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(54) Titre : SPECIFICATION, ESTIMATION ET DECOUVERTE AUTOMATISEES DE CONDUCTEURS CAUSAUX ET D'ELASTICITES DE REPONSE DE MARCHE OU DE FACTEURS DE DUREE

(54) Title: AUTOMATED SPECIFICATION, ESTIMATION, DISCOVERY OF CAUSAL DRIVERS AND MARKET RESPONSE ELASTICITIES OR LIFT FACTORS

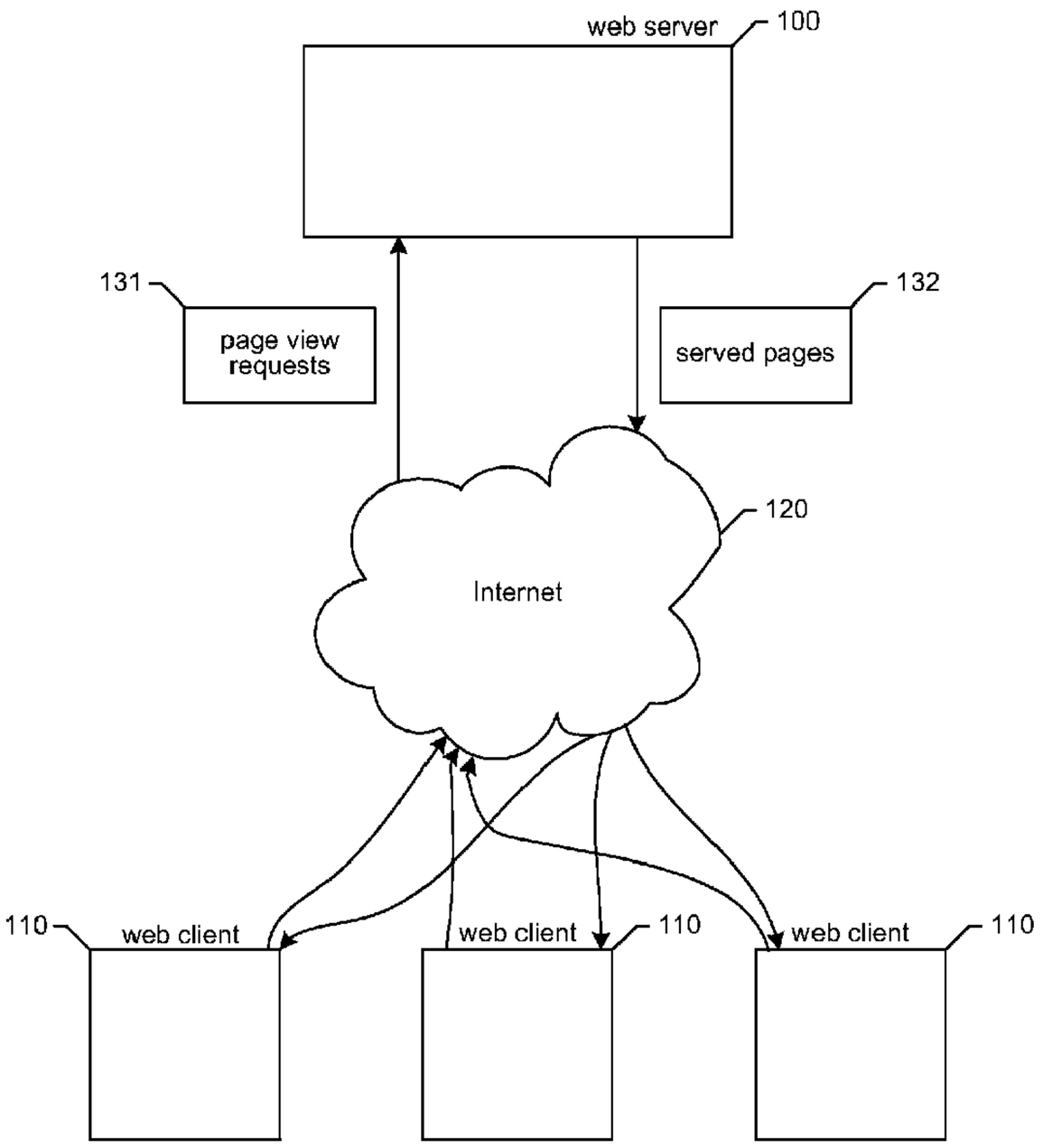

FIG. 1

(57) Abrégé/Abstract:
In some embodiments, a software facility performs a method of automated specification of models, estimation of elasticities, and discovery of drivers using the framework(s) discussed elsewhere herein is provided. The facility first obtains the client, business,

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(57) Abrégé(suite)/Abstract(continued):
and/or brand goals in terms of profit optimization, volume or revenue goals, acquisition of new customers, retention of customers, share of wallet and upsell. In conjunction with these goals, the facility obtains cross-section meta-data related to the planning time horizon, markets, geographies, channels of trade and customer segments. In combination, the goals and meta-data define the structure of the data stack and the number of demand generation equations that are needed.

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[Continued on next page]

(54) Title: AUTOMATED SPECIFICATION, ESTIMATION, DISCOVERY OF CAUSAL DRIVERS AND MARKET RESPONSE ELASTICITIES OR LIFT FACTORS

(57) Abstract: In some embodiments, a software facility performs a method of automated specification of models, estimation of elasticities, and discovery of drivers using the framework(s) discussed elsewhere herein is provided. The facility first obtains the client, business, and/or brand goals in terms of profit optimization, volume or revenue goals, acquisition of new customers, retention of customers, share of wallet and upsell. In conjunction with these goals, the facility obtains cross-section meta-data related to the planning time horizon, markets, geographies, channels of trade and customer segments. In combination, the goals and meta-data define the structure of the data stack and the number of demand generation equations that are needed.

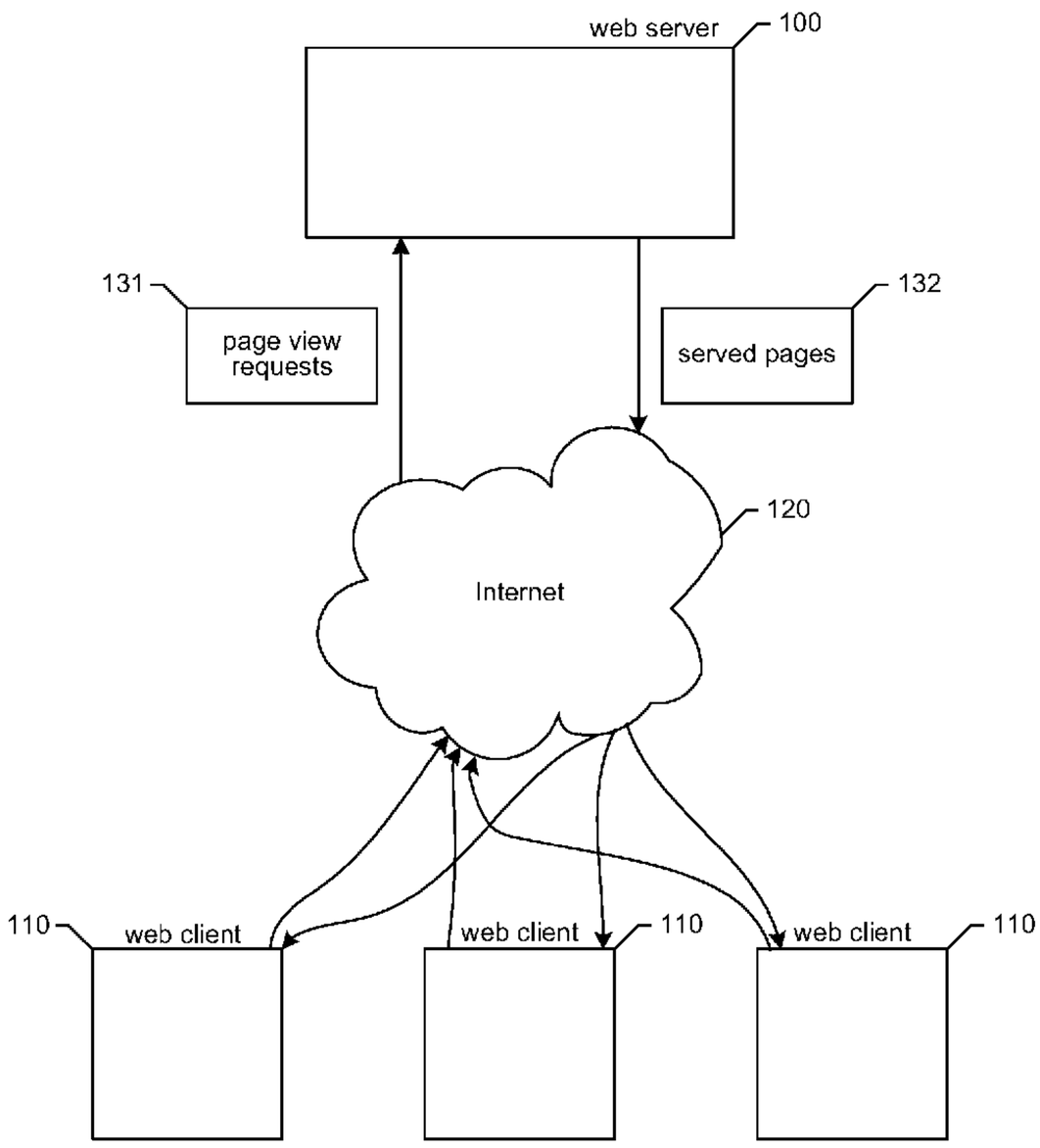

FIG. 1

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AUTOMATED SPECIFICATION, ESTIMATION, DISCOVERY OF CAUSAL DRIVERS AND MARKET RESPONSE ELASTICITIES OR LIFT FACTORS

CROSS-REFERENCE TO RELATED APPLICATION(S)

[0001] The present application claims the benefit of U.S. Provisional Patent Application No. 61/110,514, filed October 31, 2008, which is incorporated in its entirety herein by reference.

[0002] The present application is related to the following applications, each of which is hereby incorporated by reference in its entirety: U.S. Provisional Patent Application No. 60/895,729, filed March 19, 2007, U.S. Provisional Patent Application No. 60/991,147, filed November 29, 2007, U.S. Provisional Patent Application No. 61/084,252, filed July 28, 2008, and U.S. Provisional Patent Application No. 61/084,255, filed July 28, 2008.

TECHNICAL FIELD

[0003] The described technology is directed to the field of automated decision support tools, and, more particularly, to the field of automated budgeting tools.

BACKGROUND

[0004] Marketing communication ("marketing") is the process by which the sellers of a product or a service—i.e., an "offering"—educate potential purchasers about the offering. Marketing is often a major expense for sellers, and is often made of a large number of components or categories, such as a variety of different advertising media and/or outlets, as well as other marketing techniques. Despite the complexity involved in developing a marketing budget attributing a level of spending to each of a number of components, few useful automated decision support tools exists, making it common to perform this activity manually, relying on subjective conclusions, and in many cases producing disadvantageous results.

[0005] In the few cases where useful decision support tools exist, it is typically necessary for the tool's user to provide large quantities of data about past allocations of marketing resources to the subject offering, and the results that that they produced. In many cases, such as in the cases of a new offering, such data is not available. Even where such data is available, it can be inconvenient to access this data and provide it to the decision support tool.

[0006] Accordingly, a tool that automatically prescribed an advantageous allocation of funds or other resources to an offering and its various components without requiring the user to provide historical performance data for the offering would have significant utility.

BRIEF DESCRIPTION OF THE DRAWINGS

[0007] Figure 1 is a high-level data flow diagram showing data flow within a typical arrangement of components used to provide the facility.

[0008] Figure 2 is a block diagram showing some of the components typically incorporated in at least some of the computer systems and other devices on which the facility executes.

[0009] Figure 3 is a table drawing showing sample contents of a library of historical marketing efforts.

[0010] Figure 4 is a display diagram showing a sign-in page used by the facility to limit access to the facility to authorized users.

[0011] Figure 5 is a flow diagram showing a page display generated by the facility in a view/edit mode.

[0012] Figures 6-9 show displays presented by the facility in order to solicit information about the subject offering for which an overall marketing budget and its distribution are to be prescribed by the facility.

[0013] Figure 10 is a display diagram showing a result navigation display presented by the facility after collecting information about the subject offering to permit the user to select a form of analysis for reviewing results.

[0014] Figure 11 is a display diagram showing a display presented by the facility to convey the optimal total marketing budget that the facility has is determined for the subject offering.

[0015] Figure 12 is a display presented by the facility to show spending mix information. The display includes an overall budget 1201 prescribed by the facility.

[0016] Figure 13 is a process diagram that describes collecting additional offering attribute information from the user.

[0017] Figure 14 is a process diagram showing the derivation of three derived measures for the subject offering: cognition, affect, and experience.

[0018] Figure 15 is a table diagram showing sets of marketing activity allocations, each for a different combination of the three derived attributes shown in Figure 14.

[0019] Figure 16 is a process diagram showing how the initial allocation specified by the table in Figure 15 should be adjusted for a number of special conditions 1600.

[0020] Figure 17 is a process diagram showing how the facility determines dollar amount for spending on each marketing activity.

[0021] Figure 18 is a process diagram showing the final adjustment to the results shown in Figure 17.

[0022] Figure 19 is a display diagram showing a display presented by the facility to portray resource allocation prescriptions made by the facility with respect to a number of related subject offerings, such as the same product packaged in three different forms.

[0023] Figures 20-23 are display diagrams showing a typical user interface presented by the facility in some embodiments for specifying and automatically collecting data inputs.

[0024] Figures 24-49 are display diagrams showing a typical user interface presented by the facility in connection with the ACE process.

DETAILED DESCRIPTION

[0025] A software facility that uses a qualitative description of a subject offering to automatically prescribe both (1) a total budget for marketing and sales resources for a subject offering and (2) an allocation of that total budget over multiple spending categories -- also referred to as "activities" -- in a manner intended to optimize a business outcome such as profit for the subject offering based on experimentally-obtained econometric data ("the facility") is provided.

[0026] In an initialization phase, the facility considers data about historical marketing efforts for various offerings that have no necessary relationship to the marketing effort for the subject offering. The data reflects, for each such effort: (1) characteristics of the marketed offering; (2) total marketing budget; (3) allocation among marketing activities; and (4) business results. This data can be obtained in a variety of ways, such as by directly conducting marketing studies, harvesting from academic publications, etc.

[0027] The facility uses this data to create resources adapted to the facility's objectives. First, the facility calculates an average elasticity measure for total marketing budget across all of the historical marketing efforts that predicts the impact on business outcome of allocating a particular level of resources to total marketing budget. Second, the facility derives a number of adjustment factors for the average elasticity measure for total marketing budget that specify how much the average elasticity measure for total marketing budget is to be increased or decreased to reflect particular characteristics of the historical marketing efforts. Third, for the historical marketing efforts of each of a number groups of qualitatively similar offerings, the facility derives per-activity elasticity measures indicating the extent to which each marketing activity impacted business outcome for marketing efforts for the group.

[0028] The facility uses interviewing techniques to solicit a qualitative description of the subject offering from user. The facility uses portions of the solicited qualitative description to identify adjustment factors to apply to the average elasticity measure for total marketing budget. The facility uses a version of average elasticity measure for total marketing budget adjusted by the identified adjustment factors to identify an ideal total

marketing budget expected to produce the highest level of profit for the subject offering, or to maximize some other objective specified by the user.

[0029] After identifying the ideal total marketing budget, the facility uses the solicited qualitative description of the subject offering to determine which of the groups of other offerings the subject offering most closely matches, and derives a set of ideal marketing activity allocations from the set of per-activity elasticity measures derived for that group.

[0030] In some embodiments, the facility considers data received from one or more of a number of types of external sources, including the following: syndicated media, syndicated sales data, internet media, internet behavioral data, natural search query data, paid search activity data, media data like television, radio, print, consumer behavioral data, tracking survey data, economic data, weather data, financial data like stock market, competitive marketing spend data, and online and offline sales data.

[0031] In some embodiments, the facility retrieves outcome and driver data from each of a number of third-party sources, using a predefined template for each source to guide the retrieval and mapping of this third-party data. In some embodiments, the facility uses the retrieved third-party data together with client-specific data about sales or one or more other business outcomes that is obtained from the client in order to generate recommended resource allocations for the client. In some cases, this can obviate the need to collect outcome and/or driver data from the client, often saving significant time and resources.

[0032] In this manner, the facility automatically prescribes a total marketing resource allocation and distribution for the subject offering without requiring the user to provide historical performance data for the subject offering.

[0033] The sales or market response curves determined by the facility predict business outcomes as mathematical functions of various resource drivers:

$$\text{Sales} = F(\text{Any Set of Driver Variables}),$$

where F denotes a statistical function with the proper economic characteristics of diminishing returns

[0034] Further, since this relationship is based on data, either time series, cross-section, or both time series and cross-section, the method inherently yields direct, indirect, and interaction effects for the underlying conditions.

[0035] These effects describe how sales responds to changes in the underlying driver variables and data structures. Often, these response effects are known as "lift factors." As a special subset or case, these methods allow reading any on-off condition for the cross-sections or time-series.

[0036] There are various classes of statistical functions which are appropriate for determining and applying different types of lift factors. In some embodiments, the facility uses a class known as multiplicative and log log (using natural logarithms) and point estimates of the lift factors.

[0037] In certain situations, the facility uses methods which apply to categorical driver data and categorical outcomes. These include the, classes of probabilistic lift factors known as multinomial logit, logit, probit, non-parametric or hazard methods.

[0038] In various embodiments, the facility uses a variety of other types of lift factors determined in a variety of ways. Statements about "elasticity" herein in many cases extend to lift factors of a variety of other types.

[0039] Figure 1 is a high-level data flow diagram showing data flow within a typical arrangement of components used to provide the facility. A number of web client computer systems 110 that are under user control generate and send page view requests 131 to a logical web server 100 via a network such as the Internet 120. These requests typically include page view requests and other requests of various types relating to receiving information about a subject offering and providing information about prescribed total marketing budget and its distribution. Within the web server, these requests may either all be routed to a single web server computer system, or may be loaded-balanced among a number of web server computer systems. The web server typically replies to each with a served page 132.

[0040] While various embodiments are described in terms of the environment described above, those skilled in the art will appreciate that the facility may be

implemented in a variety of other environments including a single, monolithic computer system, as well as various other combinations of computer systems or similar devices connected in various ways. In various embodiments, a variety of computing systems or other different client devices may be used in place of the web client computer systems, such as mobile phones, personal digital assistants, televisions, cameras, etc.

[0041] Figure 2 is a block diagram showing some of the components typically incorporated in at least some of the computer systems and other devices on which the facility executes. These computer systems and devices 200 may include one or more central processing units ("CPUs") 201 for executing computer programs; a computer memory 202 for storing programs and data while they are being used; a persistent storage device 203, such as a hard drive for persistently storing programs and data; a computer-readable media drive 204, such as a CD-ROM drive, for reading programs and data stored on a computer-readable medium; and a network connection 205 for connecting the computer system to other computer systems, such as via the Internet. While computer systems configured as described above are typically used to support the operation of the facility, those skilled in the art will appreciate that the facility may be implemented using devices of various types and configurations, and having various components.

[0042] Figure 3 is a table drawing showing sample contents of a library of historical marketing efforts. The library 300 is made up of entries, such as entries 310, 320, and 330, each corresponding to a set of one or more historical marketing efforts each sharing a similar context. Each entry contains a number of context attribute values that hold true for the historical marketing efforts corresponding to the entry, including values for a new product attribute 311, a cognition score attribute 312, an affect score attribute 313, an experience score 314, a message clarity score 315, and a message persuasiveness score 316. Each entry further contains values for the following statistical measures for the historical marketing efforts corresponding to the entry: log of the outcome 351, base 352, log of outcome with a lag factor 353, log of external 354, log of relative price 355, and log of relative distribution 356. Each entry further contains logs of advertising efficiency values for each of a number of categories, including TV 361, print 362, radio 363, outdoor

364, Internet search 365, Internet query 366, Hispanic 367, direct 368, events 369, sponsorship 370, and other 371.

[0043] Figure 4 is a display diagram showing a sign-in page used by the facility to limit access to the facility to authorized users. A user enters his or her email address into field 401, his or her password into field 402, and selects a signing control 403. If the user has trouble signing in in this manner, the user selects control 411. If the user does not yet have an account, the user selects control 421 in order to create a new account.

[0044] Figure 5 is a flow diagram showing a page display generated by the facility in a view/edit mode. The display lists a number of scenarios 501-506, each corresponding to an existing offering prescription generated for the user, or generated for an organization with which the user is associated. For each scenario, the display includes the name of the scenario 511, a description of the scenario 512, a date 513 on which the scenario was created, and a status of the scenario. The user may select any of the scenarios, such as by selecting its name, or its status, to obtain more information about the scenario. The display also includes a tab area 550 that the user may use in order to navigate different modes of the facility. In addition to tab 552 for the present view/edit mode, the tab area includes a tab 551 for a create mode, a tab 553 for a compare mode, a tab 554 for a send mode, and a tab 555 for a delete mode. The user can select any of these tabs in order to activate the corresponding mode.

[0045] Figures 6-9 show displays presented by the facility in order to solicit information about the subject offering for which an overall marketing budget and its distribution are to be prescribed by the facility. Figure 6 shows controls for entering values for the following attributes: current revenue 601, current annual marketing spending 602, anticipated growth rate for the next year in the industry as a whole 603, gross profit expressed as a percentage of revenue 604, and market share expressed as a percentage of dollar 605. The display further includes a save control 698 that the user can select in order to save the attribute values that they have entered, and a continue control 699 that the user may select in order to proceed to the next display for entering the context attribute values.

[0046] Figure 7 is a further display presented by the facility to solicit attribute values for the subject offering. It includes controls for inputting values for the following context attributes: industry newness 701, market newness 702, channel newness 703, and marketing innovation 704.

[0047] Figure 8 is a further display presented by the facility in order to solicit attribute values. It has controls that the user may use to enter the values for the following context attributes: newness of marketing information content 801, company position in the market 802, market share 803, and pricing strategy 804.

[0048] Figure 9 is a further display presented by the facility in order to solicit attribute values. It contains a control 901 that the user may use to determine whether customer segment detail will be included. The display further contains charts 910 and 920 for specifying values of additional context attributes. Chart 910 can be used by the user to simultaneously specify values for the consistency and clarity of branding messaging and positioning efforts by the company responsible for the subject offering. In order to use chart 910, the user selects a single cell in the grid included in the chart corresponding to appropriate values of both the consistency and clarity attributes. Section 920 is similar, enabling the user to simultaneously select appropriate values for the persuasiveness and likeability of the company's advertising.

[0049] Figure 10 is a display diagram showing a result navigation display presented by the facility after collecting information about the subject offering to permit the user to select a form of analysis for reviewing results. The display includes a control 1001 that the user may select in order to review market share information relating to the result, a control 1002 that the user may select in order to review spending mix information relating to the result, and a control 1003 that the user may select in order to review profit and loss information relating to the result.

[0050] Figure 11 is a display diagram showing a display presented by the facility to convey the optimal total marketing budget that the facility has determined for the subject offering. The display includes a graph 1110 showing two curves: revenue with respect to total marketing budget (or "marketing spend") 1120 and profit (i.e., "marketing contribution

after cost") with respect to total marketing budget 1130. The facility has identified point 1131 as the peak of the profit curve 1130 and has therefore identified the corresponding level of marketing spend, $100, as the optimal marketing spend. The height of point 1131 shows the expected level of profit that would be produced by this marketing spend, and the height of point 1121 shows the expected level of total revenue that would be expected at this marketing spend. Table 1150 provides additional information about the optimal marketing spend and its calculation. The table shows, for each of current marketing spend 1161, ideal marketing spend 1162, and delta between these two 1163: revenue 1151 projected for this level of marketing spend; costs of goods and services 1152 anticipated to be incurred at this level of marketing spend; gross margin 1153 to be procured at this level of marketing spend; the marketing spend 1154; and the marketing contribution after cost 1155 expected at this level of marketing spend.

[0051] In order to define the profit curve and identify the total marketing budget level at which it reaches its peak, the facility first determines a total marketing budget elasticity appropriate for the subject offering. This elasticity value falls in a range between .01 and .30, and is overridden to remain within this range. The facility calculates the elasticity by adjusting an initial elasticity value, such as .10 or .11, in accordance with a number of adjustment factors each tied to a particular attribute value for the subject offering. Sample values for these adjustment factors are shown below in Table 1.

	Industry Newness	Marketing Innovation	New Information	Market Share	Advertising Quality
High	.05	.1	.05	-.03	.04
Medium	0	0	0	0	0
Low	-.02	-.03	-.02	.02	-.03

Table 1

The industry newness column corresponds to control 701 shown in Figure 7. For example, if the top check box in control 701 is checked, then the facility selects the adjustment factor .05 from the industry newness column; if either of the middle two boxes in control 701 are checked, then the facility selects the adjustment factor 0 from the industry newness column; and if the bottom checkbox in control 701 is checked, then the

facility selects the adjustment factor -.02 from the industry newness column. Similarly, the marketing innovation column corresponds to control 704 shown in Figure 7, the new information column corresponds to control 801 shown in Figure 8, and the market share column corresponds to control 803 shown in Figure 8. The advertising quality column corresponds to charts 910 and 920 shown in Figure 9. In particular, the sum of the positions of the cells selected in the two graphs relative to the lower left-hand corner of each graph is used to determine a high, medium, or low level of advertising quality.

[0052] The facility then uses the adjusted total marketing budget elasticity to determine the level of total marketing budget at which the maximum profit occurs, as is discussed in detail below in Table 2.

Definitions:
Sales = S
Base = β
Marketing Spend = M
Elasticity = α
Cost of Goods Sold (COGS) = C
Profit = P (P is a function of S, C, and M, as defined in equation 2 below)

Fundamental equation relating Sales to Marketing (alpha and beta will be supplied)
Equation (1): $S = \beta * M^{\alpha}$

Equation relating Sales to Profits (C will be known), so that we can substitute for Sales in equation (1) above and set the program to maximize profits for a given alpha and beta.

Equation (2): $P = [S * (1 - C)] - M$

Solve Equation (2) for Sales:

$$\frac{(P + M)}{(1 - C)} = S$$

Substitute for S in Fundamental Equation:

$$\frac{(P + M)}{(1 - C)} = \beta * M^{\alpha}$$

Solve for P as a function of M, C, alpha and beta:

$$P = [\beta * M^{\alpha} * (1 - C)] - M$$

Now we have P as a function of M.
Take derivatives

$$\frac{dP}{dM} = \left(\left[(1-C)\beta\alpha\right] * M^{\alpha-1}\right) - 1$$

Set to zero to give local inflection point:

$$1 = \left[(1-C)\beta\alpha\right] * M^{\alpha-1}$$

Solve for M

$$M = \left(\frac{1}{\left[(1-C)\beta\alpha\right]}\right)^{\frac{1}{\alpha-1}}$$

Check sign of second derivative (to see that it is a max not a min)

$$\left[(1-C)\beta\alpha(\alpha-1)\right] * M^{\alpha-2} < 0 \quad ?$$

Table 2

[0053] Figure 12 is a display presented by the facility to show spending mix information. The display includes an overall budget 1201 prescribed by the facility. The user may edit this budget if desired to see the effect on distribution information shown below. The display also includes controls 1202 and 1203 that the user may use to identify special issues relating to the prescription of the marketing budget. The display further includes a table 1210 showing various information for each of a number of marketing activities. Each row 1211-1222 identifies a different marketing activity. Each row is further divided into the following columns: current percentage allocation 1204, ideal percentage allocation 1205, dollar allocation to brand in thousands 1206, dollar allocation to product in thousands 1207, and dollar difference in thousands between current and ideal. For example, from row 1214, it can be seen that the facility is prescribing a reduction in allocation for print advertising from 15% to 10%, $3.3 million of which would be spent on print advertising for the brand and $2.2 million of which would be spent on print advertising for the product, and that the current allocation to print marketing is $1.85 million greater than the ideal allocation. The display further includes a section 1230 that the user may use to customize a bar chart report to include or exclude any of the budget and marketing activities. It can be seen that the user has selected check boxes 1231-1233, causing sections 1250, 1260, and 1270 to be added to the report containing bar graphs for the TV, radio, and print marketing activities. In section 1250 for the TV marketing activity contains

bar 1252 for the current percentage allocation to national TV, bar 1253 for the current percentage allocation to cable TV, bar 1257 for the ideal percentage allocation to national TV, and bar 1258 for the ideal percentage allocation for cable TV. The other report sections are similar.

[0054] Figures 13-18 describe the process by which the facility determines the activity distribution shown in Figure 12. Figure 13 is a process diagram that describes collecting additional offering attribute information from the user. In some embodiments, this additional attribute information is obtained from the user using a user interface that is similar in design to that shown in Figures 6-9. Figure 13 shows a number of attributes 1300 for which values are solicited from the user for the subject offering.

[0055] Figure 14 is a process diagram showing the derivation of three derived measures for the subject offering: cognition, affect, and experience. The values for these derived measures are derived based upon the value of attributes shown in Figure 13 provided by the user for the subject offering.

[0056] Figure 15 is a table diagram showing sets of marketing activity allocations, each for a different combination of the three derived attributes shown in Figure 14. For example, Figure 15 indicates that, for subject offerings assigned a high cognition score and medium affects score should be assigned marketing resources in the following percentages: TV 44%, print magazines 12%, print newspapers 0%, radio 5%, outdoor 0%, internet search 10%, internet ad words 5%, direct marketing 12%, sponsorships/events 7%, PR/other 5%, and street 0%. Each of these nine groups of allocations is based on the relative activity elasticities, like those shown in Figure 3, grouped by the cognition and affect scores indicated for the groups of historical marketing efforts contained in the library.

[0057] Figure 16 is a process diagram showing how the initial allocation specified by the table in Figure 15 should be adjusted for a number of special conditions 1600.

[0058] Figure 17 is a process diagram showing how the facility determines dollar amount for spending on each marketing activity. The process 1700 takes the size of target audience specified by the user and divides by affective percentage of target to

obtain a purchased reach – that is, the number of users to whom marketing messages will be presented. This number is multiplied by the adjusted allocation percentage to obtain a frequency per customer which is then multiplied by a number of purchase cycles per year and cost per impression to obtain estimated spending for each activity.

[0059] Figure 18 is a process diagram showing the final adjustment to the results shown in Figure 17. Process 1800 specifies scaling the target audience up or down to match the total marketing budget determined by the facility for the subject offering.

[0060] Figure 19 is a display diagram showing a display presented by the facility to portray resource allocation prescriptions made by the facility with respect to a number of related subject offerings, such as the same product packaged in three different forms. The display includes a chart 1910 that graphically depicts each of the related subject offerings, pack A, pack B, and pack C, each with a circle. The position of the center of the circle indicates the current and ideal total marketing budget allocated to the offering, such that each circle's distance and direction from a 45° line 1920 indicates whether marketing spending should be increased or decreased for the offering and by how much. For example, the fact that the circle 1911 for pack A is above and to the left of the 45° line indicates that marketing spending should be increased for pack A. Further, the diameter and/or area of each circle reflects the total profit attributable to the corresponding subject offering assuming that the ideal total marketing budget specified by the facility for that offering is adopted. The display also includes a section 1930 containing a bar graph showing market share and volume, both current and ideal, for each related subject offering. The display also includes a section 1940 showing information similar to that shown in Section 1150 of Figure 11.

[0061] In some embodiments, the facility considers data received from one or more of a number of types of external sources, including the following: syndicated media, syndicated sales data, internet media, internet behavioral data, natural search query data, paid search activity data, media data like television, radio, print, consumer behavioral data, tracking survey data, economic data, weather data, financial data like stock market, competitive marketing spend data, and online and offline sales data.

[0062] In various embodiments, the facility incorporates one or more of the following additional aspects, discussed in greater detail below:

1) Minimum Distance Matching of communication touchpoints to brand/ client needs;
2) A classification method for communication needs (cognition, affect and experience);
3) The interactions of traditional media and internet media, as well as experience factors;
4) The joint optimization of core media, internet media and experience factors
5) The combination of user-specific multi-source data (USMSD) for outcomes and driver variables necessary for the computations;
6) The intelligent automation of the data stack for modeling;
7) The intelligent automation of model specifications, statistical estimation and expert knowledge;
8) The use of dynamic, real time internet "native" search data as predictive, momentum (DNM) indicators of marketing and brand response.
9) Measurement of the dynamic interactions, optimization, forecasting and prediction of outcomes using marketing drivers, brand momentum and marketing ROI
10) Reporting of brand/ client results

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1) Minimum Distance Matching

[0063] (1.1) Using the input questions for Information (Qx), Affect (Qy) and Experience (Qz), the facility classifies the brand/ client communication needs using these 3 dimensions and a 3 point scale of low, medium and high (coded numerically as 1,2,3).

[0064] (1.2) The facility can allocate resources over any of a large number of communication touchpoints, also known as communication channels. For each channel, the facility considers the capability of the "medium" to deliver information, affect and experience dimensions of brand/ client communications.

[0065] In selecting communication channels, the facility minimizes the "distance" between the communication needs and the mediums/ channels to then select touchpoints that are relevant for market response and subsequent application of the elasticities and ideal economics computations.

[0066] Distance is defined as the sum of squared differences (SSD) between the brand/ client need and the medium/ channel.

Distance = (Medium Cognition – Brand Cognition)^2 + (Medium Affect – Brand Affect)^2 + (Medium Experience = Brand Experience)^2

^ denotes exponentiation

2) Method of Classification

[0067] The method of classification is described in paragraphs 1.1 and 1.2 above.

3) The method of interaction between traditional media and internet media

The core outcome equation is defined (elsewhere) as

Outcomes = (Base Outcome) * ((Resource 1)^Elasticity 1) * ((Resource 2^ Elasticity 2) etc.

Additional resources multiply the right hand side.

[0068] The facility combines traditional media in Equation 3 as the so-called "direct path" linking resources and outcomes.

[0069] The facility extends this model to include the internet in 2 ways:

[0070] Method 3.1 is to add and include internet metrics for online display and paid search in conjunction with traditional media (TV, Print, Radio, etc.).

[0071] Method 3.2 is to also add and include one or more variables/metrics for internet "natural" search (VINS). An example of natural search is count data on words used in internet search boxes (as distinguished from impressions and clicks).

[0072] The facility then adds and applies a 2nd "indirect path" equation whereby internet natural search is explained by traditional marketing and sales resources.

Marketing Outcome = F (traditional resources, internet resources, natural search, base)

Natural Search = F (traditional resources, internet resources, base)

[0073] These 2 equations work "recursively".

[0074] Practically, marketing and sales resources drive consumer/ market attention and discovery. The discovery behavior is measured by the natural search. Subsequently in the recursive process, internet resources then "convert" attention into action.

4) Joint Optimization

[0075] The direct and indirect path equations then provide the mechanics for the "topline" of the economics optimization.

[0076] The facility applies varying resource input levels, flows the outcomes through the recursive topline equations to yield outcomes and then applies the associated elasticities (for diminishing returns) and the associated margins and costs of resources.

[0077] Also, in some cases the facility extends this method with a 3rd equation whereby Paid Search also is handled comparably to natural search. Hence, Paid Search is an intermediate outcome.

[0078] Any dynamic, momentum, intermediate or interim brand metric (awareness, consideration, buzz) is handled using this 3rd equation method.

5) User-Specific Multi-Source Data (USMSD)

[0079] The demand / outcome equations require data inputs that are:

- Brand specific;
- External industry specific;
- Data for Marketing and Sales resources; and
- Internet specific data related to the brand/ user/ client

[0080] The facility is unique in bringing together these 4 data streams for the purposes of demand modeling using the 2 equation method outlined above.

[0081] 5.1) Brand data typically includes volumetric sales, pricing, revenue, new customer counts, existing customer counts, customer retention, customer attrition and customer upsell/ cross sell of products or services. It also includes industry and brand/ client attributes from the input questions.

[0082] 5.2) External data includes a series of external factors and drivers. Typically, these include elements describing economic conditions and trends as well as weather, competitors marketing and sales resources and others.

[0083] 5.3) Marketing and Sales data includes various measures for resource inputs. These can include resource spending for communication mediums/ touchpoints. They can include physical measures of resources for mediums/touchpoints (time-based, ratings points or physical units such as direct mail counts etc).

[0084] 5.4) The Internet specific data includes mainly measures of natural search using word counts and counts of word clusters and semantic phrases. Typically, these word measures address the brand name itself, aspects of the key phrasing associated with the brand (the so-called universal selling proposition), aspects of the brand positioning such as Quality and more generic or generalized words associated with the brand.

[0085] Figures 20-23 are display diagrams showing a typical user interface presented by the facility in some embodiments for specifying and automatically collecting some or all of these data inputs. Figure 20 shows an initial display containing a list of business categories, from which the user selects the most appropriate category.

[0086] Figure 21 shows a dashboard indicating the data retrieval status for the four categories of data inputs 2110, 2120, 2130, and 2140. Each type has status indicators—e.g., status indicators 2111-2113 for internet data category 2110--to indicate the retrieval status of data in this category. Additionally, the user can click on any of the data types to view detailed information about data of that type.

[0087] Figure 22 shows a detailed display for data in the marketing and sales data category. This display 2200 shows a number of different components 2211 of the marketing and sales data category; status indicators 2212 indicating the retrieval status of each of the components, and controls 2213 that the user may operate to initiate retrieval of each component.

[0088] Figure 23 shows a display. The display includes controls 2311 for entering natural search terms and paid search terms that are relevant to the offering; controls 2312 for specifying relevant time periods for each natural search and paid search; and controls 2313 for specifying where frequency data for a natural search and paid search is retrieved from and stored.

6) Intelligent Data Stack

[0089] The facility uses the data dashboard user interface shown in Figures 20-23 to allow users to select the appropriate set of outcome and driver data, as well as financial factors to be used by the facility.

[0090] The facility then provides a data input template for each data class (see 5.1, 5.2, 5.3, 5.4 above).

[0091] The facility then applies a set of quality and data scrubbing algorithms to verify for the user the overall completeness, consistency and accuracy of the designated data streams.

[0092] The facility then transforms and loads these data vectors into the overall the facility matrix for modeling (MOM).

[0093] The row structure for MOM typically involves time dimensions, customer segments, channels of trading and/ or geographic layers.

[0094] The column structure for MOM typically involves final outcome variables, intermediate outcome variables and driver variables (see 5.1, 5.2, 5.3 and 5.4).

[0095] The facility uses a so-called log/log transformation for the data and the demand model specification.

[0096] Ln(Outcome) = Constant + Coef1*ln(Driver1) + Coef2*ln(Driver2) + Coef3*ln(Driver 3), etc.

[0097] The facility applies generalized least squares (GLS) methods for the statistical estimation of the various equations.

[0098] The facility also constructs any necessary "dummy" variables used in the econometrics, including seasonality.

7) Intelligent Estimation

[0099] The facility includes linkage and comparative methods across the Candidate Models (CM), the statistical diagnostics, t-values and GLS estimates of model/ equation coefficients.

[00100] The facility conducts GLS estimation of approximately 40 CM variants and associated diagnostics. (The facility includes the numerical algorithms and methods for GLS.)

[00101] The facility then selects and utilizes the BLUS (best, linear, unbiased estimates) of response coefficients (response elasticities) for economic optimization for resource levels and mix.

[00102] This selection is determined by best fit, best t-values, the absence of multi-collinearity, the absence of serial correlation and elasticity estimates which are consistent with the Expert Library (CEL) and proper numerical signs (positive, negative).

8) Dynamic Native Momentum (DNM)

[00103] As described above, the word counts and word count clusters related and derived from internet natural search include and address concepts for brand momentum, brand quality and brand image.

[00104] The facility classifies these word/ semantic concepts into driver variables which are relevant and used within the 2 equation direct path and indirect path equations (see above). These semantic "buckets" include counts of received queries, related to the brand name itself, counts related to the product or service category and the brand/ clients

competitors and counts related to more generalized themes (for example, hybrid technology vehicles vs. Lexus RXH).

[00105] The facility includes dynamic feeds of word counts from natural search from search providers such as Google, Yahoo or MSN or others (MySpaces, Facebook, YouTube) as well as wireless and mobile devices.

[00106] DNM data are typically a dynamic sample of on-going internet traffic. The facility uses counts per "x" million queries.

9) Dynamic Use of Internet Momentum in Optimization, Prediction and Forecasting

[00107] The facility uses the 2 equation method outlined above to construct top-down optimization of brand/ client goals relative to resource drivers. Drivers here include both traditional marketing and sales, as well as pricing and internet resources.

[00108] The facility uses both direct computation (closed form calculus) and a branch and bound (B&B) heuristic method to compute ideal outcomes using the domain of resource drivers.

10) The Facility Reporting of Brand/ Client Outcomes and Results

[00109] The facility includes visual reporting and GUIs for brand/client outcomes (see Compass SMB, Compass Agency and Compass USMSD/DNM herein.) For example, in various embodiments, the facility displays outcomes using one or more of a sales response curve, a profit curve, and a current vs. ideal bar graph.

[00110] In various embodiments, the facility allocates resources across some or all of these channels, and in some cases additional channels:

Television
Movie theatre
Radio
Newspapers
Magazines
Print articles
Customer magazines
Loose inserts
Internet advertising
Internet search
Brand/company websites

Emails
Outdoor
Home shopping TV
Product placement
Airport
Public transportation
Sponsorship of sports events
Sponsorship of other events
Doctor's office
800/toll free lines
Mailings at home
Celebrity endorsement
In-store advertising
In-store examination
Promotions and special offers
Product samples
Recommendations from friends and family
Recommendations from professionals
Video on demand
Video games
Streaming video
Interactive TV

Spec text table

"ACE" ADJUSTED, MULTI-SOURCE MARKET RESPONSE ELASTICITY LIBRARY

[00111] Market response optimization (MRO) typically requires best, linear, unbiased estimates (BLUS) of resource response elasticity parameters which are based on data which embodies (1) adequate variation in resource levels and mix, as well as (2) adequate data observations.

[00112] In some embodiments, the facility uses a 4-step method for computing BLUS estimates of elasticity using cross-brand and cross-resource 3rd Party data. In particular, in some embodiments, the facility retrieves outcome and driver data from each of a number of third-party sources, using a predefined template for each source to guide the retrieval and mapping of this third-party data. The 4-step method uses of ACE-L meta-data in combination with 3rd Party data on outcomes and drivers that is consistent across clients--despite differences in data collection and reporting processes that might be followed by different clients--in further combination with the best statistical methods for BLUS.

[00113] The value and result is a comprehensive database of cross-brand, cross media elasticities which is used for resource optimization. This overall methodology allows and measures (1) the pure effect of resource spending on sales outcomes across a wide range of cross brand and cross resource conditions and (2) the impacts of alternative ways to define “content impacts” via the ACE-L scores.

[00114] In some embodiments, the facility uses the retrieved third-party data together with client-specific data about sales or one or more other business outcomes that is obtained from the client in order to generate recommended resource allocations for the client. In some cases, this can obviate the need to collect outcome and/or driver data from the client, often saving significant time and resources.

Multi-Source Data

[00115] There are 2 main classes of data for modeling – outcomes and drivers. For econometric modeling, the ACE method typically utilizes combined time-series and cross-section data.

[00116] For the Multi-Source Library (MSL) and outcomes (dependent variables), ACE uses a consistent definition of sales revenue for the brands/ services in the library.

[00117] For the Multi-Source Library (MSL) and resource drivers, ACE uses a range of independent variables.

[00118] Step 1: The facility obtains data for these drivers from 3rd Party data providers. For example, data series on media spending by time period, market location and type of media can be obtained from 1 or more 3rd Party sources. Data classes include the economy, competition, tracking, pricing, channel funds, salesforce, retail store conditions, offline marketing and online marketing as well as certain momentum data.

[00119] Typically, these 3rd Party data sources (3PDS) have known or well understood differences relative to client-specific transactional data (errors in variables, see below). However, these differences are generally thought to be consistent.

[00120] The cross-sections in the Multi-Source Library consist of brands/services, geographies and more. We apply the 3PDS resource drivers, defined consistently, within

and across the library data for the brands, etc. Effectively, the facility eliminates data variation due to differences in data definitions across brands/ clients.

ACE Adjusted, Dynamic Parameters

[00121] the basic method is to define Sales = Base Volume times (Marketing Resource) ^ Elasticity Parameter, where ^ denotes the natural exponent.

Sales = (Base) * (Resource) ^ (Delta)

[00122] For each brand (i.e. data record), the facility defines its ACE scores on a 1-5 scale – for Affect (A), Cognition (C) and Experience (E). Also, in some embodiments, the facility adds one factor for Local Market or Time Sensitivity (L).

[00123] Step 2: The facility then extends the modeling using the following specification for determining elasticity with respect to the combination of a single brand and a single marketing medium:

Elasticity Parameter (Delta) = (c0 + c1 * Affect + c2 * Cognition + c3 * Experience + c4* Local).

[00124] The coefficient c0-c4 are determined using a least-squares regression analysis. Each record (cross-section) in the Library uses and includes the ACE-L scores.

[00125] Practically, what this means is that up and down movement in the elasticity due to the brand characteristics, and the capacity of the media type to carry the content related to affect, cognition, and experience, is permitted.

[00126] For example, increasing the Affect score needed to motivate the consumer in turn will allow the elasticity of TV media to increase in this situation versus other brands with differing content goals. Lift factors for Print and Internet increase with information needs. Lift for Outdoor, Radio and Newspaper increase with the local market focus.

Complete BLUS Estimation of Response Elasticities

[00127] The basic or core elasticity parameters, absent ACE-L, use a formulation as follows:

Core Equation:

Ln(Sales) = d1* Ln(Sales Prior Period) + d2* Ln(Base) + Delta * Ln(Resource) + Other + Error

[00128] Each resource extends this formulation similarly. Other factors which drive "Delta" are described in Compass, including innovation.

[00129] Step 3: The facility substitutes forward the ACE adjustments into this Core Equation to replace Delta. The result are a series of direct effects and "interactions" with the ACE components, as additional drivers. As an example:

Partial Component of Core Eq = (C0 * Ln (Resource) + C1 * Affect * Ln (Resource) etc. etc.)

[00130] Proper estimation of these direct and interaction parameters requires that the data and formulation are consistent with certain rules.

[00131] One rule or assumption is that the error terms are independent and identically distributed (iid), albeit with similar variances.

[00132] However, due to the cross-section design, several aspects of the homogeneity assumptions will not be met.

[00133] This condition is known as heteroskedasticity.

[00134] Step 4: To correct for heteroskedasticity, the facility applies both Generalized Least Squares (GLS) estimation using Fixed Effects and corresponding "weights" for the cross-sections.

[00135] Other rules include correcting for serial correlation using lag terms, by including a business result, such as sales, from the previous period as an explanatory variable in the equation.

USER INTERFACE

[00136] In some embodiments, the facility presents a user interface for soliciting client input and presenting results as part of the ACE process. Figures 24-49 are display

diagrams showing a typical user interface presented by the facility in connection with the ACE process.

[00137] Figure 24 is an account login screen used by the user to obtain access to their account.

[00138] Figure 25 shows a create company form for entering identifying information about a new client company.

[00139] Figure 26 contains controls 2601 for selecting the client's industry. Figure 26 further includes controls 2602 for selecting from among various kinds of data available from different third-party sources to be used in the ACE analysis.

[00140] Figure 27 includes controls for creating and defining a variety of stages for the ACE process. Figure 28 contains controls for creating and defining one or more projects for the client. Figure 29 contains controls for entering identifying data about a particular project.

[00141] Figure 30 shows controls usable to discern the status of data retrieval from different sources, as well as control data retrieval from various sources.

[00142] Figure 31 shows a report indicating the current resource allocations to different marketing activities, as well as the current business results. Figure 32 is a report showing a recommended resource allocation in comparison to the current resource allocation, as well as showing the expected difference in business results. Figure 33 is a report showing recommended resource allocation, as well as business results projected for different possible levels of total marketing spending.

[00143] Figure 34 shows a set of questions set to be answered by the ACE technique.

[00144] Figure 35 shows a direct path model in which different marketing activities are understood to independently drive business performance. Figure 36 shows an indirect path model in which certain types of marketing are understood to drive internet searching, which in turn drives business results. Figure 37 outlines an analytical approach that applies these two models together.

[00145] Figure 38 shows the measures accuracy of the direct path model.

[00146] Figure 39 shows the relative quantitative impact, or "lift," of different forms of marketing activities. Figure 40 shows the quantitative extent to which certain marketing activities interact or synergize when employed together. Figure 41 shows the anticipated effect of an incremental increase in the allocation to one of the forms or marketing.

[00147] Figure 42 shows certain conclusions about the direct and indirect path models.

[00148] Figures 43-48 show two sets of reports for the same client, brand, and time period. The first set, entitled "SCENARIO 1," shows recommended allocations in order to reach a particular revenue goal with the smallest possible total marketing spend. Figure 43 shows the current allocation, relative to the current level of revenue. Figure 44 shows a recommended allocation, compared with the current allocation. Figure 44 further shows the expected difference between the current business results and the business results predicted for the recommended allocation. Figure 45 shows the anticipated level of business results for each of a number of levels of total marketing spending.

[00149] The second set of reports, entitled "SCENARIO 2," shows allocations that are optimized in order to maximize the total profit. Figure 46 shows current allocations. Figure 47 shows recommended allocations for scenario 2 compared to the current allocation, as well as an indication of the expected relative business results from the recommended allocation. Figure 48 shows, for each of a number of different total marketing spending levels, but expected business results at that level.

AUTOMATED SPECIFICATION, ESTIMATION, DISCOVERY OF CAUSAL DRIVERS AND MARKET RESPONSE ELASTICITIES OR LIFT FACTORS

[00150] Figure 49 shows conclusions produced by the facility for the client.

[00151] In some embodiments, the facility performs a method of automated specification of models, estimation of elasticities, and discovery of drivers using the framework(s) discussed elsewhere herein.

[00152] The facility first obtains the client, business, and/or brand goals in terms of profit optimization, volume or revenue goals, acquisition of new customers, retention of customers, share of wallet and upsell. In conjunction with these goals, the facility obtains

cross-section meta-data related to the planning time horizon, markets, geographies, channels of trade and customer segments. In combination, the goals and meta-data define the structure of the data stack and the number of demand generation equations that are needed.

[00153] 1) As described elsewhere, the driver dataset includes variables within and across pre-defined functional information classes. These classes include economic conditions, weather and seasonality, competitive factors, product innovation, distribution, tracking and awareness, momentum indicators, pricing, marketing communications and the main advertising media both offline and online, internet data if applicable, sales force, channel development funds and others.

[00154] 2) Data sources for the driver dataset discussed above are described in a Data Dictionary. The facility provides a way to upload, download and manage the external and information flow of the analyses as they proceed.

[00155] 3) Each data class includes one or more standard data template files. The meta-data inside each file on each record provides identification of the content of each data record. The facility includes a set of Extract, Transform, and Load (ETL) macros/procedures.

[00156] 4) The facility executes ETL macros to construct an econometrics-ready matrix (n x k dimensions) and data stack. Typically, the data stack uses a combined time-series and cross-section design. The rows are data records (n observations); the columns (k) are the outcome variables and the driver variables.

[00157] 5) The facility codes each variable with its respective class “role.” A set of relevant time lags and express additional columns in the stack are also pre-defined to carry lagged variables, both lagged dependent variables and lagged driver variables.

[00158] 6) The facility uses a 2-step hierarchical method for optimization. Step 1 ensures compliance with a set of business rules defined below. Step 2 ensures statistical confidence and compliance with best methods.

[00159] 7) The facility uses a class of econometric models described as multiplicative. Sales revenue is described as a function of base volume as well as each

driver variable and its associated elasticity. This specification includes both offline and online marketing and more.

[00160] 8) In order to estimate the elasticity parameters, the facility uses natural logarithms to transform both the outcome variables and the driver variables. The resulting regression equation is then linear in the parameters. A small constant is added to zero values in the database.

[00161] 9) The transform step in ETL performs the specified transformation and assembles the data stack. The data stack contains N records of data observations and K explanatory variables. Each candidate driver variable is a column vector.

[00162] 10) The facility uses a generalized least squares (GLS) technique to estimate the parameters, including fixed effects using cross-section weights. In some embodiments, the facility stacks multiple equations; this is known as Seemingly Unrelated Regression (SUR). In some embodiments, the facility solves simultaneous equations using 2SLS, 3SLS, or maximum likelihood methods.

[00163] 11) The facility uses automated macros to conduct each of the steps outlined above, as well as tables and graphical outputs.

[00164] 12) The facility uses a multi-goal seeking method to select and recommend the best specification and parameter estimates based on the following hierarchy of objectives: simplicity, business logic, statistical quality, and stability. Each objective corresponds to a set of characteristics.

[00165] 13) Holding other factors the same, simplicity means that the facility uses the smallest set of driver variables which deliver the other goals, meaning the least possible number of driver variables while covering the main driver classes.

[00166] 14) The core business logic is that the sales response curve is either convex (increasing returns), concave (diminishing returns) or S-shapes. These conditions are governed by the value of the response elasticities. Most drivers, including advertising, are expected to have an elasticity less than 1 (concave). Prices, price promotions, distribution and some economic variables may have elasticity greater than 1 (convex). In

addition, the numerical signs on the resource drivers, except pricing, must be positive according to microeconomic theory. Also, price elasticity must have a negative sign.

[00167] 15) In some embodiments, the facility incorporates a non-zero coefficient in the estimated equation for at least one driver variable from each class:

Driver Class	**Required**
Economy	X
Distribution	X
Seasonality	X
Competition	X
Share of Voice	X
Pricing	X
Marcom Offline	X
Marcom Online	X
Salesforce, if applicable	X
Channel funds, if applicable	X
Dummy and/ interaction indicator variables	X

[00168] The elasticity library used by the facility is a database of similar models and elasticities. The facility also requires that any candidate equation and its parameters fall within the range of elasticity norms from the elasticity library for the associated brand or service meta-data.

[00169] 16) The facility measures statistical quality—i.e., confidence level—on several dimensions. One is the absence of statistical problems including serial correlation, collinearity and widely differing variances (heteroscedsasticity). A second quality indicator is “fit” as measured by R**2 techniques. The most important quality measures tend to be the individual statistical reliability of each response coefficient (i.e., high t-values with corresponding low p-values).

[00170] 17) The facility assesses the stability of the parameter estimates using a recursive window technique, in which a base model is estimated using a minimum number of observations. Then subsequent observations are added, one at a time, and parameter

stability is assessed. If instability is discovered, the facility flags the problem for analyst intervention.

[00171] 18) The facility also conducts standard tests for endogeneity and causality, such as the Hausman test and the Granger test.

[00172] 19) The required statistical diagnostics include:

Statistical Diagnostics	**Required**
R**2	>.7
t-values/ p-values for coefficients	t-values > 1.65.0 or < -1.65
Durbin-Watson	1.85 – 2.05
Collinearity	Acceptable level
Hausman	pass
Granger	pass
Unit Roots	stationarity

[00173] 20) The facility Iterations and Marcom-Centric Goal-seeking

[00174] For k driver variables, there are k**2/2 - 1 combinations of driver variables and corresponding equations to be estimated, where lags are included in k. The facility conducts estimation and classification of each candidate equation and “scores” the candidate relative to the rules above.

[00175] Assuming compliance with the business and statistical confidence rules, the facility will select and recommend a final equation with the best possible t-values for the Marcom major components (offline, online) which are consistent with corresponding elasticity library “norms” and meta-data.

[00176] It will be appreciated by those skilled in the art that the above-described facility may be straightforwardly adapted or extended in various ways.

CLAIMS

We claim:

[c1] 1. A method in a computing system for constructing a demand generation equation to predict the level of demand for an offering that will be generated by allocating particular levels of resources to different marketing activities, comprising:

receiving a plurality of observations from a user;

for at least two of the plurality of observations:

for each of a plurality of candidate driver variables, retrieving a value for the candidate driver variable as it relates to the observation;

for each of at least one outcome variable, retrieving a value for the outcome variable as it relates to the observation;

using the variable values retrieved for the observations, estimating an equation that relates the candidate driver variables to the outcome variable to produce coefficients for each of the candidate driver variables; and

conducting statistical diagnostics on the estimated equation to validate the estimated equation.

[c2] 2. The method of claim 1 wherein the estimating is performed using a generalized least-squares technique.

[c3] 3. The method of claim 1 wherein each of the candidate driver variables falls into a candidate driver variable class, and wherein estimating is performed under the constraint that at least one candidate driver variable in each candidate driver variable class must have a non-zero coefficient.

[c4] 4. The method of claim 1, wherein the step of conducting statistical diagnostics on the estimated equation to validate the estimated equation comprises verifying compliance with at least two pre-determined business or statistical confidence rules.

[c5] 5. The method of claim 4, further comprising applying the estimated equation to candidate driver variable values and outcome variable values not among those retrieved to validate the estimated equation.

[c6] 6. The method of claim 4, wherein the step of conducting statistical diagnostics on the estimated equation to validate the estimated equation further comprises requiring the estimated equation fall within the range of elasticity norms from an elasticity library.

[c7] 7. A computer-readable medium whose contents cause a computing system to perform a method for constructing a demand generation equation to predict the level of demand for an offering that will be generated by allocating particular levels of resources to different marketing activities, the method comprising:

receiving a plurality of observations from a user;

for at least two of the plurality of observations:

for each of a plurality of candidate driver variables, retrieving a value for the candidate driver variable as it relates to the observation;

for each of at least one outcome variable, retrieving a value for the outcome variable as it relates to the observation;

using the variable values retrieved for the observations, estimating an equation that relates the candidate driver variables to the outcome variable to produce coefficients for each of the candidate driver variables; and

conducting statistical diagnostics on the estimated equation to validate the estimated equation.

[c8] 8. The medium of claim 7 wherein the estimating is performed using a generalized least-squares technique.

[c9] 9. The medium of claim 7 wherein the estimating is performed by stacking multiple equations under the Seemingly Unrelated Regression technique or by solving simultaneous equations using 2SLS, 3SLS, or maximum likelihood methods.

[c10] 10. The medium of claim 7 wherein each of the candidate driver variables falls into a candidate driver variable class, and wherein estimating is performed under the constraint that at least one candidate driver variable in each candidate driver variable class must have a non-zero coefficient.

[c11] 11. The medium of claim 11, wherein the step of conducting statistical diagnostics on the estimated equation to validate the estimated equation comprises verifying compliance with at least two pre-determined business or statistical confidence rules.

[c12] 12. The medium of claim 7, further comprising applying the estimated equation to candidate driver variable values and outcome variable values not among those retrieved to validate the estimated equation.

[c13] 13. The medium of claim 7, wherein the step of conducting statistical diagnostics on the estimated equation to validate the estimated equation further comprises requiring the estimated equation fall within the range of elasticity norms from an elasticity library.

[c14] 14. One or more computer memories collectively storing a demand generation equation data structure to predict the level of demand for an offering that will be generated by allocating particular levels of resources to different marketing activities, the demand generation equation data structure comprising:

a plurality of observations received from a user;

for at least two of the plurality of observations:

a plurality of candidate driver variables, and a value for the candidate driver variable as it relates to the observation;

at least one outcome variable, and a value for the outcome variable as it relates to the observation;

a demand generation equation that relates the candidate driver variables to the outcome variable to produce coefficients for each of the candidate driver variables,

where in the demand generation equation is estimated using the variable values retrieved for the observations;

coefficients for each of the candidate driver variables; and

at least two statistical diagnostic results generated from conducting statistical diagnostics on the demand generation equation to validate the demand generation equation.

[c15] 15. The one or more computer memories collectively storing a demand generation equation data structure to predict the level of demand for an offering that will be generated by allocating particular levels of resources to different marketing activities of claim 13, the demand generation equation data structure further comprising an elasticity library.

[c16] 16. A method in a computing system for constructing a demand generation equation, comprising:

receiving a plurality of observations from a user;

for at least two of the plurality of observations creating a data stack comprising data observations and explanatory variables by:

retrieving a value for a candidate driver variable as it relates to the observation; and

retrieving a value for an outcome variable as it relates to the observation,

estimating a demand generation equation that relates the candidate driver variable to the outcome variable to produce coefficients for the candidate driver variable using the variable value retrieved for the observations; and

conducting statistical diagnostics on the demand generation equation to validate the demand generation equation.

[c17] 17. The method of claim 16 wherein the estimating is performed using a generalized least-squares technique.

[c18] 18 . The method of claim 16 wherein each of the candidate driver variables falls into a candidate driver variable class, and wherein estimating is performed under the constraint that at least one candidate driver variable in each candidate driver variable class must have a non-zero coefficient.

[c19] 19. The method of claim 16, further comprising applying the estimated equation to candidate driver variable values and outcome variable values not among those retrieved to validate the demand generation equation.

[c20] 20. The method of claim 16, wherein the step of conducting statistical diagnostics on the demand generation equation to validate the demand generation equation further comprises requiring the demand generation equation fall within the range of elasticity norms from an elasticity library.

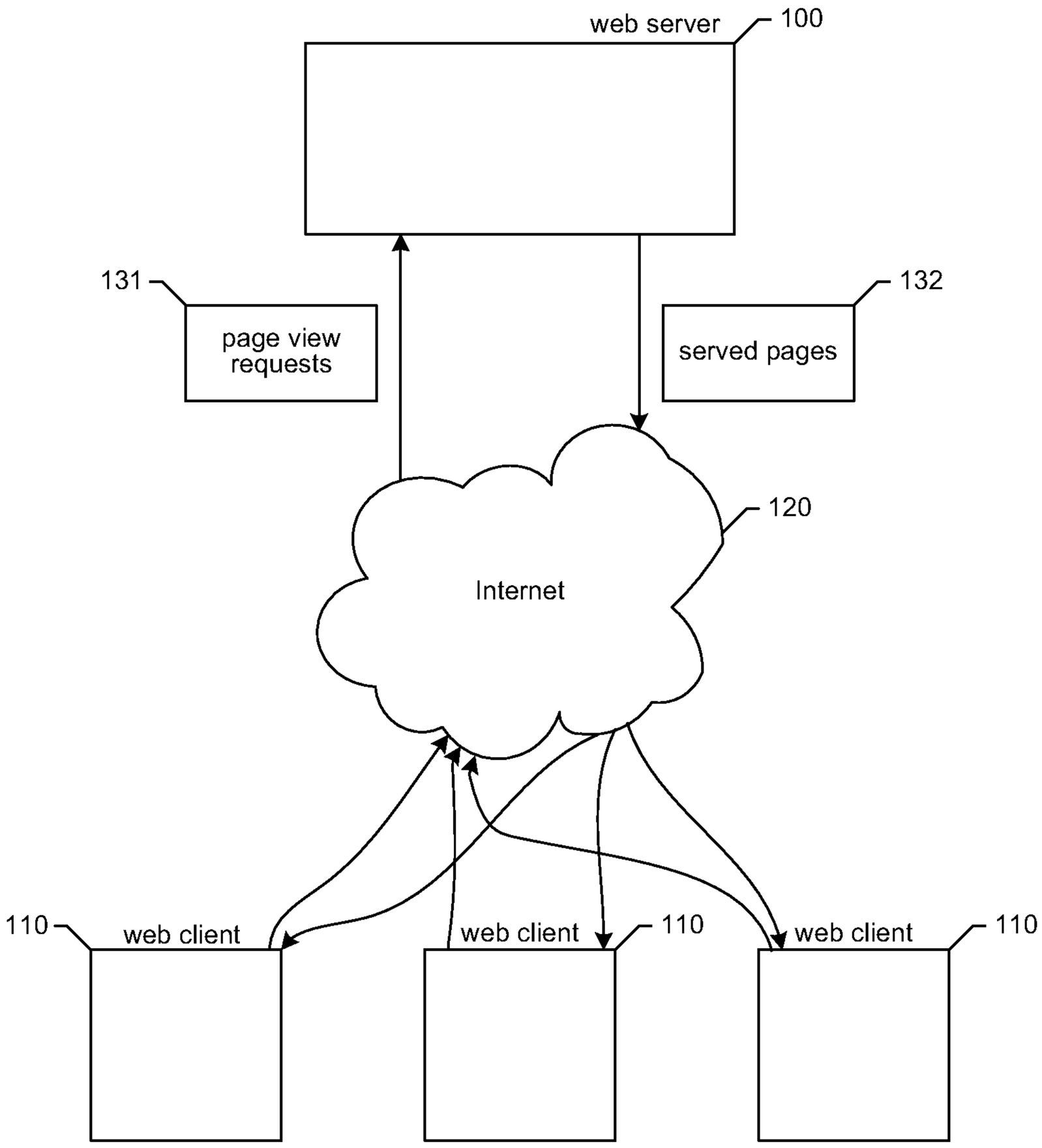
web server
100
131
page view requests
132
served pages
Internet
120
110
web client
web client
110
web client
110

FIG. 1

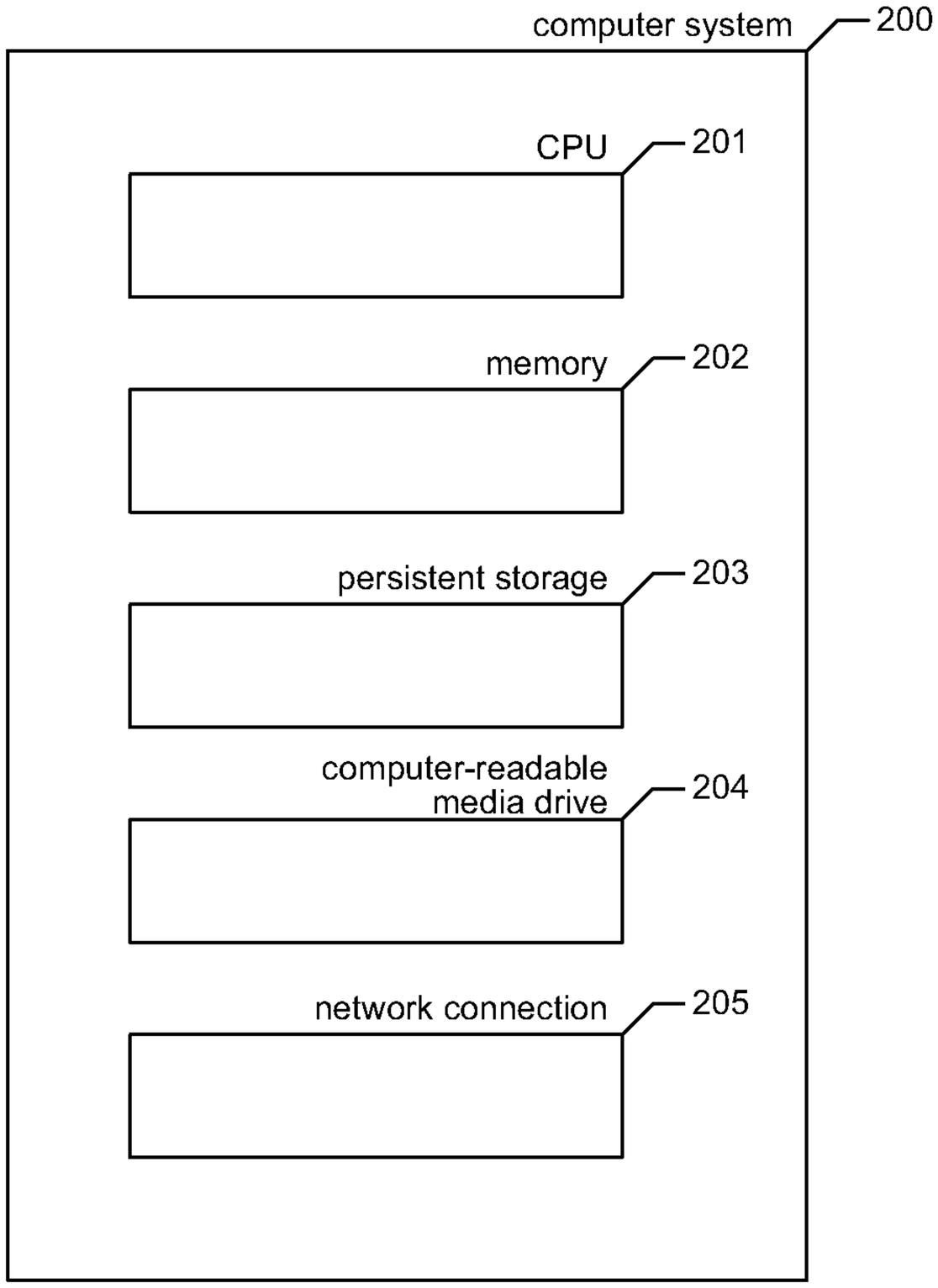
computer system
200
CPU
201
memory
202
persistent storage
203
computer-readable media drive
204
network connection
205

FIG. 2

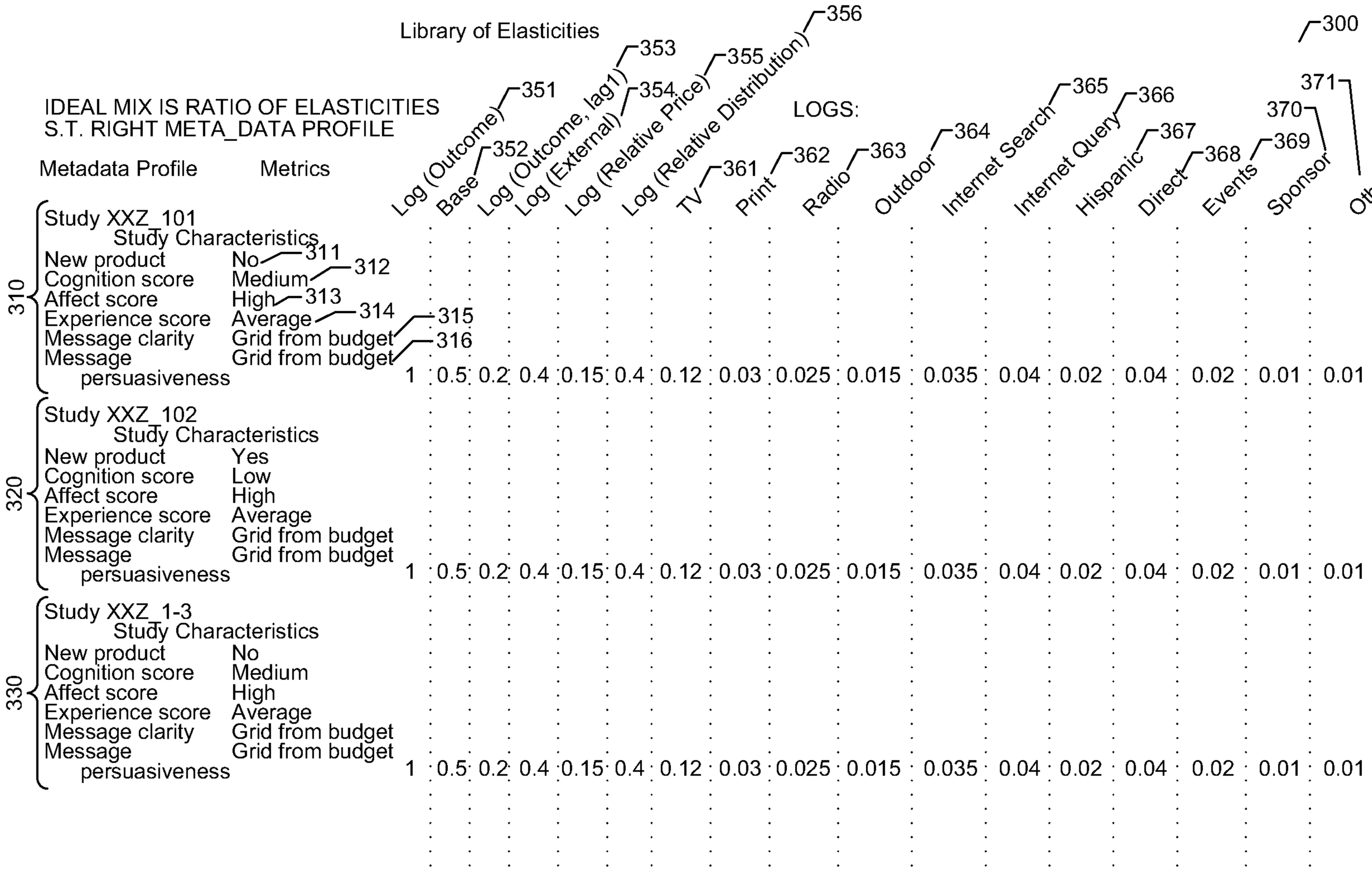
IDEAL MIX IS RATIO OF ELASTICITIES
S.T. RIGHT META_DATA PROFILE
Library of Elasticities
LOGS:
300
Metadata Profile
Metrics
Log (Outcome) 351
Base 352
Log (Outcome, lag1) 353
Log (External) 354
Log (Relative Price) 355
Log (Relative Distribution) 356
TV 361
Print 362
Radio 363
Outdoor 364
Internet Search 365
Internet Query 366
Hispanic 367
Direct 368
Events 369
Sponsor 370
Other 371
310
Study XXZ_101
Study Characteristics
New product No 311
Cognition score Medium 312
Affect score High 313
Experience score Average 314
Message clarity Grid from budget 315
Message persuasiveness Grid from budget 316
1 0.5 0.2 0.4 0.15 0.4 0.12 0.03 0.025 0.015 0.035 0.04 0.02 0.04 0.02 0.01 0.01
320
Study XXZ_102
Study Characteristics
New product Yes
Cognition score Low
Affect score High
Experience score Average
Message clarity Grid from budget
Message persuasiveness Grid from budget
1 0.5 0.2 0.4 0.15 0.4 0.12 0.03 0.025 0.015 0.035 0.04 0.02 0.04 0.02 0.01 0.01
330
Study XXZ_1-3
Study Characteristics
New product No
Cognition score Medium
Affect score High
Experience score Average
Message clarity Grid from budget
Message persuasiveness Grid from budget
1 0.5 0.2 0.4 0.15 0.4 0.12 0.03 0.025 0.015 0.035 0.04 0.02 0.04 0.02 0.01 0.01

FIG. 3

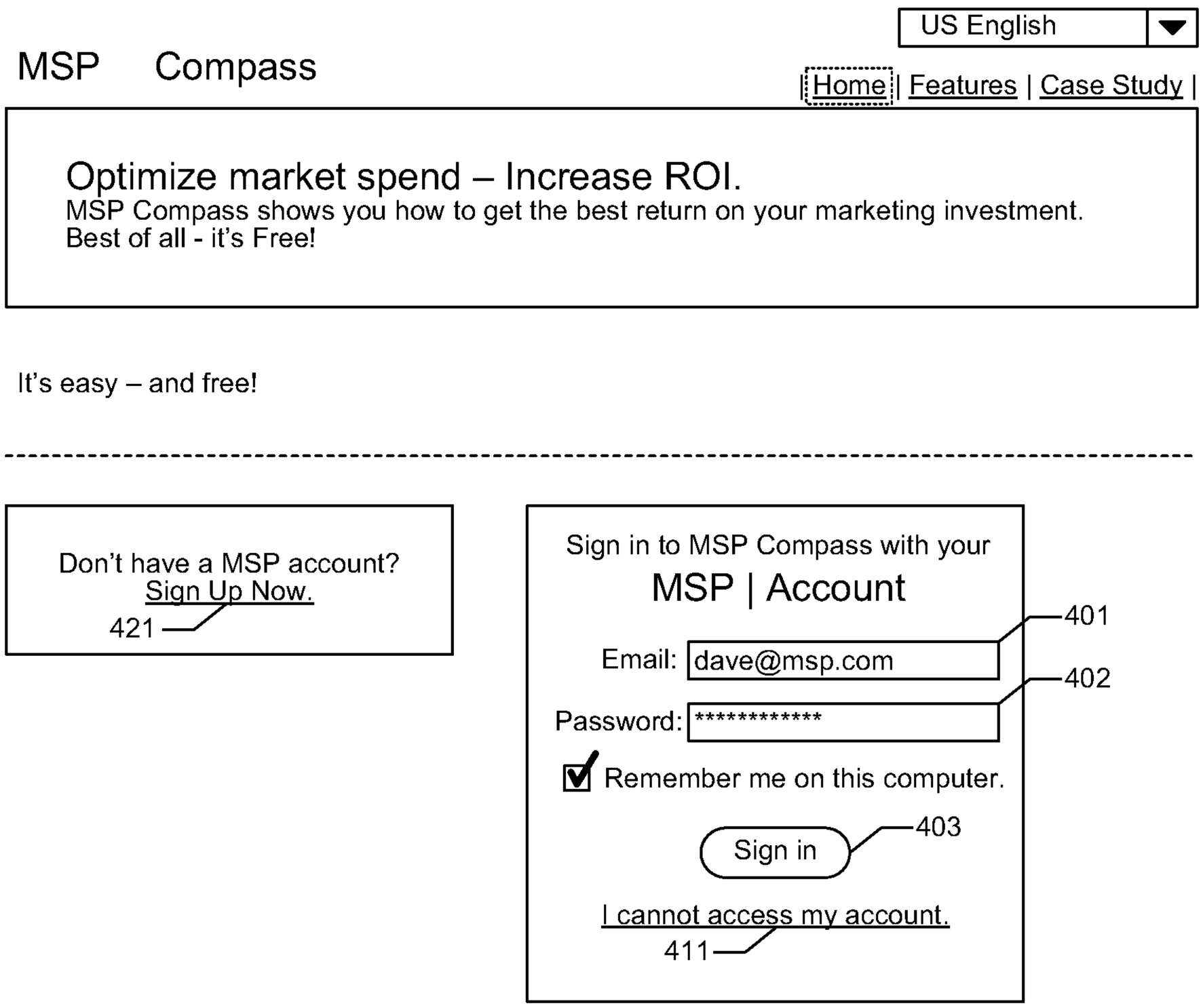
US English
MSP Compass
Home | Features | Case Study |
Optimize market spend – Increase ROI.
MSP Compass shows you how to get the best return on your marketing investment.
Best of all - it's Free!
It's easy – and free!
Don't have a MSP account?
Sign Up Now.
421
Sign in to MSP Compass with your
MSP | Account
401
Email: dave@msp.com
402
Password: **********
Remember me on this computer.
403
Sign in
I cannot access my account.
411
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FIG. 4

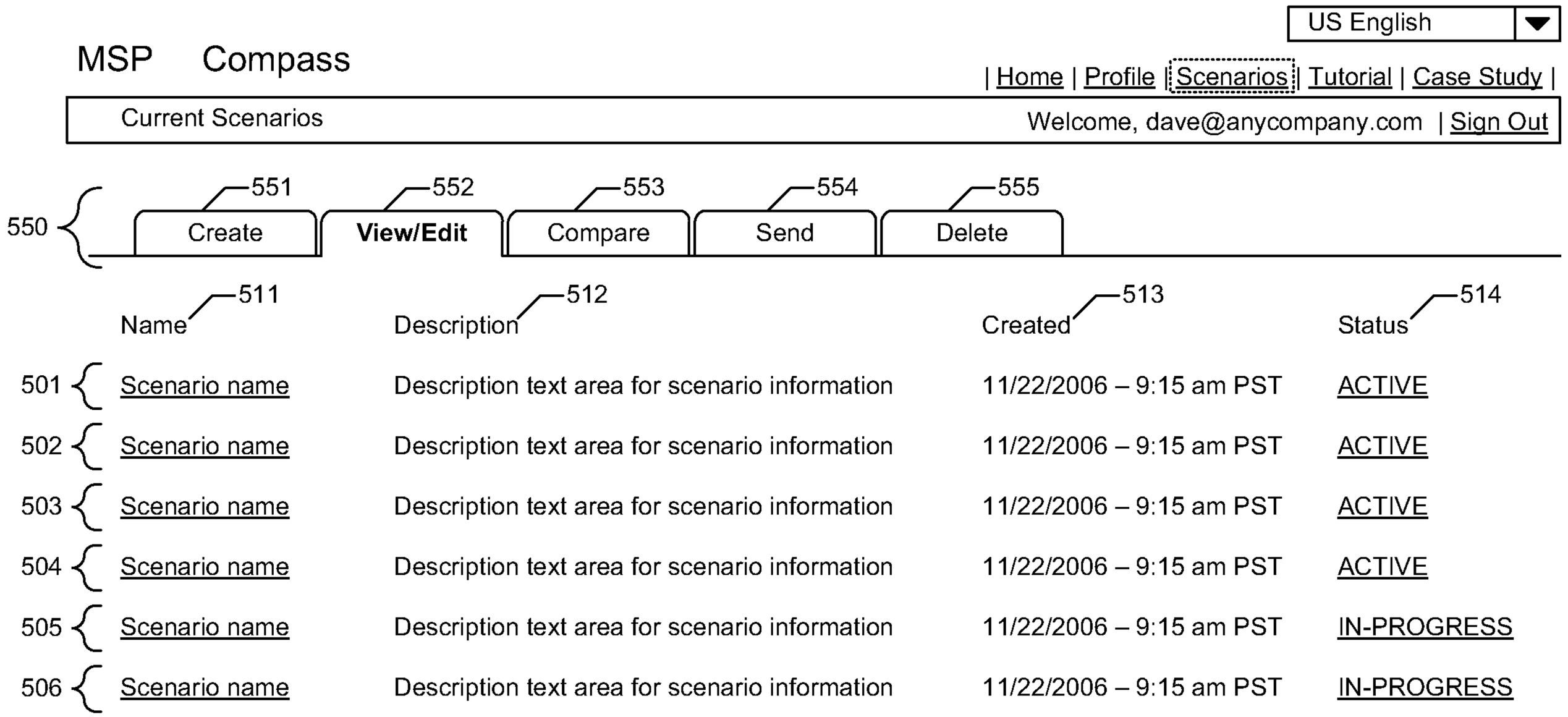
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Current Scenarios
Welcome, dave@anycompany.com | Sign Out
550
551 Create
552 View/Edit
553 Compare
554 Send
555 Delete
Name 511
Description 512
Created 513
Status 514
501 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST ACTIVE
502 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST ACTIVE
503 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST ACTIVE
504 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST ACTIVE
505 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST IN-PROGRESS
506 Scenario name Description text area for scenario information 11/22/2006 – 9:15 am PST IN-PROGRESS
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FIG. 5

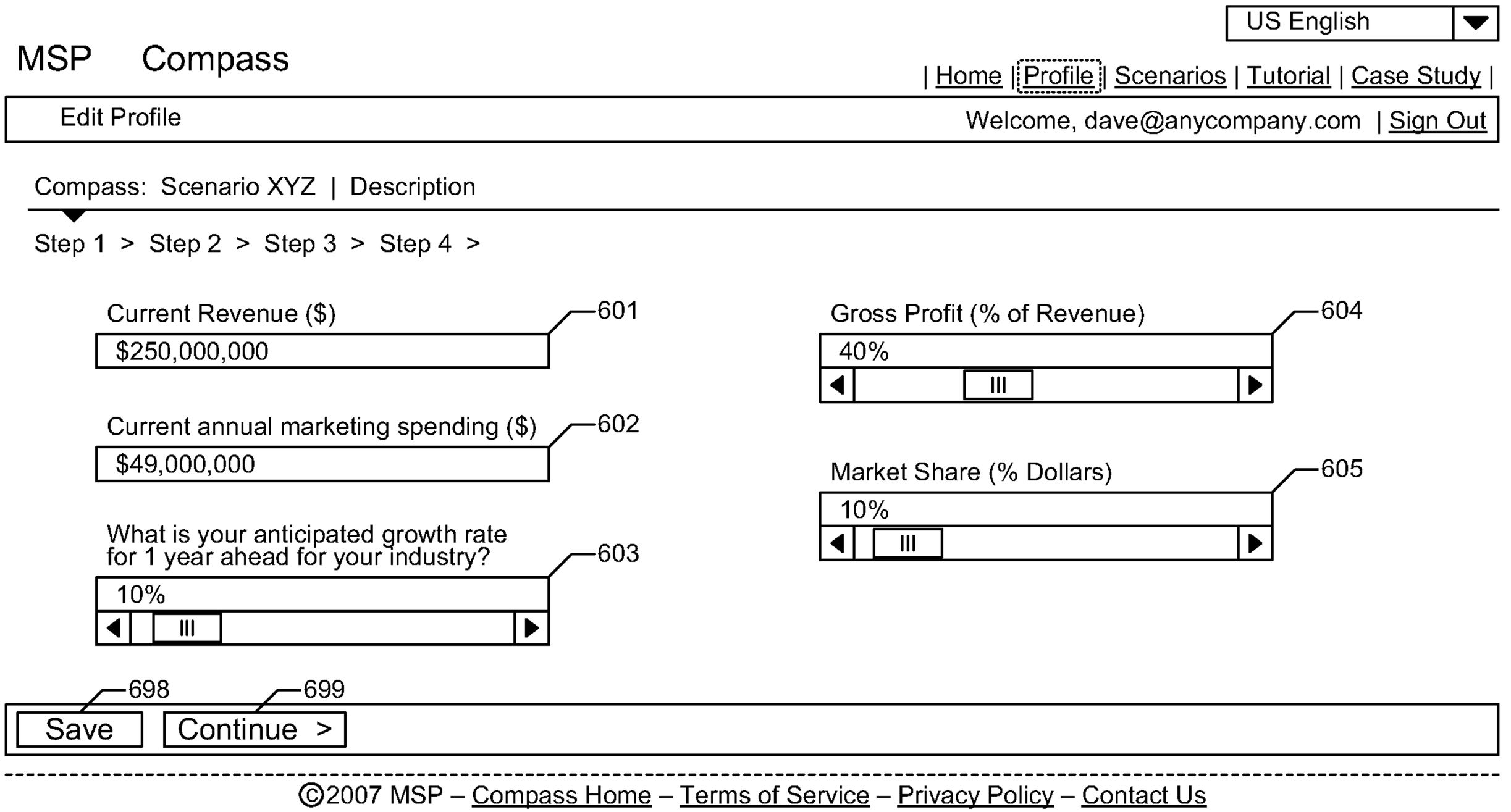
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Edit Profile
Welcome, dave@anycompany.com | Sign Out
Compass: Scenario XYZ | Description
Step 1 > Step 2 > Step 3 > Step 4 >
Current Revenue ($)
601
$250,000,000
Current annual marketing spending ($)
602
$49,000,000
What is your anticipated growth rate for 1 year ahead for your industry?
603
10%
Gross Profit (% of Revenue)
604
40%
Market Share (% Dollars)
605
10%
698
699
Save
Continue >
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FIG. 6

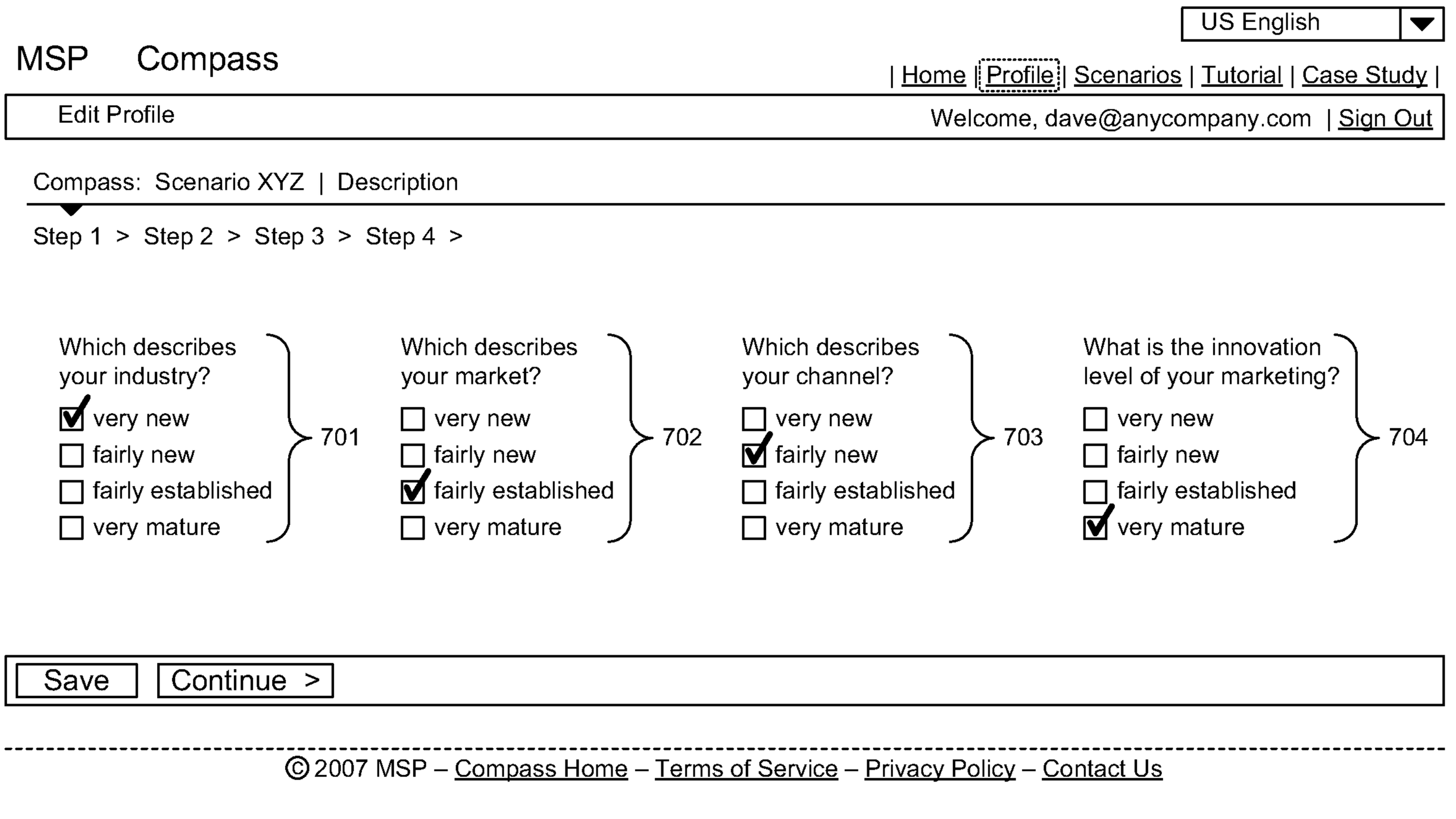
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Edit Profile
Welcome, dave@anycompany.com | Sign Out
Compass: Scenario XYZ | Description
Step 1 > Step 2 > Step 3 > Step 4 >
Which describes your industry?
very new
fairly new
fairly established
very mature
701
Which describes your market?
very new
fairly new
fairly established
very mature
702
Which describes your channel?
very new
fairly new
fairly established
very mature
703
What is the innovation level of your marketing?
very new
fairly new
fairly established
very mature
704
Save
Continue >
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FIG. 7

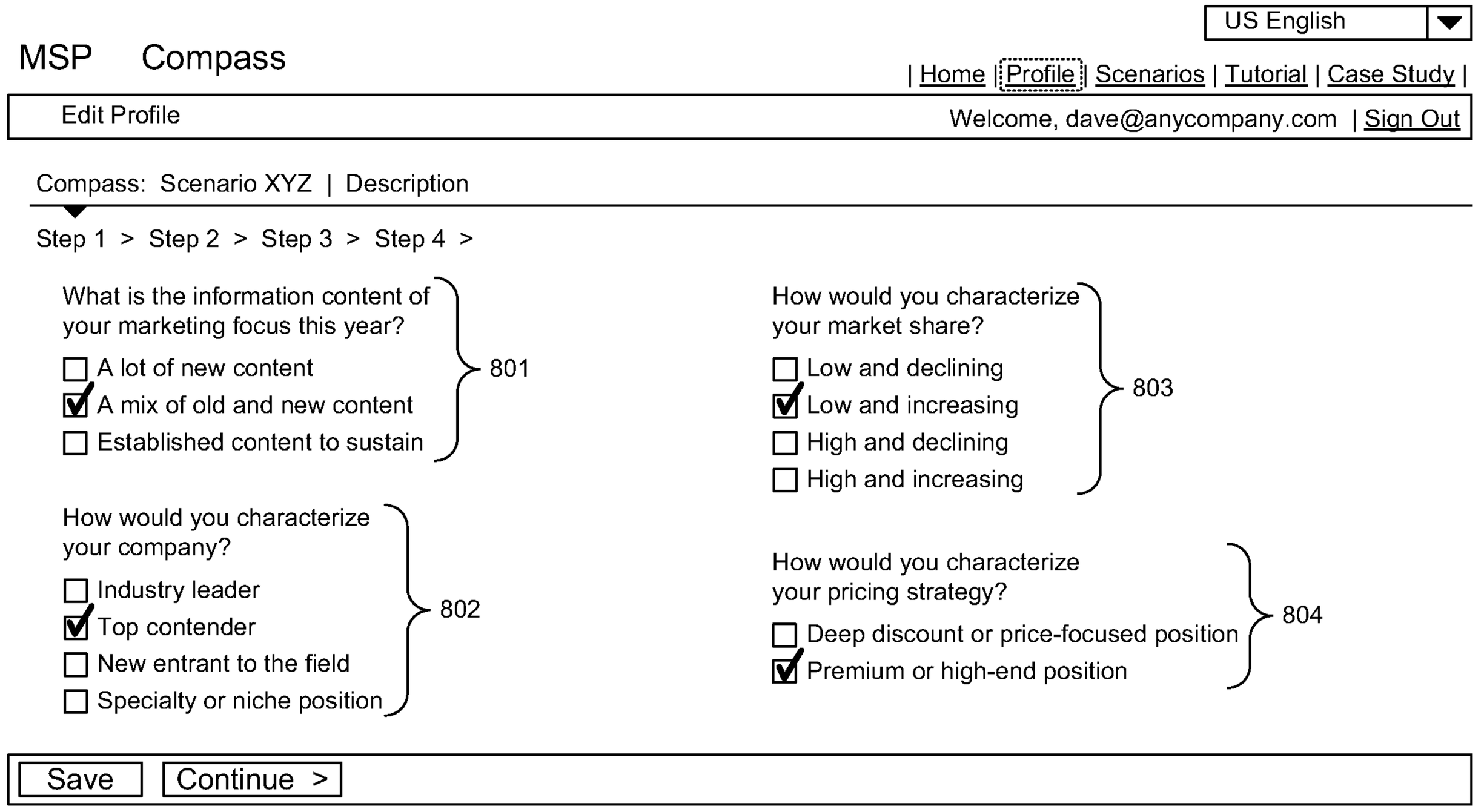
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Edit Profile
Welcome, dave@anycompany.com | Sign Out
Compass: Scenario XYZ | Description
Step 1 > Step 2 > Step 3 > Step 4 >
What is the information content of your marketing focus this year?
A lot of new content
A mix of old and new content
Established content to sustain
801
How would you characterize your company?
Industry leader
Top contender
New entrant to the field
Specialty or niche position
802
How would you characterize your market share?
Low and declining
Low and increasing
High and declining
High and increasing
803
How would you characterize your pricing strategy?
Deep discount or price-focused position
Premium or high-end position
804
Save
Continue >
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FIG. 8

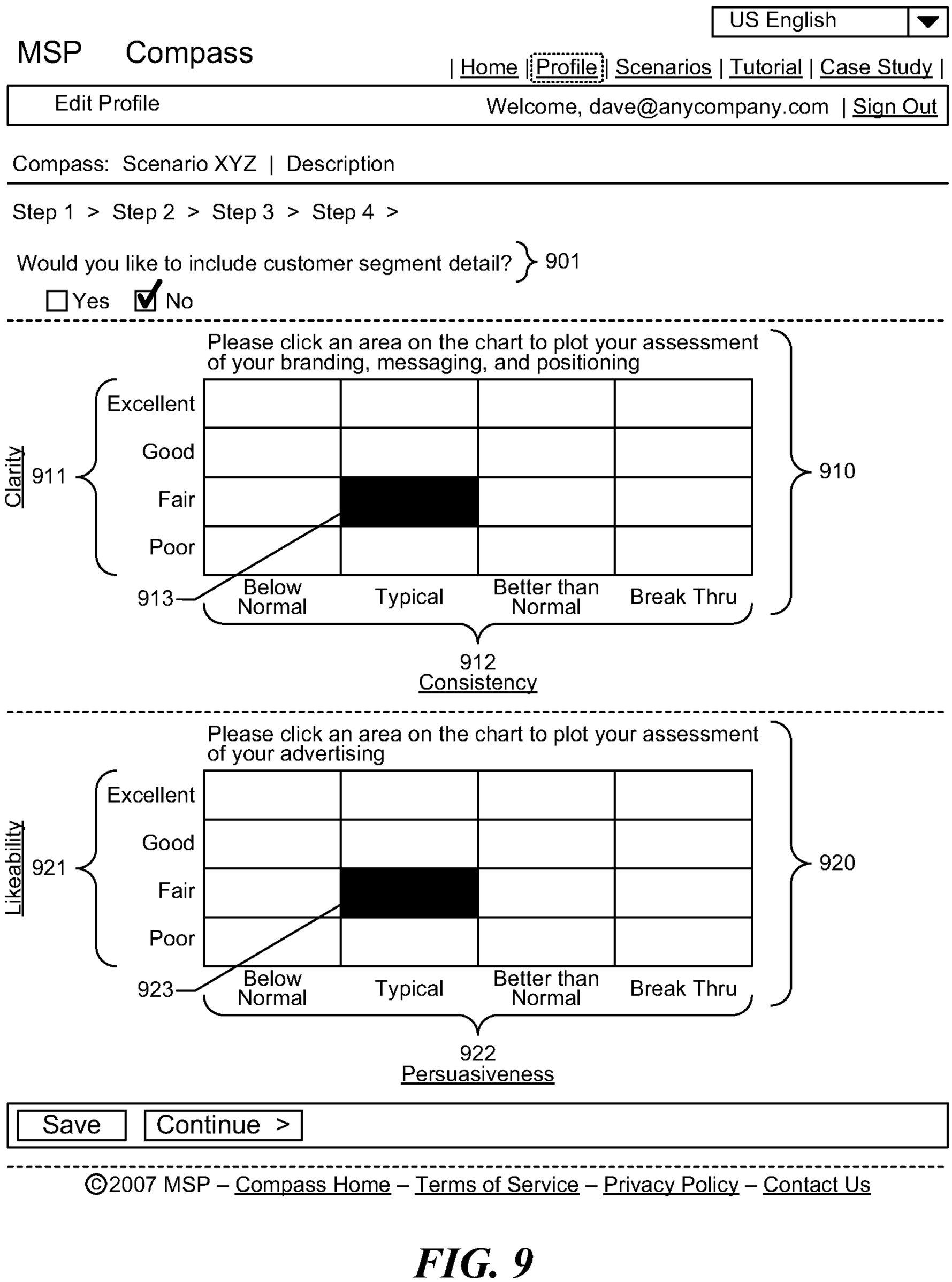
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Edit Profile
Welcome, dave@anycompany.com | Sign Out
Compass: Scenario XYZ | Description
Step 1 > Step 2 > Step 3 > Step 4 >
Would you like to include customer segment detail?
901
Yes
No
Please click an area on the chart to plot your assessment of your branding, messaging, and positioning
Clarity
911
Excellent
Good
Fair
Poor
910
913
Below Normal
Typical
Better than Normal
Break Thru
912
Consistency
Please click an area on the chart to plot your assessment of your advertising
Likeability
921
Excellent
Good
Fair
Poor
920
923
Below Normal
Typical
Better than Normal
Break Thru
922
Persuasiveness
Save
Continue >
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FIG. 9

WO 2010/051433
PCT/US2009/062730
10/49
CA 02742307 2011-04-29

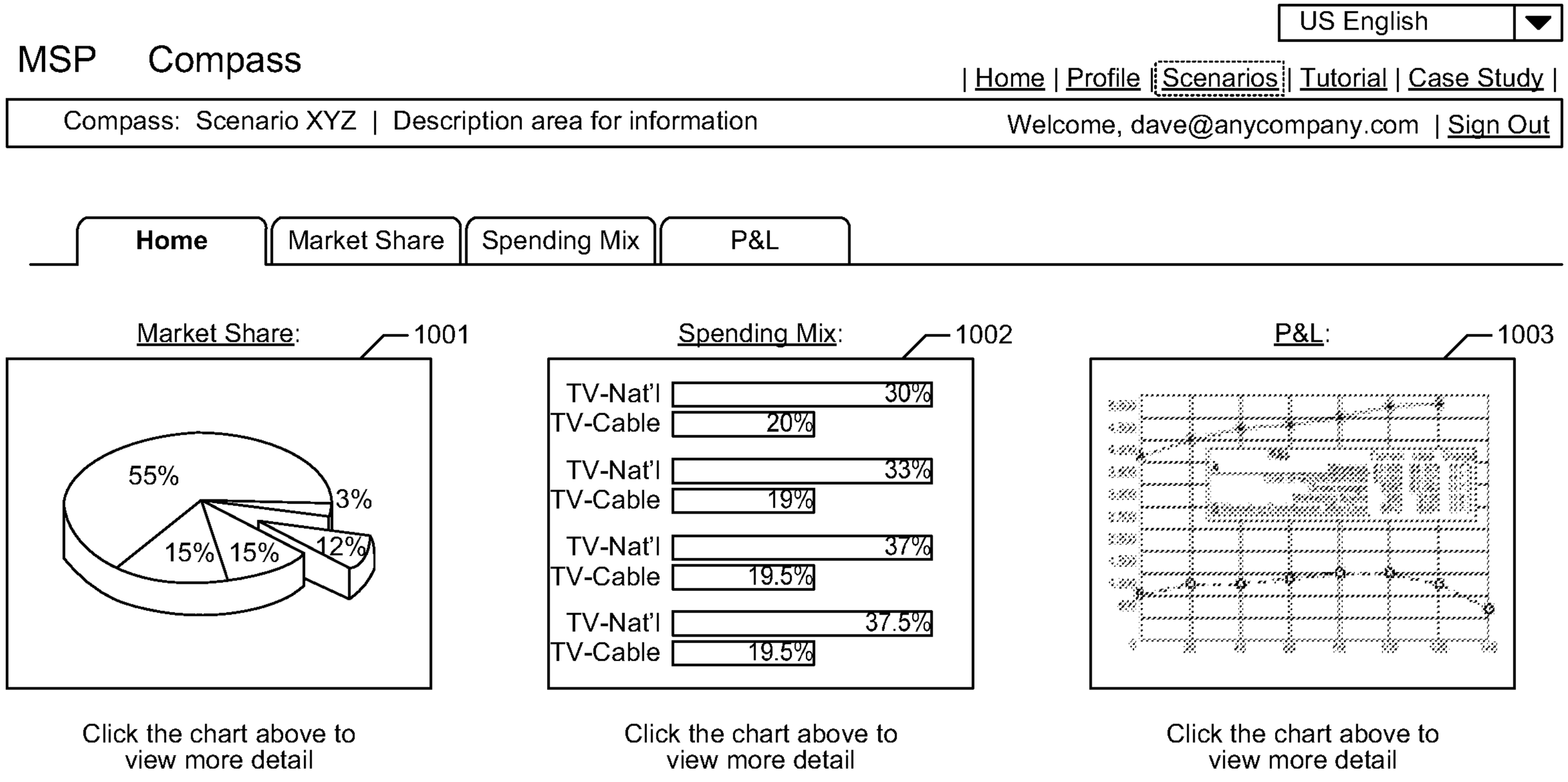

FIG. 10

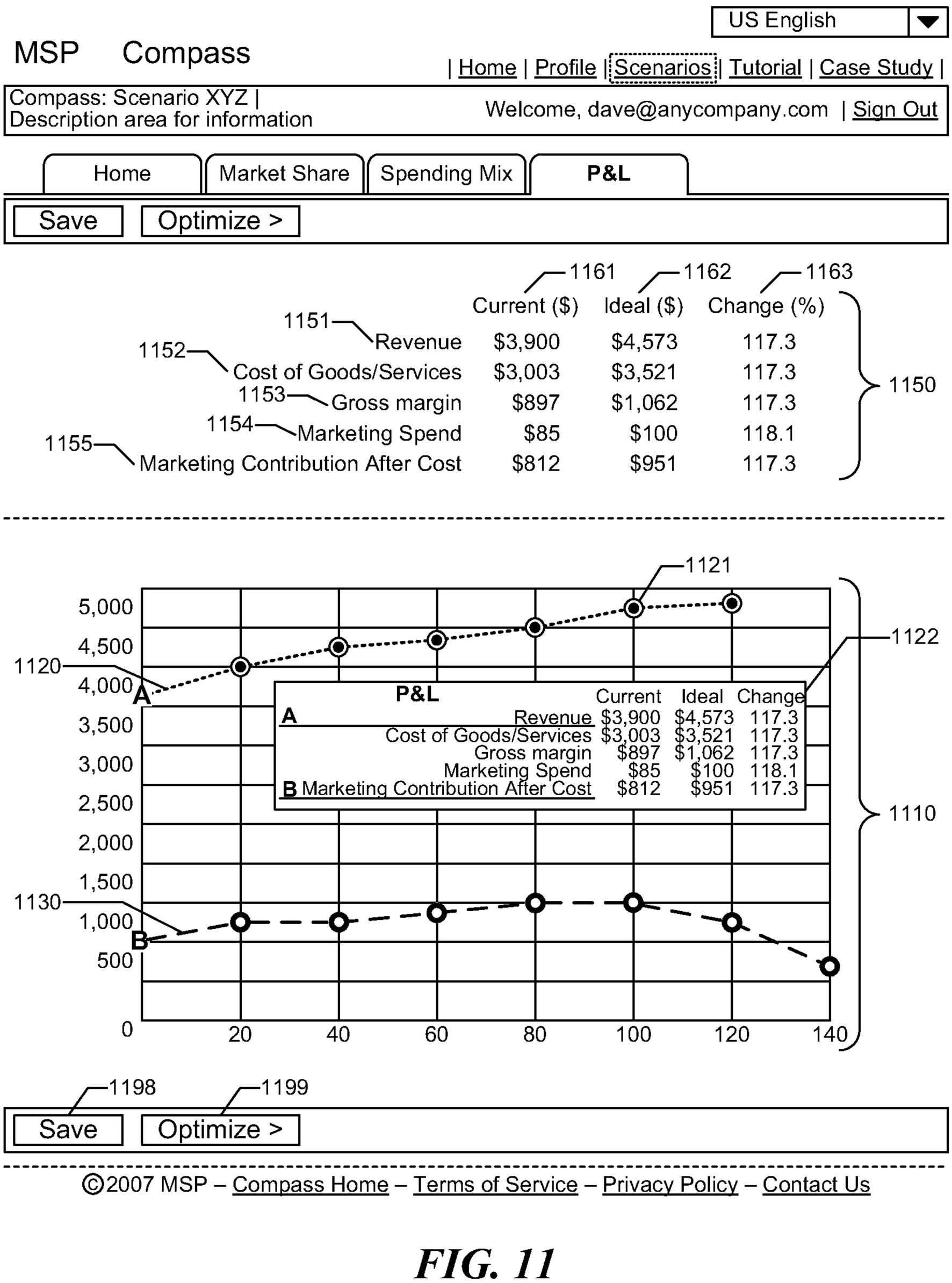
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Compass: Scenario XYZ |
Description area for information
Welcome, dave@anycompany.com | Sign Out
Home
Market Share
Spending Mix
P&L
Save
Optimize >
1161
1162
1163
Current ($)
Ideal ($)
Change (%)
1151
Revenue $3,900 $4,573 117.3
1152
Cost of Goods/Services $3,003 $3,521 117.3
1153
Gross margin $897 $1,062 117.3
1154
Marketing Spend $85 $100 118.1
1155
Marketing Contribution After Cost $812 $951 117.3
1150
1121
1122
1120
1130
1110
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
20
40
60
80
100
120
140
A
B
P&L
Current Ideal Change
A
Revenue $3,900 $4,573 117.3
Cost of Goods/Services $3,003 $3,521 117.3
Gross margin $897 $1,062 117.3
Marketing Spend $85 $100 118.1
B Marketing Contribution After Cost $812 $951 117.3
1198
1199
Save
Optimize >
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FIG. 11

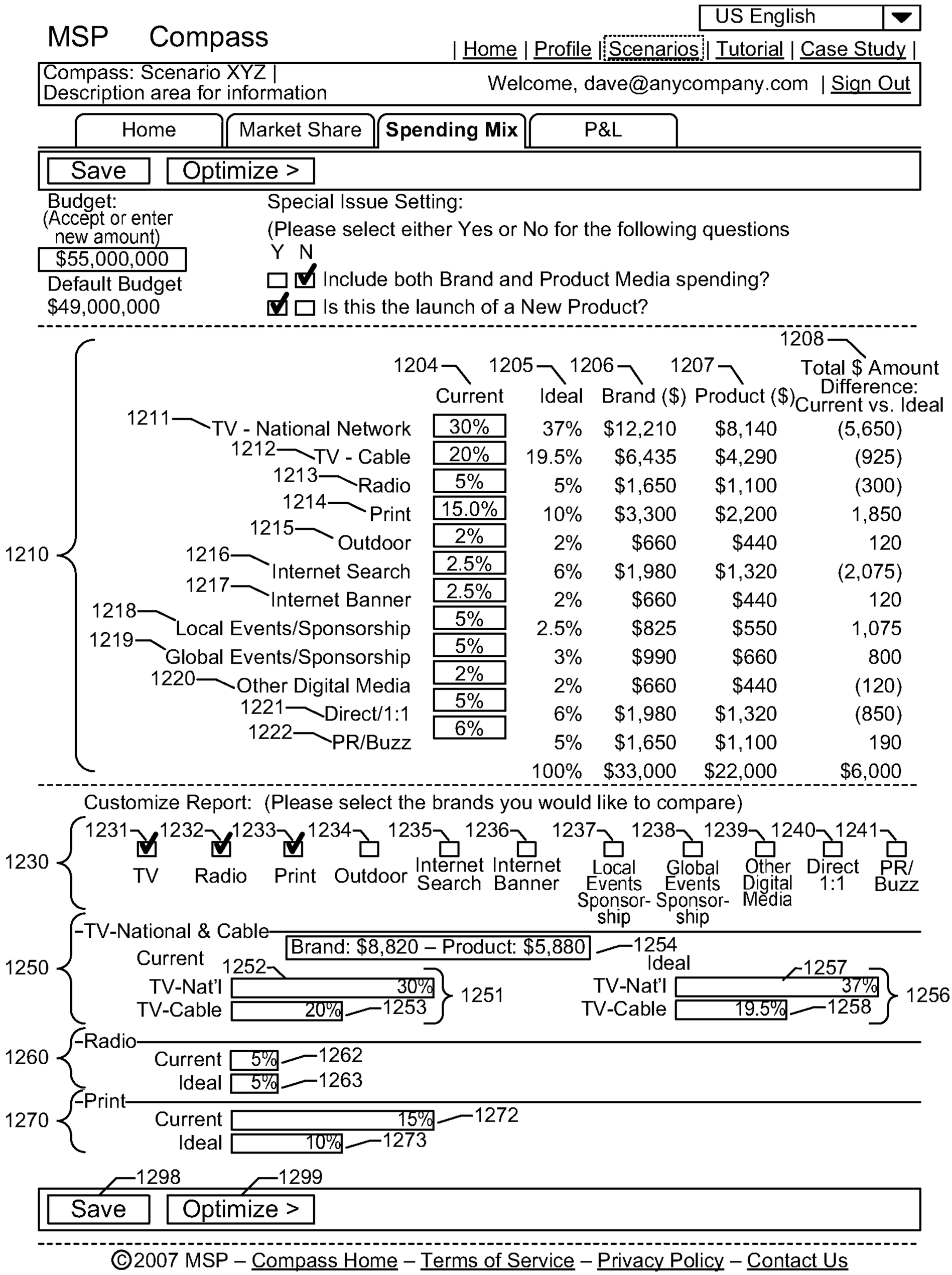
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Compass: Scenario XYZ |
Description area for information
Welcome, dave@anycompany.com | Sign Out
Home
Market Share
Spending Mix
P&L
Save
Optimize >
Budget:
(Accept or enter new amount)
$55,000,000
Default Budget
$49,000,000
Special Issue Setting:
(Please select either Yes or No for the following questions
Y N
Include both Brand and Product Media spending?
Is this the launch of a New Product?
1210
1204 Current
1205 Ideal
1206 Brand ($)
1207 Product ($)
1208 Total $ Amount Difference: Current vs. Ideal
1211 TV - National Network 30% 37% $12,210 $8,140 (5,650)
1212 TV - Cable 20% 19.5% $6,435 $4,290 (925)
1213 Radio 5% 5% $1,650 $1,100 (300)
1214 Print 15.0% 10% $3,300 $2,200 1,850
1215 Outdoor 2% 2% $660 $440 120
1216 Internet Search 2.5% 6% $1,980 $1,320 (2,075)
1217 Internet Banner 2.5% 2% $660 $440 120
1218 Local Events/Sponsorship 5% 2.5% $825 $550 1,075
1219 Global Events/Sponsorship 5% 3% $990 $660 800
1220 Other Digital Media 2% 2% $660 $440 (120)
1221 Direct/1:1 5% 6% $1,980 $1,320 (850)
1222 PR/Buzz 6% 5% $1,650 $1,100 190
100% $33,000 $22,000 $6,000
Customize Report: (Please select the brands you would like to compare)
1230
1231 TV
1232 Radio
1233 Print
1234 Outdoor
1235 Internet Search
1236 Internet Banner
1237 Local Events Sponsor-ship
1238 Global Events Sponsor-ship
1239 Other Digital Media
1240 Direct 1:1
1241 PR/ Buzz
1250
TV-National & Cable
Brand: $8,820 – Product: $5,880
1254
Current
1252
TV-Nat'l 30%
TV-Cable 20%
1253
1251
Ideal
1257
TV-Nat'l 37%
TV-Cable 19.5%
1258
1256
1260
Radio
Current 5%
1262
Ideal 5%
1263
1270
Print
Current 15%
1272
Ideal 10%
1273
1298
Save
1299
Optimize >
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FIG. 12

COMPASS KEY STEPS (1-6 BELOW) OUTLINE COMPASS MEDIA

DETERMINE CONTEXT

1. Who is the target market for the brand or business?
   - 1.1 ☐ Adults, 18-49, both Male and Female
   - 1.2 ☐ Adults, 18-49, primarily Male
   - 1.3 ☐ Adults, 18-49, primarily Female
   - 1.4 ☐ Youth, Ages 15-22
   - 1.5 ☐ Children, Under Age 15
   - 1.6 ☐ Adults, 50+
2. Please describe the business or product category
   - 2.1 Consumer Involvement
     - ☐ low ☐ medium ☐ high
   - 2.2 What level of information is needed by the customer
     - ☐ low ☐ medium ☐ high
   - 2.3 Type of product or service
     - ☐ durables ☐ non-durables
     - ☐ consumer product ☐ industrial product
   - 2.4 Is the product or service
     - ☐ a luxury or premium positioned brand
     - ☐ high priced relative to norms
     - ☐ superior in quality
3. Please describe the business, product's or service's share of voice
   - 3.1 ☐ typical/average
   - 3.2 ☐ above average
   - 3.3 ☐ below average
4. What is the primary goal of the communications
   - 4.1 ☐ convey information
   - 4.2 ☐ develop liking and emotional value
   - 4.3 ☐ reinforce habits
5. What is the stage of life of the business, product or service
   - 5.1 ☐ New
   - 5.2 ☐ Established
   - 5.3 ☐ Mature
   - 5.4 ☐ Other
6. What is the Reach objective over 12 months for the communications
   - ☐ Percent of Target
7. What is the duration of the customer's usage or buying cycle
   - 7.1 ☐ Frequently, daily or weekly
   - 7.2 ☐ Seasonal
   - 7.3 ☐ Once a year/annually
   - 7.4 ☐ Once every 2-3 years
   - 7.5 ☐ Once in 10 years/
   - 7.6 ☐ Special
8. Please describe the customer's prior experience, if any, with the business, product or service
   - ☐ None ☐ Positive Word of Mouth
   - ☐ Average ☐ Below Average
9. Is brand "personality" considered a differentiator in the cateogry
   - ☐ Yes ☐ No
10. To what extent is the business, product or service required to be supported
    - ☐ Nationally ☐ Locally

1300

FIG. 13

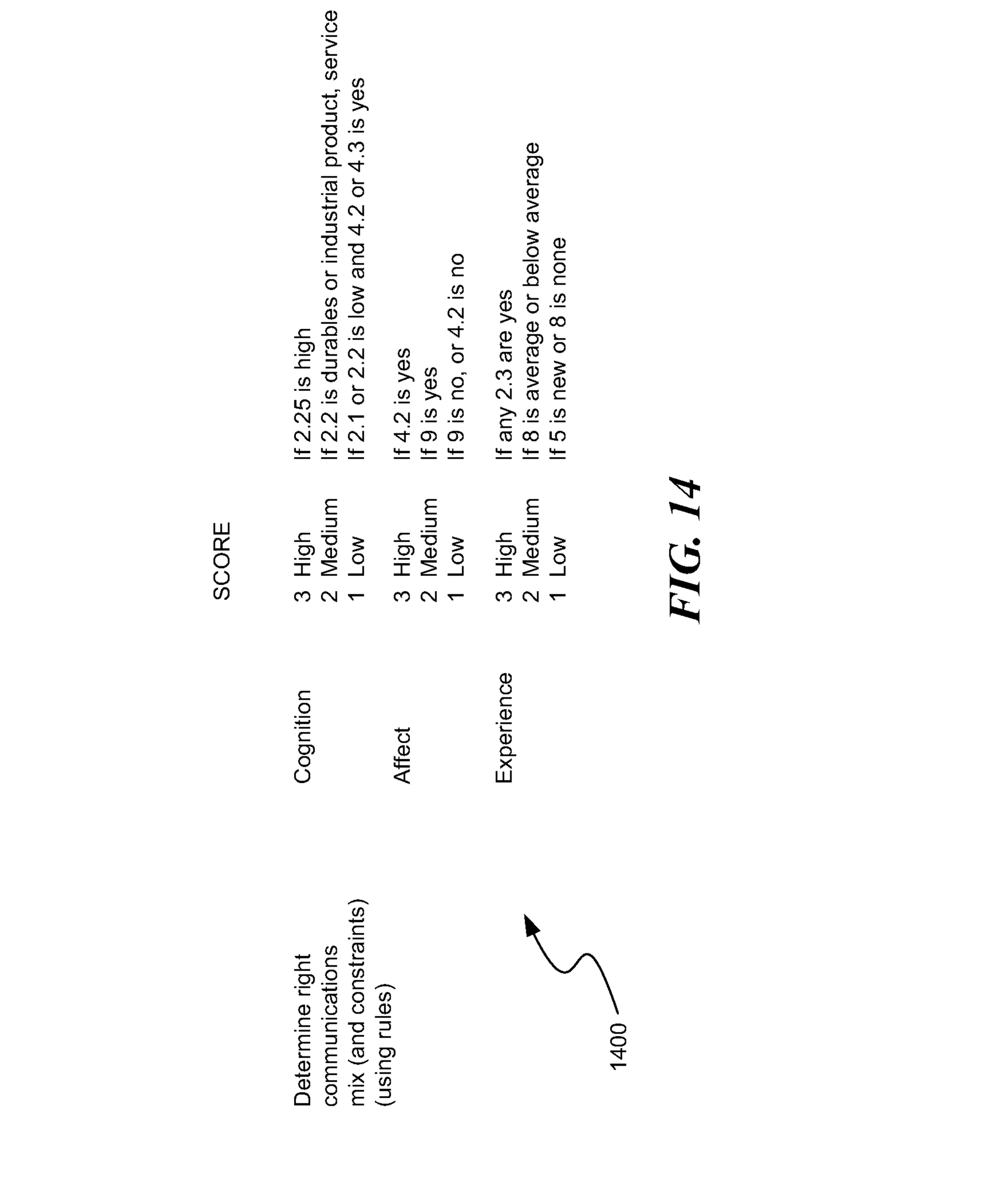
SCORE
3 High If 2.25 is high
2 Medium If 2.2 is durables or industrial product, service
1 Low If 2.1 or 2.2 is low and 4.2 or 4.3 is yes
3 High If 4.2 is yes
2 Medium If 9 is yes
1 Low If 9 is no, or 4.2 is no
3 High If any 2.3 are yes
2 Medium If 8 is average or below average
1 Low If 5 is new or 8 is none
Determine right communications mix (and constraints) (using rules)
Cognition
Affect
Experience
1400

FIG. 14

Preliminary initial mix of resources (if consumer product)		Percentages	Rec'd Media Mix (starting, pre-adjustments)								
	Starting Allocations Weights for Freq Calcs		1	2	3	4	5	6	7	8	9
Compass Budget Deal $10,000,000		Cognition score High / Affect score High	High / Low	Low / High	Medium / Medium	High / Medium	Medium / High	Low / Low if national	Low / Medium	Medium / Low	
$5,000,000	50	TV	44	20	60	50	100	50	65	55	50
$0	10	Print - magazines	12	25	5	10	100	10	0	5	10
$0	5	Print – newspapers	0	5	0	5	100	0	5	0	5
$500,000	10	Radio	5	5	5	10	100	5	10	15	10
$0	0	Outdoor	0	0	5	0	100	0	0	5	0
$0	5	Internet – search	10	20	5	5	100	10	10	5	10
$25,000	5	Internet – ad words	5	10	5	5	100	5	10	5	10
$0	5	Direct marketing	12	15	0	5	100	5	0	0	5
$0	5	Sponsorships/events	7	0	5	5	100	10	0	5	0
$1,250	5	PR/other	5	0	10	5	100	5	0	5	0
$0	0	Street	0	0	5	5	100	0	0	0	0
		Sub-total	100	100	100	100	100	100	100	100	100

1500

FIG. 15

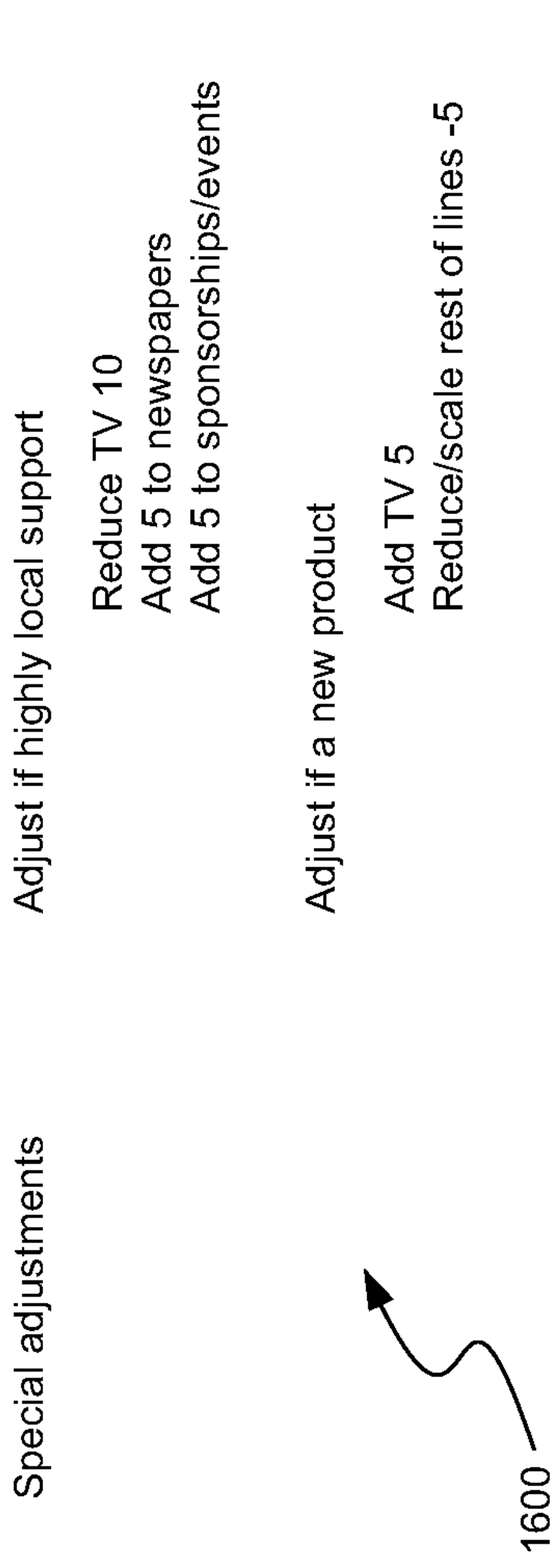
Special adjustments
1600
Adjust if highly local support
Reduce TV 10
Add 5 to newspapers
Add 5 to sponsorships/events
Adjust if a new product
Add TV 5
Reduce/scale rest of lines -5

FIG. 16

Determine reach and frequency factors for min persuasion and minimum impressions by type	Purchased Reach	Type	Effective % of target (reach)	FREQ WTS cf to C1112	Frequency per Cust. Minimum No. Exposures/ Impressions per Purchase Cycle	No. Purchase cycles per year	Total Annual calc total no. impressions	CPI Ballpark 2007 Cost per impression $$ per	Total Est. Min Spending by Type
TARGET REACH SIZE OF TARGET AUDIENCE 5000000	6,260,000	TV	80	0.516	1.6	26	260,000,000	0.03	$7,800,000
		Print - magazines		0.032	0.1	26	16,250,000	0.01	$162,500
		Print – newspapers		0.032	0.1	26	16,250,000	0.005	$81,250
		Radio		0.032	0.1	26	16,250,000	0.0025	$40,625
		Outdoor		0.032	0.1	26	16,250,000	0.01	$162,500
		Internet – search		0.065	0.2	26	32,500,000	0.01	$325,000
		Internet – ad words		0.161	0.5	26	81,250,000	0.01	$812,500
		Direct marketing		0.032	0.1	26	16,250,000	0.03	$487,500
		Sponsorships/events		0.032	0.1	26	16,250,000	0.001	$16,250
		PR/other		0.032	0.1	26	16,250,000	0.005	$81,250
		Street		0.032	0.1	26	16,250,000	0.01	$162,500
					3.1		503,750,000	Sub-total	$10,131,875
				WTD sum					

1700

FIG. 17

Scale size of media results to match
Total budget dollars
Scale
up or
down
target
audience
to match
total
marketing
budget
Scale size of media results to match
total budget dollars
IE scale size of target audience
Up or down
1800

FIG. 18

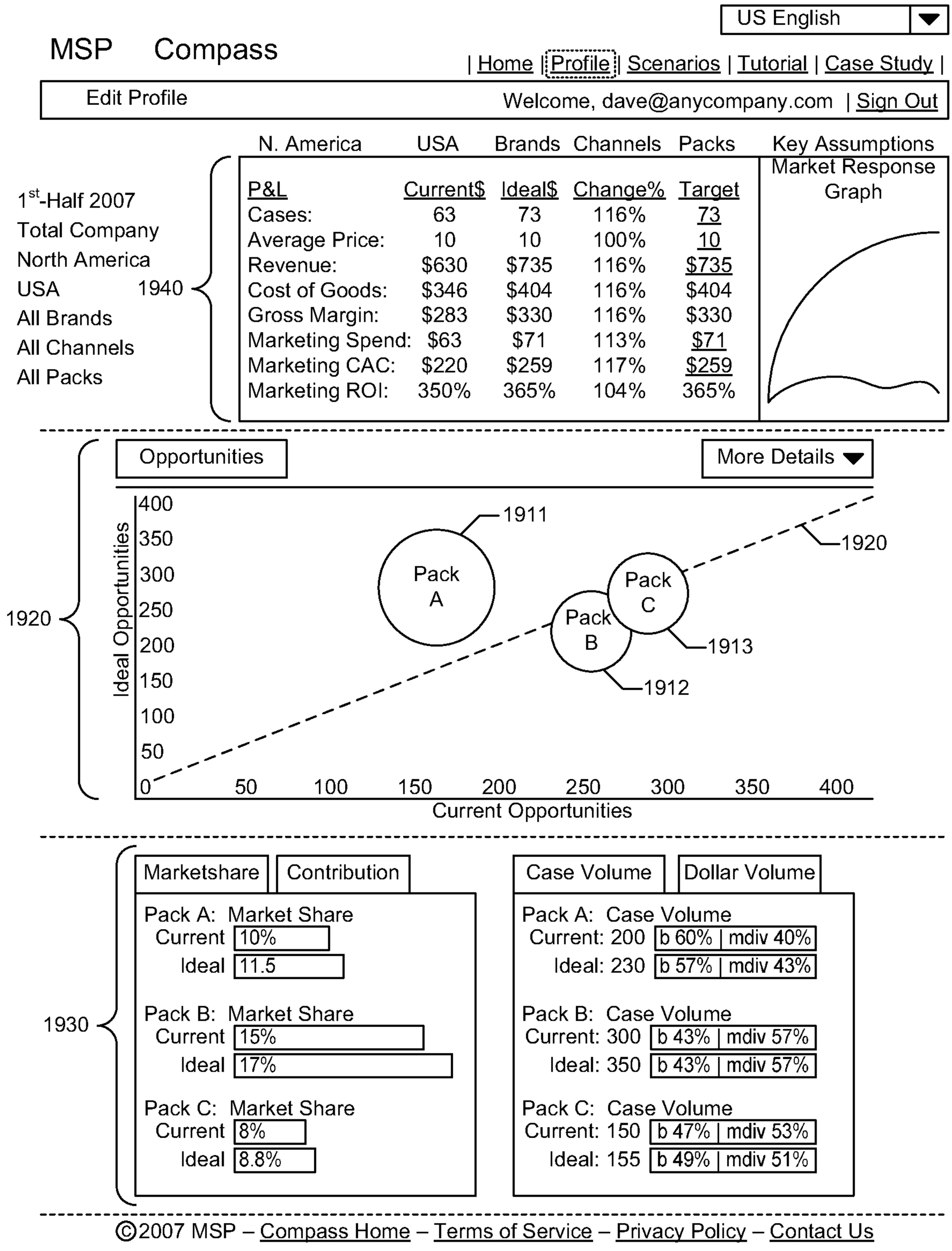
US English
MSP Compass
| Home | Profile | Scenarios | Tutorial | Case Study |
Edit Profile
Welcome, dave@anycompany.com | Sign Out
N. America
USA
Brands
Channels
Packs
Key Assumptions
1st-Half 2007
Total Company
North America
USA 1940
All Brands
All Channels
All Packs
P&L Current$ Ideal$ Change% Target
Cases: 63 73 116% 73
Average Price: 10 10 100% 10
Revenue: $630 $735 116% $735
Cost of Goods: $346 $404 116% $404
Gross Margin: $283 $330 116% $330
Marketing Spend: $63 $71 113% $71
Marketing CAC: $220 $259 117% $259
Marketing ROI: 350% 365% 104% 365%
Market Response Graph
Opportunities
More Details
1920
Ideal Opportunities
400
350
300
250
200
150
100
50
0
50 100 150 200 250 300 350 400
1911
Pack A
Pack B
Pack C
1912
1913
1920
Current Opportunities
1930
Marketshare
Contribution
Pack A: Market Share
Current 10%
Ideal 11.5
Pack B: Market Share
Current 15%
Ideal 17%
Pack C: Market Share
Current 8%
Ideal 8.8%
Case Volume
Dollar Volume
Pack A: Case Volume
Current: 200 b 60% | mdiv 40%
Ideal: 230 b 57% | mdiv 43%
Pack B: Case Volume
Current: 300 b 43% | mdiv 57%
Ideal: 350 b 43% | mdiv 57%
Pack C: Case Volume
Current: 150 b 47% | mdiv 53%
Ideal: 155 b 49% | mdiv 51%
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FIG. 19

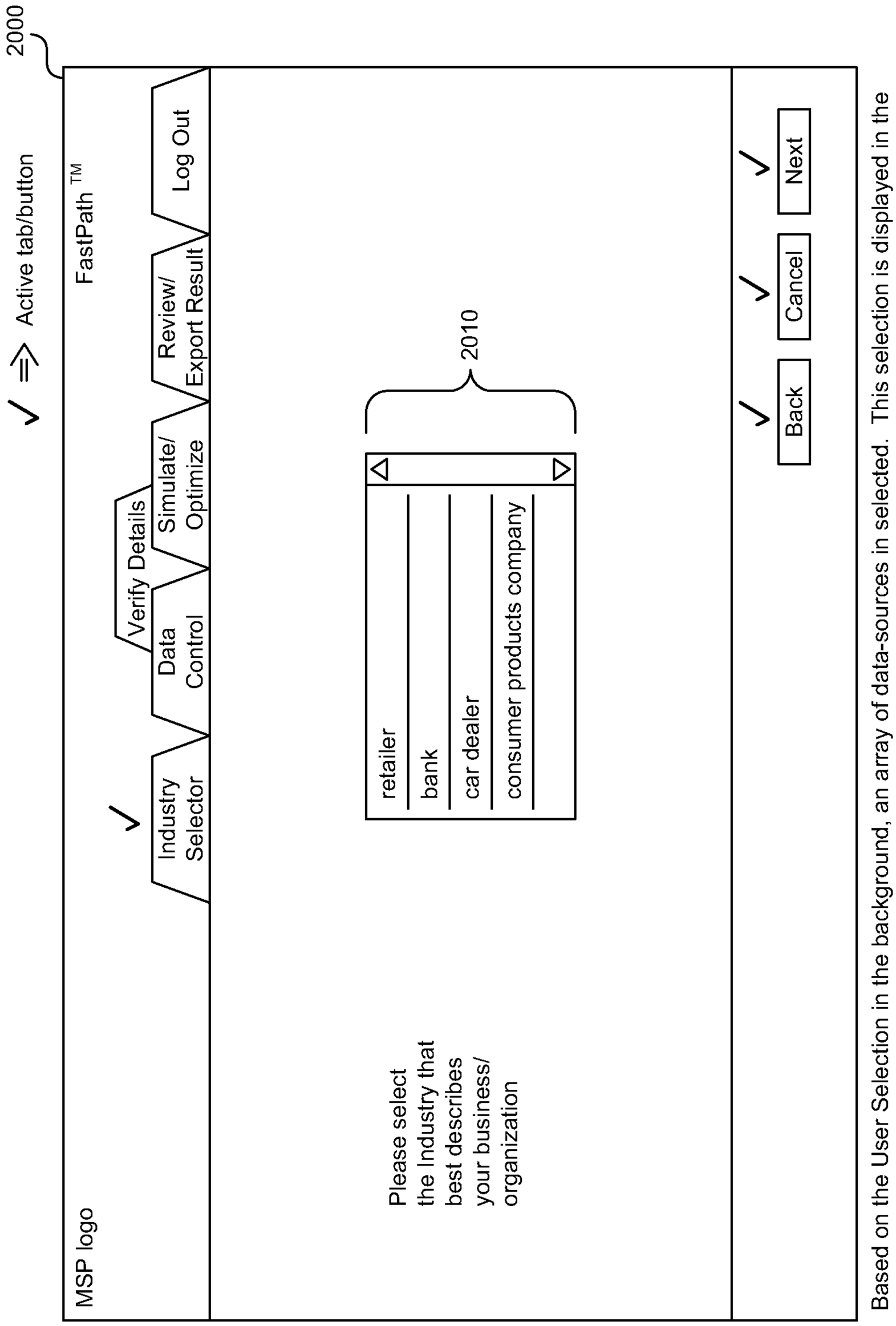
2000
✓ ⇒ Active tab/button
MSP logo
FastPath™
Industry Selector
Data Control
Verify Details
Simulate/ Optimize
Review/ Export Result
Log Out
Please select the Industry that best describes your business/ organization
retailer
bank
car dealer
consumer products company
2010
Back
Cancel
Next
Based on the User Selection in the background, an array of data-sources in selected. This selection is displayed in the next tab – "Data Control."
Back ⇒ Login screen; Cancel ⇒ Negate selection; Next ⇒ "Data control" tab

FIG. 20

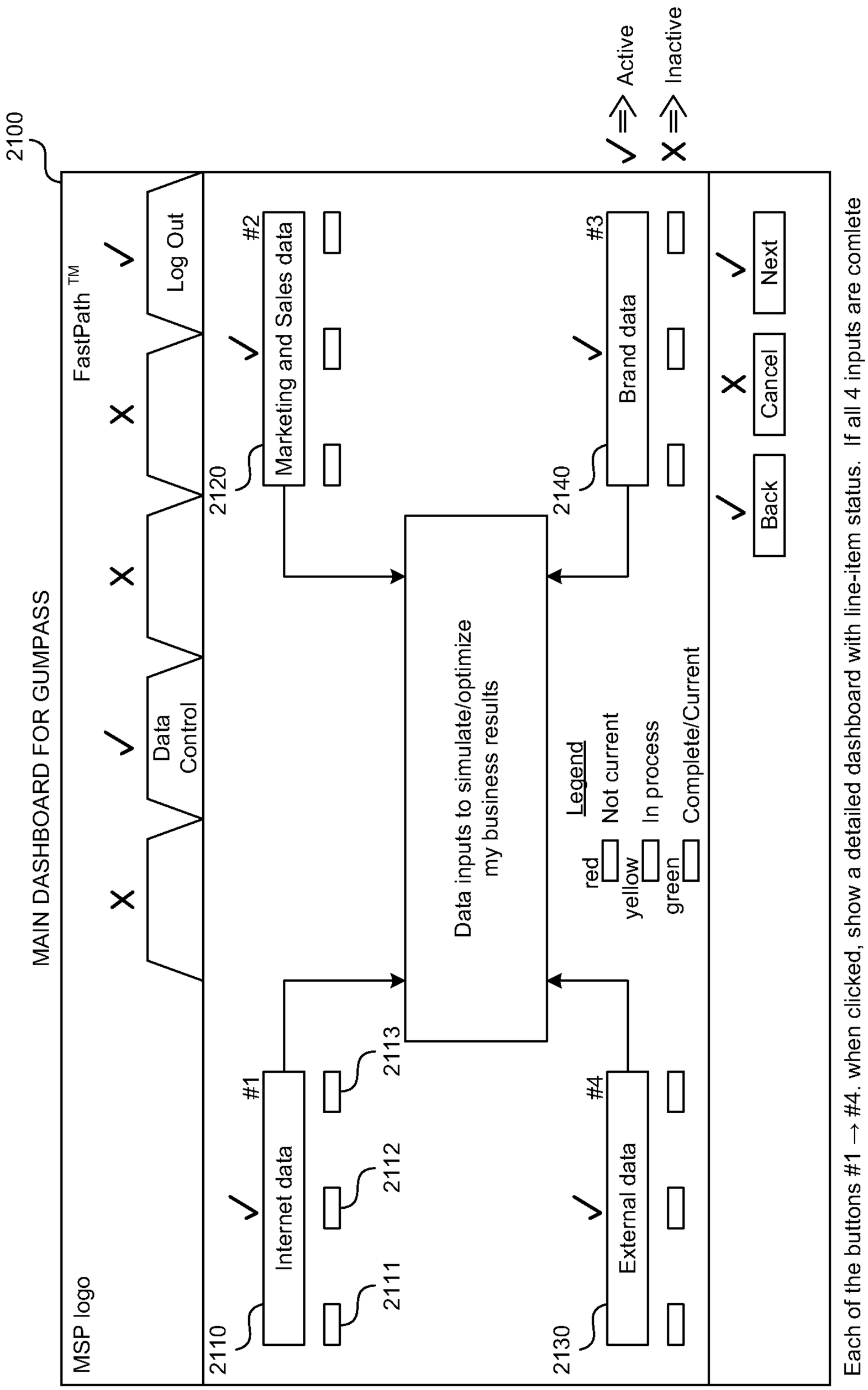
MAIN DASHBOARD FOR GUMPASS
FastPath™
MSP logo
Log Out
Data Control
Internet data
Marketing and Sales data
Brand data
External data
Data inputs to simulate/optimize my business results
Next
Back
Cancel
Active
Inactive
Legend
Not current
In process
Complete/Current
red
yellow
green
2100
2110
2111
2112
2113
2120
2130
2140
#1
#2
#3
#4
Each of the buttons #1 → #4. when clicked, show a detailed dashboard with line-item status. If all 4 inputs are and current, it show RED. Otherwise, it shows YELLOW.
Back ⇒ Industry selector
Next ⇒ Verify data tab

FIG. 21

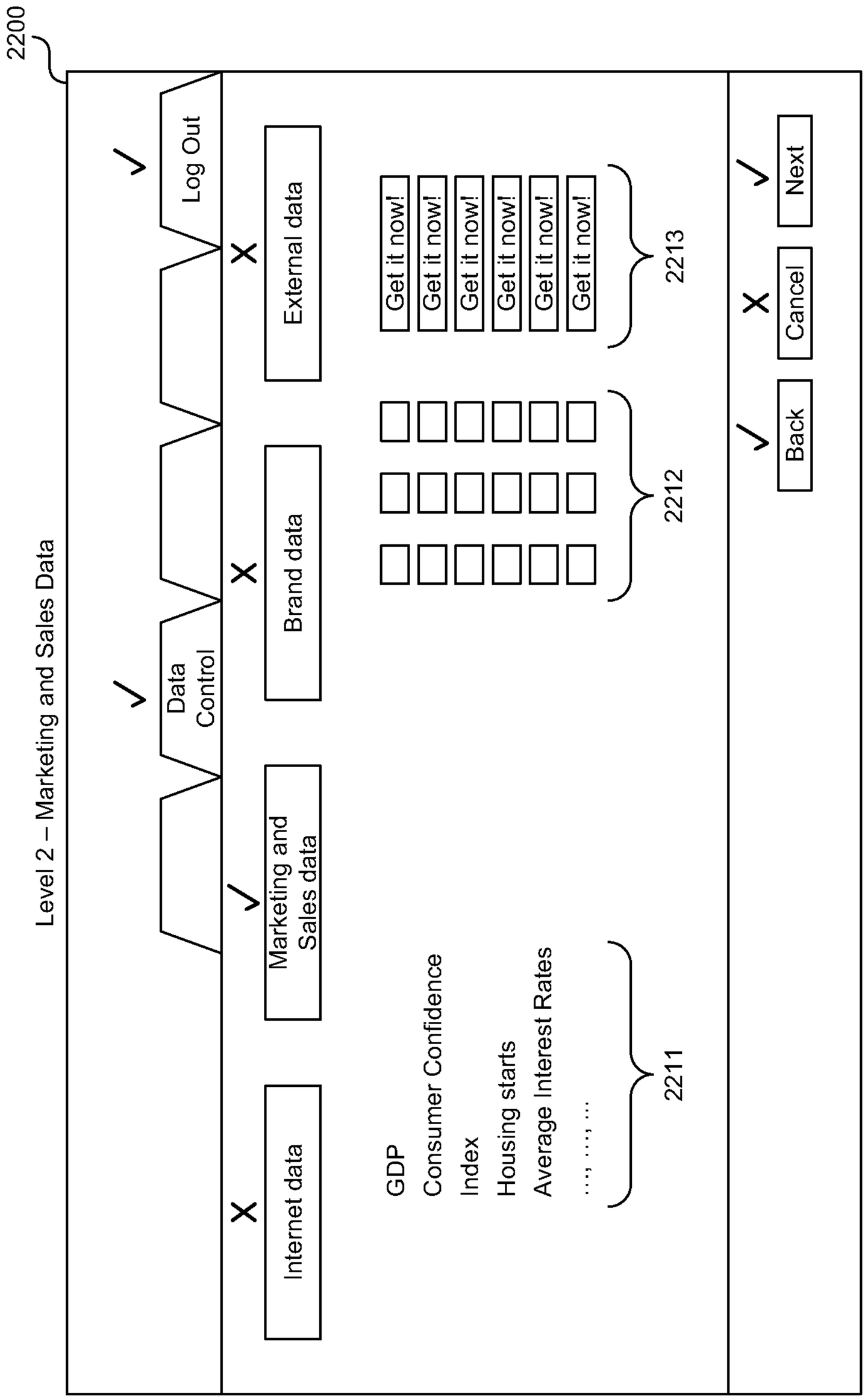
2200
Level 2 – Marketing and Sales Data
Log Out
External data
Data Control
Brand data
Internet data
Marketing and Sales data
GDP
Consumer Confidence Index
Housing starts
Average Interest Rates
…, …, …
2211
2212
2213
Get it now!
Get it now!
Get it now!
Get it now!
Get it now!
Get it now!
Next
Cancel
Back
Create an updateable table with names of monthly feeds for ECONOMY data:
GDP, Consumer Confidence Index, etc., etc.
Get it now! ⇒ Shell out/Pipe in LW/PW/Shell back in
Back ⇒ LEVEL 1 Data Control
Cancel ⇒ Stop M2M job
Next ⇒ Next tab – "Verify data" tab

FIG. 22

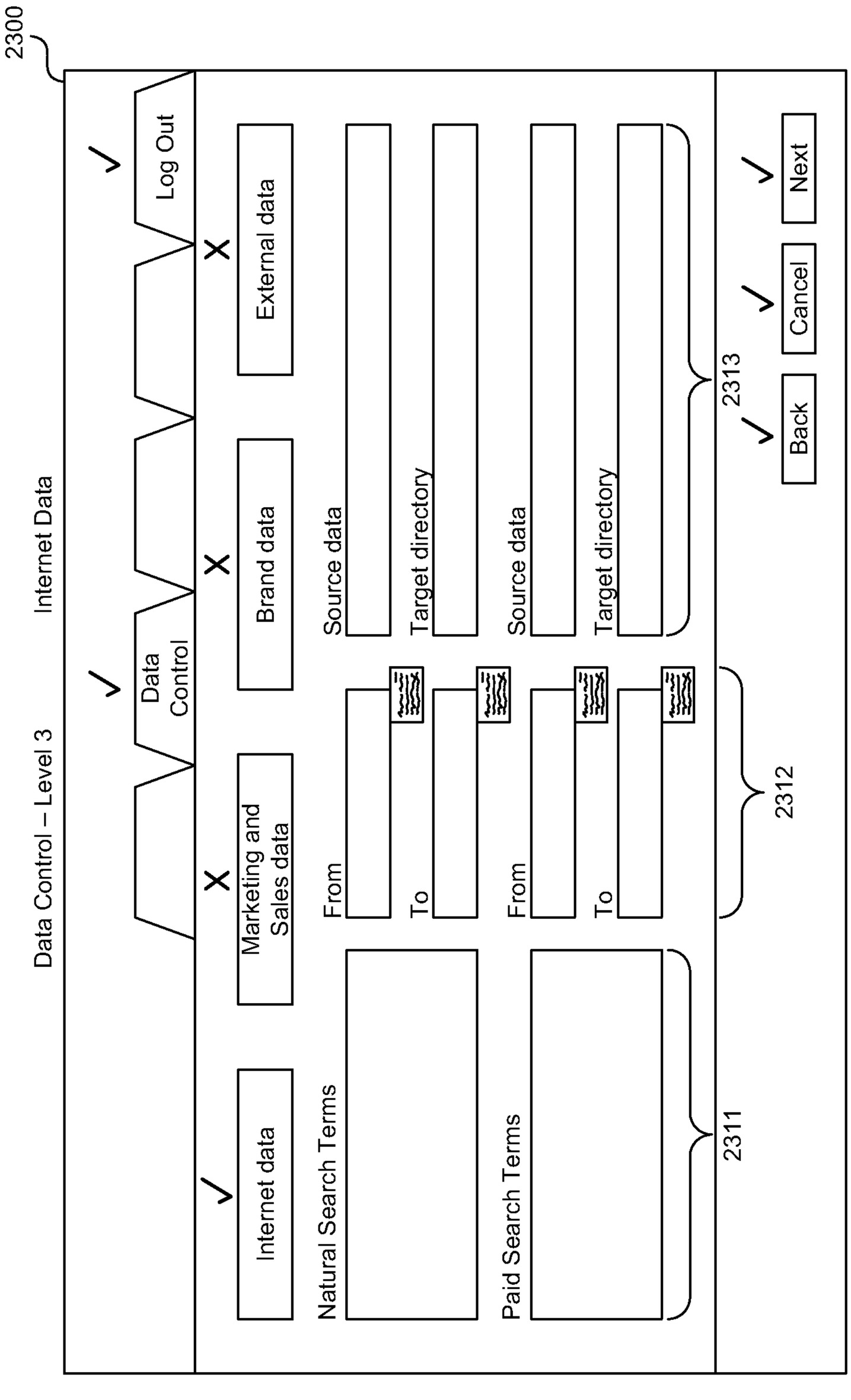
2300
Data Control – Level 3
Internet Data
Log Out
Data Control
Internet data
Brand data
Marketing and Sales data
External data
Natural Search Terms
Paid Search Terms
Source data
Target directory
From
To
2311
2312
2313
Next
Cancel
Back
Go ⇒ The system fetches data machine-to-machine
Back ⇒ Go to level 2
Cancel ⇒ Abort M2M interaction
Next ⇒ Go to the next tab – "Verify data"

FIG. 23

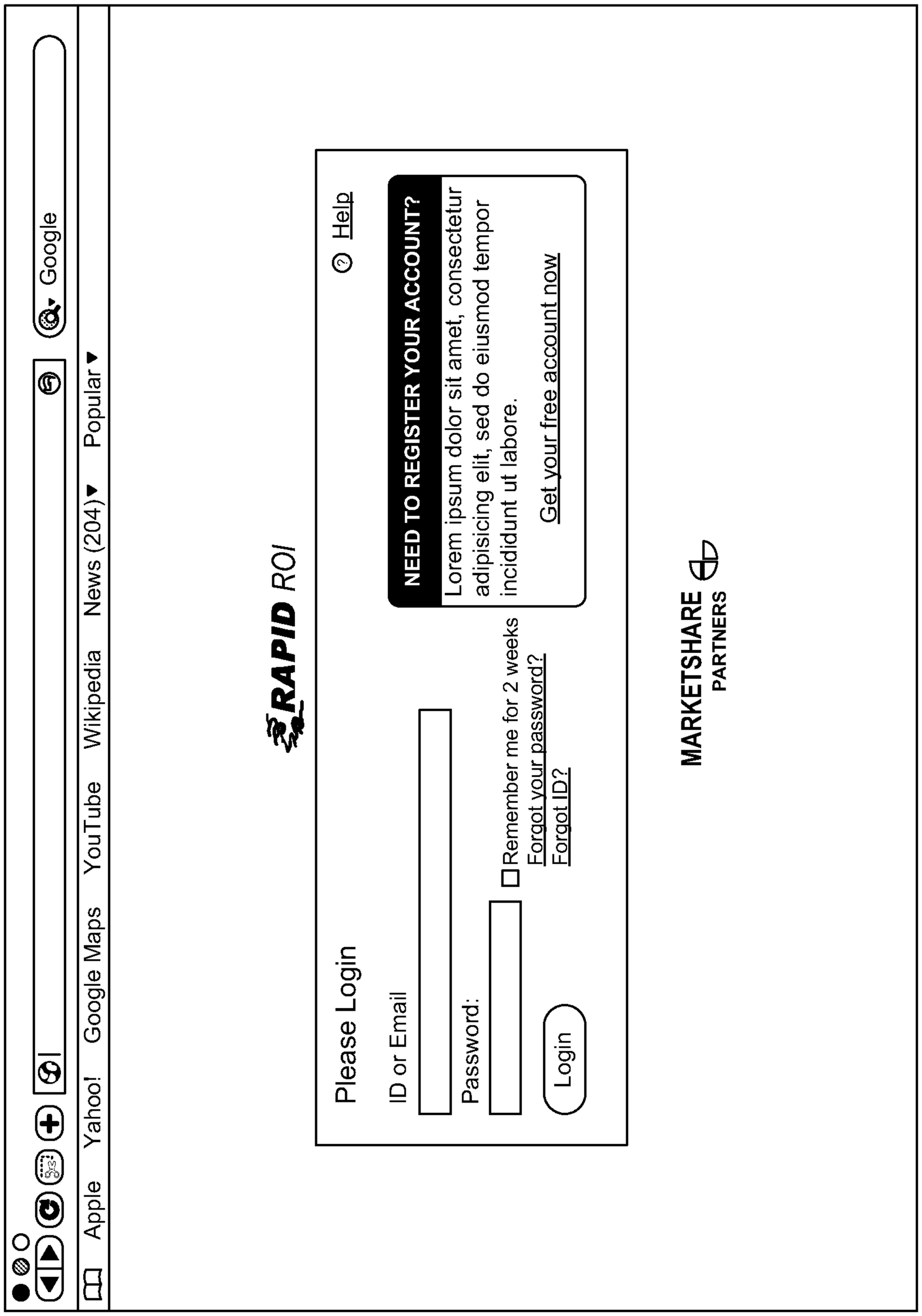
Google
Yahoo! Google Maps YouTube Wikipedia
News (204)
Popular
Apple
RAPID ROI
Help
NEED TO REGISTER YOUR ACCOUNT?
Lorem ipsum dolor sit amet, consectetur adipisicing elit, sed do eiusmod tempor incididunt ut labore.
Get your free account now
Please Login
ID or Email
Password:
Remember me for 2 weeks
Forgot your password?
Forgot ID?
Login
MARKETSHARE
PARTNERS

FIG. 24

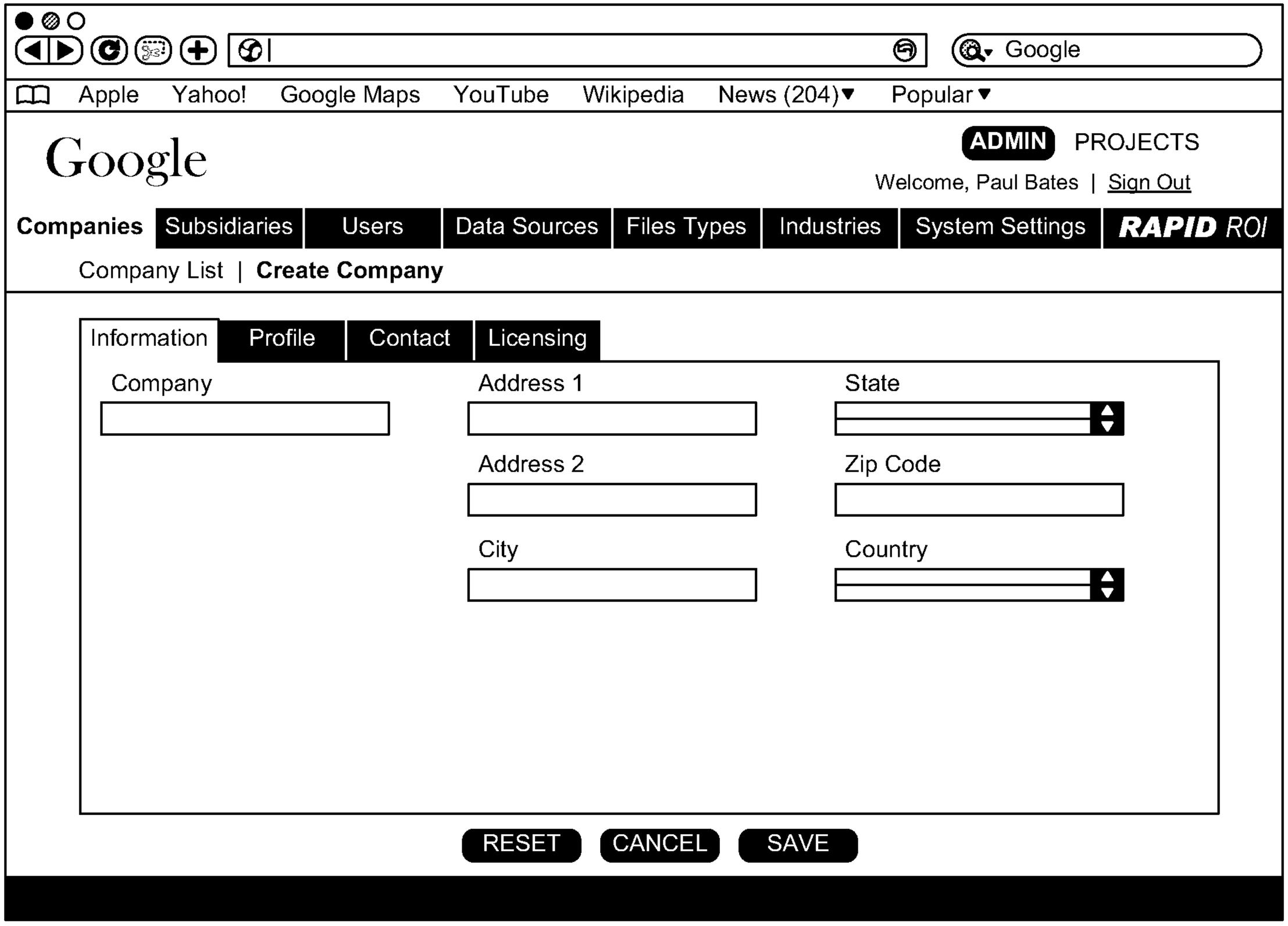

FIG. 25

WO 2010/051433
PCT/US2009/062730
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CA 02742307 2011-04-29

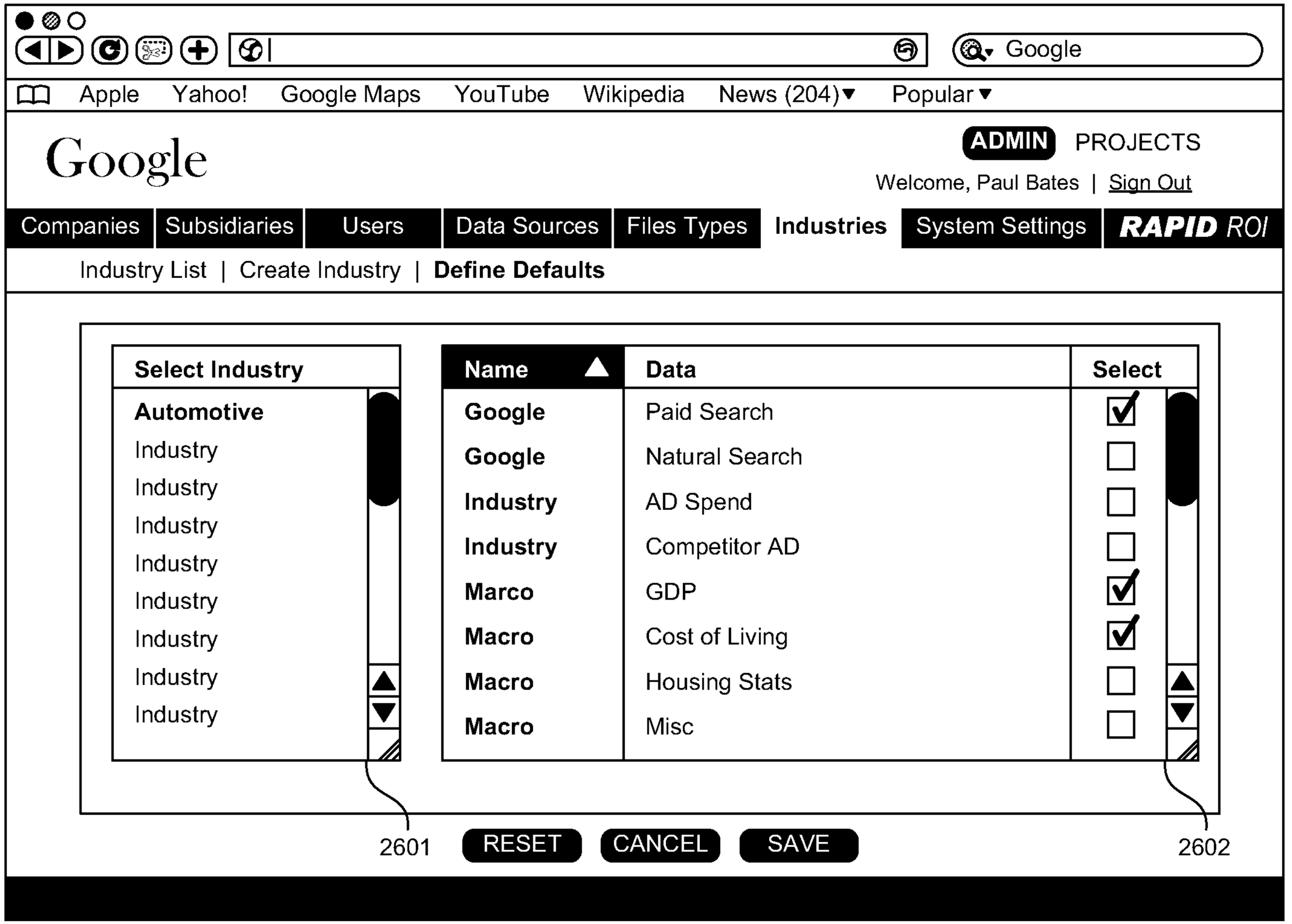
Google
Apple
Yahoo!
Google Maps
YouTube
Wikipedia
News (204)
Popular
Google
ADMIN
PROJECTS
Welcome, Paul Bates | Sign Out
Companies
Subsidiaries
Users
Data Sources
Files Types
Industries
System Settings
RAPID ROI
Industry List | Create Industry | Define Defaults
Select Industry
Automotive
Industry
Industry
Industry
Industry
Industry
Industry
Industry
Industry
Name
Data
Select
Google
Paid Search
Google
Natural Search
Industry
AD Spend
Industry
Competitor AD
Marco
GDP
Macro
Cost of Living
Macro
Housing Stats
Macro
Misc
2601
RESET
CANCEL
SAVE
2602

FIG. 26

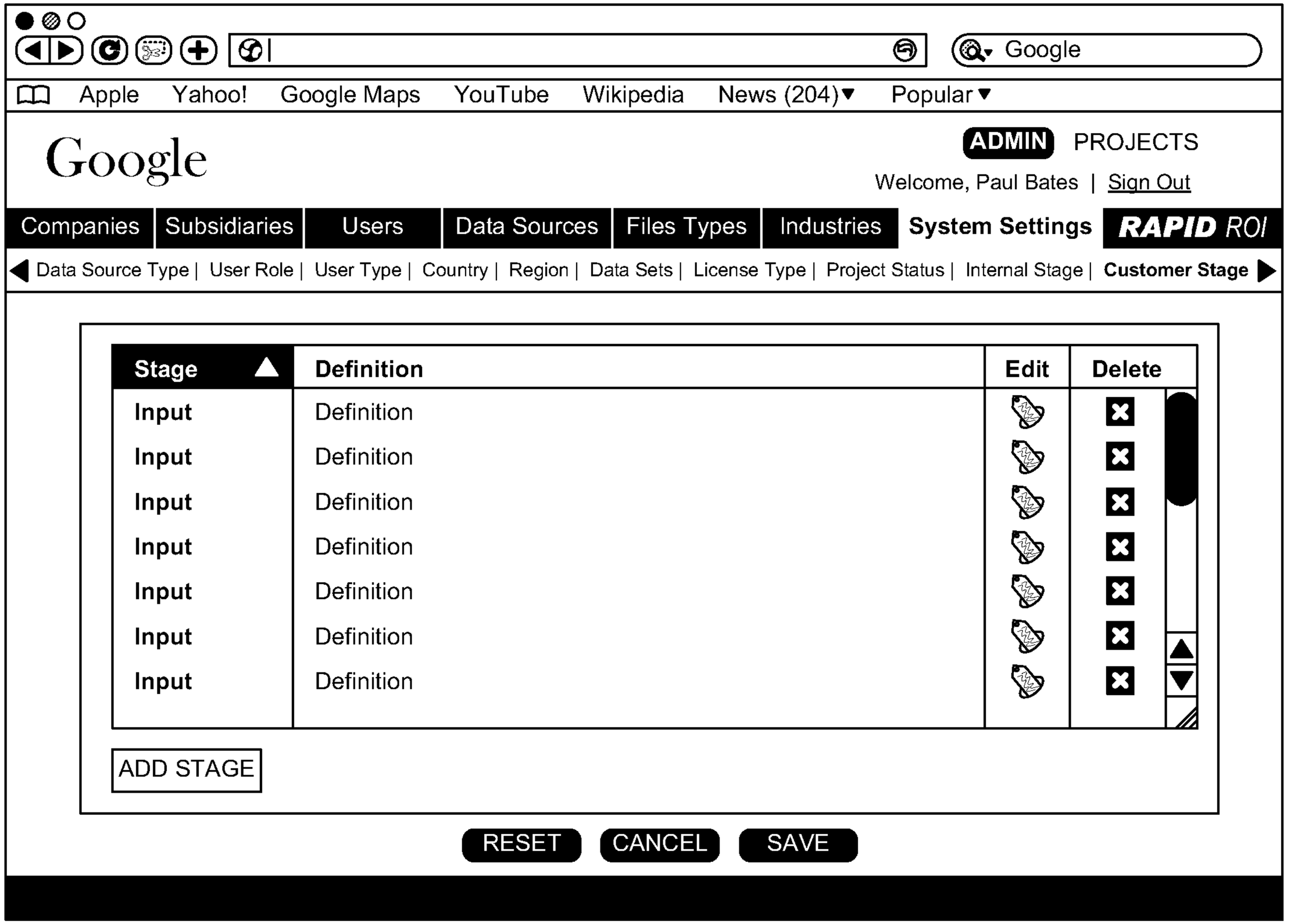

FIG. 27

WO 2010/051433
PCT/US2009/062730
CA 02742307 2011-04-29

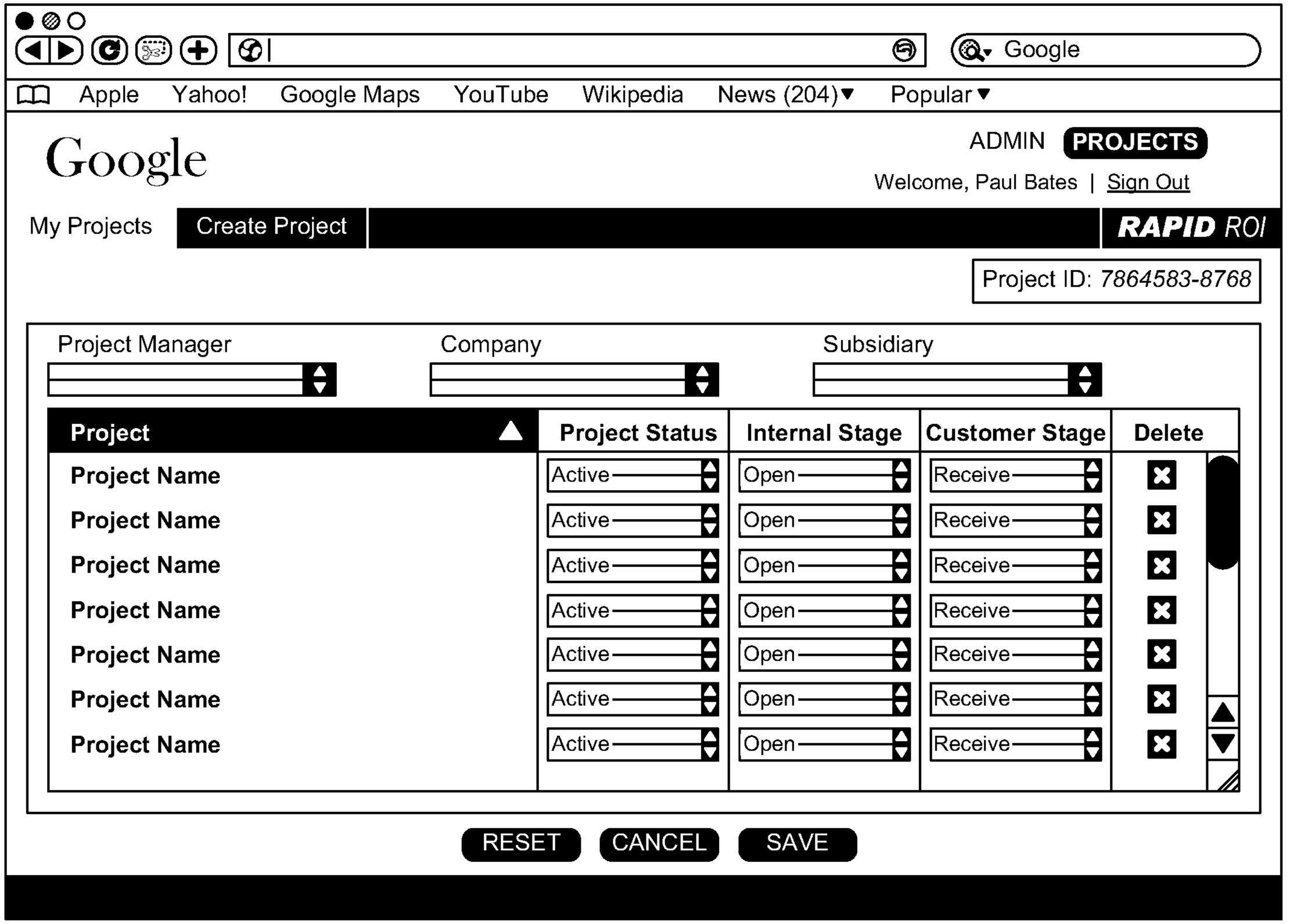
Google
Apple
Yahoo!
Google Maps
YouTube
Wikipedia
News (204)
Popular
Google
ADMIN
PROJECTS
Welcome, Paul Bates | Sign Out
My Projects
Create Project
RAPID ROI
Project ID: 7864583-8768
Project Manager
Company
Subsidiary
Project
Project Status
Internal Stage
Customer Stage
Delete
Project Name
Active
Open
Receive
RESET
CANCEL
SAVE

FIG. 28

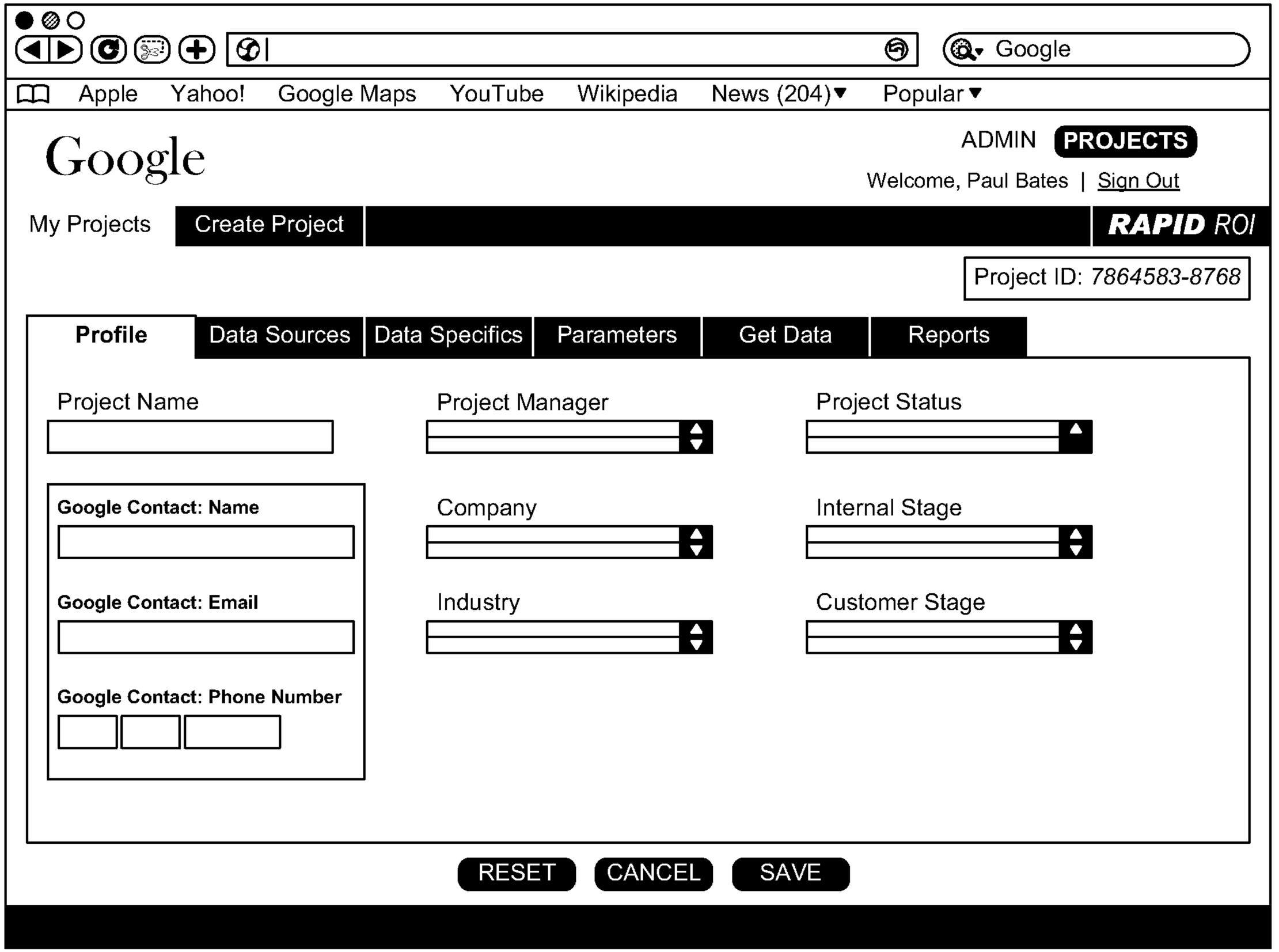

FIG. 29

WO 2010/051433
CA 02742307 2011-04-29
29/49
PCT/US2009/062730

Google

Apple Yahoo! Google Maps YouTube Wikipedia News (204)▼ Popular▼

Google

ADMIN PROJECTS

Welcome, Paul Bates | Sign Out

My Projects | Create Project | RAPID ROI

Profile | Data Sources | Data Specifics | Parameters | **Get Data** | Reports

Update	Parameters	Parameters	Status ▲	Edit
☑	Google	…/…/…/…/…/Data Source	Update Available	
☑	Industry	…/…/…/…/…/Data Source	Update Available	
☑	Organization	…/…/…/…/…/Data Source	Update Available	
☑	Other	…/…/…/…/…/Data Source	Update Available	
☐	Google	…/…/…/…/…/Data Source	Processing	
☐	Industry	…/…/…/…/…/Data Source	Processing	
☐	Marco	…/…/…/…/…/Data Source	Current	

UPDATE

RESET CANCEL SAVE

FIG. 30

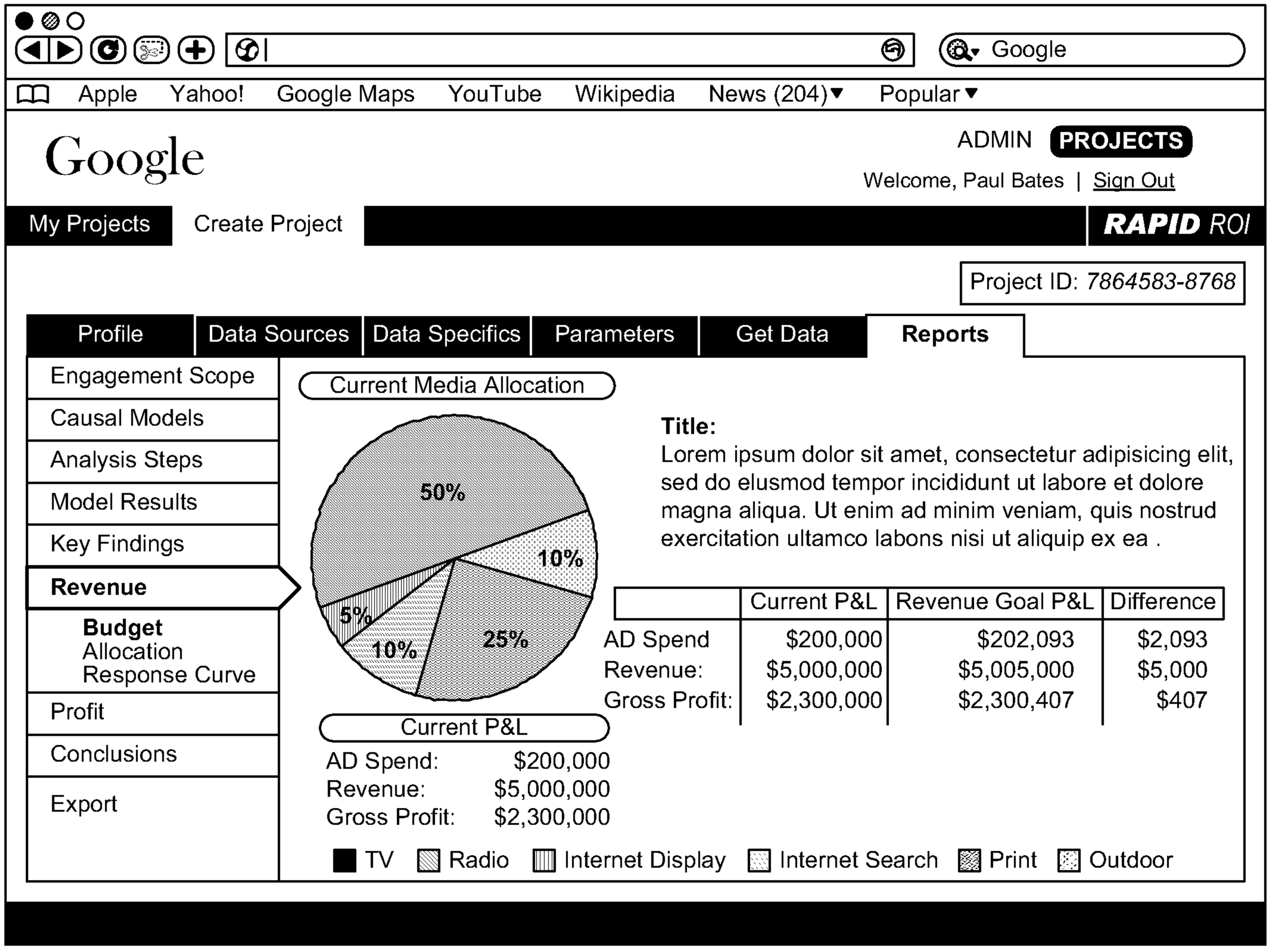
Google
Apple
Yahoo!
Google Maps
YouTube
Wikipedia
News (204)
Popular
Google
ADMIN
PROJECTS
Welcome, Paul Bates | Sign Out
My Projects
Create Project
RAPID ROI
Project ID: 7864583-8768
Profile
Data Sources
Data Specifics
Parameters
Get Data
Reports
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Budget Allocation Response Curve
Profit
Conclusions
Export
Current Media Allocation
50%
10%
25%
10%
5%
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Title:
Lorem ipsum dolor sit amet, consectetur adipisicing elit, sed do elusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quis nostrud exercitation ultamco labons nisi ut aliquip ex ea .
Current P&L
Revenue Goal P&L
Difference
AD Spend $200,000 $202,093 $2,093
Revenue: $5,000,000 $5,005,000 $5,000
Gross Profit: $2,300,000 $2,300,407 $407
TV
Radio
Internet Display
Internet Search
Print
Outdoor

FIG. 31

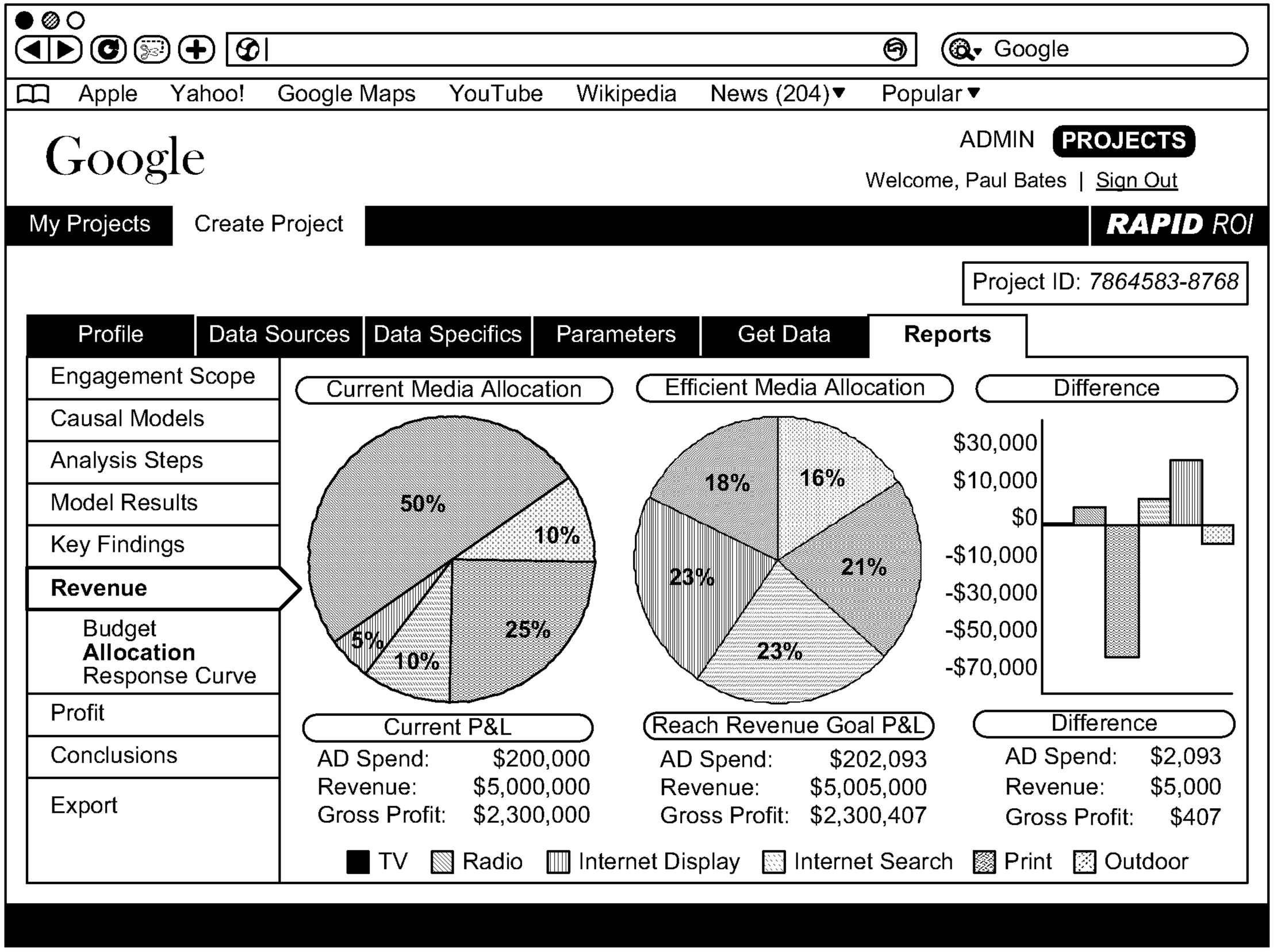
Google
Apple Yahoo! Google Maps YouTube Wikipedia News (204) Popular
Google
ADMIN PROJECTS
Welcome, Paul Bates | Sign Out
My Projects
Create Project
RAPID ROI
Project ID: 7864583-8768
Profile
Data Sources
Data Specifics
Parameters
Get Data
Reports
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Budget
Allocation
Response Curve
Profit
Conclusions
Export
Current Media Allocation
Efficient Media Allocation
Difference
50%
10%
25%
10%
5%
18%
16%
21%
23%
23%
$30,000
$10,000
$0
-$10,000
-$30,000
-$50,000
-$70,000
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Reach Revenue Goal P&L
AD Spend: $202,093
Revenue: $5,005,000
Gross Profit: $2,300,407
Difference
AD Spend: $2,093
Revenue: $5,000
Gross Profit: $407
TV
Radio
Internet Display
Internet Search
Print
Outdoor

FIG. 32

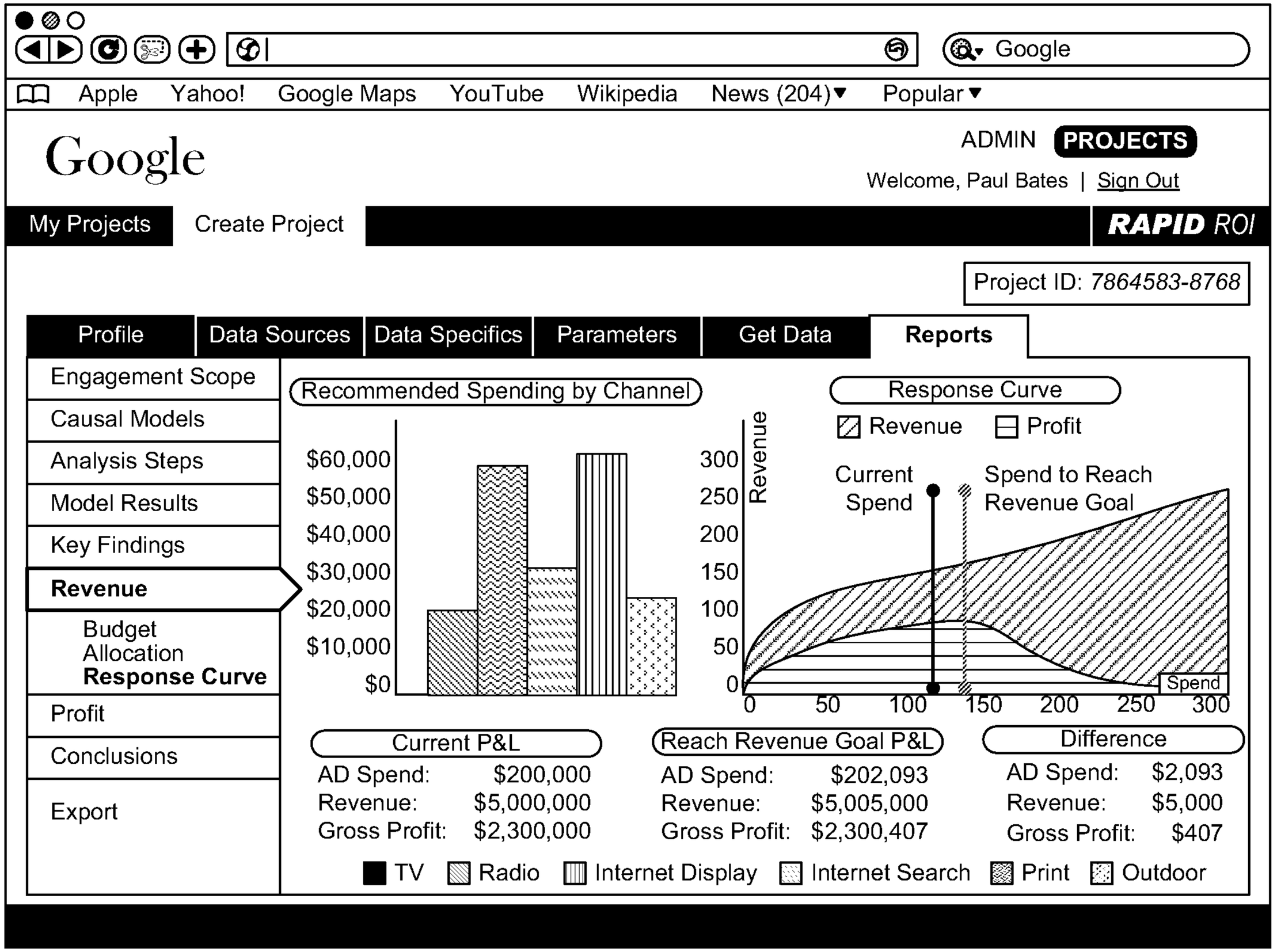
Google
Apple
Yahoo!
Google Maps
YouTube
Wikipedia
News (204)
Popular
Google
ADMIN
PROJECTS
Welcome, Paul Bates | Sign Out
My Projects
Create Project
RAPID ROI
Project ID: 7864583-8768
Profile
Data Sources
Data Specifics
Parameters
Get Data
Reports
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Budget Allocation
Response Curve
Profit
Conclusions
Export
Recommended Spending by Channel
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
Response Curve
Revenue
Profit
Revenue
300
250
200
150
100
50
0
Current Spend
Spend to Reach Revenue Goal
Spend
0
50
100
150
200
250
300
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Reach Revenue Goal P&L
AD Spend: $202,093
Revenue: $5,005,000
Gross Profit: $2,300,407
Difference
AD Spend: $2,093
Revenue: $5,000
Gross Profit: $407
TV
Radio
Internet Display
Internet Search
Print
Outdoor

FIG. 33

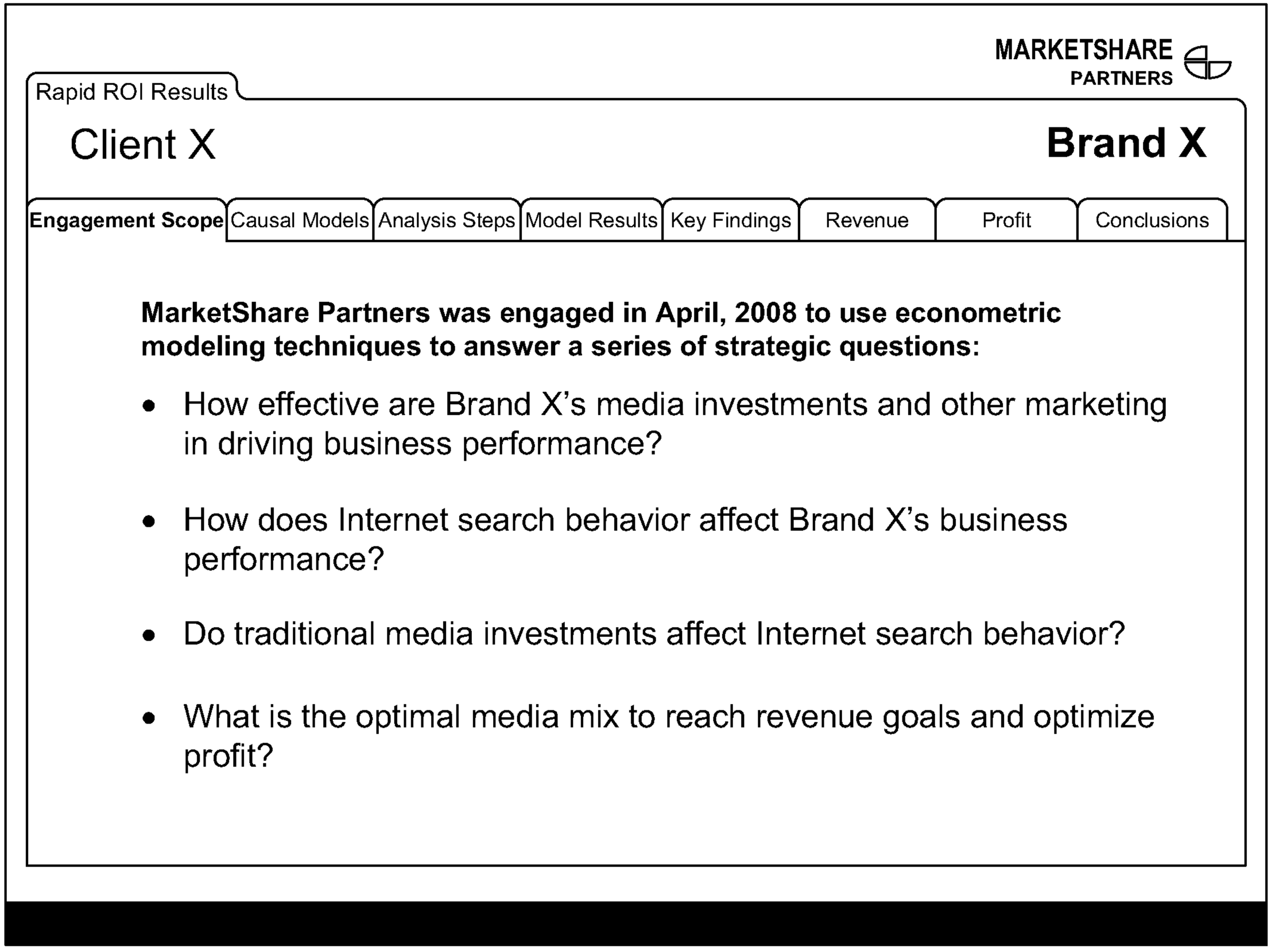

FIG. 34

WO 2010/051433
PCT/US2009/062730
34/49
CA 02742307 2011-04-29

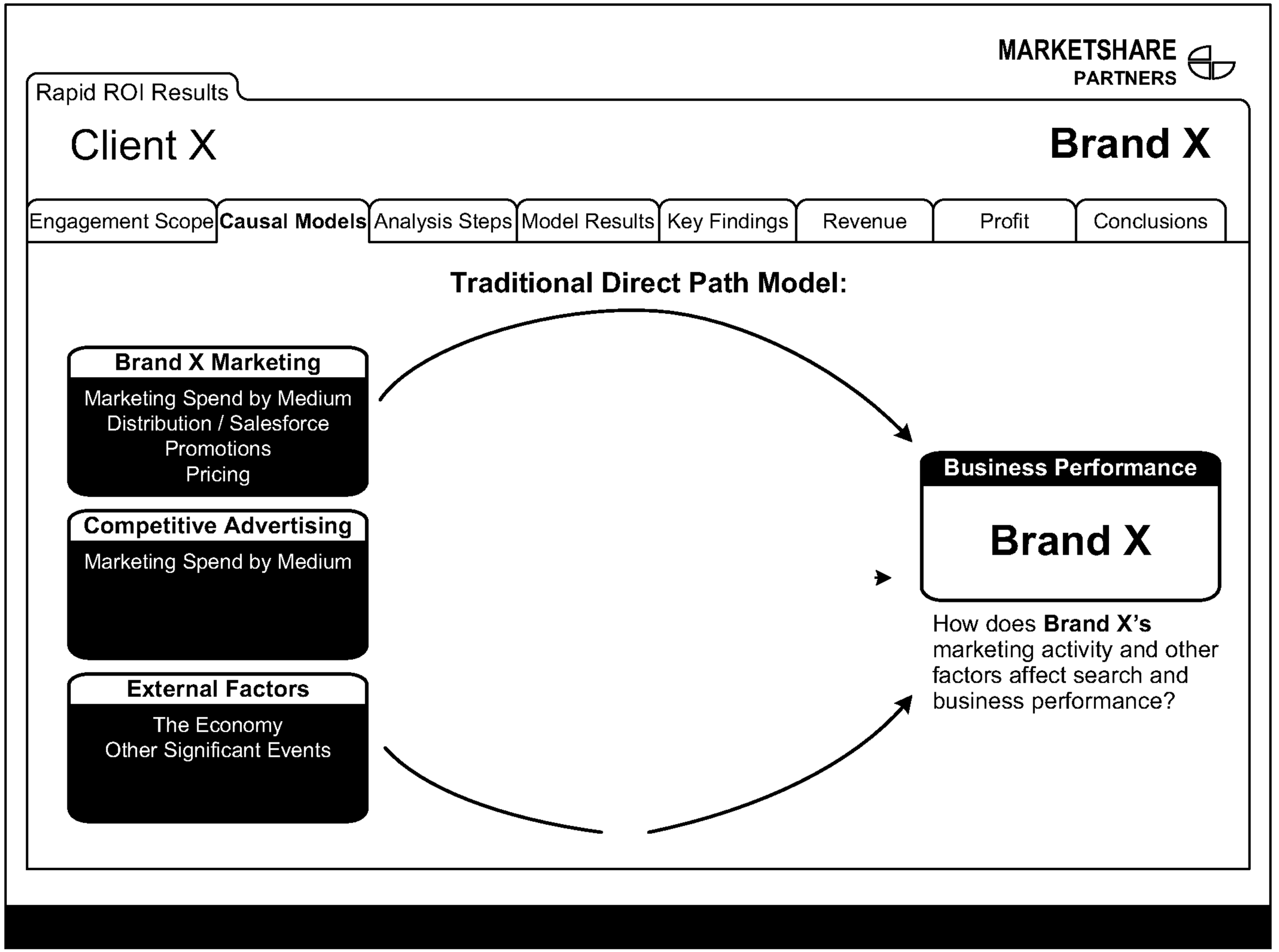
MARKETSHARE
PARTNERS
Rapid ROI Results
Client X
Brand X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Traditional Direct Path Model:
Brand X Marketing
Marketing Spend by Medium
Distribution / Salesforce
Promotions
Pricing
Competitive Advertising
Marketing Spend by Medium
External Factors
The Economy
Other Significant Events
Business Performance
Brand X
How does Brand X's marketing activity and other factors affect search and business performance?

FIG. 35

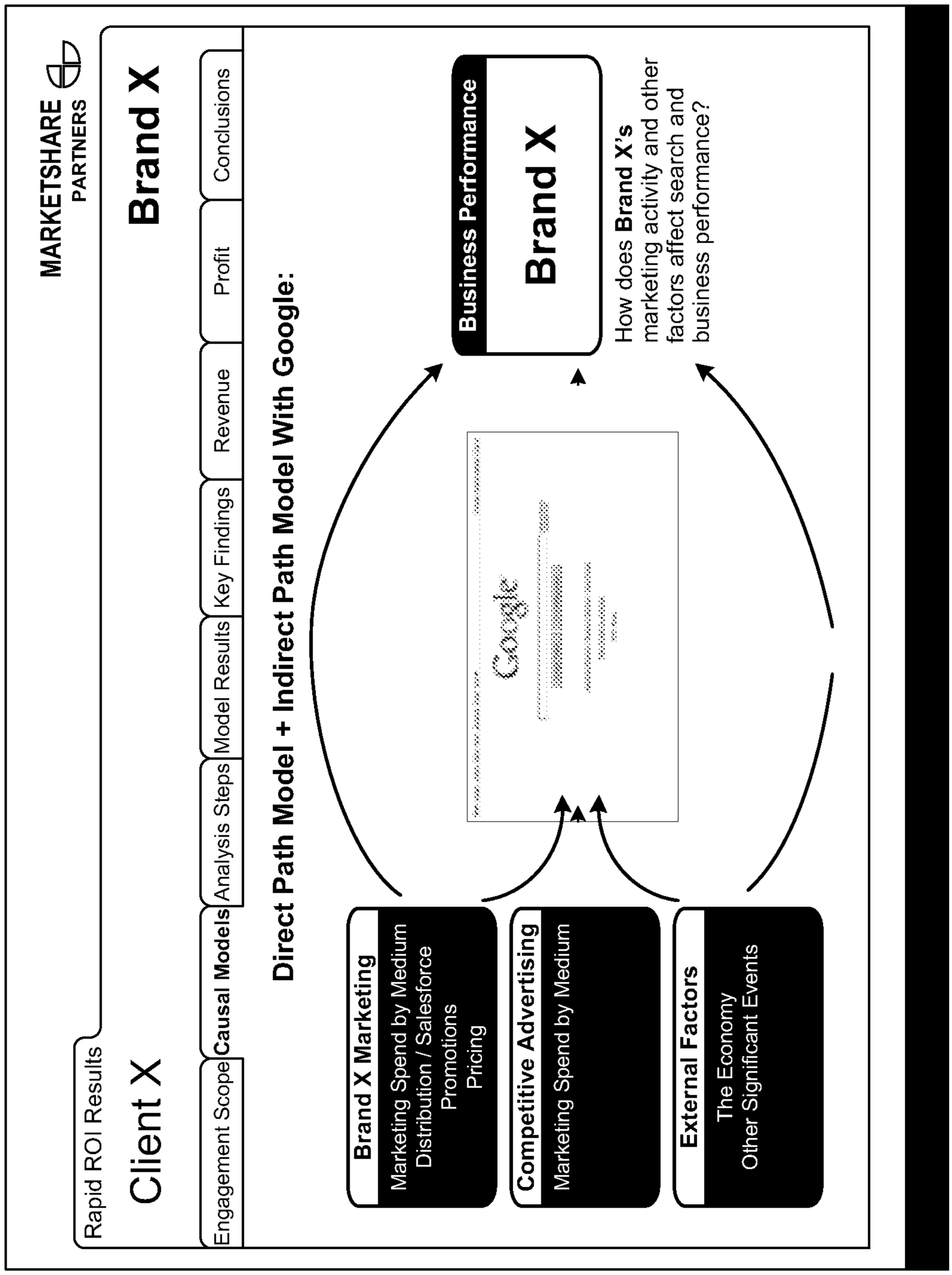
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Key Findings
Revenue
Profit
Conclusions
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Direct Path Model + Indirect Path Model With Google:
Brand X Marketing
Marketing Spend by Medium
Distribution / Salesforce
Promotions
Pricing
Competitive Advertising
Marketing Spend by Medium
External Factors
The Economy
Other Significant Events
Google
Business Performance
Brand X
How does Brand X's marketing activity and other factors affect search and business performance?

FIG. 36

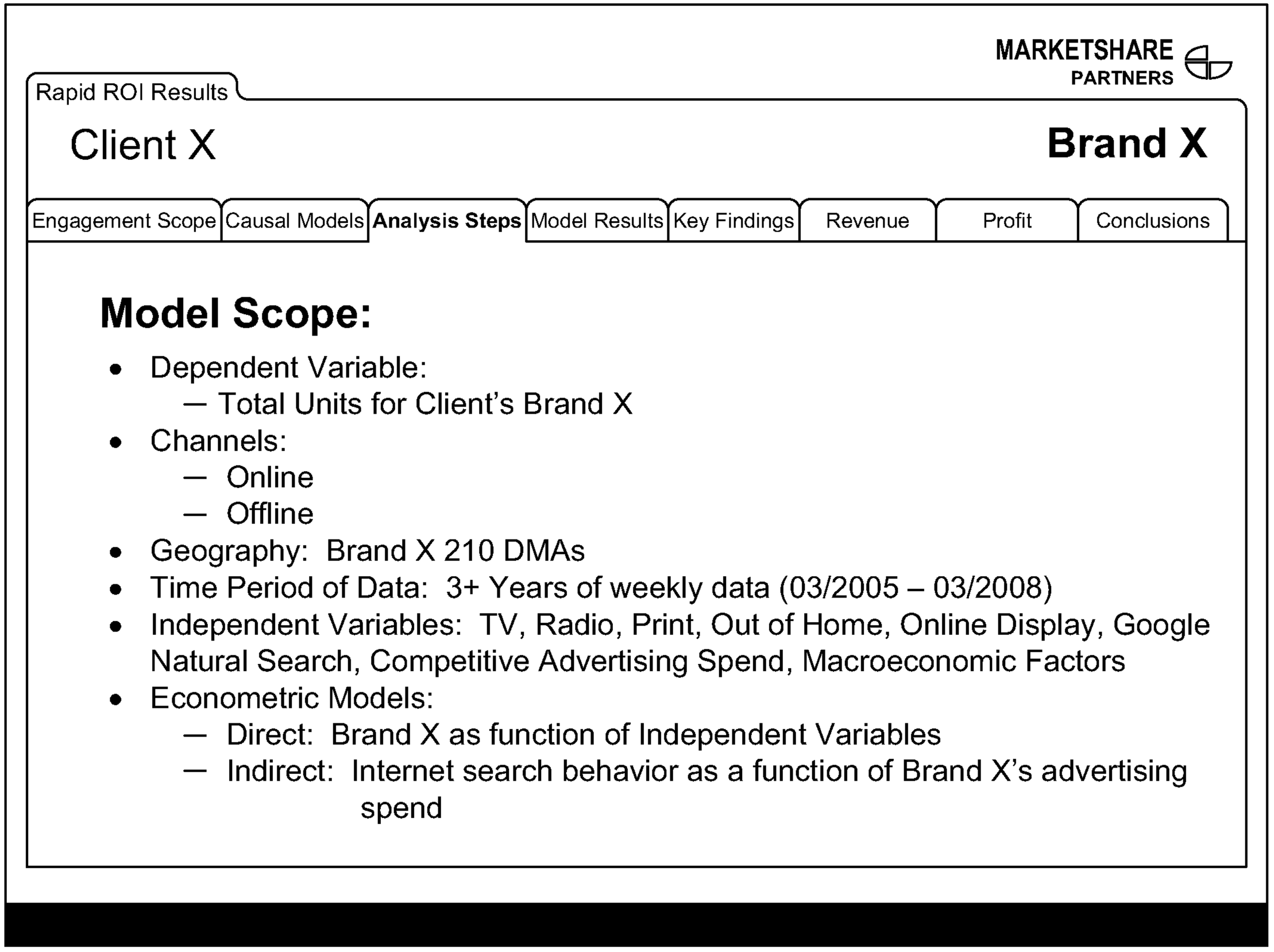
MARKETSHARE
PARTNERS
Rapid ROI Results
Client X
Brand X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Model Scope:
• Dependent Variable:
— Total Units for Client's Brand X
• Channels:
— Online
— Offline
• Geography: Brand X 210 DMAs
• Time Period of Data: 3+ Years of weekly data (03/2005 – 03/2008)
• Independent Variables: TV, Radio, Print, Out of Home, Online Display, Google Natural Search, Competitive Advertising Spend, Macroeconomic Factors
• Econometric Models:
— Direct: Brand X as function of Independent Variables
— Indirect: Internet search behavior as a function of Brand X's advertising spend

FIG. 37

CA 02742307 2011-04-29

MARKETSHARE PARTNERS

Rapid ROI Results

Client X

Brand X

Engagement Scope | Causal Models | Analysis Steps | **Model Results** | Key Findings | Revenue | Profit | Conclusions

Direct Path Model Accuracy:

Overall, the model equation and the data 'fit' very well, with mean average percent error (MAPEs) of 9% for the sales model.

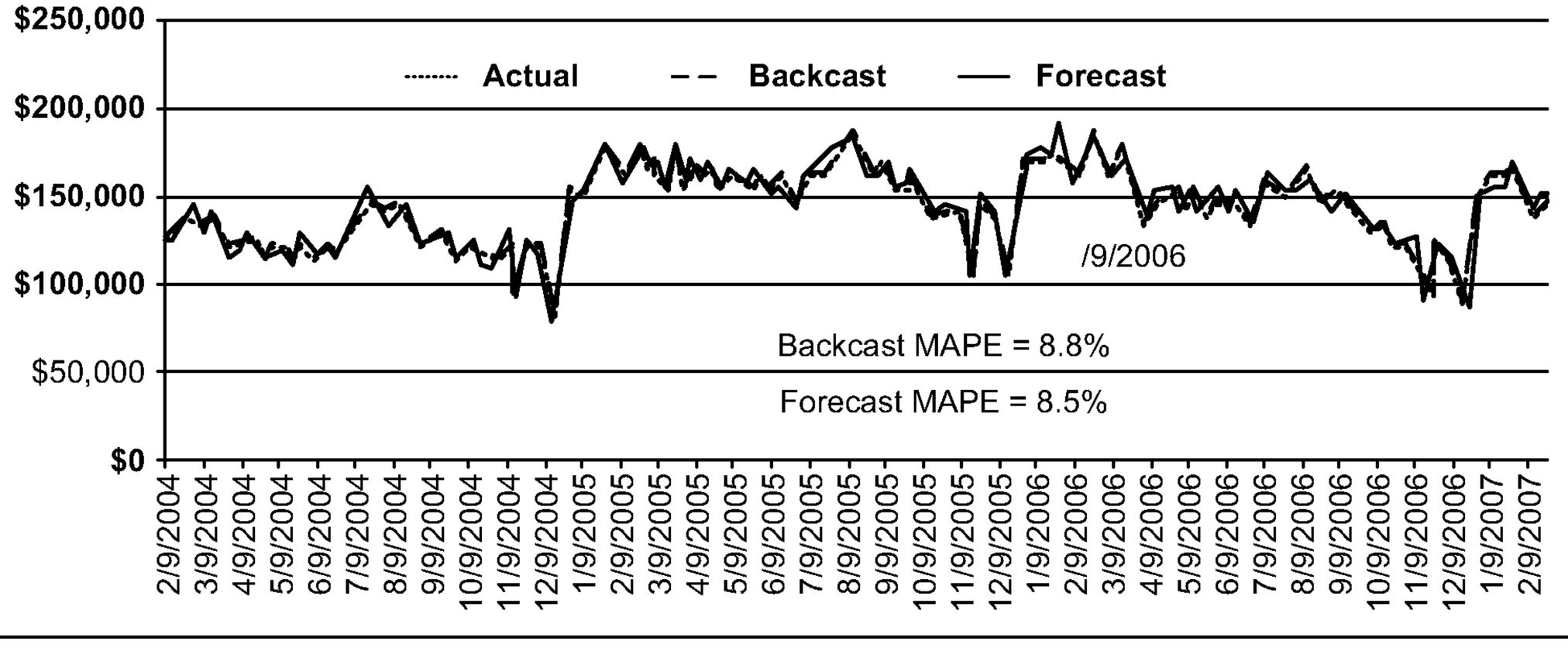

FIG. 38

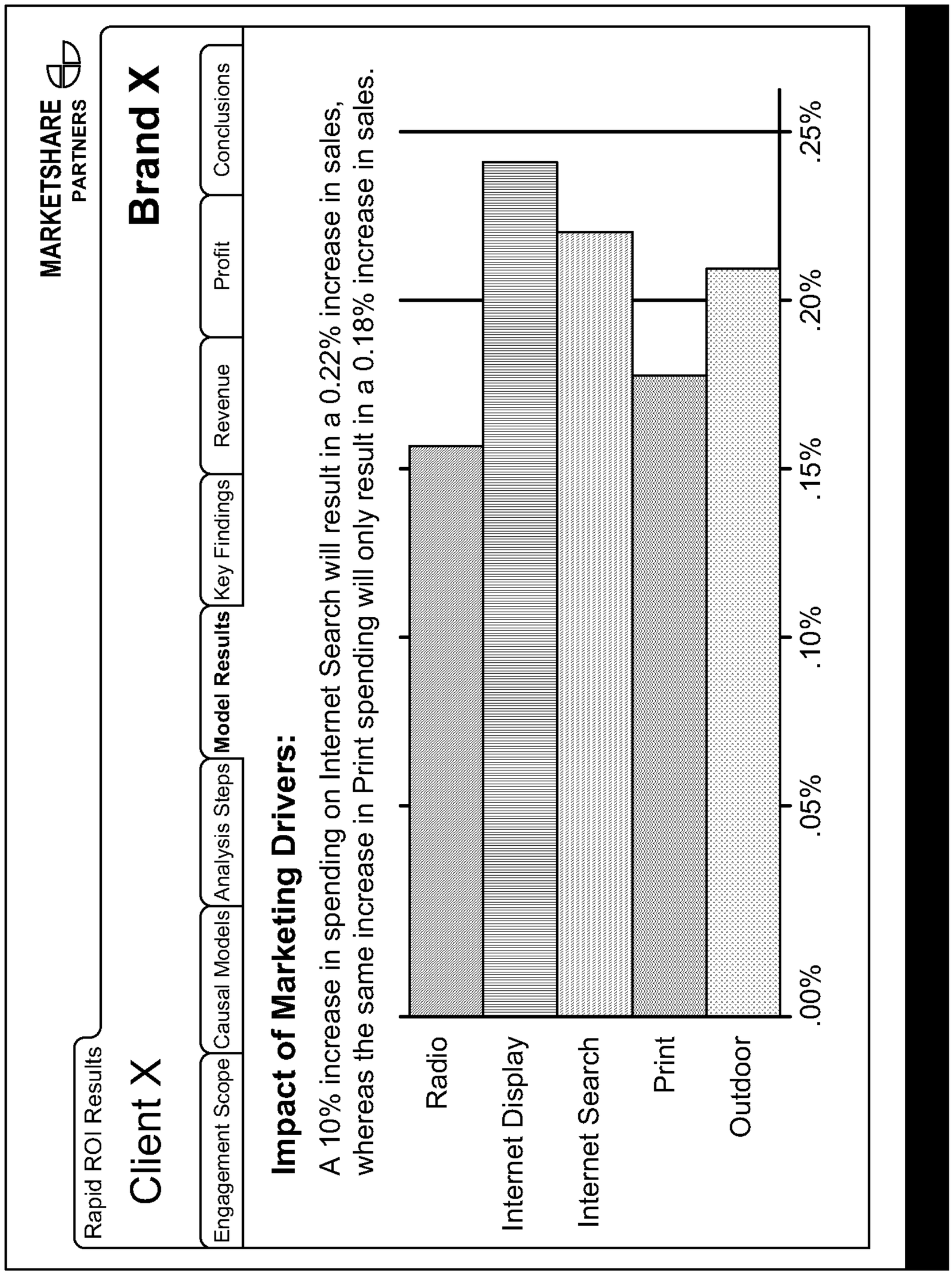
MARKETSHARE PARTNERS
Brand X
Key Findings
Revenue
Profit
Conclusions
Rapid ROI Results
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key
Impact of Marketing Drivers:
A 10% increase in spending on Internet Search will result in a 0.22% increase in sales,
whereas the same increase in Print spending will only result in a 0.18% increase in sales.
Radio
Internet Display
Internet Search
Print
Outdoor
.00%
.05%
.10%
.15%
.20%
.25%

FIG. 39

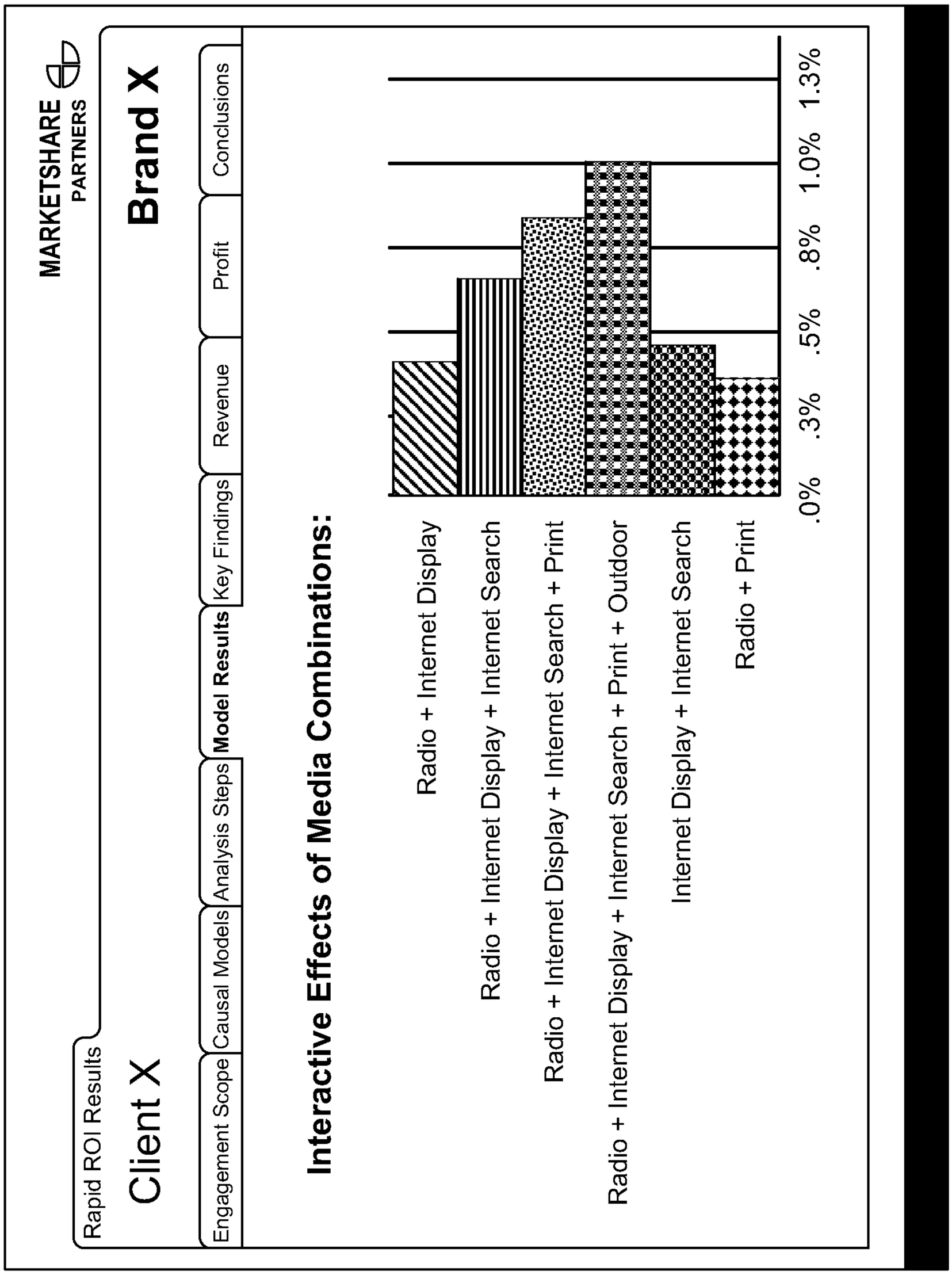
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Key Findings
Revenue
Profit
Conclusions
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Interactive Effects of Media Combinations:
Radio + Internet Display
Radio + Internet Display + Internet Search
Radio + Internet Display + Internet Search + Print
Radio + Internet Display + Internet Search + Print + Outdoor
Radio + Internet Display + Internet Search
Radio + Print
.0%
.3%
.5%
.8%
1.0%
1.3%

FIG. 40

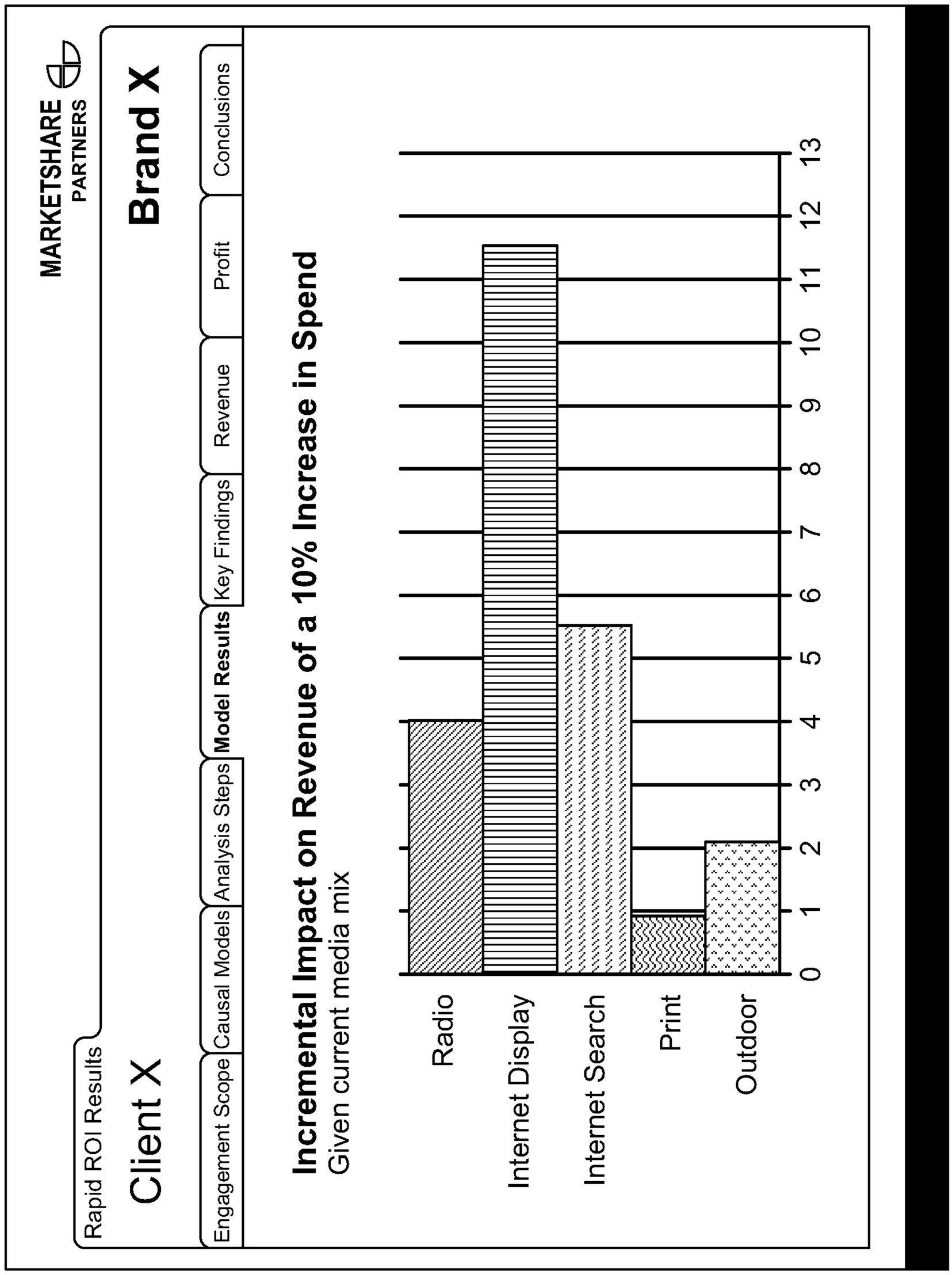
MARKETSHARE
PARTNERS
Brand X
Rapid ROI Results
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Incremental Impact on Revenue of a 10% Increase in Spend
Given current media mix
Radio
Internet Display
Internet Search
Print
Outdoor
0
1
2
3
4
5
6
7
8
9
10
11
12
13

FIG. 41

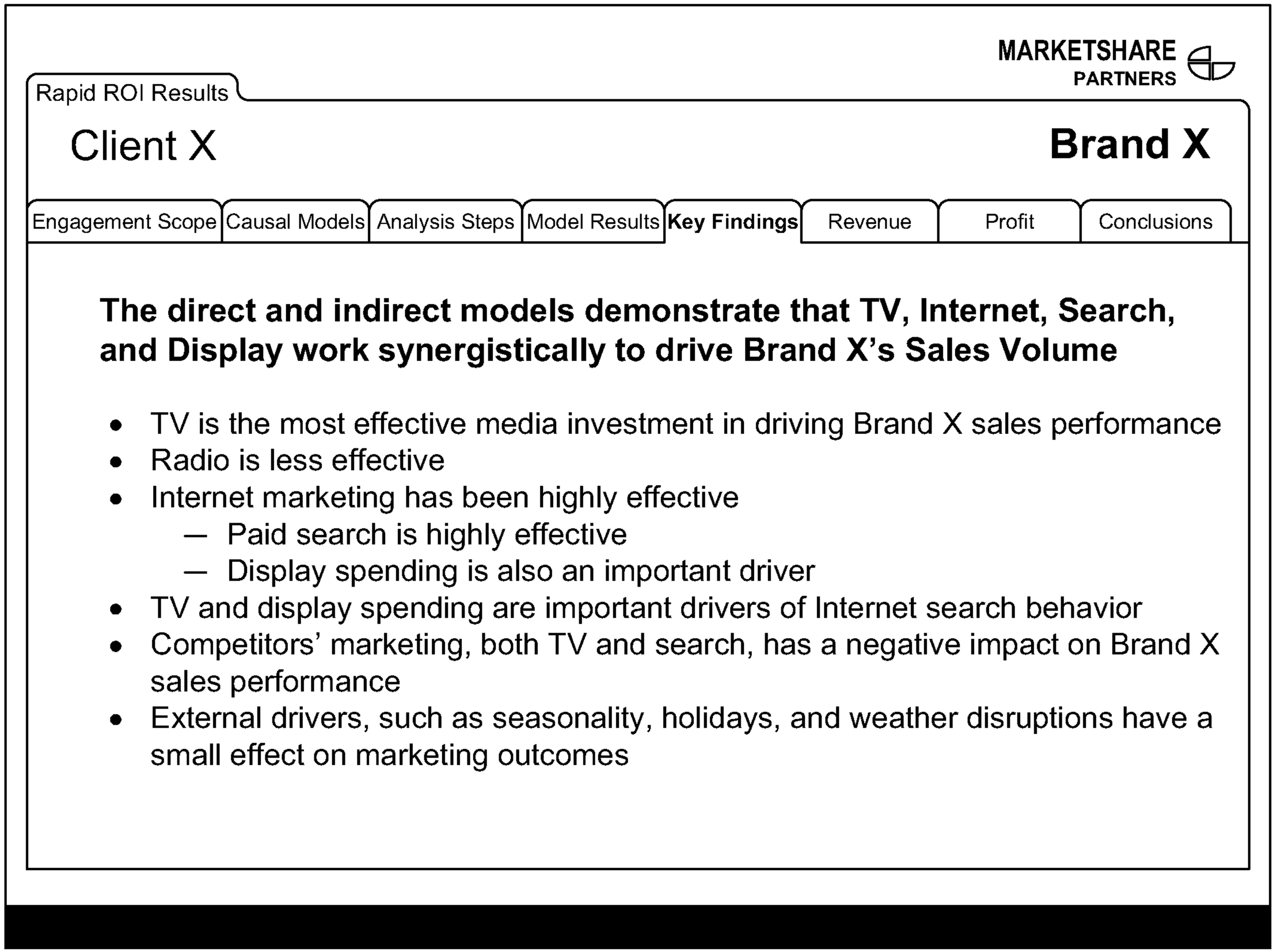

FIG. 42

WO 2010/051433
PCT/US2009/062730
42/49
CA 02742307 2011-04-29

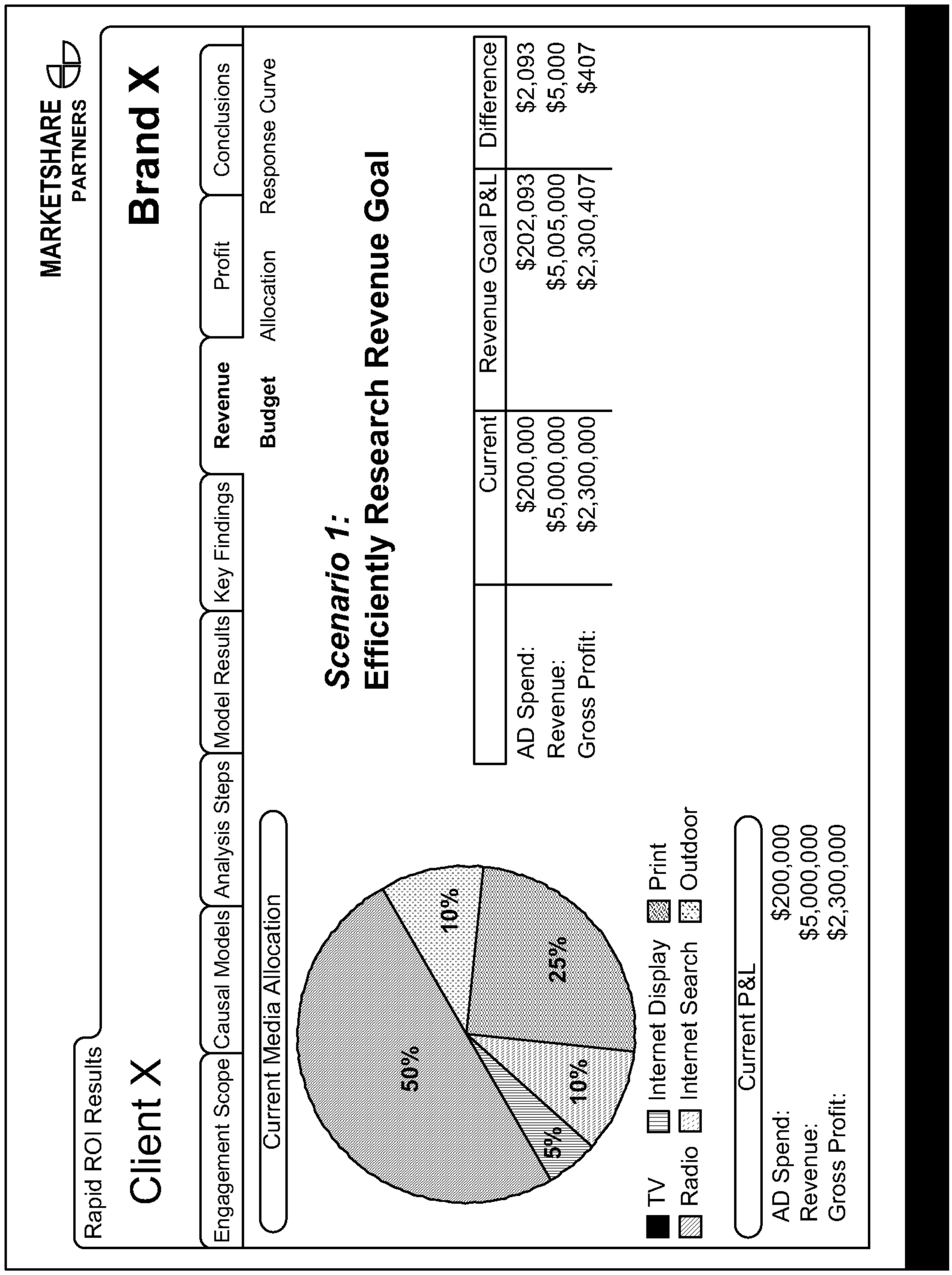
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Budget
Allocation
Response Curve
Current Media Allocation
50%
5%
10%
10%
25%
TV
Internet Display
Print
Radio
Internet Search
Outdoor
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Scenario 1:
Efficiently Research Revenue Goal
AD Spend:
Revenue:
Gross Profit:
Current
Revenue Goal P&L
Difference
$200,000
$5,000,000
$2,300,000
$202,093
$5,005,000
$2,300,407
$2,093
$5,000
$407

FIG. 43

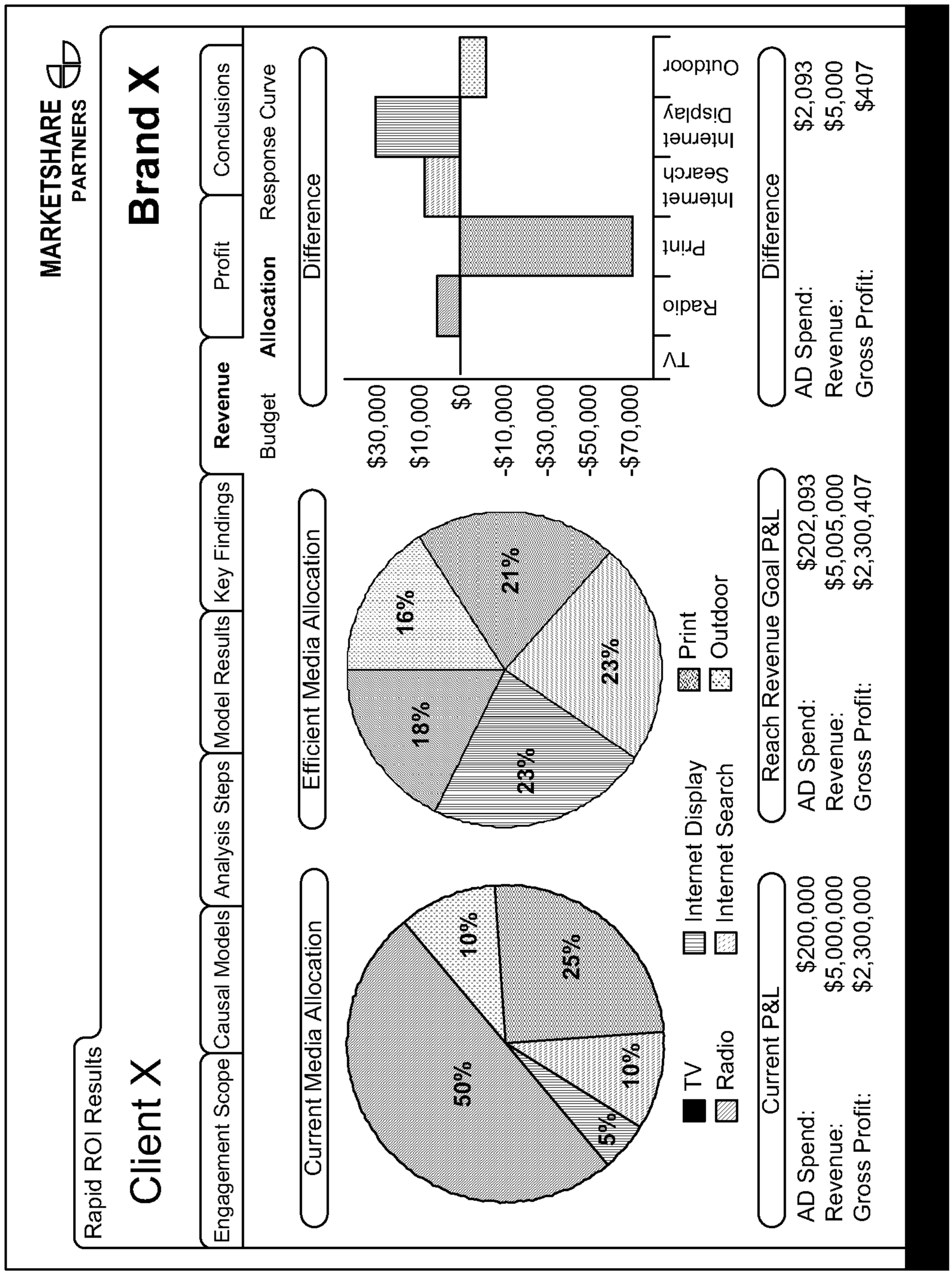
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Key Findings
Revenue
Profit
Conclusions
Budget
Allocation
Response Curve
Difference
$30,000
$10,000
$0
-$10,000
-$30,000
-$50,000
-$70,000
TV
Radio
Print
Internet Search
Internet Display
Outdoor
Media Allocation
16%
21%
23%
Print
Outdoor
Revenue Goal P&L
AD Spend: $202,093
Revenue: $5,005,000
Gross Profit: $2,300,407
Difference
AD Spend: $2,093
Revenue: $5,000
Gross Profit: $407
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Current Media Allocation
50%
10%
25%
5%
10%
TV
Radio
Internet Display
Internet Search
Efficient Media Allocation
18%
23%
23%
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Reach Revenue Goal P&L
AD Spend: $2,093
Revenue: $5,000
Gross Profit: $407

FIG. 44

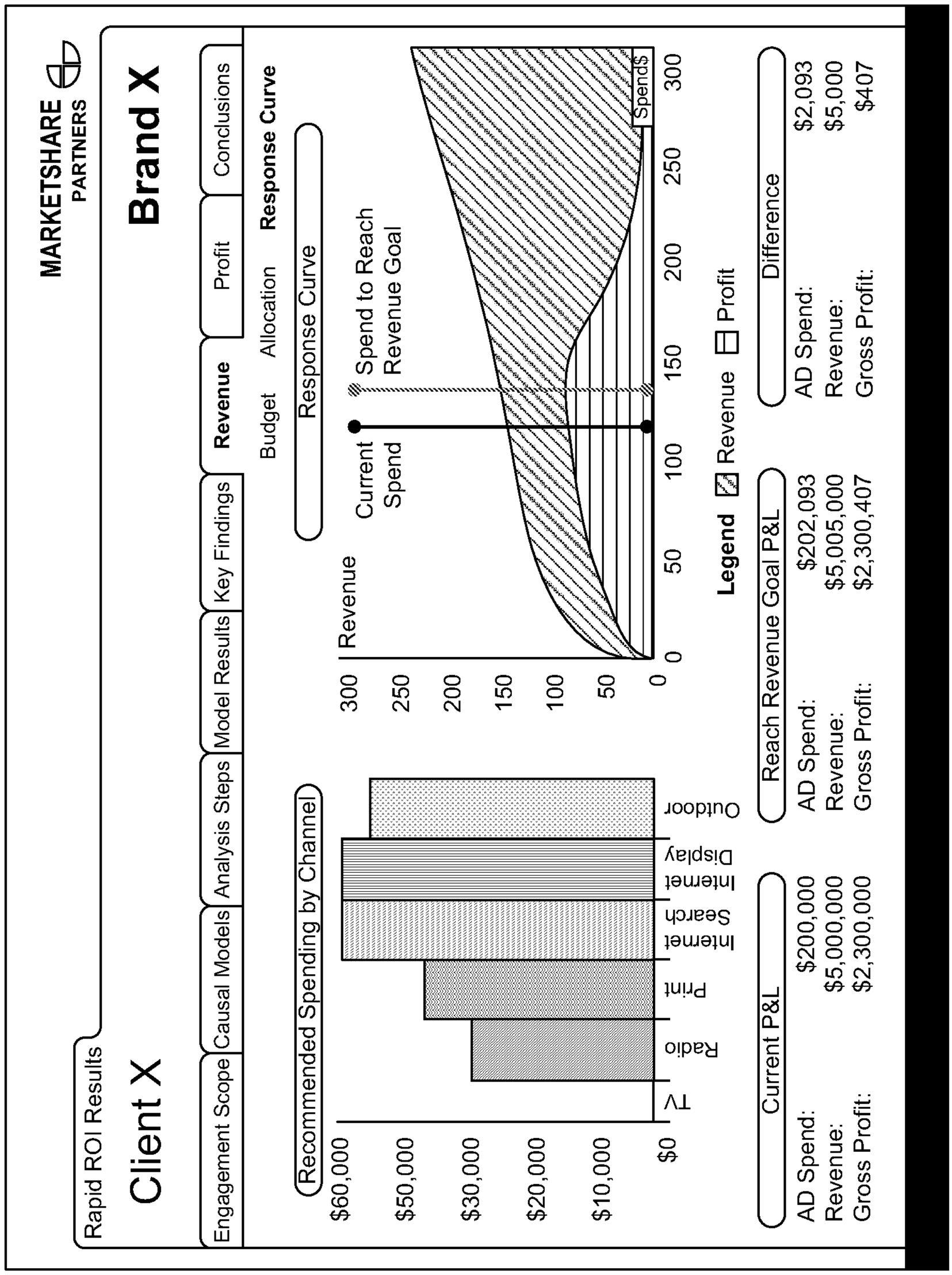
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Budget Allocation Response Curve
Response Curve
Current Spend
Spend to Reach Revenue Goal
Revenue
Spend$
0 50 100 150 200 250 300
0 50 100 150 200 250 300
Legend Revenue Profit
Recommended Spending by Channel
$60,000 $50,000 $30,000 $20,000 $10,000 $0
TV Radio Print Internet Search Internet Display Outdoor
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Reach Revenue Goal P&L
Difference
AD Spend: $202,093 $2,093
Revenue: $5,005,000 $5,000
Gross Profit: $2,300,407 $407

FIG. 45

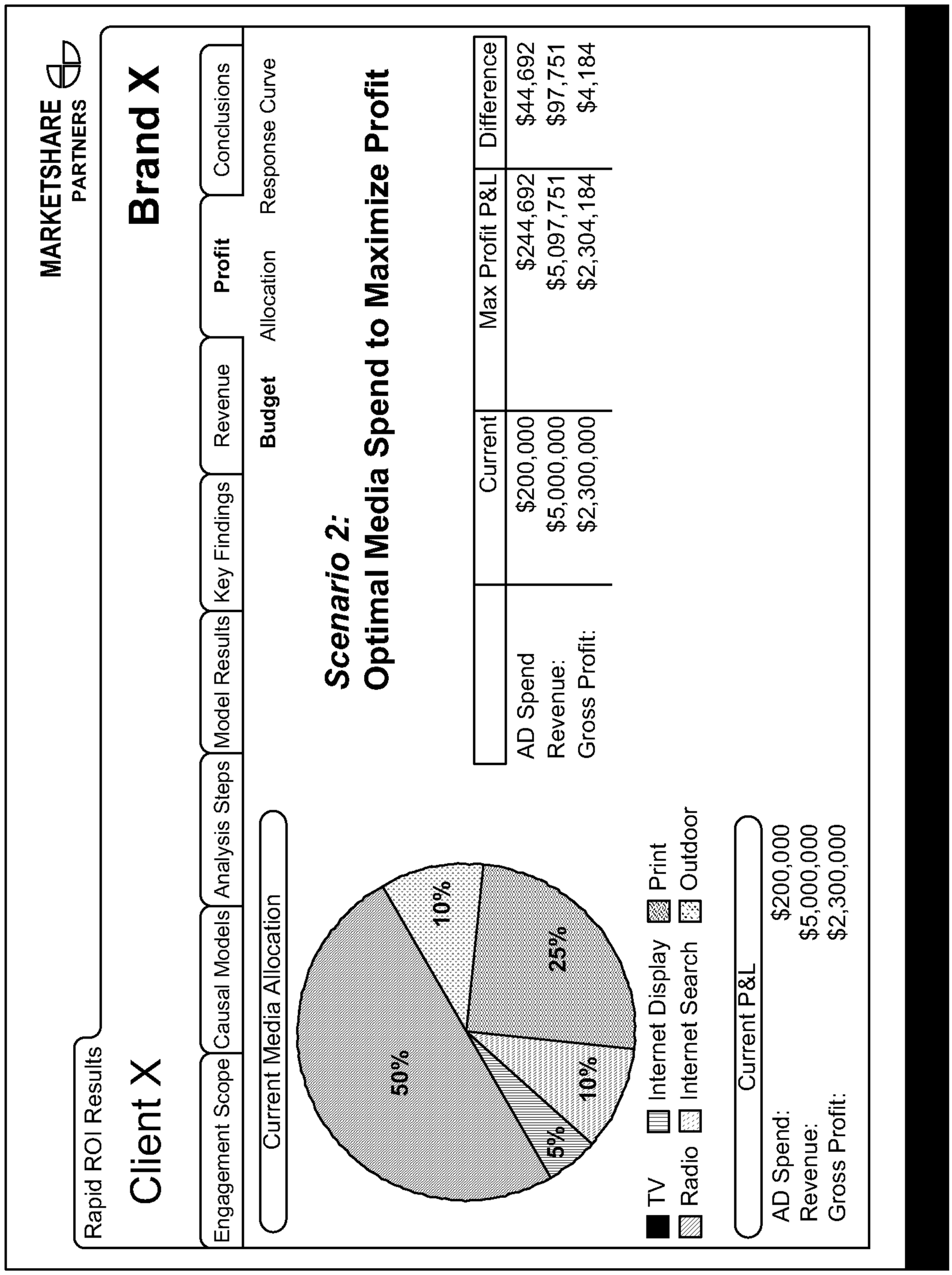
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Engagement Scope
Causal Models
Analysis Steps
Model Results
Key Findings
Revenue
Profit
Conclusions
Budget
Allocation
Response Curve
Client X
Current Media Allocation
50%
5%
10%
25%
10%
TV
Internet Display
Print
Radio
Internet Search
Outdoor
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Scenario 2:
Optimal Media Spend to Maximize Profit
Current
Max Profit P&L
Difference
AD Spend $200,000 $244,692 $44,692
Revenue: $5,000,000 $5,097,751 $97,751
Gross Profit: $2,300,000 $2,304,184 $4,184

FIG. 46

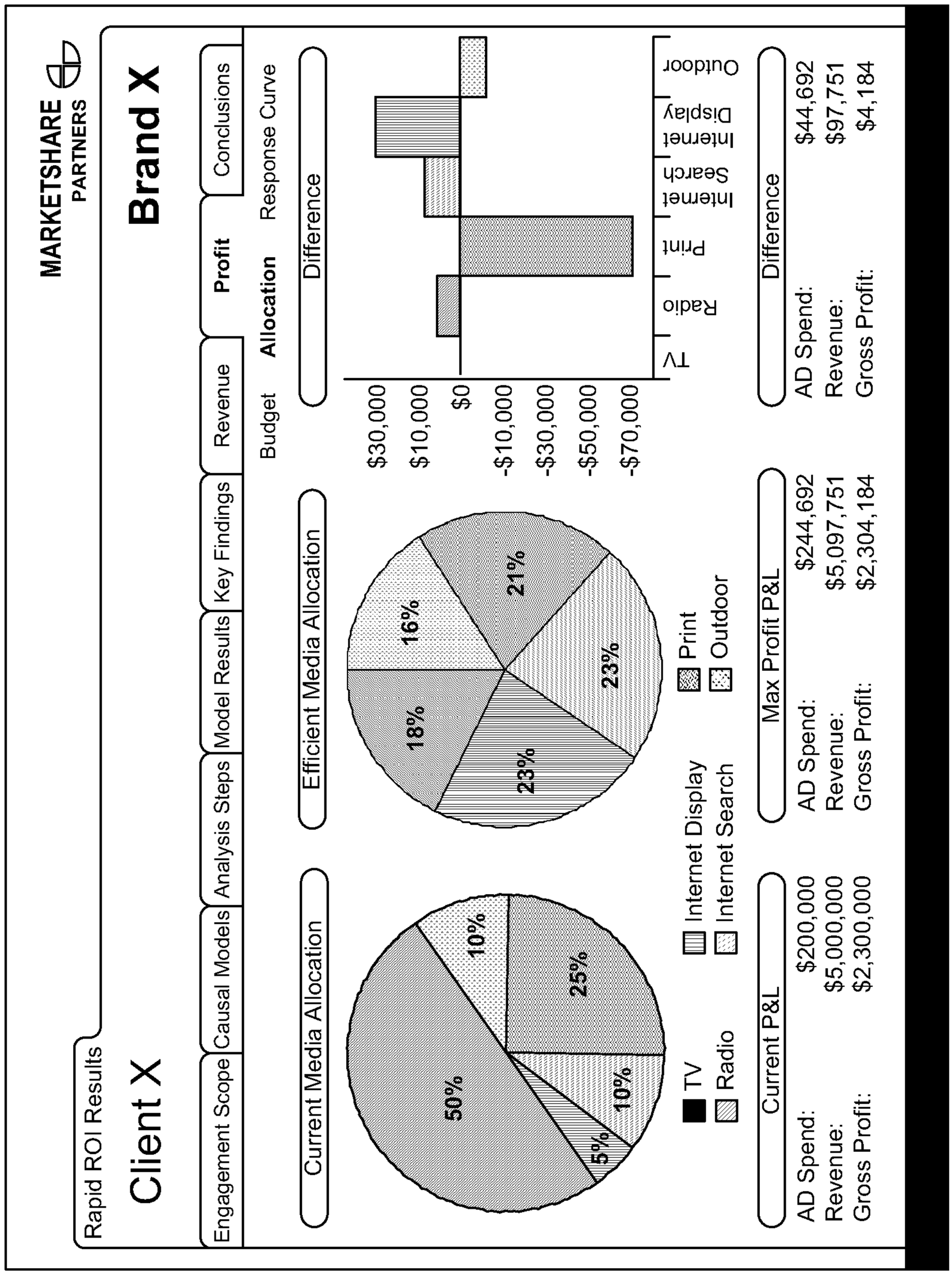
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Key Findings
Revenue
Profit
Conclusions
Budget
Allocation
Response Curve
Difference
$30,000
$10,000
$0
-$10,000
-$30,000
-$50,000
-$70,000
TV
Radio
Print
Internet Search
Internet Display
Outdoor
Media Allocation
16%
21%
23%
Print
Outdoor
Profit P&L
$244,692
$5,097,751
$2,304,184
Difference
AD Spend:
Revenue:
Gross Profit:
$44,692
$97,751
$4,184
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Current Media Allocation
50%
10%
25%
5%
10%
TV
Radio
Internet Display
Internet Search
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000
Efficient Media Allocation
18%
23%
23%
Max Profit
AD Spend:
Revenue:
Gross Profit:

FIG. 47

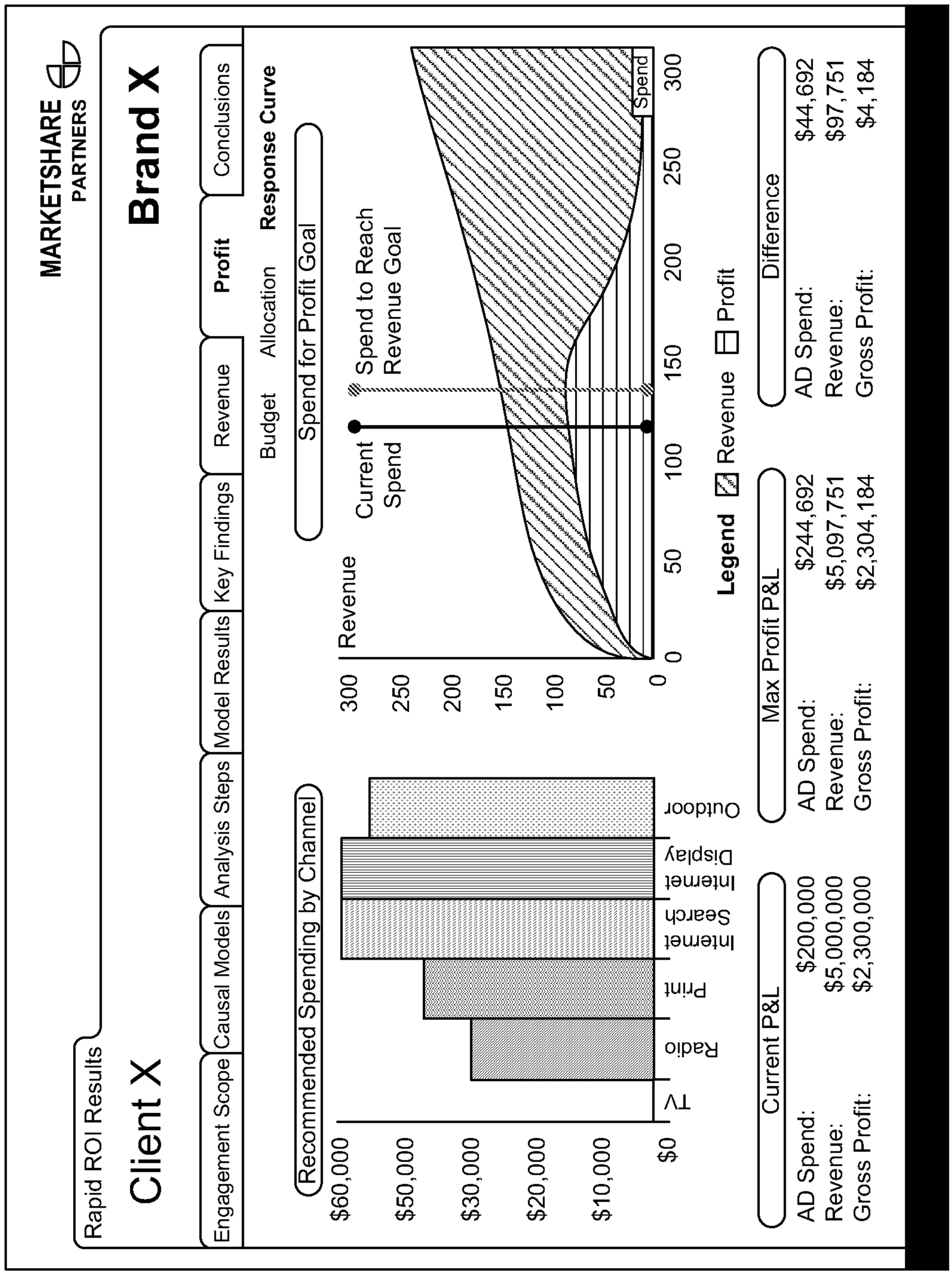
MARKETSHARE PARTNERS
Brand X
Rapid ROI Results
Key Findings
Revenue
Profit
Conclusions
Budget Allocation Response Curve
Spend for Profit Goal
Current Spend
Spend to Reach Revenue Goal
Revenue
Spend
Legend Revenue Profit
Max Profit P&L
Difference
AD Spend: $244,692 $44,692
Revenue: $5,097,751 $97,751
Gross Profit: $2,304,184 $4,184
Client X
Engagement Scope
Causal Models
Analysis Steps
Model Results
Recommended Spending by Channel
TV
Radio
Print
Internet Search
Internet Display
Outdoor
Current P&L
AD Spend: $200,000
Revenue: $5,000,000
Gross Profit: $2,300,000

FIG. 48

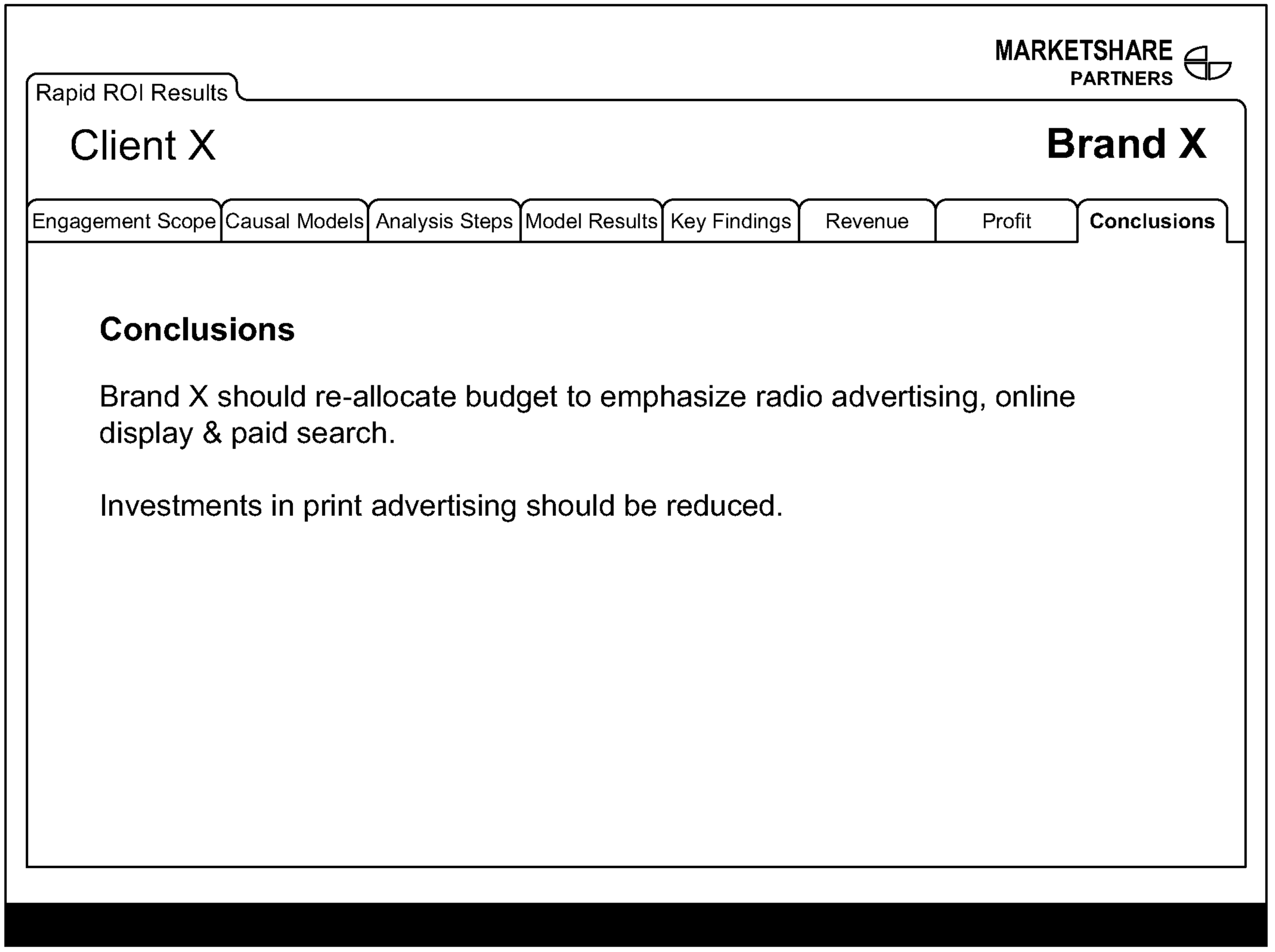

FIG. 49

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PCT/US2009/062730
49/49
CA 02742307 2011-04-29

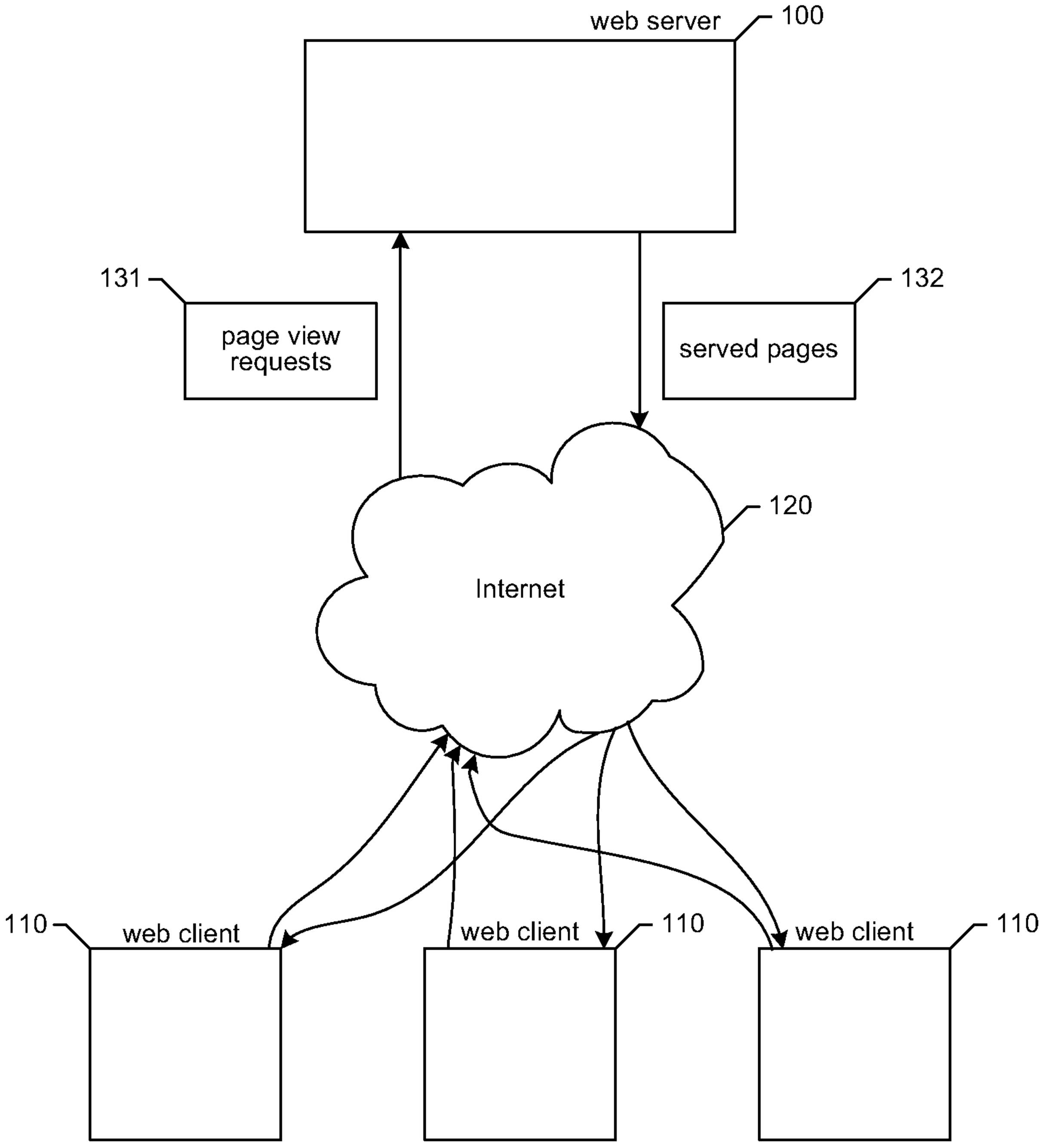
web server
100
131
page view requests
132
served pages
120
Internet
110
web client
110
web client
110
web client

FIG. 1