

Marketing that beats plan!

Measuring Marketing Effectiveness
Getting the Most from Customer Tracking Research
2019

Why Tracking Research?

Customer tracking research provides a foundation for brand building and feedback for evaluating marketing effectiveness.

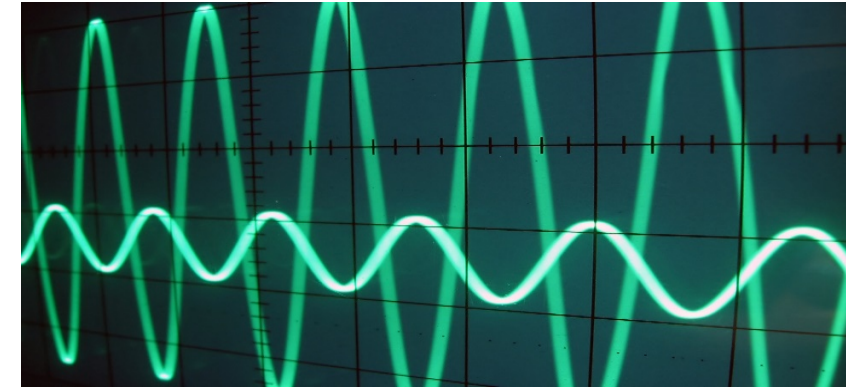
- Marketing remains one of the largest expenditures companies make. Yet many companies underinvest in measuring its impact, and miss a valuable opportunity to optimize their efforts and improve outcomes.
 - How big is the category?
 - How strong is our brand in terms of awareness and consideration?
 - What is the penetration of our brand?
 - Who are our customers and what do they care about?
 - What drives brand decisions?
 - What do customers know about our brand? What are we best known for?
 - How is our brand perceived relative to other brands?
 - What is the relative effectiveness of different types of marketing at converting awareness to trial and loyalty?



Primary Challenges

High cost and lack of actionability are the key issues.

- U.S. businesses spend more than \$11 billion on market research, yet many complain of poor value. They report being dissatisfied with the high cost for superficial information that only confirms what is already known rather than providing new insights.



Cost Drivers

Difficulty accessing prospects

- Business decision-makers
- Brand-aware customers
- Low-incidence categories

Lengthy, complex survey instruments

- 20 minutes or longer
- Too many screening questions
- Repetitive questions and matrices

Research company overhead

- Different people selling and doing the work
- Offices and administrative staff

Actionability Mistakes

Poor survey design

- Insufficient sample sizes
- Target-appropriate language
- Standard closed-ended questions that fail to address business decisions
- Vague open-ended questions

Underleveraging customer and prospect databases

Superficial analysis

- Boilerplate tables
- Too much data that affords little or no insight for making business decisions

Overcoming the Challenges

We discovered five keys to successful customer tracking research.

We believe customer tracking research done well is an invaluable tool for understanding customers and evaluating marketing effectiveness.



Careful Sample Design	<ul style="list-style-type: none">• Get the right people! Tailor screening criteria to the client and category• Samples large enough to detect meaningful differences
Right Frequency	<ul style="list-style-type: none">• Minimum of once a year• Frequency dictated by category and brand dynamics
Streamlined Survey Design	<ul style="list-style-type: none">• 10 minutes <i>max</i>, shorter for customers or professionals/decision-makers• Focus on <i>business</i> drivers• Minimal wave to wave changes – get it right the first time!
Thorough Analysis	<ul style="list-style-type: none">• Multiple cuts of the data – segment by needs and behaviors as well as demographics• Narrative presentation, not just a flurry of tables
Actionable Insights	<ul style="list-style-type: none">• Answer reasons why as well as what is observed• Implications for business decisions, barriers and growth opportunities

Our Approach

We rely on a small, experienced in-house team.

We are seasoned marketers with real world business experience, as well as market researchers, thought leaders and faculty at highly regarded Business Schools. We work as a virtual team and do all the work in-house. This allows us to control every aspect of the work from scoping and design to project management and analysis, and it keeps our overhead lower than most survey research companies.



Our Backgrounds

ILLUMINATIONS
Living by Candlelight

accenture

Leo Burnett

patagonia

BCG

JWT



Prophet

Y&R

Our Faculty Affiliations

BerkeleyHaas



Our Clients

We work with big brands and startups, in B2C and B2B, on a range of business issues.

CarGurus



Angie's list



jet

VOGUE

Madewell
SINCE 1937

J.Crew

Angie's list

Genentech
A Member of the Roche Group

MCKESSON

GUAVUS



Janssen

Our Partners

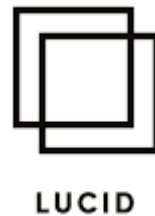
We work with a hand-selected group of trusted partners for access to survey respondents.

Respondent sample quality and the ability to reliably replicate sample parameters over time are critical to ensuring confidence in tracking research findings. Our well-respected survey partners help us reach the right respondents in the most efficient way possible.

Note: We often supplement with customers or prospects drawn from client customer databases, assuming the proper permissions are in place.



Commercial Survey Panels



Tech and Healthcare Recruiting



Our Unique Capabilities

We offer custom approaches to customer tracking research that address clients' business issues.

Our clients turn to us for research services that are matched specifically to their business problems. We provide answers, not just data.



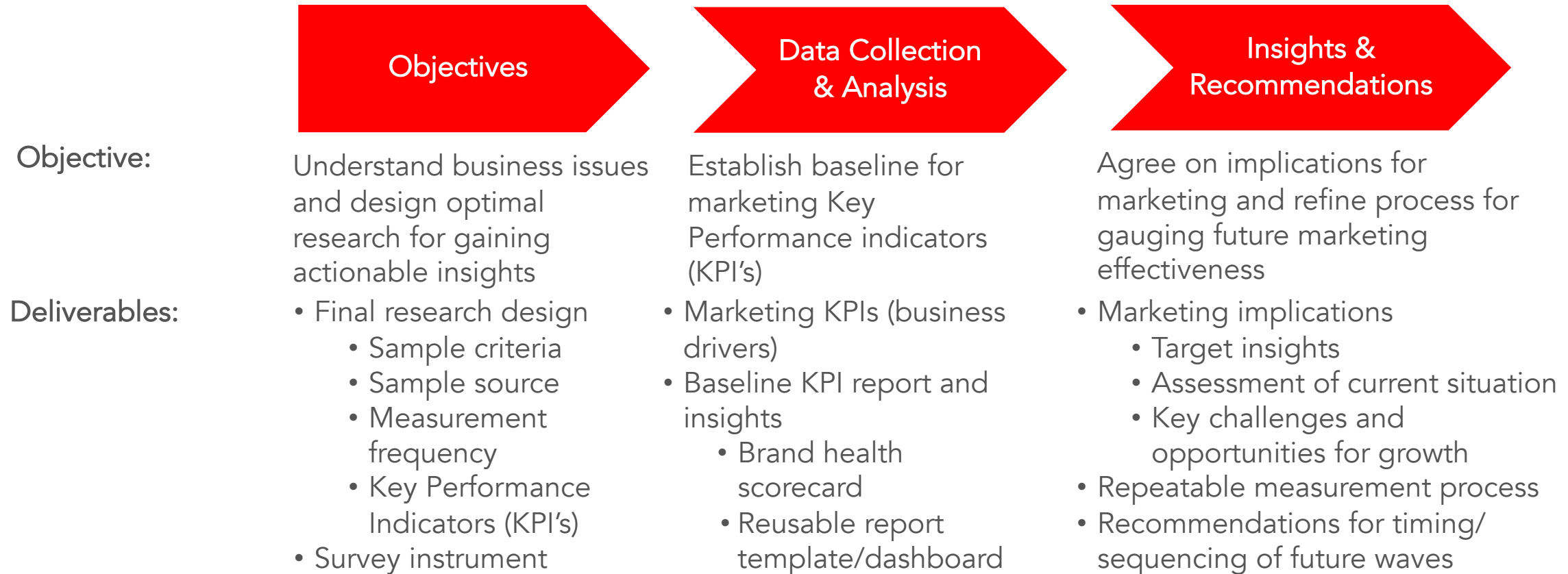
What Makes Us Different

- Experience across a range of B2B and B2C categories
- Able to find low incidence and hard to reach audiences cost effectively
- Design, conduct and analyze all research in-house
- Manage every aspect of the research process from framing objectives to recommendations
- Select the right sample provider for each project – we are not affiliated with any specific commercial survey panel

Getting Started: Baseline Research

Getting it right the first time is critical.

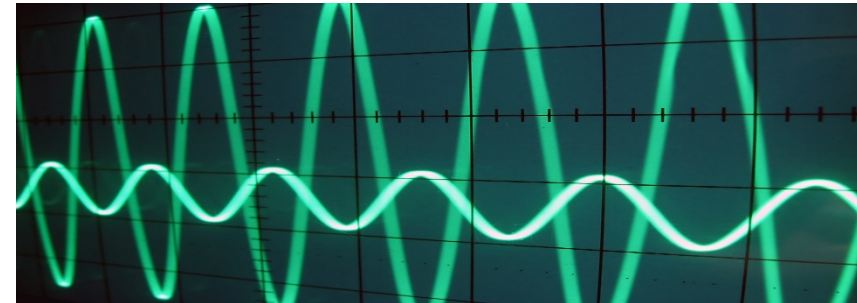
We recommend a three-phased approach to creating the optimal baseline measurements and a repeatable process for future waves.



Strategic Insights from Customer Tracking

Movies are more powerful communicators than pictures.

Following the base wave, future waves evaluate changes in KPI's and confirm or update insights. Follow up waves can be full post waves or abbreviated 'pulse' waves.



	Potential KPI's	Types of Insights
Market Insights	<ul style="list-style-type: none"> Market size/potential Challenges Needs-based segments 	<ul style="list-style-type: none"> What are the key trends in the category? What are the risks?
Marketing Funnel/KPI's	<ul style="list-style-type: none"> Awareness Consideration Penetration Conversion efficiency Loyalty 	<ul style="list-style-type: none"> Where will growth come from? Where are we vulnerable? How can we be more efficient in customer acquisition and retention?
Brand Understanding & Perceptions (vs. Competition)	<ul style="list-style-type: none"> Brand understanding Resonance/affinity Preference 	<ul style="list-style-type: none"> What are we known for? Who should we be worried about? Where do we have advantage?
Response to Marketing	<ul style="list-style-type: none"> Media awareness/recall Future intent to purchase Response to creative/content 	<ul style="list-style-type: none"> How are our campaigns performing? What is breaking through?

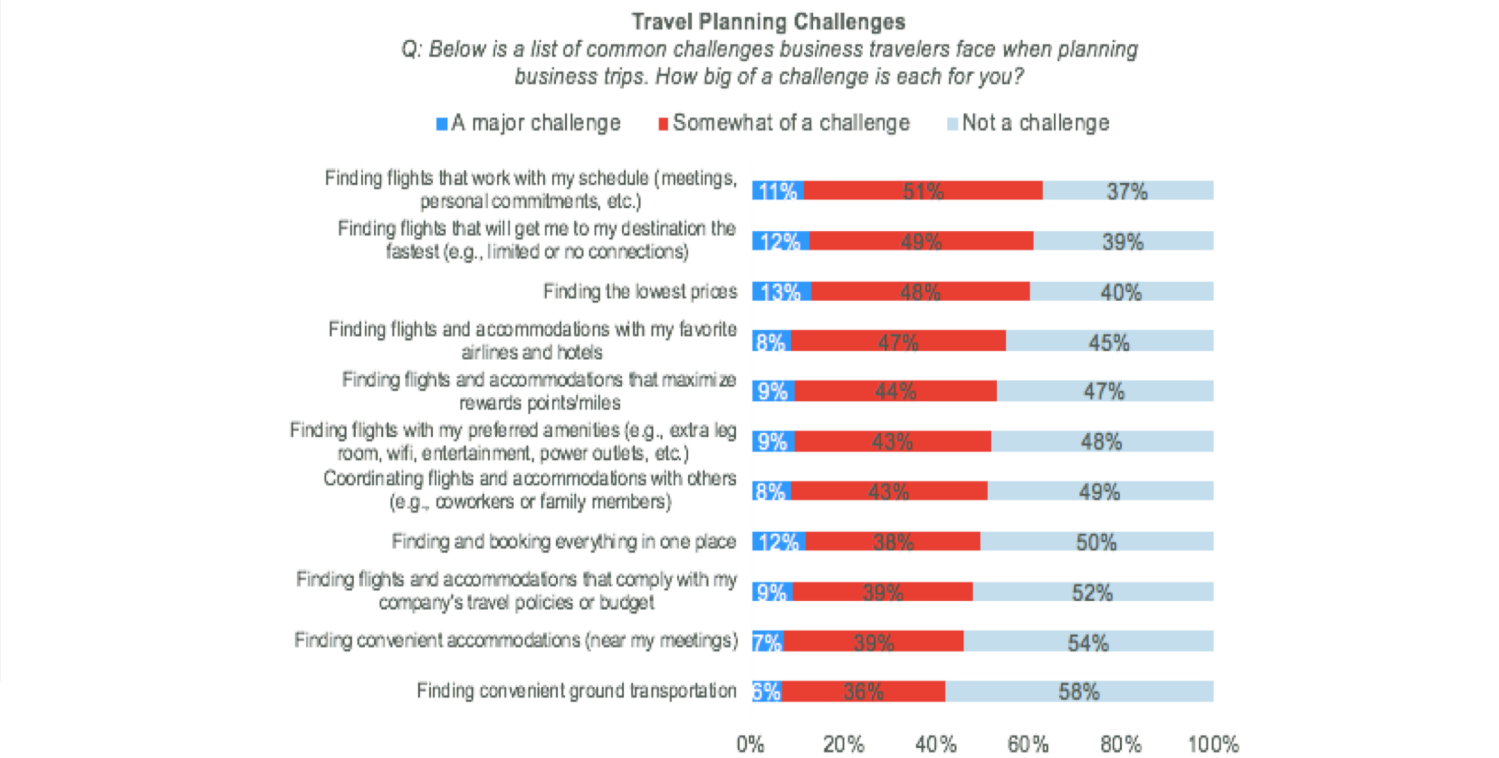
Example: Market Insights

Category insights reveal unmet needs and provide direction for future product and offering development.

Our client learned price was not as important as schedule and speed to business travelers when planning trips. The company is closely tracking changes in traveler needs.

Challenges: Planning Business Trips

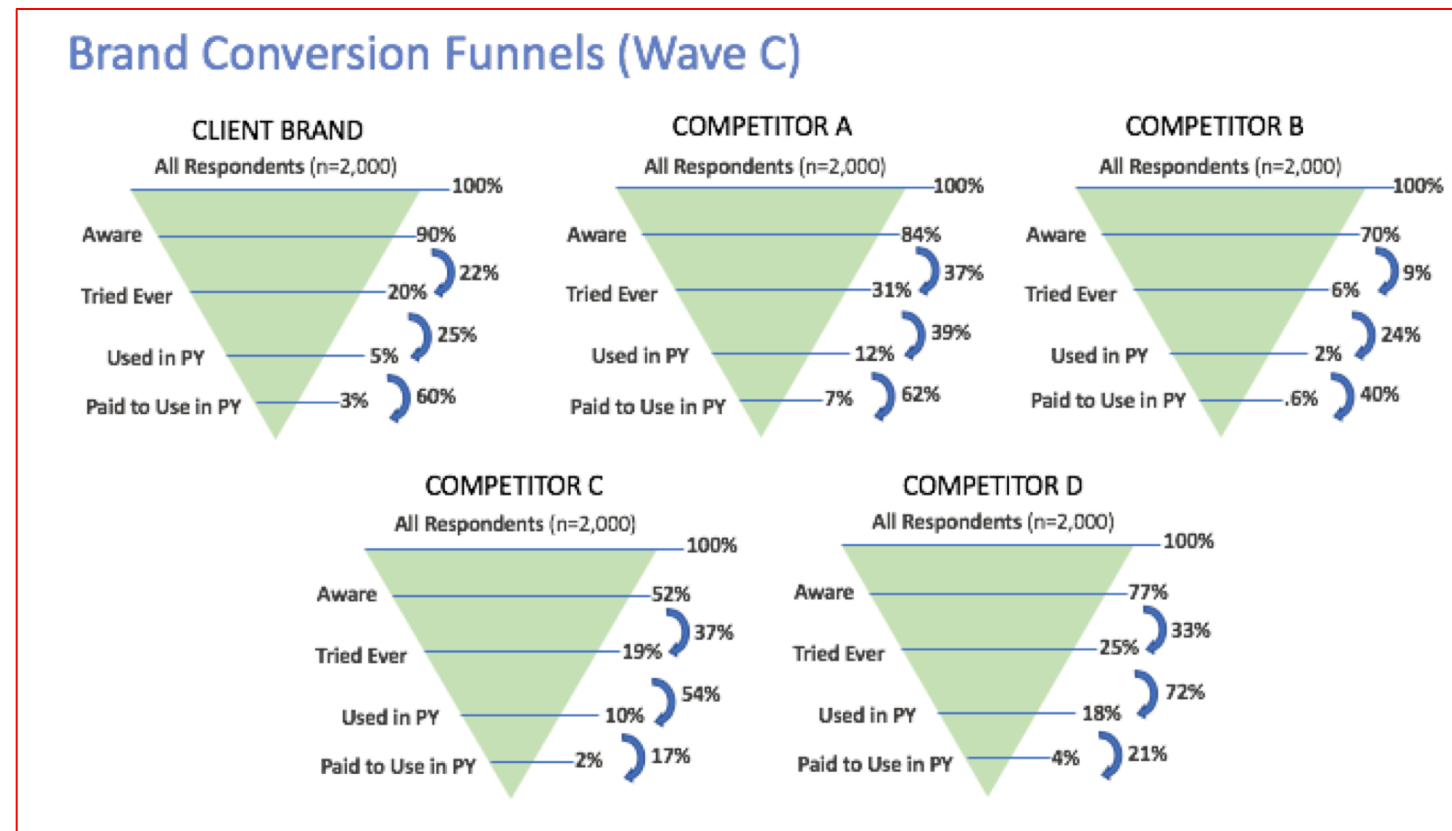
- Finding flights that work with their schedules and that get them to their destinations fastest and finding the lowest prices are their top planning challenges.



Example: Marketing Funnel

Comparing conversion rates along the length of the marketing funnel to those of competitors reveals where to focus to improve customer acquisition and retention.

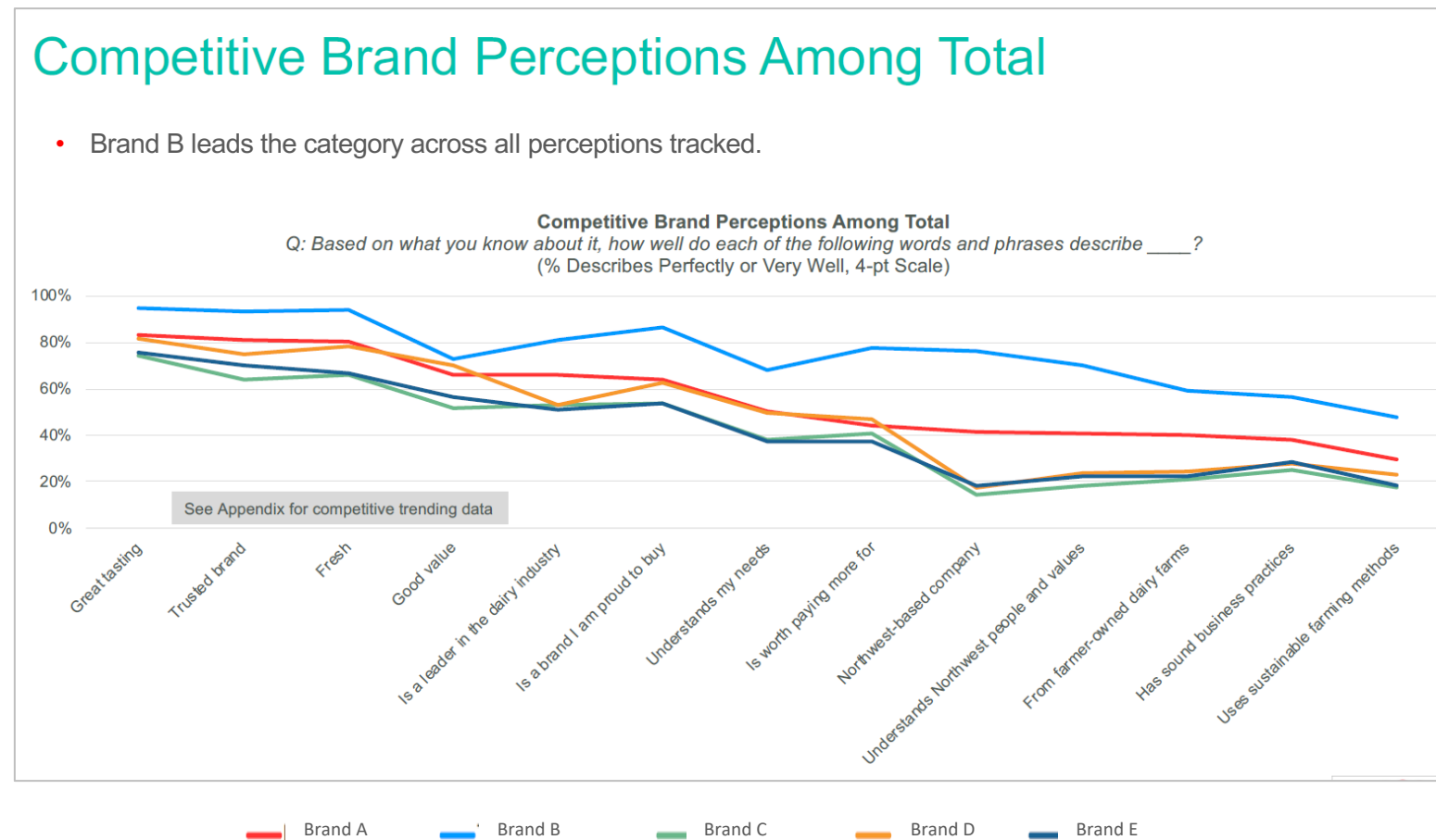
Our client has strong conversion rates at the bottom of the funnel, but lags Competitor A in generating trial among brand aware category users. The company is looking to improve conversion at the top of the funnel.



Example: Brand Insights

Comparing perceptions on key attributes reveals strengths and vulnerabilities relative to key competitors and provides direction for enhancing brand image.

Brand B out-performs all competitors on key perceptions. Its farmer-owned dairies are a special strength relative to national brands.



Example: Brand Insights

Changes in perceptions can pinpoint where the brand is growing equity and where to improve.

Regular customer tracking reveals steady gains in brand perceptions over the past 5 waves as shown by the number of key brand perceptions with several statistically significant increases in Wave F.

Brand Perceptions Among Those Familiar

- The brand is increasingly seen as helping travelers stay organized and easy to use for both leisure and business travel.

Brand Perceptions
Q: Based on what you know about OUR BRAND, how would you rate it in terms of:
(Top Two Box Agreement, 5-pt Scale)

	Wave B	Wave C	Wave D	Wave E	Wave F	Sig vs Wave
Helps travelers stay organized	42%	54%	60%	74%	74%	BCD
Makes it easy to share travel plans with others	42%	55%	54%	70%	71%	BCD
Is useful for business travel	-	-	60%	74%	71%	D
Is simple & easy to use	41%	59%	52%	67%	68%	BCD
Is useful for leisure/vacation travel	-	-	49%	66%	67%	D
Is for people like me	45%	55%	52%	62%	66%	BCD
Is a service I trust	35%	50%	45%	58%	60%	BCD
Takes care of me while I am traveling	-	-	-	-	60%	-
Continues to release new or updated features & functionality	-	-	38%	57%	56%	D
Is one of the best apps for travelers	29%	44%	38%	52%	53%	BCD

(Base = At Least 'Somewhat Familiar')

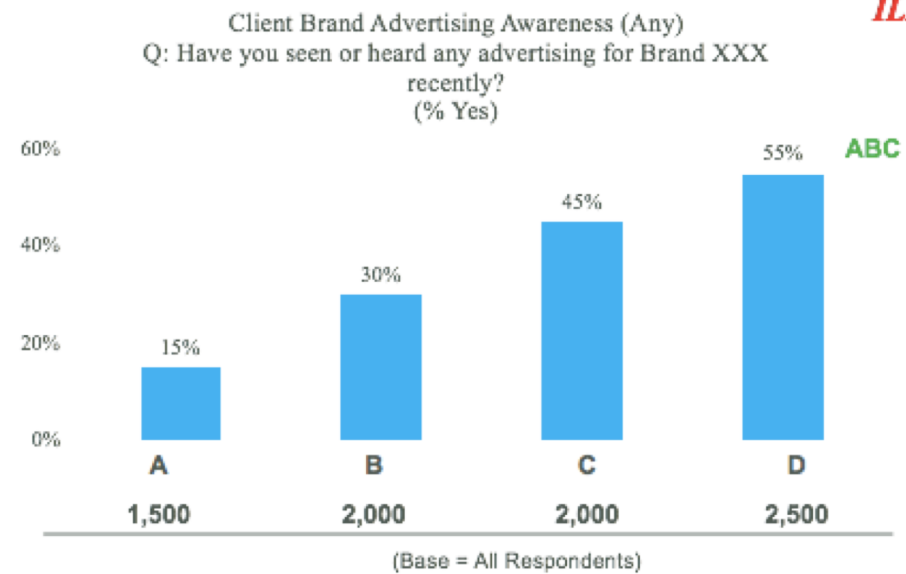
Example: Response to Marketing

Changes in advertising awareness are an indication of how well marketing is breaking through to customers.

Consistent tracking shows the brand continues to make strong gains in ad awareness.

Ad Awareness – Any Channel

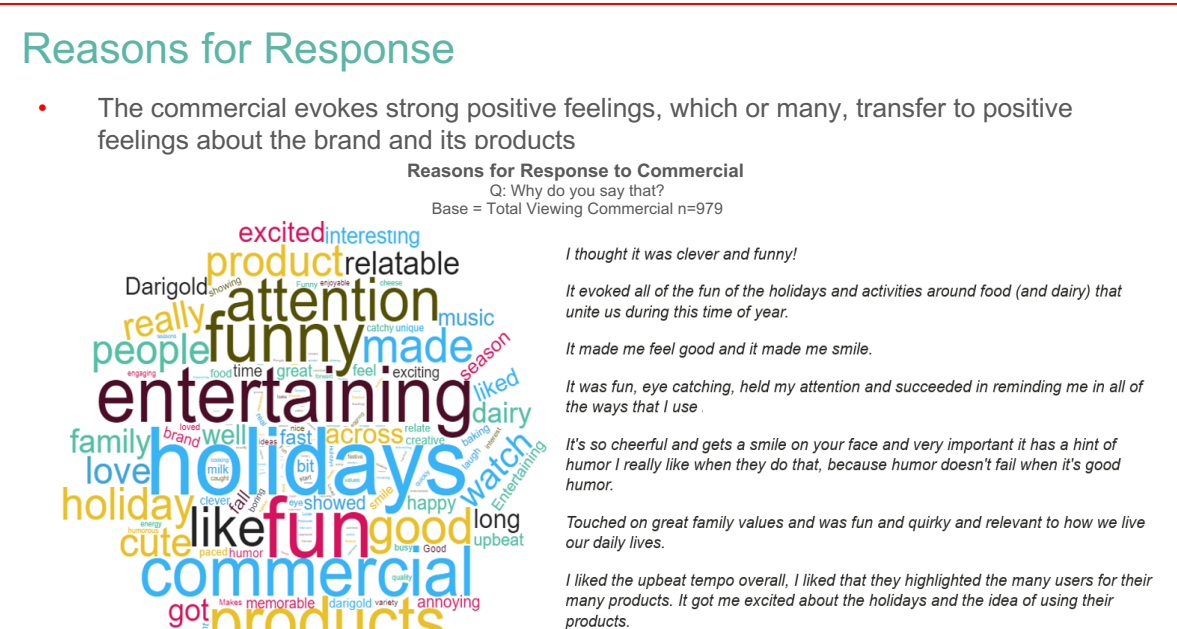
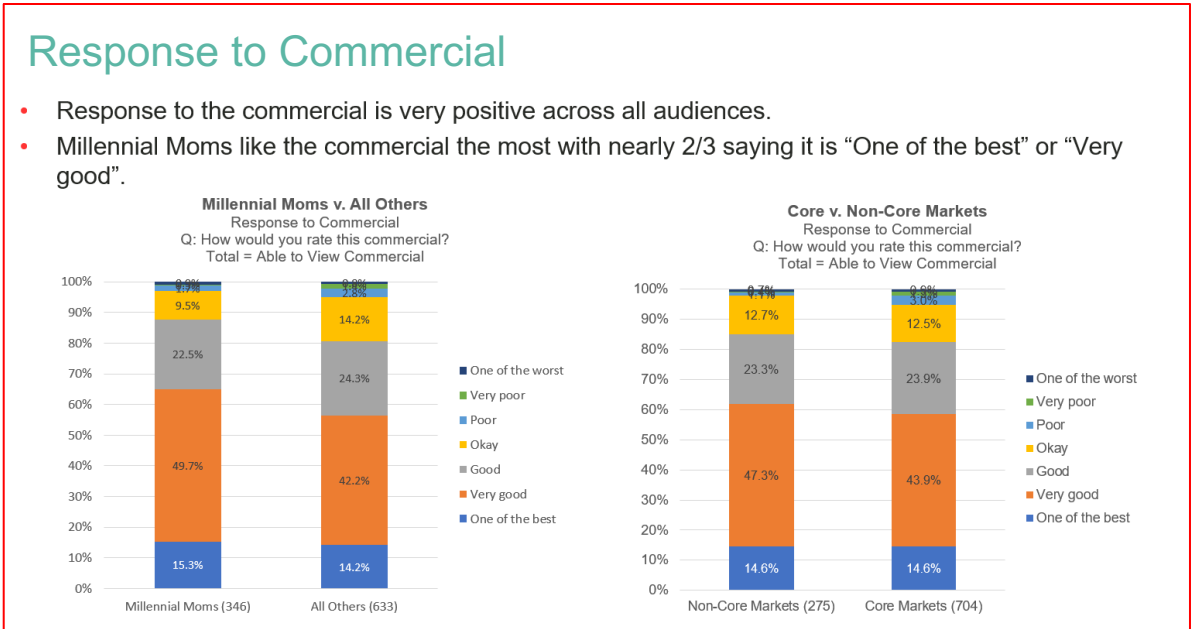
- The percentage of shoppers who recall seeing or hearing Brand XXX advertising reached a new high, and is significantly up versus all prior waves.



Example: Response to Creative

Video and other creative material can be shared with respondents for their reaction as an add-on to ongoing tracking research.

Our client learned its new campaign was well liked by consumers, and revealed the reasons why – it was funny, entertaining and made people feel good about the brand.



Fees, Expenses and Timing

Fees are estimated separately from software and sample expenses, which are billed at cost with no mark-up.

These costs are fairly typical, though they do vary depending on the complexity of the survey or frequency of waves.



Typical Tracking Project Costs and Timing

	Base Wave	Pulse Wave	Post Wave
Professional Services Fees	\$45,000	\$25,000	\$35,000
Sample and Software Cost	Based on sample size and incidence	Based on sample size and incidence	Based on sample size and incidence
Weeks to report	6-7 weeks	3 weeks	4 weeks

Thank you!

Learn more about our customer tracking or other offerings.

Brand Audits

- Strategic assessment
- Competitive reviews

Qualitative Research

- Individual interviews
- Focus groups
- Pop-up communities / Bulletin boards

Quantitative Research

- Customer tracking research
- Product concept tests
- Package tests
- Positioning development and validation



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