Course Description:

"Not everything that can be counted counts, and not everything that counts can be counted"
Albert Einstein

Despite its undeniable importance to the success of companies and organizations, marketing is still one of the least understood and as a result often insufficiently or not at all measured functions. Technology innovation has led to better data availability for marketing managers than ever before. At the same time, the ongoing drive for productivity, efficiency and profitability require those same marketing professionals and their leadership to justify marketing spend and investment to their colleagues in senior management. The overall level of marketing spend, the allocation between the various elements of the marketing mix as well as spend optimization for any given marketing function and initiative, all have to be supported with data analytics and return on investment (ROMI) models and metrics. The challenge therefore is to design the most effective measurement framework for a company based on objectives and data availability.

Goals and objectives:

Effective marketing measurement requires the understanding of the input variables and the results and effects of marketing decisions at both the firm level as well as on other marketing variables. This course will focus on the strategic value of marketing initiatives and provide students with the theoretical frame works for marketing analytics, marketing mix management and optimization and return on marketing investment models. Topics of emerging importance include customer lifetime value, social and digital media measurement and cross attribution. Through a combination of lectures, group projects, case studies and class room discussion, the course will prepare students that are interested in the development and application side of marketing metrics models as well as general marketing practitioners as users of the information. By the end of the course, students will have a general understanding of the most important marketing metrics, the development of ROMI models, the interpretation and evaluation of the results and be able to propose KPI and ROMI dashboards for their companies and suggest ways to improve and grow profitability of different elements of the marketing mix.

1. Basic principles of marketing metrics
You will be provided with a basic overview of the importance of marketing measurement and the underlying cause and effect relationships.

2. Functional marketing measurement
We will discuss the various aspects of designing a marketing measurement framework, focusing on the understanding of the effectiveness of individual marketing instruments, including the available metrics and assess their applicability and suitability for various companies.

3. Result oriented marketing metrics
Marketing investment is intended to improve the overall performance and profitability of a company. As such, we need to understand and establish the effect of all investment on tangible and measurable company performance metrics.

4. Return on Marketing Investment models, KPI dash boards
Big data availability and processing has led to the development of complex ROMI models that can be used to predict the results of marketing investments based on historical data modeling and as a result, can help determine the optimal marketing spend level, resource allocation and spend optimization.

5. Emerging media and technology trends and challenges
Increasing portions of marketing budgets are devoted to new digital platforms and tools and need to be integrated into traditional ROMI models.

6. Data availability and organizational requirements
Effective marketing measurement requires a formalized process. Organizations that embrace and excel at marketing effectiveness have instituted skilled marketing measurement organizations and models, supported by senior management endorsement.

Class Policies and Requirements:

Course components will include case analysis (1 written assignment), an individual annual report analysis and a team project and presentation.

The individual course components carry the following weight in determining your final grade:

- Class preparation and participation (incl. written case analysis): 40%
- Team project and presentation: 40%
- Individual annual report analysis: 20%

There are no written exams in this course. It will be up to you to learn the marketing metrics concepts and terminology explained in lectures and reading, and to apply them persuasively in class discussion, your team projects and case analysis documents.

How to Get the Most Out of This Course

Stay up with the reading

The text book, cases and assigned reading are rich with information and insights that you will be able to use in your marketing measurement work.

Anticipate the Case analysis, assignments and reports

As you will see from the course outline, I ask that you complete some informal pre-class assignments that are intended to facilitate in-class discussion. You need to be prepared to discuss the required cases (and hand in your choice of one written cases), and submit projects and reports on time. It is critical that you anticipate the work that will be needed to complete those assignments with quality deliverables. You are expected to integrate the lecture/discussion issues and key points from the text into your written case analysis, team presentations and individual annual report analysis.

Work productively in your teams

Participate energetically in class discussions and follow the few rules that there are
This class is designed to be interactive so that all students can demonstrate their grasp of the material presented. To facilitate participation, name cards need to be used throughout the semester and please try to stay in the same seat. In order to be able to participate in class discussions, attendance is mandatory. Attendance will be taken at the beginning of each class. If for any reason you cannot attend a class session, please let me know in advance. You can miss one class per term without impact on your grade. Missing two or more classes can adversely affect your class participation grade.

Class participation is evaluated on the quality of your participation and its contribution to improving the learning experience of the class. Note that quality is not necessarily a function of quantity. Quality of participation is assessed according to preparation, argument strength, and the extent to which the entire class benefited from your comments.

**Case Analysis/Preparation**

This course will use two cases to help you to enhance your critical thinking and decision-making ability within actual business situations. You are expected to choose 1 case from the syllabus for written analysis. For the other case please be prepared to participate in the class discussion. Case analyses are individual assignments and should be worked on independently. The written analysis should consist of:

- Brief overview of the company's key issues (no more than 1 page)
- Brief identification and description of the competitor brands in the marketplace (if applicable)
- A half-page response to each question asked for the selected case
- A case recommendation (when asked) should be treated as a formal proposal submitted to management.

When writing a case analysis, consider the following points:

- You may use the shorter “bullet” point form for part of your answer. However, the point must be argued in its entirety and brought to understandable conclusion.
- Do not simply restate data from the case. Management is already familiar with the business and case facts!

All written assignments should be turned in on NYU Classes, the Friday before the class on the Saturday they will be discussed. Grades will be posted on NYU Classes.

**Please choose and hand in one written case assignments!**

I may call on some of you to help introduce a case discussion. Please be ready with your recommendations. Your performance on the case lead-off will be included in the class participation component of your course grade. In order to prepare for an effective discussion, each case should be reviewed with particular attention paid to the facts of the overarching marketing situation, the decisions faced by the company's management, and the viable options open to them in order to achieve their marketing/business goals. We will be searching for the best options for the company, not necessarily a single "right" answer.

**Team project and presentations:**

This project is a central component of the course and is to be undertaken by a team of four +/- 1 students for a company of the students' choice (with approval of the instructor). We should target a total of 6-7 teams/projects for the class. It is the summary of the learning experience of the course.

Each team is required to select a company and determine the most appropriate marketing measures, develop a framework for marketing measurement and recommend the future marketing strategy based on the KPI performance. In developing the presentation/report, the following issues need to be covered:
Presentation Outline

The deliverable is a 20-25 minute in-class presentation, followed by a 10 min Q&A. The presentation materials and speaker notes are the only required hand-in document. There is no need for a written report.

The following provides a rough outline of the presentation:

- Key marketing decisions for the firm and related measurement needs
- Selection and development of up to 12 key marketing metrics for a marketing dashboard, including reason for selection, inter-relationship, data-sources and measurement frequency
- Definition and explanation of ROMI relevant metrics
- Description of the decision relevance of each metric and which areas of the marketing strategy and mix are impacted by the metric
- Development of a pro-forma version of the dashboard (estimates are acceptable if data is not readily available)
- Recommended strategic direction and tactical marketing mix recommendation based on dash board results
- Projected/modeled results of recommendation
- Organizational recommendations (i.e. metric based reward and compensation system, process changes, etc.)

Schedule for material submission

April 9th: Please submit a note outlining:
- The group members
- The company

April 23th\textsuperscript{1}: Please submit a first outline/draft of the selected marketing metrics for the dash board as well as first conclusions/recommendations.

Day of final presentation: Please submit a hardcopy of your team’s final presentation deck with detailed speaking notes and back-up material. Format is fairly flexible, but you should plan for approx. 20-25 minutes presentation and 10-15 minutes Q&A.

With the exception of the final presentation, all assignments should be submitted on NYU classes before class.

Hand-in final:

Please select a company for an analysis of the annual report. The analysis should focus on the key performance indicators mentioned in the report and isolate marketing related metrics.

Please categorize the marketing metrics in a grid that depicts their importance to the overall business success (very/somewhat/not at all) and the degree of measurement (regularly/ad-hoc/never).

Based on the current KPIs and metrics used, assess their effectiveness and relevancy and suggest a changed/new set of metrics that would be more suitable to improve the marketing effectiveness and profitability of the company.

Report should be approximately 10 pages.
Required Text:

Marketing Metrics (MM) – The manager’s guide to Measuring Marketing Performance

Harvard Business cases: https://cb.hbsp.harvard.edu/cbmp/access/48304285

Please register with the site and purchase the assigned material.

Other assigned readings are contained in the detailed course outline or will be posted on NYU Classes.

Suggested supplementary reading (not required, but helpful for those interested in a more in-depth look at marketing metrics

1. Mark Jeffery – Data-Driven marketing – the 15 metrics everyone in Marketing should know, John Wiley&Sons, 2010

Detailed Course Outline

Below please find the current status of the topics to be covered in each class, the required reading, case and pre-class assignments. This schedule may change slightly throughout the semester so please be sure to check back for updates on NYU Classes.

<table>
<thead>
<tr>
<th>Date</th>
<th>Discussion Topics</th>
<th>Required Reading</th>
<th>Cases</th>
<th>Pre-class assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/02/2016</td>
<td>Course Introduction• Overview of class• Discussion of syllabus and team project</td>
<td>MM Chapters 1-3</td>
<td>Forbes, 01/06/2016: The secret to great marketing analytics? Connecting with the decision makers</td>
<td>Describe how your company measures success – do you use marketing metrics and if so, are they measured and communicated consistently</td>
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<td>Introduction to marketing metrics• Marketing analytics – principles and frameworks</td>
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<td>HBR, 11/05/2015: Quantifying the Impact of Marketing Analytics</td>
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<td>BCG Perspectives, 09/09/2010: No Shortcuts – The Road Map to Smarter Marketing</td>
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<td>04/09/2016</td>
<td>Functional Marketing Measurement• Channel Management• Advertising Effectiveness• Promotion Effectiveness</td>
<td>MM Chapters 8,9</td>
<td>The Pepsi Refresh Project: A Thirst for Change (HBR)</td>
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<td>MM Chapters 2,3</td>
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<td>Date</td>
<td>Topic</td>
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<td>04/16/2016</td>
<td>Result oriented metrics</td>
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<td>Find a recent example of a company that fundamentally changed the marketing approach as a result of ROMI results</td>
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<td>ROMI Models and KPI Dashboards</td>
<td>MM Chapters 12,13</td>
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<td></td>
<td>- Market Share</td>
<td>AdAge, 04/24/2013; Marketing-Mix Models get push-back as media landscape changes Business.com, 06/23/2015: 14 Tools to track KPIs for your business</td>
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<td>- Brand equity</td>
<td>Forbes, 08/15/2013: 10 Online Marketing Metrics you need to be measuring</td>
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<td>- Profitability</td>
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<td>- Technology solutions</td>
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<td>04/23/2016</td>
<td>Emerging media and technology impact</td>
<td>MM Chapter 10, Farris/Venkatesan: A resource-allocation perspective for marketing analytics (HBR) BBVA Compass: Marketing Resource Allocation (HBR)</td>
<td>Describe your company's mix of off-line/on-line media spend and determine whether it is appropriate given your strategic objectives</td>
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<td>- On line vs off line advertising</td>
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<td>- Social media</td>
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<td>- Big data analytics and attribution challenge</td>
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<td>04/30/2016</td>
<td>Data availability and organizational requirements</td>
<td>MM Chapter 13</td>
<td>Describe your company's marketing measurement process and responsibility and alignment with compensation system</td>
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<td>- Marketing measurement process</td>
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<td>- Organizational requirements</td>
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<td>- Data challenges</td>
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<td>Final team presentations</td>
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<td>05/07/2016</td>
<td>Final team presentations</td>
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<td>- Guest speaker, Wes Nichols, CEO Market Share Partners</td>
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**Bio Joachim (Joe) Eberhardt**

Joe is a Clinical Professor at The Stern School of Business (NYU) where he teaches brand strategy, pricing strategies and marketing metrics to MBA students.

He is currently President and CEO of Jaguar Land Rover NA and the owner and President of Oxnard European Motors LLC (Mercedes-Benz and smart dealership) as well as Vice Chairman of LiveTechnology Holdings. He is the former SVP and global CMO of LexisNexis (a division of Reed Elsivier plc). Prior to joining LexisNexis, he enjoyed a 25+ year automotive career, culminating as Executive Vice President of Global Sales, Marketing and Service for Chrysler. Until June 2003, he was President and CEO of DaimlerChrysler UK Limited, a position he held from November 1999. Joe was a non-executive director of Yell Plc. During his automotive career, he was named to the Power List by Motor Trend in 2006 and ranked 3rd and 4th most influential person in advertising
in 2004 and 2005 by Ad Age. While heading Mercedes-Benz Sales, marketing and Service in the US, he was elected to the “Automotive News All Star Team” in 1998 and 1999.

Joe holds a Dipl.-Betriebswirt degree from the Academy for Administration and Economics in Stuttgart, Germany and an MBA from NYU Stern School of Business.