"Moneyball Marketing"

By David Spitz

In *Moneyball: The Art of Winning an Unfair Game*, the journalist Michael Lewis followed Billy Beane, the manager of a professional baseball franchise with a budget less than half that of some of its rivals, as he sought to gain competitive advantage through the application of advanced data modeling techniques.

The book is set in 2002, when most baseball managers governed by "gut feel". And those metrics that were used during the decision-making process were relics from an earlier era (before desktop computers had made it possible to record, access and analyze large volumes of information in "real-time"). Beane and others like him changed all of this.

Of course, in sport, as in marketing, math is not a substitute for strategy. Like the golfer who said "The harder I work, the luckier I get", analytics creates the basis for good decision-making, it does not replace it. We will always need people who can:

- Determine what to measure and develop proprietary metrics
- Unify data sets across multiple sources and objectives
- Glean insights from the data and socialize their meaning
- Act upon insights and improve them over time

But, particularly in data rich, resource constrained environments, the intelligent application of analytics can significantly improve your chances of winning.

There are hundreds, if not thousands, of "moneyballers" at WPP. We are a loose-knit community, resident across many different operating companies, who collectively deploy quantitative techniques along every stage of the marketing funnel. Here are a few examples of how we do this:

Strategy & Message Development	
Old Way	**Moneyball Marketing Way**
Ask a large number of questions to a small number of consumers (i.e., focus group testing)	Analyze large numbers of naturally occurring conversations: • Use Compete, a division of TNS, to observe which keywords customers are using to search for information related to your category or brand • Capture and categorize conversations online (reviews, social media) and offline (call center)

	• Prioritize words and topics that matter most by quantifying their audience size, influence and monetary value

Acquisition	
Old Way	**Moneyball Marketing Way**
New media, old methods: • Select a small number of publishers from the 25,000 measured by Comscore • Mutually agree which sites are most appropriate for the campaign • Phone publishers individually and execute a separate media buy with each one • Create discrete reports for each tactic in Excel	New media, new methods: • Select a large number of publishers from the 1 million sites measured by Compete • Build models to predict which sites will perform best for your particular campaign based on historic and competitive benchmarks (using Compete and/or Dynamic Logic) • Place the buy across all publishers via B3, WPP's proprietary platform for algorithmically optimizing online display advertising • Create integrated reports across multiple digital touchpoints and campaigns using WPP's Zeus Advertising Platform (ZAP)

Conversion	
Old Way	**Moneyball Marketing Way**
Design three versions of a web site; mutually agree which version is best.	Dynamic, data-driven optimization using Omniture (a WPP Digital partner company): • Load discrete page elements into Omniture • Construct user segments based on variables such as geography, acquisition source, time of day • Run experiments to identify the best page configuration for each segment

| | • Dynamically serve the right page elements, to the right customer |
| | |

Retention	
Old Way	**Moneyball Marketing Way**
Send a generic offer to all email addresses in your customer database	Targeted, cross-channel marketing using Proclivity (a WPP Digital partner company): • Aggregate detailed customer records across online, retail store and catalog touchpoints • Dynamically score each customer based on likelihood to purchase a particular product, at a particular time, at a particular price point • Serve only the most relevant offers…through any addressable channel (email, web, mobile, direct mail, in-store promotion)

About the Analytics Task Force
WPP launched the Analytics Task Force in January 2008 to foster the growth of data-driven marketing practices across all operating companies and disciplines. The group meets quarterly to share trends and best practices and evaluate new technologies and partnership opportunities. To learn more, visit the Analytics Task Force community page on insidewpp.