



04

MARKETING MEASUREMENT
TO OPTIMIZE ROI

BRANDING AND MARKETING PRIORITIES IN 2021: AN OVERVIEW

“COVID-19 has not only disrupted businesses globally but also shed light on future-readiness of brands and marketers to drive growth in the new abnormal. The survey findings portray a clear gap between their business goals and the tools they leverage to achieve them. In a post-pandemic environment, it is vital for brands to quickly realign objectives, measure effectiveness and lead through digital transformation.”

Karthik Venkatakrishnan,
Regional Leader, Marketing and
Consumer Intelligence, GfK Asia

As the world continues to grapple with the coronavirus, the global health crisis is also forcing marketing leaders to contend with shifting KPIs and shrinking budgets.

There's a new approach to tracking brand performance. 2021 brings new challenges which are compounded by the fact that many brand and marketing leaders are still struggling with measurement – both what to measure and how best to do it. Couple this with the need to maximize marketing ROI across the board and marketers are in a situation that necessitates an ever more careful planning of spend, channels and budget.

Brand performance tracking is taking a more tangible direction with the focus on how much your brand contributes to sales or generates a price premium. Tracking brand performance is not an end in itself; its purpose is to generate tangible value for the company. Strong brands create sustainable value through a high market share, a high brand premium, or the smart combination of a high preference at a higher price. Despite consumers being bombarded with offers, they continue to be more willing to buy brands that they know and trust – and will even select these over lower-priced alternatives.

THE SURVEY

With this context in mind, GfK had partnered with Campaign Asia to conduct a survey, **Branding and Marketing in the New Abnormal**, to gain a better understanding of evolving marketing landscape

The questions we asked were primarily focused around four areas:

- A. What are marketers' priorities
- B. How is marketing effectiveness being measured
- C. How have budgets shifted during COVID-19
- D. How has COVID-19 changed the way marketers engage with consumers



SHIFTING CONSUMER LIFESTYLE AND MARKETING KPIs

According to GfK Consumer Life Study 2020, more than half of the consumers in APAC believe that experiences are more important than possessions and they are likely to buy products that can be tailored to their needs.

Brands that are currently performing well cannot necessarily rest happy. Pressure is increasing on consumers to think twice before spending. There are real fears around future finances as major organizations around the world are forced to make redundancies.

Companies that want to increase their market share are investing in tracking brand performance like never before, in order to sustain their brand health. The real problem for marketers is measuring the actual contribution the brand makes to a company's sales. This is because traditional brand performance tracking is not built on market and sales performance. This difficulty can lead to under-investment in brand positioning and strategy.

MARKETERS' DESIRE TO MOVE TOWARDS DIGITAL

Looking at marketers' KPIs post the pandemic, a focus on short-term sales (54%) and a shift towards ROI maximization (37%) ranks highly, but there is also a departure from pre-COVID-19, in the form of digital transformation objectives being seen as an increasingly important KPI (56%).

This shift was reflected in freeform answers around how KPI measurement has changed, with respondents indicating a 'shift to purely digital tactics' and a 'shift to online businesses. Indeed, as online sales from changing consumer preferences continue to grow, we can expect this need to focus on digital transformation (and in-hand, measurement) to continue.

While KPIs may not have changed, their form has. Marketers' desire to move towards digital reflects the need to focus on internal and external channel tracking, measurement and effectiveness. From the conversations that Campaign Asia has had with CMOs, driving immediate ROI, sales and scrutinizing marketing spend are key priorities. While long-term brand building and a focus on the customer are areas where brands can look to drive value.

MEASURING BRAND STRENGTH TO DRIVE VALUE & MARKET SUCCESS

Building and sustaining brand equity is a long journey, and it helps to have clear, measurable signs that your efforts are moving the brand in the right direction. 2021 brought new challenges and brand & marketing leaders are still struggling with – what to measure and how.

The world's most successful brands are thriving in the new age. The same old metrics simply don't cut it anymore. There's a new approach to tracking brand performance in order to understand what people think about your brand and how that impacts their decision to buy so that you can finetune your positioning, build awareness and increase your sales volume.

Brand Strength Index is one powerful indicator that sums up what consumers feel and know about your brand, their likelihood to buy, and how much of a premium they would pay. It helps to create experiences that drive attachment, relevance and lifetime value. Therefore, brand and marketing leaders need insights to drive change, add value, and act on what really matters.

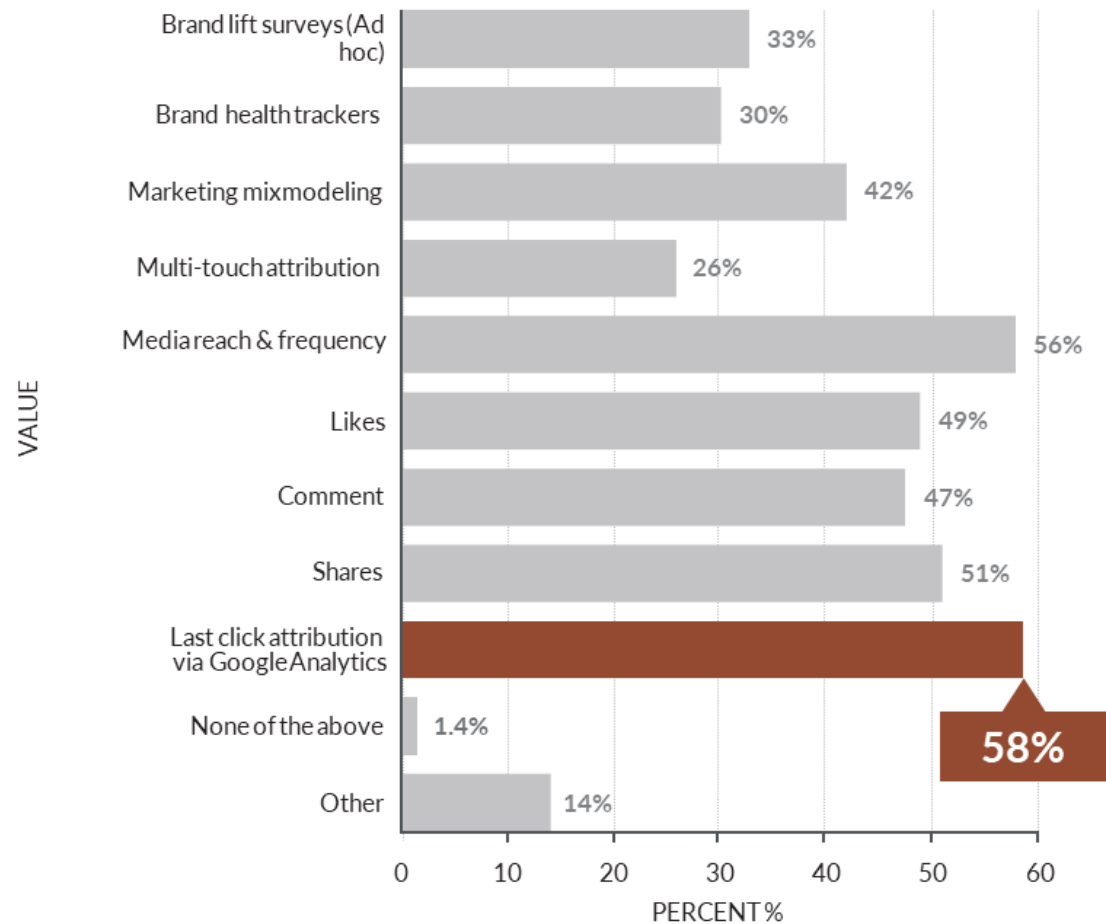
KEY LEARNINGS FROM 2020

“Nearly one out of two marketers say they measure every one of their campaigns”

While digital marketing has led to the rise of more data-driven measurement tools in the last decade, measuring media reach or virality of social posts remain popular measurement methods. We were interested to find out how APAC marketers were measuring their marketing campaigns. The questions we asked revolved around both self-perception — how sophisticated do marketers feel they are in their measurement journey — and reality — what are marketers actually using to measure their campaigns.



Methods used for measuring marketing effectiveness



THE FREEFORM ANSWERS ARE A BIT MORE AMBIVALENT.

Over 72% note they're dissatisfied with the way marketing effectiveness is being measured. While some say their data isn't integrated enough, others say they're facing a HR shortage, or that their measurement journey is still in its infancy. Yet, there are also those who say they're measuring 'too much' and neglecting the creative aspect of marketing.

Do you see any problems in the way that marketing effectiveness in your organization is currently measured?

"There is too much measurement, and as a result, the room for creativity has gone down. This is affecting brand positioning"

"Integration between measuring tools"

"We find it difficult to develop the right model for performance measurements"

"Marketing is decentralised. Need to pull data together to generate better insights"

"We don't measure brand equity"

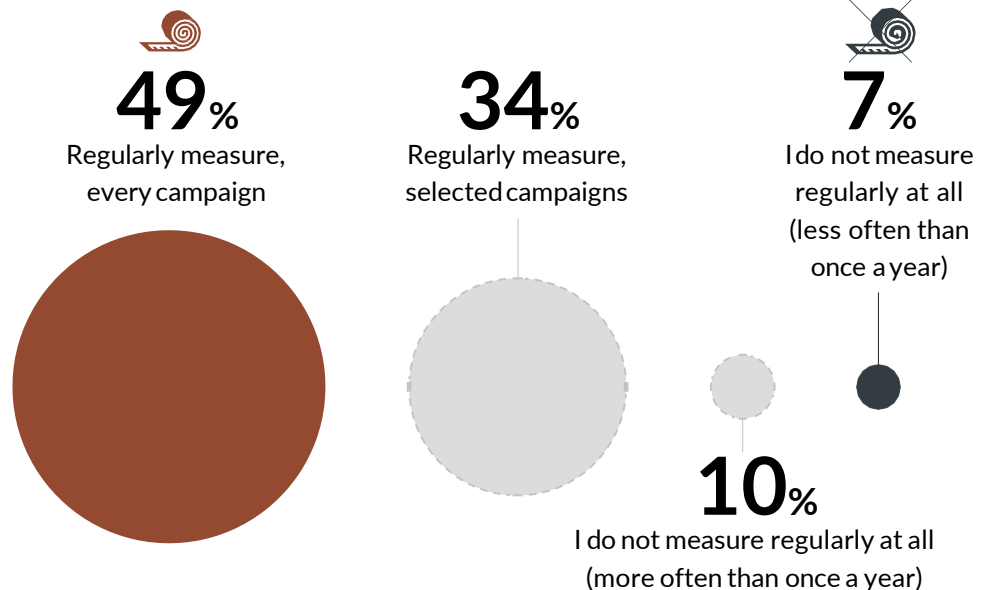
"With COVID-19, budgets are shrinking, and we've had to scale down some of our campaigns. The problem is, with brand lift surveys, you need a big enough sample size"

"We focus on conversions, less on engagement and lead generation"

WHAT ARE MARKETERS ACTUALLY DOING IN REALITY?

One out of two marketers say they measure every one of their campaigns, and 35% say they measure selected campaigns. The 7% who say 'they don't measure regularly at all' come from a small mix of industries, with travel and manufacturing dominating.

How often do you measure marketing effectiveness?



THE GAP BETWEEN MEASUREMENT AND MAXIMIZING MARKETING ROI

We have seen what marketers' current marketing priorities are, and how they measure effectiveness. How do those two elements relate to each other and what can they tell us about the relationship between practice and business goals? Is there a discrepancy between what marketers measure and their KPIs? Comparing these two sets of statistics offers a revealing insight into how successful marketers are at measuring effectiveness and where gaps present themselves.

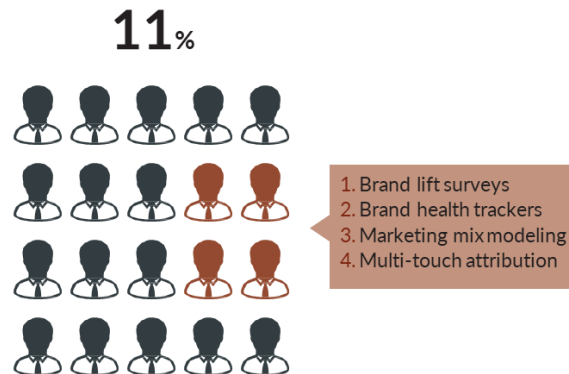


WHERE IS THE GAP BETWEEN WHAT MARKETERS WANT TO ACHIEVE & WHAT THEY ARE DOING?

82% of respondents state that they regularly measure their marketing campaigns. 56% of respondents' top current priority is maximizing marketing ROI.

To maximize marketing ROI, marketers need to know exactly what their marketing dollars are going towards. It stands to reason that marketers will turn to methods that would allow them to better identify not only where their consumers are — but how they're reacting to the brand.

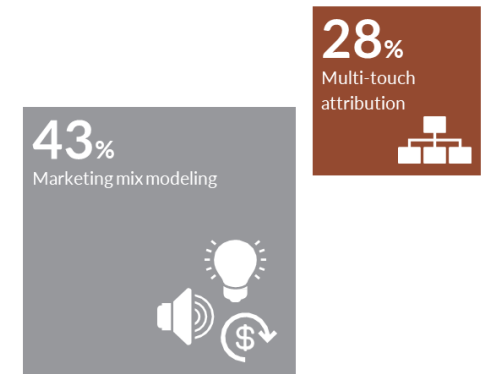
Only 11% of respondents whose focus is maximizing ROI use all four methods below



When we looked at the relationship between those who cite maximizing marketing ROI as their most important priority and what those individuals measure, a clear gap arises.

56% say maximizing ROI is a key priority yet only 43% have in place marketing mix modeling, and 28% have in place multi-touch attribution.

Of the 56% who say maximizing ROI is a key priority, less than half are using data-driven measurement tools

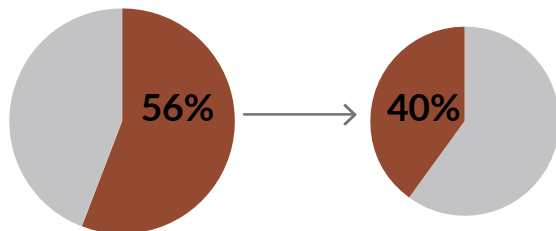


THE GAP BETWEEN MEASUREMENT AND DIGITAL TRANSFORMATION AS AN OBJECTIVE POST-COVID-19

There is a measurement gap between those who state that digital transformation is a top priority and those who use marketing mix modeling as a way to measure marketing effectiveness.

The majority of respondents have digital transformation set as a goal post-COVID-19. Yet, marketing mix modeling — which should function as a transformative tool — are being underutilized.

Of the 56% of respondents who state digital transformation as an objective post-COVID-19, only 40% have marketing mix modeling in place

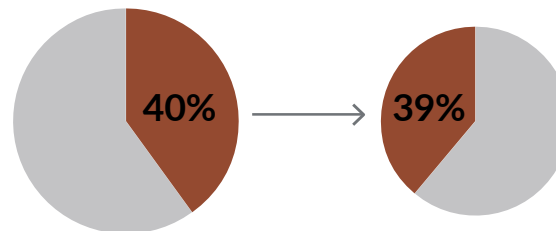


THE GAP BETWEEN MEASUREMENT AND BRAND RELEVANCE

Brand positioning is the third most important priority yet only 39% are leveraging brand health trackers. A majority still rely on media reach and frequency, and shares, likes and comments.

Therefore, by leveraging brand health trackers, marketers can gain a fuller view of their brand relevance — whether it is as intended, and to what extent it impacts brand value and equity.

Of the 40% of respondents who indicate that brand positioning is a current top priority, only 39% are leveraging brand health trackers



REVENUE + ITS RELATION TO MEASUREMENT

We asked respondents to indicate to what extent COVID-19 has disrupted the category that their brand is present in. On the whole, business has slowed or come to a screeching halt for the majority of respondents.

But for some... revenue has increased. We wanted to understand if there was a link between the type of measurement tactics employed by marketers and revenue growth during the pandemic.

We found that during this period, the best method (if 'best' is measured by revenue growth post-pandemic) is when marketers take a holistic approach to marketing measurement. All of the 17% of respondents who note that there is 'more revenue' during this period employ a mix of digitally-led methods such as marketing mix modeling and multi-touch attribution and other measurements such like media reach & frequency, likes, shares and comments.

Beyond the survey, marketing mix modeling are also becoming more and more popular, as the demand for accountability rises.

BUILDING WINNING & IRRESISTIBLE BRANDS IN 2021

From the *Branding and Marketing in the New Abnormal* survey, we find that only one in two regularly measure marketing effectiveness — and even fewer are using the strategically-driven measurement tools. Having a holistic framework and approach to maximizing marketing ROI and brand measurement will ensure alignment, modernization of techniques and responsiveness to short-term business changes while keeping in view long-term priorities.

A MUST-HAVE FUTURE PROOF MARKETING TOOLBOX FOR MARKETERS

- **Transformative tools:** measurement is important; equally important is selecting the right tools to help teams generate actionable insights.
- **A varied toolbox:** as the survey says, respondents who take a holistic approach to measurement and engagement experience the most growth.
- **Agile mindset:** only by being flexible in resource planning and measurement will strategies be able to evolve with fast-changing times.

TOP 5 MARKETING PRIORITIES IN 2021 TO BUILD AN IRRESISTIBLE BRAND



Long-term brand building



Re-think brand purpose



Understand shifts in shoppers' journey



Brand Activism: Sustainability trend



Upgrade analytics & measurement tools



About GfK. Growth from Knowledge


For over 85 years, we have earned the trust of our clients around the world by solving critical business questions in their decision-making process around consumers, markets, brands and media. Our reliable data and insights, together with advanced AI capabilities, have revolutionized access to real-time actionable recommendations that drive marketing, sales and organizational effectiveness of our clients and partners. That's how we promise and deliver "Growth from Knowledge".

About Campaign Asia-Pacific

Campaign Asia is a leading business media brand that provides insights into the fastest-growing and most exciting communications market in the world. We serve elites in the marketing, advertising and media communities – those that are pushing creative advertising and communications to new boundaries, redefining brand experiences through multiple touch-points, both on and offline.

About Content Lab

Content Lab is the branded content unit of *Campaign Asia*. We pull together our team of expert editors, marketers, designers, digital, data and event specialists to elevate your brand messaging and connect you with your target audience. Sitting between the commercial and editorial sides of the business, our team works with clients to help them reach their customers efficiently and effectively – with a measurable return on investment.

 Embrace the new age of the customer with GfK Brand Architect – a blueprint for success in today's environment and beyond with insights to drive change, add value, and act on what really matters.

Discover more about GfK Brand Architect

Are you ready to revolutionize how marketing effectiveness and brand value can be measured for your organization? Get in touch with [a GfK consultant](#).