Consumer Attitude Metrics and Marketing’s Impact on Business Performance

Joint work with Koen Pauwels, Shuba Srinivasan and Marc Vanhuele

Abstract

Marketing managers often use consumer attitude metrics such as awareness, consideration and preference as performance indicators because they represent their brand’s health and are readily connected to marketing activity. However, their translation into sales performance is insufficiently established to allow financially focused executives to value marketing’s contribution and make sound resource allocation decisions. We propose four criteria – potential, responsiveness, stickiness and sales conversion – that determine the connection between marketing actions, attitudinal metrics, and sales outcomes. Building on consumer involvement theory, we formulate hypotheses on how these criteria operate differently across conditions of high versus low consumer involvement with the product category.

We test our approach with a rich dataset of four-weekly marketing actions, attitude metrics, and sales for several consumer brands in two categories over a seven-year period. The results quantify how marketing actions affect sales performance through their differential impact on attitudinal metrics, as captured by our proposed criteria. As predicted, high consumer-involvement conditions require brands to shift consumer attitudes, while low-involvement conditions allow temporary sales hikes without a meaningful attitude shift. Based on these insights, we provide specific recommendations on marketing allocation for different brands, and we validate them in a hold-out sample. For managers and researchers alike, our criteria offer a verifiable explanation for changing marketing elasticities and a tangible connection between marketing and financial performance metrics.