



ProcureCon

MARKETING

MKT

Automating marketing procurement
to achieve your 2022 goals

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Contributors



Andy Hopkinson
Strategic Director
Extreme Reach



Melinda McLaughlin
CMO
Extreme Reach



Carlota Ibanez Moreno
Global Procurement Manager –
Creative and Digital
Marketing Content
Nestlé



Philipp Schuster
Agency & Marketing
Partnerships Lead
Global Strategic Marketing
Consumer Health at Bayer



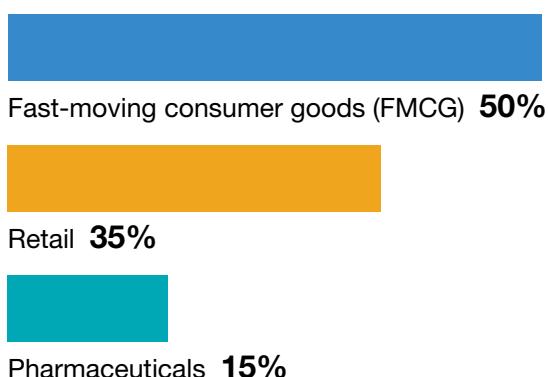
Gabriela Garay
Conference Director
ProcureCon Marketing 2022

Methodology

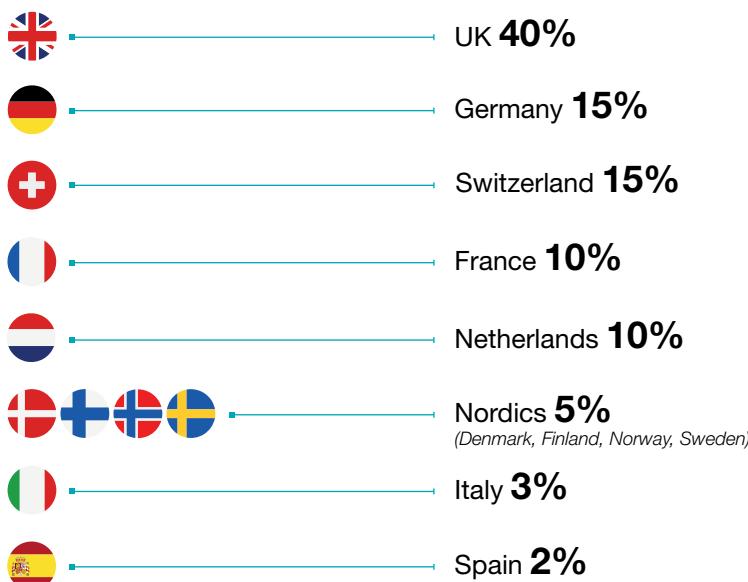
In Q1 of 2022, WBR Insights surveyed 100 Heads of Marketing Procurement and similar from organisations across Europe, to find out about the challenges they are facing in 2022 and the innovative solutions being brought to the table.

The survey was conducted by appointment over the telephone. The results were compiled and anonymised by WBR Insights and are presented here with analysis and commentary by Extreme Reach and the ProcureCon Marketing community.

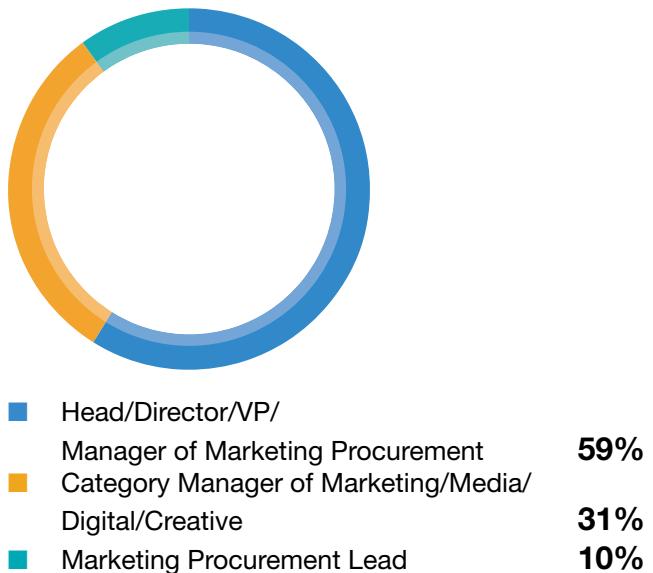
What is your organisation's primary business?



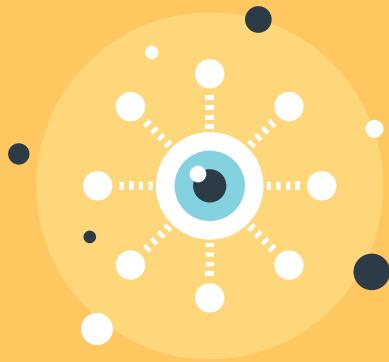
Where is your organisation located?



Which of the following best describes your job title?



Key Findings



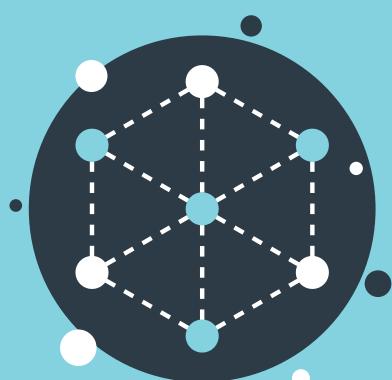
Developing customer relationships to automate marketing processes

67% of our respondents view developing new customer relationships as the key benefit of automating marketing processes, with digital technologies and data analytics revealing insights into consumer behaviour and purchasing habits.



Critical innovation areas for 2022

Almost two thirds (64%) of respondents consider interoperability between digital asset management (DAM) systems and marketing creative/media as the most critical marketing area for innovation in 2022. 61% of respondents put the focus on enterprise marketing solutions that reveal holistic, actionable insight.



Overcoming supplier diversity challenges

62% of our respondents said their major challenge regarding supplier diversity was cost. Other key challenges for our respondents include visibility or access to opportunities for recommending diverse suppliers (56%) and staffing resource allocation (56%).

Marketing with eyes wide open

by Melinda McLaughlin, CMO, Extreme Reach

Agility wins the day in marketing. One small word with a simple definition—to move quickly and easily. It's the “and easily” part that needs a fundamental rethink. At the centre of the marketer's world is producing great creative to fill meticulously crafted media plans. But teams are running this high stakes relay race with blinders on. They can't quickly or easily see the critical data they need. The future waits for no one however, so they go, go, go.

See the Problems

A recent evaluation of global brands revealed that between 18% and 48% of all creative assets produced were never used. Can you imagine a manufacturing supply chain tolerating that level of waste? That work that never sees the light of day exemplifies the dangers of an opaque workflow as well as the imperative of enabling agility with complete transparency into the creative and how it fulfils the media placements.

Another staggering statistic is that advertisers and their agencies globally pay an estimated \$170 million+ (USD) annually on usage and rights infractions because it's so difficult to know and manage where every ad is playing across every market. Risk is high across a content-everywhere, fragmented, and siloed media landscape.

The forces of fragmentation are not just impacting rights compliance but also hampering the ability to launch campaigns flawlessly. A survey of digital agency activation teams revealed that issues surrounding the sourcing of the creative assets resulted in problems occurring 83% of the time! Ironically, while linear TV campaigns can launch in under an hour from the moment the assets are ready, digital video campaigns often lag by 2-3 weeks due to difficulties in finding and preparing the creative for campaign set-up.

Light the Path Forward

There is certainly no shortage of data flying around. Brands and agencies are hiring more marketing data scientists than ever before, and it's broadly recognised that turning data into insight is imperative. But it's not clear whether the available data is of sufficient quality and organised in a way to adequately power informed and reliable decisions fast enough to maximise results.

Seamless, end-to-end activation workflow fundamentally drives efficiency, accuracy, and speed. While this is reason enough to champion change, it's also the means to a greater end. The very workflow itself illuminates what marketers need to see and know at the ground level with unprecedented depth. Marketers who adopt an enterprise platform where all creative fulfils the complex array of media placements, gain an extraordinary advantage. When real-time dashboards reveal insight around asset use and waste, rights compliance, creative effectiveness, diversity within the creative itself, and production-to-media ROI, all of that data becomes actionable in a whole new way.

The challenge is not to create more data, but to leverage only what matters; not to add more technology to the stack, but to simplify by replacing point-solution tools with more complete and connected essential software. The brands that do so will win. Those that do not will continue to struggle with the complexity and lack of visibility in the current, and sorely outdated, model.



Melinda McLaughlin
CMO, Extreme Reach

Melinda is an award-winning marketer whose career spans the evolution of the ad industry, with 15 years on the agency side, a decade at A+E Networks and five years as the CMO of a video ad-tech company. At ER, Melinda spearheads the company's global marketing. She sees a spectacular future for brand marketing as TV and video rapidly converge.

Part One:

Shaping your digital strategy



Increasingly, marketing procurement leaders are looking to source technology directly, or via their agencies. Investing in innovative technology that can reduce manual functions and increase data insights from scoping and fee management, and agency appraisals, is a key priority for many organisations. Heads of marketing procurement will also be looking beyond the scope and current limitations of existing digital platforms available in the market, to ensure a competitive edge.

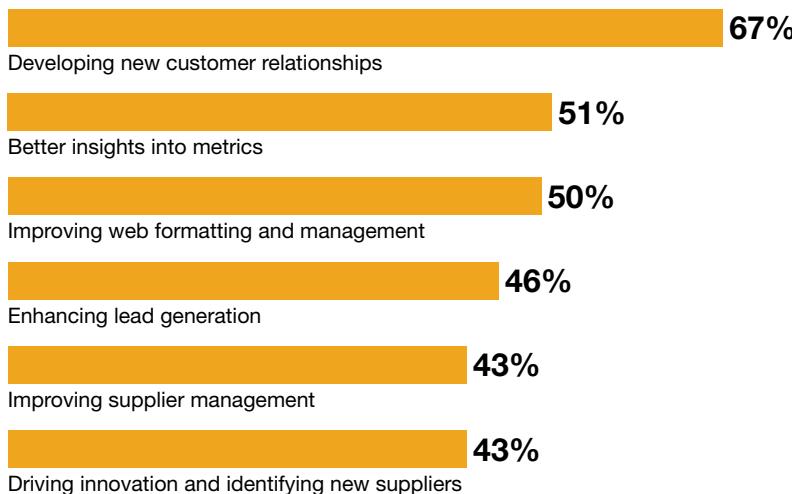
Automation technology provides the capability to streamline manual processes, reduce costs and cycle times, reducing

supply chain risk and the potential for transaction disputes. Employing data analytics enables a better understanding of the market landscape, which lets heads of marketing procurement make better decisions.

In our survey, 67% of respondents view developing new customer relationships as the key benefit of automating marketing processes. Over half (51%) pointed to their ability to provide better insights into metrics, while 50% of respondents said the role of automation is improving web formatting and management.

What are the key benefits of automating marketing processes?

Respondents were asked to select three answers that applied



"Automating your marketing processes frees up your time to really understand the insights you get from your customers."

Especially today with the abundance of digital tools, we need to eliminate these kinds of time-consuming processes as much as possible. You should be investing time where you can make a difference and stand out from your competitors who are finding and developing the right insights as well."



Gabriela Garay

Conference Director, ProcureCon Marketing 2022

"When you automate something, it's about efficiency. Everything you can automate is more transactional. When it comes to marketing processes, I think efficiency is important. This frees up time for your marketing and procurement teams to focus on the more complicated things. Furthermore, mistakes and human errors are reduced. As a result, the areas that are automated should become more efficient, faster and with less errors. For me, those are the two biggest benefits."



Philipp Schuster

Agency & Marketing Partnerships Lead
Global Strategic Marketing
Consumer Health at Bayer

"Developing new customer relationships would definitely be a key benefit for me. However, I am surprised at the low response rate to driving innovation and identifying new suppliers. Identifying and understanding market trends is essential in today's environment. Another key benefit is having better insights into metrics - this will give transparency and more reliable data. Automating marketing processes will not only save a great deal of time from manual tasks but will also result in more accurate data."



Carlota Ibanez Moreno

Global Procurement Manager –
Creative and Digital Marketing Content, Nestlé

We asked our respondents how their organisation is leveraging marketing to drive digital innovation. Here is what they said:

“It’s the insights that make their way through to understand customers and their behaviour which are some inputs that digital innovators consider.”

“It’s the competitive information that we provide to support our strategies of digital innovation.”

“Marketing has some ability to provide projections that are used to set innovation goals and targets.”

“Marketing provides us with sales forecasts which then help us to decide budgets for digital innovation.”

“It’s data that matters to digital teams, and marketing has streamlined the data transfer to avoid any delays in innovation capabilities.”

“Disruptive trends are pointed out by us and shared with the digital innovation team.”

“Market predictability and demand analysis is what we provide to the innovations department.”

“Marketing is helping us attract more external partners with valuable digital solutions that can help us and them grow.”

Working closely with creative and marketing stakeholders, heads of marketing procurement can influence their digital transformation and leverage the right automation technology. In a world where data is king, having access to reliable, streamlined data can avoid delays in the procurement process. Using data analytics in the marketing funnel can provide insights to help understand customers and their behaviour.

Other respondents specifically mentioned how data analytics is enabling their organisations to gain insights on market predictability and demand. This is a clear example of how data analytics can be employed within marketing to point out key, disruptive trends which can then be shared with other creatives and marketing stakeholders across the organisation.

“You can see what’s happening in the market through the marketing team, and you can leverage what is new in innovation. When I think of innovation, I think of CES in Las Vegas - a big conference where lots of innovations are being presented. This is an opportunity for marketing teams to see what’s going on. Our agencies who attended CES have shared their insights with the wider organisation.

In many ways, marketing teams are at the forefront of digital transformation. This is where organisations should leverage their marketing teams. Marketing is very close to digital innovation, and this proximity needs to be leveraged.”



Philipp Schuster

Agency & Marketing Partnerships Lead, Global Strategic Marketing, Consumer Health at Bayer

“In particular, I agree with the comment above regarding the importance of data in enabling marketing and digital teams to innovate quickly.

With data-driven results, we can construct a more solid business case. Automated processes benefit not only the company but also the relationship with suppliers.”



Carlota Ibanez Moreno

Global Procurement Manager –
Creative and Digital Marketing Content, Nestlé

“You can determine what your customers are thinking about your products and services by looking at your data. It’s a matter of analysing that data and selecting what adds value. Therefore, when developing new strategies, new product designs, or new services, the ideas are always backed up by customer data and insights.”



Gabriela Garay

Conference Director
ProcureCon Marketing 2022

The issue of digital suppliers

The marketing procurement space is complex and constantly having to adapt to digital requirements. Especially for digital media types, inflation is on the rise. In this atmosphere, media agency contracts, fee agreements, or media price guarantees can quickly become outdated or unworkable, putting the onus on procurement leaders to remain vigilant and flexible.

In our survey of heads of marketing procurement, sourcing new digital suppliers was deemed important by well over half of the respondents. Finding new digital suppliers was identified as somewhat important to 50% of organisations, and very important to 11% of those surveyed.

As you think about your marketing strategies ahead, how important is sourcing new digital suppliers?



"I think nowadays it's very important because everything is digital; we aren't having as many one-to-one interactions or meeting people face-to-face. We ought to update our sourcing strategy to take advantage of today's digital ability."



Carlota Ibanez Moreno

Global Procurement Manager – Creative and Digital Marketing Content, Nestlé

"The term digital supplier is very broad, and it depends on how that's defined. However, at the end of the day, our world is digital and there is some sort of a digital component in everything."

Every supplier needs to be digital at some level, it's very important and almost standard. Every partner we select has to be able to navigate in a digital environment, so therefore I would say yes, it is very important."



Philipp Schuster

Agency & Marketing Partnerships Lead, Global Strategic Marketing, Consumer Health at Bayer

"The topic of sourcing new digital suppliers is a key topic we'll be discussing at the upcoming ProcureCon Marketing event. A lot of new players are doing great work in the digital ecosystem, so we want to bring them on board. Getting to know new suppliers who are doing innovative things is important to procurement marketing professionals in this competitive market. Often, these suppliers can be flexible because they are not part of a large holding company that may have stricter procedures and rules. This event provides them with the opportunity to meet these new players."



Gabriela Garay

Conference Director, ProcureCon Marketing 2022



Part Two:

Data-driven decision-making



Data analytics and automation technology enable heads of marketing procurement to increase collaboration and engagement across the value-chain, providing key insights for decision-making.

We asked our respondents what challenges their organisation faced with data-driven decision-making.

Here is what they said:

“The regular need for investments in data management processes and technology.”

“With too much focus on data, we leave our human intuition aside. Humans continue to have an edge over machines on predictability and visibility.”

“Data quality is the main challenge here for us. Data refinement is where the challenge goes uphill.”

“Although we achieve standardised decisions, it’s the efforts required to manage fragmented data that challenges the organisation.”

“Siloed data continues to make its way through as a challenge for us.”

“Data-driven decision-making challenges humans to develop their intuition and decision-making abilities further. With everything so mechanical, humans are losing touch with their abilities.”

“Data regulations hamper or make us change the course of data assimilation, which makes a difference in the speed and efficiency of decisions.”

“We feel overwhelmed with data sometimes and this delays the analysis and decisions.”

Our respondents cited the ongoing costs of regular improvements to their data management processes and upgrading existing technology. Other respondents said their organisations are challenged by extracting value from their data that is siloed or fragmented or poor quality. Another key challenge was the sheer volume of data that needs to be stored, cleaned, and analysed.

The current regulatory environment also came into the spotlight, with some respondents observing that data regulations hamper or make organisations change the course of data assimilation. This has a direct impact on how fast decisions can be made.

Other respondents were concerned that focusing too much on data will reduce human intuition during the decision-making process. However, by its very nature, data-driven decision-making enables humans to develop their intuition and decision-making abilities.

“Successful teams are making data-centric decisions every day. While data availability is on the rise, it is the quality, accessibility and usability of that data that is a challenge. Actionable insight must be easy to see soon enough to pivot and without creating an additional burden on teams. When we embrace truly connected data, our analyses lead to consistently better informed, faster, and more impactful decisions that drive success. The great news is that the ROI variables captured in this question are easily revealed if workflow is centralised.”



Andy Hopkinson
Strategic Director, Extreme Reach

“To make the right decisions, you need the right data, you need to interpret the data correctly, and you need the right performance indicators. That’s already quite a challenge for organisations to overcome. To evaluate ‘creativity’, we are now using artificial intelligence (AI) software, which lets us give it a score, so we can make better decisions when it comes to creativity.

Having the right data, interpreting it correctly and having the right measures is key - if we nail that, we will be much more successful.

The right interpretation of data requires human experience and the human touch, so data is great, but it needs to be interpreted in the right way. Automating everything isn’t feasible; your sense, your skillset, your experience, are all needed. Perhaps this is also the difference between making good decisions and making them based on blank data.”



Philipp Schuster
Agency & Marketing Partnerships Lead, Global Strategic Marketing, Consumer Health at Bayer

“Data is the most important and the most powerful source available to us. The first step of any good analysis is to ensure the quality of the data; therefore, we face the biggest challenge when it comes to data quality.

As for the concerns about losing the human touch in data-driven decision-making, I don’t really agree. Human intuition still exists when we make decisions based on data. As a matter of fact, I believe we will rely more on intuition and knowledge than we have before.”



Carlota Ibanez Moreno
Global Procurement Manager – Creative and Digital Marketing Content, Nestlé

“Data-driven decisions have their own set of issues and inefficiencies. Having transparency and an understanding on where it makes sense to invest the money is crucial. Heads of marketing procurement want to have that clear visibility instead of data in different areas which can be confusing and overwhelming.”



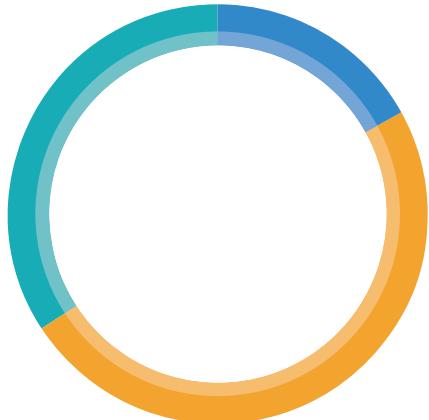
Gabriela Garay
Conference Director, ProcureCon Marketing 2022



Using data analytics to deliver real-time measurement of ROI

Leveraging data analytics makes it possible to target audience segments right down to the individual level. This enables heads of marketing procurement to determine which products or services they need to invest in to improve the customer journey and how their consumers are engaging with their brand.

How is your organisation leveraging data analytics to deliver real-time return on investment (ROI) measurements on your marketing spend?



■ We leave the management of data sets to our agencies	17%
■ We have an internal division that owns holistic data analysis and insight	49%
■ We are working with a consultancy to manage and mine campaign data	34%

By combining data from multiple sources, heads of marketing procurement can build derived metrics that enable informed decision-making and provide a better indication of performance. 49% of our respondents have an internal division that owns holistic data analysis and insight. 34% of respondents are working with a consultancy to manage and mine campaign data.

The marketing procurement function involves creative concepts, and the complex integration of branding efforts such as advertising, events, media buying, and the management of social media. Coupled with the growth in digital media buying and the evolution of new media consumption channels, heads of marketing procurement face a challenge in keeping track of this complex spend category, and the factors contributing to its ROI.

"We have an internal division, however, sometimes we rely on agencies. One of the benefits is that we are the owners of the data, so we have constant access to it, and when we are making decisions, the data is readily available."



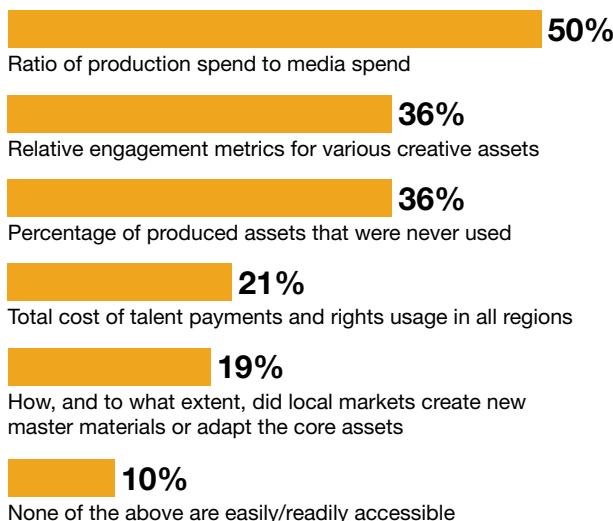
Carlota Ibanez Moreno

Global Procurement Manager – Creative and Digital Marketing Content, Nestlé



Which of the following components of ROI are easily/readily accessible for continuous evaluation and iteration in your organisation?

Respondents were asked to select all answers that applied



"There is more pressure than ever to measure and report marketing ROI. But as more data is generated, it is now actually harder to access key ROI metrics. The responses to this question signal far too much opaqueness and confirm that these key measures are not nearly accessible enough across the industry. The challenge now is to simplify and connect the ROI KPI's, so they can be made available in near real-time. Only then will the ROI question be answered."



Andy Hopkinson

Strategic Director, Extreme Reach

"The percentage of produced assets that were never used, is an interesting one. This is a concern, especially in global organisations with a lot of markets, a lot of complexities, and so on, but it is an industry issue, not an individual issue. Unfortunately, many things are made and created which are never used, and of course, that's the biggest waste you can imagine."

Additionally, we look at how often things are used, and we want to make sure that you are sweating the assets - using them multiple times. The goal must be to use the assets as much as possible. Consider the Coca Cola Christmas truck as an example. If you look at that ad, it has been running for 20 years or so. That is an impressive ROI. If you can use these metrics to increase the usage of assets, then that can be extremely beneficial."



Philipp Schuster

Agency & Marketing Partnerships Lead

Global Strategic Marketing Consumer Health at Bayer

Marketing innovation targets for 2022

AI is increasingly interwoven with marketing procurement information management. 64% of our respondents have opted for interoperability between DAM systems and marketing creative/media, while 61% of respondents are stressing the importance of enterprise marketing solutions that reveal holistic, actionable insight. A further 59% said that their firms are looking towards precise global rights management or an integrated workflow for flawless activation of omnichannel campaigns.

Which of the following do you think are the most critical marketing areas for innovation in 2022?

Respondents were asked to select three answers that applied



"I have worked on global rights management for years and it is still a problem. However, there are still no real solutions. There are tools and technologies that can help, but it is generally a challenge. You are predicting what the future will be like. Negotiating rights is possible if you know exactly what the future holds, and what each country needs at what time. But the truth is, you just don't know."

We tried to manage global rights; we would check what assets were used by when, by whom, and so on. But 3 months from then, the situation was different, and you would have to renegotiate the rights again. So personally, I think this is a critical area for 2022."



Philipp Schuster

Agency & Marketing Partnerships Lead

Global Strategic Marketing Consumer Health at Bayer

"2022 presents exciting opportunities for innovation that will dramatically move the global ad industry forward. It's not surprising to see that all these areas are cited with equal importance and point to marketers' need for true visibility into the use of creative assets. That cannot happen without a centralised hub for all assets that returns valuable data for simple ROI calculations. Procurement professionals, often the champions of integration over silos, will surely drive strategic value for marketers in connecting all interrelated workflow for exponential marketing benefit."



Melinda McLaughlin

CMO

Extreme Reach

Gabriela Garay
Conference Director, ProcureCon Marketing 2022

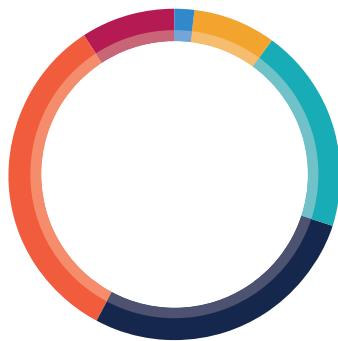
Part Three:

Aligning agency procurement models with modern demands



Technology continues to transform the rules of marketing, while at the same time giving consumers greater control over where and how they consume advertising. To make the right choices and remain competitive, heads of marketing procurement must therefore subject their branding and advertising partners to considerable scrutiny and due diligence.

How often does your organisation carry out whole agency model evaluations?



Every 3 months	2%
Every 6 months	8%
Every 12 months	20%
Every 18 months	28%
Every 2 years	33%
Every 3+ years	9%

"First of all, you shouldn't change it too often. You can check it every three months, but you can't change it every three months. It doesn't work. Since the environment is so dynamic, you of course need to adjust your model to meet your specific needs, but also maintain continuity. Our model is reviewed every two years, which is ideal because it gives you the time you need to evaluate if it works, you can't judge it earlier."

The model must certainly be evaluated and updated, since there is a lot of dynamic information here, so you must stay on top of it."



Philipp Schuster

Agency & Marketing Partnerships Lead
Global Strategic Marketing, Consumer Health at Bayer

"Our whole agency model evaluations are carried out every six months, so twice a year. I'm surprised to see some respondents have said they only carry out their evaluations every two years. It's important to challenge your agencies to improve, and you don't want things to become routine. The pace of innovation is so rapid that we must keep up by adapting and evaluating fairly frequently."



Carlota Ibanez Moreno

Global Procurement Manager –
Creative and Digital Marketing Content, Nestlé

"The results are as expected. Many brands are just now starting to reevaluate and make sure that the agencies they choose are not taken for granted so they will stay with them for a long time. Heads of marketing procurement are challenging their agencies more than ever; they are less afraid to say if something isn't working for their organisation and their needs and are willing to explore other agencies for the best results."



Gabriela Garay

Conference Director, ProcureCon Marketing 2022

Our survey revealed that 33% of respondents carry out whole agency model evaluations every two years. 28% of respondents conduct their evaluations every 18 months, while 20% of respondents adopt a 12-month time frame for their whole agency model evaluations.

Which of the following benefits of agency procurement models are most important to your organisation?
 Respondents were asked to select two answers that applied



For marketing procurement leaders, agencies using performance-based pricing are a key partner for managing their organisation's marketing needs. Identifying the benefits of agency procurement models, 60% of our respondents looked to improved spending and ROI as most important for their organisation.

"What procurement brings is an objective point of view on the space. I think when it comes to agency management, marketing and brand management, people can be emotional. Procurement can bring that rational objectivity that has not been there before because it was so relationship driven. I think that's a key benefit that procurement brings.

It's also focused more on tangible outputs and identifying the right KPIs to measure things. I think marketing struggles with that because they can be a little bit lost in creativity."



Philipp Schuster

Agency & Marketing Partnerships Lead, Global Strategic Marketing, Consumer Health at Bayer

"I agree with these results. The key benefit for us is improved spending and ROI, as well as adding value for stakeholders. Ultimately, we are trying to save money, so we need to improve how we allocate spending and divide budgets.

At the end of the day, stakeholders are the ones who buy these services, so adding value to them is vital. Making sure they see the benefit is crucial."



Carlota Ibanez Moreno

Global Procurement Manager – Creative and Digital Marketing Content, Nestlé

In a system where clients pay for conversions and the achievement of key marketing objectives, heads of marketing procurement can make informed decisions about price and negotiate competitive rates when renewing contracts. 36% of respondents said that working with agencies provided more agility and increased consistency across their organisation.

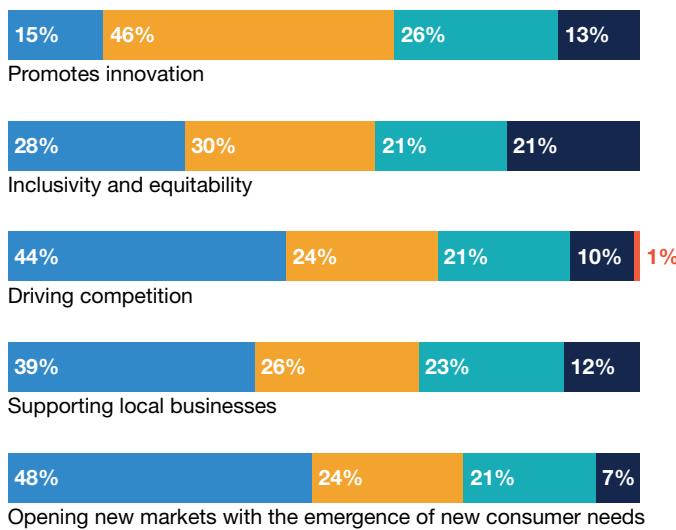
Leveraging supplier diversity for competitive advantage

Inclusive procurement or supplier diversity is now a hot topic, as marketing procurement leaders realise the potential benefits to help build strategic relationships in minority groups, reduce costs, and enhance talent management. Working directly with businesses owned by women, veterans, members of the LGBT community and other demographics can also help enhance environmental, social and governance (ESG) and corporate social responsibility (CSR) targets that can be communicated to customers.

Our survey revealed that 48% of respondents have identified opening new markets with the emergence of new consumer needs as the key benefit of supplier diversity. 44% said driving competition and 39% of our respondents said supporting local businesses were the key benefits.

How important are the following benefits of supplier diversity to your organisation?

Respondents were asked to rank in order of importance: (1 - very important to 5 - not at all important)



- █ Very important
- █ Important
- █ Moderately important
- █ Slightly important
- █ Not important at all

"It's an interesting one because it's very early days. The question is, do we really understand the benefits of it? I doubt it. I think it's difficult to rank the benefits, but it's an important topic."

Diversity and inclusion are a part of our society and so must be a part of our communication, and you can't do diverse and inclusive communication if the people who created it are not diverse and inclusive. It improves the way we develop communication, and we also, therefore, offer new opportunities to people who would have not had opportunities otherwise."



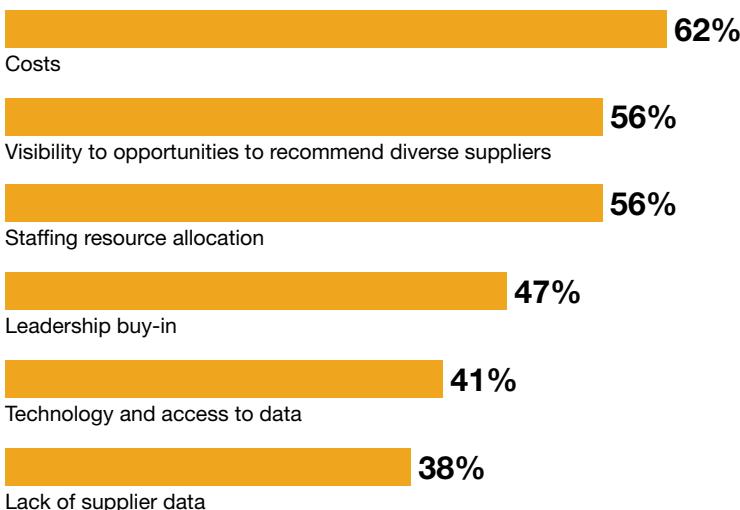
Philipp Schuster

Agency & Marketing Partnerships Lead
Global Strategic Marketing, Consumer Health at Bayer

Verifying the "diversity credentials" of potential suppliers is critical, as is establishing their ability to meet an organisation's procurement criteria, from both a cost perspective and their ability to meet their requirements and order fulfilment. 62% of our respondents said that costs and 56% said a lack of visibility for identifying diverse suppliers are their key challenges for improving supplier diversity.

What are the biggest challenges your organisation faces when it comes to supplier diversity?

Respondents were asked to select three answers that applied



"Visibility is a major issue. The concept of inclusion and diversity is starting to become a core value for organisations and navigating and evaluating the variety of suppliers out there can be challenging. It's something the entire industry needs to begin changing. A road map is needed to define how they will ask their suppliers about inclusion and diversity, how they will measure this, and so on."

We are still at a very early stage, so it will take time, but what is encouraging is that the whole industry is looking into it and trying to put the right tools in place or at least taking steps in that direction."



Gabriela Garay

Conference Director, ProcureCon Marketing 2022

"I think first and foremost, we need to get our house in order. It's one thing to say our suppliers have to be diverse, but if we are not diverse ourselves, it's a lot less meaningful. I think the journey of supplier diversity should go hand in hand with the journey of your own diversity. Consequently, we can be more authentic when it comes to supplier diversity. I think that's one of the biggest and most pressing challenges when it comes to supplier diversity."



Philipp Schuster

Agency & Marketing Partnerships Lead
Global Strategic Marketing, Consumer Health at Bayer

"Visibility to opportunities to recommend diverse suppliers is the biggest challenge we are facing. For us, visibility is more important than cost because we're concentrating on properly selecting these suppliers rather than focusing only on cost, and the lack of supplier data also contributes to the situation."

Many do not realise the magnitude of this issue, however, raising awareness of it, and understanding the importance of it across different markets will help us overcome it."



Carlota Ibanez Moreno

Global Procurement Manager –
Creative and Digital Marketing Content, Nestlé

Only 23% of respondents admit to having set clear goals and having reliable ways to measure progress across markets. A further 22% of respondents are delegating this responsibility, letting their corporate and local marketing teams make supplier decisions in cooperation with agencies and production partners.

Which of the following statements most accurately describes your organisation's current state relative to diversity and inclusion within marketing creative?



- We are currently exploring how best to approach this issue but haven't set goals yet **36%**
- We set clear goals and have reliable ways to measure progress across markets **23%**
- We let our corporate and local marketing teams make decisions in this area with our agencies and/or production partners **22%**
- We expect to begin thinking about this issue in 2022 **19%**

"The industry's progress and dedication to diversity, equality and inclusion is inspiring. Lagging behind efforts in supplier diversity and HR practices however, is progress related to the diversity profile of the brand creative itself. Surely this is a function of legacy practices of decentralised creative assets which makes it very hard to get a clear baseline in order to set goals and monitor progress. As marketers centralise creative and leverage powerful artificial intelligence and machine learning, we expect to see significant progress in this area going forward."



Melinda McLaughlin
CMO, Extreme Reach

"We have created a diversity and inclusion survey for our agencies, so we understand how diverse and inclusive they are and what their plans are. We started our own journey into that space only last year with an audit on how diverse and inclusive our communication is, which was quite interesting. We also did an audit with a diversity and inclusion consultancy, who will also be speaking at ProcureCon, called Creative Equals."

We are at the beginning of our journey, but we are doing meaningful things. These things take time, and depend on where you are located as diversity and inclusion means different things in different countries."



Philipp Schuster
Agency & Marketing Partnerships Lead, Global Strategic Marketing, Consumer Health at Bayer

"The statement that most accurately describes us is 'We set clear goals and measure progress reliably'. Having already established clear goals, we are quite far along in our journey, but we are still looking for the best measure of progress across markets."

It is also quite a political matter, and it depends on the organisation and if it is relevant to them, especially depending on where they are located. For example, in the US, this is a hot topic, however, for others, it is not as relevant to them yet and they may not be hugely impacted by this."



Carlota Ibanez Moreno
Global Procurement Manager – Creative and Digital Marketing Content, Nestlé

"I am not surprised by these results, and they are consistent with much of what I have seen in my research. The majority of companies are willing to take that step, but they don't know how to. In light of this, at the event we will be showcasing some examples of some brands which are quite mature and on their way, while others are just getting started. The key is to evaluate your status."



Gabriela Garay
Conference Director, ProcureCon Marketing 2022

Conclusion

Marketing procurement leaders are looking beyond the limitations of conventional sourcing platforms, for specific technology solutions that can lend a competitive edge.

Our respondents said developing new customer relationships is a key benefit of automating their marketing processes.

Investing in automation technology and data analytics platforms can reveal new insights into customer behaviour and their purchasing habits.

At a time of uncertainty, inflation, and fluctuating prices, sourcing new digital suppliers was deemed important by well over half of the respondents.

Gathering data to enhance the marketing procurement process is vital in 2022. By combining data from multiple sources, heads of marketing procurement can build derived metrics that enable informed decision-making and provide a better indication of performance.

Data can also provide real-time information on behavioural and market conditions, enabling heads of marketing to make projections and trends.

There are some challenges relating to implementing data analytics in the marketing procurement funnel.

Our respondents cited a range of challenges including high costs as automation technology and processes need constant updates over time. The regulatory environment surrounding data can also hamper decision-making and disrupt data assimilation.

The supplier diversity/inclusive procurement space remains a relatively immature field that poses significant challenges. Almost two-thirds of our respondents cited costs as a key challenge, whilst others said a lack of visibility of diverse suppliers and a lack of staffing resource allocation as their biggest challenges in marketing procurement. Less than a quarter of respondents have set clear diversity goals and have implemented reliable ways to measure their progress.



Key Suggestions

- Cloud-based process management software has the edge over on-premises enterprise resource planning (ERP) systems for procurement automation.
- Looking for a system with a centralised database, mobility options, and role-based conditional access for users can help improve the marketing procurement process.
- Before proceeding with a data analytics solution, be sure to have a clear understanding of the KPIs which are most critical for your organisation to measure and monitor ROI.

About Extreme Reach



Extreme Reach (ER) is the global leader in creative logistics. Its end-to-end technology platform moves creative at the speed of media, simplifying the activation and optimisation of omnichannel campaigns for brands and agencies with unparalleled control, visibility, and insights.

One global creative-to-media supply chain answers the challenges of a complex marketing landscape and an equally complicated infrastructure under the global advertising ecosystem. The company's groundbreaking solution integrates all forms of linear TV and non-linear video workflow seamlessly with talent payments and rights management. Now, brands and agencies can optimise campaigns as fast as consumer consumption shifts across linear TV, CTV, OTT, addressable TV, mobile, desktop, and video-on-demand.

Extreme Reach connects brand content with consumers across media types and markets, fully illuminating the marketing supply chain for a clear view of creative usage, waste, performance and ROI.

With the 2021 acquisition of Adstream, Extreme Reach operates in 140 countries and 45 languages, with 1,100 team members serving 90 of the top 100 global advertisers and enabling \$150 billion in TV and video ad spend around the world. More than half a billion creative brand assets move through ER's creative logistics platform.

Learn more at www.extremereach.com

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Bryony Hunter
Insights Sales Director
+44 207 368 9387
bryony.hunter@wbr.co.uk

www.wbr.co.uk

