The Value of Measurement 2024

A DMA Effectiveness Databank Report

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/ Sponsor's Foreword

Since 2017 JICMAIL has been championing the cause for best practice measurement. While our mission has fundamentally been about introducing the world of robust and transparent planning data to the advertising mail community, advertisers and agencies, the principles of good measurement transcend individual media channels.

In a world in which multi-platform campaign execution is the norm, and in which ever increasing amounts of spend are being funnelled into the opaque digital media ecosystem, the need to understand how individual channels contribute incrementally to campaign outcomes has never been greater. Furthermore, the need to establish meaningful measurement frameworks which enable planners and measurement practitioners to feed campaign learnings in to future plans is vital if we are to make full use of our hard fought measurement budgets.

Full-effect measurement has been a defining principle of JICMAIL's approach in this area. From our award winning panel data which provides an ongoing read on how households interact with and respond to Direct Mail, Door Drops, Business Mail and Partially Addressed Mail, to directly reported campaign response and ROI data from our Response Rate Tracker, JICMAIL has increasingly harnessed multiple data sources for the industry to draw upon when looking to triangulate in on true campaign effectiveness.

JICMAIL's measurement journey has taken in a groundbreaking attention measurement study (The Time We Spend With Mail), the release of a Test and Learn Toolkit for advertisers and agencies, lively roundtables with a cross-section of industry experts whose perspectives we published in the Attention Manifesto, along with measurement framework masterclasses at the Adwanted and Effworks conferences.

Partnering with the DMA on its Value of Measurement initiative represents an important next step as we continue on our journey in encouraging marketers to focus on best practice measurement and outcomes. It is heartening to note the reported strength of the mail channel in reporting on meaningful outcomes vs other media and gives us reassurance that the mail channel can play a vital role in spearheading conversations around what good looks like in the measurement space across all channels. In a converging media ecosystem building a measurement framework is a pre-cursor to creating an effectiveness culture. Ensuring mail is captured within shared frameworks is a key aim for JICMAIL.

We encourage marketers to consider the full-effects of their mail activity – from upper funnel impact to omni-channel response at the sharp end of the purchase journey. We also encourage the use of customer data-centric multi-touch attribution models that give full credit to offline media in an increasingly digital world, and furthermore we are pushing for more joined up thinking in how the mail channel is factored in to MMM exercises.

We hope you enjoy reading this report. Get in touch with JICMAIL today to learn how to take practical next steps on your measurement journey.

Mark Cross
Engagement Director, JICMAIL

Ian Gibbs
Director of Data Leadership and Learning, JICMAIL; Insight and Planning Director, DMA

# / Five things you should know about the value of measurement

1. 39% of metrics used in the reporting of marketing effectiveness are less meaningful campaign delivery and digital vanity metrics. 61% relate to meaningful business, brand, and response effects. **There is a 67% uplift in the number of business effects for those campaigns that avoid using campaign delivery effects in their reporting**. Those marketers who steer away from delivery effects in reporting invest in best practice measurement solutions and have a culture of effectiveness measurement that results in a stronger overall business performance.

2. **Business effect reporting has increased from 6% of metrics used in 2020 to 10% in 2023**. Alongside brand and response effects (determined by campaign objectives), focusing measurement efforts on metrics that shift the dial on business performance – such as profit, loyalty, shareholder value etc, will make measurement resonate in the boardroom and enable marketers to defend and grow their budgets.

3. 10% of campaigns in the DMA Effectiveness Databank reference a best practice measurement technique such as Marketing Mix Modelling, attribution / multi-touch attribution brand tracking and uplift studies. **There is a +42% uplift in the total number of business, brand and response effects for those campaigns measured using a best practice measurement technique**.

4. Attribution modelling / MTA is the most popular measurement technique being used, followed by brand tracking and MMM. Those who invest in **attribution / MTA, record a 35% uplift in response effects**; those who invest in **brand measurement record a 229% uplift in brand effects; those who invest in MMM record a 150% uplift in business effects**.

5. **Longer duration campaigns are 25% more likely than average to conform to best practice measurement** (i.e. focusing solely on business, brand, and response effects)whereas shorter campaigns are 15% less likely. The same measurement rigour must be applied to shorter, more performance-oriented campaigns as to longer campaigns. With performance marketing effectiveness declining, it is more important than ever to optimise future campaign performance with effectiveness learnings.

/ Introduction: Measurement in context

Marketers are caught in the grips of a profound measurement dilemma. A technical recession and sluggish economic growth have chipped away at budgets, and with marketing still invariably regarded as a cost rather than an investment, it is an area of organisational expenditure under the most pressure. Not only are marketers being asked to do more with less, but they are being asked to do so in an environment in which generating short-term response from consumers through direct / performance / activation marketing efforts is harder and harder to do.

With household budgets under more strain than ever, generating response from cash-strapped consumers is a tough call, no matter how good the offer on the table is. Indeed, the DMA reports that the number of response effects generated per campaign fell for the third year in a row in 2023. On a positive note, however, those who have invested in brand marketing have seen an improvement in effectiveness over the last three years. In addition, in 2023, marketing's impact on broader business metrics improved year-on-year after two years of decline.

Number of effects reported per campaign
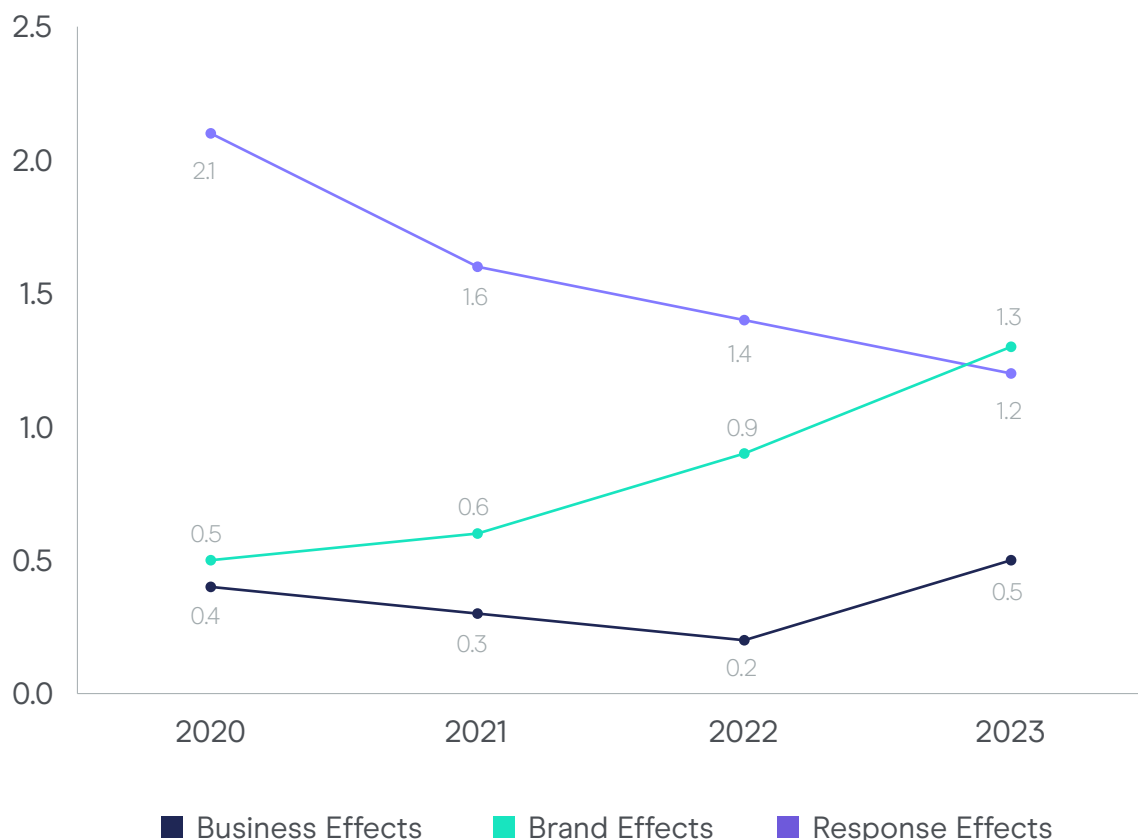
Source: DMA Effectiveness Databank

While the improvement in brand and business effectiveness is encouraging, it is the performance of direct response activity that is often so heavily scrutinised as it has such a bearing on achieving quarterly targets. In the face of declining short-term performance, it becomes harder for marketers to present a case for marketing spend. They are therefore faced with a dilemma:

A. Do they plough on with their under-performing campaigns in the hope that the economy will turn-around and response will improve?

B. Do they look at the landscape of third-party cookie deprecation and the impact that it is having on ad-targeting and measurement, and decide to invest more budget in the walled garden platforms (e.g. Meta and Google), and in so doing rely on being spoon-fed campaign performance data rather than investing in independent measurement?

C. Do they take the bold decision to invest a healthy proportion of their media budget in measurement – in so doing limiting campaign reach, but unearthing new campaign insight that will allow them to arrest the decline in performance?

As the home of data-driven marketing, the DMA strongly advocates the latter approach. It is better to sacrifice a small amount of campaign reach for a lot of campaign certainty, but at the same time there are a number of fundamental challenges that marketers report when attempting to measure campaign performance. A survey of over 250 DMA Awards Judges reveals that a misalignment on measurement reporting and a lack of consistent measurement frameworks are key blockers to good effectiveness measurement. In addition, half of marketers' report challenges measuring return on investment – a vital metric when looking to defend and grow marketing budgets.

Key Challenges in the Measurement of Marketing Effectiveness (% of DMA Awards Judges)

Challenge	%
Misalignment on measurement and reporting	65%
Lack of consistent measurement frameworks	64%
Proving return on marketing investment	48%
Lack of real-time insights	30%
Lack of resources and talent	26%
Lack of data governance/management	18%
Don't know	3%

This report looks to create the case for good measurement by placing an effectiveness value on those campaigns which are being measured well, while directly addressing the key challenges outlined in the chart above.

Following on from 2023's CMO Measurement Toolkit, the DMA is proud to have a databank of now over 1,500 campaigns to draw upon to unearth new evidence that points to the value of measurement.

The DMA would like to thank our sponsors, along with the members of the DMA Measurement Taskforce who have provided invaluable input into this report.

We hope you enjoy reading this report and welcome feedback from the DMA community and beyond.

Ian Gibbs
DMA Insight and Planning Director

/ 1. Focusing on the metrics that matter

Over the last three years, the DMA has turned to its DMA Effectiveness Databank to unearth insight into how marketers are measuring marketing effectiveness. Now covering over 1,500 campaigns, the databank aggregates learnings from DMA Award submissions and specifically focuses on the results field of the award entry form to ascertain how marketers are articulating the impact of their marketing activity.

There are 189 different effectiveness metrics being used across the entire databank – a number which immediately raises questions as to how marketers are supposed to have joined-up and succinct conversations about how their campaigns have performed. With so many metrics at play, unearthing true meaningful insight on which future activity can be optimised is clearly a challenge. Measuring the vast range of campaign outputs available – particularly in the digital sphere – is one thing, but deciding which to report back to the business in a meaningful way is an entirely separate challenge. As mentioned in the previous chapter nearly two thirds of marketers regard the misalignment of measurement and reporting a key blocker to good measurement.
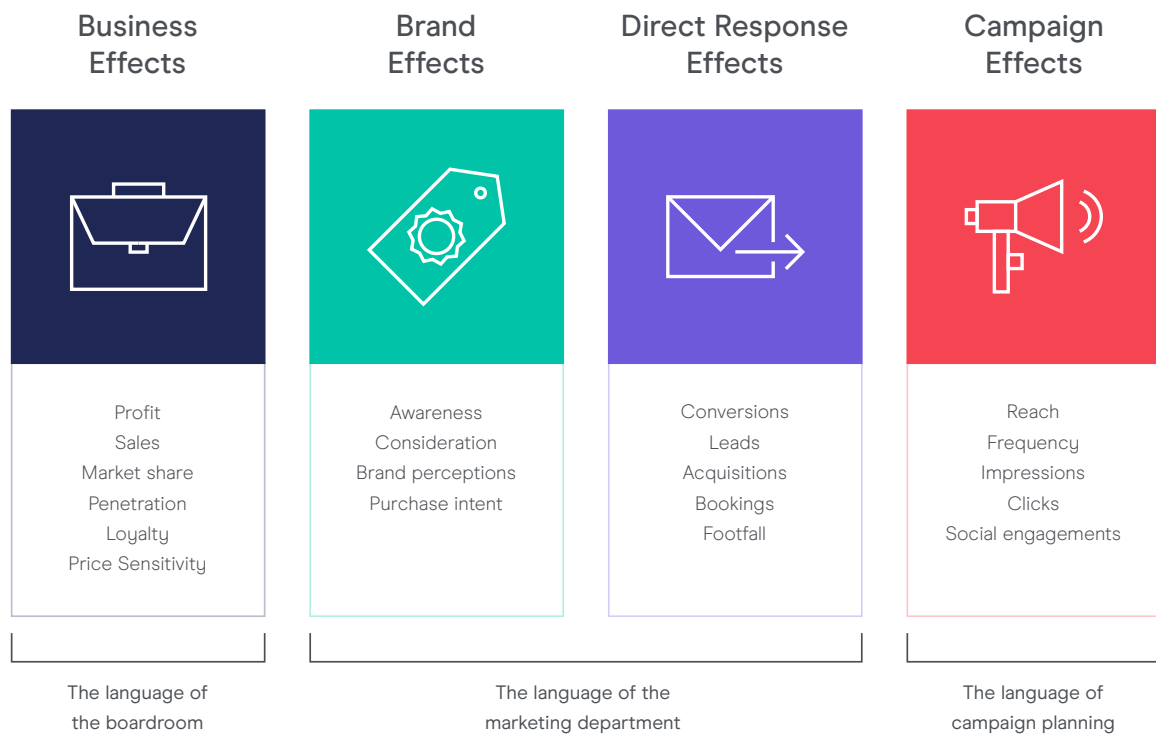
So what is a meaningful KPI?

The 189 metrics identified in the DMA Effectiveness Databank can be broadly split into four categories:

1. **Response Effects**: Effects that direct response and performance marketing campaigns are tasked with in the short term (e.g. conversions, acquisitions, sales, bookings, footfall, downloads, CPA efficiencies, and response rates).

2. **Brand Effects**: Effects that specifically relate to brand measures and metrics (e.g. brand awareness, ad recall, consideration, purchase intent, brand trust, brand perceptions, recommendation, customer satisfaction, and NPS).

3. **Business Effects**: Effects related to overall business performance. They are distinct from response effects as they typically point towards the long-term sustainability of a business (e.g. profit, market share growth, customer penetration, loyalty, and shareholder value).

4. **Campaign Delivery Effects**: Essentially media planning campaign inputs (e.g. reach, frequency, and impressions), and so-called 'vanity metrics' (such as clicks, likes and shares, video plays and views). These ultimately say little about campaign effectiveness, but as they have appeared in the results sections of DMA award entries, they reveal a great deal about how marketers currently measure campaigns.

These definitions help clarify what constitutes a meaningful effectiveness metric. Organisations invest in marketing to shift the dial on business performance: to drive sales and profit, expand their customer base and grow their market share. **This is the language of the boardroom**.

Two fundamental strategies can be deployed to do this: brands can drive immediate short-term sales and conversions through direct response activity (communications led by price and offers); and they can drive long-term outcomes through brand activity. In terms of the latter, changing how customers think and feel about brands stimulates future demand. If done well, this should work in synergy with response activity. **This is the language of the marketing department**.

| Business Effects	Brand Effects	Direct Response Effects	Campaign Effects
Profit Sales Market share Penetration Loyalty Price Sensitivity	Awareness Consideration Brand perceptions Purchase intent	Conversions Leads Acquisitions Bookings Footfall	Reach Frequency Impressions Clicks Social engagements
The language of the boardroom	The language of the marketing department		The language of campaign planning

In truth, a binary distinction between these two approaches is not always practical, with both approaches having effects across the marketing funnel. Joined-up measurement between brand and response is therefore vital for measuring full-funnel effectiveness.

No brand sets out with a fundamental purpose of accumulating ad impressions, views or clicks (campaign effects). However, that doesn't mean those metrics lack meaning in the media cycle. Reach, frequency, and impressions are vital during the campaign planning stage, and views, likes, and shares are also the most immediate metrics to hand when campaigns are being optimised in real-time.

However, campaign metrics tell us little about overall marketing effectiveness.
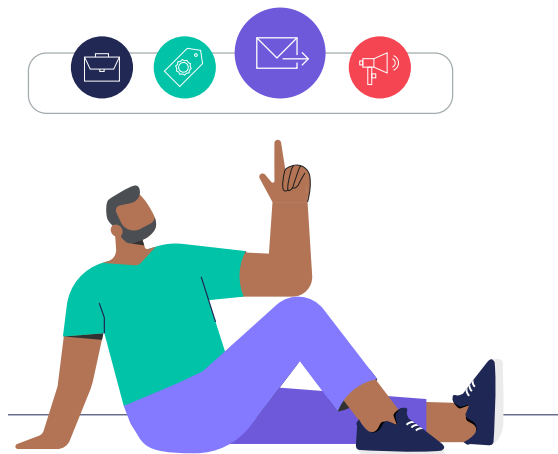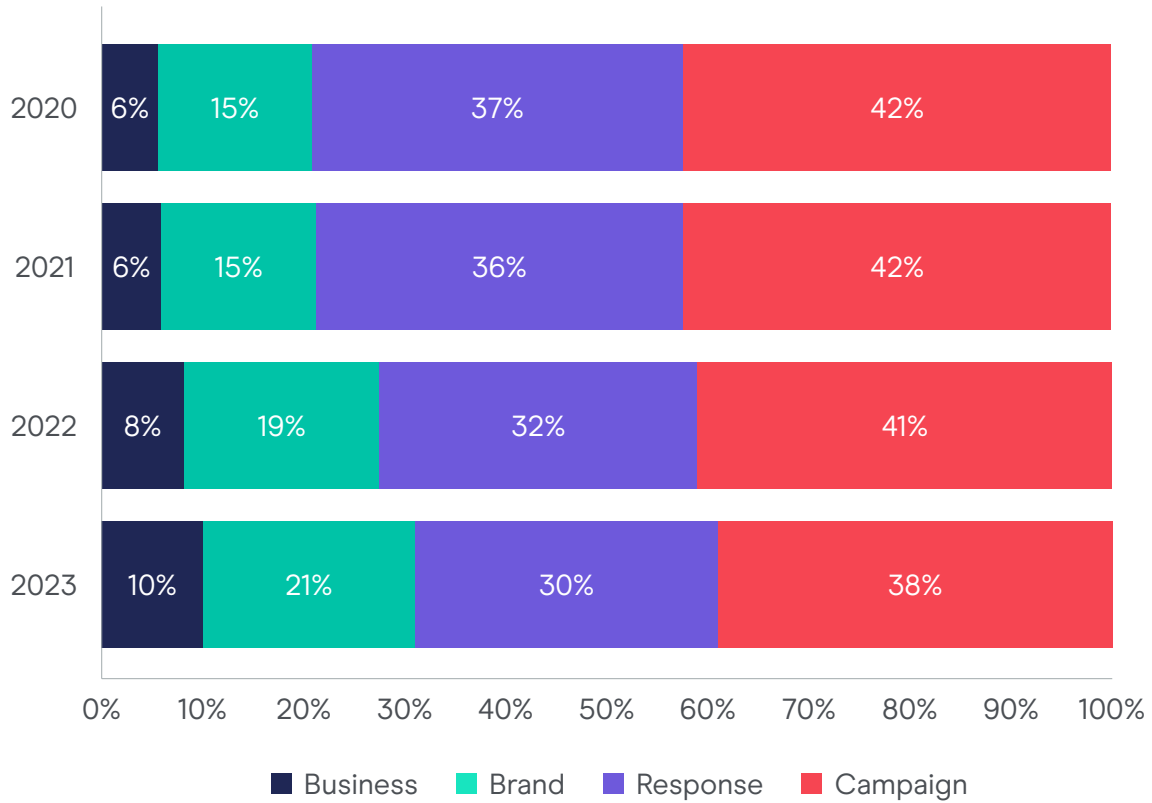
As the chart below shows, the industry is pre-occupied with using campaign effects to measure success. In 2023, 61% of measures related to business, brand and response effects, while 39% related to campaign effects:

Proportion of Metrics Used to Measure Marketing Effectiveness in 2023

2023	10%	21%	30%	39%
	Business	Brand	Response	Campaign
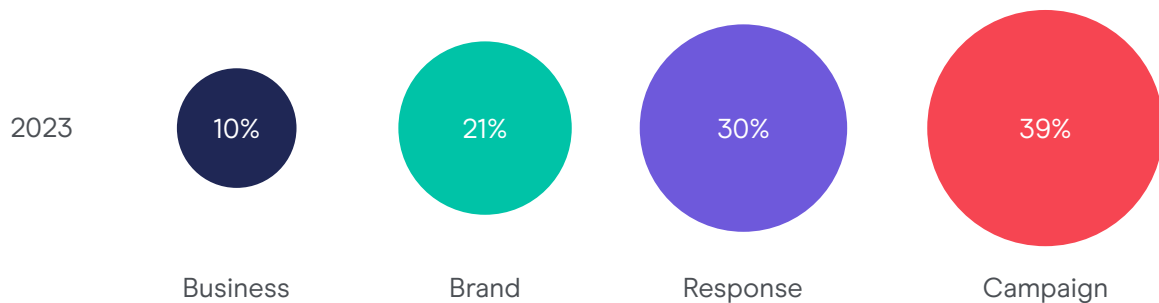
This picture has shown marginal signs of improvement over the last few years. The proportion of KPIs relating to business effects has increased from 6% in 2020 to 10% in 2023, and the reporting of campaign delivery effects had declined from 42% to 39%. However, with the latter still the largest group by some margin, there is still clearly room for improvement.

Proportion of Metrics Used to Measure Marketing Effectiveness 2020-2023

Year	Business	Brand	Response	Campaign
2020	6%	15%	37%	42%
2021	6%	15%	36%	42%
2022	8%	19%	32%	41%
2023	10%	21%	30%	38%

Legend: ■ Business ■ Brand ■ Response ■ Campaign

92%

of marketers claim they are able to distinguish between **business, brand, response,** and **campaign effects**. However, with the reporting of campaign delivery effects so prevalent, why are marketers not focusing on the metrics that matter?
(source: DMA Awards Judge's Survey 2023)

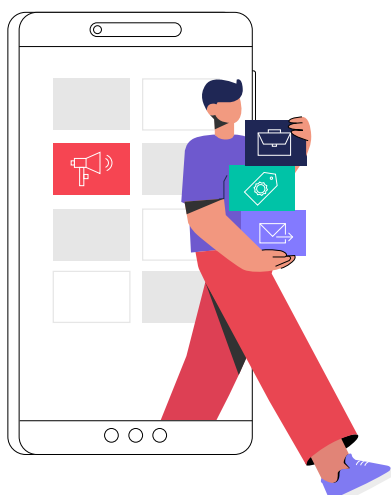# What is the value of focusing on meaningful KPIs?

The DMA asserts that campaign delivery effects are not useful marketing effectiveness KPIs, they mask the true picture of campaign performance and result in lower effectiveness overall. By splitting out campaigns in the DMA Effectiveness Databank that use campaign delivery effects – and comparing them to those who focus solely on business, brand and response effects – it is possible to place a value on adhering to measurement best practice.

As the chart below demonstrates, those campaigns that do not use campaign delivery effects tend to report on a greater number business, brand, and response effects overall. Those campaigns that do use campaign delivery effects do still report on business, brand and response effects, but at a lower level.

Distribution of Meaningful Marketing Effects by Measurement Best Practice

- Don't use Campaign Metrics in Reporting
- Uses Campaign Metrics in Reporting
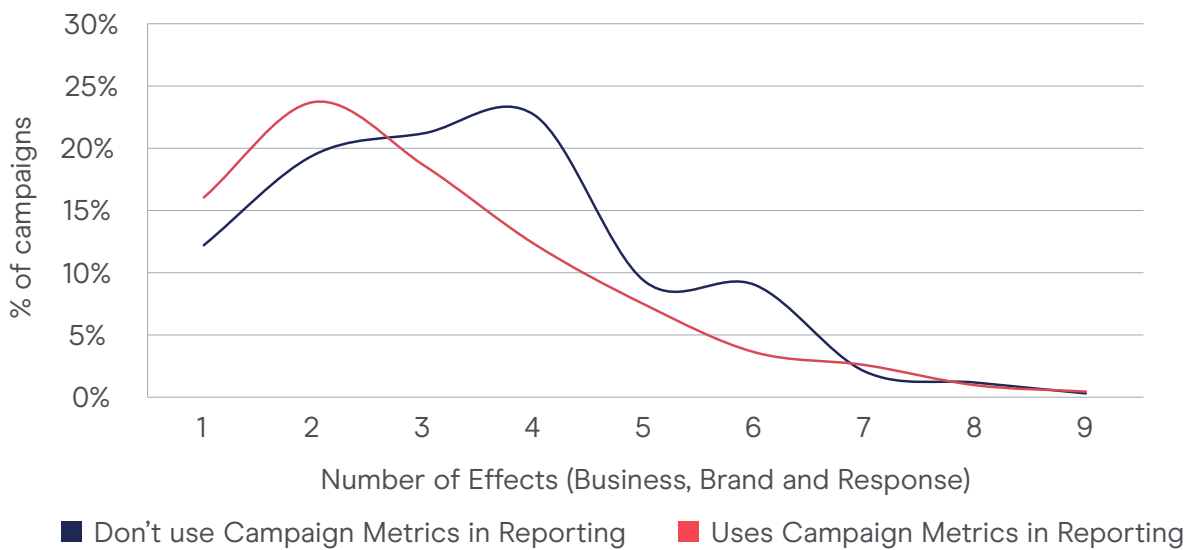
This effect is particularly pronounced when looking at the all-important business metric reporting – those effects that will resonate in the boardroom and enable marketers to defend and grow their budgets. By transforming the conversation around "marketing spend" to "marketing investment," business effect reporting demonstrates the true value of best practice measurement.

67%

uplift in the number of **Business Effects** for campaigns which **avoid focusing** on the reporting of **campaign metrics**.

Why is there a value on focusing on meaningful KPIs?

There are three fundamental reasons why those who focus on meaningful KPIs in their reporting tend to shift the dial on business outcomes more readily than those who do not:

1. There is the self-evident reason that those who have **invested time, budget, and effort in focusing on real effectiveness measurement** are simply able to unearth more meaningful effects. Those who have not invested in good measurement lack the means to unearth marketing's true effectiveness and instead are reliant on the vanity metrics often spoon fed to them by the digital ecosystem.

2. Those who are focusing on real effectiveness metrics are likely to have a **better culture of effectiveness and measurement** with which to optimise campaign performance. Once the time and effort has been made to invest in best practice measurement, the learnings uncovered can be more readily applied to the overall marketing planning process. Future campaigns are optimised on the learnings of past activity by helping the business understand which media, platforms, audiences, and creative are most adept at driving meaningful outcomes.

3. Those who are focusing on less meaningful campaign metrics are **optimising performance to the wrong metrics**, resulting in a detrimental impact on performance. Not only are the vanity metrics so prevalent in campaign reporting obscuring the true picture of effectiveness, they place a further downward pressure on marketing performance when they become the focus of marketer efforts. For example, marketers who chase likes on social media might create engaging content for consumers while losing sight of the fact they are here to shift sales or raise awareness of a brand. The recent failure of the Solo Stoves Snoop Dogg campaign which went viral but resulted in the CEO losing their job, is a case in point.

It should be noted that some campaign delivery effects might be more useful leading indicators of true performance metrics than others (for example, advertising attention or share of search). As covered in last year's CMO Measurement Toolkit, it is recommended that each advertiser assesses which metrics have most meaning for their individual businesses and plan their campaign data capture and reporting accordingly.

Findings	Guidance for Marketers
1. **39% of metrics used in the reporting of marketing effectiveness are less meaningful campaign delivery metrics. 61% relate to meaningful business, brand, and response effects.**	Focus on the metrics that matter. Measure those metrics that have meaningful marketing and business effects and do not get distracted by the glut of vanity metrics that are so common in post-campaign evaluation reports.
2. **Business effect reporting has increased from 6% of metrics used in 2020 to 10% in 2023.**	Alongside brand and response effects (determined by campaign objectives), focus measurement efforts on a handful of metrics that shift the dial on business performance – such as profit, loyalty, shareholder value etc. These metrics will resonate in the boardroom and enable marketers to defend and grow their budgets.
3. **There is a 67% business effectiveness uplift for those campaigns that avoid using campaign delivery effects in their reporting.**	Marketers who steer away from delivery effects in reporting, invest in best practice measurement solutions, and have a culture of effectiveness measurement, result in a stronger overall business performance.

/ 2. Investing in best practice measurement solutions

If the guidance to marketers is to focus their measurement efforts on unearthing business, brand, and response effects, then how should they go about doing this? In other words, what measurement solutions, techniques, and methodologies should they employ?

Around 10% of campaigns in the DMA Effectiveness Databank explicitly state the methodology they have used to unearth meaningful marketing effects. These fall in to six categories:

1. **Marketing Mix Modelling (MMM)**: The field of econometrics devoted to marketing effectiveness, MMM enables marketers to understand which media channels and platforms are delivering the highest ROI, along with other key effects customised to the requirements of individual businesses. MMM typically takes in a large amount of longtitudinal data going back three years or more. Crucially MMM enables measurement practitioners to separate out the impact of marketing spend from external factors such as the economy, the weather, and competitor activity. MMM is regarded by many as the gold standard in measurement, and is vital for unearthing the long-term impact of marketing investment.

2. **Attribution modelling and Multi-touch attribution modelling (MTA)**: Attribution modelling enables marketers to attribute marketing effectiveness to individual pieces of activity at a granular level, and often over a short-term time frame. They are typically used to measure direct response / performance marketing campaigns. Much derided last-click attribution models which credit all impact to the last piece of activity seen by a consumer have a far more credible alternative in MTA which seeks to apportion credit to all the media touchpoints encountered along the customer journey. Attribution models that are dependent on third party cookies are on their way out in the face of the long awaited shut-off of third party cookie by Google Chrome. However, those practitioners who have access to directly attributable first party data are still able to build powerful MTA solutions.

3. **Brand tracking**: Longitudinal market research surveys enable marketers to assess shifts in brand metrics such as awareness, brand consideration, brand perceptions, and purchase intent over time. They are vital tools in assessing brand health along with the direction in which it is heading and marketers often pinpoint significant shifts to known pieces of marketing activity. A key challenge is that these shifts can be caused by environmental factors such as competitor activity or changing consumer preference – factors which MMM better takes in to account.

4. **Brand uplift studies**: Another key tool for measuring uplifts in brand metrics, brand uplift studies compare survey responses from a group of people known to have been exposed to a campaign to a control group of demographically matched respondents who have not seen the campaign. With both groups equally likely to have been exposed to external non-campaign factors, uplifts in awareness, consideration, and purchase intent are directly credited to the campaign. Pre-Post tests look to achieve the same effect by comparing survey responses before and after a campaign has run, but fall foul of the same methodological issues as brand tracking. Brand uplift studies often enable a granular degree of reporting that enables practitioners to uncover insight in to which creative executions, media channels and partners, along with key target audiences have seen the largest brand metric shifts.

5. **Geo-tests**: Also referred to as incrementality testing, these tests are commonly used to assess sales uplift in regions in which a campaign activity has run. By creating a control comparison (or hold-out group) of a similar region in which the activity is not running, marketers are able to pinpoint where marketing has worked and where it has under-performed. These studies are powerful measurement tools when done correctly, but setting up a truly balanced test can often be challenging, particularly when it comes to selecting an accurately matched hold-out group to compare results to. Both Google and Meta have products in this space and they have both open-sourced the code so that people can use them outside of these ecosystems.

6. **Pre-testing**: Really only a quasi-form of campaign measurement, pre-testing enables marketers to test which creative appraoches will likely resonate with their target audiences before the campaign goes live. Very common in the TV world, pre-testing is predictive in nature. It does not report on actual campaign outcomes, but it is a form of measurement that can lead to more meaningful marketing outcomes for businesses.

## Which measurement solutions are the most popular?

Overall, 9.5% of campaigns in the DMA Effectiveness Databank claim to use one of these measurement solutions in their effectiveness reporting. While the real figure is likely to be higher, this number has improved over the last two years to 10.5%. The DMA encourages award entrants to source the methodology used in campaign reporting to bring greater transparency and credibility to the reported results.

Usage of best practice measurement solutions (% of campaigns)
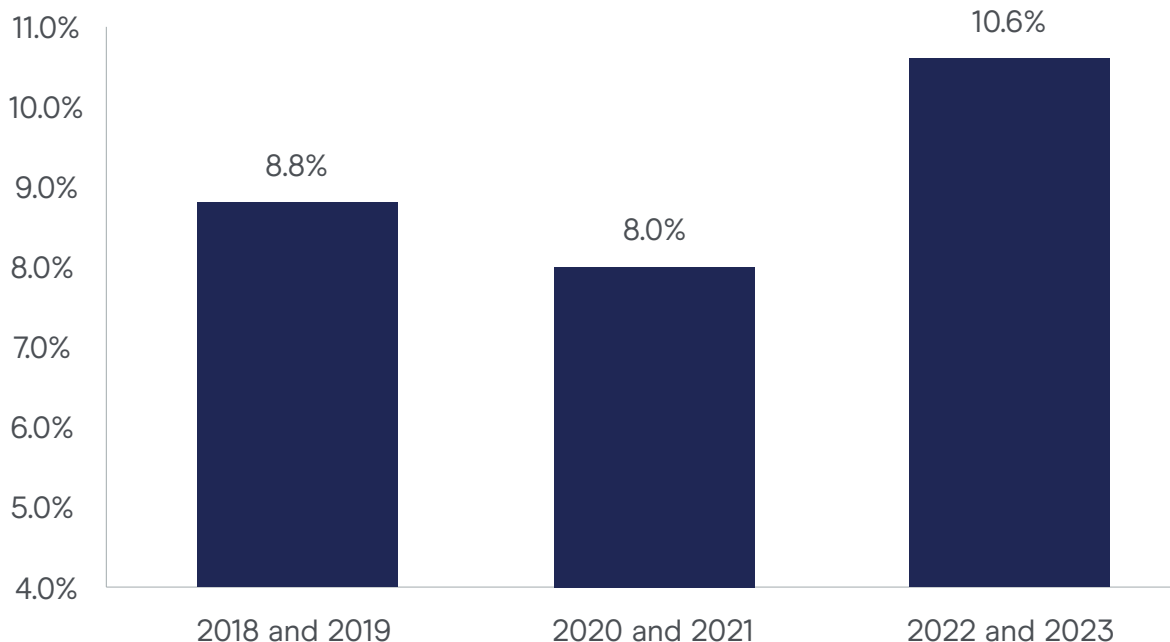
Of the 143 campaigns that cite the usage of one of these measurement solutions, attribution modelling / MTA, brand tracking, and MMM are the most commonly used. Most campaigns rely on one of these solutions only, although a small number (14%) claim to use more than one measurement methodology.

Measurement methods used (% of campaigns)

Attribution Modelling / MTA	36%
Brand Tracking	35%
Econometrics / MMM	26%
Brand Uplift Study	12%
Geo-testing	3%
Pre-testing	2%
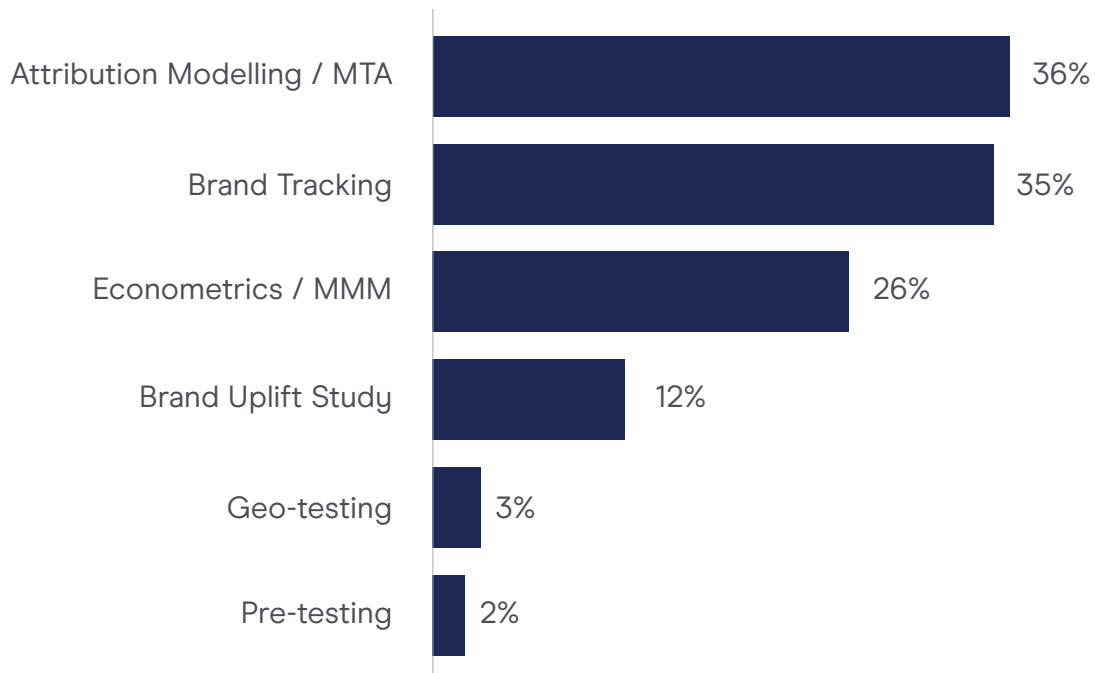
n=143 campaigns which claim use of at least one of these solutions

Returning to the main theme of this report – "The Value of Measurement" – there is a clear effectiveness benefit from investing in best practice measurement solutions. While marketing budgets are under more pressure than ever, so too are measurement budgets. However, marketers should avoid the temptation to sacrifice investment in measurement in order to maximise campaign reach. There is little value in flying blind while depriving the marketing function of the key data points it needs to optimise future performance.

Again the DMA Effectiveness Databank reveals the benefit of investing in best practice measurement:
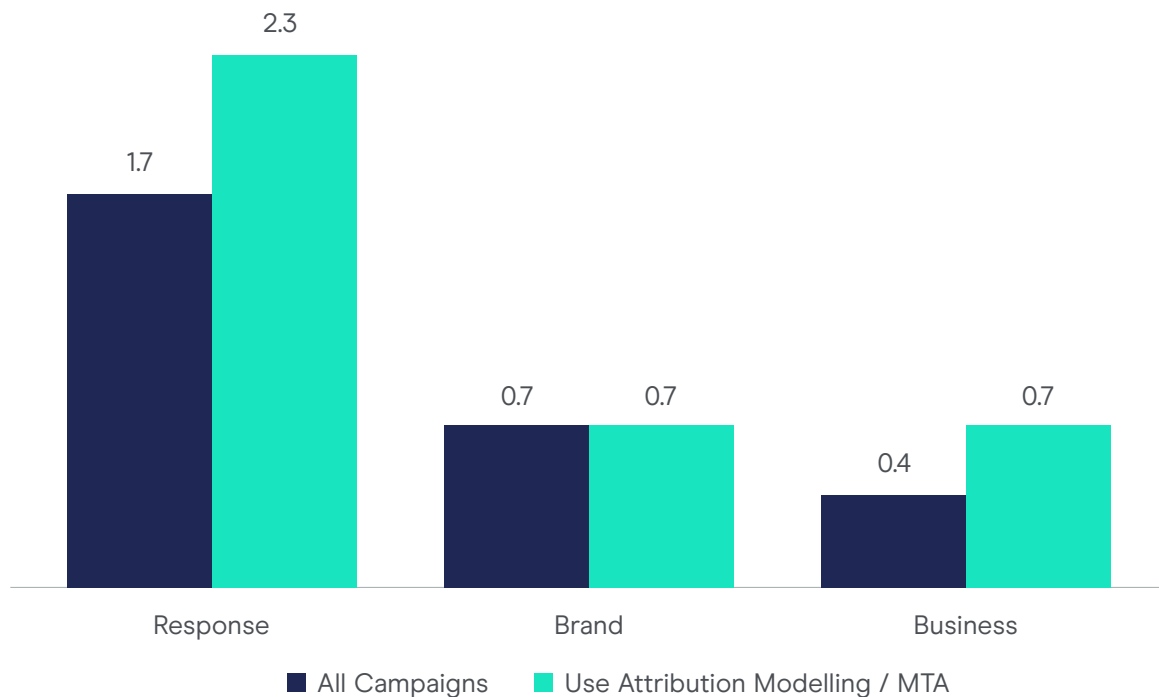
42%

uplift in the total number of **business, brand,** and **response effects** for those campaigns measured using a **best practice measurement technique**.

Which measurement solution is right for you?

The six measurement solutions covered all have very specific use cases; and understanding which to use and when can be a challenge for those taking their first steps in the world of robust measurement. Looking at the three most commonly used methods, it is possible to ascertain which solution is most appropriate for uncovering the different range of meaningful marketing effects.

Those campaigns measured using attribution modelling / MTA are more likely than the average campaign to report on a greater number of response effects such as sales, conversions, bookings and acquisitions. Typically, they result in 35% more response effects overall and nearly double the number of overall business effects. Attribution modelling / MTA is a vital tool in performance marketing. In an era in which performance marketing effectiveness is declining, investing in a robust MTA exercise that is not third-party cookie dependent is vital for capitalising on demand from consumers who are in-market in the here-and-now. This in turn ensures that the business is doing everything it can to hit short-term revenue targets, and makes the immediate challenging boardroom level conversation about marketing budgets a far simpler exercise.
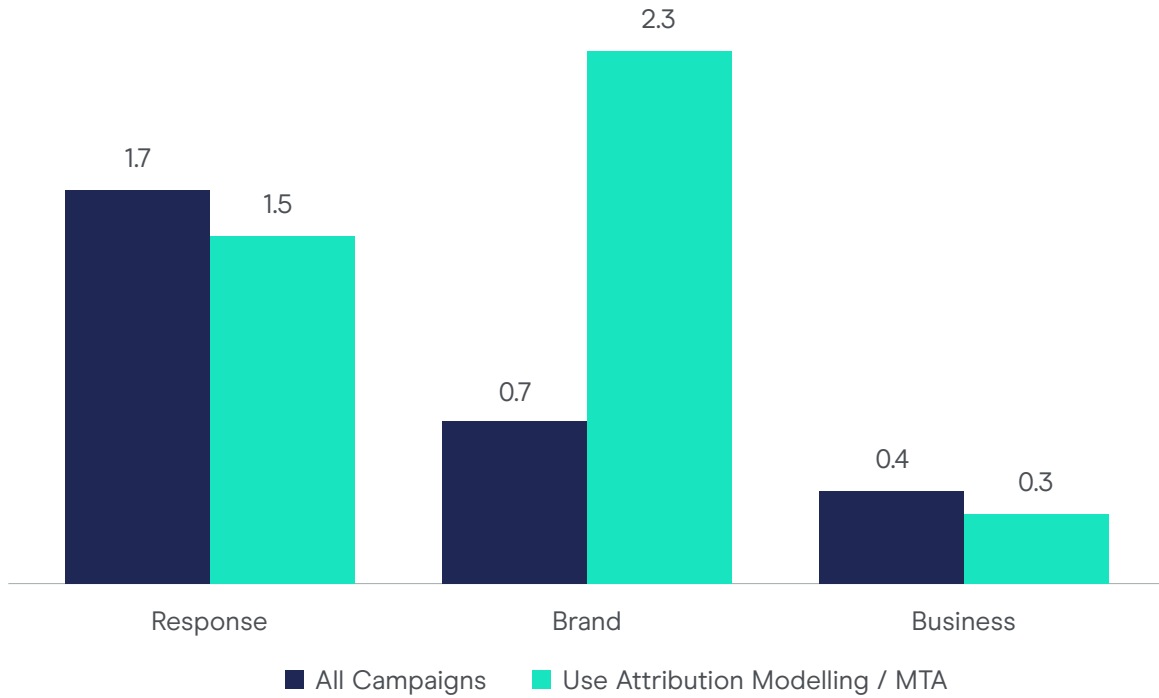
Effectiveness of campaigns measured using attribution modelling / MTA (no. of effects reported)

Response: All Campaigns 1.7, Use Attribution Modelling / MTA 2.3
Brand: All Campaigns 0.7, Use Attribution Modelling / MTA 0.7
Business: All Campaigns 0.4, Use Attribution Modelling / MTA 0.7

■ All Campaigns ■ Use Attribution Modelling / MTA

n=52 campaigns measured using attribution modelling / MTA

Those campaigns measured using brand tracking, unsurprisingly are far more likely to report a larger number of brand effects – over three times as many as the average campaign. With little difference noted in response or business impact, brand marketers must also seek a way of linking their brand spend to demonstrable business outcomes. These are outcomes that are rarely reported on by brand trackers. Caution must also be taken when interpreting the results of brand tracking exercises: marketers must conduct a careful assessment of external non-marketing factors to give the business as much reassurance as possible that the brand metric shifts noted are down to marketing activity. Brand uplift studies invariably take better account of such factors, but with brand trackers also having utility outside of marketing effectiveness reporting (such as the long term tracking of brand health) it is clear why marketers use them for campaign measurement.

Effectiveness of campaigns measured using brand tracking (no. of effects reported)

n=50 campaigns measured using brand tracking

Campaigns measured using MMM / Econometrics report 2.5 times the number of brand effects and over double the number of business effects of the average campaign. As large-scale modelling exercises which ingest at least three years-worth of time-series data, they are by nature able to unpick the long term effects of marketing spend – the sorts of effects which are linked to high levels of brand spend and consequently, healthier business metric performance too. Those who have invested in MMM are able to create more informed, strategic decisions about where their marketing budget should be placed over the long term and are able to truly articulate the value of their investment as a result.

Effectiveness of campaigns measured using MMM / Econometrics (no. of effects reported)
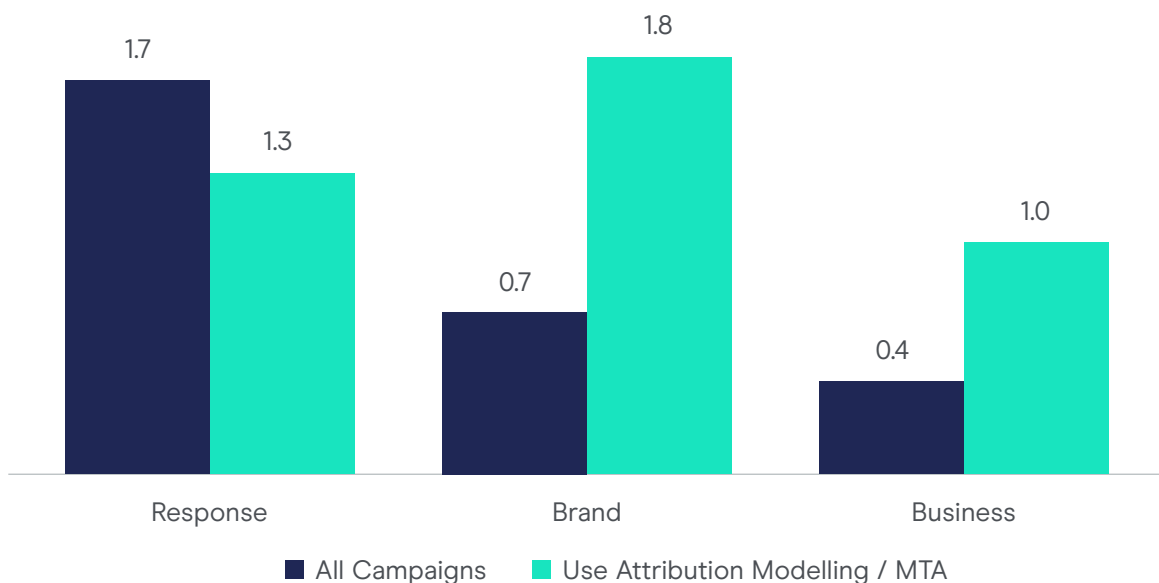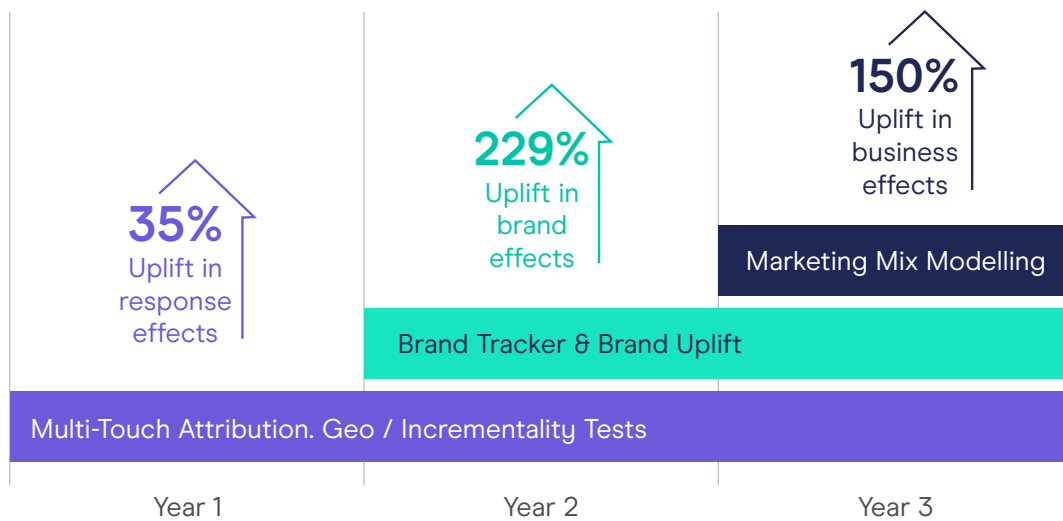

n=37 campaigns measured using MMM / Econometrics

How much should you invest in good measurement?

There have been anecdotal rules-of-thumb relating to the proportion of marketing budget that should be devoted to measurement, swirling around the industry for years. In reality the answer is invariably "it depends" (that dependency relating to size of business, brand, competition, and product life stage for example). Larger brands may find that measurement will only tally up to 1-2.5% of media spend, while minimum investment costs may mean that a smaller brand could spend up to 5%. Either way this 1%-5% range is simply a short-hand heuristic which at least gives a marketer a starting point if they are new to the measurement journey. From that start point they should iterate up and down depending on myriad business specific factors, not least of which is the size of their marketing budget.

Below a straw-man measurement scenario has been created which imagines the measurement journey of a new business; a new product/service launch; or the entry of an existing product or service in to a new market:

- **Year 1**: Rapid scale-up is the priority as the new product / service looks to generate short-term cash flow, stimulate demand from early adopters and those who are in-market, and prove its viability as a going concern to investors and stakeholders. Performance marketing will be the number-one priority and as the methodology most adept at unearthing response effects, investment is made in a multi-touch attribution modelling exercise. For those advertisers who lack the first party data to make MTA viable in a post-third party cookie world (such as FMCG brands), geo-tests and controlled experiments are recommended.

- **Year 2**: Short-term revenue targets have been hit, but the new product / service is maxing out on the growth achievable through performance marketing alone (see here, for a good explanation from Dr Grace Kite and Tom Roach as to what this looks like in practice). Brand advertising must be invested in to raise brand awareness amongst those who aren't currently in-market, stimulating future demand and creating a price premium by creating an emotional connection with consumers. Brand trackers and brand uplift tests must now be invested in to unearth brand effects and optimise brand performance.

- **Year 3**: Performance and brand marketing spend are now working in tandem. To bolster the case for further marketing investment to drive long term growth, the long-term effects of marketing spend can now be demonstrated to stakeholders via investment in Marketing Mix Modelling. Three years-worth of data relating to revenue, media spend and external factors are now available on which to build the types of models that will link marketing spend to business effects such as ROI and profitability, bringing the boardroom and other stakeholders on-side when it comes to demonstrating marketing's value.

A scenario for investment in best practice measurement techniques

35%
Uplift in response effects

229%
Uplift in brand effects

150%
Uplift in business effects

Marketing Mix Modelling

Brand Tracker & Brand Uplift

Multi-Touch Attribution. Geo / Incrementality Tests

Year 1   Year 2   Year 3

Ultimately, if done correctly, each investment in measurement should result in improvement in effectiveness:

• Those who invest in **MTA**, record a 35% uplift in response effects.
• Those who invest in **brand measurement** record a 229% uplift in brand effects.
• Those who invest in **MMM** record a 150% uplift in business effects.

This in turn allows marketers to create both a case for marketing investment and measurement investment at the same time. It is much easier for a culture of marketing effectiveness and measurement to become embedded in a business with the right proof points and internal case studies to hand. Crucially, investment in measurement must be maintained even when times are tough.

> Taking budget from measurement to spend on media is a temptation when budgets are under pressure, but it is a false economy. It is better to sacrifice a bit of campaign reach for a lot of campaign certainty. There is no value to flying blind with your marketing activity.

Using the strawman scenario above, marketers should be able to develop their own long term measurement strategies, apportioning spend to the most suitable techniques according to immediate business objectives and according to how long each phase of product growth lasts (for example, the rapid scale-up phase may last for more than one year, or there may be a need to invest in MMM sooner than year three if specific board-level metrics need reporting on and are not available elsewhere).

Findings	Guidance for Marketers
1. **10% of campaigns in the DMA Effectiveness Databank reference a best practice measurement technique in the results section of their award entries.**	There is a +42% uplift in the total number of business, brand and response effects for those campaigns measured using a best practice measurement technique. The DMA encourages investment in these measurement techniques along with appropriate reference back to these techniques in award entries.
2. **Attribution modelling / MTA is the most popular measurement technique, followed by brand tracking and MMM.**	The recommended approach is very much dictated by marketing objectives. Those who invest in MTA, record a 35% uplift in response effects; Those who invest in brand measurement record a 229% uplift in brand effects; Those who invest in MMM record a 150% uplift in business effects.
3. **The amount of budget that should be invested in measurement is influenced by a myriad of different factors, making a one-size-fits-all recommendation hard to make.**	Marketers should develop their own long-term measurement plans, layering in different measurement techniques according to product lifecycle and marketing objectives. Only by fostering a culture of effectiveness and feeding back past learnings in to future campaigns will marketers truly reap the rewards of effectiveness that best practice measurement brings before moving to the next level.

Case Studies

1.

How a wine retailer used omni-channel marketing attribution to prove impact on the bottom line

In this example from Unifida a well known wine retailer was faced with the challenge that they had many competing reports on how marketing was working, but no view of the overall sales increments and bottom line improvements that it delivered.
They were also using many different offline channels such as DM and door drops, but did not know how they interacted with each other, and with online channels like social media and Google PPV.

- By investing in a program of MMM and MTA the CMO could justify historic marketing spend in terms of overall value added, and the impact of marketing on the bottom line.

- They were also able to request and agree a substantial marketing budget increase based on what-if projections.

2.

How Talk Talk used a clear Test and Learn program to improve life-time value

In this example from MetaGeni, TalkTalk were faced with the challenge of being wedded to a last click attribution model of measurement and were therefore finding it hard to demonstrate the value of digital marketing in the upper and mid funnel. This had resulted in TalkTalk being over reliant on short term sales driving channels which they hypothesized was impeding overall revenue growth but they could not prove that hypothesis out.

- By developing a custom multi touch attribution programme using TalkTalk first party data, and then setting up a clear marketing 'test and learn' programme to understand where the opportunities were, TalkTalk was able to identify signficant ROI gains in affiliate and paid search spend.

- The custom setup allowed the client to A/B test performance between publishers in real-time, without having a negative impact on overall programme sales.

3. How Buzzfeed combined brand uplift tests with creative evaluation to prove the impact of walled garden advertising

This example from Metrix Labs deployed a custom methodology that combines both brand lift and creative performance evaluation. To measure an ad's brand impact, this approach starts with unforced exposure in a natural environment – respondents decide if and how long to engage with the ad, as they would in real life. Brand metrics were then assessed to to determine significant differences due to exposure to the ads in context.

- The results demonstrated that exposure to multiple content types resulted in bigger increases in KPIs. A combination of Twitter / X, Instagram and video types worked even better together to drive unaided awareness and message association.

- Viewers found the content to be memorable and relevant and the custom video and pre-roll even generated purchase intent for the brand.

4. An M&C Saatchi primer on geo-testing

This useful article explains how the strength of geo-tests lie in the fact that they don't require conversions to be attributed at the user level, making them resilient to the reduction of deterministic attribution. Additionally, contrary to conversion lift tests, geo-tests do not need to be performed in-platform, giving analysts greater control over the test structure. The article defines the key steps for getting a geo-test off the ground including:

- Media channel selection
- KPI definition
- Data collection
- Region selection
- Testing windows

/ 3. The campaigns that are being measured well

By assessing the numerous campaign variables available in the DMA Effectiveness Databank and cross-referencing this against the likelihood of campaigns to focus on true business, brand, and response effects instead of campaign delivery metrics when reporting on marketing effectiveness, we can uncover insight into the types of campaigns that are conforming to measurement best practice.

Campaign duration and brand life stage

As the chart below demonstrates, the longer the duration of the campaign, the more likely it is to focus on the metrics that matter. Long duration campaigns of over a year in length are 25% more likely than average to be offering a true representation of marketing effectiveness in measurement. Short-term campaign of up to thirteen weeks in length are 15% less likely than average.

Shorter campaigns will evidently be smaller, lower budget campaigns. It is here that the temptation to siphon off measurement budget in to media spend will be strongest. Many short term campaigns will also be under pressure to deliver results in much more compressed reporting cycles. In these instances the tendency is to select the metrics that are most immediately available – which are invariably the glut of campaign delivery and digital vanity metrics that are so prevalent in post campaign analyses. Longer-duration campaigns are more likely to be part of fully integrated long-term marketing strategies, with the budget to invest in more robust measurement.

Short-termism should not be a blocker to good measurement, however. Performance marketing campaigns are often shorter in length, but with their effectiveness declining year on year (as detailed in the introduction to this report), it is those campaigns which are arguably in most need of the vital effectiveness datapoints on which to optimise performance.

Best practice measurement index by campaign duration
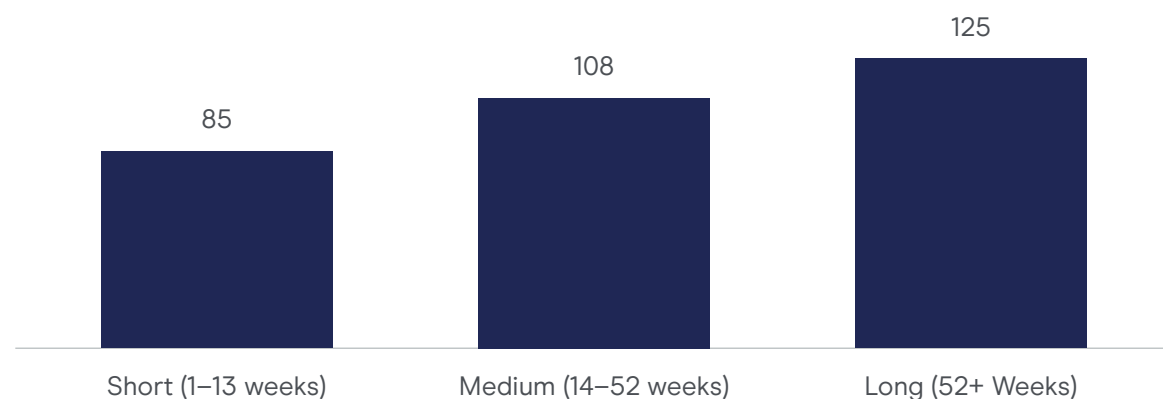
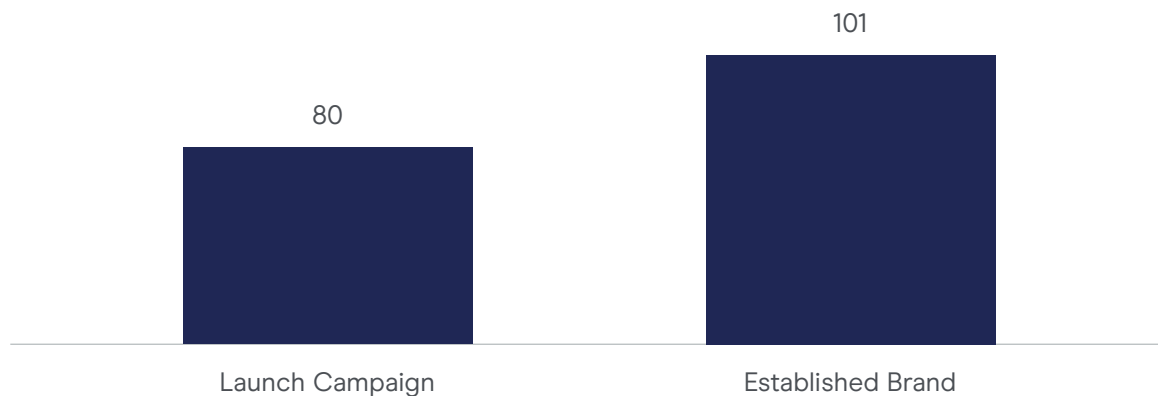|	85	108	125
	Short (1–13 weeks)	Medium (14–52 weeks)	Long (52+ Weeks)

Index 100 = likelihood of campaign to avoid using campaign delivery metrics in effectiveness reporting

Lifestage is another consideration when it comes to assessing best practise measurement. Launch campaigns for new products and services are 20% less likely than average to conform to best practice measurement (the vast majority of campaigns in the DMA Effectiveness Databank are for existing products and services, hence their best practice measurement index aligning so closely with the average).

Numerous hypotheses could be offered up as to why this is the case, but there is perhaps an even greater inclination to hit the ground running by maximising coverage with media spend when launching a new product or service and so devote less to best practice measurement. Younger businesses may also be less likely to have an established culture of effectiveness measurement along with the organisational expertise to draw upon. The databank tells us that launch campaigns are more likely to employ digital channels than established brands – and as discussed, the availability of campaign delivery and vanity metrics is prevalent in this space.

However, with organisational budgets under more scrutiny than ever, the need to prove the viability of new product developments is vital. The measurement of marketing's role in activating existing demand and stimulating future sales is essential and investment in measurement should not be shied away from.

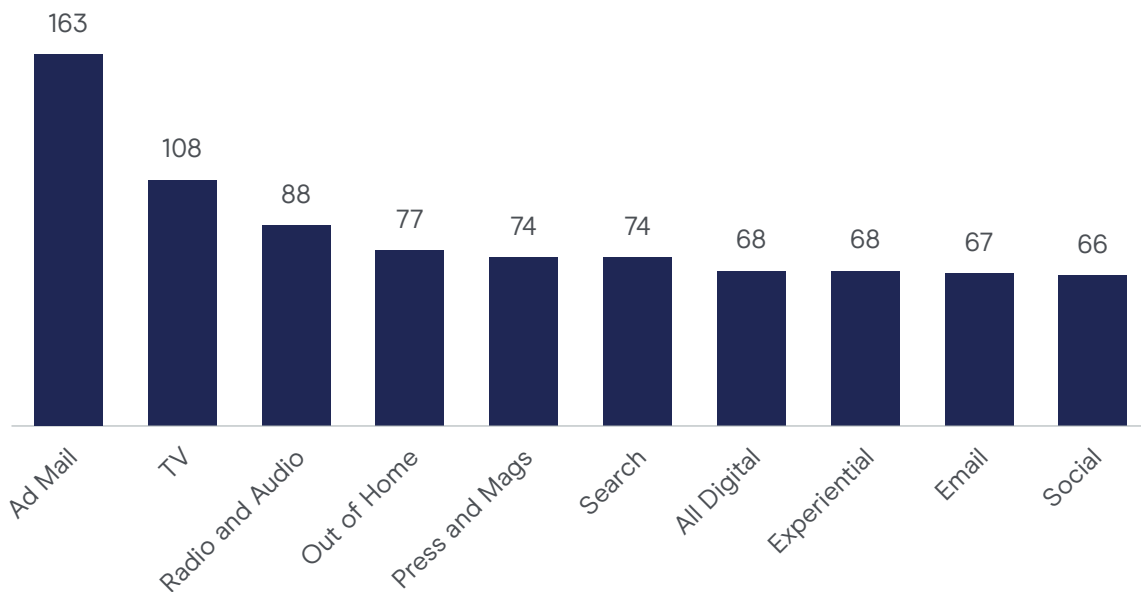**Best practice measurement index by brand / product / service life stage**

Launch Campaign	Established Brand
80	101

Index 100 = likelihood of campaign to avoid using campaign delivery metrics in effectiveness reporting

Which channels are being measured well?

Assessing measurement best practise by channel is challenging in that the vast majority of campaigns in the databank are multi-channel in nature and therefore finding discreet groups of campaigns that employ solus use of a channel is hard. What is clear however, is that those which use ad mail (direct mail and door drops) tend to be more likely to avoid campaign delivery metrics in effectiveness reporting, as do those which use TV. Arguably in both instances there is less temptation to resort to the slew of vanity metrics available in the digital space – and as the chart below indicates, campaigns which include some element of digital often under-index for best practice measurement.

In addition, TV campaigns are often more likely to be part of larger over-arching brand campaigns from established advertisers – those who are more likley to have the budget to invest in good measurement and/or have an embedded culture of effectiveness.

Best practice measurement index for campaigns that include the following channels...

Ad Mail	TV	Radio and Audio	Out of Home	Press and Mags	Search	All Digital	Experiential	Email	Social
163	108	88	77	74	74	68	68	67	66

Index 100 = likelihood of campaign to avoid using campaign delivery metrics in effectiveness reporting

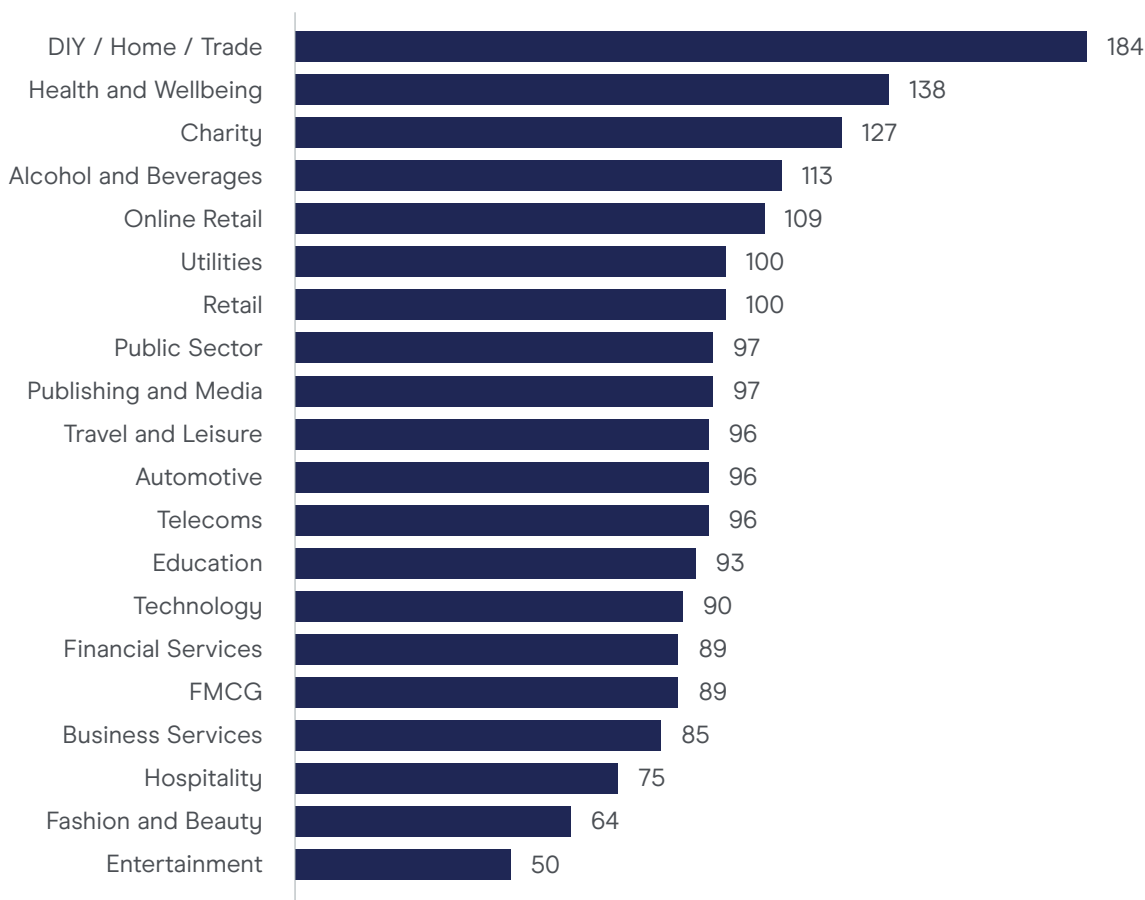## Which sectors are measuring well?

DIY / Home / Trade, Health & Wellbeing, Charity, Alcohol & Beverages and Online Retail campaigns all over-index for best practice measurement. Hospitality, Fashion and Beauty, and Entertainment campaigns appear at the bottom of the rankings.

"

Marketers in each sector must assess where their own organisation sits on the measurement journey. Outperforming the industry benchmark will create competitive advantage. Focusing on the metrics that matter in reporting, investing in best practice measurement and cultivating a culture of measurement, will result in a better return on marketing investment while enabling you to stay ahead of the competition.

Different sectors will invariably have different measurement challenges. Those with ready-access to first-party customer data (such as online retailers, finance, travel and telecoms) will be able to unpick the role of different channels through multi-touch attribution models. Those who do not (such as FMCG) will find MTA challenging as third-party cookies disappear. Instead, geo-tests and controlled experiments will be more appropriate for assessing short-term performance marketing effectiveness. With the advent of Retail Media, FMCG brands also have another source of powerful shopper data on which to assess performance. Brand studies and MMM are relevant across all sectors however. For those businesses who believe in the long-term effectiveness of marketing driven growth, these measurement solutions are a must for driving the business forward.

Best practise measurement index by industry sector...

Sector	Index
DIY / Home / Trade	184
Health and Wellbeing	138
Charity	127
Alcohol and Beverages	113
Online Retail	109
Utilities	100
Retail	100
Public Sector	97
Publishing and Media	97
Travel and Leisure	96
Automotive	96
Telecoms	96
Education	93
Technology	90
Financial Services	89
FMCG	89
Business Services	85
Hospitality	75
Fashion and Beauty	64
Entertainment	50

Index 100 = likelihood of campaign to avoid using campaign delivery metrics in effectiveness reporting

Findings	Guidance for Marketers
1. **Longer duration campaigns are 25% more likely than average to conform to best practice measurement (i.e. focusing solely on business, brand and response effects). Shorter campaigns are 15% less likely.**	The same measurement rigour must be applied to shorter, more performance-oriented campaigns as to longer campaigns. With performance marketing effectiveness declining, it is more important than ever to optimise future campaign performance with effectiveness learnings.
2. **Campaigns that include ad mail (direct mail and door drops) and TV over-index for best practice measurement. Digital channels are among those who under-index.**	Marketers must take care to not be blinded by the dizzying array of campaign delivery metrics available to them in the digital space. These metrics may be important for planning and buying campaigns and ensuring delivery, but true outcomes must be measured.
3. **DIY / Home / Trade, Health & Wellbeing, Charity, Alcohol & Beverages and Online Retail campaigns all over-index for best practice measurement.**	Build a competitive advantage by aspiring to best-in-class measurement in your sector. Effectiveness insights accurately obtained will lead to better business outcomes.

/ 4. A unified marketing measurement framework

The majority of this report has covered the significant challenges that marketers face between campaign measurement and reporting. Just because a metric can be measured, does this mean it should automatically be reported on to stakeholders? In the case of less meaningful campaign delivery metrics the answer is no. However, as covered in the introduction, nearly two thirds of marketers also believe that a lack of consistent measurement frameworks are a key challenge for good effectiveness measurement.

> A marketing measurement framework is simply a structured method of shortlisting meaningful KPIs based on campaign objectives, while documenting benchmarks, targets and performance to the level of granularity that makes the most sense to your strategic direction (e.g. by channel, creative or audience). In addition, key learnings should be documented and hypotheses for future testing should be established.

A marketing measurement framework will enable a marketer to tease out which metrics should be reported on, while ensuring that all departments and marketing disciplines (not to mention agency and platform partners) are pulling in the same direction, and that the marketing objectives that they are looking to reach all ladder up in to meaningful business objectives. In addition, the usage of a unified framework will allow a business to build up benchmarks rapidly – providing the tools for target setting and against which marketing performance can be contextualised.

A joint JICMAIL Virgin Media masterclass on how to build a marketing measurement framework was run at Adwanted Future of Media in 2023, and is a useful starting point for those making their first steps in building a meausurement framework. A recording of the session can be found here, and a summary of the six key steps outlined are as follows:

1. **Pick your marketing model**

   Ensure that different areas of the business have a shared and unified understanding of how marketing works. While retention and acquisition teams will have very different objectives and strategies, having a common understanding of how these ladder up in to overall business success is important. This is a crucial step when the objectives of different departments can often work against each other.

2. **Agree on your taxonomy**

Make sure that your business is speaking the same language when it comes to measuring marketing inputs and outputs. Consistency of language is key if learnings are to be meaningfully applied to future campaigns.

3. **Choose your framework building blocks**

There are numerous fields that can be used to capture framework data: from campaign objectives, to channels used, to spend levels, KPIs, targets and performance data. Having a method of shortlisting the KPIs to track based on campaign objectives is a useful first step.

4. **Develop a cross-organisational working group**

Consider involving a range of internal and external teams (e.g. finance, your creative agency, media agency etc) in your measurement efforts: A) to avoid accusations of marketing teams marking their own homework, and B) to bring in external expertise and alternative view points. Cross-organisational working groups are likely to help foster a culture of measurement and effectiveness more rapidly across the business.

5. **Measure, measure, measure**

Develop a menu of measurement options for your business, drawing on techniques such as MMM, test and control, attribution modelling and brand tracking. Keep one eye on the future to understand how market developments (such as the decline in third party cookies or the advent of generative A.I.) will impact your measurement efforts for the better or worse.

6. **Test and learn**

Measurement should be more than a backward facing box-ticking exercise. Campaign learnings should be fed back in to upcoming plans on a systematic basis by documenting what worked, what didn't work, and what hypotheses you want to test with future campaigns.

Example measurement frameworks

Below are two simple examples of what a marketing measurement framework might look like for a piece of brand activity and a piece of direct response / performance marketing activity. While in reality, marketers may wish to track a broader range of metrics, each one demonstrates how activity-specific metrics have been measured (i.e. brand vs response objectives), along with at least one business objective. The example given presents two different outputs from the same framework: the same fields are reported on for consistency, but different KPIs are measured according to campaign objectives.

In each instance, the most appropriate measurement methodlogy has been documented, along with the key learnings that will either be applied to future campaigns and/or which warrant further testing. These frameworks are tabular in nature, but for the more visually-inclined, marketers may choose to present them using a marketing funnel or some other visual device.

Example brand campaign measurement framework

Summer '23 Brand Campaign

Brand	Increase market share by 5%
Campaign Type	Business Objective
Q3 2023	Increase brand consideration by 10%
Time Frame	Marketing Objective

£2.0 million TV
£1.0 million BVOD
£1.0 million DM
Channels

Metric	Benchmark	Target	Baseline	Performance	Uplift	Channel	Measurement Method	Insights
Brand Awareness	+2.5%	+3.0%	80%	84%	+4.0%*	TV	Test vs Control	Channel A outperformed Channel B by 10%
Brand Consideration	+4.0	+10.0	55%	68%	+13%*	TV + DM	Test vs Control	Creative A outperformed Creative B by 7%
Purchase Intent	+2.1	+2.5%	25%	26%	+1%**	TV + DM	Test vs Control	Purchase intent peaked at frequency 4-5
ROI	0.8	1.2	1.0	1.3	30%**	All	MMM	DM ROI 2x higher than BVOD

Uplift = Performance vs Baseline, either *percentage point uplift or **relative percentage increase

Example direct response / performance marketing campaign measurement framework

Xmas '23 Winter Sale

Activation	Deliver £2 million in revenue
Campaign Type	Business Objective
Q4 2023	Achieve a ROI of 1.1
Time Frame	Marketing Objective

£600,000 Display
£400,000 Door Drop
Channels

Metric	Benchmark	Target	Baseline	Performance	Uplift	Channel	Measurement Method	Insights
Offer Redemption Rate	2.0%	3.0%	2.0%	3.5%	+1.5%*	Door Drop	Unique Tracking Code	Offer A outperformed Offer B
Cost per Acquisition	£12	£10	£14	£14	±0%**	Display	Attribution	CPAs above average for social spend
Average Order Value	£110	£120	£111	£135	22%**	Display	Attribution	AOV higher amongst women
ROI	0.7	1.1	1.0	1.3	30%**	All	MMM	Door Drop ROI higher than Display

Uplift = Performance vs Baseline, either *percentage point uplift or **relative percentage increase

Findings	Guidance for Marketers
1. **Nearly two thirds of marketers say that a lack of consistent measurement frameworks is a key challenge for measuring marketing effectiveness.**	Develop a method for shortlisting KPIs by campaign objective while documenting benchmarks, targets, performance, measurement methodologies, and crucially key learnings that will be fed back in to future activity.
2. **There are six fundamental steps recommended for the development of a marketing measurement framework.**	To maximise the adoption of a measurement framework, a cultural shift will also be required to bring teams, stakeholders and partners together to take shared ownership of measurement.
3. **The adoption of a marketing measurement framework will break down the silos that exist between different marketing disciplines.**	The DMA invites partners to participate in the build of an interactive measurement framework, providing its members with the tools to hit the ground running as they embark on their measurement framework journey.

/ Methodology

The DMA Effectiveness Databank consists of data from 1,508 DMA award entered campaigns. Some data is derived from the self-declared information provided in the award entries, while additional tags have been created to add further depth to the databank.

Pre-existing campaign information:

- Entry year
- Agency name
- Client name
- Award categories
- Judges scores
- Campaign duration
- ROI (partial data)
- Campaign budget (partial data)
- Open text fields related to the campaign brief, strategy, solution, creative thinking, results and supporting data.

Additional campaign information added during databank build:

- Agency type
- Advertiser category
- Advertiser size
- Industry sector
- Launch or established product/service campaign
- Retention of acquisition objective (or both combined)
- Brand or response objective (or both combined)
- B2B or B2C
- Media channels used
- Type of campaign effect (see further detail below)
- Average number of effects (see further detail below)

Complete list of effectiveness measures identified
Campaign Delivery Measures:

- Ad Block Rates
- Brand Safety
- Buzz Score
- Call centre volume
- Campaign Reach
- Clicks
- CPC
- CPC reduction
- CPE
- CPM
- CPV
- CRM Rev contribution
- CTO
- CTO growth
- CTR
- CTR growth
- Digital Contribution
- Digital Impressions
- Digital Traffic/Views
- Digital Traffic/Views Growth
- DM CPC
- Domain Authority Dwell Time
- Dwell time growth
- Earned Media/PR Impressions

- Earned Media Mentions
- Earned Media Value
- Email CTR
- Email Open Rate
- Email Open Rate Growth
- Email Volume
- Engagement Increase
- Engagement Rate
- Engagements
- Frequency
- Interest Lift
- Live Event Traffic
- Mail open rate
- Mail Volumes
- OOH Impressions
- Opt-in rates
- Opt-out rate
- Organic Social Impressions
- Organic Social Reach
- People trained
- Press Impressions
- Production Costs

- Radio /Audio Impressions/Reach
- Reach Growth
- Referrals
- RPE
- Sales team growth
- Search Growth
- Searches
- SEO Ranking
- Site traffic retention
- Social Engagements
- Social Reach/Impressions
- Social Reach Growth
- SOV
- Spend Efficiencies
- Target Audience Reach
- Total Impressions
- TV Impacts
- Video View/Plays
- View Through Rate
- Viewability
- VOD Impacts
- Webinar views

Response Measures:

- Account logins/updates
- ARPU
- ARPU increase
- ATV
- Average Order Value
- Average Order Value Increase
- Bookings Growth
- Brochure Request Growth
- Churn Reduction
- Complaint/Claims Reduction
- Complaint reduction
- Conversion Rate
- Conversion rate growth
- CPA/Cost Per Lead/Cost of Sale
- CPA Reduction
- Customer/New Customer Growth
- Customer Reactivation rate
- DM AOV
- DM Revenue Contribution

- DM ROAS
- Door Drop Revenue Contribution
- Download growth
- Downloads
- Email ROAS
- Enquiries
- Enquiries/Leads Growth Footfall
- Footfall Frequency
- Footfall Increase
- Frequency of purchase
- Lead/Sales Conversion
- Leads
- Leads/Pipeline value
- Leads contribution growth
- Mail Response Growth
- Mail response rate
- New Customer Acquisitions
- New Customer contributions
- Online Sales Increase

- PPC ROAS
- Referral increase
- Response per GRP
- Response Rate
- Response Rate Growth
- Responses
- Retention Rate
- Retention Rate Increase
- Revenue generated
- Revenue Increase
- Revenue per page

- ROAS
- ROAS Growth
- Sell out rate
- Shopper base
- Sign-up/member growth
- Sign-ups/uses/members
- Transactions per email
- Unit sales
- Unit sales growth
- Voucher/reward redemption rate

Brand Measures:

- Ad Recall
- Behaviour Change
- Brand Awareness
- Brand Familiarity
- Brand Favourability
- Brand Health
- Brand Interest
- Brand Perceptions
- Brand Persuasion/Consideration
- Brand Relevance
- Brand Trust

- Cost per brand lift
- Creative Interest/Understanding
- Creative pre-test results
- Customer Satisfaction
- Message Recall
- NPS
- NPS Growth
- Positive Sentiment
- Purchase Intent
- Recommendation Likelihood
- Word of Mouth

Business Measures:

- Average Lifetime Value
- Brand Value
- Brand Value Growth
- Customer Penetration
- EBIT
- EBITDA
- Long-term Customer Retention/Loyalty
- Long-term Revenue

- LTV Growth
- Market position
- Market Share Growth
- Policy Change
- Profit
- Profitability Growth
- ROI
- Shareholder value growth

/ About the DMA

The DMA is the UK's trade association for the data and marketing industry. Our vision is a data and marketing industry where every organisation takes a 'customer-first' approach. As the voice of the data and marketing industry, our responsibility is to prove the responsible and innovative use of data in marketing drives business growth. We set the standards for the good of marketers, and most importantly, customers. We empower marketers to drive growth and prove the value of data through public affairs, resources, learning, and talent. With over 700 organisations, the DMA is the UK's largest community made up of 27,000+ marketers.

www.dma.org.uk

/ About JICMAIL

JICMAIL is for Joint Industry Committee for Mail and delivers industry-standard audience measurement data for advertising mail, door drop, business mail and partially addressed mail campaigns.

JICMAIL provides gold standard audience research data that gives insight into the actions taken with advertising in the home, and the outcomes delivered by mail campaigns throughout the customer journey.

This joint industry research is designed to support users from across sectors, informing their work across the planning cycle - from planning to optimisation, to evaluation and competitor insight.

Find out more about how to access JICMAIL data at: jicmail.org.uk

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