Keen®

Model Your Brand Winning

It's all in the timing.

How to make better, faster, more profitable marketing decisions.

> "If you keep waiting for the right time, it may never happen. Sometimes you have to make the most of the time you have."
>
> — Priya Ardis, Ever My Merlin

IN BRIEF

Advances in technology make it possible — and practical — for marketers to add a new dimension to marketing mix analysis that includes investment level (how much you spend) and channels (where you spend it). That dimension? Time. Simply put, you now have the ability to know what works best at what level...and when. No more overloading on TV "in-season" or waiting six months to find out your email campaigns lost traction after two weeks.

And once you're able to factor in time you can take advantage of something even more valuable: speed. Now you can know instantly what's working — and what's not. You can respond in real-time to changing conditions and emerging opportunities.

And you can accelerate your decision-making process to maximize the long-term value of your marketing investment.

> "Half the money I spend on advertising is wasted; the trouble is I don't know which half."
>
> — John Wanamaker
> Department store magnate and marketing pioneer

BEFORE TIME

Understanding the two original dimensions of marketing planning.

From the earliest days of advertising and promotion, savvy marketers have used every tool at their disposal to figure out how to help their brands win.

From then until now that's pretty much boiled down to two things:

1. Investment level
   How much are you going to spend?
2. Channels
   Where are you going to spend it?

These are the parameters marketers have always considered because they've been the easiest to understand and manipulate.

But they haven't been the most enlightening.

Looking only at dollars and tactics gives at best a flat, two-dimensional view. There's no depth perception – no ability to see the contours or to understand the ebb and flow of effectiveness, and no way to measure relative impact and importance.

THE RESULT

For just about ever, marketers have been overspending in certain seasons when those incremental dollars weren't generating incremental sales — and underspending at other times when those dollars could actually be more productive.

> “The early bird gets the worm, but the second mouse gets the cheese”
>
> — Willie Nelson

IT’S ABOUT TIME

Thinking in Weeks Instead of Years

If we could incorporate timing as a part your analysis — it would cast your entire marketing plan in stark and clear relief — you would instantly have a more complete, accurate picture. And a better way to make decisions and allocate resources.

This is where time comes in.

Before, marketers looked at plans in annual units and measured accordingly. But now, technology is speeding things up, making it possible to do more math, faster and look at plans in shorter, weekly units.

And this is where things get really interesting.

Because this gives you the ability to see how your investments are performing sooner and to course correct along the way, which all increases your likelihood of finishing first.

So you can act smarter, faster.

A real-world example

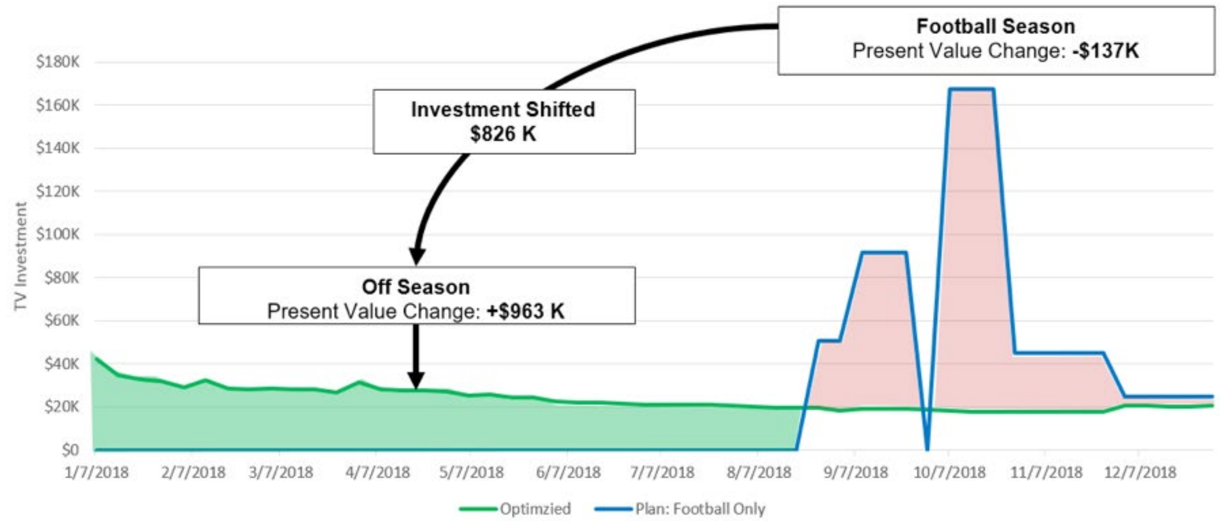
Let's stop the clock for a minute and think about what this means.

BOTTOM LINE

This brand could increase ROI 169%. And turn its off-season into a winning one.

Brand X* makes lots of tasty food. For years they concentrated their TV buy almost exclusively during football season, in conjunction with a sponsorship. Which seemed to work out okay, in terms of sales. But was it really a good investment? Could they have seen a better return during other time periods?

When Brand X ran the numbers through their new system that allows for weekly optimization of marketing investment (aka Keen), they discovered that by spreading the TV investment out over the course of the year their money would go a whole lot further, delivering more sales, greater continuity and higher profitability.



*All names have been changed to protect the overinvested.

> "Right time, right place, right people equals success. Wrong time, wrong place, wrong people equals most of the real human history"
>
> — Idries Shah, Reflections

Race Against the Clock

Optimizing on a weekly basis (rather than annually) lets you accelerate while minimizing the risk (and cost) of veering off course.

BE SMARTER, SOONER.

In other words, the sooner you identify opportunities and redirect dollars, the more value you can squeeze out of every investment.

The traditional scenario looked out over a year.

- Introduce a product or campaign with a launch-weighted media buy — pulling out all the stops to cut through the clutter and achieve breakthrough.
- Wait a year (or more) for someone to figure out how well the launch went.
- Stress out over unimpressive ROI results.
- Watch helplessly as someone decides — based on this retrospective analysis — that the creative was lousy or TV was a terrible investment anyway.

Technology can look by week.

Today's technology lets you build a marketing plan optimized by week, one you can easily update as market conditions change.

That puts you back in the driver's seat, only this time your eyes are on the road ahead instead of the rearview mirror. Now you're able to accelerate with less risk of veering off course.

Optimizing on a weekly basis (rather than annually) lets you accelerate while minimizing the risk (and cost) of veering off course.

> "I learned that we can do anything, but we can't do everything... at least not at the same time. So think of your priorities not in terms of what activities you do, but when you do them. Timing is everything. "
>
> — Dan Millman

ALL TOGETHER NOW

Marketing, sales, finance, *everybody*

Another benefit of a technology-driven planning approach is everyone can get on board.

IN THE OLD DAYS

- Media plans were a product of budget, created by your outside agency partners, and viewed as an "expense," not as a revenue-generation strategy.
- Plans were created in a silo, without being able to predict — or be accountable for — financial impact.
- If any forecasting was attempted, it was a cumbersome, manual process.

Today, everyone get up-to-speed. Marketing, finance, sales, even agency partners can all have a clear view into the same plan and the same insights. Everyone sees what's happening week-to-week as the year unfolds. That promotes collaboration and coordination.

Forecasts are automated (another acceleration tool) and based on strategic business objectives — revenue, long-term profitability or optimizing a fixed budget. And marketing becomes a key, value-driving piece of the puzzle.

> "You don't have to swing hard to hit a home run. If you got the timing, it'll go."
>
> — Yogi Berra

SEE THE FUTURE, TODAY

Another real-world example

Brand Q is a candy company. If you have a sweet tooth, you've heard of them.

Increased ad budgets will increase sales, right?

Brand Q focused most of their marketing spend on three candy-centric holidays: Easter, Christmas, and, of course, Halloween. Historically, sales volume increased by 25—100 percent during those holidays. A standard marketing mix analysis suggested that bumping up their budgets could slightly increase sales — makes sense, right?

A deeper analysis, quickly soured this approach.

- First, they isolated the seasonal variables driving demand and pinpointed the incremental impact marketing had on overall sales volume.
- Next, they juxtaposed those findings against non-seasonal weeks.
- And that's when they unwrapped a surprise: The increased investment during the holidays actually dragged down overall returns, or, as CFOs put it, "negatively impacted financial goal achievement."

Bigger isn't always better. Even with candy.

Fortified with better intelligence, the team instead cut back on spending during core holidays without impacting sales volume.

They reinvested that savings across the year — achieving a 10 percent bump in sales volume simply by shifting the timing of activation.

Identifying the right channels and best timing, by week, gave Brand Q a real treat: a multi-million-dollar annual growth opportunity.

What took so long?

This all sounds great; why hasn't anyone done this before? A couple of reasons.

FIRST

It's way too easy to "go with what you know."

Even today, timing optimization is an unfamiliar concept to most marketers; an annualized approach is what they "grew up with." Investment decisions were pretty black & white: If television delivered a poor ROI, it was simply removed from the following year's plan.

Now, thanks to the proliferation of media, the fragmentation of audiences, new digital media platforms, increases in shopper marketing and trade, those old, familiar rules no longer apply. At least, they shouldn't.

Yet, all too often marketers still focus on seasonal periods, and simply stack all their investments on top of each other in these limited windows. It's no surprise when these mega-buys don't perform as advertised.

SECOND

Quite frankly, it was too hard.

Doing this kind of three-dimensional analysis (channel, speed and timing) at a weekly level requires the ability to calculate returns on a weekly basis, for both in the short- and long-term. In other words, it require a lot of math and must be done using technology.

But once you have this capability, it's easy to pinpoint the optimal spend by tactic and by week to reach a certain financial objective. So now, instead of pulling the plug on a TV campaign, a marketer can now see if shifting timing could improve results.

A lot more useful — but it also requires a lot more technological firepower.

> "You never know when the timing is going to hit in such a way that you're going to make a difference."
>
> — Bob Corker

The wait is over.

The high-tech cavalry has arrived.

New, disruptive analytical approaches now make it possible to calculate the impact of each week of spending over the long-term, typically six years into the future. (In case you were wondering, analyzing the weekly spend for each tactic requires 312 indivdiual calculations...thus the technology requirement.)

Now that technology is sophisticated enough and fast enough to manage these incredibly complex calculations, marketers can look at their investments with an unprecedented level of granularity, down to assessing the impact of each dollar spent in each week of a marketing plan. With this newfound ability to see what happens over time, they can follow the response curve for each tactic to the moment of optimal investment — and pinpoint precisely when enough is enough.

> “Success is always a matter of some luck and timing.”
>
> — Kathleen Kennedy

But there’s not a second to waste.

These new tools have come around at just the right time.

Our brave new world is all about

- Fierce competition
- Declining budgets
- Lofty growth expectations

Which means knowing the optimal amount of money to spend by channel by week is as important as getting the channel mix itself right. And with increased corporate oversight, every dollar spent on marketing has to work harder, and marketers have to be able to show how that work is paying off in revenue.

Pretty much everything is moving faster.

You don’t have the luxury of time — or the luxury of not paying attention to it.

So use it to your advantage.

- Don’t wait all year long to know your results; be ready to respond to what’s happening in your market now.
- Compare different tactics on the same playing field so you can forecast how they’ll work with (and against) each other.
- Demonstrate the value of your marketing investment in terms that the CFO cares about. Present results in terms of tangible and meaningful business ROI. Go from being perceived as a cost center to being a driver of brand value.

> “Your best work involves timing. If someone wrote the best hip hop song of all time in the Middle Ages, he had bad timing.”
>
> — Scott Adams

Start by asking the right questions.

How do you go about getting your own marketing optimization and decision-making up to speed? Before you decide what to invest in, start by taking a clear-eyed look at your current system. Think about where what you don’t know is really hurting you.

Ask yourself

- Are you stacking all of your tactics within the same limited time window? If so, do you know why?
- Do you know why your minimal investment thresholds are what they are? Is that a conscious decision or an historical remnant?
- Do you know how your tactics are interacting with each other? Is this increasing or decreasing value?
- Can you link your marketing spend to specific business outcomes — a revenue target, profit level or value creation?

And then look for a solution that can (quickly) help you get the answers you need.

Our Ask is Simple: Let’s talk.

If you’re passionate about marketing and motivated to make an impact (and prove it), this could be the most important call you make all year.

Our team is standing by, ready to show you how to model a 2019 plan that will win. And with the added edge of first-mover advantage, you can put more ground between you and your competition. The only question remaining is:

Will you make the first move?