ROAS BENCHMARKING

AN INDEPENDENT INDUSTRY EFFORT

I.   Background

Since the 1980s rise of econometric modeling to judge media variables in marketing, the art has evolved into many different variants, which led to ever-increasing skepticism, yet companies are still basing billion-dollar decisions on typically one chosen variant of ROAS estimation. Which one depends on the company and the year.

One way in which BHC has attempted to add greater certainty to decisionmaking is by partnering with the ARF, Central Control, and 605 in **RCT-21**, an inexpensive means by which companies can become more proficient in the use of in-market experiments.

In addition, since 2017, BHC has been working alongside Standard Media Index (SMI) to make greater use of their first of a kind **actual** ad spend data. Because SMI gets the truth direct from agency computers, for the first time in the history of advertising, we are able to conduct accurate econometric modeling covering not just your own brand but also your competitors – you can learn from what you did, plus what you could learn from what they did.

A small portion of the findings have been made publicly available:

https://www.rmt.solutions/tv-vs-digital-roas.html

https://www.billharveyconsulting.com/Multiplatform_ROAS.pdf

II.   Objectives

The ultimate objective is to provide an ongoing service to the industry providing benchmarks of ROAS based on transparent classical statistics as "another opinion" to the ROAS estimates each company is already getting by other means. The value is to speed up learning what works by learning not just from your own mistakes and successes, but also from those of others.

The intent is not to replace the sources you now use, but to provide an affordable "second opinion" which also shows you other companies' results – including your competitors. The latter is typically not what you get now.

The immediate goal is to launch the next wave in the study series which has been going on since 2017. We have half the study sponsors needed and wish to complete the funding so as to launch the latest study.

III. How this study differs from the earlier studies in this series

- Covers July 2019-March 2021, during which a lot has happened
- Continues to study the CPG category
- Adds three new categories: Insurance, Online Retailers, Consumer Technology
- SMI taxonomy of Digital has become more granular

IV. Cost & Timing

The study will begin as soon as the funding is complete. Two more sponsors paying $60,000 each to receive the entire report.

Caveats:

- Each sponsor will receive full data on its own brands
- For other brands, sponsors will see vertical totals as well as anonymized brand case studies

If you're interested in learning more, please let me know at bill@billharveyconsulting.com

Thanks!

All my best,

Bill