



# How Targeting the 'Movable Middle' Drives Superior Brand Growth

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MATT Unplugged 2021





# Extending thoughts about a new growth framework

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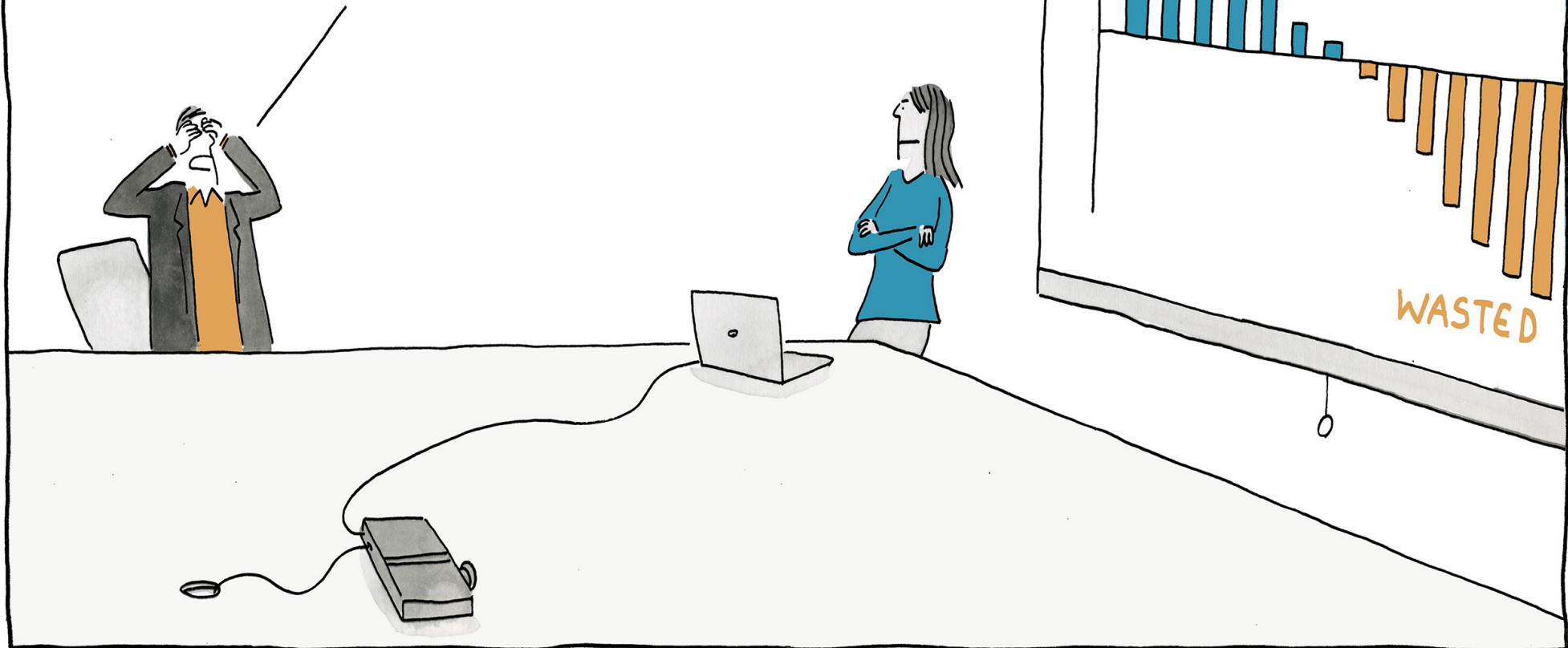
## Data Partner



**Numerator**  
Data Partner

In a nutshell,  
what this  
presentation  
is about

I KNOW HALF MY MARKETING  
BUDGET IS WASTED, BUT I DON'T  
KNOW HOW MUCH LONGER I  
CAN KEEP IGNORING THE DATA  
THAT SAYS WHICH HALF.





## Why Outcomes Based Marketing 2.0 (OBM2) is a big deal

1. OBM2 is a new growth framework that is centered on targeting a segment called the Movable Middle
2. OBM2 is ***mathematically validated to outperform reach-based planning*** by more than 50%.
3. Because lookalikes are found alongside (in the same audiences) as Movable Middles, OBM2 is also a superior strategy to win over ***non-buyers*** and build for the future of the brand.
4. A ***practical*** approach to drive outcomes immediately by identifying, quantifying and targeting the ***most responsive target audience*** for any brand.
  - “Practical” because it can be executed in many media channels, even walled gardens, in a repeatable way.



# What is OBM2?

1. How are the science and principles different from prior thinking?
2. Which consumers are in this new segment called “Movable Middle”?
3. Practically, what would a marketer do differently?



## Traditional thinking: “Buy as much reach as you can afford”

- ...assumes you have no prior knowledge that differentiates consumers in their probability of responding to your advertising.
- Implies: avoid targeting
- Implies: incrementality comes mostly from converting non-buyers

Ad Responsiveness





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Wrong!

False!

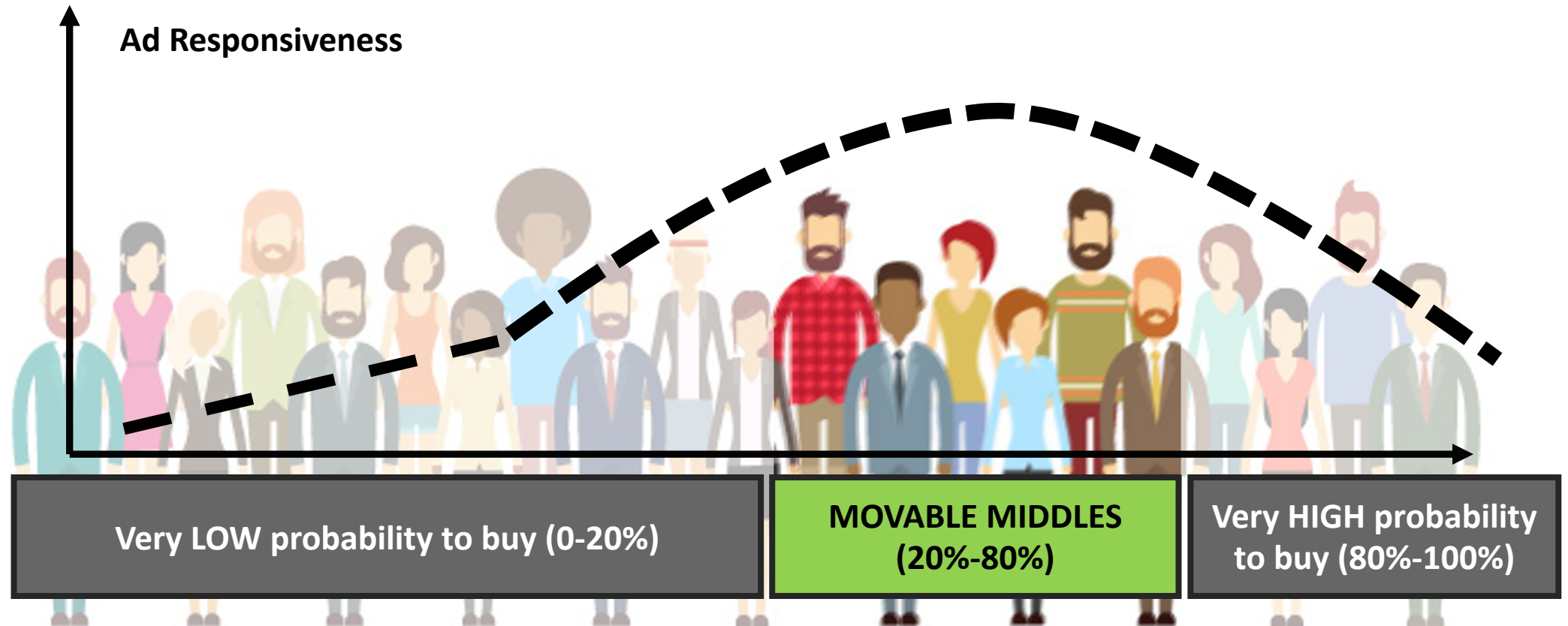
Ad Responsiveness





# Truth: The “movable middle” is FIVE TIMES more responsive to advertising

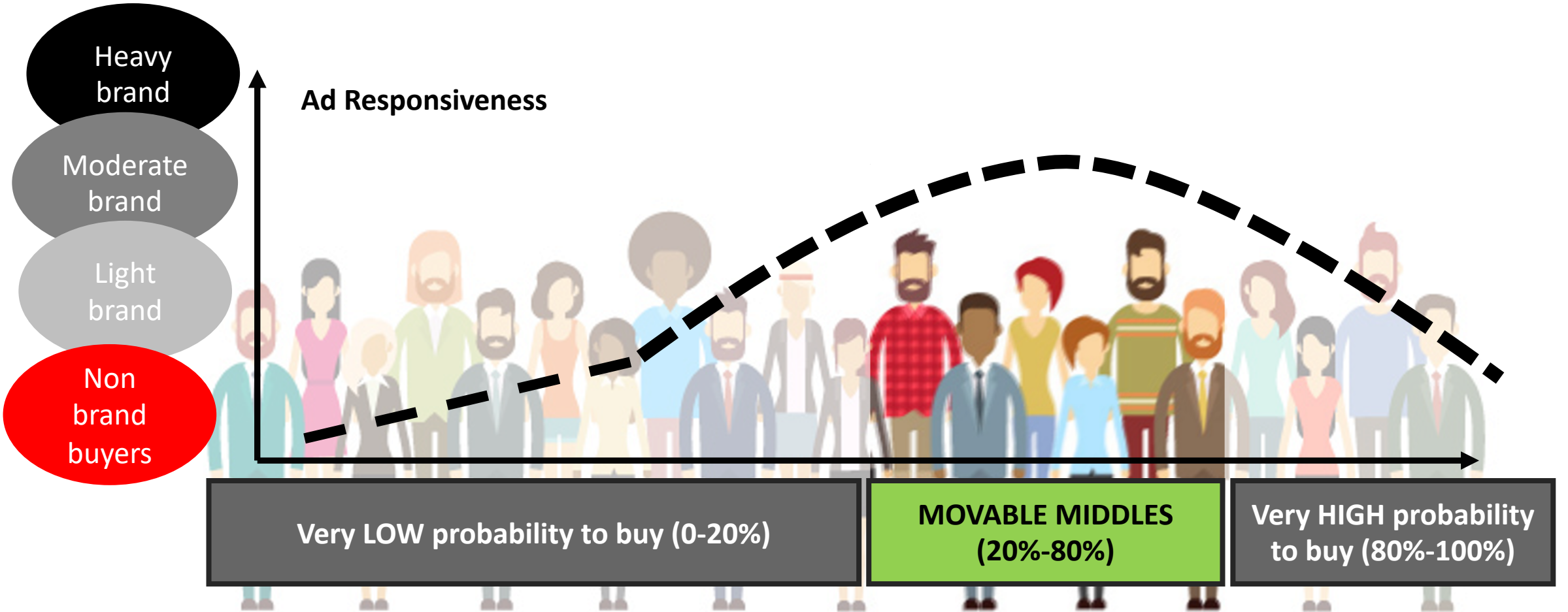
- The Movable Middle is defined by a consumer’s PROBABILITY of choosing your brand





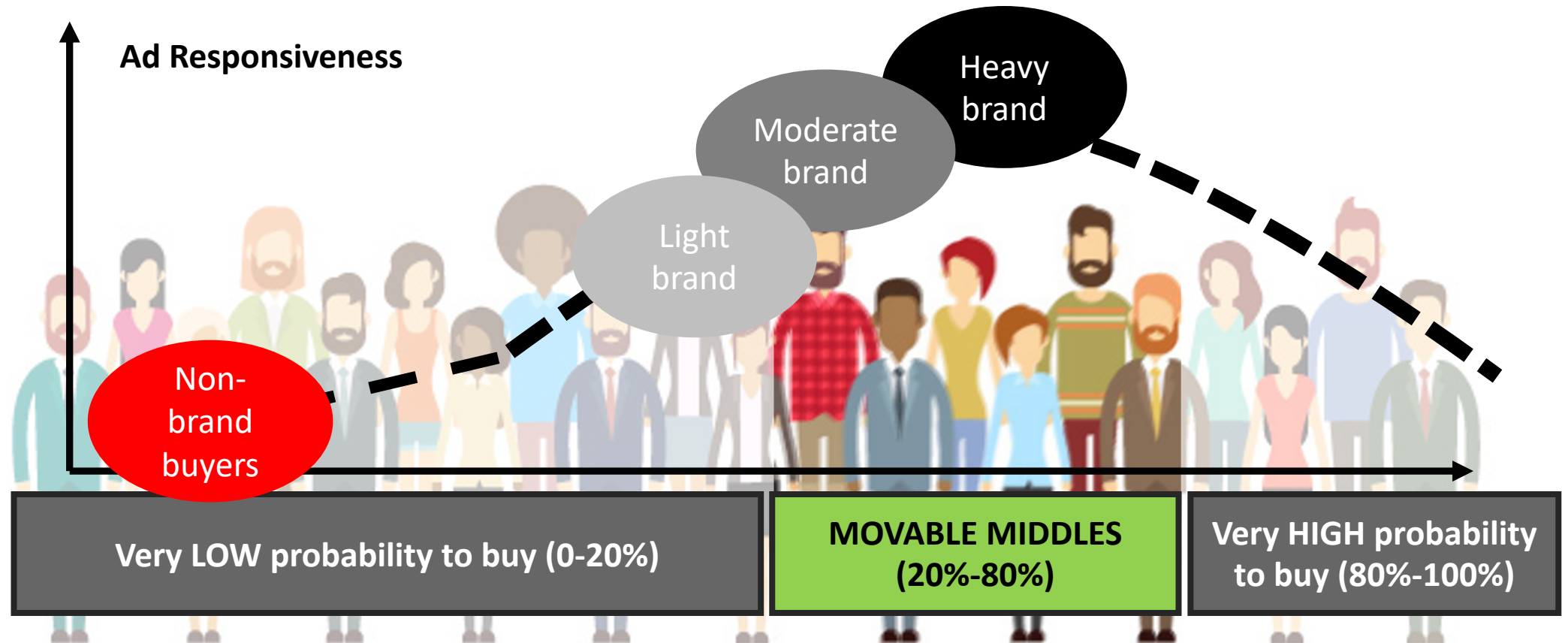


# Marketers with first party data or who use shopper data, where would you plot your buyers and non-buyers?



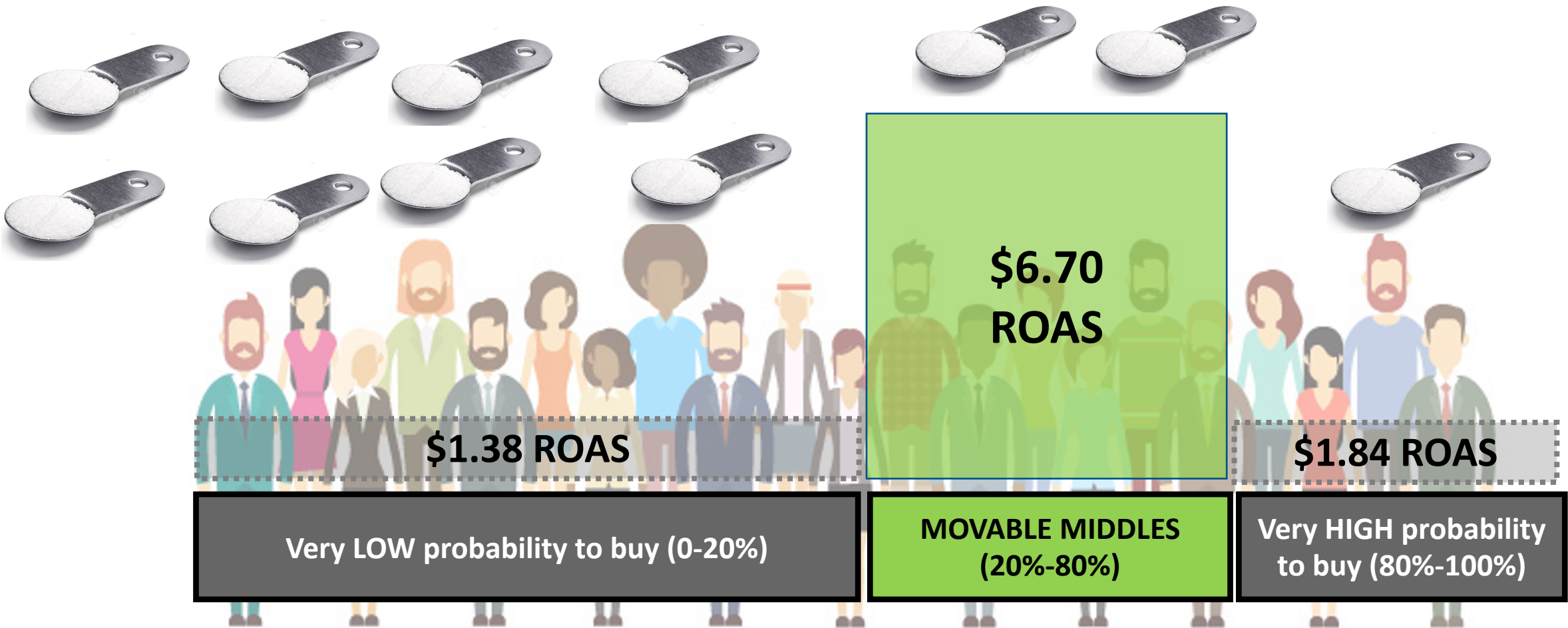


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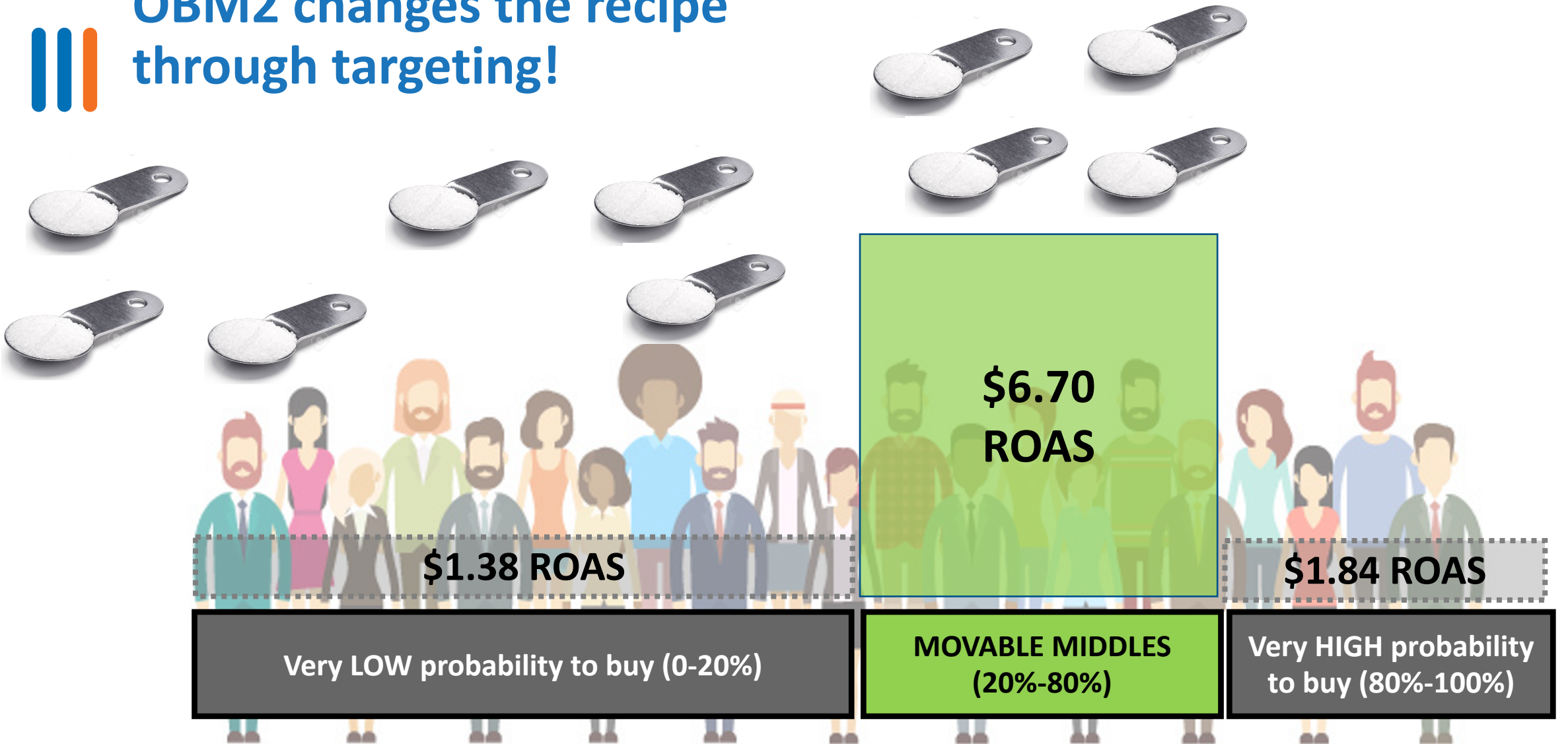


# Reach-based planning is a recipe for sub-optimal ROAS





# OBM2 changes the recipe through targeting!





# Finding the Movable middles for a top 5 brand of frozen pizza: (Neustar E1 segments)

Top quartile



2<sup>nd</sup> Quartile



Brand average



3<sup>rd</sup> Quartile

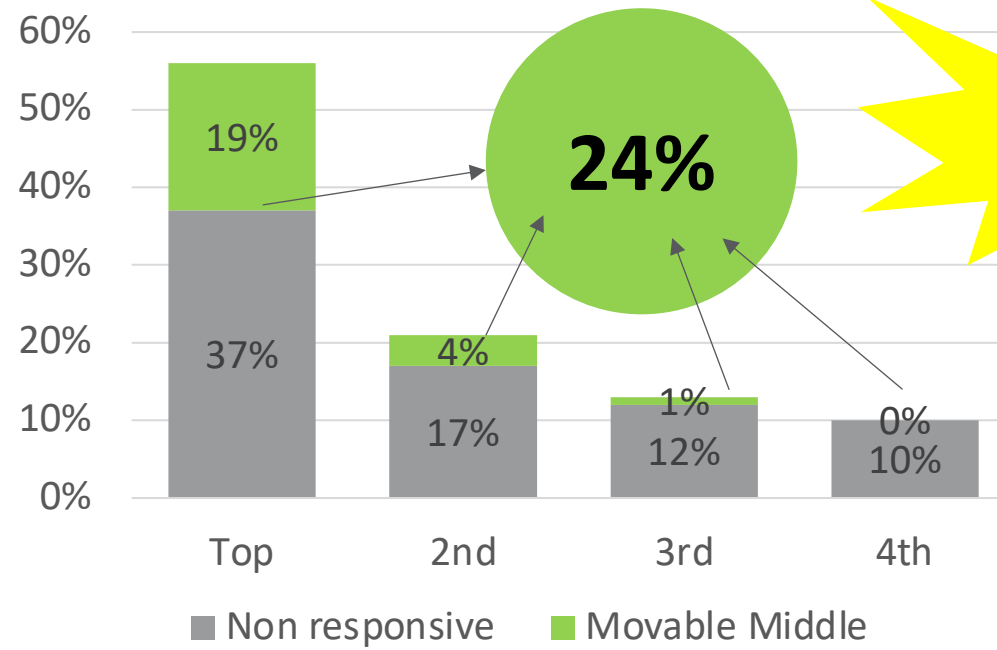
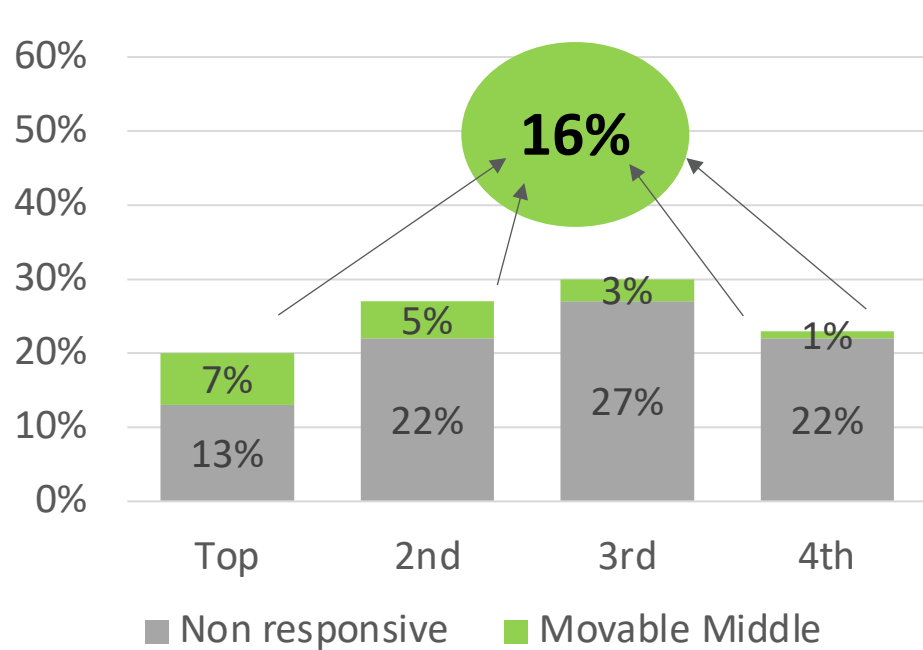
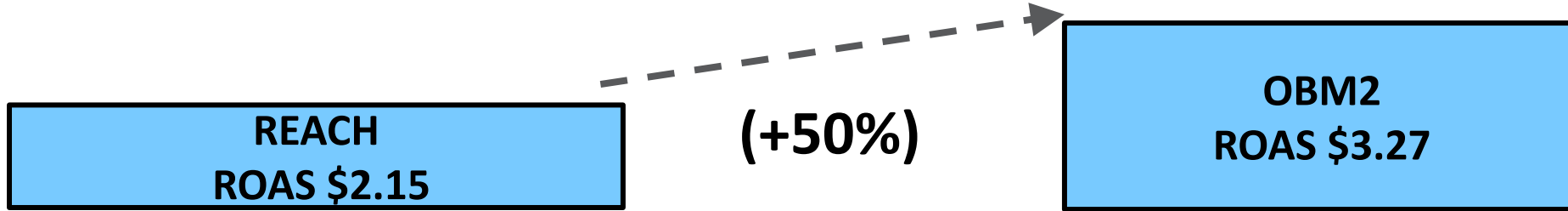


Bottom  
Quartile





# By reallocating to more responsive segments we can boost campaign ROAS overall.



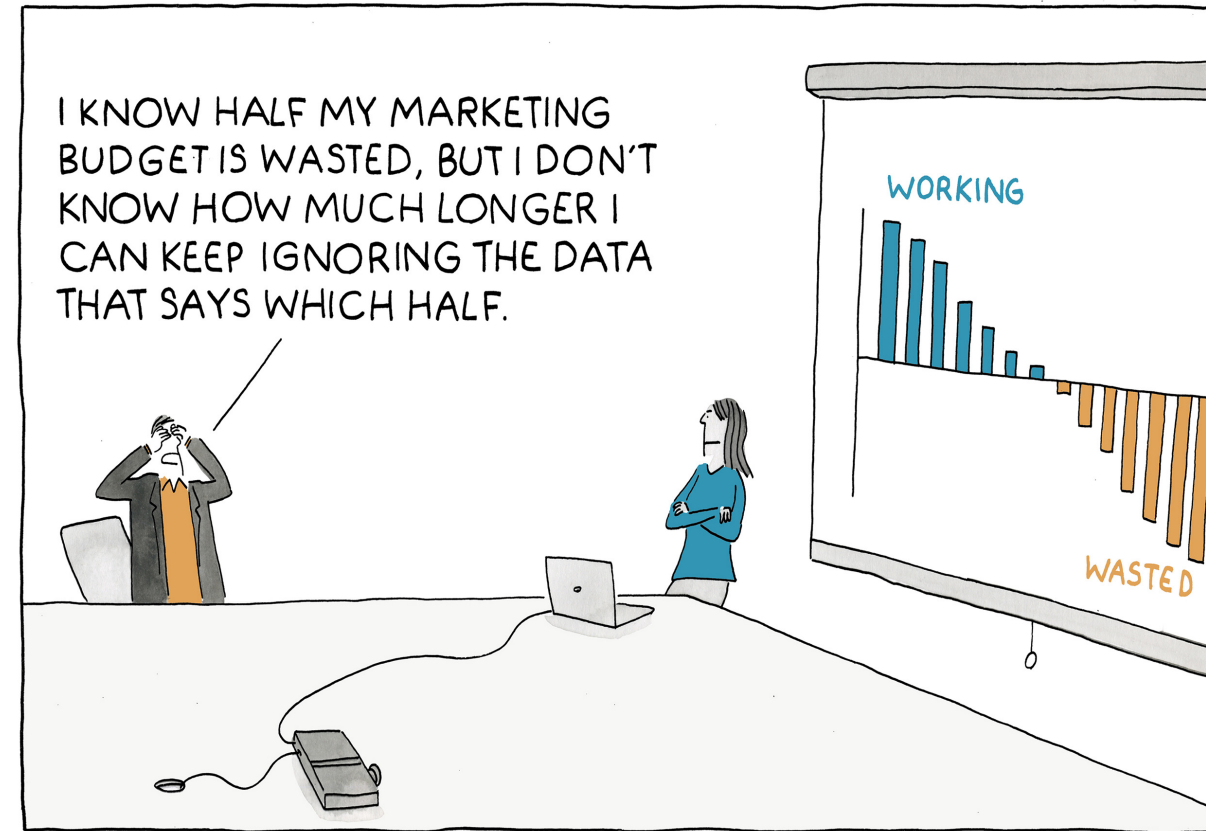
Conversion of non-buyers increased by 13%

Distribution of media spend across Segments



# Summary: Targeting the 'Movable Middle' Drives Brand Growth

- OBM2 debunks a false equivalence...that incrementality comes from targeting non-brand buyers via a broad reach media plan.
- Actually, the most productive approach is to target a consumer segment called the Movable Middle.
- Evidence shows that an OBM2 strategy of shifting funds towards the Movable Middle increases ROAS by 50% AND drives more conversion of non-buyers vs. reach based media plans.



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## Testing OBM2 for one of your brands...change the recipe, measure and validate

1. Calculate the average size of the segment of “movable middles”
  - Benchmark for audience evaluation
  - Generate seed samples for lookalike modeling.
2. Find and create audiences with high concentrations of Movable Middles and build Lookalike Models
3. Create a media plan where each channel’s tactics are redesigned to move at least 20% of the budget away from low unresponsives towards the Movable Middle
4. Measure & validate impact of OBM2.

### **MMA Support**

- Expert advice to guide you to best source for sizing the movable middle
- The MMA can help you create an activation plan across all media channels
- MMA to help with case study development/release





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