

# ROI GENOME REPORT

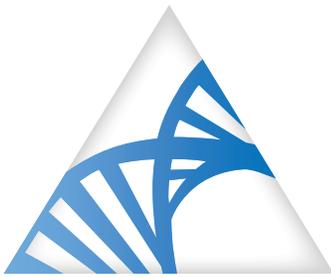
**FUTURE-PROOF YOUR  
BRAND: MARKETING  
THROUGH CRISIS  
AND BEYOND**



ROI GENOME

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## WHAT IS ROI GENOME?



### ROI GENOME

Over the past two decades, Analytic Partners has collected a vast quantity of marketing intelligence across industries and countries. This intelligence lives and breathes in ROI Genome. ROI Genome has been an evolving endeavor that goes beyond traditional “you are here” benchmarking to understand and quantify the drivers of ROI and marketing success at a fundamental level to establish principles and truths for marketing success. By understanding and quantifying how factors such as brand health, marketplace and country dynamics, and competitive landscape all impact performance for each type of offline and online marketing activity, Analytic Partners provides context and perspective for our clients.

The mission of ROI Genome is “to create marketing wisdom from accumulated numbers and knowledge.”

## ROI GENOME HIGHLIGHTS

- In depth understanding of how marketing works, including:
  - ▶ Hundreds of billions in marketing spend measured
  - ▶ More than 2 million marketing metrics
  - ▶ Global footprint – 45+ countries
  - ▶ Collected since 2000, 700+ brands
  - ▶ Cross-section of industries & tactics

# INTRODUCTION

Whether you are positioned well in the current climate or facing the headwinds of change, it has never been more important for marketing leaders to think critically about strategy and prepare for the future. It's with client needs in mind that our team has been working diligently to dig into what ROI Genome data and insights can tell us about how companies should plan for the future in the present disruptive moment. In this report, we'll take a closer look at budget considerations during economic downturn, and how to manage your brand through crisis and beyond.

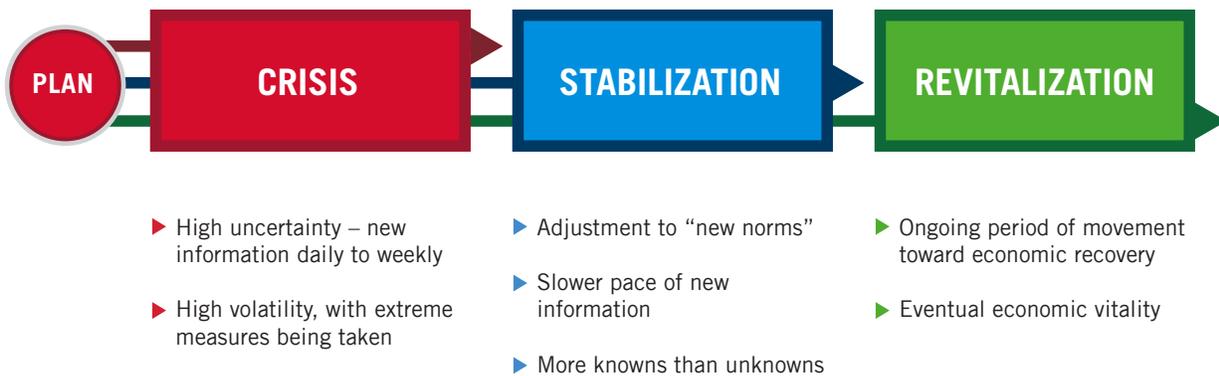
First and foremost, it's important to take a critical look at the forces at play in our current climate. The COVID-19 pandemic has caused tectonic shifts in day-to-day life. With more than one billion people on earth under some form of stay at home order at the time of this report's publication, modern life is not what it was even two short months ago. When brands consider operating in this new normal, there are a number of connected factors to take into account: consumer mobility and purchase habits, media supply and demand, economic downturn and the public health crisis are all contributing to changes in the way society is behaving. It's important for organizations to understand these changes, their root causes, and act accordingly to connect with their customers in an authentic way while moving the business forward.

## The Forces at Play



Navigating these challenges can be looked at through the lens of 3 main stages of major market disruption: crisis, stabilization and revitalization. Each stage is complex, and brands need to focus on all three simultaneously - not sequentially - in order to emerge successfully from the situation.

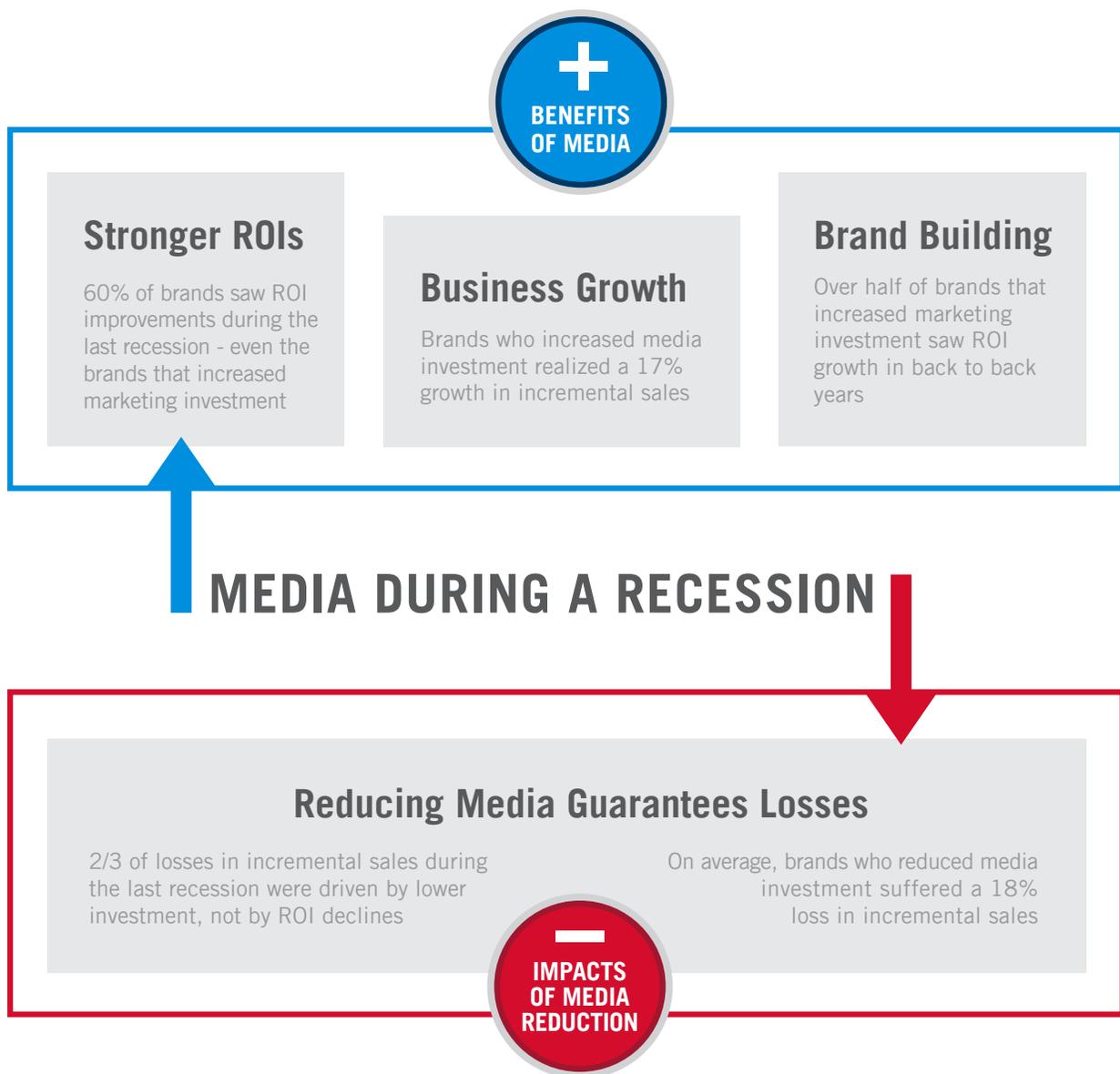
### Plan Now Across 3 Stages



It’s critical to remember that every business is being affected differently by the ongoing pandemic and its financial impact. There are those who may be seeing an uptick in business, those experience minor negative results, and those experiencing very serious negative results. And for businesses spanning across regions these impacts will not happen all at once or may come in waves as situations change.

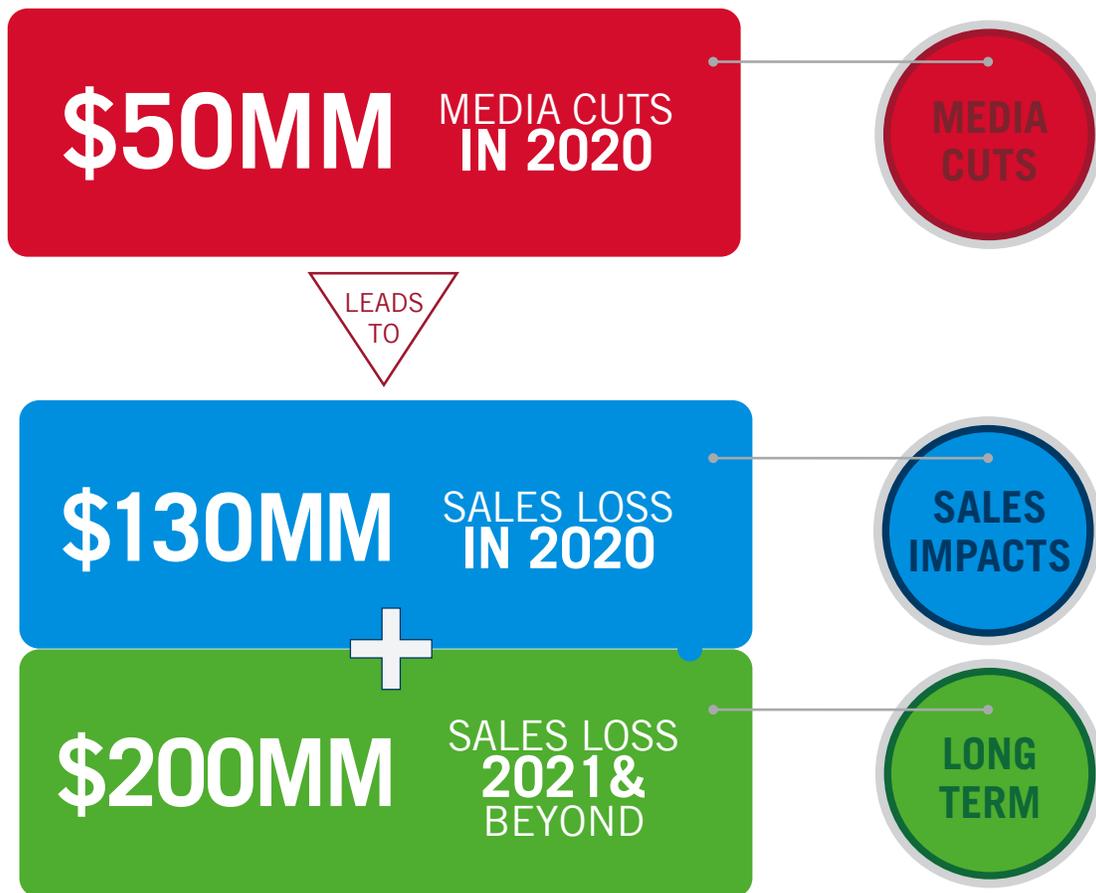
## Marketing through an economic downturn

Across the broad scale of brand impact, our ROI Genome research has shown us that during any period of economic difficulty, media cuts carry large financial implications. A potential recession does not mean brands should stop advertising.



In fact, our ROI Genome research shows that a brand that reduces its media spend in 2020 by \$50MM will on average stand to lose \$130MM in revenue in 2020 alone... and when factoring in the long-term implications of this reduction, the number increases to well over \$300MM.

### ROI Genome: Implications of Media Spend Reductions for Average Brand



# PLANNING CONSIDERATIONS THROUGH CRISIS AND BEYOND

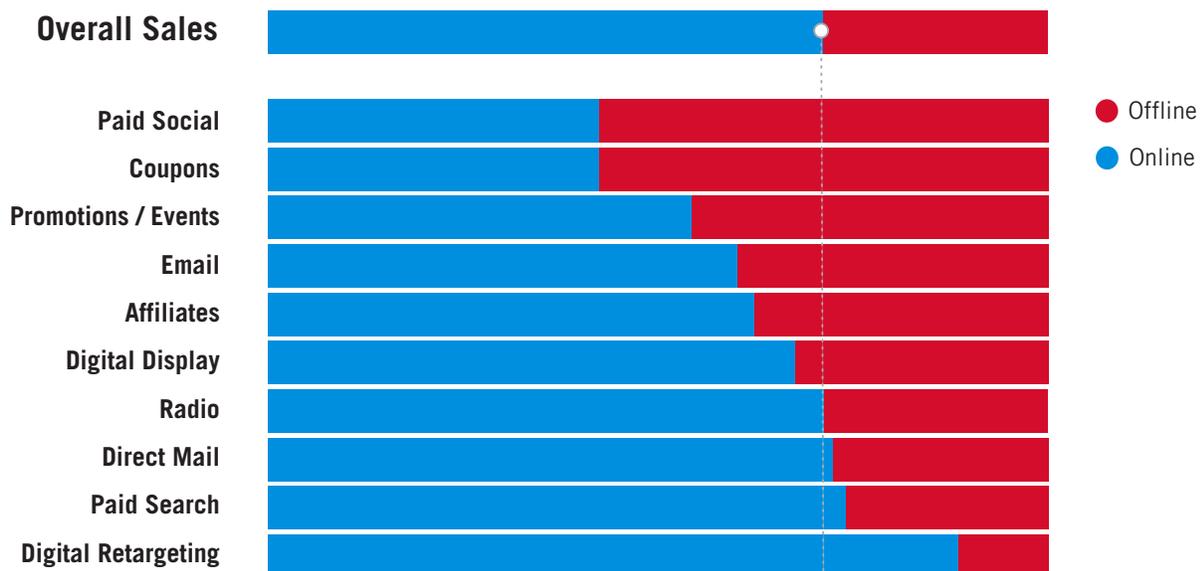
The importance of maintaining marketing budget during an economic downturn is clear. So, what key considerations should leaders keep top-of-mind to make the most of that budget and guide their brand through the crisis stage and beyond? Our research revealed a few key areas of consideration.

## Reset your media mix

The situation is changing daily, which means that monitoring costs is critical. The crisis has had a major impact on media, and brands need to be agile in order to redistribute marketing dollars effectively.

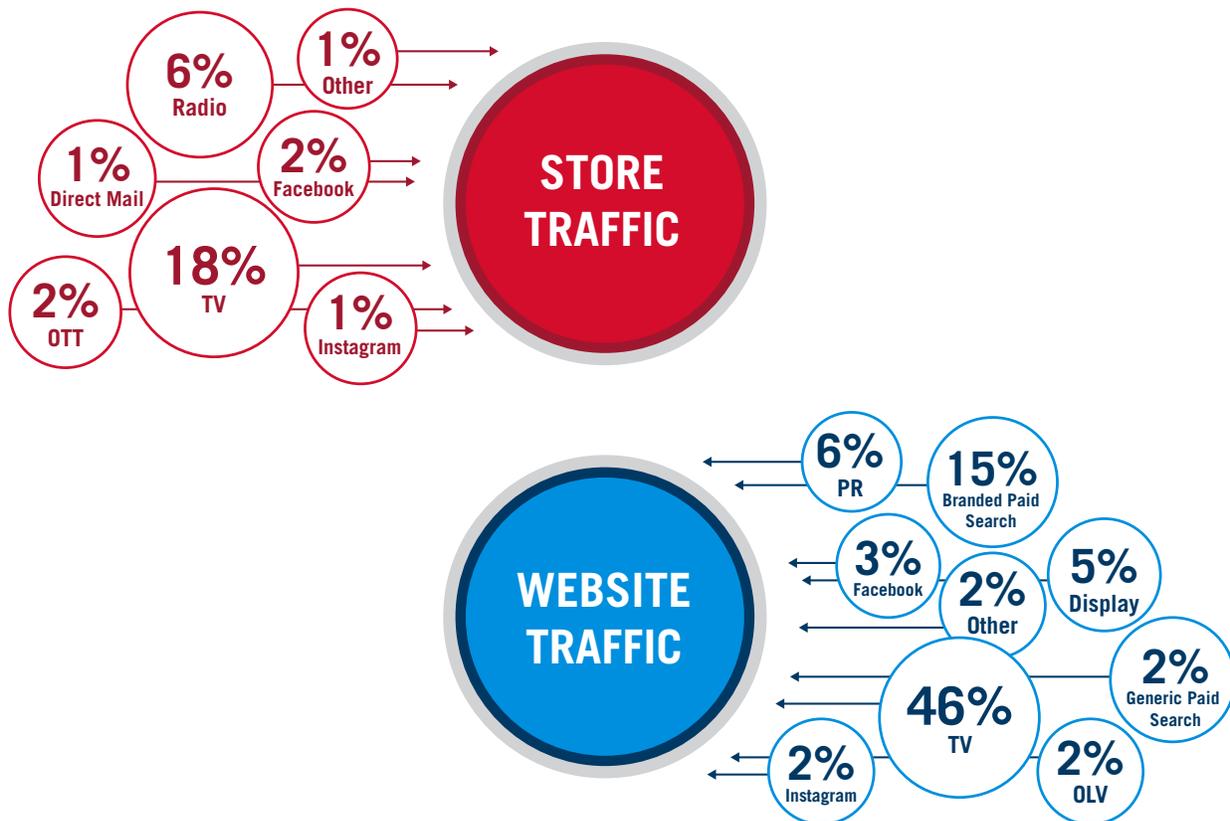
It's critical to shift media mix to drive relevant products and purchase channels. As ROI Genome data from the past has consistently demonstrated, all media has omni-channel impact, but the mix varies based on goals and consideration of consumer behavior.

### Industry Example: Sales Impact by Channel



When shifting marketing mix to drive online sales it's important to note that online sales are driven from both online and offline tactics. As consumer behavior shifts lead to even more to online shopping, brands need to keep in mind that online advertising is not the only tactic that drives online shopping. In fact, our research has shown that in some recent cases over half of website traffic was actually driven by TV.

### Industry Example: Drivers of Store and Website Traffic



## Invest in brand equity messaging

Based on what we've uncovered, brand equity and messaging that focuses on the values of a brand outperform product, promotion or functionality messaging 80% of the time. Advertising that focuses on what the brand stands for and has to offer has many benefits, and in the case of large brands, focusing on the overarching "mega brand" can generate a halo onto all product lines within the franchise. During challenging times, a focus on brand equity messaging can be the smartest move.

**BRAND MESSAGING  
OUTPERFORMS  
PERFORMANCE  
MESSAGING**

**80%  
OF THE TIME**



While we have often seen higher response from Equity/Megabrand messaging, results depend on a number of factors such as value and perceived value of the promo, the way brand vs. product are communicated, and how much branding comes through – Equity & Megabrand can come through in Product/Promo messaging.

## Manage the message for contextual appropriateness

Equity messaging has proven to be highly effective, and in times like this the context of that messaging is critical. Brands should make sure that all messaging and visuals are contextually relevant and shift to brand messaging with an authentic, genuine tone. Now is not the time to go silent, but to have a voice and maintain/grow share of voice by thoughtfully considering the intersection and importance of the right timing, message, and audience:

- ▶ Make sure messaging and visuals are contextually relevant
  - Genuine, emotional ads generally work better than functional ads
  - Focus on your brand's purpose and how it can help customers and employees
- ▶ Shift focus to more relevant products, business segments or purchase channels

## Plan regionally

In this particular moment, no two regions or even two individuals are sharing the exact same experience. They may differ in major ways such as if restaurants, retail stores and gyms are open or closed or if warehouses and store shelves are empty or full. With regions entering, exiting, and potentially re-entering crisis stage at different points in time, it's critical for companies to adapt strategies whether it be by city, state or country.

# CONCLUSION

## So, How Should Brands Adjust Marketing, in Crisis and Beyond?

It comes down to planning simultaneously across all three stages of major market disruption: crisis, stabilization and revitalization. Now is not the time to panic or cut costs, but rather to take a measured approach to spending. Focus strategies and tactics that will provide maximum impact in both the short-term and long-term.

Leaders should consider planning regionally, managing the message, resetting their marketing mix and focusing on brand equity messaging in order to weather the current storm.

# NOTES ON THIS REPORT

**This report seeks to highlight overarching trends identified in Analytic Partners' ROI Genome and offer insights for marketers based on those trends. We hope to help marketers get to the heart of the matter of what marketing and advertising efforts drive return on investment and what factors influence those returns.**

**This report is unbiased and independent. It has not been commissioned or influenced by any group or company. This independence is at the heart of Analytic Partners' philosophy and approach to any insights we provide to our clients.**

**The intelligence collected within ROI Genome is based on the work Analytic Partners has provided our clients. We take the confidentiality of our clients very seriously, and while they are some of the biggest companies from around the globe with well-known brands across industries, we do not share our client list.**

**It is important to note that every company is different, and while this report seeks to show overall trends, they may not reflect what is seen in an individual company. This is why an adaptive approach to analytics is important – no two situations are ever the same.**

We hope you will find the insights within this report useful. Please visit us at [www.analyticpartners.com](http://www.analyticpartners.com) to learn more or to contact us with any questions.

## ABOUT ANALYTIC PARTNERS

Analytic Partners is a global analytics company that leverages adaptive modeling techniques and tools to help companies generate better marketing ROI, drive growth and, ultimately, grow closer to their customers. We work with marketers to build deep knowledge about brands, customers and competitors that is converted into sound strategies aimed at improving business performance.

Analytic Partners' ROI Genome is an industry leading 'beyond benchmarking' database of key performance metrics and insights across 45+ markets and a wide range of B2C and B2B industries. With hundreds of billions in marketing spend measured, Analytic Partners can explain the "why" behind results and provide unique perspective beyond client-specific learnings.

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