

Estimating the Return on Marketing and Making the Most of Your Spend: Four Factors that Impact Campaign Success

This article explores factors that impact the effectiveness of a marketing campaign. Some factors, such as characteristics about the campaign and your brand, represent levers you can pull to improve marketing performance. Other factors, such as characteristics about your competitive landscape and market environment, may be outside your direct sphere of influence but can inform decisions around the campaign that will help it perform at its best. Understanding these various factors will guide you in estimating campaign impact and the actions you can take to make the most of your marketing effort in your particular situation.

To estimate the impact the campaign will have on key brand metrics, take an honest look at the following factors.

Campaign factors

1. ***How creative is your campaign?*** A study in 2017¹ found that **creative elements** related to advertising account for nearly half of the measurable impact. A 2020 study² found a reason why: fresh and inspiring ads help earn consumers' attention and foster a positive emotional connection with the brand. And this type of connection impacts brand outcomes: our research has shown that consumers who are more emotionally attached to a brand are more likely to recommend the brand and be committed to it versus consumers who are simply satisfied with the brand.
2. ***Is the campaign on-brand, and does messaging convey the brand intelligently and appropriately?*** Research² indicates that marketing that is consistent with how audiences see a brand sends the signal that the brand is competent and trustworthy, and this translates to more positive ad reception and even brand image. Make sure you get your audience's perspective on your brand and ensure that the message reflects core strengths and values that are consistent with how they perceive and experience it.
3. ***Did you ask your target audience what they think of the ads?*** A 2020 study² showed that having consumers provide feedback on ads has real value for brands in growing their bottom line. Ads judged as being creative *by consumers* did the best job of driving positive attitudes towards the brand, whereas ads rated highly by experts or award shows did not deliver as much lift. Allowing target audiences to (pre)judge advertising helps ensure that organizations are making the most of marketing efforts.
4. ***Is messaging focused enough?*** Many companies don't get down to what's really important to their customer, resulting in marketing that is less compelling. In a challenging market, a personalized approach focused on your customer's desires can get them to realize why they should choose *your* organization or solution over the other great thing down the street.

5. ***Does your team have a solid media plan?*** Media utilization is becoming increasingly important, and this includes targeting; reach; recency; and the timing of ad exposure. The percent contribution of media on campaign impact¹ was found to be roughly 36%.

Brand Factors

Your brand's positioning and image can help or hinder marketing efforts. You'll want to consider:

1. ***To what extent do consumers know you?*** If a large portion of the market isn't particularly familiar with your brand, product, or service, marketing must work harder and longer to help people get to know you! A multi-phase marketing plan may be appropriate to help build reputation and trust. On the other hand, a brand that is top-of-mind may have an edge in awareness, but converting awareness to equity might mean focusing communications around how what you're promoting makes customers' lives better – ideally in a space where other organizations or solutions fall short.
2. ***Is your brand younger? Are you trying to engage less familiar or skeptical audiences?*** The bar is higher for newer brands, especially when engaging off-target audiences. However, research shows the potential reward can be high in these situations: marketing that hits the bullseye in creativity and brand appropriateness encourages consumers to be open to new information and less skeptical of claims made, which can translate to greater effectiveness when engaging a new geographic market or audience segment.²
3. ***How strong is your image?*** Brands that have a solid reputation are more likely to capitalize on marketing investments. On the other hand, marketing is unlikely to compensate if there are major customer satisfaction or experiential issues to resolve. An assessment of your brand and the market landscape can help determine whether campaign spend would be productive, or if there is important cleanup that should happen before actively inviting customers in.
4. ***Is your brand positioning clearly defined? And are you standing out enough?*** If consumers see your brand as being “about the same” as competitors or if your organization doesn't have a clear identity or brand promise, marketing will have a harder time rising above the noise. All brands can experience this challenge, so **consider this quick positioning assessment exercise:**
 - Open up at least 5 websites from competitors.
 - Spend 60 seconds going through each one in succession.
 - Now, go to your own website.

Then ask yourself: Can I remember anything specific from each brand's communication? Is it easy to grasp what makes each organization special and is there a reason why I would remember that? What similarities do I see across the organizations? Does our brand come across as pretty much the same as others? Know that consumers will evaluate options through a similar lens.

Market factors

It's harder to cut through the clutter and reach your target audience in a market crowded with competitors. You'll want to consider:

1. ***What is the level of advertising “noise” in this space? Are you being out-marketed?***
2. ***How strong are your competitors and how many compete?*** Leaning into differentiation is more important if consumers have several excellent brands to choose from.
3. ***Is the market growing or is there some clear opportunity?*** Even if competition is strong, such opportunities could lead to high reward if the campaign is on-point and well-executed.
4. ***Does marketing strategy support the goals of the campaign and your organization?*** An ideal campaign will drive immediate volume AND build bottom-line brand equity through strengthening image, positioning, and market leadership. Nonetheless, sometimes a specific goal takes priority. Given that different marketing strategies have different advantages, consider the fit between the campaign plan, the consumer market, and business goals and resources to estimate where you can expect to move the needle.

Contextual factors

This includes social, political, economic, or technological factors that could boost or depress the attention of your target audience, exposure to campaign messages, or receptiveness to the message. You'll want to consider:

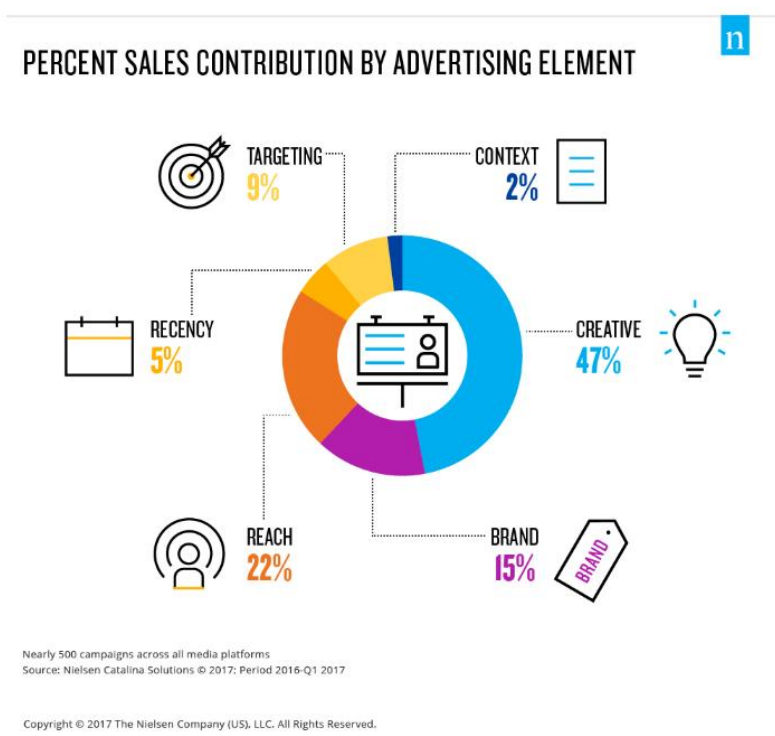
1. ***Are there contextual factors working in your favor or against?*** For example, changes in the industry or economy, or the emergence of a disruptor, could forecast potential challenges.
2. ***Are there contextual factors that might change where audiences are likely to encounter messaging?*** For example, with more people staying home during COVID, digital advertising became increasingly important and the impact from casual exposure such as location signage dipped.
3. ***Are there any circumstances or events at a national, regional, or local level that would impact people's receptivity to this marketing?*** During the pandemic, there was a point where healthcare consumers became overwhelmed with COVID-related messaging and started to tune out this information. An insight like this can ensure your brand stays relevant instead of delivering information of little interest.

Key Takeaways

- ✓ The four areas to consider for forecasting campaign effectiveness include:
 - Campaign factors
 - Brand factors
 - Market factors
 - Contextual factors (environmental, societal, or political factors)
- ✓ Research shows that creativity counts, and that the combination of being original *and* on-brand are key for making the most of a campaign. While targeting and media utilization play an increasingly important role, if the ad is uninspired, it will be harder to get the most out of other efforts.
- ✓ Take an honest look at the health of your brand before promoting it. If there is significant operational work to be done, or you're not clear on your brand's positioning and promise, chances are the campaign won't perform as well as it could have. It's up to marketing to communicate a truly ownable brand position and let audiences know how your brand, product, or service helps improve their lives.
- ✓ Consider the quality and quantity of competition you're up against. Know that some success metrics like improvements in brand image or customer loyalty take time to become apparent, but these changes can be the cornerstone of real competitive edge.
- ✓ Evaluate big-picture external forces that may affect the market environment or the type of marketing that would be best to engage in.

One last question to ask yourself: Are you investing in key areas? Marketing spend appears relevant to the extent that it helps 1) achieve greater or more strategic reach, and 2) develop a creative campaign that connects the brand's abilities and unique qualities to benefits that audiences care about. While there are many elements that go into success, investments in creativity and understanding consumers are among the most important. One of the best places to start is research aimed at understanding your customer/potential customer and their view of your brand. MSR provides the data and insights to support marketing teams in creating a campaign that's fresh, on-brand, and on-target so that consumers choose YOU!

A meta-analysis conducted by The Nielsen Company in 2017 provides a useful framework for attributing impact to specific factors. However, this doesn't incorporate some key considerations that can impact the effectiveness of your campaign, including Market and Contextual factors.



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Sources:

1. Nielsen and NC Solutions (NCS). Meta-analysis. 2017.
2. Rosengren, S., Eisend, M., Koslow, S., & Dahlen, M. (2020). A Meta-Analysis of When and How Advertising Creativity Works. *Journal of Marketing*, 84(6), 39–56. <https://doi.org/10.1177/0022242920929288>

