

KEEN GUIDE

# How forecasting helps brands **drive** **optimal profitability**

# Forecasting plays a crucial role in shaping marketing mix

The marketing mix, also known as the combination of media channels both paid and unpaid, continues to evolve and expand almost daily. It's more important than ever for marketers to have the ability to forecast not only the ROI on the marketing mix but the impact marketing will have on demand, sales, and distribution.

Forecasting is not always an exact science. It relies heavily on historical data and assumptions about the future. Since no one can predict with complete accuracy what will happen in the future, how do marketers accurately generate forecasts?

## Let's take a look back

Historically, teams have used various, sometimes inconsistent methods to create a forecast. Many of which depended heavily on past performance (ROI's), inconsistent formulas and miscellaneous resources such as surveys and various analyses to create a forecast that could not account for external factors such as a global pandemic or supply chain issues. Additionally, many teams had to wait at least one quarter after the end of the year to receive an overview presentation to help finalize their forecast. This makes it impossible to create forward-looking forecasts in real-time. Further, if your team was informed of a reduction in budget outside of the typical forecast "season", leaders would not have the resources and tools necessary to accurately share how that reduction would impact the forecast or their ability to achieve the organization's goals.

## Now, let's look ahead

Advances in technology have made it possible for businesses to run scenarios that go beyond single marketing forecasts and instead focus on a range of outcomes. This provides a more complete picture of what might happen in the future, allowing them to make informed decisions based on the most likely outcome.

To achieve a profitable marketing mix, a solution with forecasting capabilities must:

- **Guide profitable decision making** - Ensure decisions drive optimal profitability through the direct linking of client marketing, sales and financial data combined with market and societal variables.
- **Drive decisions that account for future demand** - Confidently communicate the impact of marketing mix decisions on sales and business value to finance, leveraging vetted projections and reporting.
- **Inform where, when and how much to invest per channel** - Confidently communicate marketing mix insights and decisions to channel owners to enable informed actions.

## Summary

The most successful brands today have forecasting tools that get more accurate over time as they continue to gather more data. It is easy to get overwhelmed by data that could prohibit educated decision making. Below are just a few brands that are taking advantage of advanced forecasting techniques to help their brands achieve greatness. On the surface, you'll find a combination of creative advertising, products, and strategies, but when you look behind the curtain, that is where historical data, real-time data, and what-if scenarios live that are changing the ways businesses are approaching their forecasts and marketing strategies.



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As a marketer, you need a partner to help guide your decision making and be able to justify those decisions to your organization.

**The right partner will help you navigate and adapt your planning to new technologies, channels and unforeseen external factors.**

Keen Decision Systems is that partner. **Contact us today to learn more about how our next generation marketing mix software will help you achieve your goals.**

Contact us

## About Keen Decision Systems

Keen Decision Systems is a high-growth SaaS company that helps FORTUNE 500 and other marketing leaders make data-driven decisions, tie them to financial impact, and create long-term value across the board, including for shareholders. Keen's software lets marketers run scenarios to achieve their growth goals, driving a 41% improvement for clients over the past 52 weeks. Based out of North Carolina's Research Triangle Park, Keen manages \$2 billion in marketing for major brands under Church & Dwight, Bush Brothers, Bayer, Liquid Death and Bumblebee Foods, among others.

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