

EFFWORKS



Marketing Effectiveness Roadmap

2022

By Nick Milne

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Foreword



The IPA has been supplying the industry with case studies and evidence-based learning about effectiveness best practice for over 40 years, through the biennial IPA Effectiveness Awards, the IPA Effectiveness Databank publications and the IPA suite of online Effectiveness Qualifications.

Now with the Marketing Effectiveness Roadmap, the IPA is providing a management framework to address the broader issue of how to make best practice every day practice. For any company seeking to improve their marketing effectiveness practices day by day the Roadmap sets out a clear model for success.

Peer reviewed by the IPA Effectiveness Leadership Group, and road tested by the good and the great, including Diageo, Nestle, MediaCom, and McCann, the four Quadrants of the model explain what it takes to build a cohesive marketing effectiveness culture. It is already being adopted both by client and agency organisations as a planning tool for effective change management. It is also driving the agenda for IPA workshops about Effectiveness Accreditation for IPA member agencies all around the UK.

Now in its second year, this survey report provides an ongoing benchmark of industry performance against each Quadrant. Survey participants will also receive a free top-line summary comparing their organisation to industry benchmarks. A detailed bespoke report with additional analysis and insight from across their company will also be available to purchase from £100.

The IPA is delighted to be working jointly with ISBA and in partnership with Marketing Week to take this Marketing Effectiveness Roadmap forward. We are already in talks about taking it global. To all those companies who are already on the journey with us, we extend our thanks. To those who are yet to come along, we extend an invitation to join.

Happy reading!

Janet Hull OBE, IPA Director of Marketing Strategy

Author biography

Nick Milne is Founder of and Chief Effectiveness Officer at Go Ignite Consulting, helping brands and agencies (at any stage of growth) ignite their marketing effectiveness journey, and help deliver it.

There are two way in which Go Ignite helps ignite marketing effectiveness.

1. Help agencies and brands build their Marketing Effectiveness Roadmap, and help deliver it.
2. Creating a stronger marketing effectiveness community and facilitating better conversations and shared learning experiences with The Ignition Room.

Before founding Go Ignite Consulting, Nick gained his effectiveness experience at Samsung, where he had responsibility for customer and marketing analytics across Europe, and at O2, where he set up the marketing effectiveness function. Nick has also been a member of the IPA Effectiveness Leadership Group since 2016.



**Executive
summary**



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The IPA believes that having a dedicated approach to marketing effectiveness in the form of a roadmap will improve effectiveness culture and that, in turn, marketing effectiveness is a key driver of cohesive business culture and growth.

Those of you who have completed the Roadmap survey, or read the 2021 report, will not be strangers to our definition of marketing effectiveness and the framework we use to act as a catalyst for positive change.

*"Marketing Effectiveness is the **process** of improving business performance from marketing activities, made easier and more impactful by **people; data, tools & measurement**; and a strong & clear **focus**."*

The framework is composed of four marketing effectiveness quadrants.

- 1. Marketing effectiveness **focus**:** a clear vision of the role of marketing effectiveness strategy complete with a roadmap that explains how each step will create sustained business value.
- 2. **People**** (buy-in and empowerment): the benefit of buy-in at top and senior levels, with defined roles and responsibilities, training on effectiveness capabilities in order to limit resistance to change, and a commitment to continuous learning and improvement.
- 3. The marketing effectiveness **process**:** the cycle of applying increased marketing intelligence to decision-making, activation of marketing activities, measurement, and improved business results.
- 4. **Data, tools & measurement**:** an effectiveness capabilities ecosystem creating increasingly relevant and impactful marketing intelligence, being fed by quality, accurate and timely data.

The measures of how well organisations perform against different elements, or quadrants, provides a benchmark tracker of effectiveness culture.

For the 2022 IPA Marketing Effectiveness Culture report (supported by ISBA and Marketing Week), an online survey was shared with brands and agencies between the 27th April 2021 and 10th July 2022 from which there were 181 responses (compared to 179 in 2021).

The Key Findings

1. A dedicated approach to marketing effectiveness works; it strengthens the marketing effectiveness culture of both brands and agencies.

In analysing the performance of the 36% of returning brands and agencies that have completed both the 2021 and 2022 Marketing Effectiveness Culture Roadmap, we have seen that a dedicated approach to marketing effectiveness has helped strengthen Marketing Effectiveness Culture in two ways.

— It has helped brands and agencies either strengthen or maintain their effectiveness culture year on year:

- i. Effectiveness Culture for brands has improved 10%, scoring 7.2 (2022) versus 6.6 (2021);
- ii. Effectiveness Culture for agencies has maintained equilibrium at the higher level of 7.6.

— For brands, it has helped create consistency in how their marketing effectiveness performance is viewed, with a tighter range of scores across each of the effectiveness quadrants.

2. There are findings in 2022 that reinforce what we found in last year's Effectiveness Culture Monitor.

a. The biggest single increase in Marketing Effectiveness Culture is when the effectiveness journey is started. For brands, it increases (+88%) and for agencies there is a more moderate 33% increase since they tend to start with a stronger effectiveness culture than brands (4.3 v 3.8).

b. Having an effectiveness roadmap revalidates a key component of creating a strong(er) marketing effectiveness culture. When brands or agencies have an effectiveness roadmap, it does three key things:

- i. it increases Marketing Effectiveness Culture by 37% for brands and 38% for agencies and there are also improvements across all other marketing effectiveness quadrants;

Brand and agencies have a 37% & 38% higher effectiveness culture score when they have an effectiveness roadmap

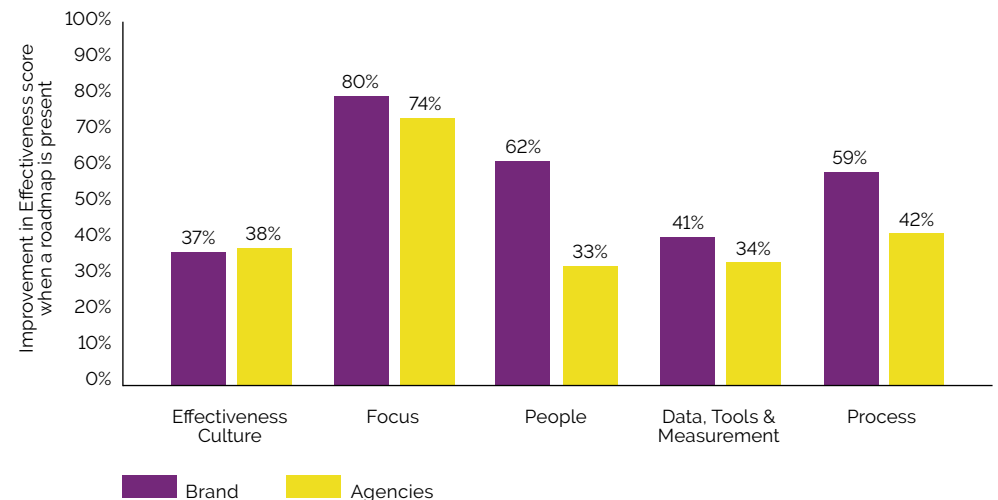


Fig 1: The % increase in Effectiveness score for each quadrant and for Effectiveness Culture where there is an effectiveness roadmap versus there not being one (n=181)

- ii. brands and agencies with a roadmap score consistently higher for effectiveness culture across all stages of their effectiveness journey;
- iii. it helps create a more balanced approach to value creation within brands and agencies.

When a roadmap is present:

- 1. brands are 41% more likely to believe that their organisation balances the long and short term and 71% more likely to believe long-term brand effects are crucial;
 - 2. brands are also 86% more likely to disagree that their organisation focuses solely on the short term to create value;
 - 3. agencies are 14% more likely to believe in balancing the long and short term.
- c. More brands and agencies need to create an effectiveness roadmap.** 26% of brand respondents and 37% of agency respondents claim that their brand or agency does not have an effectiveness roadmap.

3. There are some key new findings which will help prioritise how and where brands and agencies can improve their effectiveness cultures in the next 12 months.

a. From a Focus perspective, not only do more brands and agencies need to create their own roadmap, there is also an opportunity for agencies to create effectiveness roadmaps with each of their key clients, to really help push a strong effectiveness partnership. At the moment, only 20% of agency respondents claim their agency has an effectiveness roadmap with their key clients.

b. From a People perspective, there are three areas agencies should prioritise to improve effectiveness culture:

- i. the agency's effectiveness approach being better understood across the organisation (increases effectiveness culture +63% from 5.4 to 8.8);
- ii. the agency being seen as a creator of value rather than as a cost by brands (+50% from 4.8 to 7.2);
- iii. effectiveness not being siloed within planning, analytics or other departments (+43% from 5.6 to 8.0).

c. From a Process perspective, brands having a clearly defined planning process positively improves effectiveness culture in three ways.

- i. It increases their own effectiveness culture (+43%).
- ii. It also increases their agency's effectiveness culture (+31% when their work has a process to feed into).
- iii. It increases the chances of both their own and their agency's effectiveness recommendations being activated.

d. **From a Data, Tools & Measurement perspective**, this is where both brands and agencies agree that the biggest effectiveness challenges are in the next 12 months. The biggest data challenge that agencies face, which is worth highlighting, is the lack of (or perceived lack of) data-sharing from their clients, and also from other agencies that work for the same client.

Both brands and agencies see the majority of their challenges (84% and 61% respectively) in Data, Tools & Measurement and Process

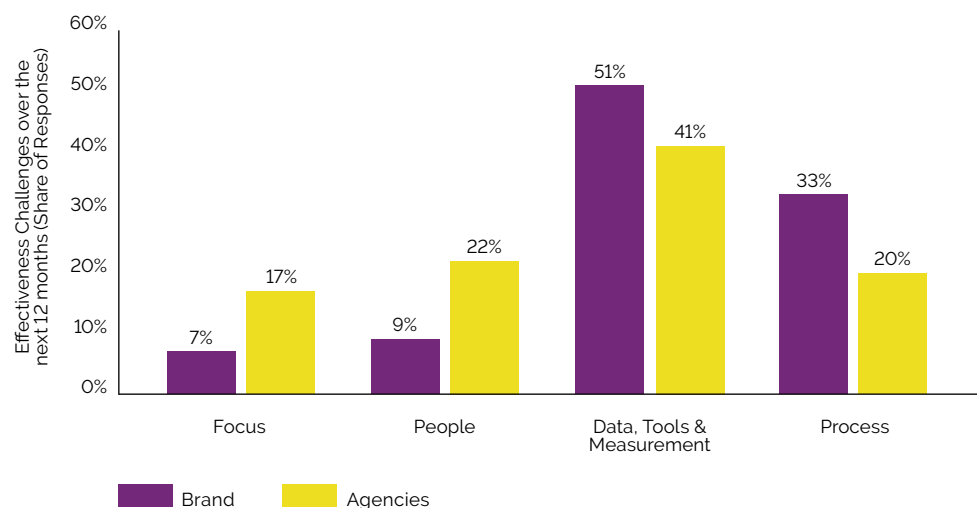


Fig 2: The share of responses for key effectiveness challenges over the next 12 months, for brands and agencies (n= 181)

Our rallying cry to the marketing industry

1. More agencies starting or reigniting their effectiveness journey with an effectiveness roadmap. With the 2022 Effectiveness Roadmap results reinforcing the value of having an effectiveness roadmap, we would like to see more agencies creating one. Results from 2022 show only 29% of agency respondents believe their agency has an effectiveness roadmap and 34% are unaware if there is one. This is in comparison to brand respondents, where 61% believe their organisation has a roadmap.

— If unsure where to start with creating an effectiveness journey, then get in touch with the IPA as we have workshops that we run regionally to help agencies create their effectiveness roadmap.

2. Agencies and brands to start building effectiveness roadmaps in partnership with each other. As a next step, for those brands and agencies already with their own effectiveness roadmap, there is the opportunity to build stronger effectiveness partnerships between brands and their agencies with a joint effectiveness roadmap at the heart of it.

3. An industry standard in how to create a strong marketing effectiveness culture. With the new evidence showing that a dedicated approach to marketing effectiveness culture works, rallying around one definition of marketing effectiveness and one framework for understanding how to improve marketing effectiveness will make it easier for brands and agencies to make their marketing effectiveness approach a success.

4. An increase in applications for IPA Accreditation from agencies. Now that the Marketing Effectiveness Roadmap lies at the heart of the IPA Effectiveness Accreditation process, there is good reason for every IPA member agency to apply. We expect a significant uplift in applications in 2023.

Defining marketing effectiveness and building towards an industry standard effectiveness approach



For those that have completed the Roadmap survey or read the 2021 report, you will not be strangers to our definition of marketing effectiveness and the framework we use to act as a catalyst for change.

*"Marketing effectiveness is 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, marketing effectiveness is broken down into four key quadrants:

1. Focus

A clear vision to marketing effectiveness, complete with a roadmap that communicates how each step will create business value and help create organisational alignment.

2. People

Buy-in at top and senior levels, defined roles and responsibilities, training on effectiveness capabilities, limiting resistance to change, and a focus on continuous learning and improvement.

3. Process

The cycle of increased marketing intelligence, to decision-making, activation of marketing activities, measurement and improved business results.

4. Data, tools & measurement

An effectiveness capabilities ecosystem creating increasingly relevant and impactful marketing intelligence, and being fed by quality, accurate and timely data.

This definition and framework form the backbone to the IPA Marketing Effectiveness Culture Roadmap, allowing for understanding of both brands and agencies' perceived performance in each of the effectiveness quadrants, and identification of the priority focus areas needed to improve their approach to marketing effectiveness.

We believe this framework provides an industry standard to how 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.

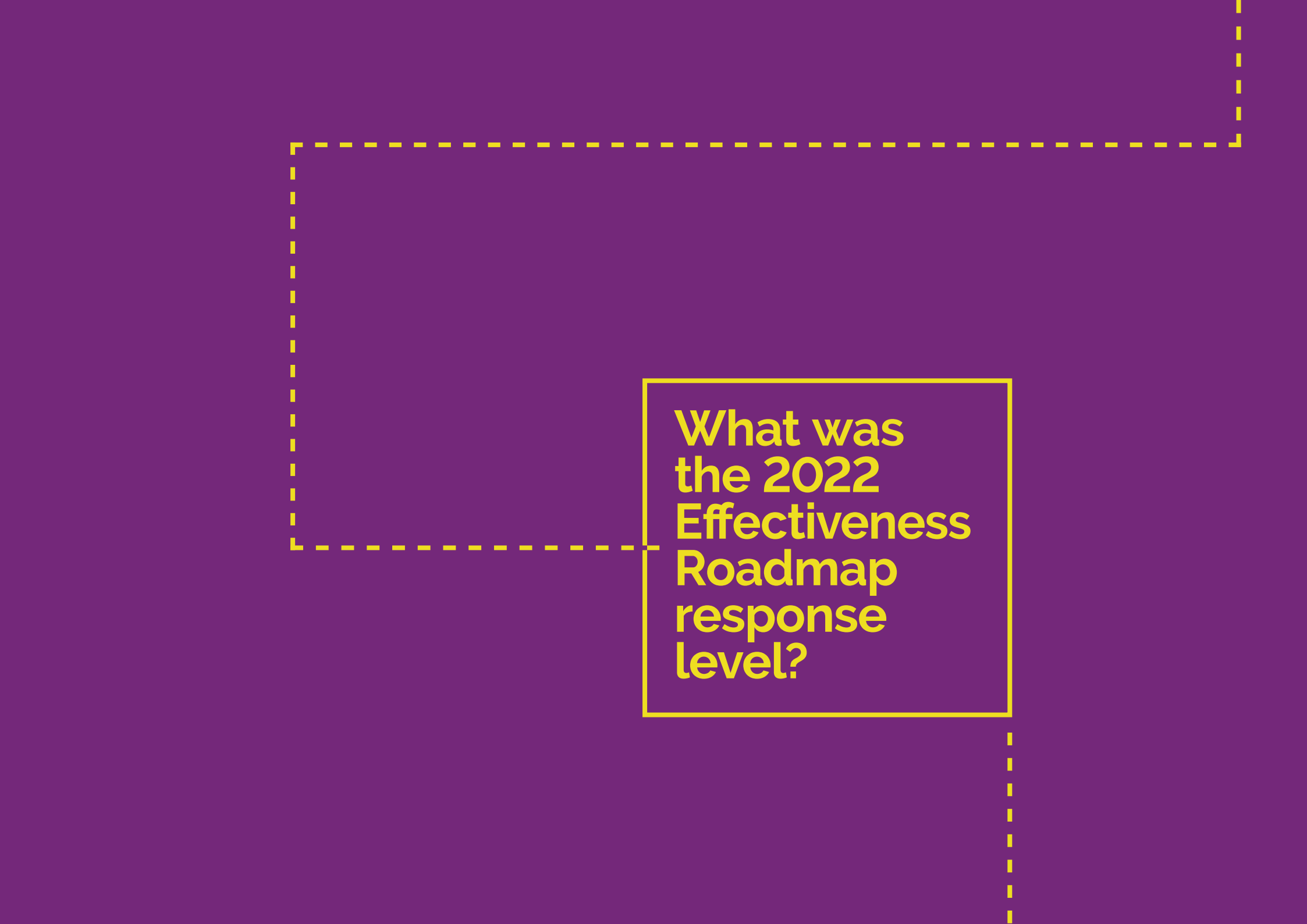
For **agencies**, it provides:

- I. a better understanding of the challenges and opportunities that brands face in creating their effectiveness culture, and the business value that this can create;
- II. a view of how agencies can further positively influence a client's effectiveness culture and provide better support through their own approach to effectiveness.

For **brands**, it provides:

- I. the blueprint/framework for setting and owning their effectiveness agenda;
- II. a clear and prioritised view of where investment (£ and/or effort) needs to be made to improve their effectiveness culture;
- III. assessment of how their agency partners can be included so as to better help build their own effectiveness agenda.

We are excited because in this 2022 IPA Effectiveness Culture Roadmap Report we evidence the impact that having a dedicated approach to marketing effectiveness has on brands and agencies, and we highlight the focus areas that would help any organisation create a stronger effectiveness culture.



**What was
the 2022
Effectiveness
Roadmap
response
level?**

Overall, there were 181 responses, with 124 coming from agencies and 57 coming from brands. This is on a par with the 178 responses received in 2021 and keeps the response level healthy and learnings representative for the industry.

These 181 responses came from 64 agencies and 28 brands.

The key respondent stats:

1. There is a healthy return rate: 36% of brands and agencies that completed the survey in 2021 also completed it in 2022. This means that we will look at how this cohort have progressed over the last 12 months, and we will do that after we have explained the response levels.

36% of brands and agencies that completed the 2021 Roadmap also completed the 2022 Roadmap

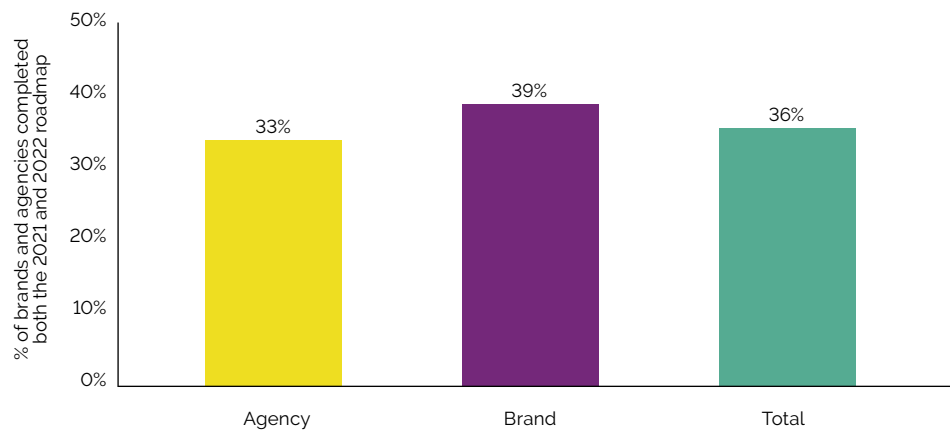


Fig 4: % of brands and agencies that completed both the 2021 and 2022 IPA Effectiveness Roadmap (n=124)

2. On average there were two responses from every brand and agency.

This is on a par with the 2021 report in which there was 1.9 responses on average from every brand and agency.

3. There is a good volume of responses from across the main agency types, with Advertising agencies leading the charge with 41 % of agency responses.

Agencies: 41% of responses coming from advertising agencies

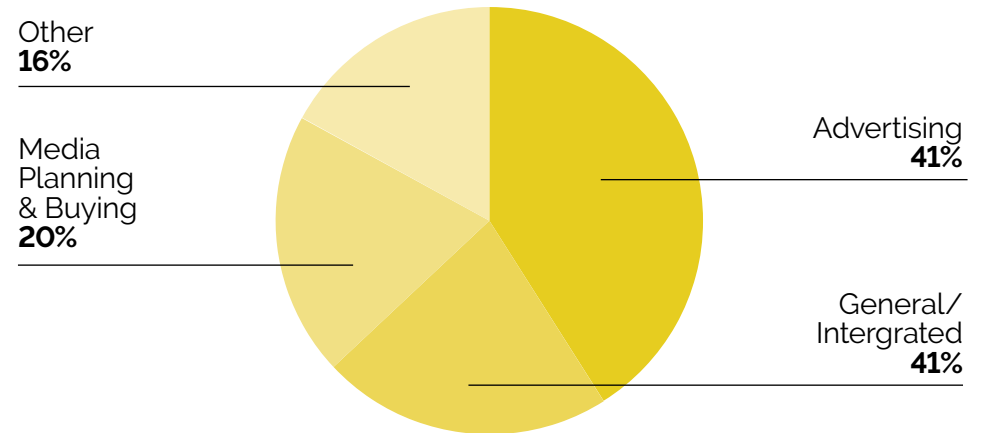


Fig 5: Responses from agencies by agency type (n=124)

4. Within agencies, 42% of respondents work within Planning & Strategy. 'Other' category accounts for data, analytics, creative, digital, PR, and social.

Agencies: 42% of responses are from Planning & Strategy

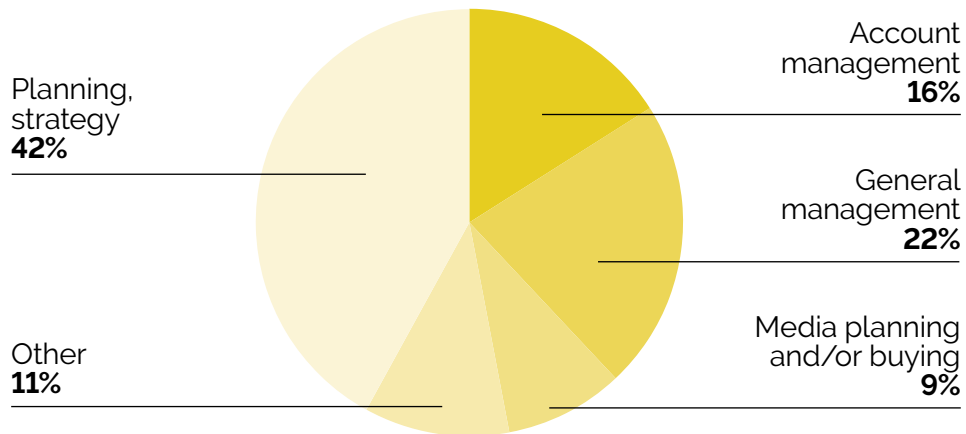


Fig 6: Responses from agencies by department the respondent works in (n=124)

5. There is a healthy spread of responses from brands spanning 16 different industry types. However, there is not the volume of responses for reporting to be done at this level without making the results of certain brands visible.

6. Within brands, responses came from either Marketing (58%), Insight & Analytics (33%) or specialist Marketing Effectiveness units (9%). Disappointingly, we are yet to get the 'outside in' view of marketing effectiveness from the likes of brands' Finance, Operations or Channel teams.

Brands: 58% of responses are from Marketing

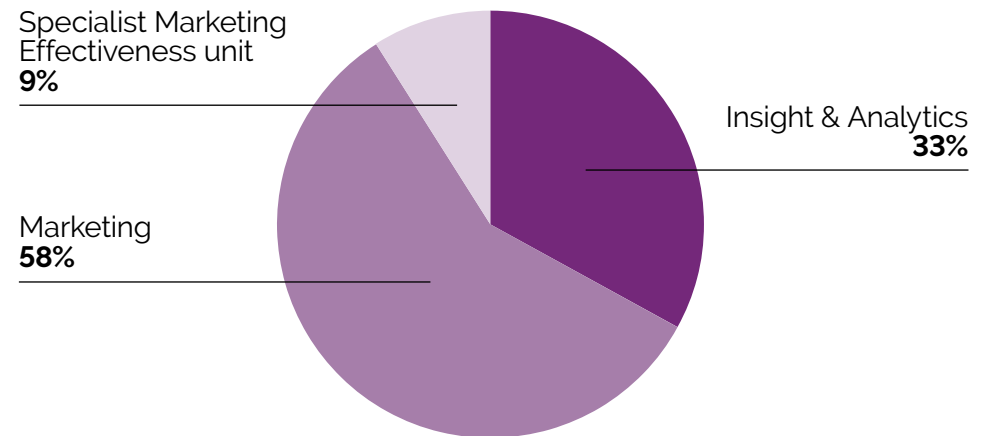


Fig 7: Responses from brands by department the respondent works in (n=57)

This level of response means that we can provide results for agencies by agency type and by the department the respondents work in. For brands, we'll focus on the department that the respondent works in.

So, back to our cohort of brands and agencies that have competed the Effectiveness Culture Roadmap in 2021 and 2022. How have they fared over the last 12 months?

**Proving the
case for
committing to
a dedicated
approach
to marketing
effectiveness**



As there are now two years' worth of results for the IPA Effectiveness Culture Roadmap, we are able to compare the results for the cohort of brands and agencies that have completed the 2021 and 2022 survey to identify how effectiveness culture has changed for them.

A few things to make clear before we look at the results:

1. The **cohort** consists of the brands and agencies that have **completed both the 2021 and 2022 Effectiveness Roadmap**. This accounts for 35% of the brands and agencies that completed the roadmap in 2022.
2. **The sample size is not a concern** as we are looking for proof that an effectiveness approach works so we can strengthen the rallying cry for more brands and agencies to start their journey,
3. **The non-cohort** are the brands and agencies that only completed the 2022 Effectiveness Roadmap.
4. **For analysis against the first two success criteria, effectiveness scores are at organisational level.** So if Brand A or Agency X has 20 respondents, the scores will be averaged to create one Brand A or Agency X score. This is a really important difference to the rest of the report where scores are at respondent level.

Analysis of this cohort of brands and agencies is important as by their completion of both the 2021 and 2022 Effectiveness Culture Roadmap, it is safe to assume that these brands and agencies take marketing effectiveness seriously and have dedicated programmes to improve effectiveness culture.

We need to be able to prove that having a dedicated approach to effectiveness can make a positive difference, and analysing the performance of this cohort will, hopefully, allow us to prove exactly that,

However, before we can say whether there has been an improvement, we need to define what an improvement in effectiveness culture should look like.

Criteria 1: Either creating a stronger marketing effectiveness culture by increasing, or at least maintaining scores for Effectiveness and the four quadrants.

Criteria 2: A tighter distribution of scores to demonstrate that there is more consistency in how responders view Effectiveness Culture performance.

Criteria 3: Marketing Effectiveness culture for the cohort increasing at a greater rate than the non cohort.

To prove whether having a dedicated approach to marketing effectiveness improves Effectiveness Culture, we are looking for success against any of the three criteria, rather than insisting that brands and agencies have to improve across all three.

On to the results...

Success Criteria 1:

At an overall cohort level, Effectiveness Culture has increased 3% from 2021 to 2022

Effectiveness Culture scores for this cohort of brands and agencies has improved 3% from 7.3 to 7.5 over the last 12 months.

However, it is within the quadrants that we see the real movements:

1. The winners: Process sees the biggest improvement (+8% from 6.5 to 7.0) followed by Data, Tools & Measurement (+6% from 6.5 to 6.8) and Focus (+3% from 6.9 to 7.1).

2. The loser: People experiences a 2% decline (from 7.2 to 7.1) but remains the top-scoring quadrant alongside Focus. We will come on to the reasons why the People score declines in a moment.

Effectiveness Cohort (Brands & Agencies)	2021	2022	Difference	% Difference
Effectiveness Culture	7.3	7.5	0.2	3%
Focus	6.9	7.1	0.1	3%
People	7.2	7.1	-0.3	-2%
Process	6.5	7.0	0.2	8%
Data, Tools & Measurement	6.5	6.8	0.3	6%

What happens if we look at brands and agencies individually?

a. Brands in the cohort have experienced a 10% increase in Effectiveness Culture meaning they are catching up with agencies (7.2 versus 7.6).

Brands have seen a year-on-year increase for Effectiveness Culture (+10%) and for each of the quadrants, scores have increased from 3% (People) to 11% (Focus).

Effectiveness Cohort (Brands)	2021	2022	Difference	% Difference
Effectiveness Culture	6.6	7.2	0.7	10%
Focus	6.3	7.0	0.7	11%
People	6.3	6.5	0.2	3%
Process	6.4	7.1	0.7	10%
Data, Tools & Measurement	6.1	6.6	0.4	7%

b. Agencies in the cohort have maintained their high and healthy score of 7.6; their main challenge coming in People where the score has declined -3% but is still at a high of 7.4.

Data, Tools & Measurement and Process have both increased for agencies (+5% and +3% respectively) and Focus has had a marginal 1% decline.

Effectiveness Cohort (Agencies)	2021	2022	Difference	% Difference
Effectiveness Culture	7.6	7.6	0.0	0%
Focus	7.2	7.1	-0.1	-1%
People	7.7	7.4	-0.3	-3%
Process	6.8	7.0	0.2	3%
Data, Tools & Measurement	6.6	7.0	0.4	5%

With the People score in agencies declining -3% in the last 12 months, it is worth exploring the reasons why.

If we look at the biggest effectiveness challenges that agencies within the cohort face, for those agencies who score less than 5 for People performance, then the biggest challenge is on effectiveness training and continuous learning and improvement.

This may be a COVID ways-of-working hangover, where it has been harder for agencies to keep momentum up in terms of maintaining awareness and understanding of what effectiveness means and how their people can further develop their effectiveness understanding and introduce better and stronger ways of working with effectiveness.

Agency, People Score 3

"Having a roadmap for effectiveness put in place, explained and followed. Training staff on what effectiveness is and what needs to change in-agency to achieve this for the agency and clients."

Senior Account Manager, Media Planning & Buying

Agency, People Score 5

*"1) Understanding what effectiveness is
2) Understanding how to implement effectiveness into what we do
3) Ensure all staff understand how to implement effectiveness."*

Operations Director, Media Planning & Buying

Agency, People Score 4

*"Recruitment and induction of a new Head of Measurement & Effectiveness (currently recruiting)."
"Roadmap design and cultural implementation."
"Behavioural change both internal and clients."*

Media Director, Media Planning & Buying

Agency, People Score 5

*"Different solution teams working with clients in different ways."
"Consistency and motivation across the agency."
"How to work smarter, together."*

Head of Campaigns, Other

The result: Looking at this success criteria, have we proved that Effectiveness Culture performance has improved? Yes.

Effectiveness Culture for brands has improved year on year and, for agencies, it has maintained a high level, plus we can confidently diagnose that the People quadrant which should be a priority focus to grow in 2022.

Success Criteria 2:

For brands, the distribution of scores are tighter and more skewed to the top end. For agencies, there is more inconsistency because the distribution of scores is getting wider.

Having a tighter distribution of scores is an important success factor because when there is a smaller distribution of scores, it means that there is more consistency in how people are viewing the performance of Marketing Effectiveness Culture in each the four quadrants.

So improving Marketing Effectiveness Culture does not just have to be about improving the overall score; it can also be about making sure that more people have a clear and consistent view of how marketing effectiveness is adding value.

How has the distribution of scores changed for brands and agencies?

a. Brands (figs 8 to 12): the distribution of scores are tighter and with a skew further towards the top scores (figs 8, 9 & 10).



Figs 8 to 12: 2021 and 2022 distribution of scores for brands for Effectiveness Culture and each effectiveness quadrant

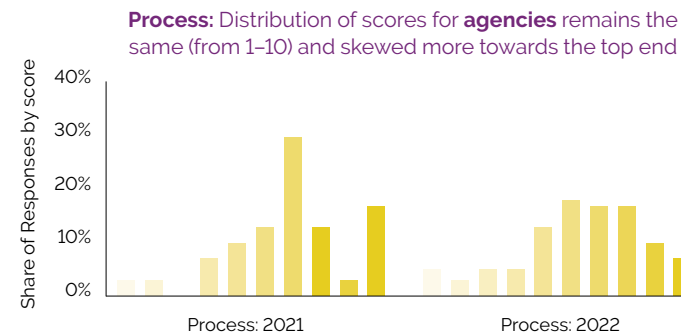
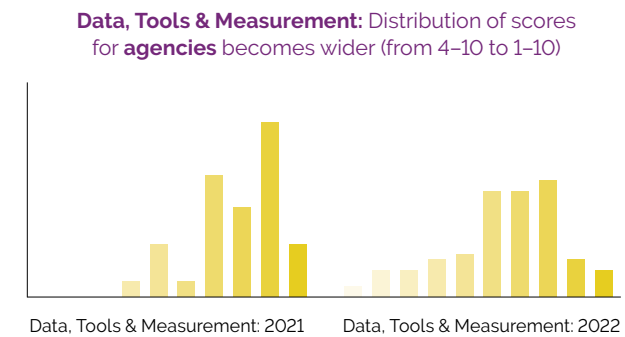
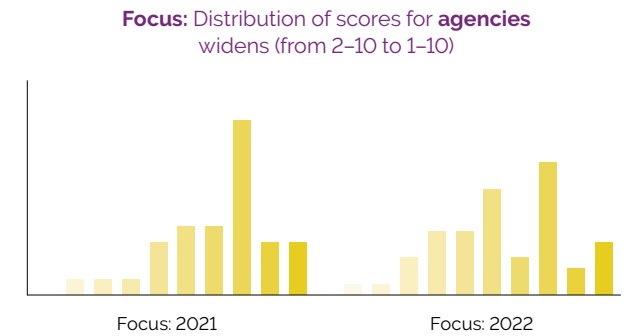
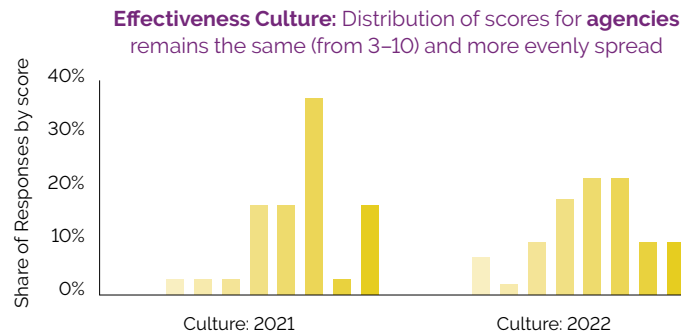
b. Agencies (figs 13 to 17): the distribution of scores are broader with a reduction in top-end scores..

The result: Looking at this success criteria, have we proved that Effectiveness Culture performance has improved? Overall, in balance, it is probably a yes.

For brands in the cohort, it is a 'hard' yes.

For agencies, it is a mixed bag. In the two effectiveness quadrants where there has been improvement (Data, Tools & Measurement and Process) the distribution of scores has become more spread, and in the other it became more skewed to the top end. In all other quadrants the scores became more spread.

What this does show is that creating consistent improvements in effectiveness is difficult but can be done.



Figs 13 to 17: 2021 and 2022 distribution of scores for agencies for Effectiveness Culture and each effectiveness quadrant

Success Criteria 3: There needs to be more consistency in the sample to be able to provide a year-on-year performance evaluation for the non-cohort group of brands and agencies

Before comparing the cohort to the non-cohort, we need to understand the profile of respondents across the sample as a whole to understand whether any year-on-year comparison is valid. To do this, it is best to look at the brands and agencies in relation to where they are in their effectiveness journey.

1. Brands: There are **65% more responses from brands yet to start their effectiveness journey**, and a 20% increase in those that are 1 to 3 years into their journey, accounting for 37% of all brand responses compared to 25% in 2021.

	2021	2022	Change
a) Not started	3%	9%	65%
b) 1 – 3 years	22%	28%	20%
c) 4 – 6 years	36%	35%	-2%
d) 7 – 10 years	16%	18%	7%
e) 11+ years	22%	11%	-11.3%

2. Agencies: Tracking how far agencies are into their effectiveness journey is new for 2022, so we are unable to provide a 2022 v 2021 comparison. However, we can compare the agency response profile to the brand profile and **there are over double the share of responses from agencies yet to start their journey (19% versus 9% share)** and a sizable increase in share for those that are 1 to 3 years into their journey (41% versus 28% share).

60% of responses from agencies are either yet to start (19%) or 1 to 3 years (41%) into their effectiveness journey

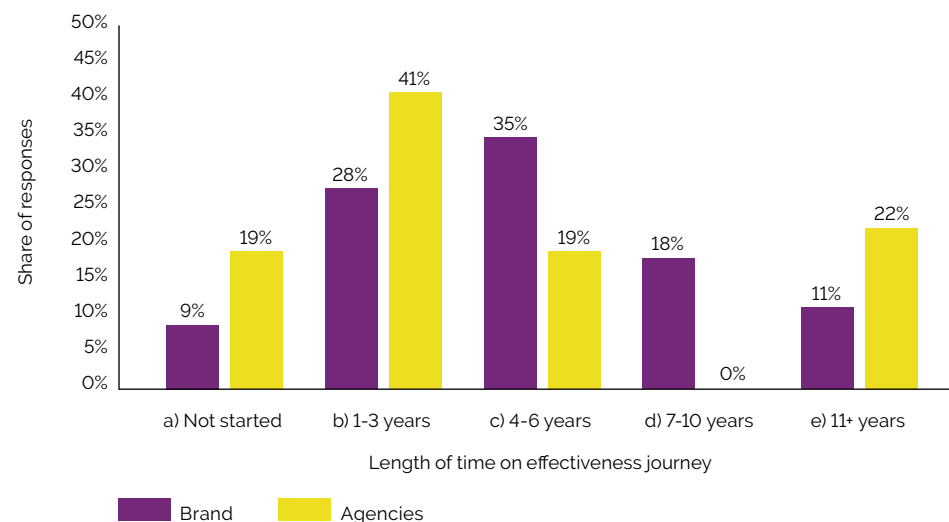


Fig 18: Share of responses for brands and agencies in 2022 by length of time of effectiveness journey (n=181)

It is important to understand these changes to the survey sample since, as we saw in the 2021 results, starting the journey is the single biggest improvement that can be made with Effectiveness Culture. The evidence holds true in 2022.

For brands, the increase when starting the journey is 88%, from 3.8 to 6.4.

For brands, starting the effectiveness journey in 2022 increases Effectiveness Culture by 88% (from 3.8 to 6.4)

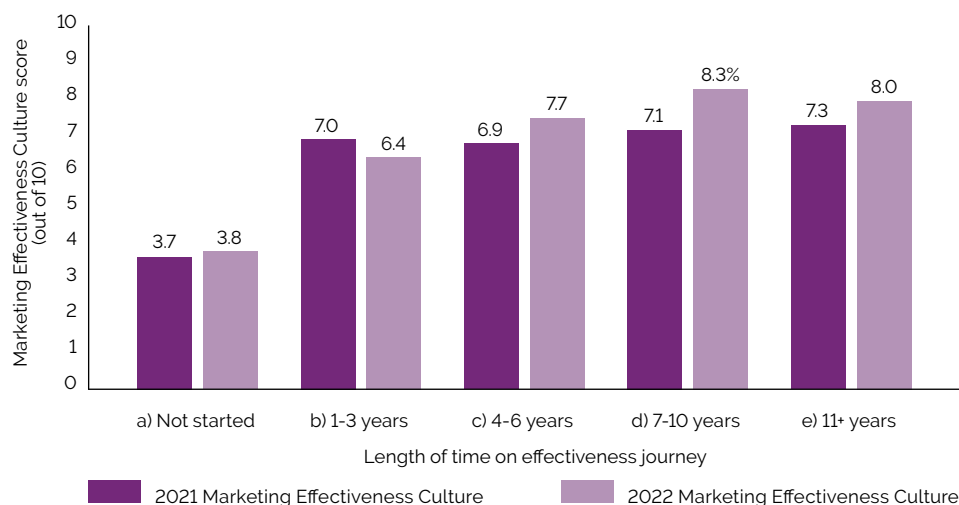


Fig 19: Effectiveness Culture score for brands by length of time on effectiveness journey (n=57)

For agencies, the pattern is similar but not as exaggerated. Starting the journey increases the effectiveness culture score from 4.3 to 5.7, but there are also good increases throughout an agency's effectiveness journey.

The increase in starting the effectiveness journey is not as pronounced as for Brands, and larger gains can be made throughout the journey

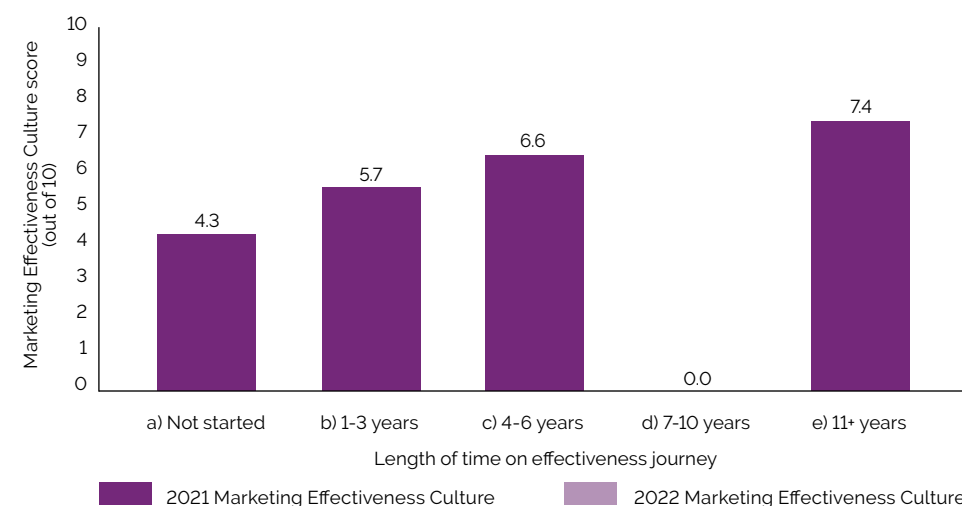


Fig 20: Effectiveness Culture score for agencies by length of time on effectiveness journey (n=124)

So, does this mean we can compare year-on-year results and prove that Effectiveness Culture for brands and agencies in the cohort has outperformed the performance of brands and agencies in the non-cohort?

In short, no. The consistency of the sample is too varied and with the skew towards brands that are at the beginning of the journey, where the Effectiveness Culture score improvements are at their greatest, any comparison would not be a true comparison.

CONCLUSION:

So does a dedicated approach to marketing effectiveness work?

Yes.

It can help improve Marketing Effectiveness Culture (Success Criteria 1), and create a more consistent view of effectiveness performance (Success Criteria 2).

Where there are limited or no improvements then it helps to understand why not and what can be done to overcome the priority effectiveness challenges.

Even though these findings do not take into account important factors such as effectiveness budget, maturity and availability of data, the complexity of the business, or number of people dedicated to marketing effectiveness, we believe that the results are strong enough to validate the conclusion that having a dedicated approach to marketing effectiveness is worth the effort.

Marketing Effectiveness Culture summary

How organisations
perform against
the effectiveness
quadrants sets their
effectiveness culture

Before providing deep dives into each of the effectiveness quadrants, we need to provide a very high level summary of the state of effectiveness culture.

Note: this is for the whole survey sample (181 responses) rather than the results for the 2021 and 2022 cohort that is a subset of the survey sample.

	Brands	Agencies
Effectiveness Culture	7.1	6.8
Focus	6.9	6.0
People	6.6	6.6
Process	6.8	6.1
Data, Tools & Measurement	6.4	6.1

1. Marketing effectiveness is still in a healthy state in 2022 with brands scoring 7.1 out of 10 and agencies scoring 6.8.

The scores for each quadrant for brands are evenly spread with Focus being the highest scoring (6.9) and Data, Tools & Measurement being the lowest scoring (6.4).

For agencies, People is the highest scoring effectiveness quadrant (6.6), with the remaining quadrants scoring relatively evenly at 6.0 and 6.1.

2. Marketing (as a department) view their marketing effectiveness performance more critically than Insight & Analytics and specialist Marketing Effectiveness units (scoring 6.5 versus 8.0 and 7.8).

Within brands, there is a split across Marketing, Insight & Analytics, and specialist Marketing Effectiveness units as to how they view their organisation's marketing effectiveness culture.

- Insight & Analytics scores Effectiveness Culture the highest with 8.0
- Specialist Marketing Effectiveness teams score 7.8
- Marketing scores their organisation a 6.5

Insight & Analytics score the highest for Effectiveness Culture (8.0)

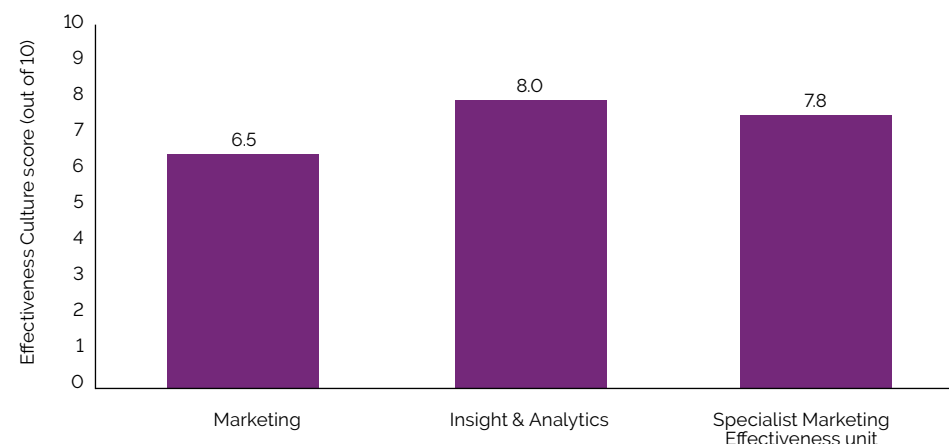


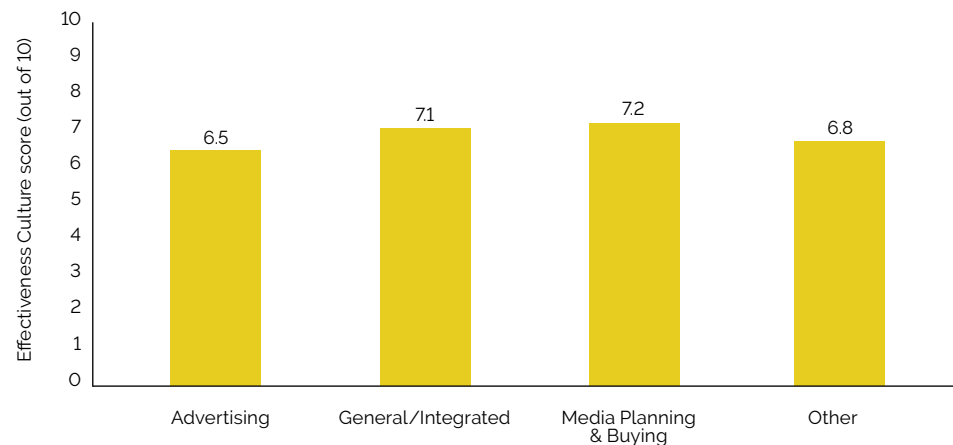
Fig 21: Effectiveness Culture score for brands (overall and by department) (n=57)

3. Media Planning & Buying and General/Integrated agencies score the highest for Marketing Effectiveness Culture (7.2 and 7.1 respectively).

Across the different agency types, there is also a range of scores, but not as broad a range as there is within brands.

Agency respondents score Marketing Effectiveness Culture 6.8, with a range of 6.5 (for those working in advertising agencies) to 7.2 (for those working in media planning & buying agencies).

Media Planning & Buying agencies score the highest for Effectiveness Culture (7.2)



Fix 22: Effectiveness Culture score for agencies (overall and by agency type) (n=124)

Before we proceed to the effectiveness quadrant deep dives, there are some standout reasons for high Effectiveness Culture scores:

Brand, Marketing Effectiveness Culture Score 9

"As a business we recognise the importance of marketing effectiveness insight and invest heavily into capabilities."

Marketing Effectiveness Lead, Telecommunications

Agency, Marketing Effectiveness Culture Score 8

"The agency is passionate about creating work that works. We prioritise effectiveness awards over creative awards, and we always look at everything that comes out of the agency in terms of how well it will achieve our client's business objectives. However, we could be better at embedding effectiveness into every part of the agency, and in continually monitoring the effectiveness of our work - and how to improve it."

Exec Strategy Director, Advertising Agency

There are also some standout reasons why there is still work to be done to impact effectiveness culture:

Brand, Marketing Effectiveness Culture Score 5

"Strong impact measurement from campaigns but work to do across the entire marketing ecosystem."

MD, Financial Services

Agency, Marketing Effectiveness Culture Score 5

"Many of our clients do not even ask for effectiveness metrics. On the few that do, they are spotty about reporting. It's frustrating as effectiveness should drive the business."

Director, Planning and experience strategy, Other Agency

We will come back to investigate these further as we go through deep dives for each effectiveness quadrant.

**Marketing
effectiveness
deep dives**

**Focus
Quadrant**

A clear vision to marketing effectiveness, complete with a roadmap that communicates how each step will create business value and help create organisational alignment.

Focus Quadrant Summary

Both Brands and Agencies have healthy Focus score; Brands scoring 6.9 (out of 10) and Agencies (6.0). Focus is the biggest driver of effectiveness culture for both brands and agencies.

	Brands	Agencies
Focus	6.9	6.0
Effectiveness Culture Driver score	0.80	0.77
Driver ranking	1st	1st

The Key Focus Findings

1. There are three key reasons why having an effectiveness roadmap is a critical step in every brand and agency's marketing effectiveness journey:

Reason One: Having a roadmap improves Marketing Effectiveness Culture; respondents score their brand or agency higher for Marketing Effectiveness Culture (37% and 38% respectively) when there is a roadmap present.

The news that having an effectiveness roadmap makes a positive impact on effectiveness culture is not new news; it was a key message within our 2021 Effectiveness Roadmap Report. Hence last year's call to action for more brands and agencies to create an effectiveness roadmap.

Unsurprisingly, the biggest impact having a roadmap has is on the Focus quadrant (+80% for brands and +74% for agencies), and improvements are not restricted to Focus as both brands and agencies experience improvements in all the other effectiveness quadrants as well (fig 26).

Brands and agencies have a 37% & 38% higher Effectiveness Culture score when they have an effectiveness roadmap

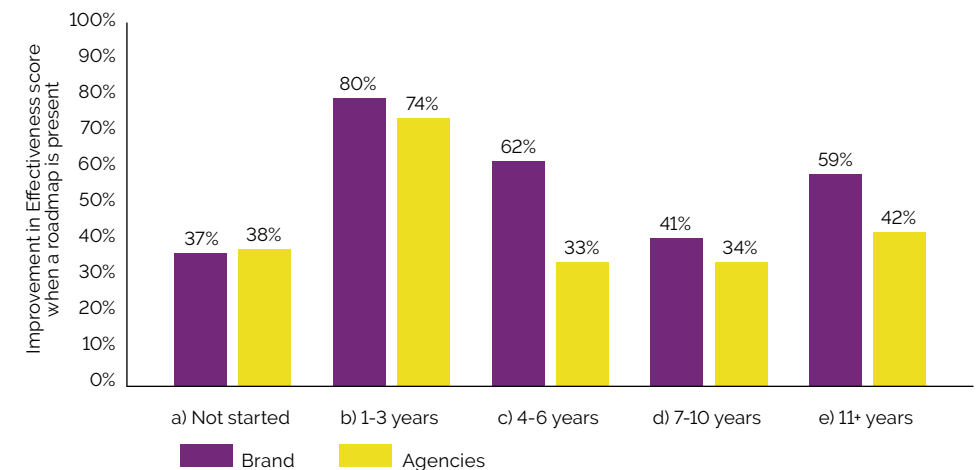


Fig 26: The % increase in effectiveness score for each quadrant and for Effectiveness Culture where there is an effectiveness roadmap versus there not being one (n=181)

Reason Two: Brands and agencies with a roadmap score consistently higher for effectiveness culture across all stages of their effectiveness journey than those without a roadmap, or those unsure if one exists.

Brands and agencies improve their effectiveness culture the longer they are on their journey. However, brands and agencies with an effectiveness roadmap improve more quickly and attain a higher score for Effectiveness Culture.

Brands and agencies with a roadmap score higher for Effectiveness Culture at each stage of their effectiveness journey

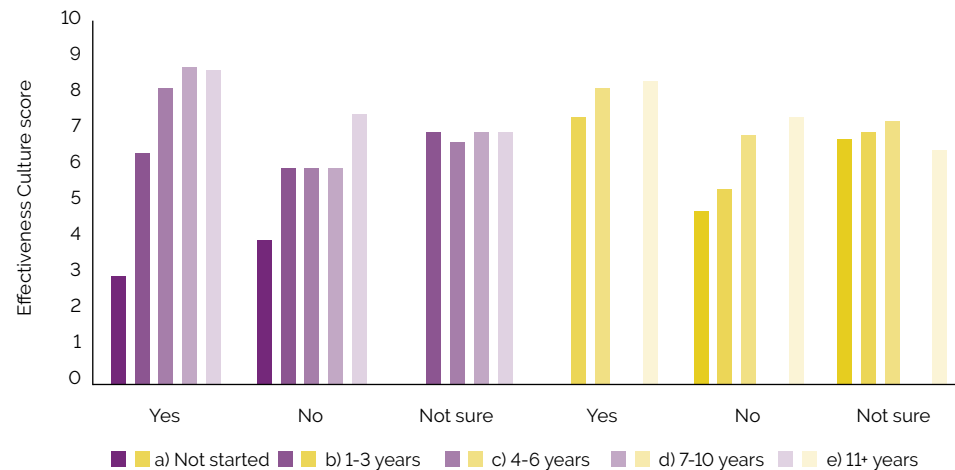


Fig 27: Effectiveness Culture score by length of time on effectiveness journey for brands and agencies where there is a roadmap or not (n= 181)

Reason Three: 60% of brand respondents and 84% of agency respondents agree that balancing the long and short term is the best route to creating value. This increases 41% for brands and 14% for agencies when there is an effectiveness roadmap.

The view of how value is created is healthy for brand respondents:

- 66% **disagree** that their organisation focuses solely on the short term
- 60% **agree** that their organisation actively balances the long and short term
- 70% **agree** that their organisation considers long-term brand effects as being crucial

60% of brand respondents agree their organisation balances long and short term value creation

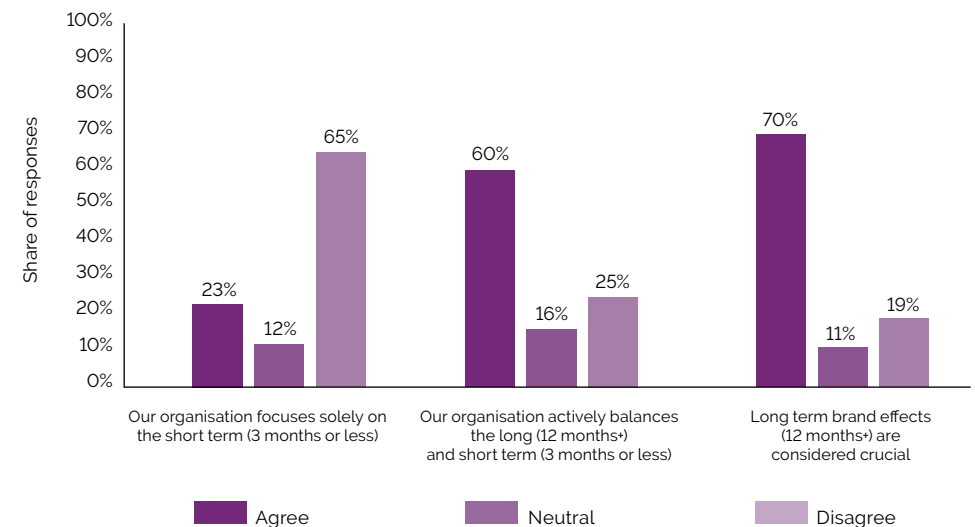


Fig 28: Share of responses for agreement of how to best create value for brands (n=57)

This is a view which is even healthier for agency respondents:

- 68% **disagree** that their agency believes a focus on the short term will deliver the greatest value
- 84% **agree** that their agency believes actively balancing the long and short term will deliver the greatest value
- 71% **agree** that their agency believes a focus on the long term will deliver the greatest value

84% of agency respondents agree their organisation balances long- and short-term value creation

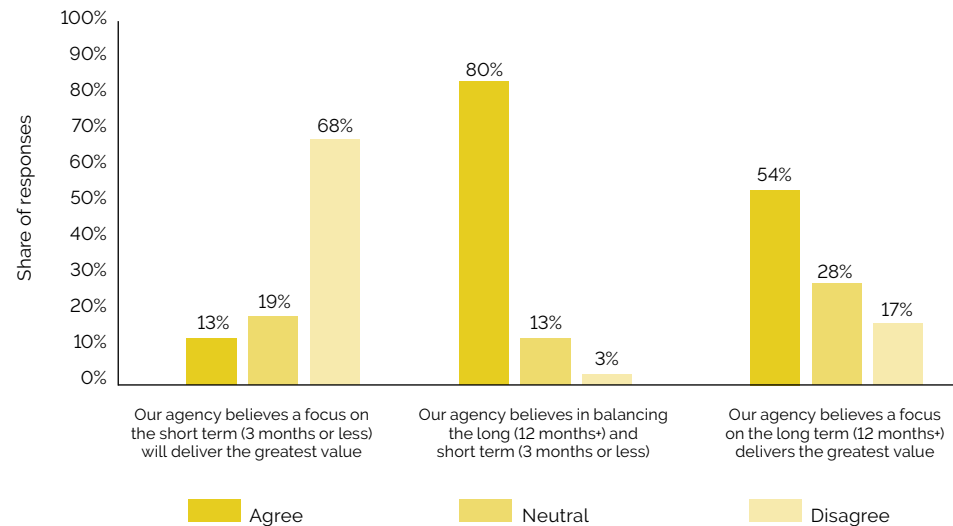


Fig 29: Share of responses for agreement of how to best create value for agencies (n= 124)

When brands and agencies have a roadmap, then the view of value creation is even healthier.

For brands:

- 79% less likely to **agree** and 86% more likely to disagree that that their organisation focuses solely on the short term
- 41% more likely to **agree** and 69% more likely to disagree that their organisation actively balances the long and short term
- 71% more likely to **agree** and 64 % more likely to disagree that their organisation considers long-term brand effects as being crucial

Brands that have a roadmap: 79% less likely to focus on the short term, 71% more likely to focus on the long-term, and 41% with a more balanced approach

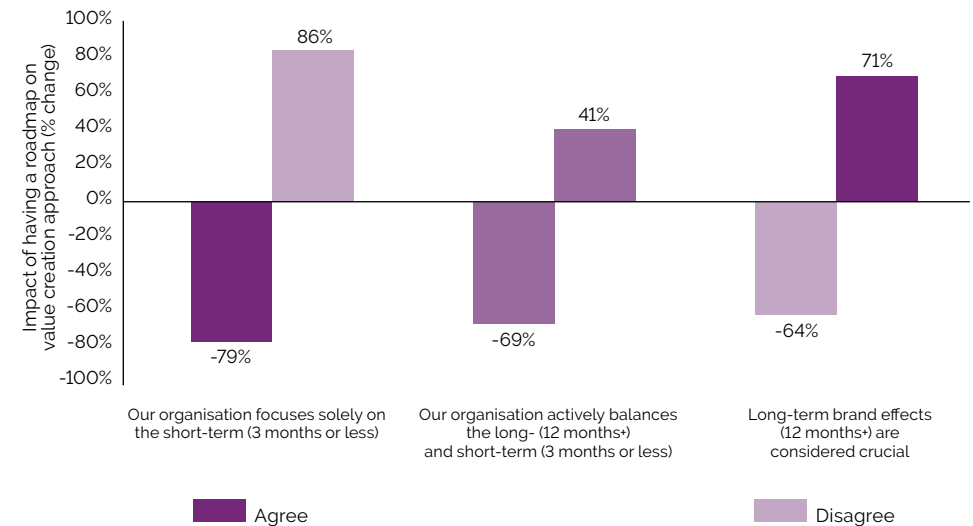


Fig 30: The % difference for likelihood to agree how best to create value within brands

For agencies, the benefit of having a roadmap becomes clear when looking at both the share of responses and the % change comparison to those without a roadmap:

- 75% **disagree** that their agency believes a focus on the short term will deliver the greatest value (an 8% increase)
- 89% **agree** that their agency believes actively balancing the long and short term will deliver the greatest value (an 8% increase).

There is no disagreement about the value that balancing the long and short brings.

The long-term view is more complex:

- 50% **agree** that their agency believes a focus on the long term will deliver the greatest value when there is a roadmap; an increase of 5% compared to there not being a roadmap
- Over a 1/3 of respondents (39%) are neutral; an increase of 79%
- There is a 63% decline in those that disagree that a long-term focus delivers the greatest value

89% of agency respondents with a roadmap believe their agency balance the long and short term, and there is no disagreement about this approach

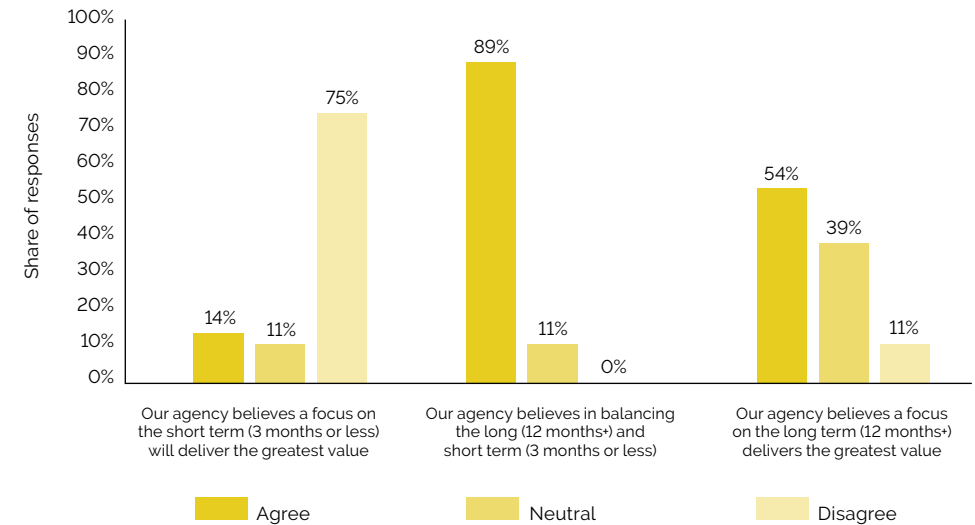


Fig 31: The % difference for likelihood to agree how best to create value within agencies when there is a roadmap present versus not (n=57)

There is less clarity with agencies believing a long-term approach delivers the greatest value; 79% more likely to be neutral

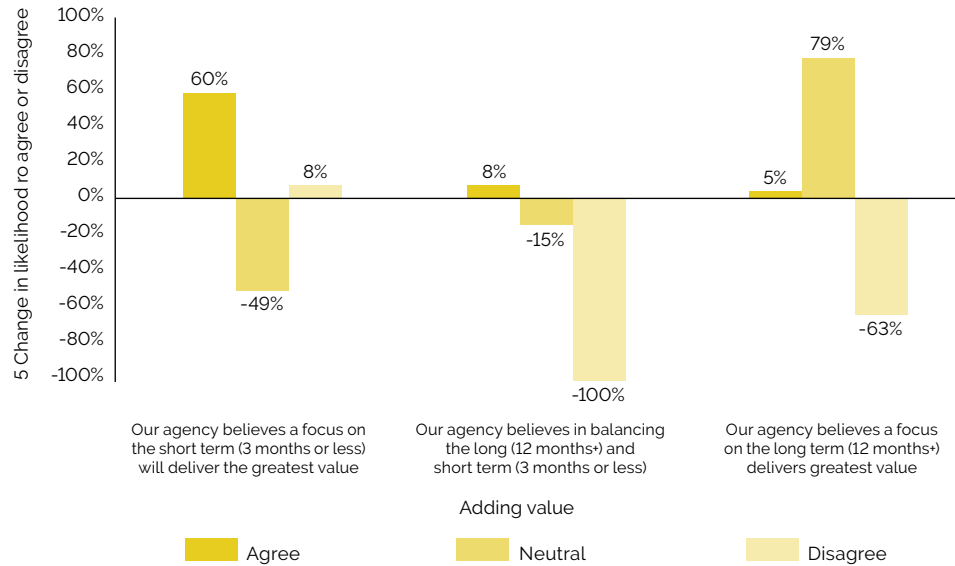


Fig 32: The % difference for likelihood to agree how best to create value within agencies when there is a roadmap present versus not (n=57)

2. Despite this evidenced benefit of having a roadmap, only 29% of agency respondents claim their agency has a roadmap, 34% claim not, and 37% are unsure. It is clearer for brands with 61% claiming there is a roadmap and 12% unsure.

Brand respondents are more than twice as likely to believe there is an effectiveness roadmap than their agency counterparts (61% versus 29%). Roughly 1 in 3 agency respondents believe their agency does not have an effectiveness roadmap (37%) or are not sure whether one exists (34%).

Only 29% of agency respondents state their agency has an effectiveness roadmap

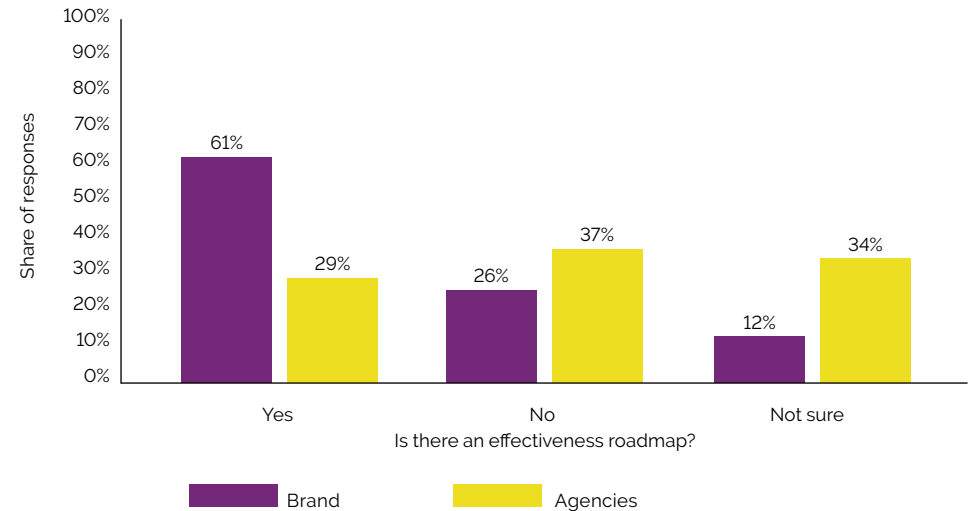


Fig 33: Share of respondents claiming whether or not their brand or agency has an effectiveness roadmap (n=181)

There is a fantastic opportunity for brands to position themselves as the lead effectiveness partner with their clients, but only when they are clear what effectiveness means, and how it will deliver value for themselves and their clients.

Only 1 in 5 claim their agency has a roadmap with key clients and it is media agencies that are most likely to have one for their clients, with 36% claiming they have them. 48% of respondents from general/integrated agencies believe that they do not need an effectiveness roadmap with their clients.

20% of agency respondents claim that their agency has no roadmap with key clients

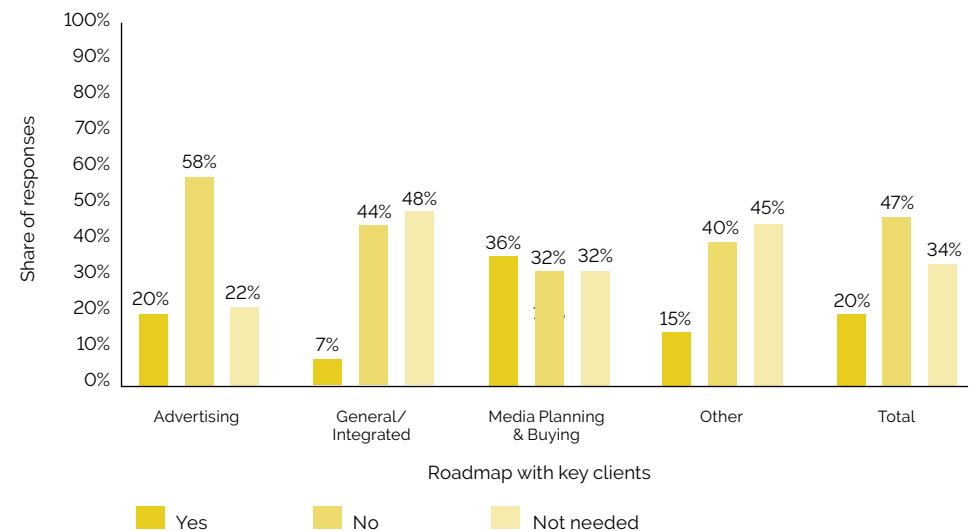


Fig 34: Share of respondents, by stage of effectiveness journey, claiming their brand or agency has an effectiveness roadmap (n=124)

What do we mean by a roadmap?

A roadmap is essentially a marketing effectiveness strategy on a page, defining what effectiveness is, what success for your marketing effectiveness approach looks like, and the key workstreams that should be delivered to overcome known pain points and so helps deliver success.

But don't just take our word for how useful an effectiveness roadmap is. Feedback received on our recent IPA Effectiveness Roadshow in Newcastle, Edinburgh, Manchester, Birmingham, Bristol & SW, Belfast and London backs this up:

An example for an agency might look like fig 35 below:

Marketing Effectiveness definition:	TBC in workstream 1				
What is the end vision:	Become an IPA accredited agency, and maintain accredited status				

Effectiveness Pillar	Workstream	Painpoint Tackled	Desired Outcome	Priority	Owner
Focus	Agree the agency definition of effectiveness	Effectiveness having a different meaning to different department	A clearly articulated definition which brings the agency together around effectiveness	High	Person A
	Create an effectiveness roadmap for each key client	We aren't getting the data that we need to measure marketing activity	Clear steps to adding robustness to our work and demonstrating our value	High	Person B
People	Create an effectiveness committee	Lack of accountability for effectiveness programs	Committee having representation from across the agency which meets regularly and drives the effectiveness program forward	High	Person C
	Create and run effectiveness training	People unsure how to get the best use out of our tools and capabilities	Detailed training program to introduce effectiveness to the agency. All training to completed by June 2022	Medium	Person D
Process	Get advice from Client X about how we can feed into their annual planning process	Briefs we are receiving from Client X are very short term and tactical	Receiving a good mix of strategic and tactical briefs from Client X	Medium	Person E
Data, Tools & Measurement	Find an econometrics partner	Lack of ability to prove value of marketing activity for clients	Creating an outsourced/white labelled plug and play econometric solution	Medium	Person F

Fig 35: Example Effectiveness Roadmap for an agency

CALL TO ACTION: There needs to be a greater number of brands and agencies creating an effectiveness roadmap and, if one is present, there needs to be a continued brand or agency-wide programme of creating awareness of the roadmap, making sure there is clarity of what is being delivered, when it is delivered, and what the benefit is.

3. Data, Tools & Measurement provide the greatest challenge for brands and agencies over the next 12 months (51% for brands and 41% for agencies).

Analysing the key effectiveness challenges for brands and agencies over the next 12 months, the primary challenge lies within Data, Tools & Measurement for both brands and agencies (51% for brands and 41% for agencies).

Both brands and agencies see the majority of their challenges (84% and 61% respectively) in Data, Tools & Measurement and Process

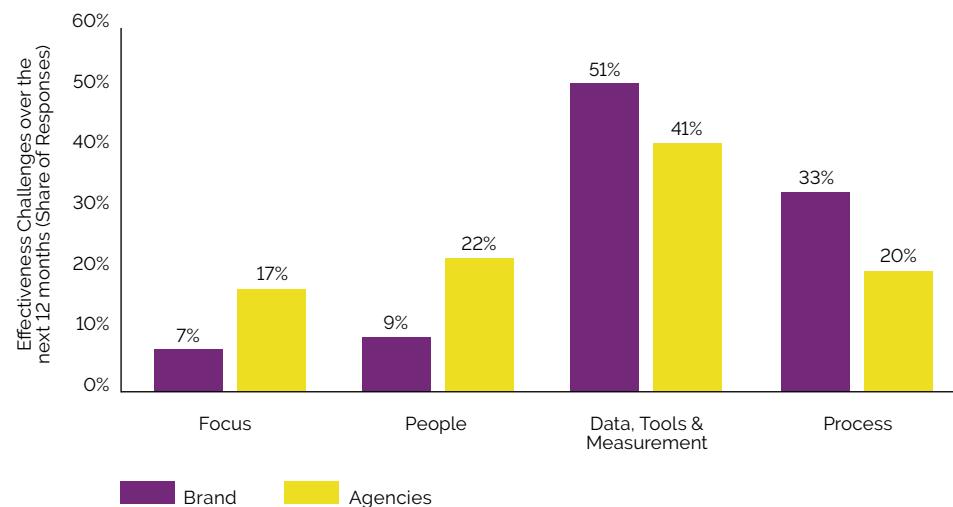


Fig 36: The share of responses for key effectiveness challenges over the next 12 months for brands and agencies (n= 181)

Brands are more likely to have their next key set of challenges within Process (33%) whereas the next challenges for agencies is evenly split across Focus, People, and Process (between 17% - 22%). When the results are broken down to department level within brands and agency type for agencies, then we start to see some interesting differences between where the challenges lie.

There is broad agreement across departments that Data, Tools & Measurement is one of the key challenges for the next 12 months

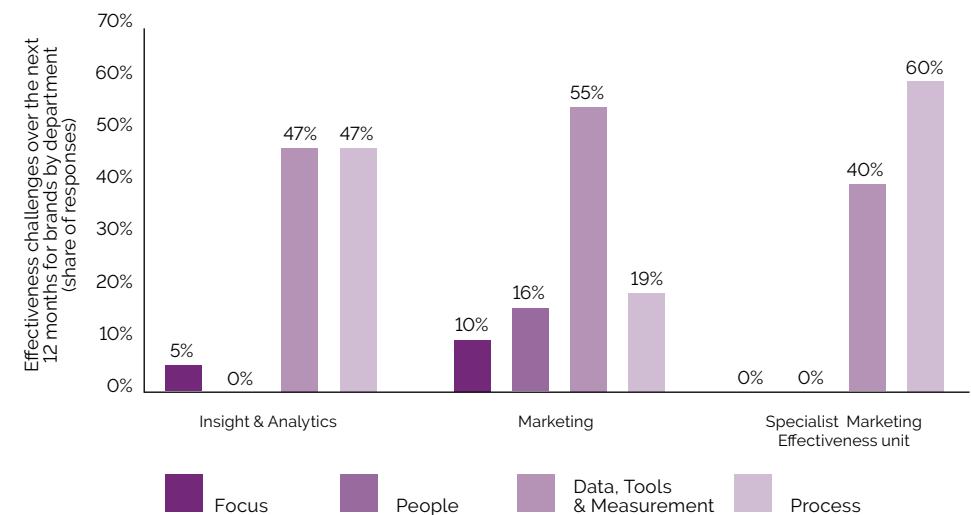


Fig 37: Key marketing effectiveness challenges for brands over the next 12 months by department (n=57)

Within brands, while there is still agreement that Data, Tools & Measurement is where key effectiveness challenges lie, Process plays an equally large share of the effectiveness challenges for Insight & Analytics (47% share of

the responses) and is the largest challenge from specialist Marketing Effectiveness units (60% share of the responses). The types of challenges that the different departments are facing within brands over the next 12 months:

Quadrant	Insight & Analytics	Marketing	Specialist Marketing Effectiveness Unit
Focus	<p><i>"Prioritisation as workstream, seen as additional work rather part of day to day. Needs to be better integrated into rhythm at all levels with broader business buy-in."</i></p> <p>Senior Planning Manager, Retail & Consumer</p>	<p><i>"Gaining clarity and direction – alongside our technology teams – around what questions we need to answer and how we align the data to achieve real-time measurement."</i></p> <p>MD, Financial Services</p>	N/A
People	N/A	<p><i>"Siloed teams is the biggest challenge. For example, the digital transformation team sits separately to marketing. Performance marketing sits separately to marketing too and is in-housed so we have a lot of internal people marking their own homework."</i></p> <p>Head of Planning, Insight & Effectiveness, Telecomms</p>	N/A
Data, Tools & Measurement	<p><i>"Attribution modelling; accuracy and usage alongside MMM, stakeholder buy in for structured measurement around ambassadors/ influencers, and the ability to isolate their impact and that of creative in general."</i></p> <p>VP Measurement & Planning, Media & Entertainment</p>	<p><i>"Starting from scratch with a new approach. Some of the challenges are gaps in baseline data; low understanding amongst larger teams of MMM and how to embed and educate."</i></p> <p>Head of Marketing, Charities</p>	<p><i>"Forecasting media inflation into marketing optimisations."</i></p> <p>Head of Econometrics, Telecomms</p>
Process	<p><i>"I think more along the lines of planning and structuring. Good top-line understanding, but need to follow through into processes and implementation."</i></p> <p>Insight Manager, Business Services</p>	<p><i>"Digital transformation in a fast changing/ evolving environment."</i></p> <p>Brand Director, Retail & Consumer</p>	<p><i>"End-to-end planning. We need to ensure our business is effectively planning activities outside of just marketing to create synergies to drive volume uplift. Quick turnaround of marketing effectiveness results. More detailed insights."</i></p> <p>Senior Marketing Effectiveness Manager, Retail & Consumer</p>

With the different agency types, Advertising has a more even spread of challenges across the effectiveness quadrants, whereas Data, Tools & Measurement is the main challenge for other agency types.

For advertising agencies, the challenges lie evenly across all quadrants. Data, Tools & Measurement is where the 50% of the challenges lie.

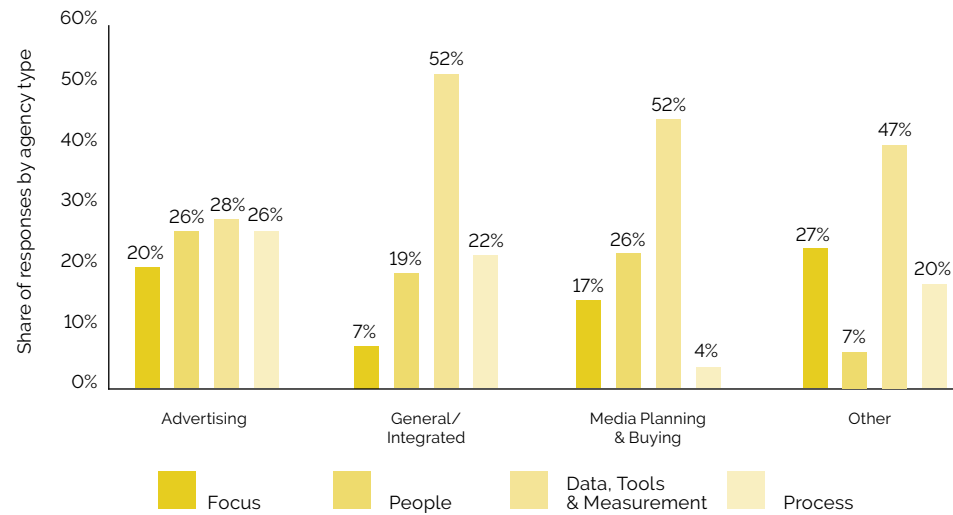


Fig 38: Key marketing effectiveness challenges for agencies over the next 12 months by agency type (n=124)

The types of challenges that different agencies are facing over the next 12 months:

Quadrant	Advertising	General/Integrated	Media Planning & Buying	Other
Focus	<p><i>"Developing a roadmap for the agency as well as individual roadmaps for key clients. Educating the wider agency to understand what effectiveness is and how we measure it."</i></p> <p>Account Manager, Advertising</p>	<p><i>"Consistency of approach, client appetite, data-sharing."</i></p> <p>CEO, General/Integrated</p>	<p><i>"Understanding what effectiveness is. Understanding how to implement effectiveness into what we do. Ensure all staff understand how to implement effectiveness."</i></p> <p>Operations Director, Media Planning & Buying</p>	<p><i>"Ensuring the roadmap is consistent and equally distributed across every aspect of our business and our clients' businesses."</i></p> <p>Chair/CEO, Other</p>
People	<p><i>"We have a toolbox which includes our version of an effectiveness model/roadmap and several upskilling initiatives leveraging internal and external experts. For the next year, our goal is to raise the floor and raise the ceiling. Raise the floor by ensuring all large agencies and large accounts commit to a basic understanding of the marketing economics of their work. Raise the ceiling by sharpening our best stories and getting recognition for our effectiveness work."</i></p> <p>Chief Strategy Officer, Advertising</p>	<p><i>"Embedding the agency's roadmap through the whole of the agency across all departments so 'good thinking' is applied throughout. Mentoring and supporting junior team members to ensure they have this mindset, tools and approach."</i></p> <p>Business Development Director, General/Integrated</p>	<p><i>"The roadmap is established, but getting people trained and implementing the full scope of the methods across our clients is time consuming in the context of resource challenges. It feels like we need a designated person who promotes effectiveness and measurement."</i></p> <p>Chief Strategy Officer, Media Planning & Buying</p>	<p><i>"We're growing so quickly that we need to ensure that everyone on the team understands the best way of driving value for clients, in the specific way that is right for that client. This is made more challenging due to the number of new people joining the business each month."</i></p> <p>Managing Partner, Other</p>

Quadrant	Advertising	General/Integrated	Media Planning & Buying	Other
Data, Tools & Measurement	<p><i>"Proving the value of work that generates fame for clients is always important to us. But often the clients most on board with the need to generate fame and cut-through are the ones least interested in effectiveness. Getting the right measurement and reporting in place can be tricky, particularly with large clients who work at pace. Often the measurement we are privy to starts and ends with campaign tracking and we have little sight of business metrics."</i></p> <p>Strategy Director, Advertising</p>	<p><i>"A lot of our clients don't have the budgets to put in proper econometrics testing and even those that do are struggling with getting good models in place."</i></p> <p>Managing Partner, General/Integrated</p>	<p><i>"To encourage clients to take a deeper view of what constitutes effective performance beyond lower funnel/sales metrics, and to develop a clearer, understandable process (perhaps the roadmap?) that makes it easier for clients to grasp."</i></p> <p>Managing Partner, Media Planning & Buying</p>	<p><i>"Case studies (more and better quality). Better awareness and consideration of effectiveness metrics in our digital-experience projects, and collaborations within the agency group we are now part of."</i></p> <p>Research & Insights Lead, Other</p>
Process	<p><i>"Fine tuning and expanding current processes (including updating based on latest thinking & capabilities) and ensuring this is shared and used across the agency. Getting the whole client base to be more focused on effectiveness and measurement."</i></p> <p>Associate Director, Advertising</p>	<p><i>"Aligning and agreeing new reporting processes and documentation."</i></p> <p>Director of Operations, General/Integrated</p>	<p><i>"Setting agency level objectives for each client so that campaigns are not only measured on a client level, with the client's benchmarks, but also on an agency level, with what we think our campaigns should achieve. This allows the agency to look at effectiveness internally and externally and through different perspectives."</i></p> <p>International Account Exec, Media Planning & Buying</p>	<p><i>"Different solution teams working with clients in different ways. Consistency and motivation across the agency. How to work smarter together."</i></p> <p>Head of Econometrics, Telecomms</p>

4. There is a gap between some of Marketing and the rest of the organisation.

In analysing how brands view how best to create value (short term, long term, or a balanced approach), there was evidence to suggest that there is a gap between marketing and the rest of the organisation.

Over half of Marketing believe their organisation focuses on a balanced (+52%) or long-term approach (+61%) to value creation

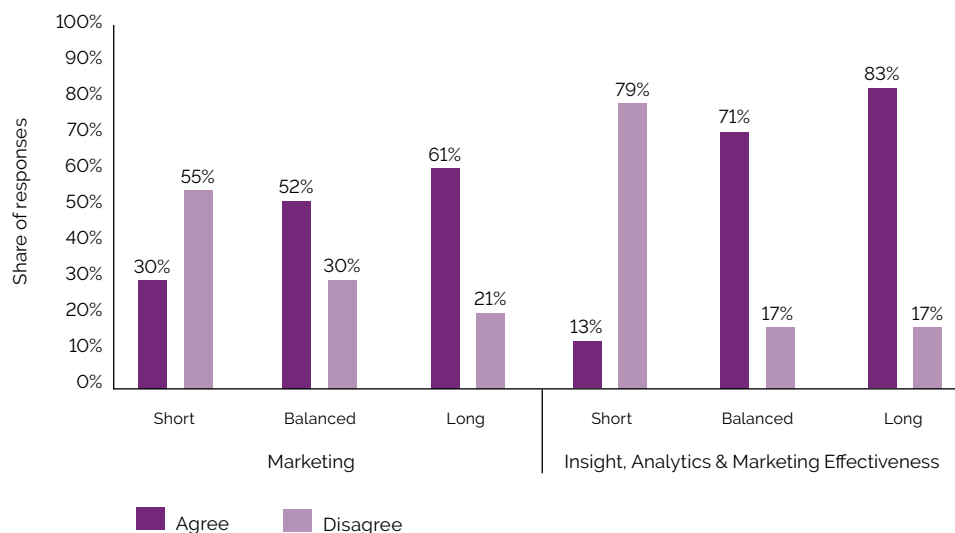


Fig 39: Share of responses to how marketing and insight, analytics and marketing effectiveness teams believe their organisation focuses on value creation (n=57)

However, there is a difference to how insight and effectiveness teams and marketers view value creation. Marketers are 142% more likely to believe that their organisation focuses solely on the short term (30% versus 13%). They are also 82% more likely to disagree that their organisation takes a balanced approach to value creation (30% versus 17%), and 27% more likely to disagree that their organisation focuses solely on the long term (21% versus 17%).

Marketers compared to Insight, Analytics & Marketing Effectiveness: 142% more likely to agree the brand focuses on the short term, and 27% more likely to focus on the long term

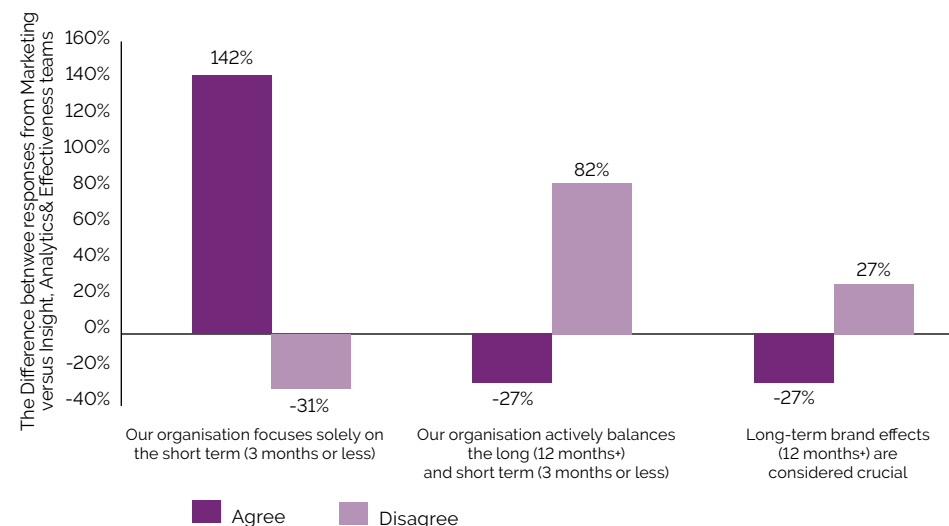


Fig 40: The difference between how Marketing and Insight, Analytics & Effectiveness teams view value creation (n=57)

We will explore this more when we look at Data, Tools & Measurement because the reason for this difference is that Marketers feel that the right metrics and data are missing when looking to measure long-term value.

Recommendations to improve Focus Performance:

1. Start with creating an effectiveness roadmap for your brand or agency.
2. If there is a roadmap, make sure awareness of it is high across all areas of the agency or brand.
3. Once that effectiveness roadmap has buy-in and is delivering value, create a separate effectiveness roadmap as a partnership between brand and agency/agencies.
4. Understand the priority areas to maintain and improve marketing effectiveness performance.

Marketing
effectiveness
deep dives

The diagram features a solid purple background. A dashed yellow line forms a path that starts from the top right, moves left, then down, then left again to connect to the 'People Quadrant' box. From the 'People Quadrant' box, a dashed yellow line extends downwards. Another dashed yellow line connects the 'Marketing effectiveness deep dives' box to the 'People Quadrant' box.

People
Quadrant

Buy-in at top and at senior levels, defined roles and responsibilities, professional development, and a focus on continuous learning and improvement.

People Quadrant Summary

The overall People score is an average of the three key components (clearly defined roles & responsibilities, appropriate training, and focus on continuous learning).

Brands and agencies score the same for People, both scoring 6.6, and it is also the second most important driver of effectiveness for both. However, when looking at what drives People performance, then there are key differences.

1. Being appropriately trained on effectiveness tools is the lowest scoring People element for both brands and agencies, with brands scoring slightly higher (6.2 v 5.8).
2. Focus on continuous learning and improvement, where agencies score higher (7.4 v 6.8).

	Brands	Agencies
People score	6.6	6.6
Clearly defined roles and responsibilities	6.8	6.6
Appropriately trained on effectiveness tools	6.2	5.8
Focus on continuous learning and improvement	6.8	7.4
Effectiveness Culture Driver score	0.79	0.57
Ranking	2nd	2nd

The Key People Findings

1. People performance is viewed differently dependent on the department worked in (for brands) and by agency type (for agencies).

a. Marketing respondents in brands score People performance 30% lower than insight, analytics and marketing effectiveness teams.

Brands respondents working in Marketing score People performance 30% lower than those in Insight & Analytics and in specialist Marketing Effectiveness units:

- Marketing respondents score People 5.9
- Insight & Analytics respondents score People 7.6
- Specialist Marketing Effectiveness unit respondents score People 7.5

There is not a particular area where Marketing scores lower for People; scores range from 5.5, for training on tools, to 6.2, for continuous learning and improvement.

Marketing scores themselves lower across the board on People and each of the components, only scoring >6 for learning & improvement

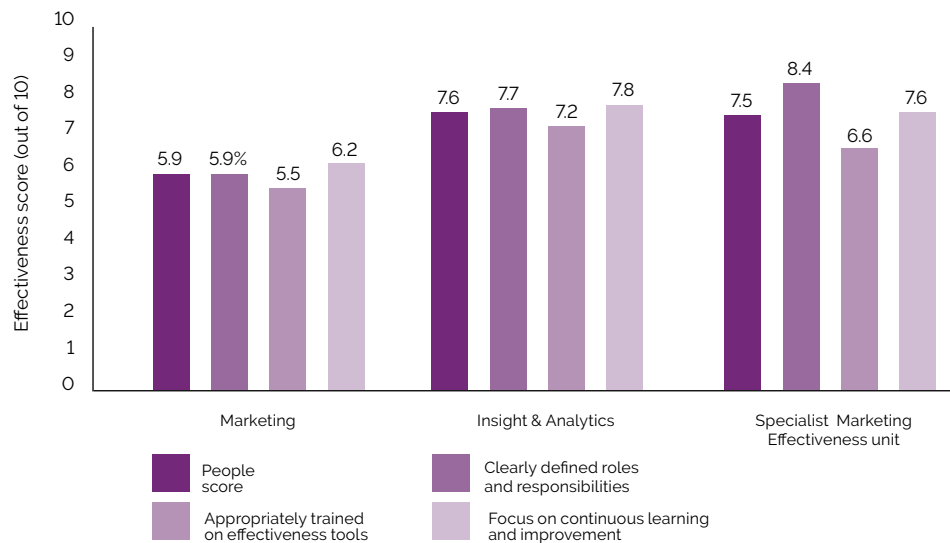


Fig 41: People score for brand respondents by the department they work in (n=57)

Being appropriately trained on effectiveness tools is the lowest scoring element of People for all role types.

For brand respondents who score their organisation low for People (<5), there are a couple of key reasons that are stated within the key effectiveness challenges their organisations face over the next 12 months which point to why the People score is low:

- Tools not evolving and no specific effectiveness training
- Lack of buy-in to effectiveness recommendations

People Score 4

"Have been running Marketing Mix for 20 years annually, and extensive short-term measurement in digital media. However, lack of leadership to evolve tools and more current approaches, and no effectiveness training."

Head of Marketing, Manufacturing

People Score 5

"We have econometric modelling in place but have struggled to get buy-in to use the insights to drive activity in the last three years. Focus is on short-term activity that can be measured immediately."

Acquisition Manager, Financial Services

b. General/Integrated and Media Planning & Buying agencies score 13% higher for People than Advertising and Other agencies

Agency respondents working in Media Planning and Buying agencies score People performance 13% higher (on average) than Advertising and Other agencies.

- Respondents from Media Planning & Buying agencies score People 7.1
- Respondents from General/Integrated agencies score People 7.0
- Specialist Marketing Effectiveness unit respondents score People 7.5

Out of the People components, being appropriately trained on effectiveness tools is the lowest scoring, with scores ranging between 5.5 and 6.5. The focus on continuous learning and development is the best-scoring component, with scores ranging from 7.0 to 8.0.

General/Integrated and Media Planning & Buying agencies score higher on People and its elements; training on effectiveness tools is an area for improvement

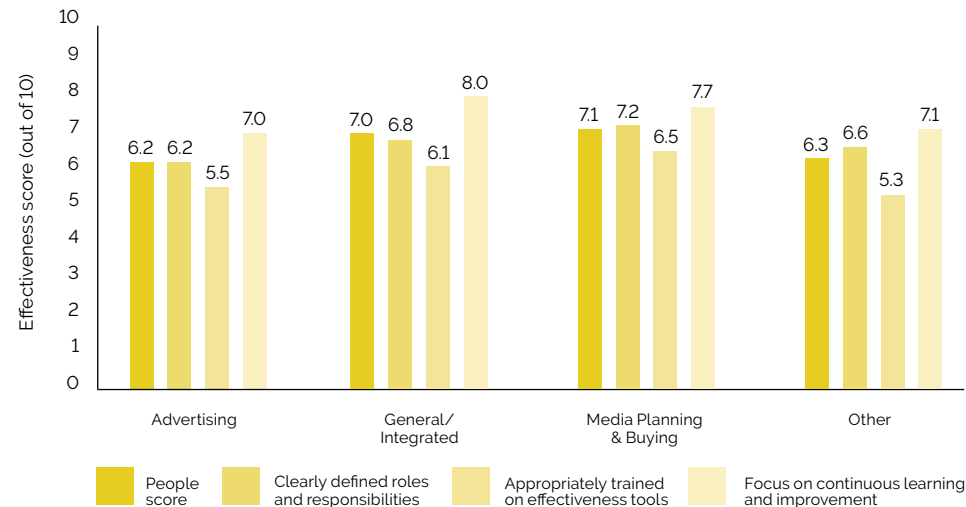


Fig 42: People score for agency respondents by the type of agency they work in (n=124)

- There are two main effectiveness challenges cited from a People perspective that are impacting effectiveness culture:
- Not having enough of the right people to help drive the agency's effectiveness agenda
 - If there are enough people, then there is not necessarily the right knowledge to know what effectiveness is, what it means for the agency, and direction for staff about implementation

The second reason would be helped by creating an effectiveness roadmap.

People Score 5

"There is enthusiasm to drive towards outcomes, but we need more specialist resource to help sell and deliver the necessary work to understand effectiveness."

Associate Media Director, Advertising

People Score 5

*"1) Understanding what effectiveness is.
2) Understanding how to implement effectiveness into what we do.
3) Ensure all staff understand how to implement effectiveness."*

Operations Director, Media Planning & Buying

2. There are a couple of differences in how brands and agencies perform along their effectiveness journey in People.

a. Agencies, before properly starting their effectiveness journey, score almost double that of brands for People (5.3 v 2.8), but brands catch up quickly once they have started their journey.

Agencies start their effectiveness journey for People in a healthier position than for brands (5.3 v 2.8). Identifying that People scores are naturally higher without officially starting their effectiveness journey suggests that agencies are more likely to be tuned into effectiveness than their brand counterparts.

NB: there are no agencies in our survey sample 7-10 years into their effectiveness journey.

For brands, starting their effectiveness journey more than doubles the People score (2.8 to 6.2). Agencies start from a higher position than brands so the increase is smaller (5.4 to 6.4).

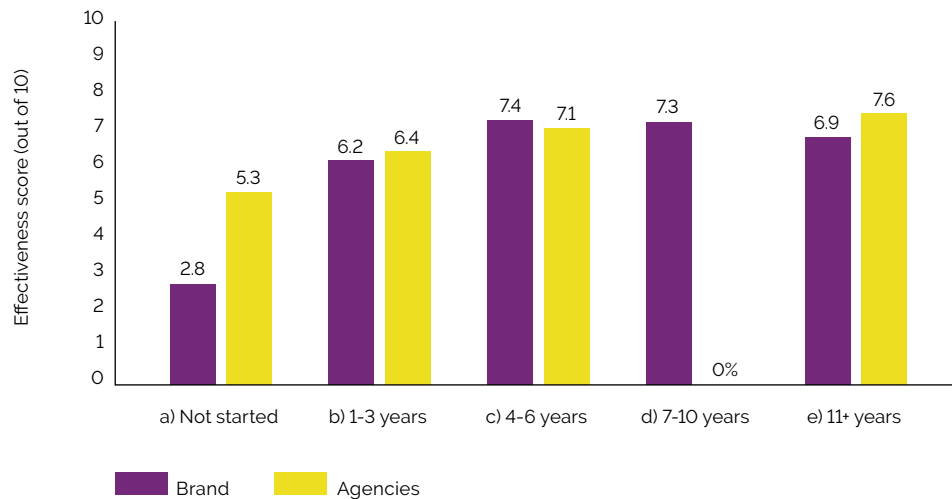


Fig 43: People score for brands and agencies by their length of effectiveness journey (n=181)

As we saw in the 2021 Effectiveness Roadmap results, starting the journey is the single biggest positive impact on People for brands, and the 2022 results show the same for brands, which show a +127% improvement (from 2.8 to 6.2).

b. Having a roadmap is key to both brands and agencies attaining higher People scores. However, even with no roadmap, agencies score on average 23% better than brands.

Having a roadmap is key to achieving higher People scores for brands and agencies across the whole effectiveness journey. On average, the increase is 23% higher People scores.

Given the healthier starting position of agencies, they score a marginal 7% higher in the first stage of the journey than brands (7.3 v 6.7) but brands then score higher for most of the rest of the effectiveness journey.

When there is a roadmap, then People scores are similar for brands and agencies. With no roadmap, agencies perform better

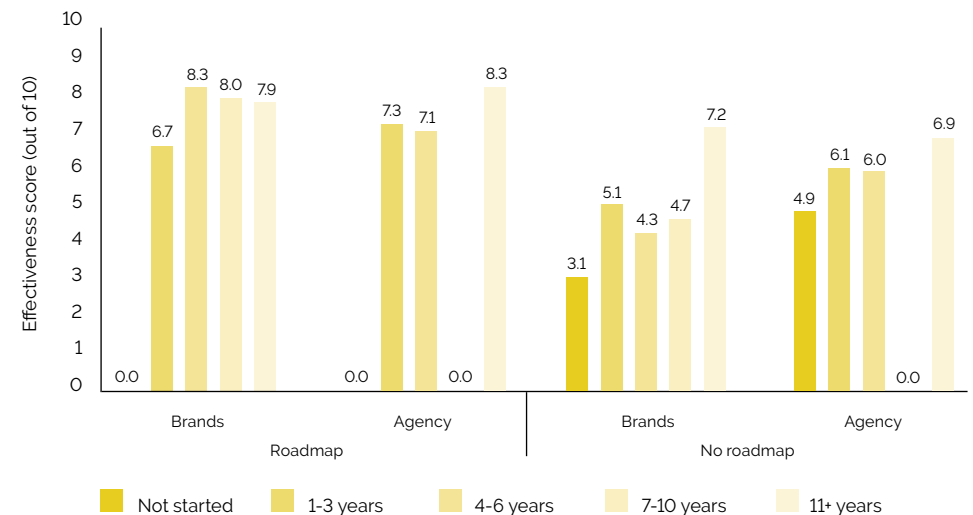


Fig 44: People score for brands and agencies when a roadmap is and is not present (n=181)

3. From a People perspective, brands need to focus on being seen as value creators to best improve marketing effectiveness culture. They can do this by improving how they support and evidence the impact of long-term commercial decisions.

There are high levels of buy-in to a brand's effectiveness approach both within Marketing (95% agree, 4% disagree) and from outside Marketing (70% agree, 11% agree). On the surface level, there are two areas that could be improved:

- Firstly, in Marketing's relationship with Finance where only half (54%) of the respondents agree that there is a strong relationship (54% agree)
- Secondly, in creating better collaboration between Marketing and other departments; 1 in 2 respondents (53%) agree that collaboration is good

Two areas which could improve are Marketing's relationship with Finance, and collaboration across the organisation to improve effectiveness

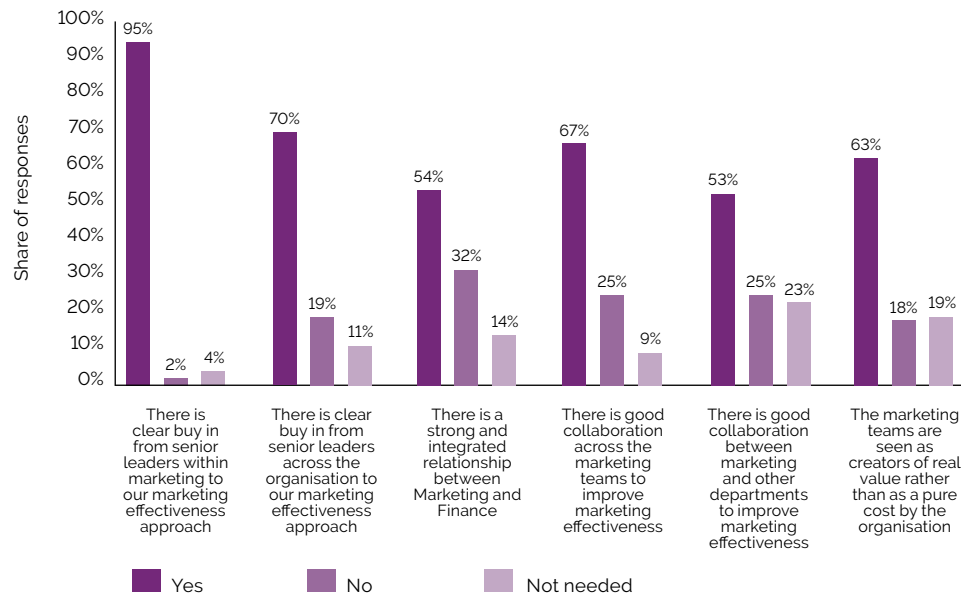


Fig 45: Share of responses for how brand respondents agree or disagree with statements about buy-in and engagement to their organisation's marketing effectiveness approach (n=57)

However, in looking at the impact of performance in each of these areas on a brand's marketing effectiveness culture, then a different focus area emerges.

Firstly, it is worth pointing out that good performance in each of the different areas improves a brand's marketing effectiveness culture. However, when Marketing is seen as a value creator rather than a cost, Effectiveness Culture improves the greatest, by 123% from 3.5 to 7.8. With either 19% or respondents disagreeing or 18% feeling neutral about whether Marketing is seen as a value creator, then this creates an excellent opportunity to improve effectiveness culture.

Brands: the biggest difference on effectiveness culture from within the People quadrant is Marketing being seen as a value creator rather than as a cost (7.8 v 3.5)

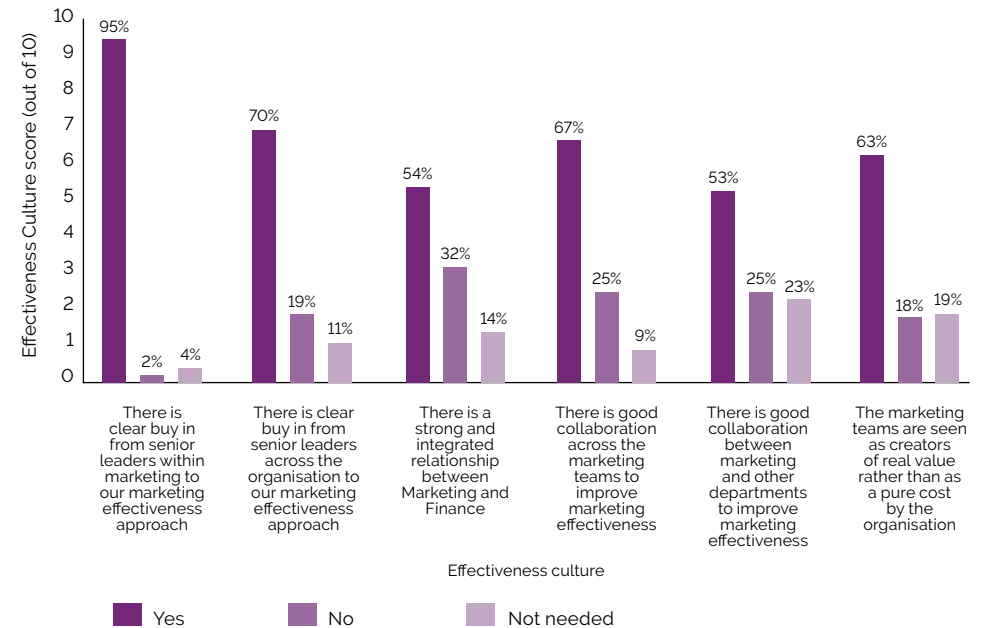


Fig 46: Impact on a brand's effectiveness culture based on how brand respondents agree or disagree with statements about buy-in and engagement with their organisation's marketing effectiveness approach (n=57)

This leads to the question of whether the right skills exist though to make this happen for brands.

There is the greatest level of agreement from brand respondents in being confidently able to use evidence to support short-term commercial decisions (79% agreement and only 2% disagreement). There is less agreement about whether there are the right levels of commercial and financial literacy (65% agreement) and in confidently using evidence to support long-term commercial decisions.

79% of brand respondents are confident in using evidence to support short-term commercial decisions

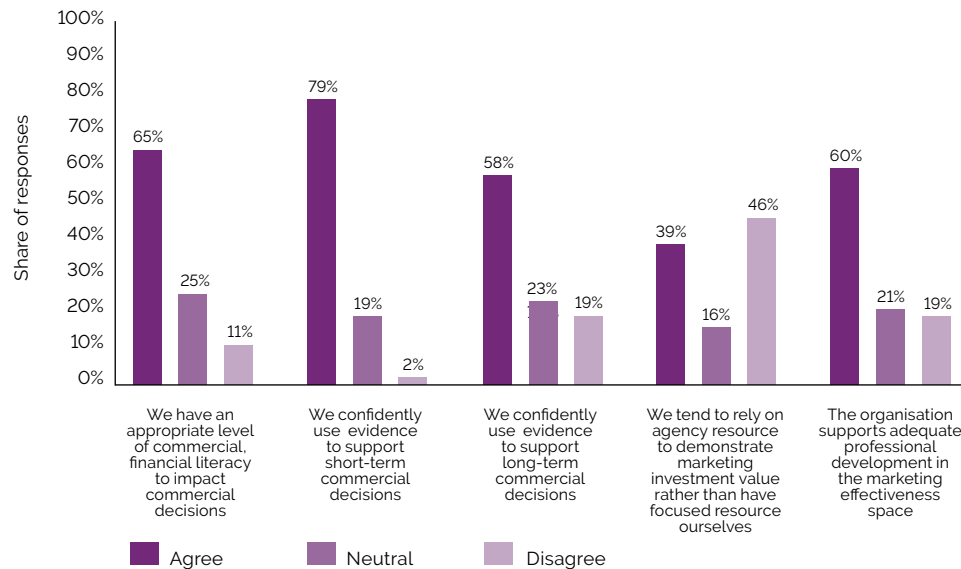


Fig 47: Share of responses for how brand respondents agree or disagree with statements about skill (n=57)

It is exactly these two skills which have the biggest impact on effectiveness culture; improving financial and commercial literacy, and being able to support long-term decision-making each improves Marketing Effectiveness culture by 73% (from 4.5 to 7.8) and 79% respectively (from 4.4 to 7.9).

Brands: From a skills perspective, having the right level of commercial literacy and being able to support long-term commercial decisions is key to positively impacting effectiveness culture

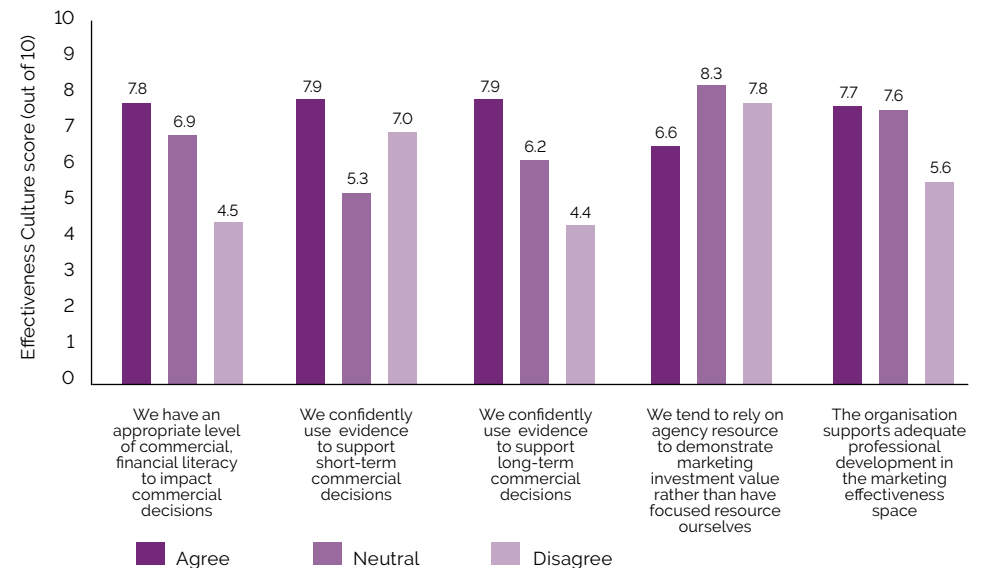


Fig 48: Effectiveness Culture score in brands dependent on agreement about skills (n=57)

Interestingly, not relying on agency resource to prove value from marketing investment improves Marketing Effectiveness Culture 18% (from 6.6 to 7.8). This doesn't say that you should not rely on your agency to prove value from marketing investments (as the Effectiveness Culture score is still healthy when that happens, at 6.6). However, it does say that proving the value internally can produce a stronger marketing effectiveness culture. It may come at a higher financial cost though.

4. 40% of agency respondents claim that there is not agency-wide understanding of their effectiveness approach, and this provides the biggest negative impact on effectiveness culture due to lack of buy-in and engagement.

There are three areas within buy-in and engagement where agencies perform well:

- 78% of respondents agree that brands see their agency as creators of real value rather than as a pure cost.
- 72% of respondents agree that their clients tend to rely on them to demonstrate a return on marketing investment.
- 67% of respondents believe that there is clear buy-in from senior leaders to the agency's marketing effectiveness approach.

40% of agency respondents claim that their agency's effectiveness approach is not understood agency wide

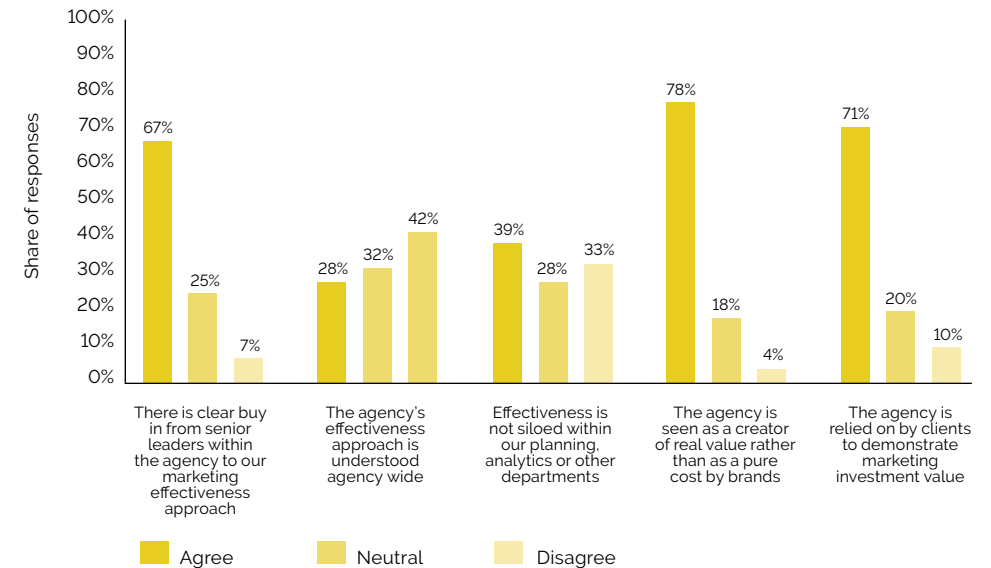


Fig 49: Share of responses for how agency respondents agree or disagree with statements about buy-in to and engagement with their agency's marketing effectiveness approach (n=124)

Whether or not an agency is relied on to prove the value of their client's marketing investment makes minimal improvement on the effectiveness culture of the agency (+9% improvement from 6.7 to 7.3).

What make the big improvements are:

- The agency's effectiveness approach being understood (+63% from 5.4 to 8.8)
- The agency being seen as a creator of value rather than as a cost by brands (+50% from 4.8 to 7.2)
- Effectiveness not being siloed within planning, analytics or other departments (+43% from 5.6 to 8.0)

Agencies: Making sure the effectiveness approach is understood is key to improving the agency's effectiveness culture

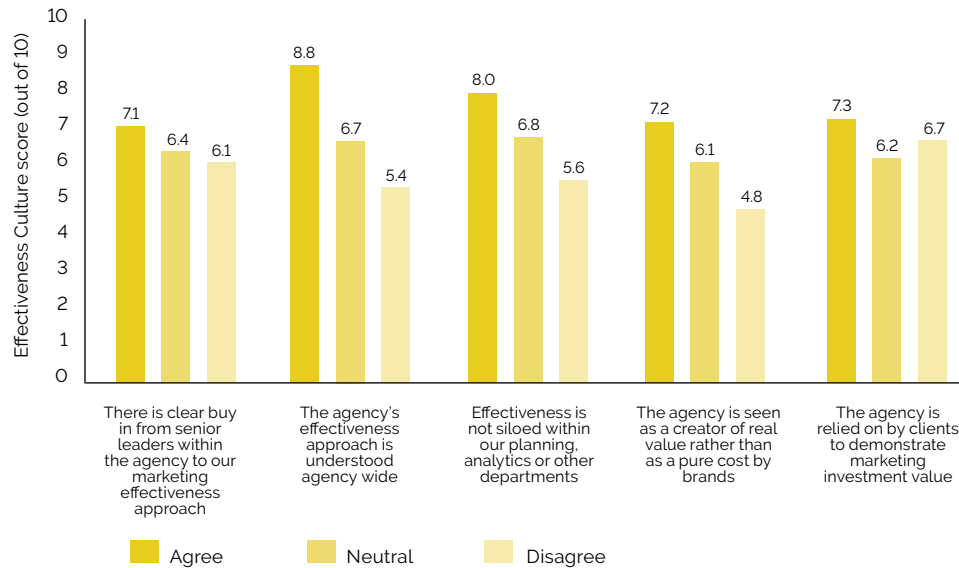


Fig 50: Share of responses for how agency respondents agree or disagree with statements about buy-in to and engagement with their agency's marketing effectiveness approach (n=124)

Looking at the skillsets across an agency, there is consistent agreement about the level of skills existing within the agency to support their client's commercial decisions, ranging from 69% agreement about commercial and financial literacy, to 75% agreement in supporting short-term commercial decisions.

There is good belief within agencies that the skills needed to support their client's commercial decisions exist

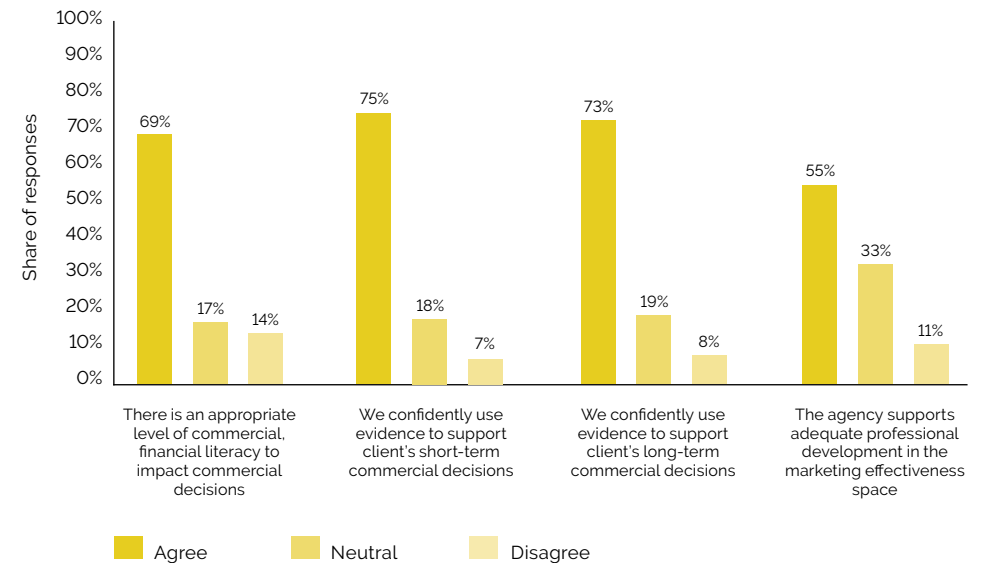


Fig 51: Share of responses for how agency respondents agree or disagree with statements about skill (n=124)

The impact on effectiveness culture is consistent as well, with roughly a 70% improvement in agreement that the right skills exist.

For agencies, there is more consistency on the impact of skills on the agency's effectiveness culture

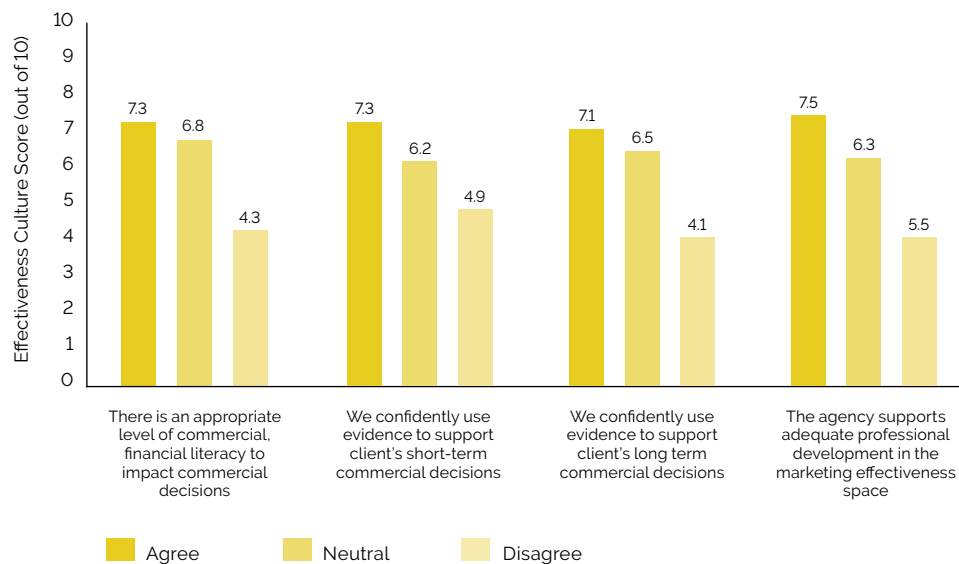


Fig 52: Effectiveness Culture score in agencies dependent on agreement about skills (n=124)

There is less agreement about whether there is adequate professional effectiveness development, with 55% of respondents agreeing that there is but 33% being unsure, which presents an opportunity for improvement.

This agreement within agencies about the skills that exist to best support their client's commercial decisions has an impact on their ability to build healthy and successful brands. Agency respondents are more confident in their ability to build a healthy and successful brand than brand respondents (96% versus 81%). Although 81% of brand respondents being confident is still a healthy performance.

Agencies are more confident in the ability to build a healthy and successful brand

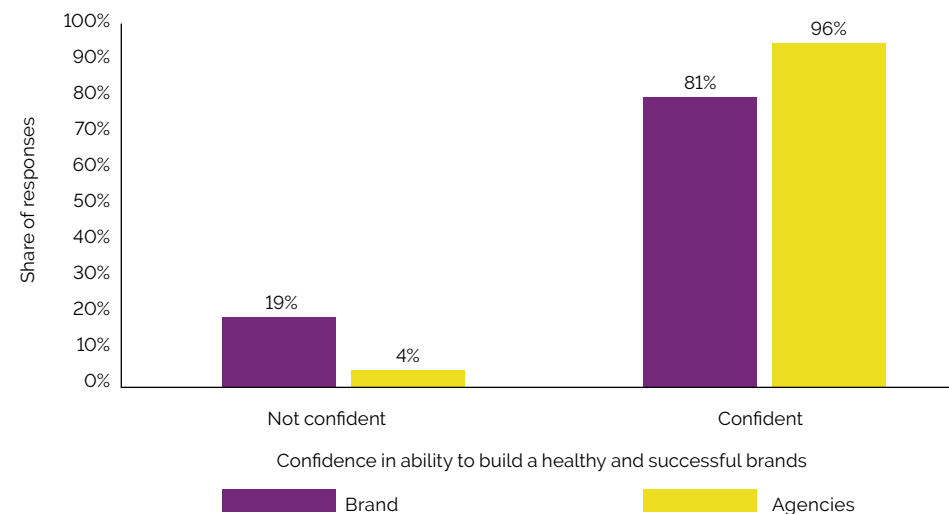


Fig 53: Confidence in ability to build a healthy and successful brand (n=181)

Recommendations to Improve People performance:

1. Focus on dedicated effectiveness training, including training people on the existing tools and capabilities.
2. From a brand perspective, there needs to be improvements in whether Marketing is seen as a value creator, and to do this brands need to increase their commercial and financial literacy to better support long-term decision-making.
3. Agencies need to focus on three areas for improvement:
 - a. creating and maintaining greater awareness of their effectiveness approach
 - b. making sure the agency effectiveness approach isn't siloed in the Planning or Data department
 - c. being seen as value creators by their clients.

Marketing
effectiveness
deep dives

The diagram features a solid blue rectangular box containing the text 'Marketing effectiveness deep dives'. A dashed blue line originates from the right side of this box, extends horizontally to the right, then turns 90 degrees downward, and finally turns 90 degrees left to enter the right side of a second solid blue rectangular box. This second box contains the text 'Process Quadrant'. The background is a solid light blue color.

Process
Quadrant

The cycle of increased marketing intelligence, to decision-making, to activation of marketing activities, measurement, and improved business results.

Process Quadrant Summary

Brands score higher for Process than agencies do (6.8 v 6.1) and Process is the 3rd biggest driver of Marketing Effectiveness Culture for both brands and agencies.

	Brands	Agencies
Process	6.8	6.1
Marketing Effectiveness Driver score	0.77	0.57
Ranking	3rd	3rd

The Key Process Findings

1. Three quarters of brands and agencies have a clearly defined planning process which, when present, improves Effectiveness Culture for brands by 43% and for agencies 18%.

77% of brand respondents and 75% of agency respondents state that their brand or agency has a clearly defined planning process.

A very healthy 3/4 of brands and agencies have a clearly defined planning process

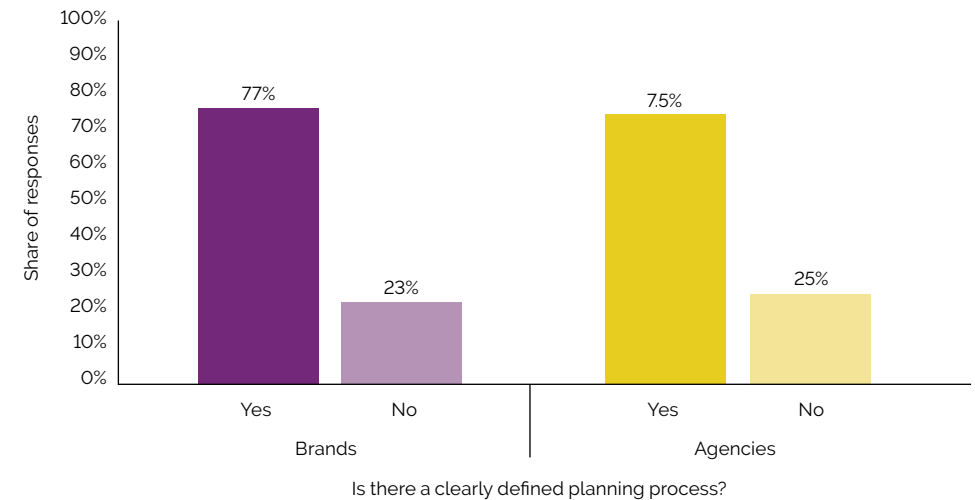


Fig 54: Do brands and agencies have a clearly defined planning process? (n=124)

When brands and agencies have a clearly defined planning process, then there is a positive impact on Marketing Effectiveness Culture:

- For brands, Effectiveness Culture increases 43%, from 5.3 to 7.6
- For agencies, the increase is smaller but a still significant 18%, from 6.0 to 7.1

There is a clear positive impact on Effectiveness Culture when brands and agencies have a clearly defined planning process

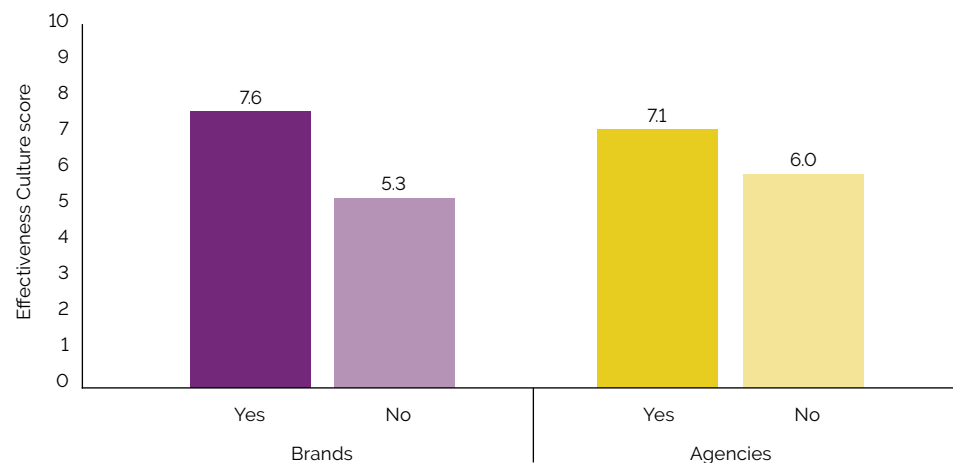


Fig 55: Marketing Effectiveness Culture scores for brands and agencies when a planning process is or is not present (n=124)

Although, there are three quarters of brands and agencies with a clearly articulated planning process, having an effectiveness roadmap increases the chances of there being an effectiveness planning process.

Brands are 96% more likely to have a clearly defined planning process when there is a roadmap; agencies 32% more likely

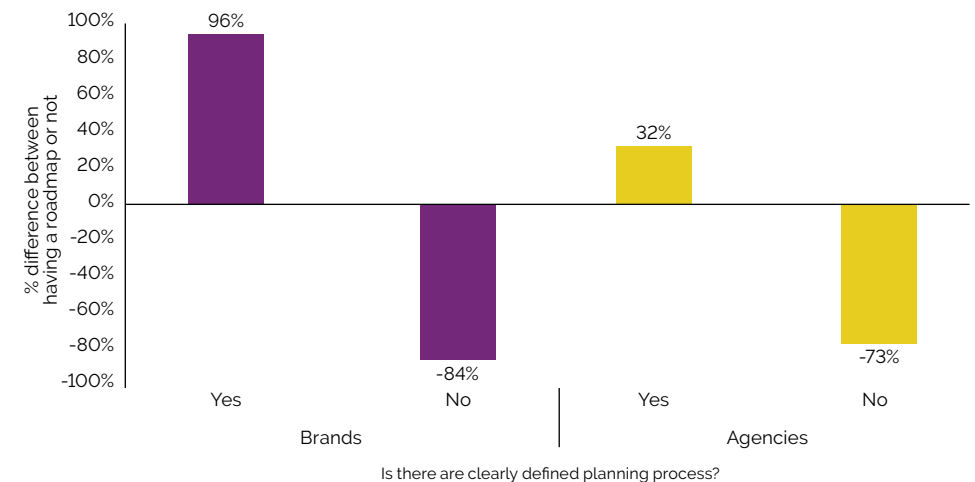


Fig 56: % difference for brands and agencies in whether having an effectiveness roadmap makes a difference to whether there is a clearly defined planning process (n=124)

2. If 75% of brands have a clearly defined planning process then it is surprising that 48% of agency respondents believe that only 'sometimes' their clients have a clearly defined planning process for their work to feed in to.

There appears to be an awareness gap in whether agencies know that their clients have a clearly defined planning process or not:

- 11% of agency respondents claim that there is rarely a clearly defined planning process for their work to feed into
- 48% claim that this happens sometimes
- 25% claim that it happens often
- 15% claim this happens all the time

1 in 2 agency respondents believe their client has a clearly defined planning process to feed work in to

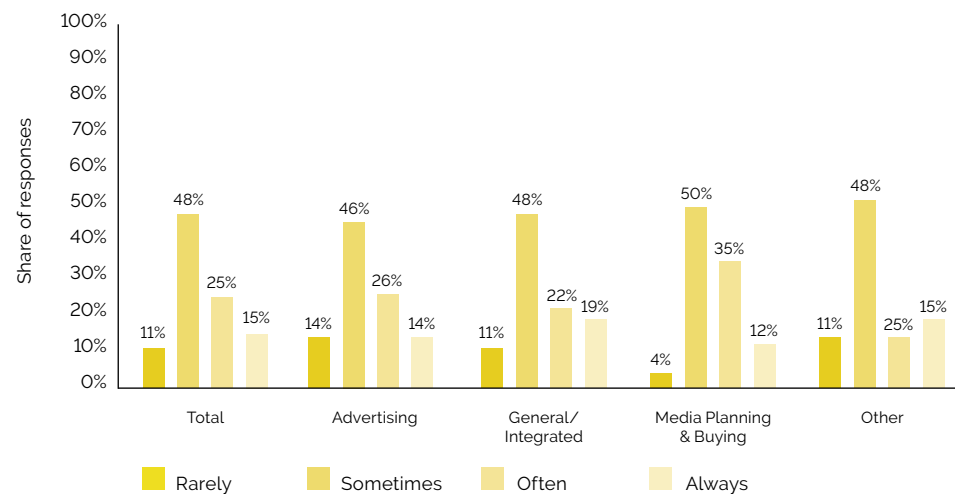


Fig 57: % difference for brands and agencies in whether having an effectiveness roadmap makes a difference to whether there is a clearly defined planning process (n=124)

There is one standout difference when looking at the differences between the different agency types, and that is that 35% of media planning & buying agency respondents claim that their work feeds into their client's planning process 'often' (versus 25% for all agencies).

Clear action can be taken by agencies to get greater understanding of their client's planning process and how their work feeds in. Brands can also make sure that their agencies are clear what happens next in the planning process once the work is completed.

Creating a stronger effectiveness partnership between brands and their agencies will help tackle this knowledge gap.

3. Brands having a clearly defined planning process positively impacts not just their own effectiveness culture (+43%) but it also increases their agency's effectiveness culture +31% when their work has a process to feed into. This also increases the chance of both their own and their agency's effectiveness recommendations being activated.

The impact of clients having a clear planning process for their agency's work to feed into is more positive than the agency having their own planning process.

An agency's Effectiveness Culture score increases 31% when their client has a planning process for their work to feed into (7.6), when compared to there rarely being one (5.8). As already seen in fig 50, the increase for agencies when they have their own planning process compared to not having one is 18% (from 6.0 to 7.1).

Clients having a clearly defined planning process for agencies to feed their work into has a positive impact on the agency's effectiveness culture

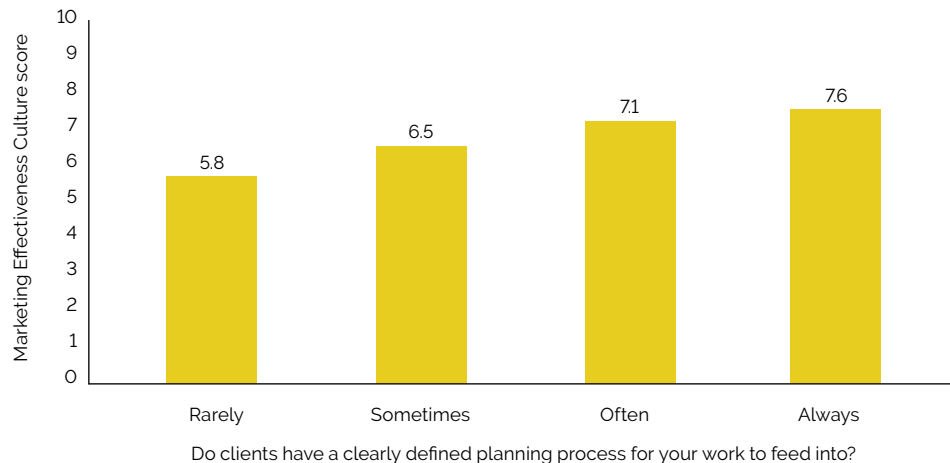


Fig 58: Marketing Effectiveness Culture scores for agencies when their clients have a clear planning process for their work to feed into (n=124)

One of the key reasons why it will positively impact an agency's effectiveness culture is that a client having a planning process for recommendations to feed into will increase the likelihood of the agency's effectiveness recommendations being activated by 89%.

Brands having a clearly defined planning process increases the likelihood of their own recommendations (+75%) and their agency's recommendations (+89% being activated)

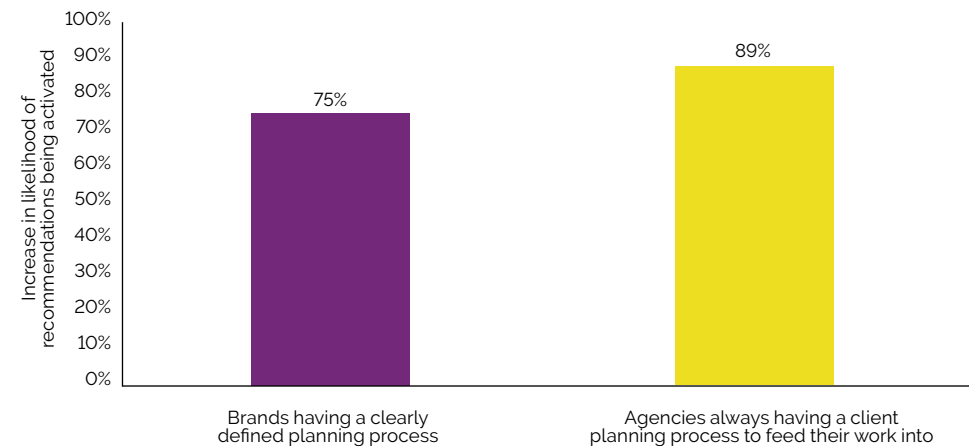


Fig 59: % increase in likelihood of both a brand's own effectiveness recommendations being activated when there is a clear planning process, and an agency's effectiveness recommendation being activated by their client when the client has a clear planning process for the recommendation to feed into (n=124)

It also increases the brands own likelihood of their effectiveness recommendations being activated by 75%.

4. Both brands and agencies are better at learning from successes than they are from failures. However, agencies are better at learning from both than brands.

The final element of Process is about enabling brands and agencies to learn from both successes and failures.

Both brands (7.0) and agencies (7.6) are good at learning from successes and slightly less so at learning from failures (6.3 and 7.1 respectively). Agencies are better at learning from both than brands are.

Agencies are better at learning from both successes and failures than brands

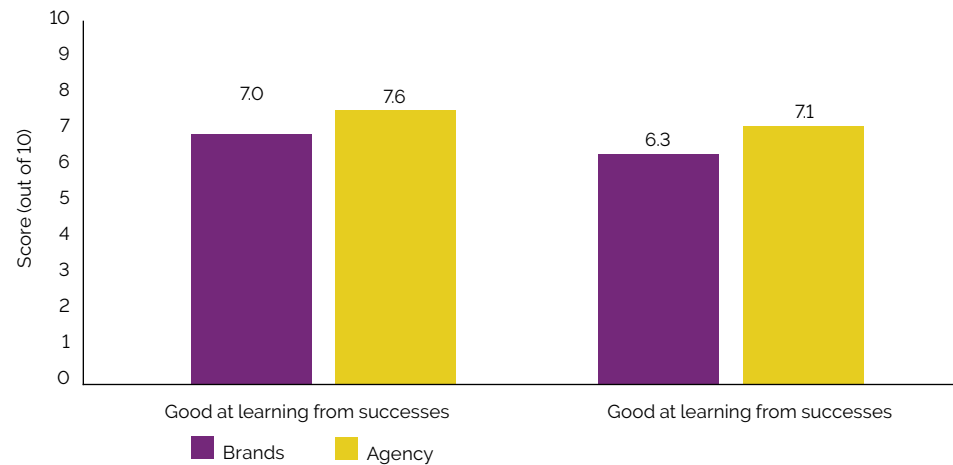


Fig 60: Marketing Effectiveness Culture scores for agencies when their clients have a clear planning process for their work to feed into (n=124)

Being able to learn from failures means that in building an effectiveness culture it becomes more of a helping culture than it does a 'police state'. Creating a helping culture has to be the focus, instead of people being afraid to admit where plans did not work as expected.

Recommendations to improve Process performance:

1. There is room for even more brands and agencies to have a clearly articulated planning process.
2. Most importantly, agencies need to be more aware of how and where their work feeds into the client's planning process. This does not happen often enough. Responsibility sits with both brands and agencies to make this happen.

**Marketing
effectiveness
deep dives**

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graph LR; A[Marketing effectiveness deep dives] -.-> B[Data, Tools & Measurement Quadrant];
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The diagram consists of two rectangular boxes with solid black borders. The first box, located in the upper left, contains the text 'Marketing effectiveness deep dives' in bold black font. A dashed black line extends horizontally from the right side of this box. This line then turns 90 degrees downward and continues as a dashed line to the left side of the second box. The second box, located in the lower right, contains the text 'Data, Tools & Measurement Quadrant' in bold black font. The background is a solid light gray.

**Data, Tools &
Measurement
Quadrant**

An effectiveness capabilities ecosystem creating increasingly relevant and impactful marketing intelligence, and being fed by quality, accurate and timely data.

Data, Tools & Measurement Quadrant Summary

The overall Data, Tools & Measurement score is an average of the three components for both brands and agencies:

	Brands	Agencies
Data, Tools & Measurement	6.4	6.1
Data	6.4	6.4
Tools	6.5	6.0
Measurement	6.4	6.0
Driver	0.8	0.5
Ranking	3rd	4th

Scores for Data, Tools & Measurement are similar for brands and agencies (6.4 for Brands and 6.1 for agencies) and this is the lowest scoring effectiveness quadrant for both. Brands and agencies score similar for data (6.4 v 6.4), however, brands score slightly more than agencies for Tools (5.6 v 6.0) & Measurement (6.4 v 6.0).

The Key Data, Tools & Measurement Findings

1. Brands faces a broad range of data challenges over the next 12 months, with the challenges varying by department (Marketing, Insight & Analytics or specialist Marketing Effectiveness units).

Brands score Data, Tools & Measurement 6.4 overall. However, as with how respondents in Marketing view performance in the other effectiveness quadrants, they score performance in this quadrant 17% lower than other departments do:

- Insight & Analytics scores Data, Tools & Measurement at 7.1
- Specialist Marketing Effectiveness units score it a 6.9
- Respondents from Marketing score it a 6.0

Marketing scores themselves lower for Tools & Measurement and specialist Marketing Effectiveness units score lowest for Data

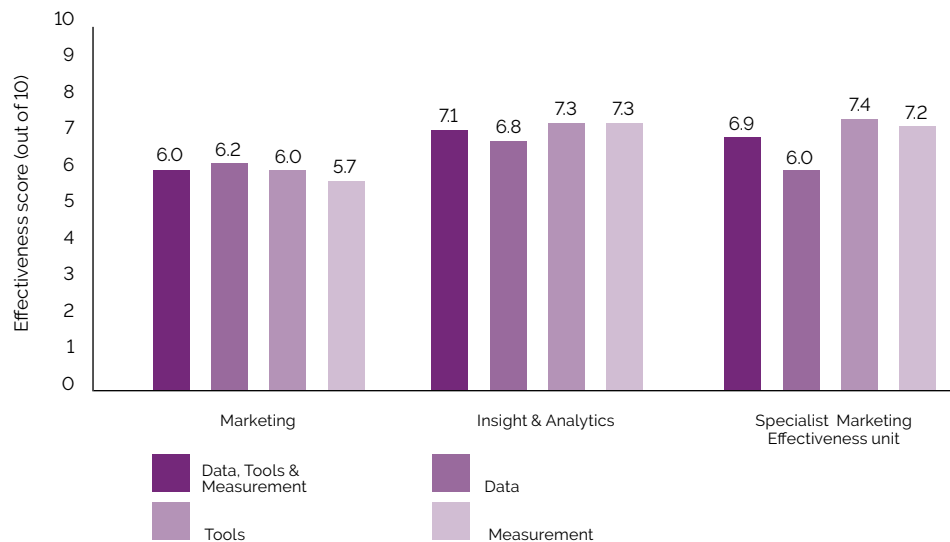


Fig 61: Effectiveness scores for brands across Data, Tools & Measurement (n=57)

The scores for Marketing and Insight & Analytics are relatively consistent in range across each of the elements of Data, Tools & Measurement:

- Marketing score from 5.7 in Measurement to 6.2 for Data
- Insight & Analytics score from 6.8 in Data to 7.3 in both Tools and Measurement.

There is more variety in how respondents from specialist Marketing Effectiveness units score their organisation's performance:

- From 6.0 in Data to 7.4 in Tools

The difference in these scores can be explained when looking at the biggest data reasons cited by respondents, with Marketing facing quite broad challenges across a number of areas and Insight, Analytics and Marketing Effectiveness teams having their biggest challenges in specific areas.

For Insight & Analytics, the challenges are predominantly focused on the breadth, depth, quality and timeliness of data:

Insight & Analytics: Data, Tools & Measurement Score 6

"Procurement of sufficient good quality data to get a full view of the market. Currently, we focus on data to monitor the specific categories where we compete, but not the total market."

Global Planning Director, Retail & Consumer

Insight & Analytics: Data, Tools & Measurement Score 5

"Media data access and reliability."

"Audience validation reliability."

Insight & Innovation Director, Retail & Consumer

For Marketing Effectiveness units, the data challenges lie in linking the insight to business outcomes:

Marketing Effectiveness: Data, Tools & Measurement Score 6

"Joined-up view of customer touchpoints and their contribution to business performance beyond the macro econometric view, plus slightly disjointed sales attribution data."

Marketing Planning and Effectiveness Director, Financial Services

And for Marketing, the biggest data challenges cover:

- platforms/martech/GDPR
- making data actionable
- creating a holistic marketing measurement framework

Marketing: Data, Tools & Measurement Score 6

"Our martech stack is awful for reporting and takes a lot of manual tweaking to spit out the numbers we want to see. It's 2022 and the humble spreadsheet is yet to be usurped by the hundreds of millions of dollars invested in R&D on these platforms."

Head of Marketing, Healthcare

Marketing: Data, Tools & Measurement Score 5

"Ensuring that the marketing team knows how to take action depending on the dashboards."

Marketing Director, Financial Services

Marketing: Data, Tools & Measurement Score 5

"Huge amounts of data are available so identifying the optimum data sources and ensuring they are aligned with other business reporting is challenging."

Acquisition Manager, Financial Services

2. The biggest challenges for agencies is clients sharing data, or not, and from other agencies working for the same client sharing data with each other.

We have seen in the quadrant summary, that agencies score 5% lower than brands for Data, Tools & Measurement (6.1 v 6.4).

Across the different agency types, media planning & buying agencies score the highest (6.6 overall), with other agencies scoring less well (5.8), and within each agency type, the scores across each of the different elements are broadly the same.

The different agency types score themselves evenly across Data, Tools & Measurement with Media Agencies scoring highest in each element

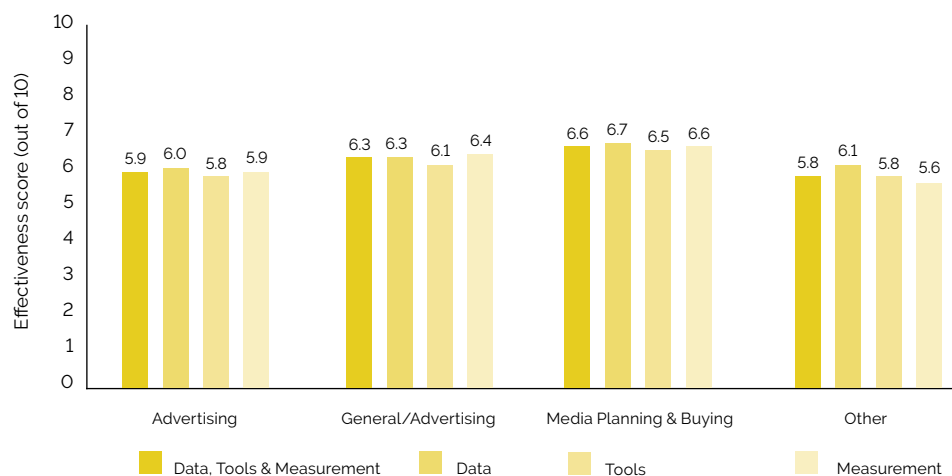


Fig 62: Effectiveness scores for agencies across Data, Tools & Measurement (n=124)

In looking at the themes of the data challenges agencies face, there is one that is dominant: the sharing of data.

This happens on two fronts: clients unwilling to share data with their agencies; and agencies working for the same client not sharing data with each other.

Advertising: Data, Tools & Measurement Score 6

"Educating some clients on the importance of sharing their data with us."

CEO, Advertising Agency

General/Integrated: Data, Tools & Measurement Score 4

"We're a creative agency and so don't have lots of data. It's held by clients and media agencies.."

Managing Partner, General/Integrated Agency

General/Integrated: Data, Tools & Measurement Score 4

"Automating the feed of client business performance and non advertising data into our own analytical systems."

CSO, Media Planning & Buying Agency

Other: Data, Tools & Measurement Score 7

"Clients sharing results, data. Lack of visibility. Campaign activity & performance. Clients not wanting to spend budget on us doing the analysis. Collaborations with third parties and sharing of data across the agency group we are part of."

Research & Insights Lead, Other Agency

3. This lack of data-sharing means that it is harder for agencies to have the right data to measure the right outcomes. But that does not mean the data is there for brands either as 49% of brand responders disagree that their organisation has the right data to measure the right outcomes.

For brand respondents:

- 81% agree and 5% disagree that their organisation has meaningful marketing metrics to measure **short-term** effects of marketing activity.
- 67% agree and 16% disagree that their organisation has meaningful marketing metrics to measure **long-term** effects of marketing activity.
- 51% agree and 19% disagree that their organisation has the right data to measure the **right outcomes**.

This means that there is a data-measurement gap.

For brands, there is a gap between having the right metrics and the right data to measure the right outcomes

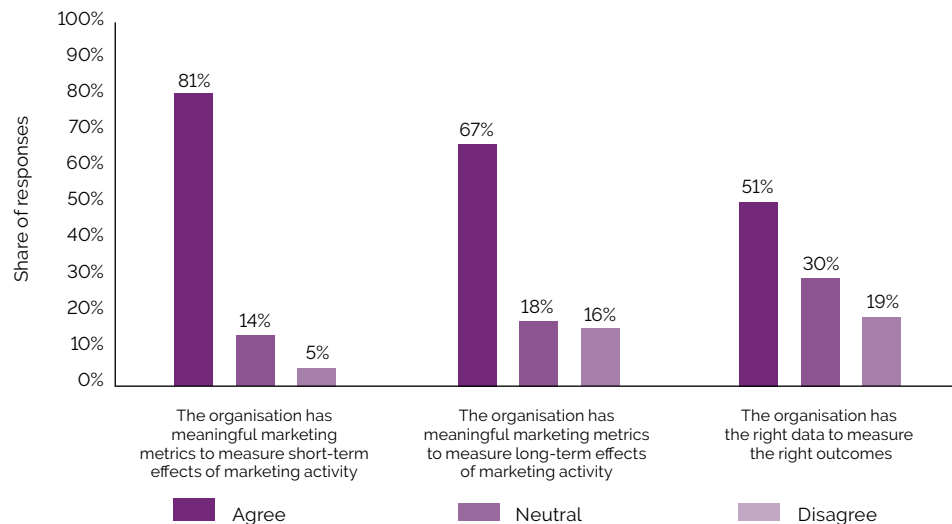


Fig 63: Share of responses for agreement on whether a brand has the right measures and data to measure the right outcomes (n=57)

To explore this further we need to look at the difference between how the departments in brands score. Again, we see Marketing to be less likely to agree that the organisation is set up well to grow a strong marketing effectiveness culture in terms of Data, Tools & Measurement (fig 59). Could this be the first time that we see a clue as to why?

- 16% less marketers agree that their organisation has meaningful data to measure the **short term**.
- 53% less marketers agree that their organisation has meaningful data to measure the **long term**.
- 47% less marketers agree that their organisation has the right data to measure the **right outcomes**.

Marketing is less likely to agree that there are the right measures and right data to measure the right outcomes

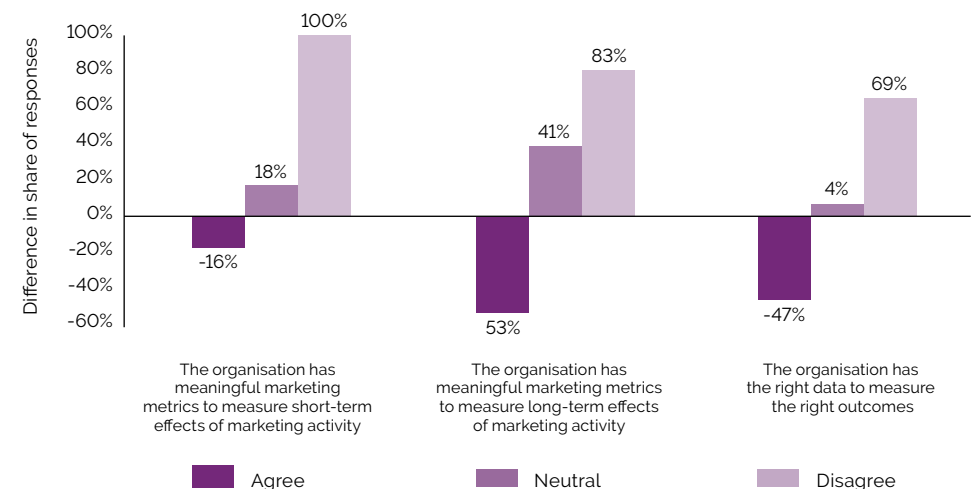


Fig 64: % difference between the marketing and insight/analytics/effectiveness responses as to agreement on whether a brand has the right measures and data to measure the right outcomes (n=57)

Having the right data and measurement in place is a foundation to understanding how marketing is performing, and marketers feel that when there is not the right metrics to measure the short or long term then the biggest data challenges focus on there being either:

- not enough of the right data
 - too much data so there is data paralysis
 - not a clear enough story being created from the data that exists.
- When there is agreement that there is the right data to measure the right outcomes, then the biggest data challenges become:
- getting faster and more automated access to the data
 - knowing what to do with the data
 - getting organisational buy-in to recommendations from the insight

All this leads back to the point made in the earlier finding that agencies are restricted through a lack of sharing. This may be a perceived lack of sharing rather than an actual lack of sharing though because if only 51% of brand respondents agree that their organisation has the right data to measure the right outcomes, then it suggests that 49% of brand respondents do not have the right data to share.

The knock-on impact of this is that only 41% of agency respondents agree that their agency has the data it needs to measure the right outcomes (fig 60).

For agencies, metric scores are similar to brands but agencies struggle more with getting the right data to measure the right outcomes

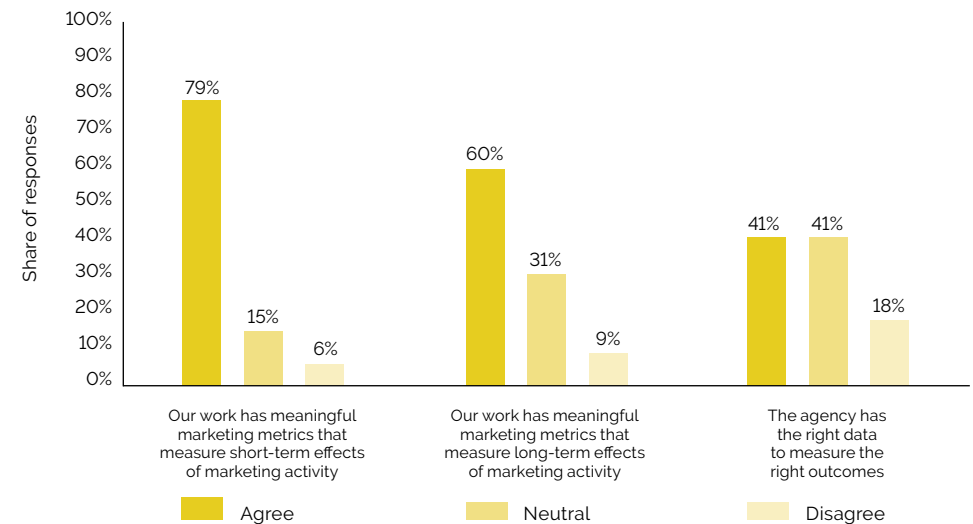


Fig 65: Share of responses for agreement on whether an agency has the right measures and data to measure the right outcomes (n=124)

When we start to look at these beliefs by agency type then a pattern starts to emerge about the type of agency that is best set up to measure the short- and long-term effects of marketing, and has the right data. Firstly, there is good agreement between the agency types about being able to measure the short-term effects of marketing.

All agency types predominantly believe that their work has the right metrics to measure the short-term effects of marketing activity

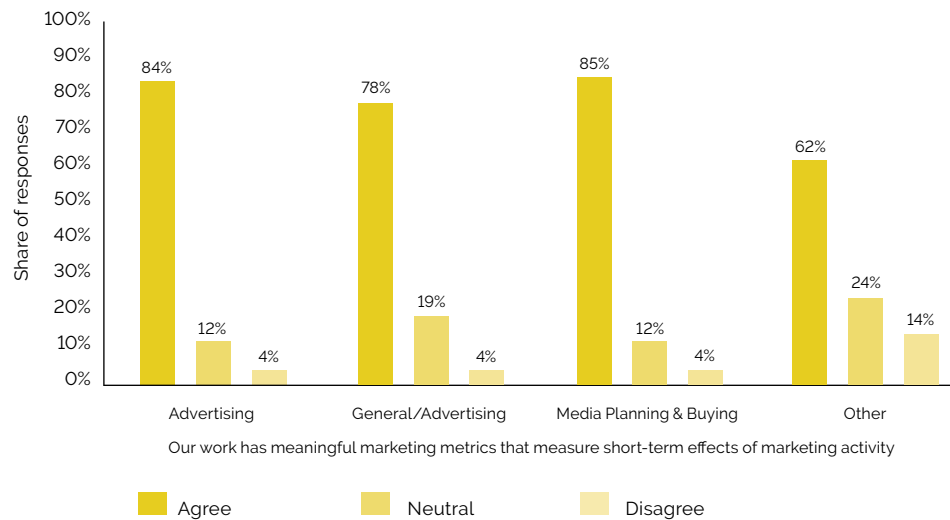


Fig 66: Share of responses for agreement on whether an agency has the right marketing metrics to measure short-term effects of marketing activity (n=124)

There is then a decline across the agency types in their belief that they have the right metrics to measure the long-term effect of marketing).

Media Planning & Buying agencies are in the best position to measure the long-term impact of marketing activity

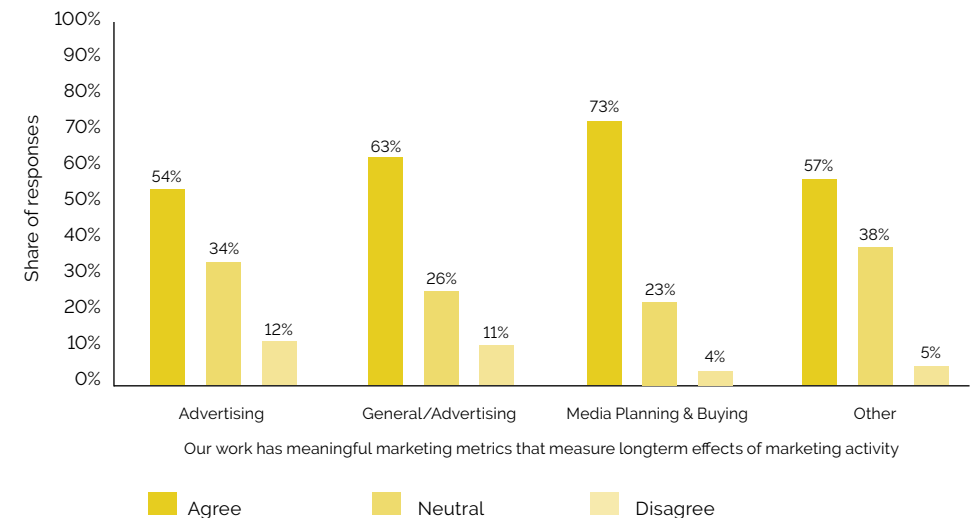


Fig 67: Share of responses for agreement on whether an agency has the right marketing metrics to measure short-term effects of marketing activity (n=124)

The biggest change is for advertising agencies where there is a 36% drop in belief from measuring the short term to the long term. Belief in media planning and buying agencies remains high at 73%.

Moving on to whether agency respondents feel that there is the right data to measure the right outcomes, then this is where the largest decline comes, and the decline is not restricted to any particular agency type.

Half of respondents (54%) from media buying and planning agencies believe their agency has the right data, and this is highest. Advertising agencies is where there is the lowest belief with only a third of respondents believing that their agency has all the data needed.

Between 34% and 54% of respondents believe their agency has the right data to measure the right outcome

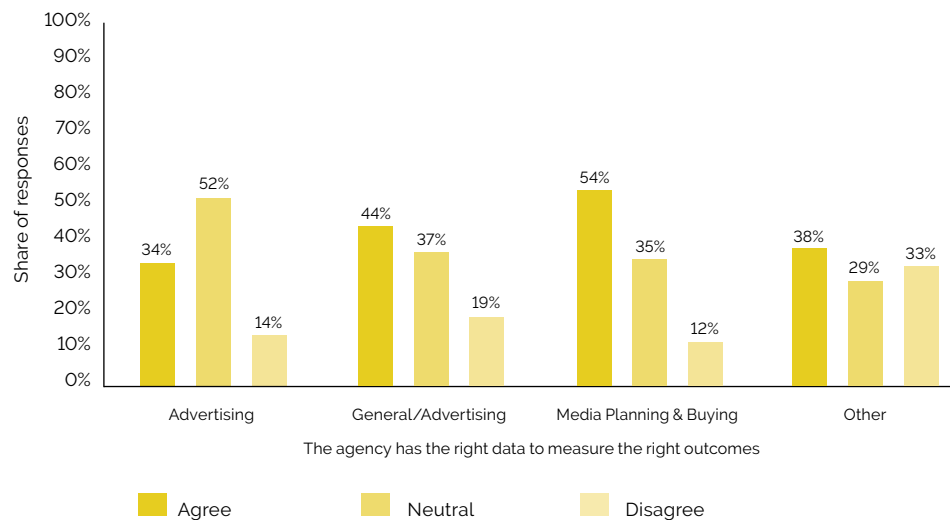


Fig 68: Share of responses for agreement on whether an agency has the right data to measure the right outcomes (n=124)

So data is and remains a key challenge for both brands and agencies. However, one of the things that can help is through having a roadmap. With a roadmap, brands see a positive impact on each element:

- 57% increase in agreement and 100% decrease in disagreement that the organisation has meaningful marketing metrics to measure **short-term** effects of marketing activity
- 100% increase in agreement and 68% decrease in disagreement that the organisation has meaningful marketing metrics to measure **long-term** effects of marketing activity
- 36% increase in agreement and 79% decrease in disagreement that the organisation has the right data to measure the **right outcomes**.

For brands, having an effectiveness roadmap increases agreement in whether there are the right metrics and data to measure marketing activity

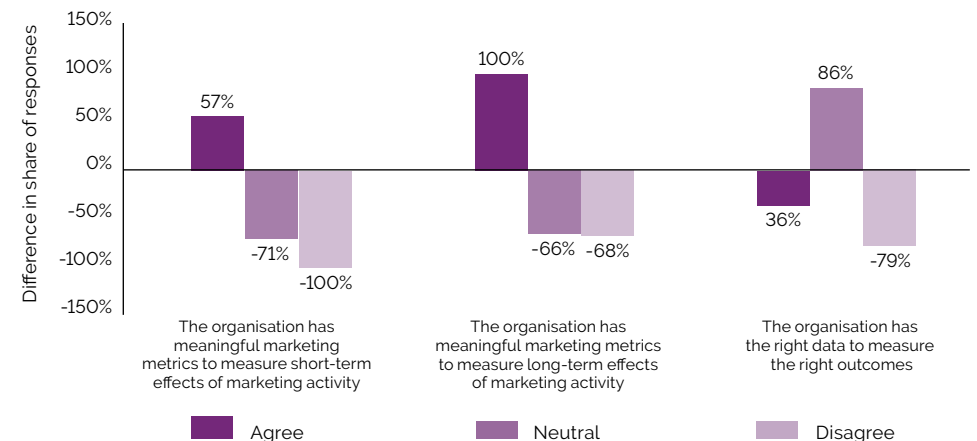


Fig 69: % change in share of responses for agreement on whether a brand has the right metrics and data to measure the right outcomes (n=57)

For agencies, having an effectiveness roadmap makes the biggest positive impact on whether the agency has the right data to measure the right outcomes:

- 17% increase in agreement and 57% decrease in disagreement that the organisation has meaningful marketing metrics to measure **short-term** effects of marketing activity
- 38% increase in agreement and 63% decrease in disagreement that the organisation has meaningful marketing metrics to measure **long-term** effects of marketing activity
- 145% increase in agreement and 68% decrease in disagreement that the organisation has the right data to measure the **right outcomes**.

Agencies having an effectiveness roadmap, increases agreement in whether the agency has the right data to measure the right outcomes by 145%

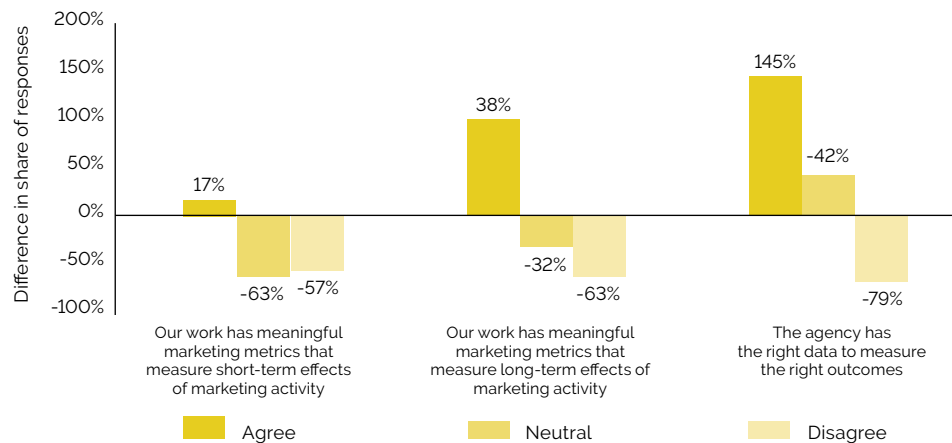


Fig 70: Share of responses for agreement on whether an agency has the right data to measure the right outcomes (n=124)

4. Having an effectiveness roadmap increases the chances of brands having and using key effectiveness tools, capabilities and approaches

For both brands (fig 66) and for agencies (fig 67), we see that there is an increasing chance that when there is not a roadmap then effectiveness tools, capabilities and approaches are more likely not to be used or be present within a brand or agency.

Brands without a roadmap have a higher chance of not having or using key effectiveness tools

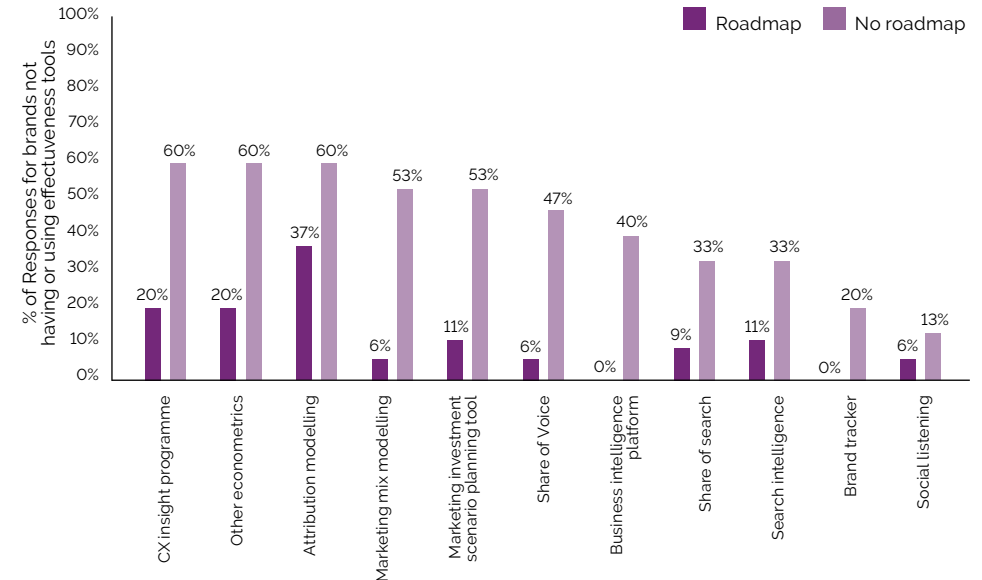


Fig 71: Share of responses for the effectiveness tools, capabilities and approach which are not used or present when there is or is not a roadmap in the brand (n=57)

For brands, 37% of respondents claim that attribution modelling is not used. This makes sense given the chances to cookie legislation and iOS updates where attribution modelling is now becoming increasingly irrelevant for tracking marketing performance.

For agencies, even if there is a roadmap, then this does not guarantee that an effectiveness capability will be present or used. It is most likely to be the more complex tools and approaches where this will happen. For example, even where a roadmap is present, then 39% of agency respondents claim that their agency will not have or use a marketing investment scenario planning tool.

Agencies without a roadmap have a higher chance of not having or using key effectiveness tools

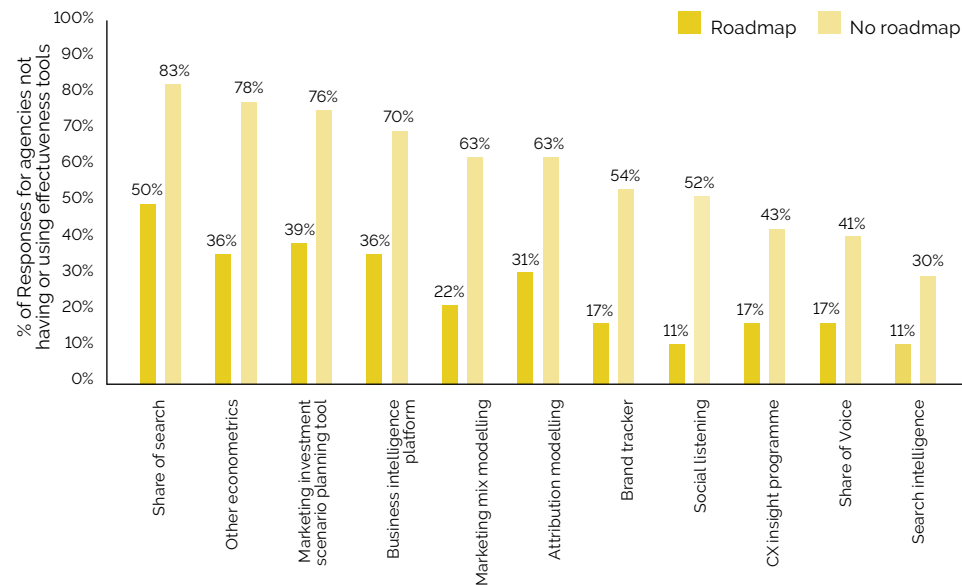


Fig 72: Share of responses for the effectiveness tools, capabilities and approach which are not used or present when there is or is not a roadmap in an agency (n=124)

Recommendations to improve Data, Tools & Measurement performance

1. Be really clear on where the effectiveness challenges lie and the nuance between what the same challenge may mean in different departments and/or agencies
2. Create greater alignment on what the right measures are for long-term value, and build the data plan to have the right data to measure long-term value
3. If data exists, share it: between brands and their agencies and between agencies
4. Ensure there is the right blend of effectiveness tools and they are up to date with what is needed to provide the answer to the right questions



Conclusion

This could have been the difficult second album; finding something new to say alongside reinforcing the clear and obvious recommendations from the 2021 IPA Effectiveness Culture Roadmap.

However, there is a really strong new message: a dedicated approach to marketing effectiveness works.

Specifically it:

- helps create a stronger effectiveness culture
- can create a more consistent view of how marketing effectiveness is performing across the four quadrants

This will lead to increased business value coming from marketing effectiveness. This is exactly why the IPA is passionate about both brands and agencies taking marketing effectiveness seriously and making it part of the boardroom agenda.

Marketing effectiveness does mean something different to every brand and every organisation, which is why brands and agencies should:

1. Work out what marketing effectiveness means to them
2. Define what success from a market effectiveness approach is: success in the next 12 months; in the next 24 months; in the next 36 months
3. Understand the challenges and pain points that need to be overcome to make your marketing effectiveness programme a success
4. Create and maintain awareness and buy-in to what you are doing and why
5. Shout about the results of what you are delivering, the difference it is making, and where you could make the programme even more successful by learning from what didn't work so well

The findings and recommendations in this 2022 IPA Effectiveness Culture Roadmap present a great starting point or place from which to evaluate how your journey is progressing, or change course if needed.

But each journey is individual, which is why we always recommend starting with a roadmap to create alignment, ownership and a defined step-by-step marketing effectiveness programme. The next step then is about creating trusted effectiveness partnerships between brands and agencies so that there can be better integrated ways of working to deliver against the same goals and objectives.

As ever, the IPA Effworks Global initiative is committed to help organisations grow in both the long and short term and will continue to support brands and agencies on increasing the value created through their approach to marketing effectiveness.