

## **Announcing the Marketing Science Institute (MSI) Marketing Mix Model (MMM) Initiative: An Industry-Academic Blue Ribbon Panel to Validate and Certify MMMs**

### **What is This Initiative?**

Data deprecation, privacy changes, causality concerns, and innovations in attribution modeling have led to an increased use of Marketing and Media Mix Models (MMM) to assess marketing effectiveness. A time-tested approach to measuring the efficiency of marketing spend, MMMs use aggregate data that can be easily collected under tighter privacy regimes. MMM vendors are innovating and offering an increasing array of solutions that build on digitization and machine learning. Given the breadth of solutions, industry partners seek to assess best practices to ensure marketing spend is as effective as possible. Moreover, the industry seeks robustness across products, categories, and industries as well as granularity, time, markets, and periodicities.

### **How Will it Work?**

To these ends, the Marketing Science Institute announces an industry-academic initiative to address these issues. This initiative will include a selective coalition of leading academic experts on MMMs, member company advertisers, major data suppliers, and influential MMM vendors to develop an approach to bring scientific standards to the MMM community.

1. **Scope:** define the scope of the MMM industry and place bounds on the types of practices and innovations it seeks to validate. It will create a standard language around MMM to reflect innovations in digital measurement, communications, and distribution.
2. **Define:** define the desired data and attributes for these models; specifically what should be validated, on what data, and how.
3. **Validate:** via scorecards, simulations, and contributed data sets, the committee will create a means by which MMMs can be independently tested and validated. Such outcomes could range from a simple certification to a set of benchmark scores (much like the Gartner quadrants) to a competition.

### **How and Why to Participate**

The initiative is by invitation and limited to firms and academics at the vanguard of MMM.

- **How:** MSI firms who wish to participate will contribute to the study financially, by contributing data sets, by contributing their experiences/expertise in MMM, and/or by asking their suppliers to participate in the initiative.
- Participating member firms and academics will ensure that the initiative addresses the questions uppermost in the minds of the MMM community. A key benefit of participation is ownership in the standards to be developed and deployed for the industry.

**To learn more, contact Keith Smith, MSI Research Director, at [ksmith@msi.org](mailto:ksmith@msi.org)**