

2021 ANA ADVERTISING FINANCIAL MANAGEMENT CONFERENCE

PRESENTED BY  **ACTIVE**
INTERNATIONAL®

JUNE 27–30

ANA





Bob Liodice

CEO

ANA

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#ANAAFMM

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The **world** will
never be the same
again...



It will be...

BETTER!

...CAN REALLY
YOU FEEL ALIVE

WHITE

GOOD FUN!

AGE

TO THOSE
WHO
THANK YOU

12g

THANK YOU
#HEALTHCARE
WORKERS!

Levi's®

You have our
immense gratitude
Thank you.

SHIP ONLINE AT
www.levistores.com

The New Reality

A guide to marketing in a post-COVID-19 world

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The image features a person's hands using a laptop, with one hand holding a smartphone. The scene is overlaid with various digital data visualization elements, including a circular gauge showing 80%, a bar chart, and several sets of arrows pointing in different directions. The background is a blurred office setting.

New Consumer Habits and Expectations



Focus on the consumer first.
Be sincere and transparent.
Align your brand message
with the current context of
today's environment.

Build trust and go
beyond the product and
include messaging focused
on the community, family,
and CSR efforts.

Kirk McDonald
CEO

group^m



**NEW
HABIT**

**Consumers
embrace
a new kind of
Experiential
Marketing**



**NEW
HABIT**

**Consumers
widely adopt
previously
ignored
innovations**



**NEW
HABIT**

**Consumers
forge
relationships
with virtual
influencers**



**NEW
HABIT**

**Consumers further
move toward
online shopping**



**NEW
HABIT**

**Consumers place
even greater
importance on
Brand Purpose**

“It’s in our brand purpose to be conveyors of conviviality, where the world will be a better place if we build bridges and unleash the power of human connections.”



Pernod Ricard

ANN MUKHERJEE

Chair and CEO



Marketing's New Work Processes

“Often we think as classic marketers there is only one way to do things.

Now, out of necessity, we are discovering there are new ways to **get the job done.”**



RAND HARBERT
CMO



“The success of our business will depend on our ability to anticipate and solve for consumers’ rapidly changing needs and behaviors.

Leverage the power of your whole business to identify trends, challenge processes, build best practices, and pilot with pace.”

JODI HARRIS

Global VP



ANA MISSION

DRIVING GROWTH

FOR YOU, THE INDIVIDUAL
FOR YOUR BRANDS AND BUSINESSES
FOR OUR INDUSTRY
FOR HUMANITY

ANA GROWTH AGENDA



The background of the entire image is a dark, semi-transparent overlay of various US dollar bills, including \$100 and \$500 bills, scattered across the frame. The bills are slightly out of focus, creating a sense of depth and abundance.

GLOBAL GROWTH GOAL

Generate
\$500 BILLION
in Incremental
Global Growth
over 3 Years



**Marketers'
Responsibility**

MARKETERS' RESPONSIBILITY

“We make marketing decisions....

We are counted on to steer the ships of our brands.”



Doug Zarkin
Chief Marketing Officer

LUXOTICA[®]



**CHIEF
FINANCIAL
OFFICERS:
TAKE ACTION**

Acknowledge the
issue/opportunity

Commit to change

Engage the
“Business Machines”

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Brand Value

The
FINANCIAL
VALUE of
BRANDS
Imperative

Why Brands Must be Valued in Financial Terms

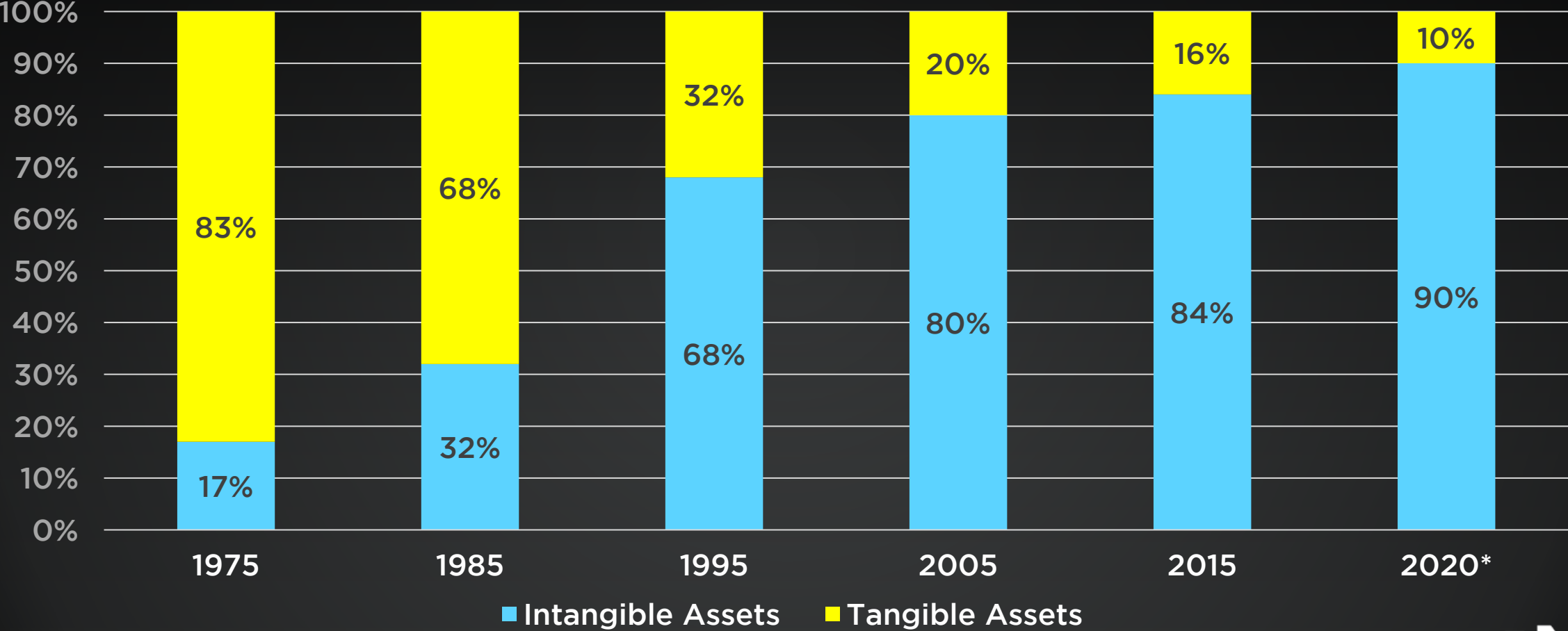
JUNE 2021

MASB

Marketing Accountability Standards Board

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Components of S&P 500 Market Value



Source: Ocean Tomo. Intangible Asset Market Value Study; *2020 Interim Study Update, Jul. 2020.



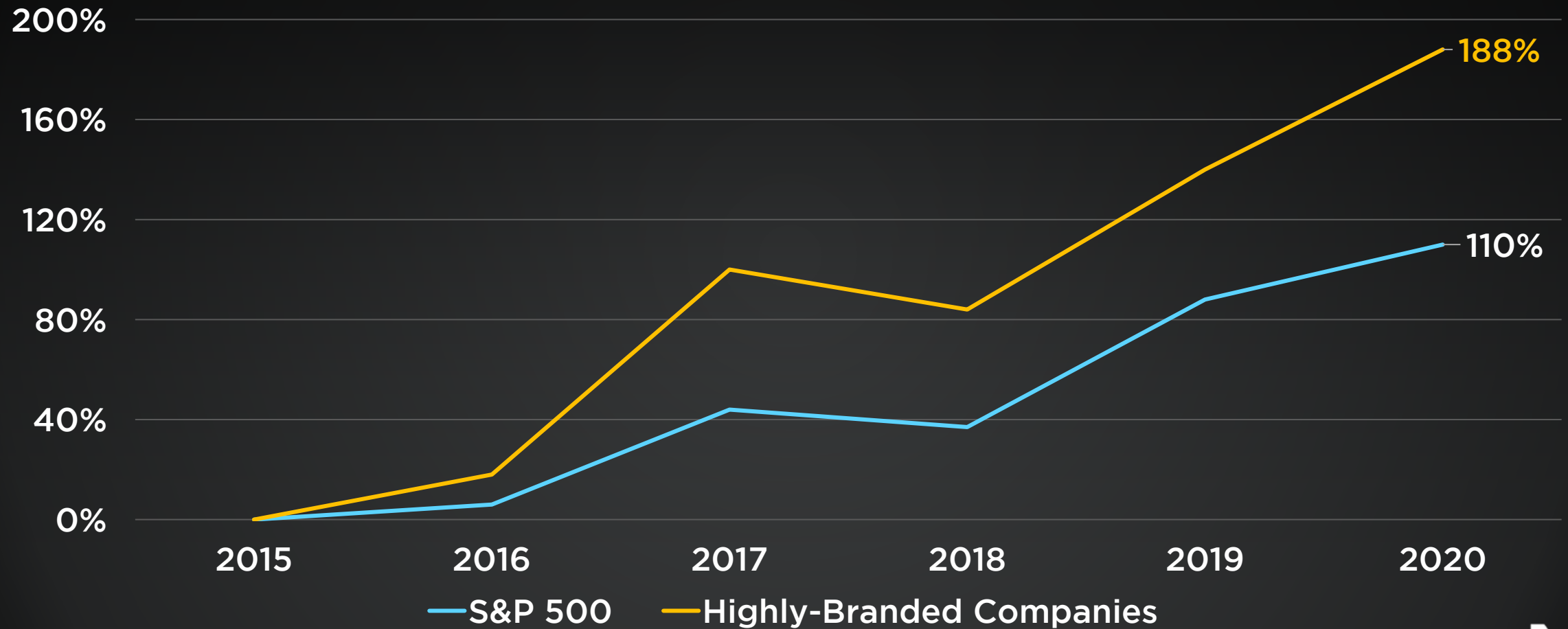
Constellation Annual Increases in Beer Segment Marketing and Operating Income

| Dollars in Millions | Marketing Spending Increase | Operating Income Increase |
|----------------------|-----------------------------|---------------------------|
| Fiscal 2017 vs. 2016 | \$59 | \$270 |
| Fiscal 2018 vs. 2017 | \$46 | \$308 |
| Fiscal 2019 vs. 2018 | \$64 | \$203 |
| Fiscal 2020 vs. 2019 | \$76 | \$205 |

Source: Constellation's Form 10-Ks



Most Highly-Branded Companies vs. S&P 500 Index



Source: Brand Finance

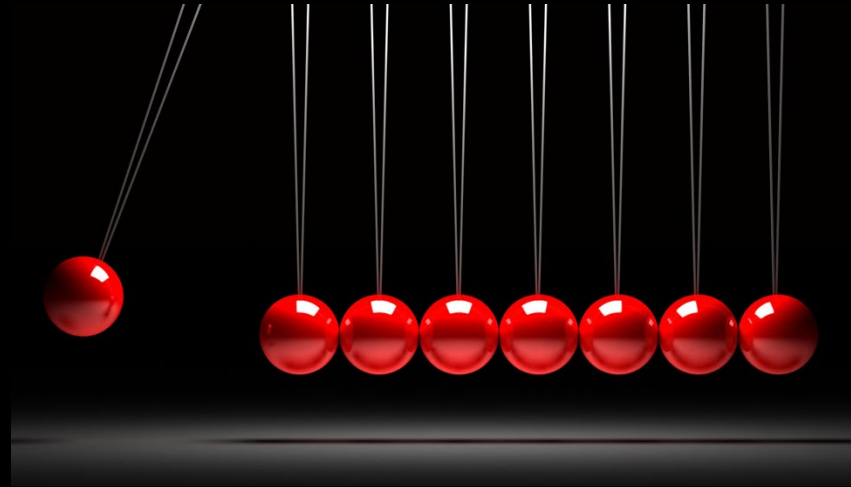


Media

We Are Living Newton's 3rd Law of Motion: "For every action there is an equal and opposite reaction"

Big Opportunities

- Programmatic
- 1st-Party Data
- CMM
- CTV
- Brand Purpose
- DEI
- Influencer Marketing
- Data
- Targetability
- Social Commerce



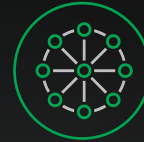
Big Challenges

- Transparency
- Cookie Deprecation
- Standardization
- IVT
- Brand Safety
- Supply Chain
- Privacy
- Viewability
- Walled Gardens
- IVT Standardization

MEDIA GOALS



Brand-safe environments



A transparent ecosystem where we can clearly understand true value in the ecosystem (agencies & media owners alike)



Ecosystems and relationships with customers that follow all privacy laws



A clear path to understanding the transition to the evolving digital ecosystem



Maximize our investments across channels — more difficult in the world of walled gardens



Reform in the largest video marketplace in the world

The Media Leadership Growth Council

- Creating an army of Chief Media Officers
- Mirrors the CMO Growth Council
- Set the advertiser media agenda
- Address the most pressing and important industry issues and opportunities
- Unlock initiative, innovation, and learning to drive brand and business growth



Privacy and Addressability

Google “cookie”
deprecation

Apple IDFA
policies

**PARTNERSHIP
FOR
RESPONSIBLE
ADDRESSABLE
MEDIA**

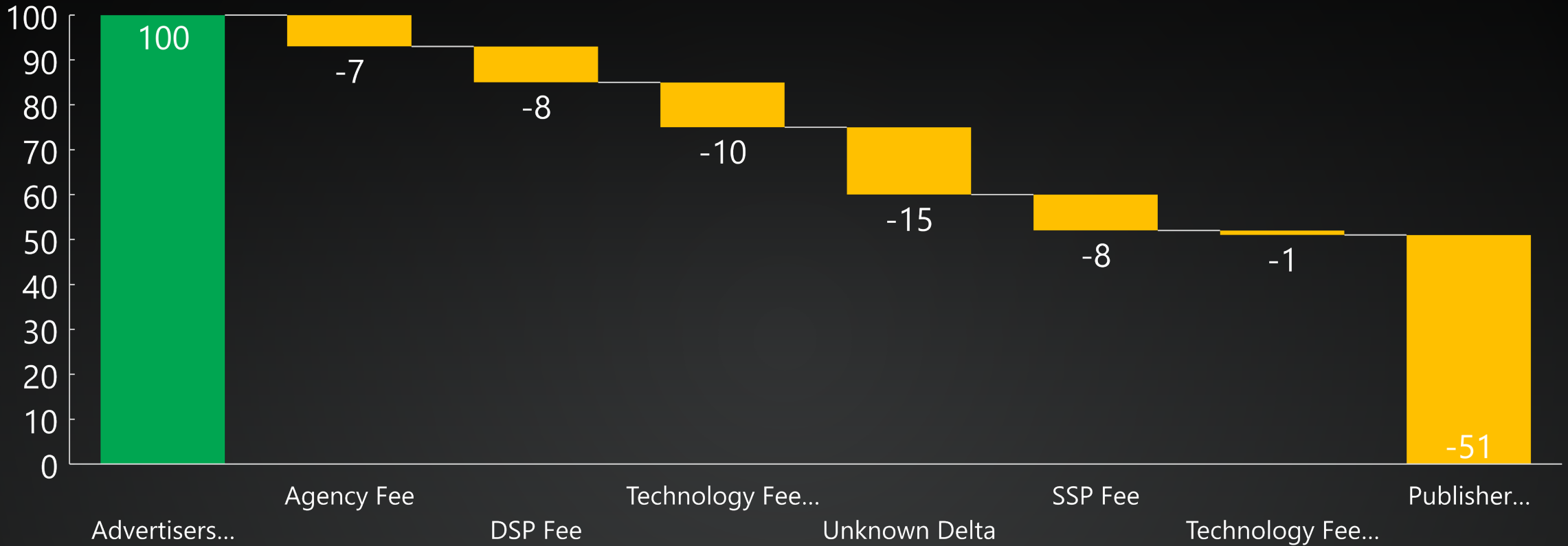


Privacy for

America®

Programmatic Media Transparency

COST TO BRANDS: \$20 Billion



Brand Suppliers: 25%

Publisher Suppliers: 8%

Unknown: 15% (@ 1/3 of the supply chain providers)

Programmatic Media Transparency Study

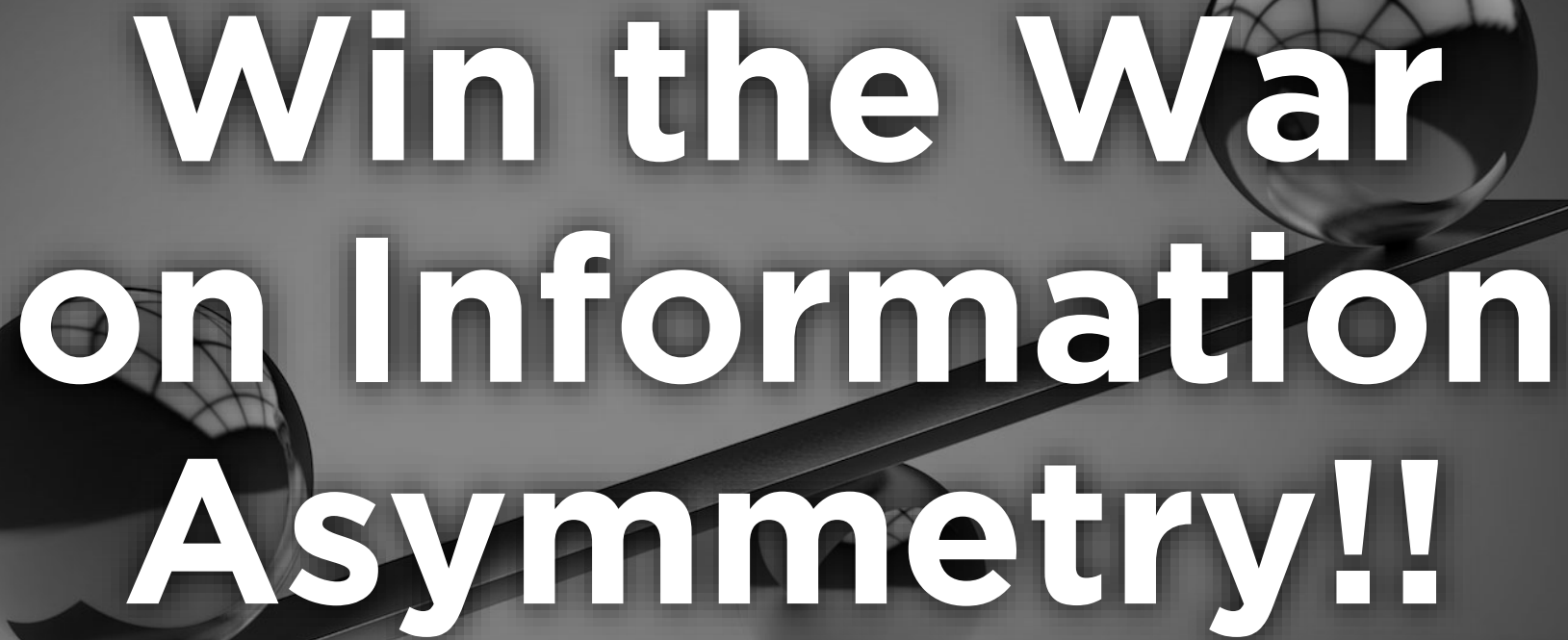
- Market riddled with material issues, lack of transparency, fractured accountability, and mind-numbing complexity
- Identify ways for advertisers to eliminate waste
- Billions of \$\$ in productivity and savings to be gained



Programmatic Media Transparency RFP

Eliminating Waste Throughout the
Entire Programmatic Marketplace

APRIL 2021



**Win the War
on Information
Asymmetry!!**

Measurement



THE CROSS-MEDIA MEASUREMENT MISSION

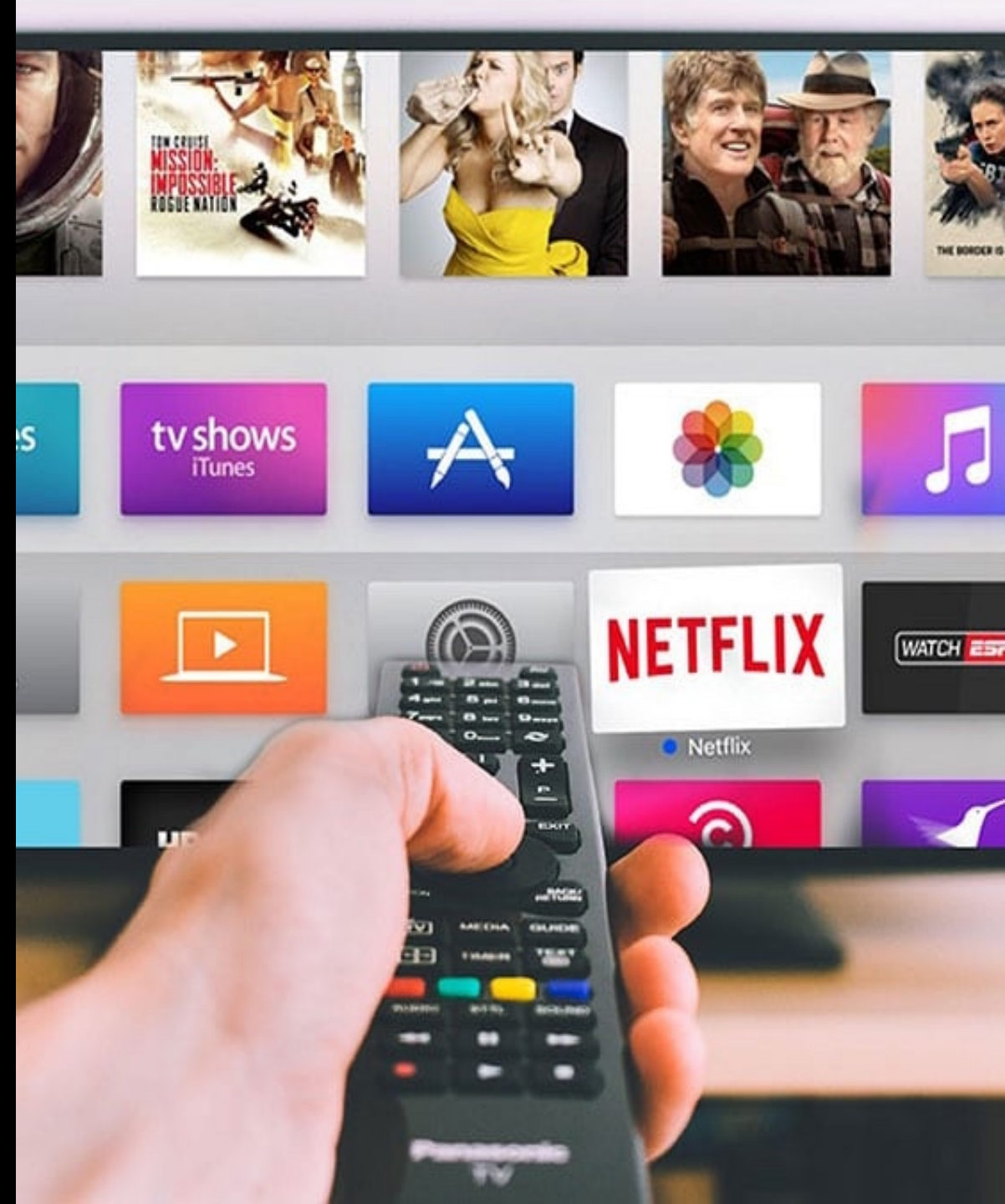


- To create a marketer-centric cross-media measurement system for advertising providing complete measurement of all ad exposures
- Enables planning optimization, frequency management, and outcome measurement
- Ensure relevant and positive consumer ad experience

Connected TV

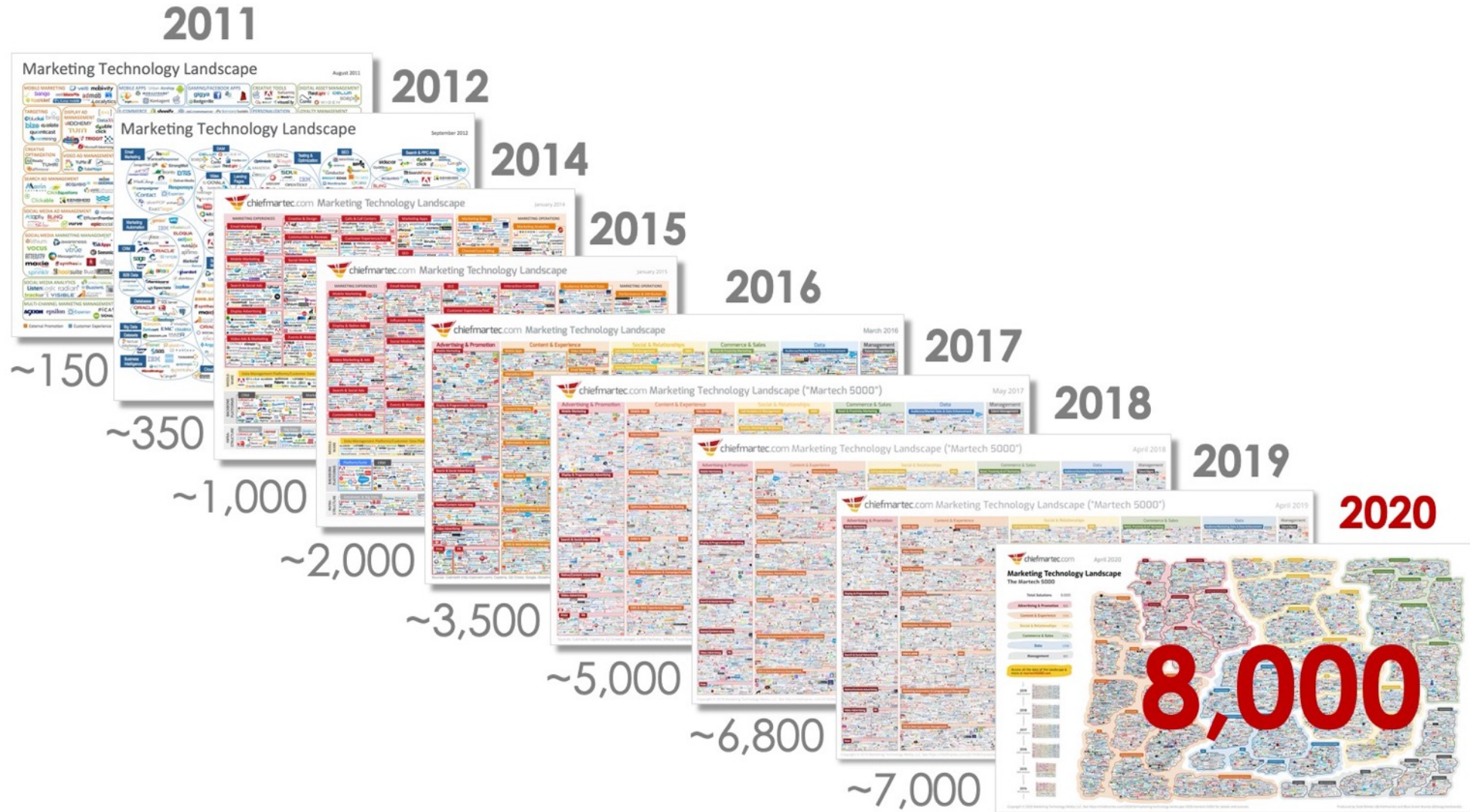
Connected TV

- 78% TV HH, +123% YOY
- \$13B US ad spend 2021
- 50% CTV programmatic
- IVT rates 19% - 24%
- Need common standards for all video screens



MarTech

Addressing The MarTech Explosion



- CMO's have spoken: vendor-driven contract forms are **not** working
- **New template** will help marketers secure better contract terms for their MarTech arrangements

MASTERING THE TECH STACK CONTRACTS

The background of the slide features a dark, blurred image of a hand holding a pen over a document. In the background, there is faint, glowing text that appears to be code or technical terms, such as 'use_array(a, b)', 'a.length + 1;', and 'else { a'. The overall aesthetic is professional and tech-oriented.

Brand Safety



**A
MASSIVE
step forward**



GARM Aggregated Measurement Report

Volume 1 | April 2021

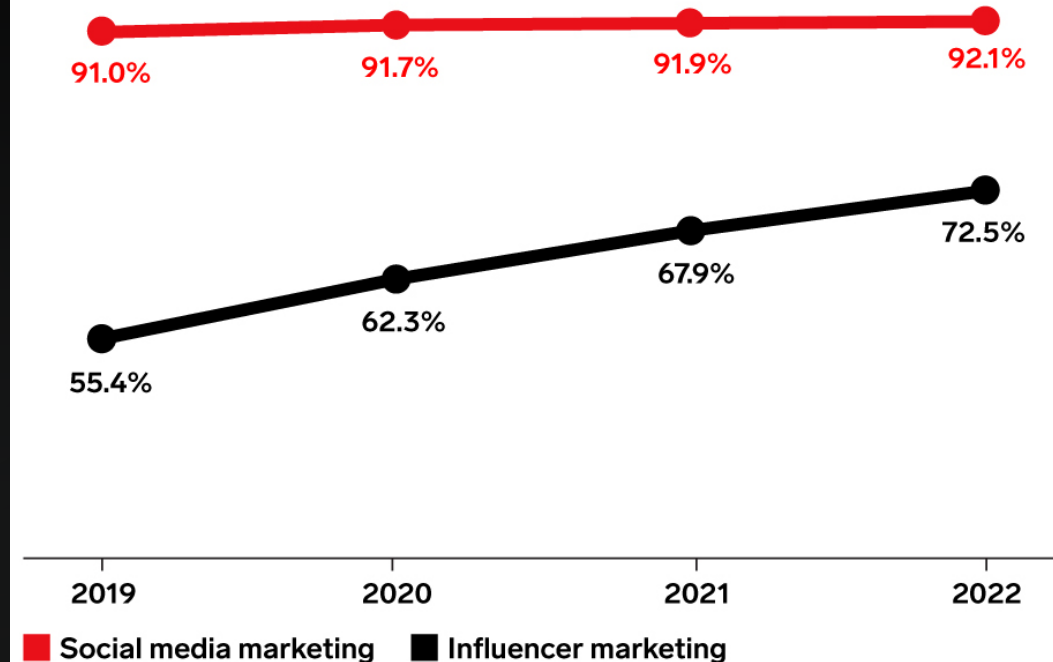


Influencer Marketing

- Fast growth social media platform
- \$24 billion category by 2025
- No consistency or standardization of metrics across platforms
- Hype Auditors Annual Fraud Report: only 60% of Instagram followers in US real users
- ANA Influencer Advisory Board hard at work
 - Standardized measurement guidelines
 - Remuneration transparency
 - Diversity influencer representation

Share of US Marketers Using Social Media and Influencer Marketing, 2019-2022

% of total marketers



Note: companies with 100+ employees; includes both paid and unpaid (i.e., compensation in the form of free product or trips) brand-influencer partnerships

Source: eMarketer, Nov 2020

262207

eMarketer | InsiderIntelligence.com

**Gender + Culture =
GROWTH**



pqmedia
CUSTOM MEDIA RESEARCH



KEY FINDINGS

Multicultural Marketing
represents only

5%

of the total advertising spend

Only

55%

of marketers employ
Multicultural Marketing



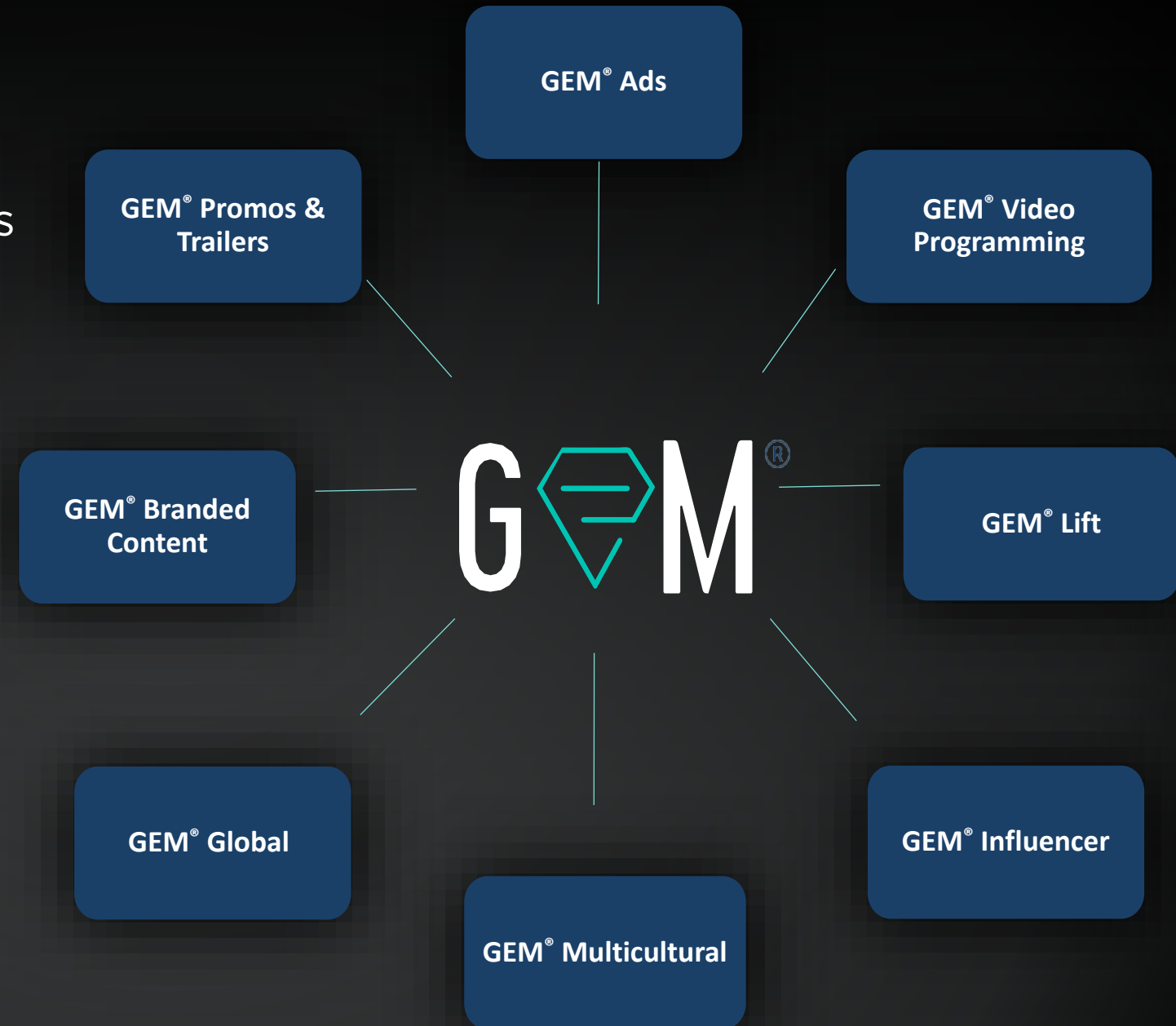
SEEHER

Mission:

To drive the accurate portrayal of women and girls in marketing, advertising, media and entertainment, so they see themselves as they truly are and in all their potential.

SEEHER

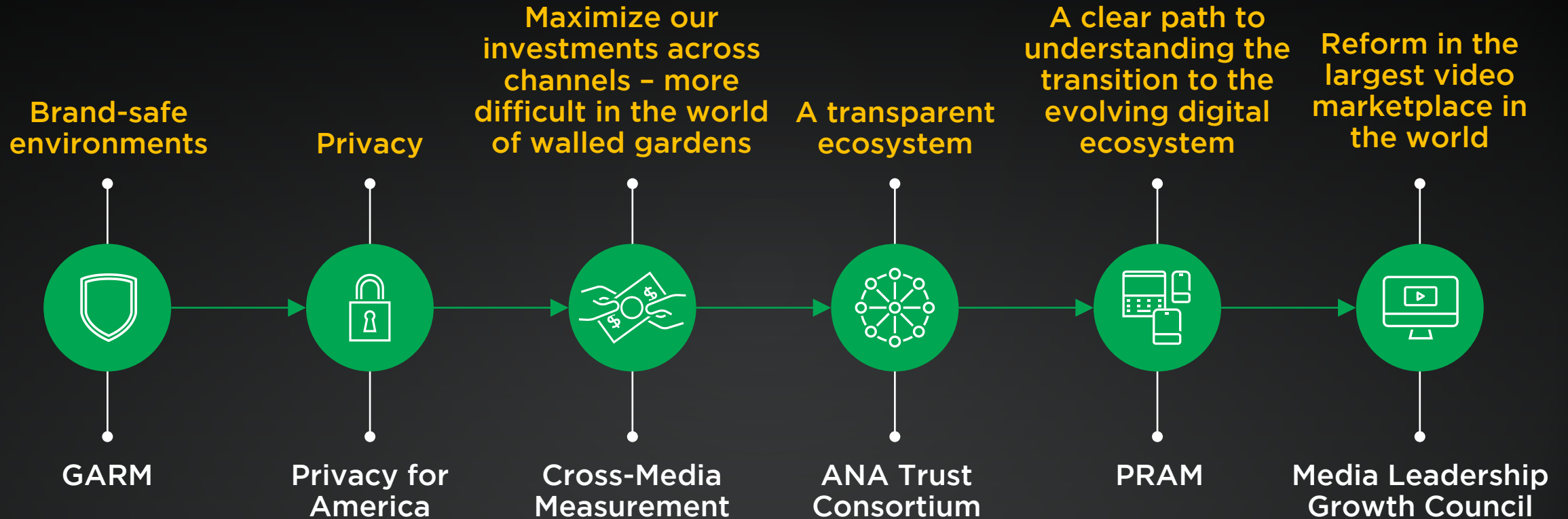
- 160,000+ ads tested over 4 years with category and platform benchmarks
- Available in 14 countries/ 87% of global ad spend
- Ads with high GEM scores
 - +33% brand recognition
 - +12% call to action
 - 5 x increase in sales for hi-scoring ads





CULTURAL
INSIGHTS
IMPACT
MEASURE™

On a Journey of Success





**NOT A TIME
FOR THE
TIMID**

- A time of big opportunities and equally big challenges
- Billions \$\$ in growth opportunity and Billions \$\$ in waste
- Take back our industry
- Stand as an industry
- Own and lead the agenda



Be a force
for **good...**

and a
force for
growth.

MARC PRITCHARD

ANA Chairman & Chief Brand Officer

DREAM

CRAZY

ANA GROWTH AGENDA



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