Overview of MASB Standards Projects
(Project Stage & Leadership)

Marketing Productivity, Effectiveness and Accountability
There is increasing scrutiny of marketing activities and a growing demand for greater accountability of the marketing function. The paper asserts that such accountability cannot be achieved until generally accepted standards for the measurement of marketing outcomes are adopted, identifies three broad types of marketing outcomes, and suggests that two of these types of outcomes are candidates for the development of standardized measures. The role of standards, essential characteristics of standards, and how they may be developed are addressed.
(Completed; The Boardroom Project)

Objectives of Marketing Standards
Eight overall objectives, or guidelines, for marketing measurement standards are recommended in this document, an adaptation from the Trueblood Committee’s “Objectives of Financial Statements (AICPA, 1973)” Recommendations.
(Completed; The Boardroom Project)

The Role of Standards: Academic Review
A review of the role of standards, current practices, needs, qualifications, and value proposition for the launch of MASB: ROMI is no longer an option, there is much unnecessary confusion about ROMI, and ROMI is ultimately about economic outcomes and financial results; There is a need for standard measures related to short-term incremental results and longer-term effects linked to cash flow...in order to forecast future outcomes, evaluate past actions, allocate resources across comparable and non-comparable activities, evaluate alternative action plans and improve return over time; the solution will arise in a competitive market if firms invest in standardized metrics and a formal audit process; but, who or what will drive this process? MASB
(Completed; Stewart & The Boardroom Project)

C-Level Views on Marketing Accountability
In-depth interviews with C-Level managers (CFO, CEO, CSO) to gain insight into views regarding the role of marketing in the business process and the value of marketing metrics in the accounting and financial processes. Summary: There is universal need for true marketing ROI metrics - valid/predictive performance (return) metrics which can be integrated w/performance metrics from other parts of value chain; especially true for advertising, new product introductions and in-store/similar “channel” activities as well as competitive moves; metrics related to both short term & long term impact are needed, with focus on customer outcomes; increased speed of business makes accurate forecasting critical; will take a combined effort of marketing, finance & sales to find/agree on the “best metrics”; a self-governing standards body could add real value to meeting these needs.
(Completed; Plummer & Blair)
Fundamentals: about MASB
Documentation of the fundamental structure, business model, concepts, processes & precepts by which the MASB will/is operating in setting marketing measurement & accountability standards.
(Completed; Blair & Sirkin)

Marketing Metric Audit Protocol – MMAP
MMAP is a formal process for connecting marketing activities to the financial performance of the firm. The process includes the conceptual linking of marketing activities to intermediate marketing outcome metrics to cash flow drivers of the business, as well as the validation and causality characteristics of an ideal metric.
(Posted for Industry Feedback; MASB)

Measuring and Improving the Return from TV Advertising - An Example
The purpose of the TV Project is to serve as an example of how to evaluate marketing metrics according to the Marketing Metrics Audit Protocol (MMAP), the learning that can come from using an “ideal” metric over time & conditions, and how to improve return by applying the metric & learning to better marketing practice - process management.
(Posted for Industry Feedback; MASB)

Practices Underlying the Development & Management of an “Ideal” Metric
While the Example Project identifies a specific measurement of consumer brand preference (choice) and profiles the metric according to the validation and causality characteristics of an “ideal” metric...perhaps equally important is an understanding of the corporate practices and processes employed by the provider of the metric to achieve, maintain and improve its validation and causality characteristics over time. This project reveals the corporate structure and research processes employed for reliability, validity, causality and insight into better practices for improving return from the activity.
(Posted for Industry Feedback; MASB)

Measuring and Improving the Long-Term Impact of Advertising
The majority of marketing analyses address only short-term effects, with short term defined as the current budget or planning period (usually a quarter or a year). Results of the analyses have caused marketers to shift spending to programs closer and closer to the point of purchase. This shift in marketing strategy can be seen in the growth of “trade promotion” budgets over time, often at the expense of programs with impact that may accrue over time (like advertising). This project summarizes what is known about the short and long-term impact of advertising with practitioner examples.
(Completed; Hanssens)

Methods of Brand Valuation
This is an academic review of various methods of Brand Valuation as they relate to FASB qualities and to MASB (MMAP) characteristics. In summary, the various methods yield different financial values for the same brands, including changes in values over time. Recommendations from the review include standardization of marketing metrics, minimum standards for validation, more transparency in approaches to measure brand strength. This project serves as “what is known” in the Brand Investment & Valuation Project.
(Completed; Fischer & Mizik)
Establishing Marketing Measurement and Accountability Standards for Continuous Improvement in Financial Performance

Common Language for Marketing Activities & Metrics on Wikipedia
Ambiguity and lack of referential integrity in marketing terminology hinders the integration, effectiveness and efficiency of processes and data, between functions within an organization and across organizational partners. There are no commonly accepted definitions for marketing activities and associated measures for evaluating outcomes. Wikipedia generates convergence to a common set of definitions by design and is being used as the publishing platform for the MASB common language encyclopedia. A link to the MASB website (MMAP Metrics Catalogue) will be provided to MASB members as the various metrics undergo the MMAP protocol audit. Establishing common language and definitions will eliminate ambiguity in marketing terminology and encourage trust and collaboration within and across the marketing industry & business communities.
(Underway & On-Going; Farris & Pekala)

MMAP Marketing Metrics Catalogue
While marketing does not lack measures, it lacks standard metrics explicitly linked to financial return in predictable ways. The Marketing Metric Audit Protocol (MMAP) is a formal process for connecting marketing activities to the financial performance of the firm. It includes the conceptual linking of marketing activities to intermediate marketing outcome metrics to cash flow drivers of the business, as well as an audit as to how the metrics meet the validation & causality characteristics of an ideal metric. The MMAP Marketing Metrics Catalogue is designed to provide vendors and users of marketing metrics with a systematic way of thinking about them, the criteria for assessing their usefulness (including predictive validity and sensitivity), their relationships between one another, and their relationships to measures of financial performance. Firms will rely on the Catalogue to select the metrics that will help them make better business decisions and improve financial return.
(Posted on MASB Website & On-Going; Meier & Ebben)

MMAP Audit, Training & Advisory Services
MMAP is the first “standard” approved by MASB as the process for connecting marketing activities to interim outcome metrics to financial performance metrics, and includes an audit of how the metrics meet the validation & causality characteristics of an ideal metric. While an Example Project profiles a specific “ideal metric”, members of MASB and an academic search could not find other metrics that might serve as examples. During the past several decades, the marketing community has paid little attention to measurement development, specifically the validation and causality characteristics that are necessary to reliably measure, forecast and improve financial return. As there is a large gap between measurement requirements and skill-sets in the field, there will be growing demand for training and advising on how to meet the MMAP standards. The MMAP Center Advisory Group provides the audit, training & advisory services to help measurement providers and users understand, evaluate and meet more of the MMAP characteristics.
(Underway and On-Going; MMAP Center)

Measuring and Improving Return from On-Line Advertising
Several metrics have taken center stage for measuring digital marketing, starting with hits, impressions, page views, and click-throughs. The 3MS initiative is currently working towards an online Gross Ratings Point (GRP) metric, providing reach and frequency reporting of viewable impressions. GRPs will soon become the standard for commerce involving digital media platforms. All three sponsors of 3MS are members of MASB (IAB, ANA, 4As) and will work w/MASB towards tying GRPs and other metrics to financial return.
(What is known Stage; Stacey & TBD)
Establishing Marketing Measurement and Accountability Standards for Continuous Improvement in Financial Performance

Marketing Accountability Standards Board
of the Marketing Accountability Foundation

Measuring & Improving Return from CPG Target Segments using CLV
Improvement in target marketing strategies for CPG has been hampered by the inability to measure the return from those targets. This issue will become even more important as TV will soon be household addressable. Marketing to consumers has been measured at the store, market and product levels...not at the consumer level. Many direct and contractual relationship marketers have measured customer acquisition/retention and purchase size/price to construct Customer Lifetime Value (CLV) and Customer Equity (CE), estimating future return from marketing activities. A Pilot Project has demonstrated how the CLV construct can be reliably applied to CPG marketing, and a Full-Up Project will demonstrate how to measure and forecast return from advertising and among targets, helping CPG marketers better manage & improve return from target marketing practices. (Pilot Being Documented; Abens, Sirkin & Hanssens. Full-Up Underway; Wood & Hanssens)

Brand Investment & Valuation
Marketing and Finance practitioners agree that it is marketing’s job to create, sustain and build brands that produce current and future economic benefits for the firm, recognizing that the brand is one of the most important intangible assets owned by the enterprise. Their activities are designed to enhance the strength of the brand among customers in a manner that positively impacts market and financial returns short term and over time. Current methods of brand valuation are divergent, inconsistent, and generally not useful for financial forecasting, planning, justifying investment or improving return. The objective of this Game Changing project is to establish “generally accepted brand investment and valuation standards” that will provide consistency, comparability, credibility and actionability. The project involves the creation of general principles and standards/methodology for Valuing Brands as well as trials among 5-6 brands that will serve as examples of applying the principles, standards & methodology. (Underway; Hess & Stewart)

Improving Financial Reporting
All firms are required to report Brand Value when brands are acquired, but not yet for internally developed brands. The valuations are generally performed by banks, accounting firms, or certified valuators, and most without marketing metrics or marketing input. This Game Changing project will see that marketing is at the table with “generally accepted brand investment and valuation standards” when the reporting of Brand Value is required for internally developed brands. (Underway; Gregory & Moore)

MarCom
The objective of this project is to effectively communicate the importance of MASB and its work to the advancement of the marketing discipline. Representatives from MASB Charter Member Industry Associations comprise this team, recognizing that MASB will provide the critical missing links between the marketing and finance communities. (Underway & On-Going; Zengel & Sexton)

The MASB Book I
This project will compile the best of MASB work in an edited book that is accessible to the general business & academic communities, providing a rallying point for those committed to greater accountability in marketing, the development of standards for marketing reporting, and a stronger role for marketing in the strategic decision making of the firm. (Underway; Stewart & Gugel)