



Create a Culture of Insights

A leading industry trade publication describes the ANA Annual Conference: The Masters of Marketing as “a must-attend event for everyone.” The success of the event is evident: over the past five years, attendance has grown 150 percent, and the 2006 conference achieved a through-the-roof net promoter score of 60.

One reason the event is so successful is that outstanding industry leaders are now speaking at the conference and offering must-hear commentary. Leading-edge CMOs have addressed a number of key topics, including the power of insights and analytics, to help companies focus their marketing energy and drive continual improvement in the marketing discipline.

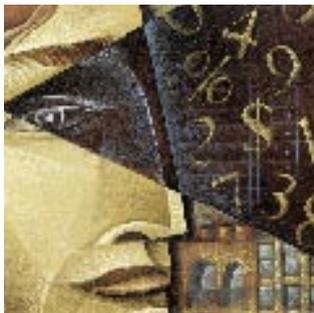
As someone who has had a long career across a range of marketing disciplines, with a particular focus on insights and analytics, it has been gratifying to see our most influential CMOs dial up the discussion on this subject. Most of the presentations at the annual conference have described how insights inspired an organization to address issues and capture opportunities, and how analytics provided objective assessments of marketing contributions.

What does not get talked about much, however, is how to create an environment in which insights and analytics truly nourish an organization's growth potential. Since innovative and proprietary insights are a creative and human process, creating the right environment is not about

a set of rules. Best practices suggest that if you want your organization to be world class in the creation and application of insights and analytics, you must take into account three questions:

1 What workload are you rewarding?

Insights and analytics people often fall into the occupational trap of focusing too much on how they do what they do and not enough on the business impact of their work. Even successful organizations that pride themselves on using information to inform decision making are likely to over-reward less value-added tasks and underreward more strategic work. At McDonald's, we have redefined the role and



expectations around insights and analytics with clear internal communication on how the group will add value to the organization.

2 How broad a playing field have you defined for your people?

A truly consumer-oriented organization does not keep its insights and analytics team sequestered in the marketing department. Supply chain experts, for example, will recognize the value of using consumer insight as a central input to joint planning with strategic supplier partners. Promote exposure of your insights and analytics talent so your entire company is tuned in to the underlying customer needs, problems, and opportunities in your business. To fulfill this potential, you will need people with leadership skills, organization savvy, and a broad business perspective. At

McDonald's, our business-unit insights leaders have close working relationships with a very broad range of business partners. I regularly meet with our COO and CEO to directly understand, and contribute to, enterprisewide priorities.

3 Are you focused on the right innovations?

An overdeveloped respect for historical information and databases may also restrict your insights and analytics people. History is necessary to build the right models and predictive capabilities. But, overdone, it leads to a restricted view of a changing world. Establish an R&D agenda within insights and marketing to address emerging issues in new ways. Involve internal business partners in the goal setting and prioritization. Be rigorous on “make versus buy and customize” decisions, paying particular attention to the longer-term costs, not just the costs to build and introduce new capabilities. And to build expertise and spread investment costs, find the few outside firms that can act as strategic partners. At McDonald's, we are now sharing core knowledge and deeper views of the marketplace much faster than a few years ago. Our investment in skills and technology has proved well worth the expense.

I am confident that the ANA's annual conference will continue to deliver great value for our members. And I hope we all continue to hear more about the importance of insights and analytics for marketing accountability. ■

Eric Leininger, senior vice president for McDonald's Corp., serves as treasurer and chair of the ANA Finance Committee.