



ADVERTISING FOR GROWTH

A Guide for Brand Marketers Aiming
to Reach Current & Future Customers

About This Guide

In order to grow, marketers can't sacrifice their long-term success with quick hits. **Trust, reputation, and familiarity are the results of a sustained effort.**

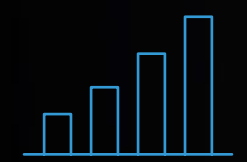
Brand building is an exercise in consistency, of remaining visible and top-of-mind in a category. Memories aren't built with 30% discount offers. While performance marketing is a strategy, it's not a strategic method to build a lasting brand reputation. Brand marketing is fertilizer that builds strong roots. The key is in finding the proper balance to maximize the long-term health of the brand.

Introduction

Performance marketing refers to strategies that directly generate narrowly targeted consumer action while brand marketing campaigns allow businesses to reach all potential customers in a category, not just those ready to purchase. Performance and brand marketing used in concert helps businesses and brands of all kinds reach more audiences, build a relationship of trust with consumers, and motivate those audiences to buy at the appropriate stage of [their journey](#).

Businesses advertising only to “in market” consumers via performance marketing tactics may be missing out on valuable share and additional reach. The percentage of consumers in the market to purchase a product or service is usually relatively small. Consider for instance that at any given time only 1-2% of the U.S. population is ever in market to purchase a vehicle. Most consumers will require trust and familiarity of a brand before making such a purchase.

Advertising strategies aimed at only reaching the “in-market” segment will ultimately not drive lasting campaign results or sales. Consistently reaching as many people in a given category as possible with memorable creative yields results for modern marketers.



Read on for strategies you can implement to optimize your advertising for growth.



Thinking Differently to Grow



Build Memories First

Businesses need to meet consumers where they are – “catching” them when they’re ready (or just about) to purchase. The marketer adage of needing to show audiences ads aimed at making them change their minds or persuading them to buy is outdated. Today, most advertising does not persuade, but rather informs and builds awareness and memory first and foremost.



Reach New Customers to Grow

Marketers need to think beyond reaching existing customers or those familiar with their brand since most businesses grow from reaching new customers. While selling existing customers more may generate short term results, in a global study conducted over 10 years by Kantar, they found that **88 percent of growing businesses were acquiring new customers**. And those new customers led to ones that were more loyal over time.



Loyalty Comes with Growth

Sure, large national brands have loyal customers that keep coming back, but small to medium-sized business typically have a customer base that is less loyal and ready to move to the next brand. It’s [the “double jeopardy law”](#) – as coined by professor of marketing science, Byron Sharp. Smaller or emerging brands have fewer sales because they have fewer customers (first jeopardy), and those customers are less loyal (second jeopardy).

88% of growing companies are acquiring new customers*



Simply put, businesses need to acquire new customers to grow. That’s why successful businesses across industries have realized that **sustained growth requires a balance in investment between brand and performance marketing tactics.**

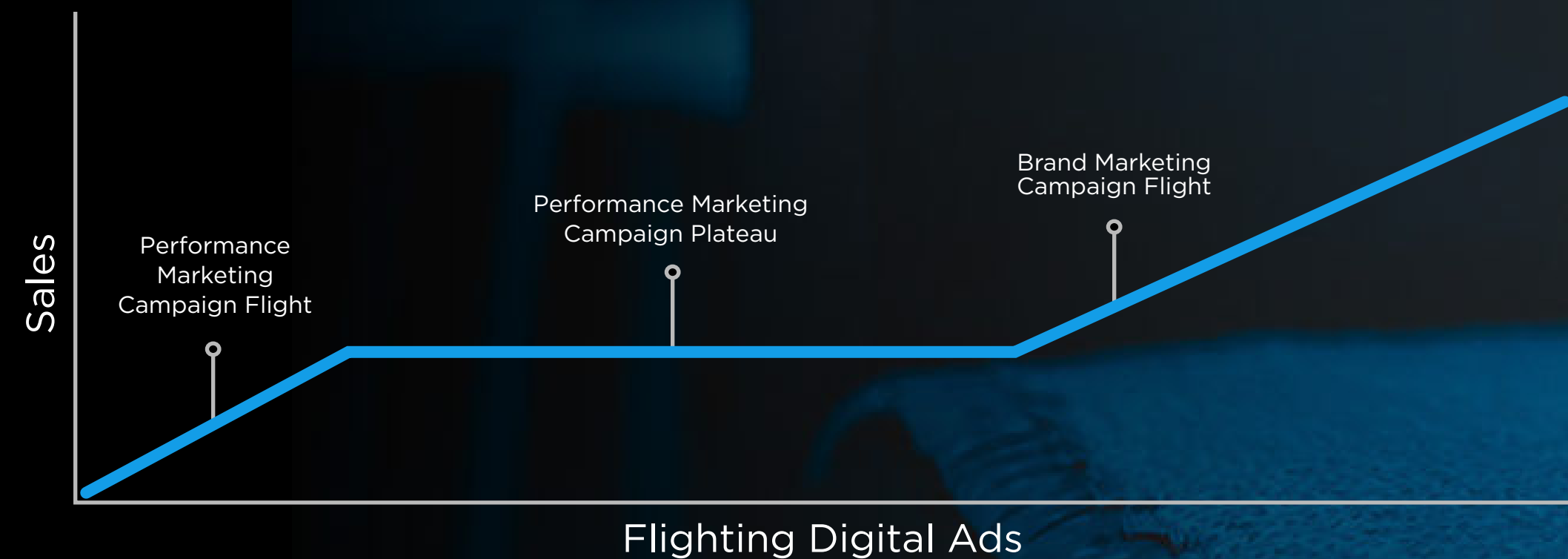
Source: Kantar Brand Footprint 2022 (A global ranking of the most chosen consumer brands)

The Performance Effect

Performance marketing can work well at first, and direct-to-consumer (DTC) brands like Peloton, Dollar Shave Club, and others have benefited from its effects, especially during the COVID-19 pandemic years. However, performance marketing-only businesses often hit a plateau and their growth slows when tactics like search and social ads dominate their ad spending.

An expansion of advertising tactics becomes critical for businesses at the “plateaued stage” to reach more customers beyond just those in market. The solution is brand marketing, ideally through the power of consistent brand building on TV and premium video environments.

TYPICAL LIFECYCLE OF GROWING D2C BUSINESSES



*Chart mockup for illustration purposes only. Not based on actual campaign figures. Inspired by Dr. Grace Kite & Tom Roach via Thinkbox TV Playbook for online businesses; “Brand investment is working better than we would have anticipated”, M13 Marketing News Plus (Sep 2022)

It has been proven: Brand awareness advertising tactics aimed at reaching both in-market and a broader set of consumers will drive increased consideration and, thus, sales. [Airbnb](#), for example, posted high profits soon after its move away from search advertising and investment in brand marketing, and [ebay](#) saw an upswing after a pandemic-era slump following their shift to a “full funnel” approach.

As advertising budgets shift from performance to brand marketing strategies, businesses can reduce their reliance on hypertargeting, especially considering the looming challenge of third-party cookie deprecation. In a [recent study](#), surveyed CMOs revealed that, while 40% of their overall budgets are spent on long-term brand building and 60% on short-term performance, a majority reported they want to shift this balance to spend around 50% of their budgets on each category.



40% of overall budgets are spent on long-term brand building



60% of overall budgets are spent on short-term performance

The majority of CMOs reported they want to shift this balance to spend around 50% of their budgets on each category.



Advertising Checklist for Reaching New Customers

Think like a CMO... Most customers consider just a few brands at a time when deciding on whether or not to purchase. Performance marketing improves a business's odds against the competition while brand advertising helps get the business on customers' consideration list to start with. Consider these three simple steps.

Be Known

Gain Attention

To grow market share, marketers need to reach audiences beyond the ones they know today. Seeking consumers who have never bought or seldom buy from your brand is necessary for growth.

Keep in Mind...



New customers come from infrequent and non-buyers.



Through advertising, reach as many potential customers in the category (and beyond) as possible.



Be Memorable

Make the Connection

Consumers almost always rely on their memories of a brand and their familiarity with it when they consider making a purchase. Rarely do they make decisions at the point of purchase using information they just learned about the brand.

Remember...



Potential customers are not always focused on your brand and will easily forget about it.



Make it easy for potential customers to remember your brand by using [distinctive creative](#). Create positive associations that set your brand apart from the competition.

Be Consistent

Build Repetition

There are major benefits to a continuous and consistent advertising strategy. Henry Ford said it best: *“A man who stops advertising to save money is like a man who stops a clock to save time.”*

Consider...



There are always buyers. If you don't reach them, another brand will.



An always-on approach to advertising and reinforce with a consistent brand message over time.

It's All About Balance

Growth is not instantaneous; brand building is an exercise in persistence. Performance marketing is a tactical strike, like dropping a lure into a lake full of hungry fish. The target is already baited, looking for a reason to select your brand over another, as the decision is now between “Choice A” or “Choice B.” Getting to that consideration point is the moment of impact for a strong brand, built through consistent, memorable messaging.

Growth is a long-term plan that depends upon patience not only to activate your target customers but to be recognizable, understood, and desirable before they're looking to buy. Consumers ebb and flow in market and out. The key to growth is in replenishing your pool of customers and building those connections before they reach the end of the purchase funnel.

Remaining true to the three pillars — **be known, be memorable, be consistent** — will lead to a well-defined brand, not just for your target customers, but for those ready to become them.

Resources

- For a one sheet *Advertising for Growth* checklist, [click here](#)
- For additional insights and marketing resources, visit effectv.com/insights

effectv

The logo for 'effectv' features the word 'effectv' in a white, lowercase, sans-serif font. To the right of the text is a square graphic composed of four colored segments: a yellow top segment, a red right segment, a blue bottom segment, and a green left segment. The background is a dark blue gradient with a pattern of small, light-colored dots that become more prominent on the right side.