

MEASURING SUCCESS

A Study of How Canadian
Marketers Prove the Value of
Their Digital Media Investments

NOVEMBER 2018



THE OUTCOME
MEDIA COMPANY

INTRODUCTION

In September 2018, Xaxis commissioned a survey of 501 brand marketers in Canada who are responsible for digital media spend. The goal was to assess marketers' attitudes towards the metrics used to determine the success of their digital media strategies. The survey asked about traditional media metrics as well as outcome-driven media, defined as:

“Planning and optimizing campaigns against KPIs - often tailor-made for an advertiser or campaign - that are much more closely aligned to the marketer’s ultimate marketing and business goals.”

METHODOLOGY

The 2018 Outcome-Driven Media Survey was conducted for Xaxis by Censuswide, a leading market research consultancy that abides by and employs members of the Market Research Society which is based on the ESOMAR principles.

This was an online, quantitative survey containing 11 questions conducted between Sept. 14 and Oct. 4, 2018. 4,798 verified Senior Digital Marketing Managers were polled across 16 markets:



United States
United Kingdom
Germany
Italy

Spain
Argentina
Australia
Canada

China
Denmark
India
Mexico

Norway
Poland
Singapore
Sweden

▶ **View the Global Outcome Media Report [here](#).**

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EXECUTIVE SUMMARY

> Currently, the most popular metrics to determine the success of digital media spend in Canada are: CPE, CPA, and CTR.

64%

Most marketers still consider themselves likely to change the metrics they use over the next 12-24 months.

70%

Most marketers believe that evaluating the effectiveness of their digital media spend has become more difficult over the past five years.

> To meet this challenge head-on and overcome a raft of internal and external barriers, Canadian marketers are looking towards the use of custom metrics and outcome-driven media strategies that tie their marketing efforts more closely to real business results.



84%

Use a least one custom KPI.



86%

Likely to invest in outcome-driven media over the next 12-24 months.



72%

It's easy to link custom KPIs to actual business results.



78%

Would work with an outcomes-driven media partner.

MEASURING MEDIA

Canadian marketers say they are ready for better metrics to measure the effectiveness of their media spend. A majority (64%) consider themselves at least somewhat likely to change the primary metric they use over the next 12-24 months, according to our survey (figure 2).

Currently, the most popular metrics for Canadian marketers to determine the success of their digital media spend are CPE, CPA (both at 20%), and CTR (17%) (figure 1).

FIGURE 1

Q1. What method do you use most as a metric to evaluate the success of digital display media spend? (Select one)

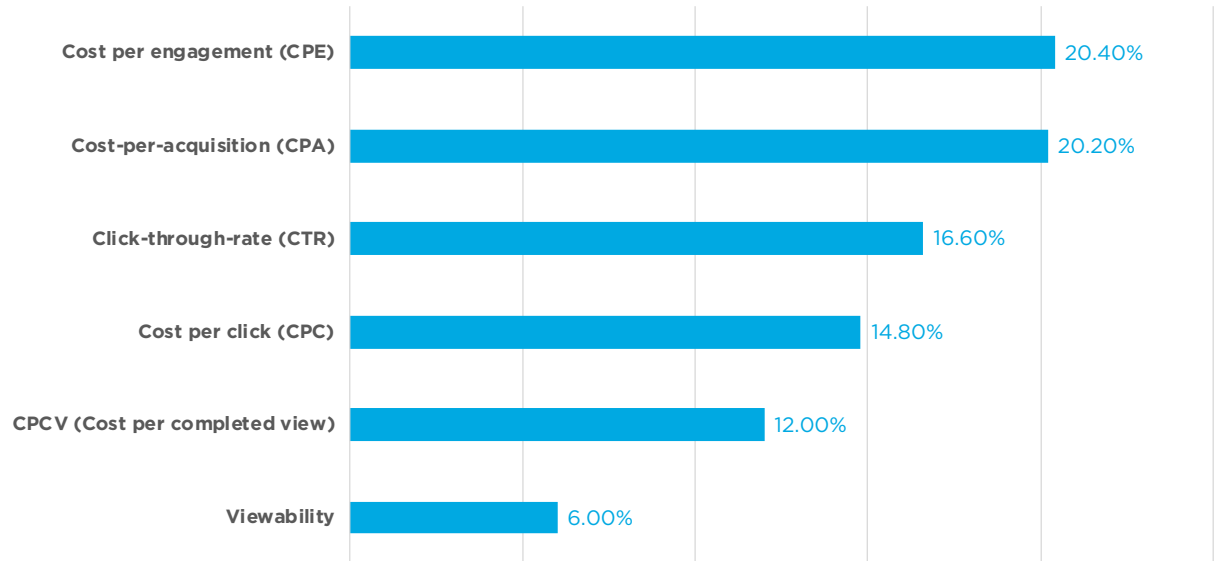


FIGURE 2

Q3. How likely are you to change the primary metric you use in evaluating the success of campaigns against strategic marketing goals over the next 12-24 months? (Select one)

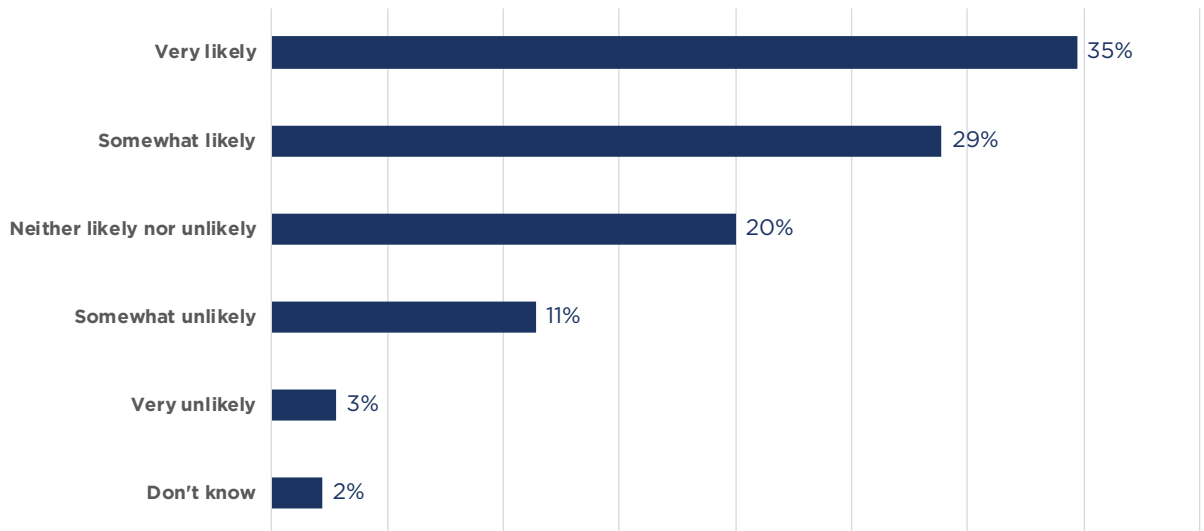


FIGURE 3

Evaluating digital media spend has become more difficult over the past five years

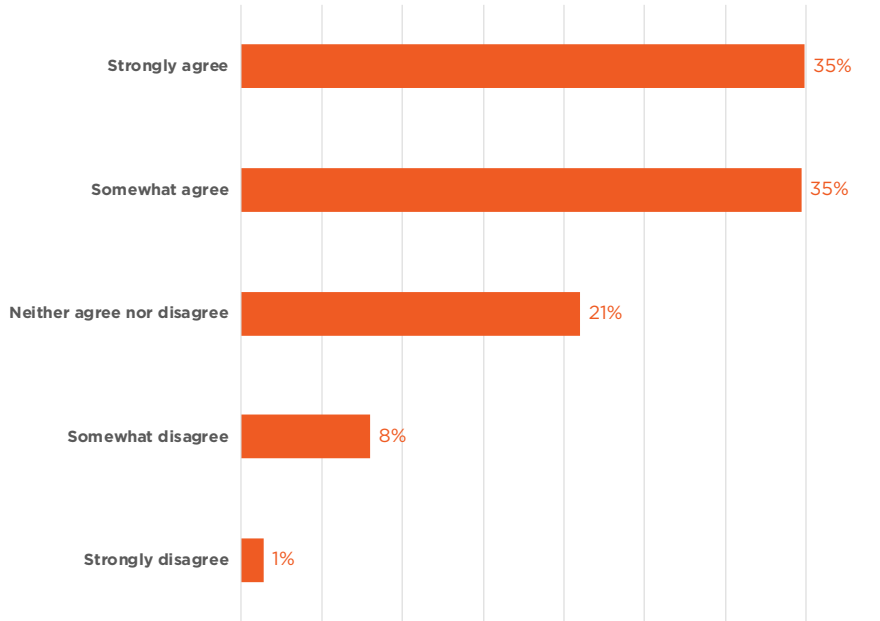
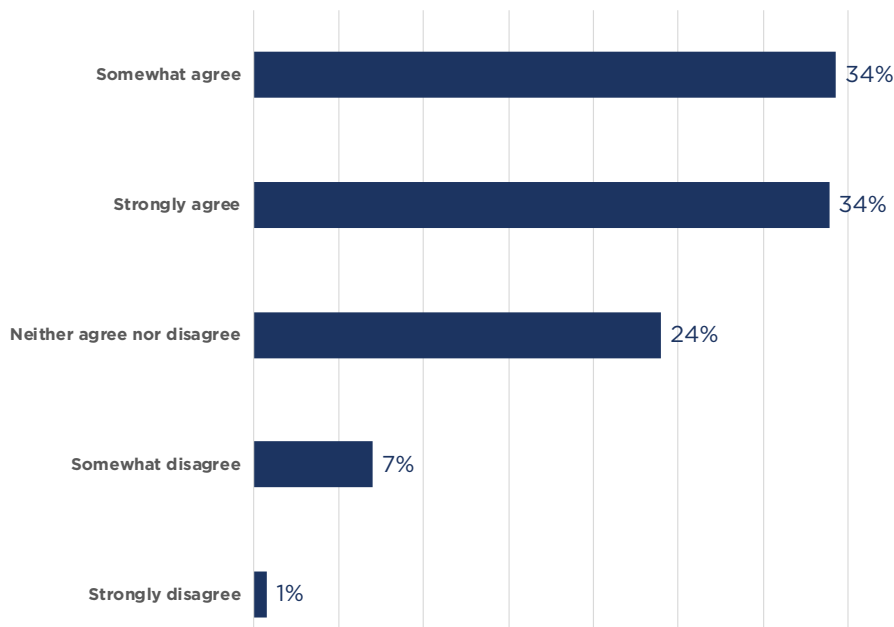


FIGURE 4

It is essential for digital campaigns to drive a direct correlation with business results (e.g. online and offline sales)



MEASUREMENT GETS HARDER

There is a clear impetus for change: Measuring digital media is getting more difficult. About 70% percent of the marketers surveyed say that evaluating the effectiveness of their digital media spend has become more difficult over the past five years (figure 3).

Meanwhile, they feel the need to show that their work drives real results. Seventy-eight percent of the marketers in our survey said they find it “essential for digital campaigns to drive a direct correlation with business results,” such as sales (figure 4).

MORE DATA, MORE RESPONSIBILITY

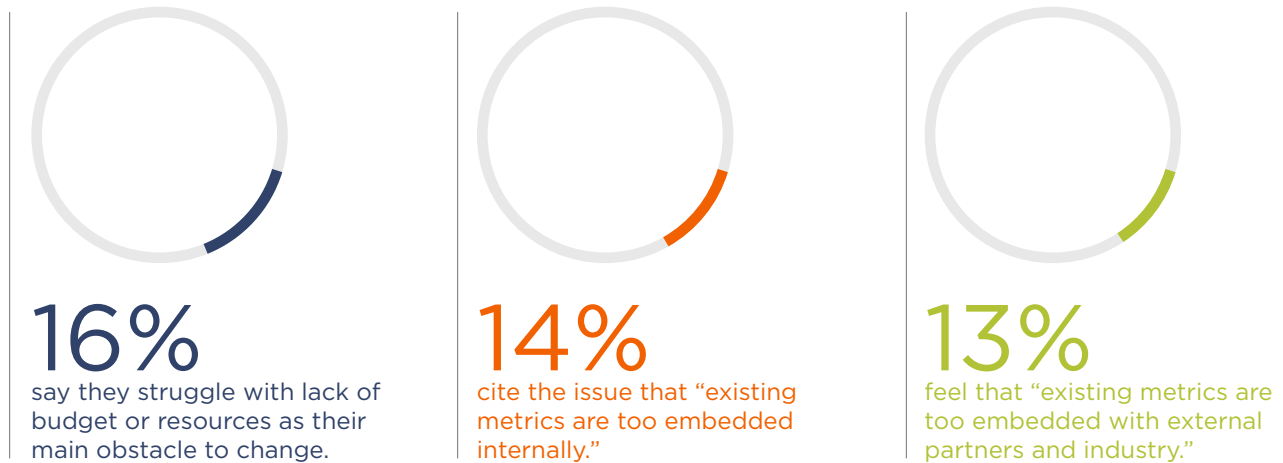
With the rise of programmatic advertising, marketers are seeing increased quantities of data and integrating new and greater capabilities to better utilize that data. But these powerful advancements also saddle marketers with new and greater expectations. They feel increased pressure to justify every dollar spent on media and to better correlate those marketing dollars to real business outcomes.

Canadian marketers are expected to not only make sense of massive amounts of data, but also to act upon those insights. They are leaning into the increased capabilities and learning that it is no longer enough to rely solely on the comfortable marketing KPIs of the past.

“As digital media spend has come under scrutiny over the past few years, the advertising ecosystem is now at a tipping point. The current media climate requires today’s marketers to justify that every dollar spent is tied to a tangible business result. With the exponential rise of data from platforms, formats, devices and users, finding the meaningful signals and understanding how they relate to each other is fundamental to success,” says Matt Sweeney, CEO of Xaxis North America.

BARRIERS TO CHANGE

Even as their roles evolve and they race to meet new challenges, marketers are also battling some clearly defined barriers to changing their measurement strategies.



PRIORITIES MOVING FORWARD

Canadian marketers are balancing a raft of pressing considerations when determining how to allocate their media spend. The top priorities for the next 12 months are spread pretty evenly over several choices, with “effective allocation of resources” and “increased efficiency” topping the list by a small margin (figure 5).

FIGURE 5

Q6. What are your top priorities for your organisation's media spend over the next 12 months? (Tick up to three)



NEW METRICS FOR SUCCESS

The Canadian marketing professionals surveyed for this report see the value of defining their own metrics for success that they can more easily link to real business results.

To help address their priorities, many rely on custom KPIs. Eighty-four percent use at least one custom KPI to determine how their marketing strategy impacts the business and 72% say it's easy to link custom KPIs to actual business results.

The move to custom metrics from the more traditional KPIs helps explain why marketers say they are in favor of making outcome-driven media an integral part of their marketing strategies.

Eighty-six percent say they are likely to increase “investment in outcome-driven media over the next 12-24 months” — and another high proportion (78%) say they would “work with an outcome-driven media partner that could help them deliver against” their marketing and business objectives.

OF THE CANADIAN MARKETERS SURVEYED:



are likely to invest in outcome-driven media.



would work with an outcome-driven media partner.

“
Marketers
are keeping
an open
mind, and
embracing
new ways
to leverage
digital
media for a
measurable
advantage.”

—**Matt Sweeney**
CEO,
Xaxis North America

CONCLUSION: OPTIMIZATION, AI, AND PARTNERS

To successfully navigate an increasingly complex media landscape overflowing with rich data, it's imperative that Canadian marketers connect their marketing spend to meaningful business outcomes.

In the coming years they will look to optimize their digital media efforts through the use of more custom metrics that lead to real business outcomes and, in turn, provide a real impact on the marketing budget and the bottom line.

“Brands are looking for the guidance of partners who can engineer custom media solutions based on those insights and leverage innovative technologies (like AI) to amplify their efforts. The results of this survey give our industry a reason to be optimistic. Marketers are keeping an open mind, and embracing new ways to leverage digital media for a measurable advantage,” Sweeney says.

At Xaxis, we believe that utilizing advanced tools like artificial intelligence to increase efficiency and drive campaign results closer to business outcomes is how marketers will successfully navigate an increasingly complex media landscape, fully overcome our industry's overly-embedded standards, and achieve the levels of efficiency needed in order to thrive.

FURTHER READING ON OUTCOME-DRIVEN MEDIA:

- > [From CPMs to Measurable Outcomes: Rethinking How Advertising is Bought, Optimized and Evaluated](#)
 - > [Advertising Accountability: Is Outcome-Driven Media the Future?](#)
By Harry Harcus, UK and Pan-Regional MD
 - > [Outcome-Driven Advertising: What it Means and Why it Matters](#)
 - > [Why Brands Should Focus on Their Desired Outcomes Instead of Generic Performance Metrics](#)
By Nicolas Bidon, Global CEO
 - > [The Importance of an Outcomes Focus](#)
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XAXIS

THE OUTCOME
MEDIA COMPANY

ABOUT XAXIS:

Xaxis is The Outcome Media Company. We combine unique brand-safe media access, unrivaled programmatic expertise, and 360-degree data with proprietary artificial intelligence to help global brands achieve the outcomes they value from their digital media investments. Xaxis offers managed programmatic services in 47 markets, including North America, Europe, Asia Pacific, Latin America, the Middle East, and Africa.

For more information, visit www.xaxis.com.

