

# Master of Marketing Measurement



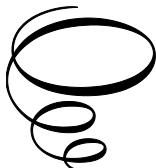
# Master of Marketing Measurement:

*Margaret Henderson Blair on  
Marketing Accountability*

Edited by

Allan R. Kuse and David W. Stewart

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Margaret Henderson Blair on Marketing Accountability

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# PREFACE

This book is simultaneously about a person, Margaret Henderson (Meg) Blair, about the organization she created and managed for more than four decades, Research Systems Corporation (*RSC*), about measurement, especially the measurement of persuasion, and about advertising and how to make it more effective and efficient. Few people influenced the practice of advertising and advertising research more than Meg Blair. The chapters collected in this volume represent years of learning based on rigorous, carefully designed empirical research on a global scale. It is a tribute to Meg's belief that the primary objective of advertising is to persuade, and as a result, that persuasion is the appropriate measure of advertising response. The purpose of this volume of Meg's papers and presentation is to preserve the knowledge and wisdom that she accumulated over time.

We thank the several organizations and journals that have provided permission to reprint the papers in this volume: the Advertising Research Foundation, *Business Horizons*, Quirks, Routledge/ Taylor & Francis and MSW Research. We also thank the several people who contributed chapters in tribute to Meg and her contributions. These chapters provide a context for Meg's work.

In order to capture the content of Meg's work in this volume, we have had to reformat many of her papers. We believe we have captured all of the content of her work and we apologize to readers if our reformatting creates any confusion. Any confusion is the result of our work, not Meg's

It is our hope that this collection of papers will serve as a foundation for future research and practice in advertising and persuasive communication.

*Allan R. Kuse and David W. Stewart  
June, 2020*



# CHAPTER 1

## INTRODUCTION TO MASTER OF MARKETING MEASUREMENT

DAVID W. STEWART

More than half a trillion dollars are expended on advertising worldwide each year (Guttman 2019). Most of these expenditures are for media, or what is sometimes called the “working budget.” The creation of advertising and the measurement of its effect are often referred to as the “nonworking” budget. Marketers generally wish to minimize nonworking dollars even as they recognize that these expenditures are mission critical for success. This is an unfortunate view because media expenditures do not “work” in the absence of a compelling message. A better way to conceive of advertising message creation and testing is as research and development (R&D). R&D is regarded as an investment in the future; the term “nonworking” would never be used to describe such investments.

This book is a collection of papers in honor of and authored by a pioneer in advertising R&D, Margaret (Meg) Henderson Blair. Over five decades, Meg conducted research and advised advertisers regarding how to create and identify effective advertising. She demonstrated how to make advertising media expenditures “work” by identifying effective advertising messages and by accounting for the interaction between media scheduling and message content in advertising planning. The wisdom and empirical findings developed by Meg and her colleagues are treasures that should not be lost. The purpose of this book is to assure that these treasures are not lost.

Advertising has many functions. It can inform; it can inspire; it can create aspirations. But, the ultimate objectives of most advertising are to persuade and influence choice. Meg was a pioneer in the development of measures of advertising effects that included attention to persuasion, as measured by choice behavior. The *ARS Persuasion* measure, that is the focus of the work included in this volume, involved a simple, but remarkably elegant measure of advertising effects, the change in product choices after exposure to advertising for that product. But, the ARS measure

was not just another measure. It was deeply embedded in a research process that assured control, reliability, validity, and precision. It also informed advertising decisions through links to advertising planning systems. At the heart of the ARS measurement system was careful attention to the quality of measurement. The effects of advertising can only be isolated in controlled environments where the only influence on choice is the advertising message. In addition, a measure is only useful to the degree that it is reliable and valid. The ARS system included routine assessment of reliability through routine test-retest analysis that provided a means for identifying and reducing sources of error. The predictive validity of the measure was demonstrated against numerous criteria and methods: pretest market results, split-cable tests, changes in market share measured with Nielsen's Scantrack® data, and numerous brand specific case studies. These validation studies were replicated over multiple decades and in numerous markets throughout the world. The outcome of these many studies was a measure with extraordinary predictive validity (Blair and Rosenberg, 1994; Findley, Johnson, Crang and Stewart, 2020; Stewart and Furse, 1986; Stewart and Koslow 1989). It was, and is, a measure that is sufficiently sensitive that it can detect small, but meaningful differences in the persuasive power of advertising.

A key insight of Meg was that statistical power is important for identifying small, but meaningful differences in advertising performance. Thus, the *ARS Persuasion* system assured sufficient statistical precision

to detect small but meaningful differences. The larger sample sizes required for such precision and the research on research required to assure reliability and validity increased the costs of the ARS measurement system to clients relative to some other measures. However, when placed in the context of "total quality," the modest difference in testing cost was more than compensated for by improved results in market through more efficient and effective use of media.

The first three chapters and the concluding chapter of this volume introduce the work of Meg and pay tribute to her many accomplishments. Most of the chapters in this volume are authored or coauthored by Meg and trace the history of discovery and progress with respect to effective and efficient advertising. However, Meg's contributions extend beyond the measurement of advertising effects. In the last two decades of her life Meg took on even larger challenges. First, she sought to improve the general quality of all marketing research, not just that which focused on advertising. Then, beginning in 2004, she sought to extend the quality movement to marketing and marketing research by championing the need for standardized measures and processes. This latter effort began as the "Boardroom Project" and evolved into the Marketing Accountability

Standards Board (MASB). The work of MASB was summarized in 2016 by Stewart and Gugel. Chapters 24, 25 and 26 of this volume originally appeared as chapters in that volume.

MASB is a unique organization (<https://themasb.org>). It seeks to bring together the disciplines of marketing, analytics and finance within an integrated framework that recognizes the contributions of marketing activities and investments to the financial performance and welfare of the firm. In a world in which intangible assets account for the majority of the assets of business, such a framework is critical. It is especially critical because the accounting profession has largely turned a blind-eye to the role of intangible assets. This is easy to understand because the issues related to managing and valuing intangible assets, like brands, customer loyalty, and relationships, are difficult and complex. Far more than tangible assets, the value of intangible assets is influenced by how those assets are managed. This means that the value of intangible assets is a more sensitive barometer of management performance than the value of tangible assets. It is also the case that there is a far more robust market for most tangible assets that can be used to benchmark at least the minimal value of an asset.

Ultimately, the value of intangible assets is driven by the future cash flows they are expected to generate. This means their value is not independent of how they are managed. Thus, the value of the Marvel characters in the hands of Disney, which can make them motion picture heroes, is dramatically different from their value as comic book characters. Meg understood and sought to use MASB as a vehicle for educating others, that the estimation of future cash flows requires careful, precise and standardize measurement and processes.

Unfortunately, marketing has long been characterized by a lack of standards, in part because it has been viewed as an increasingly tactical discipline that has little to contribute to the strategy of the firm. Meg sought to make marketing more strategic and more valuable to the firm. She viewed the quality movement as an example of what needs to happen in marketing – a movement from trial and error, inspection, and scrap work to careful measurement in advance of major expenditures where the goal is to get it right the first time and eliminate the waste of scrap work. Meg’s work on advertising measurement and planning is an exemplar of how this might be done.

In addition to Meg being a gifted researcher, insightful consultant, and successful business manager, she was also a friend and mentor to many individuals. Ever the optimist, Meg always saw the best in others and worked diligently to develop others through education, advising, and the giving of her time and resources. Her wisdom and decades of learning were

cut short by her premature death. But this volume captures much of her wisdom and a great deal of the learning through empirical research. The chapters that follow are a guide to successful advertising, successful marketing, and successful management.



*Margaret (Meg) Henderson Blair*

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## CHAPTER 2

# THE LIFE AND LEGACY OF MEG BLAIR: MAKING MEASUREMENT MATTER

ALLAN R. KUSE

In the 1961 Rayen High School yearbook, Margaret Powell Henderson was an honors graduate voted “Most Athletic” and “Most Diplomatic” by her peers. Growing up in Youngstown, Ohio, her favorite pastimes were swimming, tennis and reading. Her favorite academic subject was math. Summers were spent in Marion, Massachusetts, where she acquired a lifelong affinity for the sea, sailing and saltwater fishing.

Meg attended Sarah Lawrence College for a semester but was not enamored with college; she claimed to have taken the only math course offered by the school during her first semester. She moved to the Greenwich Village area of New York City, wore muumuus, played guitar and sang in local coffee shops.

### First job

Her first job was in the basic research department of The Schwerin Research Company (SRC), which was founded by Horace Schwerin in the 1950’s and assessed the impact of television advertising. The SRC methodology recruited visitors on the streets of New York City to attend an afternoon viewing of potential television shows and commercials on a large screen in a local theater. The principle metric was the Schwerin persuasion score. Meg’s main role at SRC was to manually tabulate thousands of persuasion test results. Under the tutelage of her immediate supervisor and by studying Robert Ferber’s *Statistical Techniques in Marketing Research*, she gained an intuitive understanding of measurement and marketing research methods. Meg soon became the “Numbers Girl” or “Norms Girl”, since she also tabulated all SRC benchmark averages for test result comparisons.

Joe Plummer, an advertising agency researcher at the time (and years later a founding member of the Marketing Accountability Standards Board), recalls a meeting at SRC to review the expected impact of the introductory advertising for Virginia Slims, a new cigarette brand that was targeted to women. Test results indicated only a low-to-average advertising impact and, as the discussion proceeded, Joe began to be concerned that a decision might be made not even to launch the product. A young woman in the back of the room spoke up and said, “the average result was for the total sample; when I calculated the result for just women, it was well above average!” The mood in the room changed, the advertising was accepted and helped make the introduction of the new product a success. That young woman was Meg.

In 1963, SRC was purchased by PAR, a regional custom marketing research firm located in Evansville, Indiana. Reginald Collier was president of PAR. The story told by Meg was ‘Reg assembled all the SRC employees together and asked, ‘Who knows what went wrong and how to fix it?’; I raised my hand and said, ‘I do!’’ Within a week, Meg moved to Evansville to lead the Advertising Research Division of PAR.

One problem that had faced SRC was the surge in popularity of a technique called day-after recall. As the young division leader, Meg moved aggressively and creatively to develop a secure, off-air recall solution that accurately predicted on-air, day-after recall scores, to provide with the persuasion scores. On-street recruiting was replaced with carefully designed mail recruiting to allow data collection in multiple cities, not just New York City. Large theater testing sessions were replaced by smaller group sessions with respondents arrayed around four television monitors in hotel ball rooms.

Between 1963 and 1967, Meg experimented and tweaked the format of sessions. Her method was to try something, assess the outcome, monitor reliability of results, then determine how to improve the methodology. Without knowing it, she was applying the principles of what would become known as total quality management. Her purpose was to create an advertising measurement system that would be the standard in the marketing research industry.

## **First rsc President**

By 1967, the members of the board of directors of PAR were frustrated with the progress of the advertising research division; it was working on a national advertising measurement system that didn’t fit the PAR custom research paradigm, so they decided to shut it down. During a contentious board meeting, Reg Collier agreed to purchase the advertising research

assets of PAR, give up his presidency and start a new company. The new company, Research Systems Corporation (*rsc*), with Meg as its president, began operations in 1967.

Four advertisers had worked with Meg to develop the Advertising Research Service (ARS): Procter & Gamble, Menley & James Pharmaceuticals, Quaker Oats, and Ralston Purina. The first three companies agreed to use the new ARS testing service. Because the Proctor & Gamble Company, the largest television advertiser at that time, quickly adopted this approach, ARS was on its way to becoming an industry standard advertising measurement tool.

Meg remained the president of *rsc* for the next 40 years. As the company prospered and grew to a multimillion dollar enterprise, she worked under the additional pressure of knowing that over 100 employees and their families depended on how well she ran the company. When she left the company in 2006, it was with feelings of sadness and loss, but also relief from the pressures she had been under.

## First MASB president

An impromptu 2004 gathering of marketing practitioners, marketing academics, and advertising agency and marketing researchers became the “Boardroom Project,” named for the room at the restaurant where they met. Quarterly meetings of this group evolved into the Marketing Accountability Standards Board (MASB), with the goal of bringing together marketing, finance, and analytics to promote best practices in marketing measurement, planning and accountability.

Meg was a member of the Boardroom Project and a cofounder of MASB; she became its first president in 2007, the year of its incorporation as a nonprofit organization. Loosely using the Financial Accounting Standards Board as a model, she designed the MASB structure and operating protocols and was the only person dedicated fulltime to the organization, performing the management, operational, financial, marketing and sales functions herself, until 2009, when a halftime employee was added. Until her retirement in 2017, she was a driving force behind the growth and success of MASB.

For more than five decades, without formal training or experience in marketing research, sales, or business management, Meg grew a company into a multimillion dollar, global business and she cofounded and led a nonprofit organization during a period of expansion and acceptance by the marketing community. Beyond her propensity to work hard, what inherent traits did she tap to accomplish these achievements? Marketing is often

defined by the four P's: product, placement, price and promotion. Perhaps we can better understand how Meg transitioned from "Village troubadour" to president of a successful company by examining her "four C's", those characteristics guiding her actions and style: competitiveness, comprehensiveness, compulsiveness and charity.

## Competitiveness

Meg was competitive at work and at play. She constantly strove not just to have a good, profitable company, but to have the best advertising research company, best both in terms of measurement quality and financial success. From the beginning, reliability was monitored to ensure that measurement stability was maintained, and evidence of in-market sales results were requested from clients to establish that the persuasion measurement was predictive. And because the methodology was designed as a "syndicated service" that could test up to a half dozen ads in each test session, profit margin was high relative to other advertising testing companies.

A ranking of the top 50 marketing research companies was published each year by Jack Honomichl. When that issue of *Ad Age* arrived, the list was quickly perused to see the rankings of *rsc*'s advertising research competitors. As a privately held company, *rsc* did not report its annual revenues so did not appear on the list. But, of course, it was easy to determine what ranking the company would have if it had been on the list. Happiness on that day was related to *rsc*'s ranking relative to competitors and whether it would have moved up or down the list compared to the year before.

The *rsc* fiscal year ran from October through September. Every year Meg took her vacation during the first two weeks of October. There were two reasons for this: first, there was always a hard push to end a fiscal year with positive sales momentum going into the New Year; and second, Meg's concept of relaxation was saltwater tournament fishing. One tournament in south Florida was always held at the beginning of October and she was always in it, usually winning several titles and trophies – best woman angler, biggest fish, etc.

She was proudest of having competed in the 1994 Shula Celebrity Classic Billfish Tournament, which was a fundraising event for breast cancer research. As reported in the South Florida Sun Sentinel (<https://www.sun-sentinel.com/news/fl-xpm-1994-03-01-9403010520-story.html>), her favorite fishing boat, Sea Elf, had sunk two days before the tournament. But that was okay with Meg since she had a premonition that the Sea Elf wouldn't be lucky for her anymore.

At the last minute she was able to rent another deep-sea fishing boat, which the tournament assigned as the No. 7 boat. Its name was *Superstition*. At the end of the two-day tournament, Meg not only won the prize as top lady angler, she was also named top angler for the entire tournament. *Superstition* won the prize as top boat. In the interview with the *Sun Sentinel*, she said it seemed strange to her that tournaments had separate winning categories for men and women. She told the reporter, “There are a lot of women who are just as good as the guys.”

## Comprehensiveness

Meg was notable for the thoroughness with which she approached every question or problem. For instance, her style of quarterly business planning was to review five areas in the company (sales, operations, basic research, human resources and finance) with senior managers, identifying and noting issues and opportunities on flip charts. At the end of the review, area by area, the items were prioritized by the assembled managers and given completion dates. Since the process continued until all areas were thoroughly reviewed, it was not unusual for the management team to end the day with dinner together at 9:00 or 10:00 at night.

As a privately held company, *rsc* did not have a board of directors larger than the three principle owners. Realizing the value that a true board of directors brings to a company, Meg recruited four business and finance professionals to meet with her quarterly and dubbed the group FAIM (Friendly Advice and Inspiration for Management). Years later at a memorial gathering for Meg, one FAIM member recalled how much preparation was required for each meeting. They were given subscriptions to business magazines and journals (*Fortune*, *Forbes*, *Harvard Business Review*, etc.), which they were expected to have read carefully beforehand. Each FAIM meeting began with a lengthy discussion of which articles published during the prior quarter provided learning that could be applied to improve the company. Meg, of course, had read all of them.

Because it was an ingrained habit, Meg was as thorough in her personal life. As an example, each year she organized and planned a weekend Henderson family reunion. Her reunion plan consisted of a series of lists: who to invite; travel itineraries and accommodations; menus for meals to be served; and morning, afternoon and evening activities. Her family fondly recalls that she “then saw to it that the clan kept to the plan.”

Everyone who worked with Meg, in her personal life or in business, would agree that her mantra went something like: “Make a list, set deadlines for action steps, review the list for completeness, execute the plan!”

## Compulsiveness

Meg's compulsive persistence meshed well with her compulsion to be thorough. The matter at hand was always the most important. It was her tendency to keep at a task, uninterrupted, until it was accomplished because she abhorred "rework".

For new employees, this management style resulted in confusingly fluid meeting times; a scheduled meeting could be minutes or hours late if an unforeseen problem had been uncovered in an earlier meeting. This most frequently happened regarding customer annual reviews. An important component of servicing each customer was the generation and delivery of an annual review of all commercials that had been tested in the prior year, including summaries of results by brand and recommendations for improvement. Since it was Meg's practice to attend each client presentation "run through", the length of the meeting depended heavily on the accuracy and thoroughness of the preparation by the customer service team.

Her workday began when she got up in the morning and sat at her desk at home preparing for the day's activities. Her workday didn't end when she left the office, since she often spent evenings at home thinking about all aspects of an issue that needed to be resolved. Next day, she would announce her resolution to the issue and perplex her staff by countering every objection, which she had already considered the night before.

## Charity

As president of *rsc*, Meg felt an obligation for the company to give back to the community and benefit from it. She and her executive officers volunteered to serve on boards or work in some other capacity for local nonprofit and industry organizations. At periodic executive meetings, each would describe what was contributed to each organization and what was learned to benefit the company. And every year a senior manager was chosen to run the United Way campaign with the goal of 100% participation by employees, which was achieved most years. The company then doubled the amount contributed by employees.

Meg freely contributed her time and money to worthwhile causes. She served on boards of nonprofit organizations in the communities in which she lived. In Nantucket, her summer home, she served on the board of the nonprofit Nantucket AIDS Network. When the organization wanted to expand its mission, she led the strategic planning that led to a rebranding as Access Nantucket, which serves as the place to find out about and be put in contact with the social services available on the island. In Evansville, Meg

served on the advisory council of the University of Southern Indiana (USI) and established and endowed the Blair Chair of Business Science in the Marketing Department to promote quality standards for measuring the impact of marketing endeavors.

In her everyday life, she tried to help people. For example, one of her acquaintances in the Florida Keys described what happened one night at a local restaurant. One of the female employees was almost in tears as Meg tried to explain to her that she was much better than she thought she was and could accomplish anything she desired. It took a while for the employee to get away from drugs and alcoholism, but that employee is now an AA and NA counselor. She claims Meg's words to her that night were why she finally straightened out.

## Legacy

It is easier to grasp how Meg accomplished so much in her career by knowing what guided her behavior: her competitive nature, her need to discern every aspect of the topic at hand, her compulsive persistence to bring closure, and her philanthropy.

In business, she is recognized for her single-minded focus on creating, maintaining, and promoting statistically and psychometrically sound measurements. She championed a brand preference/ choice measurement methodology (and obtained two patents related to it), that is used by two marketing research firms. She also cofounded and grew MASB, a successful nonprofit marketing organization, recognized and respected for promoting standards for marketing accountability. Her decision to endow a university chair in business science also continues the focus on sound marketing measurement and practices.

Meg's passion made her a charismatic individual. Her knowledge, energy, and willingness to strive with others toward common goals inspired those who had the opportunity to work with her. Many identify her as a mentor who shared with them the importance of precision, reliability, and validity in measurement. Perhaps the most meaningful understanding of her legacy comes from those who were influenced by her:

"I came to know Meg in the early 1980s while I was an assistant professor at Vanderbilt. She was a friend and mentor. I will miss her and MASB has suffered a great loss. Meg was one of a handful of industry leaders who understood the importance of measurement and who advanced best practices associated with the development and use of reliable and valid measures. Her contributions will live on." – David Stewart, President's Professor of Marketing and Business Law, Loyola Marymount University

“Meg inspired people. She was a trailblazer that created one of the true marketing standards in the industry with ARS. Meg was kind and tough, generous and ambitious, a thought leader and passionate about everything she did. She took on a tough job with MASB and helped make it the great institution it is today, then had the foresight to know she had to turn it over to new, different leaders. Meg was my friend and I will miss her.” – Rick Abens, Founder and CEO, Foresight ROI

“Meg was, without a doubt, the person I learned the most from in my career. Her understanding of data collection methodology, inferential statistics, psychometrics, presentation and use of results exceeded all others with whom I’ve worked. Perhaps more important, Meg’s commitment to doing what was right exceeded the highest of ethical and moral standards. She was a shining light in a marketing world often characterized by “smoke and mirrors.” Never did she put herself “ahead” of the data or promote her own ego in lieu of what the data conveyed. She was always courageous in communicating the truth with little regard for what others would think of her, her only reward being the complete honesty and integrity with which she conducted her professional and personal life. She will be a model for me and for all researchers who will judge our actions by asking ‘What would Meg do?’” – Tim Gohmann, Cofounder and Chief Science Officer, Behavioral Science Lab

“Meg was an inspirational pioneer, passionate about MASB, delivering Marketing truths and elevating the profession of Marketing. Her willingness to tackle even the toughest of issues was enhanced by her intellectual curiosity and her eagerness to collaborate and mentor. She was a remarkable pioneer that forged strong personal and professional relationships. I will miss Meg’s leadership and wise counsel, as will my fellow MASB members.” – Karen Ebben, Founder, Global Marketing Impact

“I first met Meg some time ago when the Marketing Science Institute was involved in the original Boardroom Project that evolved into to MASB. Over the years I came to really appreciate the role she played in the research industry promoting best standards for marketing accountability and her unique combination of focus, drive, example and humor that made her the inspirational leader she was. We shall not see her like again.” – Earl Taylor, Chief Marketing Officer, Marketing Science Institute

“Meg was a true mentor for me. Sometimes she was a professor, sharing her deep knowledge. Other times she was a counselor providing a sounding board. And other times she was a drill sergeant, pushing me to higher levels of achievement. Her guidance will be sorely missed.” – Frank Findley, Executive Director, Marketing Accountability Standards Board

“Meg was one of the smartest people in a field of very smart people. Mentor, innovator, polymath, pioneer, visionary, creative genius, great hearted human being, we all owe her a lot for the initial vital integration of copy testing and attribution technologies. She is undoubtedly causing positive change wherever she is now.” – Bill Harvey, Founder and Chairman, Research Measurement Technologies

“Meg was an outstanding woman and professional. She cared for many of us. Her passion for the highest quality and account ability is a legacy that has guided my career. She will be missed.” – Ramón Portilla, Senior Director II Customer Experience, Walmart

“I was greatly saddened by her passing. Meg was a ‘one of a kind’ individual – a keen intelligence combined with a generous spirit. I’m honored to hold a position associated with her name and I continue to try to represent her values for the field.” – Kevin Celuch, Blair Chair Professor of Business Science, University of Southern Indiana

“I did not know Meg personally but worked with many people she mentored and inherited people she trained. I was truly a beneficiary of her dedication to our industry. A true trailblazer! RIP #Numbersgirl” – Melinda Smith Borrero, Enterprise Analytics Consultant and Cofounder of bbb Mavens

“I learned a ton from her. When I was a young researcher at P&G in the 80’s and 90s, she taught me the importance of a measure having (statistical) sensitivity, reliability, and validity; those are things that will never go out of style. Later, she was a great example of what it means to have a long-term vision (MASB) and persistence. She was sharp, intense, penetrating, and challenging, and always with good humor.” – Mitch Barns, Founder, Second Half Advisers.

“In a career spanning more than 50 years Meg proved to be a truly unique industry pioneer. At an ARF Conference in 1972, she promised to make measurement reliability and validity the foundations for improvement in return. Throughout her career she kept that promise, as founding President of the ARS Group and as founding President of MAF/MASB. Meg was an inspiration to those who worked with her, instilling an appreciation for the importance of quality measurement in marketing. I am honored to have been her colleague and friend.” – Allan Kuse, retired.

# CHAPTER 3

## MARGARET HENDERSON BLAIR, MARKETING SCIENCE PIONEER (1943–2018)

FRANK FINDLEY  
AND ERICH DECKER-HOPPEN<sup>1</sup>

Dr. Margaret (Meg) Henderson Blair was a pioneer and innovator who made many contributions to the realm of marketing measurement and marketing accountability. Her numerous achievements include:

- Founding president of the ARS Group, once recognized by Advertising Age as one of the nation's 10 fastest growing research organizations
- Founding President and CEO of MASB, Chair of Marketing Accountability Foundation
- Prolific author of marketing research articles, including one of only 18 designated “classic” by the Journal of Advertising Research
- Awarded two U.S. patents for innovations in marketing measurement and management, fields where patents are rare
- Distinguished Practitioner Award from the Academy of Marketing Science, 2005
- Lifetime Achievement Award from the Advertising Research Foundation, 2012
- MASB Trailblazer Award, 2017 – for embodying the spirit of marketing accountability
- Mentor to many marketing professionals and academics
- Funded first Presidential Scholarship and endowed first chair at University of Southern Indiana.
- Awarded an honorary Doctor of Science Degree by the University of Southern Indiana

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<sup>1</sup> Both with the Marketing Accountability Standards Board.

## A Lifetime of Achievements

In 2004, a group of marketing professionals and academics saw a need to increase the contribution of the marketing function through the development of standards for marketing performance measurement and processes. The Marketing Accountability Standards Board was founded, and the leader that emerged for this new movement was Meg Blair.

Having retired from an outstanding and much-lauded career in marketing measurement, Meg seized the opportunity to increase CMO effectiveness and make the marketing field better for all. Serving as founding President and CEO, she led MASB through its first decade, creating awareness of the issues and helping establish the first of many game-changing projects, including Brand Investment & Valuation, Improving Financial Reporting, and the Common Language Marketing Dictionary.

She also recruited many marketers, measurement providers, industry associations and academics to the cause. After relinquishing her leadership role in MASB a year ago, she continued to serve as Chair of the Marketing Accountability Foundation until her unexpected, untimely passing.

Meg had a keen eye for seeing the potential in people and served as a mentor to many. While demanding as a boss, she always provided her reports the tools and knowledge needed to rise to her challenges.

As one former colleague put it, she regularly “provided motherly attention and advice without my having to ask.” Meg’s protégés now hold executive positions in leading research companies, marketer companies and business schools around the world.

David Stewart, MASB Chair and President’s Professor of Marketing and Business Law at Loyola Marymount University, reflected, “I came to know Meg in the early 1980’s while I was an assistant professor at Vanderbilt. She was a friend and mentor. Meg was one of a handful of industry leaders who understood the importance of measurement and who advanced best practices associated with the development and use of reliable and valid measures. Her contributions will live on.”

Her work over the past several decades has had a permanent, positive impact on marketing.

## Breaking Through the Glass Ceiling

Meg began her career in marketing at Schwerin Research in New York City. Horace Schwerin was a pioneer in marketing research and developed several pre-airing methods of assessing television advertising impact. Meg took on the role of a human computer; tabulating test results by hand and

later with a Resulta 7 mechanical calculator imported from Berlin. Through her thousands of calculations, Meg gained a fundamental understanding of how metrics worked and how best they could be used. Her attention to detail garnered her a reputation of providing accurate and timely information.

Like the “Hidden Figures” women whose calculations were critical to the success of the NASA space program in the 1960s, Meg’s work was critical to the success of Schwerin Research. She became known as the “Numbers Girl,” a nickname she often referenced in later years as a badge of honor.

In the late 1960s, Schwerin sold his firm. When the new owners asked how their measures could achieve greater adoption, Meg raised her hand. Drawing upon the insights from her thousands of calculations, she laid out a vision for their adoption as standards and became leader of a new entity, the Advertising Research System (ARS) Group.

## **Leading One of the Fastest Growing Research Companies**

As the young president of ARS Group, Meg moved aggressively to advance the state-of-the-art in measurement science. At that time, marketers routinely used on-air day after recall scores as the ultimate test of advertising success. Meg developed a secure, off-air related recall solution that accurately predicted these scores. The Proctor & Gamble Company quickly adopted this approach, making it an industry standard.

Meg also knew from the Schwerin days that recall was a weak indicator of sales and that the behavioral pre–post brand preference method (aka persuasion) was better. Initially failing to convince P&G to switch, Meg made the unprecedented decision to provide the *ARS Persuasion* scores free to build up the dataset and prove its value. Two years after making this bold move, an analysis comparing the metrics to sales results demonstrated the superiority of the measure and soon after it was adopted by P&G and others as their primary airing criteria. From this experience, Meg took on a “give them what they want, but also provide them what they’ll need” mindset which served as the basis of a constant investment in metric innovation.

Meg was also an early devotee of system automation and the quality movement, authorizing the acquisition of a Hewlett-Packard 2000 mainframe computer. At that time, this was an unheard of investment for a market research company. In the 1980’s and 1990’s, she drew on the work of Deming and others to put in place a quality management system which, among other things, incorporated routine monitoring of the reliability, validity and calibration of all metrics delivered to clients. This system approach served the firm well at the turn of the millennium as it became one

of the earliest to be declared Y2K compliant.

## Championing “Research–on–Research”

Meg placed great emphasis on “research–on–research,” consistently budgeting five percent or more of ARS Group revenue towards measurement innovation. This fueled numerous findings within the space which were regularly released as white papers and published in industry journals.

One discovery – that an ad’s effectiveness ‘wears out’ in a predictable manner as media weight is placed behind it – fostered substantial changes in the way advertising was purchased and managed. Advertisers now had the means to manage their ad inventories and plan refreshment schedules. This finding became a key underpinning of what is now known as *market mix modeling*. In the year 2000, the Editorial Review Board of the *Journal of Advertising Research* selected only 18 to merit the title of “classic” by having withstood the test of time. Meg’s 1987 study on advertising wear-out is among them.

Meg did not believe in research for the sake of research. Her focus remained on using knowledge for useful business applications. Given the intangible nature of marketing, patents are rarely granted, but Meg’s application of these findings proved so ‘useful, novel, and nonobvious’ that two patents were awarded: U.S. Patent #8,160,918 for the collection of behavioral brand preference data online, and

U.S. Patent #8,676,638 for empirically based ad planning. These patents are still under license and in active use.

In 2002, Quirk’s Marketing Research Review published an overview of the major copy test players. The section on ARS Group stated: “Their overall philosophical approach is that the advertising process is an investment that can be managed and should ultimately pay out in an identifiable ROI to the advertiser. Moreover, the ARS Group views itself as a ‘copy management’ partner whose goal is to help the advertiser and the agency improve the odds of success... [Their] measurement has been validated to actual business results more than any other advertising measurement in the business.”

This is a good summary of Meg’s empirical approach. To further spread this type of method both within marketing and beyond to other disciplines, she endowed the Blair Chair of Business Science at the University of Southern Indiana, where she served on the advisory board for a decade.

## **Receiving Industry Accolades**

For her contributions to the advancement of marketing science, Meg received the Distinguished Practitioner Award from the Academy of Marketing Science in 2005 and the Lifetime Achievement Award from the Advertising Research Foundation in 2012. She was recognized as a MASB Trailblazer in 2017 for embodying the spirit of marketing accountability and being instrumental in carrying out the MASB mission.

# CHAPTER 4

## RELIABILITY AND VALIDITY: FULFILLING A PROMISE, ADVANCING THE INDUSTRY

MARGARET HENDERSON BLAIR

Presented at the Advertising Research Foundations Key Issues Workshop, New York, November 1981.

### **Editors' Notes on Chapter 4**

The presentation that follows is one of Meg's earliest professional presentations. It occurred more than a dozen years after Meg established her company and the ARS measurement system. She had, of course, given numerous sales presentations and client briefings before this presentation and several of her earliest professional publications in the early 1970's have not survived in any records. Meg had a basic reticence to make public presentations until she felt she was "revealing truth." Meg always wanted to support assertions with data, and lots of it.

By the early 1980's, Meg was ready to go public. "Reliability and Validity: Fulfilling a Promise, Advancing the Industry," was presented to the Advertising Research Foundation's Key Issues Workshop in New York in November of 1981. The purpose of the presentation was to emphasize the "measurement quality" of ARS service measures and to initiate a two-year blitz of sales presentations to national advertisers, big and small, while servicing a growing customer list. Her passion for the reliability, validity and statistical precision of measures of marketing outcomes is clearly visible in the presentation.

At about the same time that Meg made this presentation the academic literature in marketing began to emphasize measurement theory and the need for attention to reliability and validity. The academic literature also