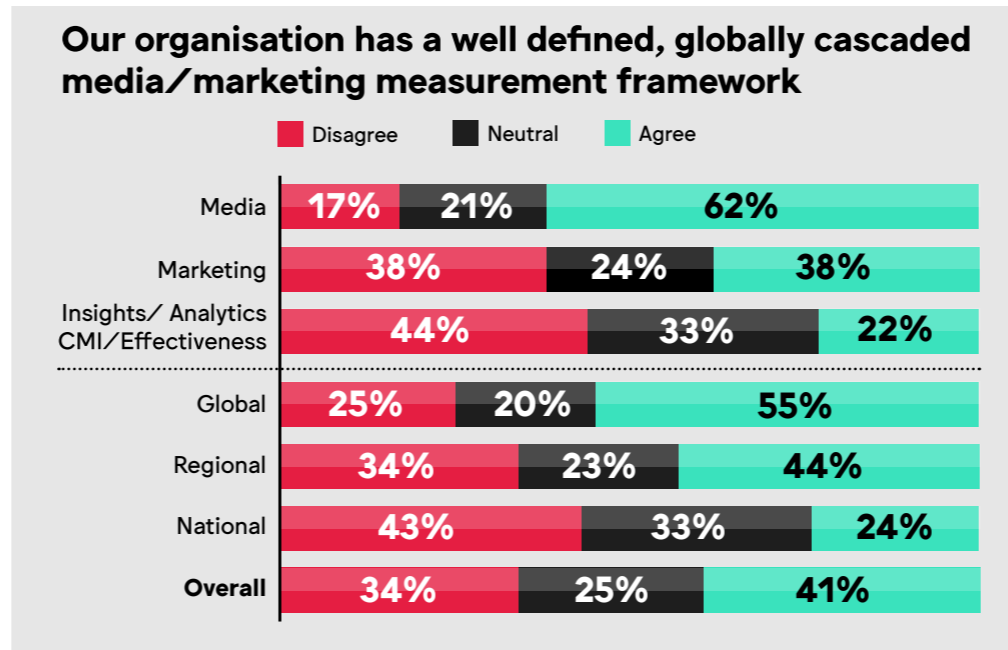
However, in both of WFA's Forum Connect sessions, in Amsterdam and Singapore, when asked how many organisations had a measurement framework with long-term value clearly defined, only two or three hands went up out of a room of 200 marketers.

Additionally, just 41% of respondents to our survey agree

that their organisation has a well-defined, globally cascaded measurement framework.

To add to this industry challenge, there is a lack of consistency across roles and remits about whether their organisation has that well-defined measurement framework, with:

1. Those in a media role or global remit more likely to agree that the framework is well-defined and globally cascaded; 62% agree and 55% agree respectively
2. Those in an insights/CMI/analytics/effectiveness role or those with a national remit, are more likely to disagree: 44% and 43% respectively



“The challenges to installing a company-wide culture of marketing effectiveness are making it manageable and meaningful at the same time. Manageable in the sense that you’re not overburdening the teams with lots of very manual work in data collection, interpretation and optimisation. At the same time, we also want to make it very meaningful. Best practice is to focus on the right kind of metrics, that are linked to business success, and then align marketing with the KPIs behind that.”

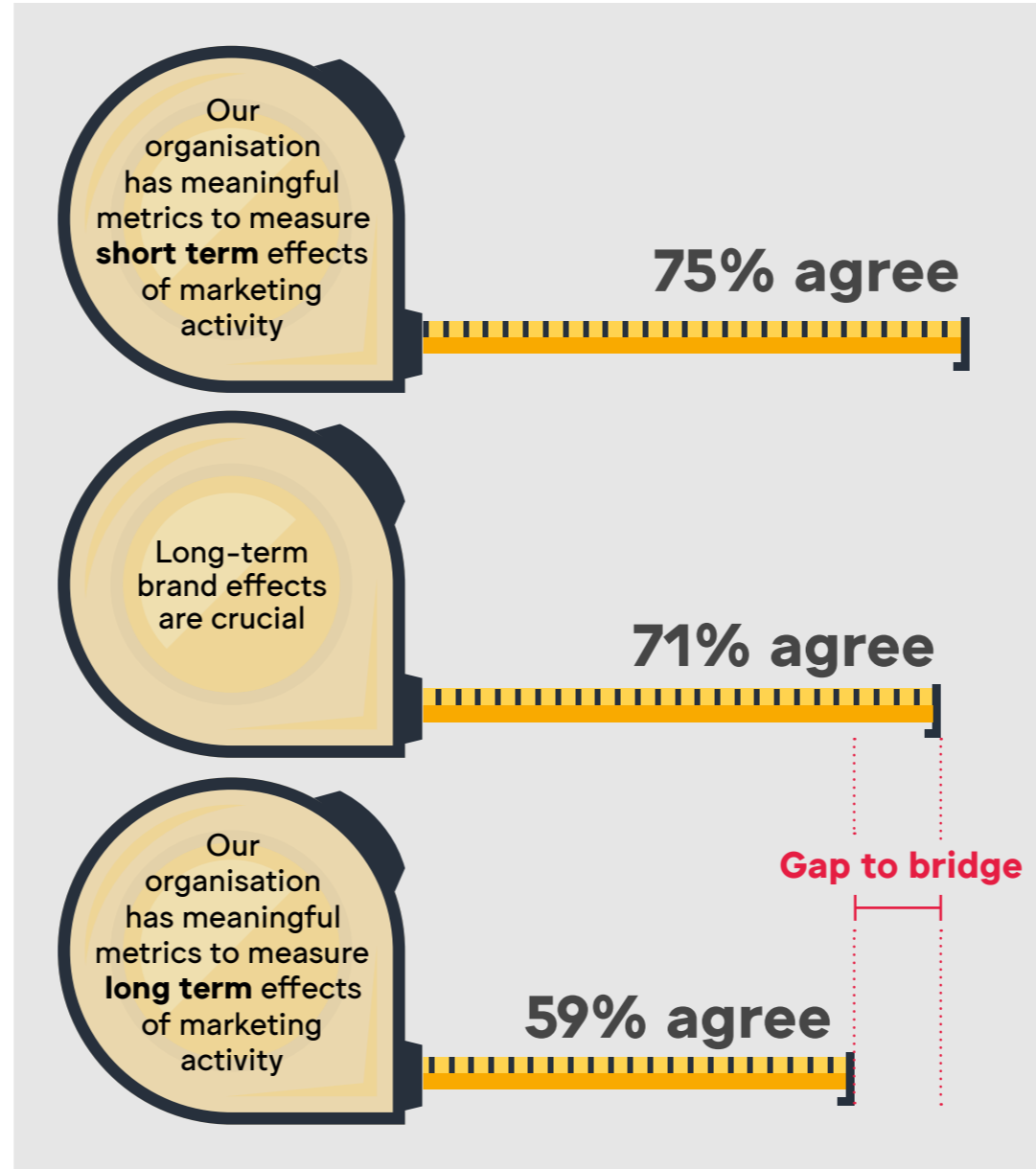
**Gerry D'Angelo**  
Vice President, Global Media  
P&G

There is a clear disconnect across organisations, with those further away from the data (and from the market) more likely to feel that they have the right framework in place.

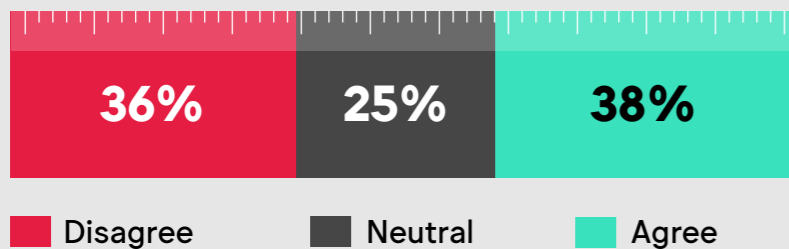
Moving from frameworks to metrics, predictably, there is reasonable agreement that **organisations have meaningful metrics to measure the short-term effectiveness (75% of respondents)**.

But while 71% of respondents agree that long-term brand effects are crucial, just 59% say that they have meaningful metrics to measure this.

As a result, only 38% of respondents agree that their marketing effectiveness metrics are a unifying company-wide factor.



**Our marketing effectiveness metrics are a unifying company-wide factor**



“Measurement frameworks are more important than ever but they are far from widespread on the client-side. In fact, we’re seeing a disconnect, with those further from the data (and the market) more likely to feel they have the right framework in place.”

**Matt Green**  
Director, Global Media Practice  
WFA



The importance of using the same metrics across our organisations cannot be understated, as Susan O’Brien, VP Global Brand, JustEatTakeaway says succinctly:



“It’s critically important that we link long and short-term brand building and effectiveness techniques. We must align the organisation to ensure that we’re all looking at the same metrics.”

**Susan O’Brien**  
VP Global Brand  
Just Eat

### Recommendations:

With this evidence in mind, there are three recommendations to create more impact with a measurement framework and metrics:

- 1 Work needs to be done across the industry to ensure that more organisations have a well-defined and globally cascaded measurement framework. See some suggestions on what to include in the following WFA & Ebiquity Measurement Framework best practice.
- 2 But in creating the framework there needs to be a focus on working out how to measure long-term effects of marketing activity (and create value in the long-term). And an engagement and roll out plan for the measurement framework is needed, to ensure there is greater awareness across roles and remits of what it is, how to use it, and when.
- 3 Current norms in many industry verticals are only to have one annual brand tracking survey. Marketers may want to consider tracking brand perceptions more regularly than this. With more regular data, brand health can be used in measurement programmes and ultimately linked to long-term sales patterns.

## What to include in a measurement framework?

The long-term impact of advertising is very often its largest sales effect. In fact, according to a Gain Theory and Ebiquity report, 58% of advertising returns occur in the long-term (42% across short and medium-terms). Yet the measurement focus is typically focussed on short-term effects from media.

Large and impressive data sets can be produced from digital campaigns, which can become compelling to marketers. As a consequence, the majority of short-term sales or performance media tends to be deployed through digital channels.

But digital tracking needs to be put in context. Digital attribution studies are both blind to other marketing levers (price, promotion, competition, etc) as well as being blind to the influence other media channels play on sales over the short, medium and long-term.

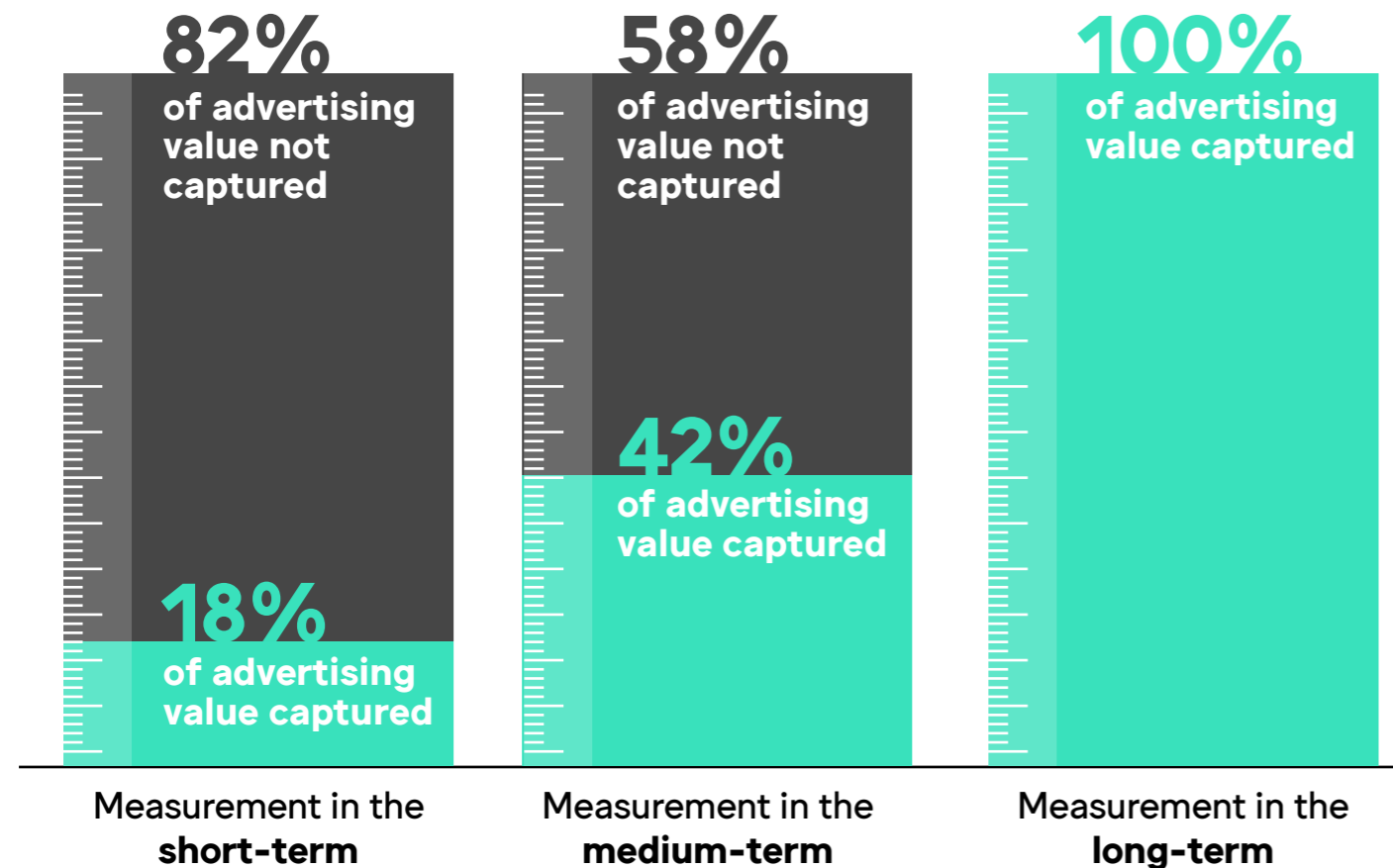
And as it's reliant on individual user-level data, such as third party cookies, attribution is increasingly out of step with the privacy-first ecosystem we are rapidly advancing into.

Any measurement programme should have this context built into it and should work across two (or three) dimensions of time (short-term, medium-term and long-term) and also scale of media campaigns (macro campaign analysis to individual channel and placement / format).

Furthermore, long-term value creation for the brand will be achieved through understanding which marketing and media strategies are driving the growth of 'base' sales in the longer-term.

To achieve that understanding it is important for major advertisers to commission regular brand tracking that can be used by modelling practitioners to understand how the growth in brand metrics (i.e., awareness, consideration and relevant scoring of brand attributes) links to long-term growth.

Advertising reach is critically important to generate strong long-term effects, as demonstrated widely from longer-term econometric studies and collated in 'The Long and Short of It' by Les Binet and Peter Field.



Marketing organisations often focus on the cost element of the ROI formula (i.e.  $ROI = \text{Incremental sales generate} / \text{cost of media}$ ). **A hypothesis supported by the fact that 52% of respondents to this survey agree that their organisation is too focused on efficiency (at the expense of effectiveness).**

But in addition to cost, true ROI needs to be interpreted through the qualifying metrics of reach, attention and engagement to the advertising. If media can be skipped or swiped on a device then it generally will be. In which case the reach 'quality' is reduced.

Qualified reach explains campaign effectiveness and efficiency and, built appropriately, will drive returns in the short, medium and long-terms.

Without an analytics framework capturing the elements above, media plans will reflect short-term sales targets while being blind to what typically drives the ROI in the longer term.

## Measurement in the **long-term**

## Measurement in the **medium-term**

## Measurement in the **short-term**

### **On-site analytics & cross-site attribution**

Quantifying the short-term impact of online media. Attribution studies collect individual, user-level data for addressable (trackable) media and conversion events, to determine the impact each media event has on a customers' path to conversion.



Measurement phase = minutes/hours/days

### **Marketing Mix Modelling (MMM)**

Quantifying the medium-term sales impact of online and offline channels.

Statistical models determine the effectiveness of campaigns by breaking down aggregate data and differentiating between contributions from marketing tactics and promotional activities.



Measurement phase = weeks/month

### **Brand Equity Modelling**

Examining the longer-term impact of media to gain an understanding of the full ROI from advertising.

Models used to determine the amount of positive sentiment a brand has among its customers, the perception of its quality, and its ability to command a premium price. Brand equity is the value of a brand based on the strength of its customer loyalty and recognition.



Measurement phase = months/years

**Quality Reach & Frequency (attentive and engaged reach), plays a role across each measurement phase**

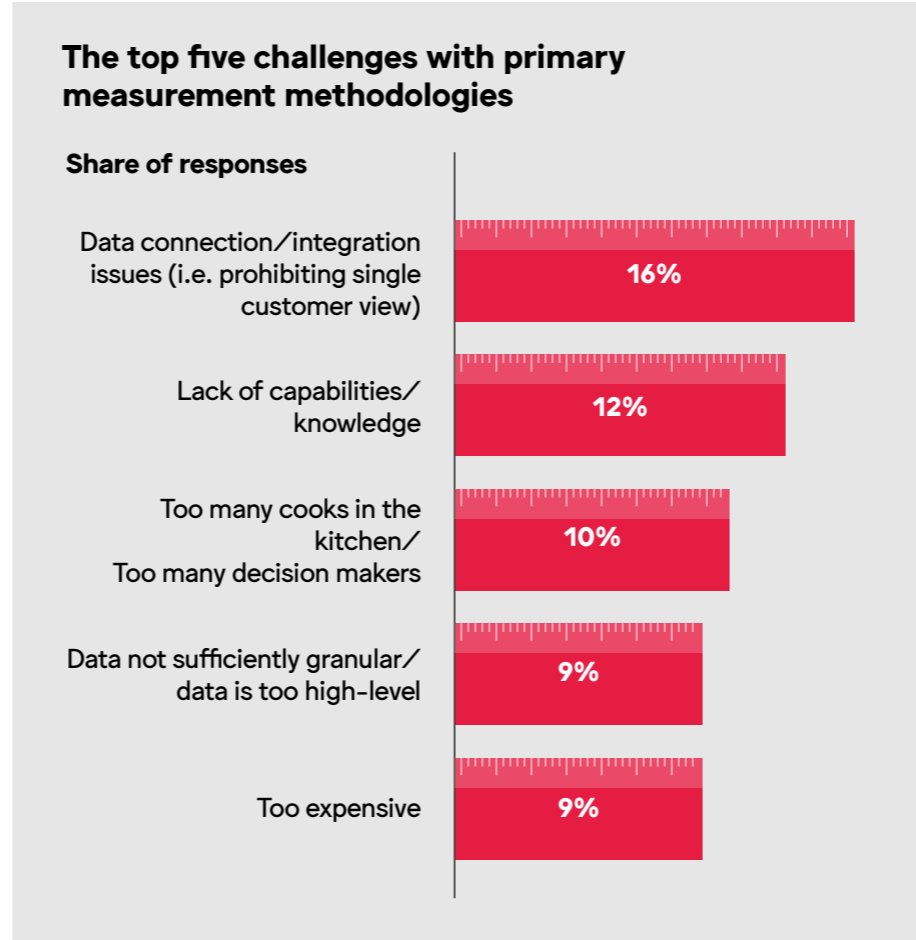
## 2 Tools, data & capabilities

Are organisations set-up with the tools and capabilities to understand what their marketing activity will achieve?

If the first part of the marketing effectiveness process is about being clear on the objective, then the second part has to be understanding the insight and what any planned activity will achieve. If done well, this will give the business confidence that the activity will have the desired impact. To do that, there needs to be the right blend of effectiveness tools, data capabilities and approaches.

But, as Sam Amin (Global Director of Data Driven Marketing & Media at Reckitt) says, for a variety of reasons, getting these resources in place is a major challenge.

Sam refers to all of the top five challenges faced by survey respondents with respect to measurement methodologies...



**Given the measurement challenges, it's unsurprising that there is more confidence among respondents in tooling used to explain how marketing *has* performed (55% agree) vs tooling used to predict how marketing *will* perform (34% agree).**

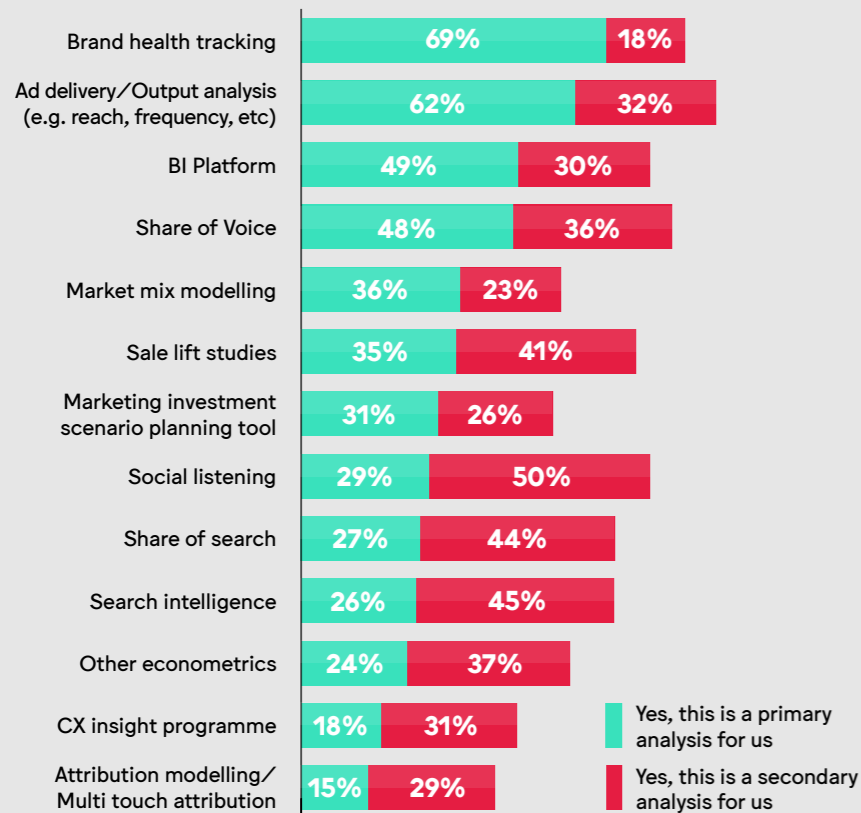


“The key effectiveness challenges for me are around data quality and unification of data across big multinationals. Each team has their own way of categorizing and using taxonomies. Secondly, the tools and measurements needed for marketing effectiveness studies are usually very expensive and time consuming to implement. And then when you have older systems, there’s an associated challenge of increasing capability, so people can adopt the new processes.”

**Sameer Amin**  
Global Director of  
Data Driven Marketing & Media,  
Reckitt

And similarly, the rear-view mirror focused tools (e.g. brand health tracking, ad delivery, BI platform, share of voice, etc) are more likely to be used as primary analysis by respondents.

### Which of the following effectiveness tools are you using?



Meanwhile, the tools that are more predictive (or more likely to identify incremental business value) are less well adopted (e.g. Marketing Mix Modelling, Sales Lift Studies, Marketing Investment Scenario Planning Tool). In fact, over 40% of respondents reported that their organisation does not use Marketing Mix Modelling or a Scenario Planning tool at all.

Why is being more predictive important? The survey identifies that the two biggest effectiveness challenges organisations are facing at the moment are (by far):

#### 1. Challenges with the macro environment

(e.g. consumer confidence, cost of living, COVID recovery, etc). 13% of respondents claim this is the biggest organisational effectiveness challenge.

#### 2. Challenges with the budget (e.g. setting appropriate campaign thresholds and investing in the right effectiveness tools). 11% of respondents claim this is the biggest organisational effectiveness challenge.

Without the right tools to predict the impact of these macro-economic changes on marketing performance, there is limited opportunity to:

- understand the future impact on business performance;
- size the budget needed to achieve any business and marketing objectives.

### Recommendations:

- 1 There is clearly a need for organisations to have better, independent tools to predict marketing performance. But these tools aren't reliably available with the right level of granularity and accuracy for a number of marketing effectiveness use-cases.
- 2 Advertisers and their trade bodies are taking the lead with the development of advertiser-centric open-source predictive measurement tools. Cross-media Reach and Frequency is the starting point, but we want to go further with the development of cross-media outcomes measurement. Anyone wishing to engage can read more [here](#) and get involved [here](#).
- 3 Building a picture of performance that better understands the impact of macro environment influences on the business will then help those predictions become more accurate.
- 4 When switching media agencies, advertisers may want to consider how they can secure a complete record of the history of media planning and results. This is a key asset in support of future media measurement programmes and may need to be inserted as a contractual clause in the Master Services Agreement (MSA).

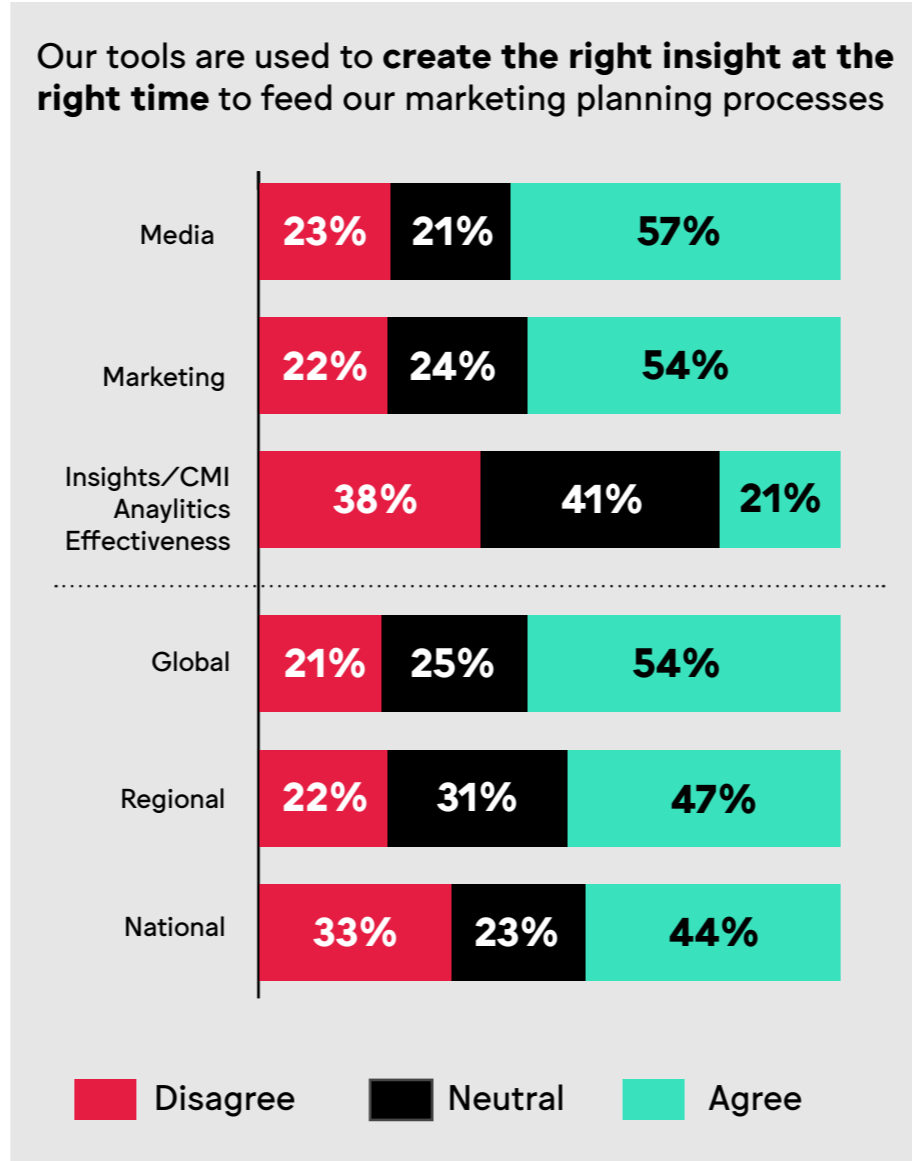


### 3 Decision-making rhythm

Does insight generation match the decision-making rhythm of the business?

Those in a marketing and media role are confident that they get the insight they need at the right time. However, there is a clear feeling from insights/CMI/analytics/effectiveness teams that the timing is off for them.

Only 21% of insights/CMI/analytics/effectiveness respondents agree that tools are used to create the right insight at the right time. Whereas 54% of marketing and 57% of media respondents agree that the timing is right.



There are three hypotheses as to why those in insights/effectiveness roles tend to disagree that tools are used to create the right insight at the right time:

1. Insights/effectiveness leads are less likely to be included early enough on in the planning process, so any recommendations are received too late.
2. The insight generated by insights/effectiveness leads can be complex and take time to create and therefore be delivered too late into the planning process.
3. Sometimes insight functions are pushing the data-driven decision-making agenda and the organisation may not be ready for it.

“The biggest challenge we face with effectiveness is the ‘fit’ of a **data-driven approach** to our established company culture”  
Insight, Consumer Packaged Goods

“Our effectiveness challenge relates to **aligning a decentral Marketing organisation into a global marketing effectiveness strategy**”  
Media, Consumer Packaged Goods

In scoring the ability of their organisations to activate recommendations made from marketing effectiveness analysis, survey respondents averaged 6.3 (out of 10).

For those that score particularly well for activating effectiveness recommendations (>8 out of 10), the reasons tend to centre on the positive mindset and alignment across the organisation.

Where activation scores are below average, then this tends to be either because the organisation is early on its effectiveness journey or the recommendations are seen as optional. Or perhaps the organisation is less willing to follow the data, which may be due to the limited impact of existing tools and capabilities.

Key to getting effectiveness recommendations activated lies in being able to speak the language of the organisation, and in collaboration and alignment across teams and levels of seniority.

### Organisations activating effectiveness recommendations above average and below average

- “The wider business units are aware of our marketing effectiveness tools and recommendations, regularly including learnings which are incorporated into global reports as well as local.”**  
Media, Activation Score 10
- “We have a developer’s mindset, we like to learn and improve”**  
Marketing, Activation Score 9
- “It is all the one team, so we have the ability and desire to act on the insights we uncover.”**  
Marketing, Activation Score 9
- “Sometimes the organisation concentrates on the current trends in marketing missing effective methods for the industry.”**  
Marketing, Activation Score 4
- “Recommendations are taken as optional and senior leadership often comes in to make decisions anyway that are outside of the recommended approaches..”**  
Media, Activation Score 3
- “We have no marketing effectiveness program in place yet. And there is limited impact of existing tools/capabilities.”**  
Media, Activation Score 2

### Recommendations:

The insight creation process needs to be improved in two ways:

- 1 Insights need to better fit the decision-making rhythm of the business. This needs to be applied across all roles and remits (not just applicable to insights/CMI/analytics/effectiveness).
- 2 There is a need to build more credibility with the insights and recommendations so that they are more likely to be acted upon. This can be done in two ways:
  - a Using all the tools, approaches and capabilities to build a single picture of what the recommendation is.
  - b This will then help by changing the mindset of the organisation to become more data/insight driven.

## 4 Relationships & collaborations

Can you speak the 'language of the organisation' and build relationships across the organisation?

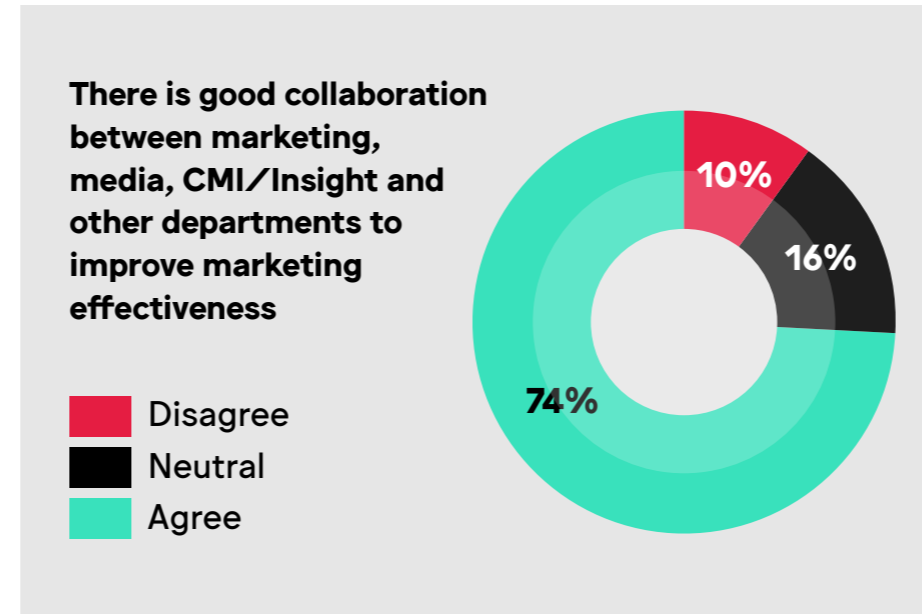
The value of marketers being able to speak the 'language of the business' cannot be overstated. A linchpin towards this is building stronger relationships with finance, to better articulate the value that marketing creates, as illustrated by the below IPA quote.

“The biggest change over the last year is that we now have individuals from finance working with us directly to create business cases to progress our agenda...The cases have more credibility when you are sitting in front of the CEO and s/he says ‘Is this actually going to work?’ For example, if we move this brand metric by 1% it will do this to the top line and the bottom line.”

**Customer Head of a Consumer Services organisation**  
(IPA, Building Bridges with Finance?)

Looking at the WFA survey results, levels of commercial and financial literacy are in a good place with two thirds of respondents agreeing that there is an appropriate level of commercial and financial literacy to impact commercial decisions.

And at surface level, respondents to this survey indicate that there are good levels of collaboration across teams, with 74% agreeing that marketing, media, insight and others are collaborating well to improve effectiveness.



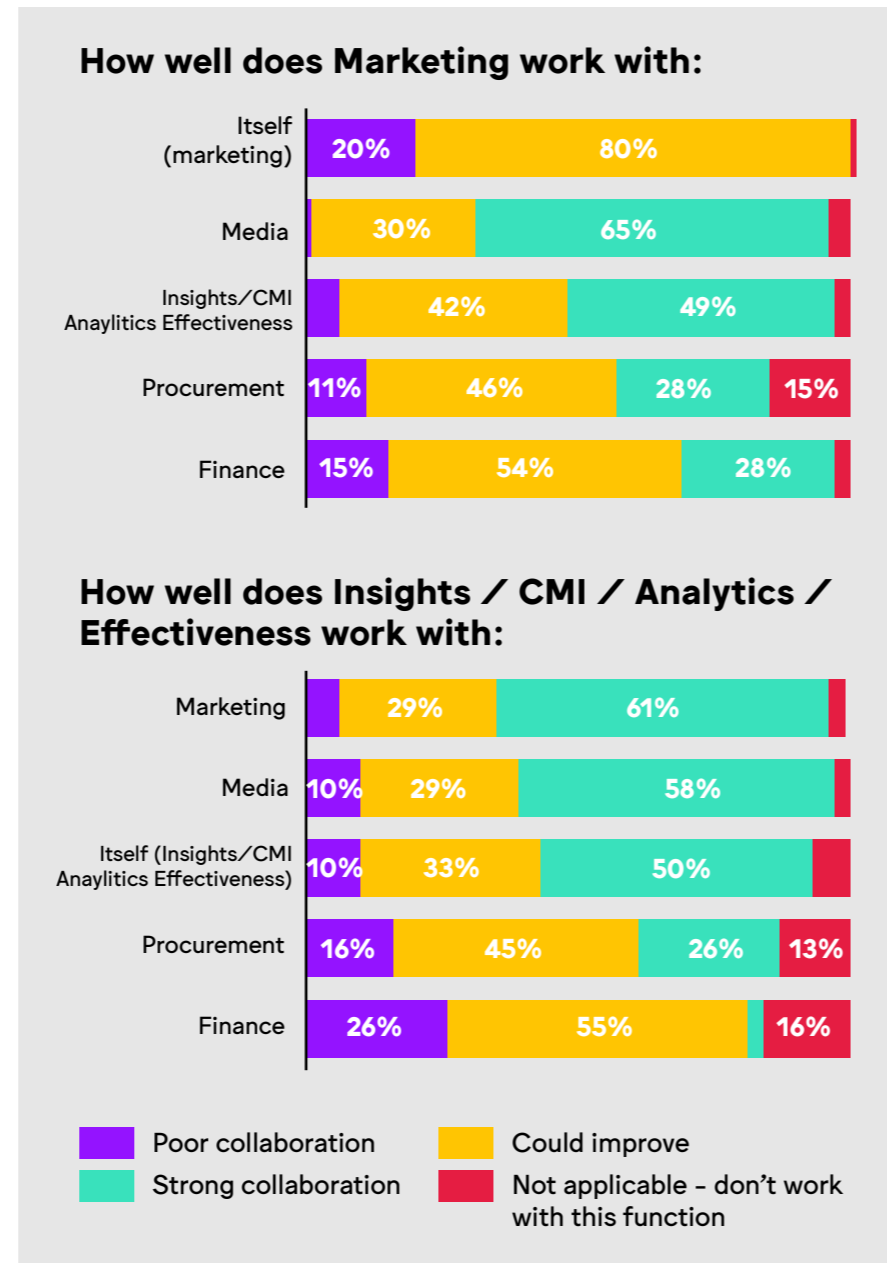
But when looking at the detail of how each team collaborates with each other, there are two interesting observations which emerge:

**1. Each team has finance ranked as the lowest for collaboration.**  
Given the importance of ‘speaking the language of the organisation’ and ‘value creation’, this seems at odds with previous findings. Having good financial and commercial literacy is not yet helping build a consistently collaborative relationship with finance.

**2. Insights/CMI/analytics/effectiveness need to work on collaboration within their teams and with other teams.**

Only 50% of Insights/CMI/analytics/effectiveness respondents state there is good collaboration with themselves!

Compare this to marketing and media who scored themselves 80% and 82% respectively for having strong collaboration.



From experience, insight teams fail to work well together when a joined-up approach to solving business challenges is lacking. For example, research and analytics teams can sometimes work independently of each other to try and answer the same business question, when a joined-up approach would be significantly more impactful. This can impact in a few ways:

1. A disjointed story being told to stakeholders when trying to answer their business questions.
2. Limits the potential of the Insight team by not providing a single and well-rounded answer to business questions.
3. It can impact the credibility of the Insight team and, in worst case scenarios, leave stakeholders no option but to create their own insight and recommendations.

### Recommendations:

- 1 So effectiveness programmes are not perceived as marketing division initiatives it's critically important that collaboration with finance is improved, from all teams. There may be good commercial and financial literacy in place within organisations but this is not yet helping build a collaborative relationship with finance.
- 2 Insight/CMI/analytics/effectiveness teams need to look at themselves to how they can work better with a focus on joined up solutions to answer business and marketing challenges.

## 5 Role of marketing procurement

Can marketing procurement be a powerful effectiveness force for good?

Marketing procurement have traditionally played an important role in helping marketing organisations on their effectiveness journey by helping to bring in the right partner at the right price. More often than not that means being labelled as “cost killers”, as described in the following anonymous quote:

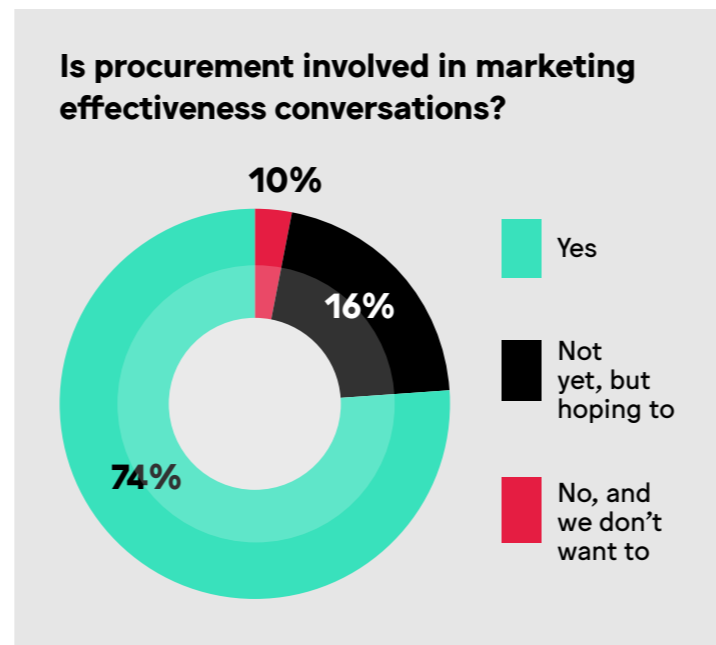
“The difficulty for Procurement is to find a role and be recognised in that role. Very often we get pushed back or confined to a cost killer role, or we’re asked to focus on savings only. But I think the world is changing and we are heading towards a different type of marketing procurement. CMOs and marketing people today are recognising that we are good partners in achieving marketing effectiveness goals.”

**Mylène de Saint Pierre,**  
Director Global Category Management  
Marketing, EssilorLuxottica

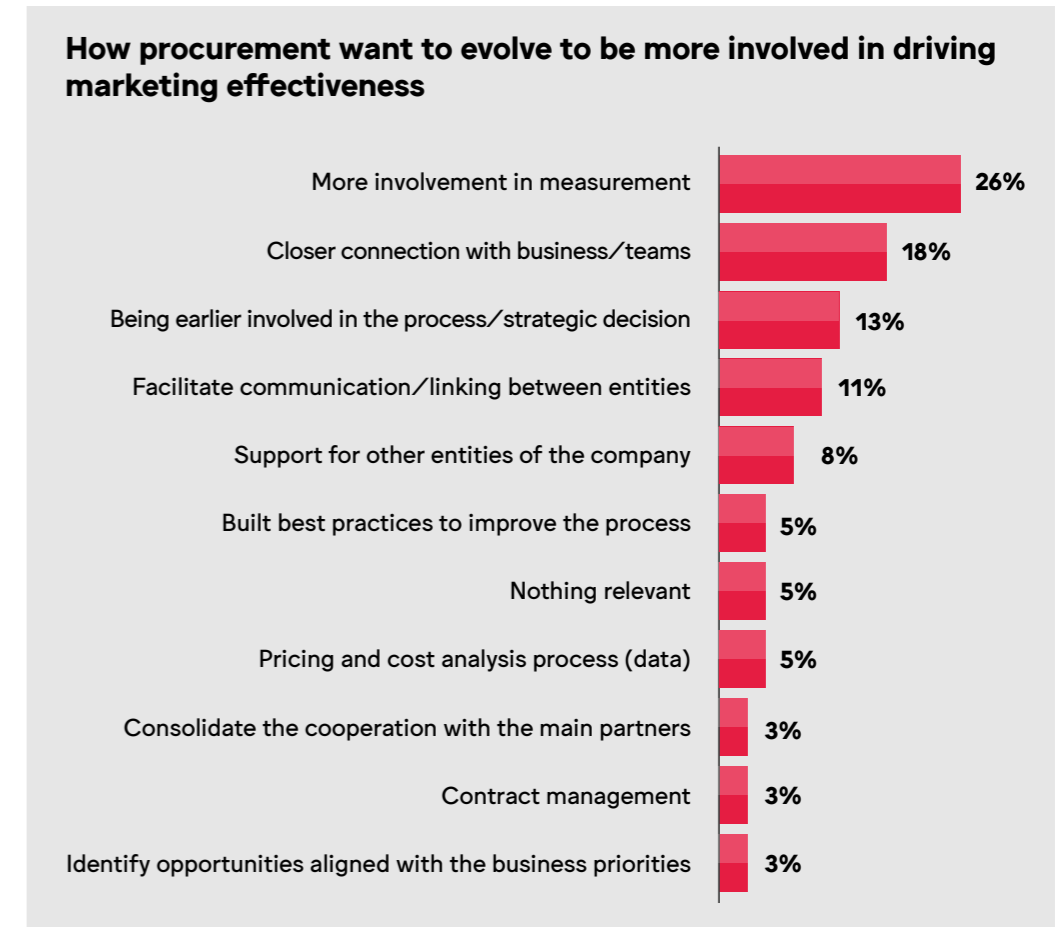


The starting point to realise marketing procurement’s ambition to be more involved in marketing effectiveness conversations is to understand to what degree they are currently involved.

The good news is that, according to marketing procurement, 77% agree that they are already involved in marketing effectiveness conversations and only 3% don’t want to be involved in them. There is a good foundation for marketing procurement to become further involved.



According to marketing procurement themselves, there are several key areas where procurement needs to evolve to be more involved in the effectiveness conversations. Chief among these are: being involved in measurement (28%), securing a closer connection with the business and teams (18%) and being involved earlier in the process/strategic discussions (13%).

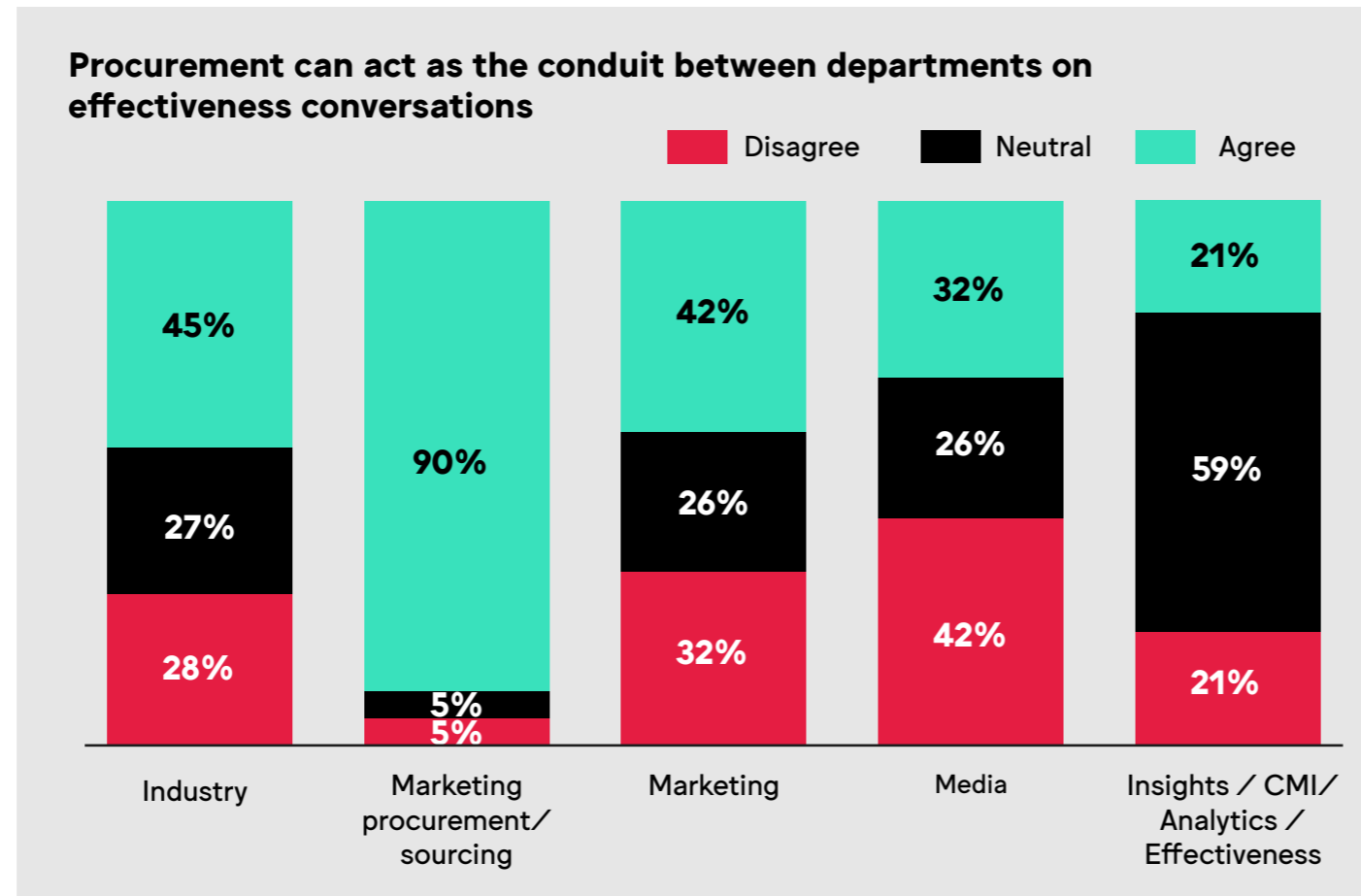




Nine in 10 from the procurement community feel that procurement can act as the conduit between departments on effectiveness conversations.

But the challenge is whether other departments feel the same. Just 21% of those in insights roles agree that procurement can be a conduit within organisations on effectiveness.

If procurement want to play a bigger role in driving effectiveness forward in their organisation, then they need to convince teams that they can be a strong effectiveness partner.



**Recommendations:**

To be a stronger effectiveness partner and to be seen as a conduit between departments on effectiveness conversations, marketing procurement needs to:

- 1 Focus on more consistently engaging and collaborating with marketing, media, insights/CMI/analytics/effectiveness and finance.
- 2 Demonstrate the value that working with those in a global and regional remit can bring. Then use that evidence as proof as to why they should be involved in effectiveness conversations from the start.

## Conclusions & next steps

One of the opening points made by an attendee in WFA's Forum Connect in Amsterdam was that they are seven years into their journey, on phase four of what effectiveness is, and it is still a work in progress.

This is the reality with marketing effectiveness; it is a journey. A journey that has to be started, but once you start it, you have to keep going as there is no straight line to the destination, if there is a destination.

“The biggest challenge for companies that want to embark on a marketing effectiveness culture is commitment. You’ve got to really challenge the status quo”

**Stuart McGown**  
Global Head of Marketing  
Insights & Analytics,  
Philips



**Fortunately, there are a number of considerations which may help to short-cut the journey:**



1

**Sharpen the Process:** Marketing is too focused on the delivery and needs to improve its understanding of the objectives and the measurement and results. There needs to be better management of the Process to achieve this. Key to this is the creation of an effectiveness roadmap while ensuring that there is organisational awareness and understanding of what this document is and what it will deliver.



2

**Cascade a comprehensive measurement framework:** Work needs to be done across the industry to ensure that more organisations have a well-defined and globally cascaded measurement framework. Critically, this framework needs to reflect an understanding of how value is created in the long-term with a focus on how the long-term effects of marketing activity will be measured.



3

**Demand and implement better tools:** There is clearly a need for organisations to have better, independent tools to predict marketing performance. But these tools aren't reliably available with the right level of granularity and accuracy for a number of marketing effectiveness use-cases. Advertiser associations are the right places for advertisers to connect and explore their unilateral demands for better tools. In fact, several associations (including WFA) are already working on revolutionising media measurement tools. Join the revolution [here](#).



4

**Create better insights:** There is a need to build more credibility with marketing effectiveness insights and recommendations, so that they are more likely to be acted upon. Fundamental to this pursuit is ensuring that effectiveness insights better fit the decision-making rhythm of the business. Part of the process to developing this is improving collaboration across the organisation, with a view to establishing a more wholistic marketing effectiveness culture.



**Strengthen collaboration:** Collaboration needs to improve with a number of teams....

- a **Marketing with finance:** In general, we're seeing good commercial and financial literacy in place across organisations. But this does not appear to be helping to build collaborative relationships between marketing and finance, which is key for successful effectiveness programmes.
- b **Insights with insights:** Surprisingly, insights or effectiveness teams don't always collaborate well across their various global, regional and local teams. These teams need to look at themselves for how they can work together better, with a focus on joined up solutions, to answer business and marketing challenges.
- c **Procurement with all:** Marketing procurement can act as a conduit between all departments on effectiveness topics, but this is rarely happening currently. If procurement can demonstrate the value that they can bring to the organisation with respect to effectiveness, then this can be used as evidence as to why they should be involved in effectiveness conversations from the start.



|                           |                   |                                      |                                  |                                                          |                                  |                            |                        |                                |                               |                          |                                              |
|---------------------------|-------------------|--------------------------------------|----------------------------------|----------------------------------------------------------|----------------------------------|----------------------------|------------------------|--------------------------------|-------------------------------|--------------------------|----------------------------------------------|
| Introduction & background | Executive summary | Our global community - survey sample | Defining marketing effectiveness | Process - the thorn in the side of effectiveness culture | Measurement frameworks & metrics | Tools, data & capabilities | Decision-making rhythm | Relationships & collaborations | Role of marketing procurement | Conclusions & next steps | <b>Authors, collaborators &amp; contacts</b> |
|---------------------------|-------------------|--------------------------------------|----------------------------------|----------------------------------------------------------|----------------------------------|----------------------------|------------------------|--------------------------------|-------------------------------|--------------------------|----------------------------------------------|

## Authors, collaborators & contacts

Rather than starting from a blank sheet of paper, WFA has partnered with the IPA to use the structure of the excellent ISBA and IPA Marketing Effectiveness Culture Report as the basis for our own WFA survey. And we have collaborated with Ebiquity, WFA's Effectiveness strategic partner, to enhance the recommendations made in this report.

Nick Milne, founder at [Go Ignite](#), a consultancy supporting brands and agencies to ignite their marketing effectiveness journey, is author of the IPA's report. Nick is also one of the lead authors of this paper, among the following. And any of the following can be approached for further information about these findings or about the WFA's on-going marketing effectiveness programme.

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### **About WFA**

WFA is the only global organisation representing the common interests of marketers. It is the voice of marketers worldwide, representing 90% of global marketing communications spend – roughly US\$900 billion per annum. WFA champions more effective and sustainable marketing communications.



### **About Ebiquity**

Ebiquity is the world leader in media investment analysis, with unmatched expertise across all media channels. Our purpose is simple: we exist to help brand owners increase returns from their media investments. We empower them to improve business performance. By optimising the effectiveness and efficiency of media spend, we create value and eliminate waste.



### **About IPA**

The Institute of Practitioners in Advertising (IPA) is the trade body and professional institute for agencies and individuals working in the UK's advertising, media and marketing communications industry.



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