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MARKETING CAMPAIGN FINANCIAL REPORTING: LINKING COMMUNICATIONS WITH ACCOUNTABILITY

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Abstract
Marketing campaign financial reporting is essential in the modern business world. This report links marketing communication activities with the financial responsibility of the company. The study in this research uses the literature research method. The results show that a complete and easy-to-understand financial report is essential. Such reports can help show the value of marketing activities, better organise the use of money, and make marketing teams more accountable for their work. The research also found that it is important to combine financial figures with other non-monetary matters in the report. In addition, it is also helpful to use attractive images or graphics and make the report suitable for the different people who read it.
Keywords: Financial Reporting, Marketing Campaign, Communication, Accountability

Introduction

In an increasingly competitive business era, marketing campaigns have become a crucial instrument for companies to maintain and increase their market share. Significant investments are often allocated to various marketing initiatives, ranging from traditional advertising to complex digital campaigns. However, as marketing budgets increase, so does the demand for transparency and accountability in the financial management and reporting of marketing campaigns. (Lamandini & Muñoz, 2023).

Modern marketing campaigns have evolved into a highly complex and multifaceted ecosystem. In this digital era, companies no longer rely on traditional channels such as television, radio, or print media alone, but must integrate various digital platforms such as social media, content marketing, influencer marketing, search engine optimisation (SEO), email marketing, and mobile advertising. Each of these channels has different metrics, costs, and ROI calculation models. (Smith, 2022). Coupled with increasingly sophisticated content personalisation, the use of big data and artificial intelligence for more precise targeting, and the need to adapt in real-time to changing consumer behaviour, modern marketing campaigns are highly dynamic and difficult to track financially. This complexity creates significant challenges in terms of

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accurate and comprehensive financial reporting, as it requires sophisticated systems to integrate and analyse data from a variety of different sources. (Gupta & Saboo, 2021).

In an increasingly complex and connected business landscape, stakeholder demands have grown more diverse and challenging. Stakeholders, ranging from shareholders, employees, customers, to the general public and regulators, now demand greater transparency, higher accountability, and broader social and environmental responsibility from companies. They want not only strong financial performance, but also ethical business practices, long-term sustainability, and positive contributions to Society. (Sharma et al., 2021). This is driving companies to adopt a more holistic approach in their reporting, encompassing not only traditional financial metrics, but also non-financial indicators such as environmental impact, labour practices, corporate governance, and social responsibility initiatives. As a result, companies are facing growing pressure to develop more comprehensive and integrated reporting systems, which can fulfil the diverse information needs of these various stakeholder groups. (Karremans, 2021).

Despite the growing importance of marketing campaign financial reporting, there are still gaps in practice and standards. Many companies experience difficulties in effectively communicating their marketing campaign financial information to various stakeholders. This can result in a lack of understanding, mistrust, and potential conflict between marketing, finance, and top management departments. (Héritier & Karremans, 2021)..

Therefore, this study explores the relationship between effective communication and accountability in the context of marketing campaign financial reporting.

Research Methods

The study in this research uses the literature method. The literature research method, also known as a literature review, is a systematic approach to collecting, evaluating, and synthesising information from a variety of previously published sources. (Firman, 2018); (Suyitno, 2021).

Results and Discussion

Marketing Campaign

A marketing campaign is a series of planned and coordinated efforts undertaken by an organisation or company to promote their products, services or brand to a specific target audience. These campaigns typically involve the use of multiple communication channels and an integrated marketing strategy to achieve specific marketing objectives. Such objectives may include increasing brand awareness, increasing sales, launching a new product, or changing consumer perceptions of the brand. (Kumar & Stewart, 2021).

The marketing campaign concept is based on an in-depth understanding of the target market, consumer behaviour, and the competitive environment. Effective campaigns typically incorporate elements such as consistent messaging, appropriate media selection, strategic timing, and accurate measurement of results. (Smoleńska & Héritier, 2021).. Modern marketing campaigns often utilise various digital platforms such as social media, email marketing, and content marketing, while still integrating them with traditional marketing methods such as television, radio, or print advertising. The success of a marketing campaign hinges on its ability to create emotional resonance with the target audience, convey a clear value proposition, and drive desired actions from consumers (Rosken, 2024).

Marketing campaigns can be divided into several main types, each with a different focus and objective. Some common types of marketing campaigns include: new product introduction campaigns, which aim to introduce and create buzz around a newly launched product or service; brand awareness raising campaigns, which focus on increasing brand visibility and recognition in the marketplace; customer retention campaigns, which are aimed at retaining and increasing the loyalty of existing customers; lead generation campaigns, which aim to collect potential customer contact data for sales follow-up; sales generation campaigns, which are designed to encourage direct purchases through promotions or special offers; and perception change campaigns, which aim to change the way consumers perceive a particular brand or product. (Karremans, 2021). Each of these campaign types requires a different strategic approach and is often used in combination to achieve comprehensive marketing objectives.

Marketing campaigns play a crucial role in the overall business strategy by bridging the gap between a company and its consumers. They serve as strategic tools to achieve various business objectives, such as increasing sales, expanding market share, building brand equity, and creating competitive advantage. Effective campaigns can assist companies in identifying and targeting the most profitable market segments, delivering their unique value proposition, and building long-term relationships with customers. (Guenther et al., 2024).. In addition, marketing campaigns also play a role in gathering valuable insights into consumer preferences and behaviour, which can inform future product development and business strategies. By aligning marketing campaigns with broader business objectives, companies can improve the overall effectiveness of their marketing efforts, drive growth, and ensure long-term sustainability in a competitive business environment. (Seif, 2024).

Financial Reporting

Financial reporting principles are the fundamental guidelines underlying the preparation and presentation of accurate, transparent and reliable financial statements. These principles include several key concepts, such as: consistency, which emphasises

the use of the same accounting method from one period to the next; materiality, which requires the disclosure of information that is significant and relevant to decision-making; conservatism, which encourages the recognition of potential losses sooner than potential gains; revenue recognition, which governs when revenues should be recorded; matching principle, which relates revenues to their associated costs; full disclosure, which requires the reporting of all relevant financial information; and going concern, which assumes that the business entity will continue to operate in the foreseeable future. (Smoleńska & Héritier, 2021).. Consistent application of these principles helps ensure that financial statements provide an accurate picture of a company's financial position and performance, enhances the confidence of investors and other stakeholders, and facilitates inter-company and inter-period comparisons. (He, 2023).

Applicable accounting standards are a set of rules and guidelines that govern financial reporting practices in a country or internationally. At the global level, the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) have been adopted by many countries as their financial reporting standards. Meanwhile, the United States uses Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB). In Indonesia, the applicable accounting standards are the Financial Accounting Standards (FAS) issued by the Indonesian Institute of Accountants (IAI), most of which have converged with IFRS (Haan et al., 2021). (Haan et al., 2021). These standards cover various aspects of financial reporting, including revenue recognition, asset valuation, liability measurement, and financial information disclosure. The main objective of accounting standards is to ensure consistency, comparability, and transparency in financial reporting, making it easier for users of financial statements such as investors, creditors, and regulators to make informed economic decisions based on the information presented. (Nguyen et al., 2023)..

Transparency in financial reporting is a crucial aspect that plays an important role in building trust between the company and its stakeholders. This concept refers to openness and honesty in presenting complete, accurate and timely financial information. Transparent reporting allows investors, creditors, regulators and other interested parties to better assess the company's financial performance, financial position and prospects. (Sabbagh, 2020). This encourages more informed decision-making, reduces information asymmetry, and can ultimately lower a company's cost of capital. Furthermore, transparency helps prevent fraudulent practices and financial manipulation, improves corporate governance, and strengthens the overall integrity of capital markets. In the current era of economic globalisation, where investors have access to global markets, transparency in financial reporting is becoming increasingly important to facilitate efficient resource allocation and promote long-term economic stability. (Smith, 2022).

Accountability in Marketing

Accountability is a fundamental principle in organisational governance that refers to the obligation of an individual or entity to account for its actions, decisions and performance to those in authority or stakeholders. The concept involves transparency, honesty, and a willingness to explain and justify actions taken. In the context of business and government, accountability means that officials, executives, or organisations must be able to explain the use of resources, the achievement of objectives, and the impact of their decisions. (KA, 2023). Accountability is not only limited to financial aspects, but also includes ethical, social, and environmental aspects. This principle is essential to build public trust, prevent abuse of power, and ensure that the organisation operates in accordance with established standards and the interests of its stakeholders. Effective implementation of accountability requires clear reporting systems, strong oversight mechanisms, and an organisational culture that values openness and integrity. (Ao et al., 2021).

Accountability in marketing campaigns plays a vital role in building consumer trust and ensuring the effectiveness of marketing strategies. In a digital age of information overload and intense competition, companies are required to be accountable for the claims, messages and marketing tactics they use. This accountability includes honesty in conveying product information, transparency in the use of consumer data, and the ability to accurately measure and report campaign results. (Ganderson, 2021). By implementing accountability, companies not only comply with marketing regulations and ethics, but also build a solid reputation and long-term relationships with consumers. This encourages companies to focus more on creating real value for customers, rather than simply making exaggerated or misleading claims. Furthermore, accountability in marketing enables companies to continuously refine their strategies based on feedback and measurable results, thereby increasing the efficiency of marketing investments and ultimately contributing to sustainable business growth. (Hu, 2023).

Achieving accountability in organisations or institutions often faces complex challenges. One of the main challenges is resistance to change, where individuals or groups may feel threatened by increased transparency and scrutiny. In addition, the complexity of organisational structures and decision-making processes can make it difficult to track responsibilities. Lack of adequate information systems can also hinder accurate and timely reporting. Other challenges include conflicts of interest, especially in organisations with multiple stakeholders, as well as difficulties in setting clear and measurable performance standards. (Abdi, 2023). An organisational culture that does not support openness and honesty can be a significant barrier, as can limited resources to implement an effective accountability system. In a global context, differences in culture and ethical standards between countries can create dilemmas in implementing

consistent accountability. Finally, the balance between accountability and operational flexibility is often difficult to achieve, especially in a fast-changing business environment. Overcoming these challenges requires long-term commitment, strong leadership and a holistic approach involving all levels of the organisation. (Karia, 2022).

Communication in Financial Reporting

Communication plays a crucial role in the reporting process, acting as a vital bridge between information providers and report recipients. The effectiveness of communication determines the extent to which data and findings can be understood, interpreted and utilised by stakeholders. In the context of reporting, clear, accurate, and timely communication enables organisations to convey complex information in an easily digestible way, facilitates informed decision-making, and builds trust with audiences. (Nupia, 2023). The use of multiple communication channels, such as written reports, visual presentations, and digital platforms, helps to tailor information delivery to the needs and preferences of diverse recipients. Moreover, two-way communication in the reporting process allows for feedback, clarification and continuous improvement, thereby enhancing the quality and relevance of reports over time. The ability to communicate not only facts and figures, but also context, implications and recommendations, makes reporting more than just a delivery of data, but also a strategic tool to drive change and improvement within the organisation. (Ao et al., 2021).

Effective communication in financial reporting requires a range of techniques designed to convey complex information in a clear and understandable manner. Firstly, the use of clear language free from excessive technical jargon is essential to ensure reports are accessible to a wide range of stakeholders. Data visualisation through graphs, charts and infographics can help present financial trends and comparisons more intuitively. A logical and consistent report structure, with an executive summary that captures key points, makes it easier for readers to navigate the information. The use of narratives that explain the context and implications of the financial numbers helps to provide deeper insights (Smith, 2022). Audience segmentation techniques are also important, customising the level of detail and focus of information based on the specific needs of different user groups. The use of technology, such as online interactive reports or financial dashboards, can improve accessibility and personalisation of information. Finally, consistency in reporting from period to period, accompanied by explanations for significant changes, helps build trust and facilitates long-term comparative analysis. The combination of these techniques allows financial reporting to become not only an information delivery tool, but also a strategic instrument for decision-making and organisational transparency. (Birambeau & Larceneux, 2021)..

Effective communication has a significant impact on stakeholder understanding in the context of financial and business reporting. When information is conveyed clearly,

accurately, and relevantly, stakeholders can more easily understand an organisation's financial position, performance, and prospects. This allows them to make more informed decisions, be it investment, partnership or policy decisions. Good communication also helps to bridge the knowledge gap between management and external stakeholders, reducing information asymmetry that can lead to mistrust or misunderstanding (Gallopel-Morvan, 2021).. Furthermore, transparent and consistent communication can increase stakeholders' trust in the organisation, which in turn can have a positive impact on corporate reputation, investor relations, and even market value. By understanding reports better, stakeholders can identify opportunities and risks more accurately, provide more constructive feedback, and engage in more productive dialogue with management. Ultimately, effective communication not only improves stakeholder understanding, but also encourages more active and positive engagement in governance and organisational development. (Rieunier, 2021).

As such, investing in the development of effective communication strategies and techniques in financial reporting is not just regulatory compliance, but a strategic move that can provide organisations with long-term benefits in building strong and productive relationships with their stakeholders.

Conclusion

Financial reporting of marketing campaigns is a critical component in evaluating the effectiveness and efficiency of marketing investments. Through accurate and comprehensive reporting, companies can measure the return on investment (ROI) of various marketing initiatives, identify areas that need improvement, and make more informed decisions for future budget allocations. Effective communication in this reporting plays an important role in ensuring that financial information can be understood and utilised by various stakeholders, from marketing teams to top-level executives.

Accountability in marketing campaign financial reporting is not just about presenting the numbers, but also about explaining the context, strategy, and results achieved. This includes transparency in reporting costs, revenue generated, and other performance metrics. By linking clear communication with strong accountability, companies can build trust among stakeholders, facilitate better decision-making, and encourage a culture of continuous improvement in their marketing practices.

Ultimately, effective marketing campaign financial reporting serves as a bridge between marketing activities and overall business objectives. It enables organisations to align marketing strategies with financial goals, optimise marketing spend, and demonstrate the value of marketing to the entire organisation. By increasing transparency and accountability through comprehensive and communicative reporting,

the marketing department can strengthen its position as a strategic contributor to company growth and profitability.

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