Driving Results in a Marketing Squeeze

The Future of Marketing Intelligence

János Moldvay
VP, Measurement

funnel.

The paradigm shift

Era of brand

Future of balance

Dive into digital

1960   1980   1994   2017   2026
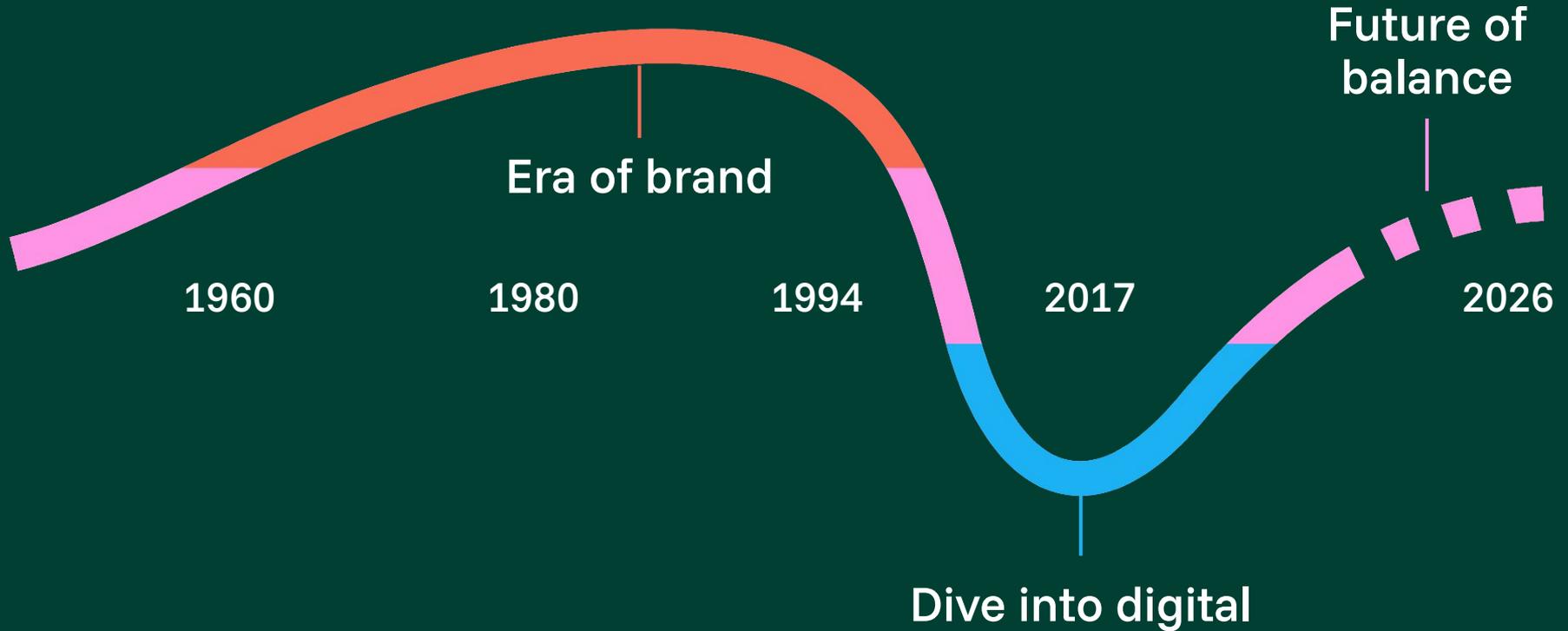
100 YEARS OF MEISTERSTÜCK

MONTBLANC

Montblanc: From stores to omnichannel

Out of home

Online search

Online reach

TV & CTV
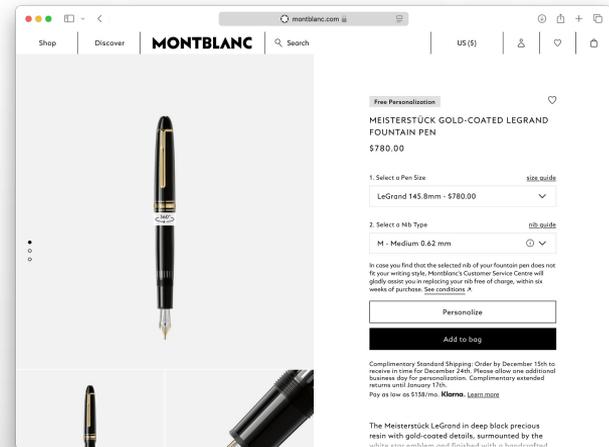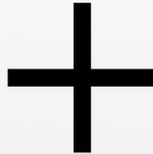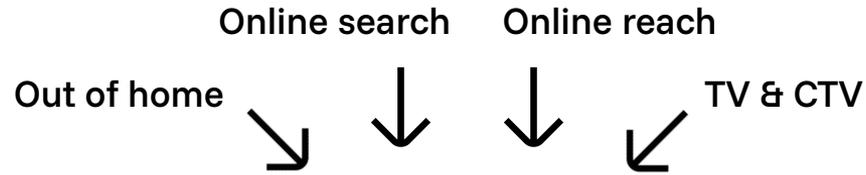
Analytics is a driver of growth

↑ Companies whose analytic performance is rated "Good" have almost 50% probability of revenue growth exceeding 5%

↓ Companies whose analytic performance is rated "Poor" have 5% probability of revenue growth exceeding 5%

The three horsemen of the marketing data apocalypse
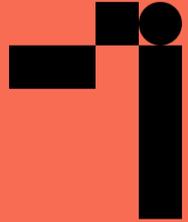
Funnel

Brand and offline measurement

There is compelling evidence for share of budget allocation

Left chart:
Optimum: **20-60% online**

Y-axis: Number of very large effects (0 to 10)
X-axis: 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

← More offline   More online →

Online channels – share of budget

Right chart:
Optimum: **40-70% brand**

Y-axis: Number of very large effects (0 to 10)
X-axis: 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

← More activation   More brand →

Brand building – share of budget

funnel.

But...

BRAND   PERFORMANCE

65%

77%

23%

35%

Budget

Generated
Revenue

Budget

Generated
Revenue

Short term initiatives have meant declining effectiveness

System1, 2024. Data from the IPA database, for-profit cases in United States and UK.
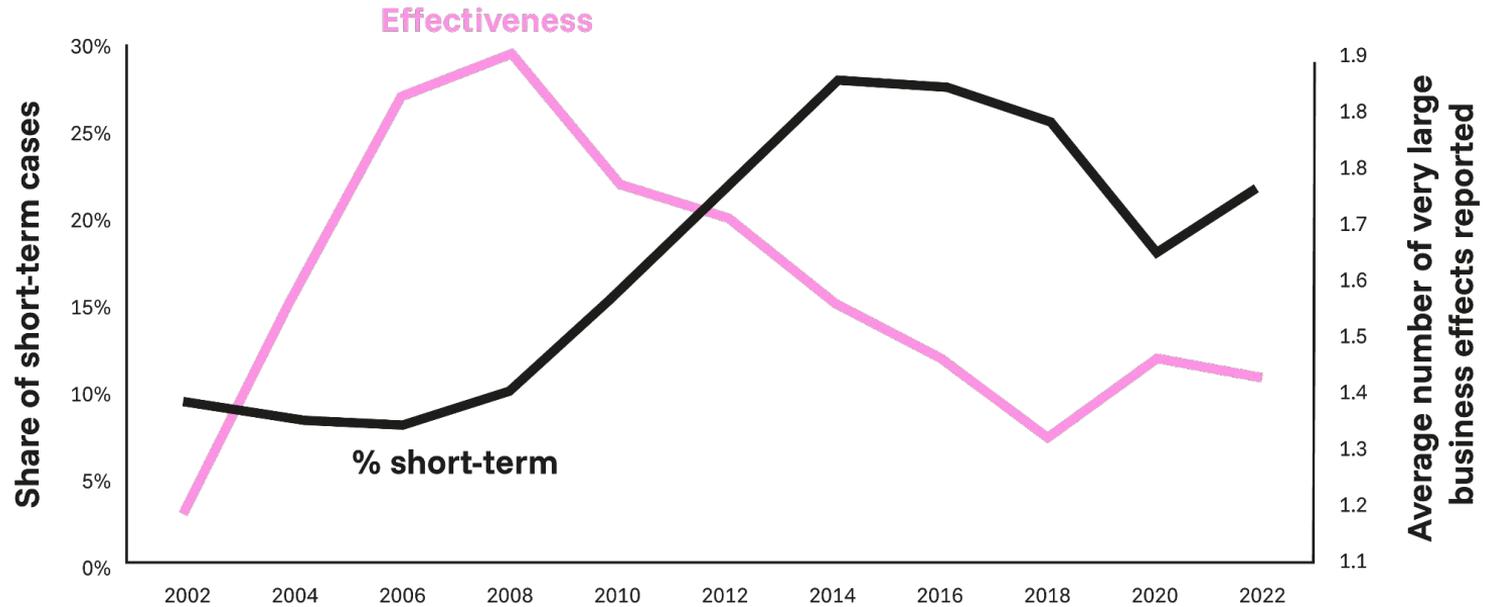
Upper funnel creates more incremental impact but is harder to measure

Harder to measure but higher incrementality

Easier to measure but lower incrementality

Awareness
TV, Out-of-Home
Facebook, Display Advertising

Interest
Paid Search - Generic
Paid Search - Competitor

Desire
Paid Search - Brand
Organic Search

Action
Direct (typed in browser)
Retargeting

Funnel
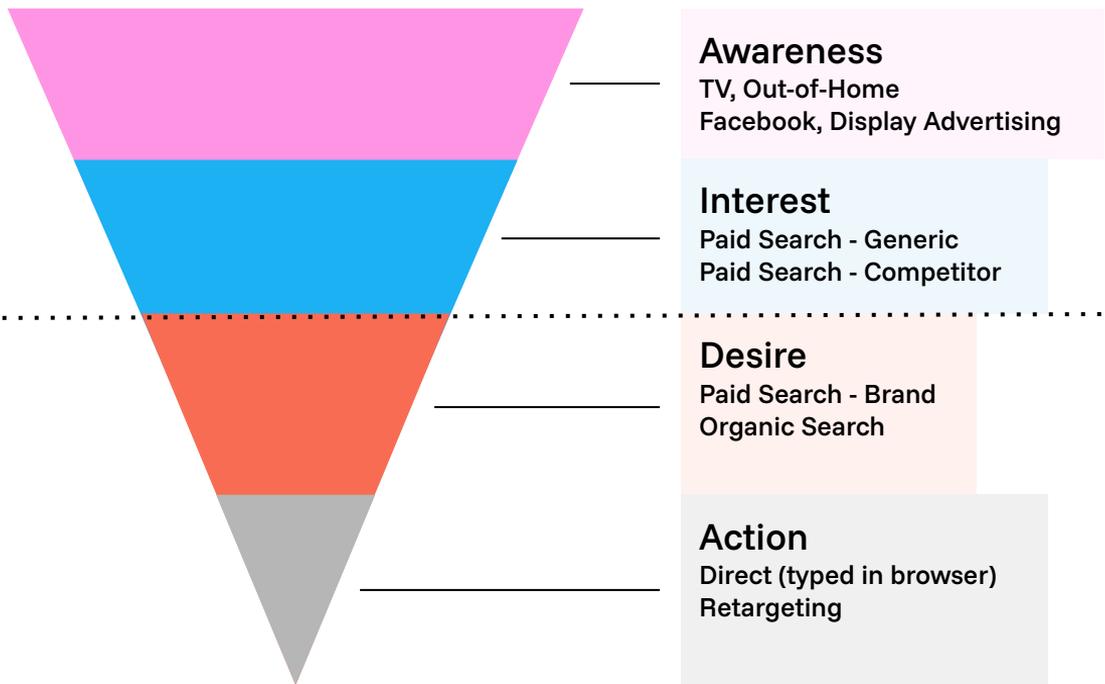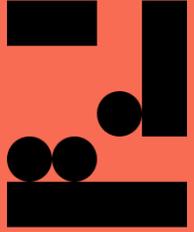
Loss of tracking signal

The dramatic loss of tracking signal

2017
Safari ITP 1.0

May 2018
GDPR in place

May 2019
Google announces privacy features in Chrome

Aug 2018
Mozilla announces Tracking Protection for Firefox

Sep 2019
Microsoft Edge releases add. privacy controls

June 2020
Apple announces IDFA change iOS14

2024
Google starts restricting 3rd party cookies on Chrome

June 2023
Apple announces iOS17 with link tracking protection and other restrictions

2019
x enables y default

Jan 2020

Regulation!

User data

Technology!

Tracking coverage
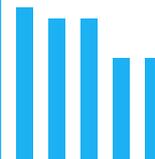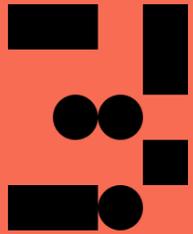
Inaccurate, inaccessible, and out of date

Key drivers of analytics performance

1. Good quality data

2. Sufficiently granular data

3. Access to timely marketing measurement insights

4. Detailed tactical measurement (channels, spots, creative etc.)

5. Reliable metrics and structured creative measurement framework

Source: WARC x Gain Theory

75% of global CMOs are unable to quantify and optimize their marketing.

35%

do not measure marketing's impact at a **tactical** level

36%

do not have reliable measurements for **creativity**

37%

do not have access to **timely measurement** insight

61%

want **better & faster** media mix modeling

FUNNEL.

Marketing Intelligence

Marketing Intelligence tools help overcome data challenges that basic tools can't solve. These tools solve the data wrangling, or data harmonization, necessary to produce robust analytics. They connect directly to many marketing data sources; ingest the data; and organize, clean and visualize it.

Marketing Intelligence explained

1. **Collect data**

2. **Model & triangulate**

3. **Always-on analysis everywhere**

funnel.

Collect data

Unify online, offline, APIs & spreadsheets

Online marketing platforms

First party data

Offline marketing

Baseline & non media effects

Revenue, COGS & fulfillment costs

Store source data securely

Normalize

Manage data quality

Combine

The Data Hub
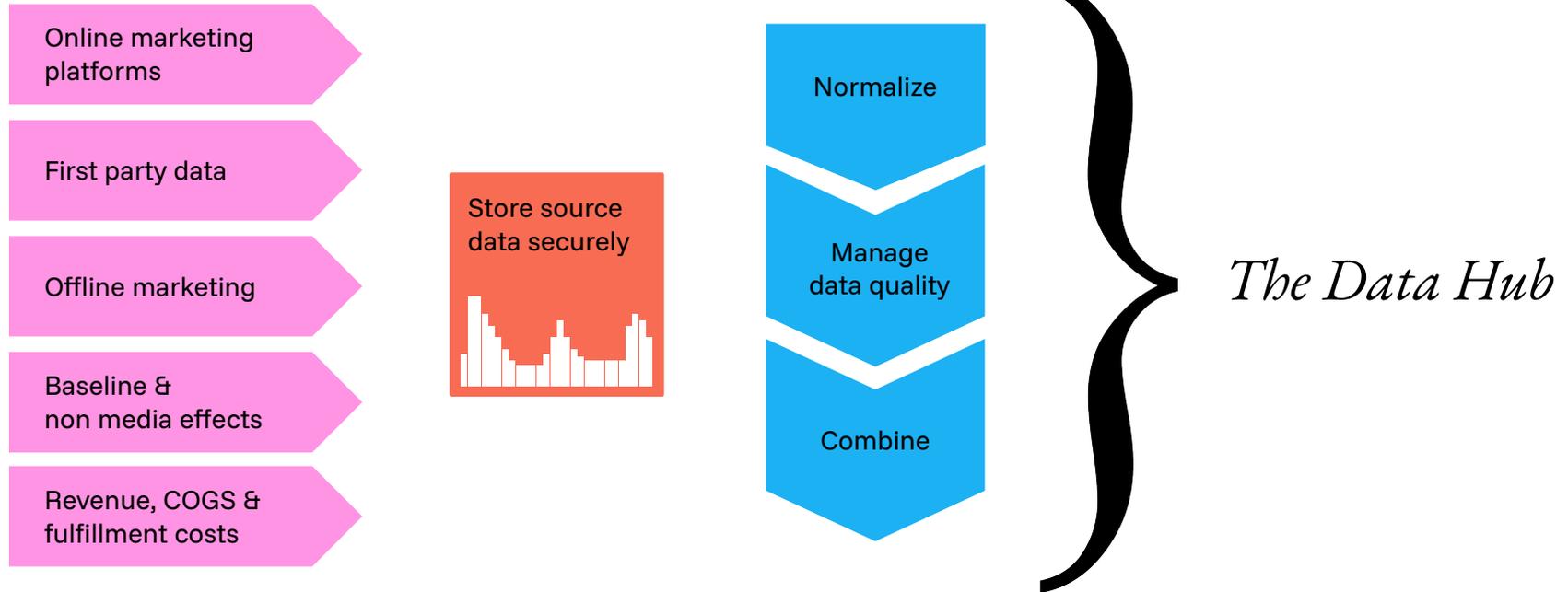
Model and triangulate

Model…

Marketing investments

Out of home

Instagram

Discount campaigns

Google Search Ads

Sales

Incremental effect of marketing

Baseline sales

…and triangulate

Marketing Mix Modeling

Incrementality Testing

Digital attribution

ROAS for Youtube

Suggested tests

Incremental contribution from Meta

Campaign-level performance from Meta

ROAS for Google Ads

Strategies and channel selection

↑ Captures non-marketing effects & offline channels

↓ Inherently limited to a small number of data points

Validation and model calibration

↑ Insights into causality of activities

↓ High opportunity cost, slow

In-channel optimization and tuning

↑ Actionable data on click & order-id level

↓ Loss of signal, mostly for online

Always-on analysis everywhere

# Analytics should be a product, not a project
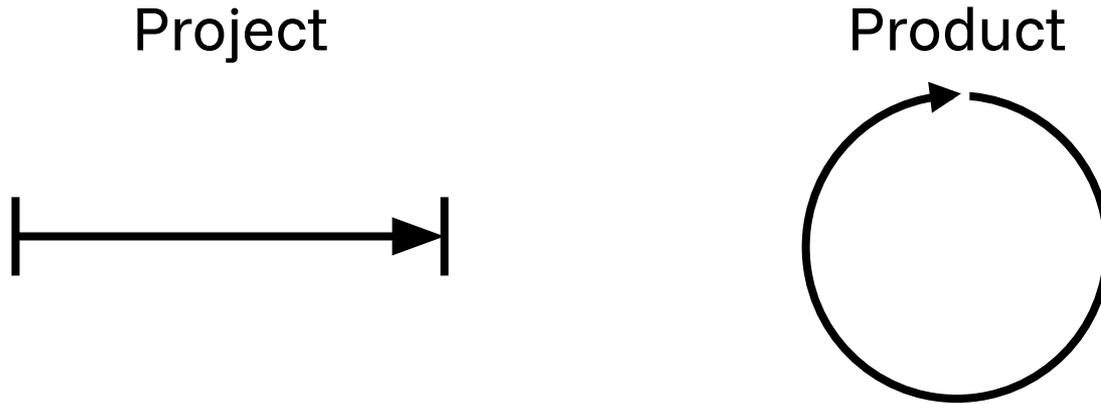
Project

Product

" Projects are initiated to meet specific business requirements and the team disbands when they are done. **In contrast, products are never done.** Product teams work on a continuous roadmap of improvements — Roshan Navagamuwa, Chief Information Officer at CVS Health

The era of BYOD: Bring Your Own Data

Old paradigm

Data team collects all data

Data warehouse

Canned reports

New paradigm

Data Hub

Self-service data collection

Self-service reporting
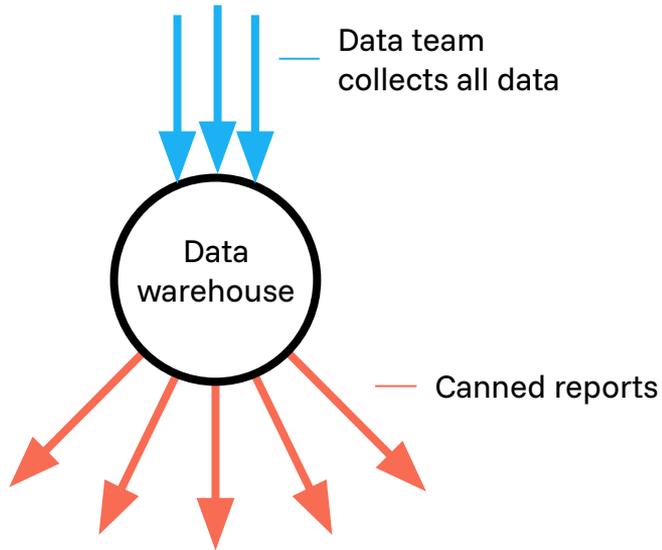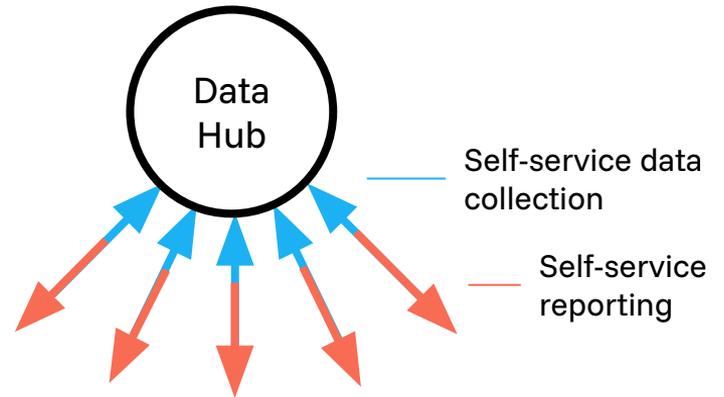
That's only half the story…

Curiosity → continuous learning, it's an evolutionary process

Creativity → find the right solution

Courage to change → holistic optimization instead of thinking brand vs. performance, online vs. offline

Organizational change → Departments need to be restructured

FUNNEL

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