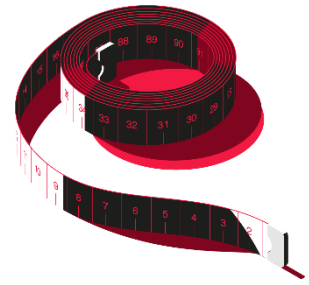


A new report from Oxford and the WFA Measuring Marketing Capability Impact



80% of business leaders now think capability building is fundamental to their long-term growth¹.

But there's a problem: if you don't know what you're getting back from your investment in capability building, *what* you do is unlikely to be optimised and the budget to do *more* is hard to justify. The question of how to measure the impact of marketing capability building is a perennial, industry-wide topic – and the focus of a joint voluntary initiative between WFA (World Federation of Advertisers) and Oxford, with the aim of deriving practical implications as well as potential guidance for the future.

The resulting 35-page report – a summary of the various contributions, duly aggregated and anonymized – is available in full from the WFA. is a write-up of contributions from companies across business sectors, including Unilever, PepsiCo, ABInBev, Reckitt and Sanofi, plus Oxford's own suggestions – based on over 30 years expertise in this area – on how companies could, depending on the needs of their organizations, make this work effectively for them.

To find out more contact Matt Wardle at Oxford matt.wardle@oxfordsm.com

For the full report contact Julia Kraft at WFA j.kraft@wfanet.org

Capability grows over time in the right conditions

“OXFORD”
point of view

There are two different and important ways to think about capability growth, both of which should be measured in the absence of marketing common language. They could be described as **holistic** (long-term) and **topic-specific** (short-term) – similar to Binet and Field's long / short brand growth beliefs.

Holistic – relates to the expectation for long-term growth such as capability programmes being hard-wired to the way jobs, roles, leaders handle the belief and confidence in the strategy, and being responsible for their brand's development.

Topic-specific relates to activities such as brand positioning, planning or creative execution, supported directly by formal learning programmes, each with its own set of measures.

Unfortunately the world of capability is a less exact science than Binet & Field. While there will still be a need for brand building in its own right, there's a certainty you can't fundamentally believe in capability and hope to be in any doubt as to the direction. We note the report's finding that revenue growth at companies with more advanced marketing and sales capabilities was 30-50% greater than the average company in their sector.

The importance of holistic echoes Binet & Field's model for optimising brand growth

Binet and Field's model for brand growth (also called their brand) described the optimum balance of investment in demand creation (DCA) and demand conversion (DCV).

Source: Binet & Field 'The Long and the Short of it'

Introduction and context

Frames the opportunity and challenges through the words of WFA Marketing Capability Forum members
Provides industry-derived insights on possible conditions for capability growth and implications for measurement of both holistic and topic-specific initiatives

**High-level illustration of suggested best practice
Tracking and measuring impact for topic-specific programmes**

“OXFORD”
point of view

This model is an adaptation of the familiar Kirkpatrick model (1996).

The difference is the addition here of 'deployment' – reaching enough of the right people in the first level and the de-prioritisation of 'learning' as a separate step.

The emphasis is on behaviour, recognising that capability should be more focused on what teams and people actually DO, rather than what they know or understand.

Results ✓ Identify surrogate measures of outputs (Internal) and what they enable (external) to show the contribution to business performance

Behavior 🧠 Engage leaders. Survey their perspectives (quant & qual) to determine best-practice observed (e.g. award schemes) and create a positive body of evidence

Reaction 😊 Survey NPS with key supporting questions e.g. value to role

Deployment 🏃 Track number and profile of attendees, completion rates

More on this later in this section

Best practices for consideration

Proposes a model for suggested industry best practice, adapted by Oxford from the industry-standard Kirkpatrick model, with the focus on behaviour and results
Outlines what's already working well, what the main challenges could be, and how they could be addressed – based on WFA member and Oxford perspectives

Level 4 Results

How Direct connection to programme: Internal indicators: Business performance (behavioural growth)

What Internal indicator and market survey measure outcomes of the programme (e.g. award schemes) and create a positive body of evidence

Why Take the measures as soon as they are available. If the market survey is significant enough impact on business performance may be evidenced. Quality: It is likely to be most useful over time (12-24 weeks) and look for the brand.

How to do it Internal indicator and market survey measure outcomes of the programme (e.g. award schemes) and create a positive body of evidence

How to measure it Take the measures as soon as they are available. If the market survey is significant enough impact on business performance may be evidenced. Quality: It is likely to be most useful over time (12-24 weeks) and look for the brand.

How to use it May have improvements to the brand in subsequent years. The evidence of the marketing capability and the investment related to it.

Unidentified how condition changes in behavior need to more effective marketing and other business performance

Identify these right up front as they shape programme design

Considerations for building your own model

Suggestions on how to get started with building your own best practice capability measurement model
Step by step suggestions on what, how and when to measure, and how organizations may be able to make best use of the data generated