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**Balancing Performance and Brand Marketing Goals: A Synergistic  
Approach to Sustainable Growth**



## **Balancing Performance and Brand Marketing Goals: A Synergistic Approach to Sustainable Growth**

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### **Abstract**

**Purpose:** The pursuit of sustainable growth in today's competitive landscape necessitates a delicate balancing act between performance marketing, focused on immediate conversions and ROI, and brand marketing, emphasizing long-term brand building and customer loyalty. Businesses face the pressure to drive immediate sales through performance marketing, yet also recognize the critical role of brand marketing in building long-term customer loyalty and resilience.

This paper challenges the conventional view of performance and brand marketing as rivals. Instead, it proposes a paradigm shift: acknowledging them as additional forces.

**Methodology:** The methodology used for attaining a balanced approach includes ideas and real life example from the Edtech industry to effectively incorporate both perspectives. By viewing them as interconnected gears in the growth engine, we can unlock synergistic potential.

**Findings:** Performance marketing, often characterized by its focus on quantifiable metrics like conversions and return on investment (ROI), has become a dominant force in the marketing landscape

**Unique contributor to theory, policy and practice:** Creating competition between brand building and performance marketing leads to a zero-sum game, where both strategies suffer and overall marketing impact diminishes.

**Keywords:** *Digital Marketing, Performance goals, Brand Marketing, Sustainable business growth, Full funnel marketing*

## **1. Introduction**

All businesses witness a tug of budgets across brand and performance marketing campaigns. On the one hand, the demand for quick results, conversions, and revenue fuels performance-driven initiatives. Building brand recognition, loyalty, and emotional connection, on the other hand, needs a longer-term, brand-focused approach. Traditionally, these two points of view have been considered as separate, even opposing elements inside marketing teams. A growing comprehension of the marketing landscape, on the other hand, exposes a compelling truth: performance and brand marketing are complementary forces that could be synergized for long-term growth [6].

This paper delves into the intricate relationship between performance and brand marketing goals, exploring the potential pitfalls of prioritizing one over the other. We will then navigate towards a framework for achieving a balanced approach, outlining strategies and practical steps to effectively integrate both perspectives into a full funnel marketing strategy. Finally, we will examine the benefits of this cohesive approach, highlighting how it empowers businesses to achieve not only short-term gains but also lasting brand equity and customer loyalty.

## **2. Related Work**

This section deep dives into the existing body of research, highlighting key findings and theoretical frameworks that underpin the proposed synergistic approach.

### **2.1 Performance Marketing and its pitfalls**

Performance marketing, often characterized by its focus on quantifiable metrics like conversions and return on investment (ROI), has become a dominant force in the marketing landscape [1]. While its effectiveness in driving immediate results is undeniable, several studies caution against solely prioritizing performance-driven tactics.

Over-reliance on short-term performance metrics can lead to marketing myopia [7], neglecting the customer needs, preferences and behavior. This can result in campaigns that prioritize immediate sales over customer relationships, ultimately hindering brand loyalty and sustainable growth

### **2.2 Brand Marketing and its value**

While the allure of immediate results associated with performance marketing is undeniable, the enduring value of brand marketing has been extensively documented in academic research.

In today's data-driven marketing landscape, the lack of clear metrics for brand building can create a blind spot. This can lead CMOs to focus on easily measurable tactics like bottom-of-funnel conversions, neglecting the crucial foundation of customer demand and brand affinity that top-of-funnel activities cultivate [2]

A well-defined brand identity can deeply influence how consumers interpret marketing messages, evaluate product offerings, and ultimately make purchase decisions [8].

### 2.3 Synergy between Performance and Brand

To overcome the lack of alignment between brand building and performance marketing, forward-thinking organizations are implementing "full-funnel marketing." This strategy leverages integrated teams, shared metrics, and KPIs to blend brand building activities with performance-driven tactics, ultimately driving customer acquisition and growth [2]

Some of the most common false dichotomies in marketing are brand vs performance, short term vs long term, creativity vs technology, emotional vs rational etc [5].

Assigning metrics based on goals of the business in the timescale of short term and long term would enable the 2 strategies to co-exist. For example, rational / activation campaigns should be measured in short term while brand building efforts should be measured over 6 months to a year [4]

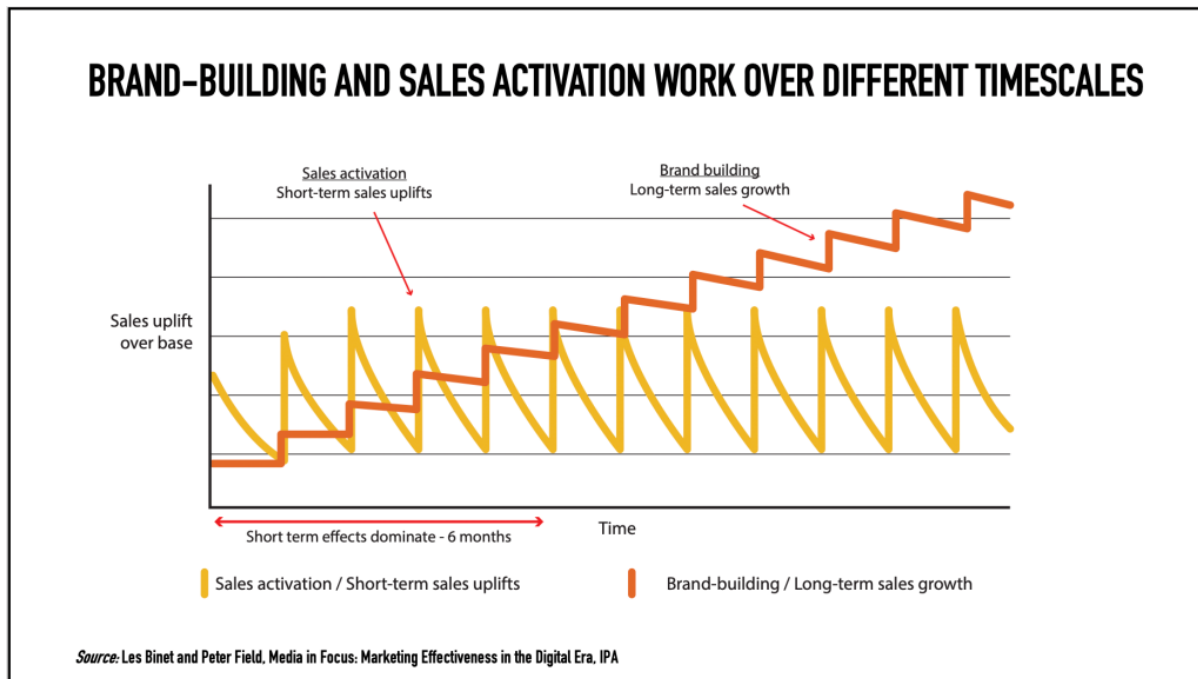


Fig 1: Chart illustrating the impact of brand and performance efforts on sales over a period of time [4]

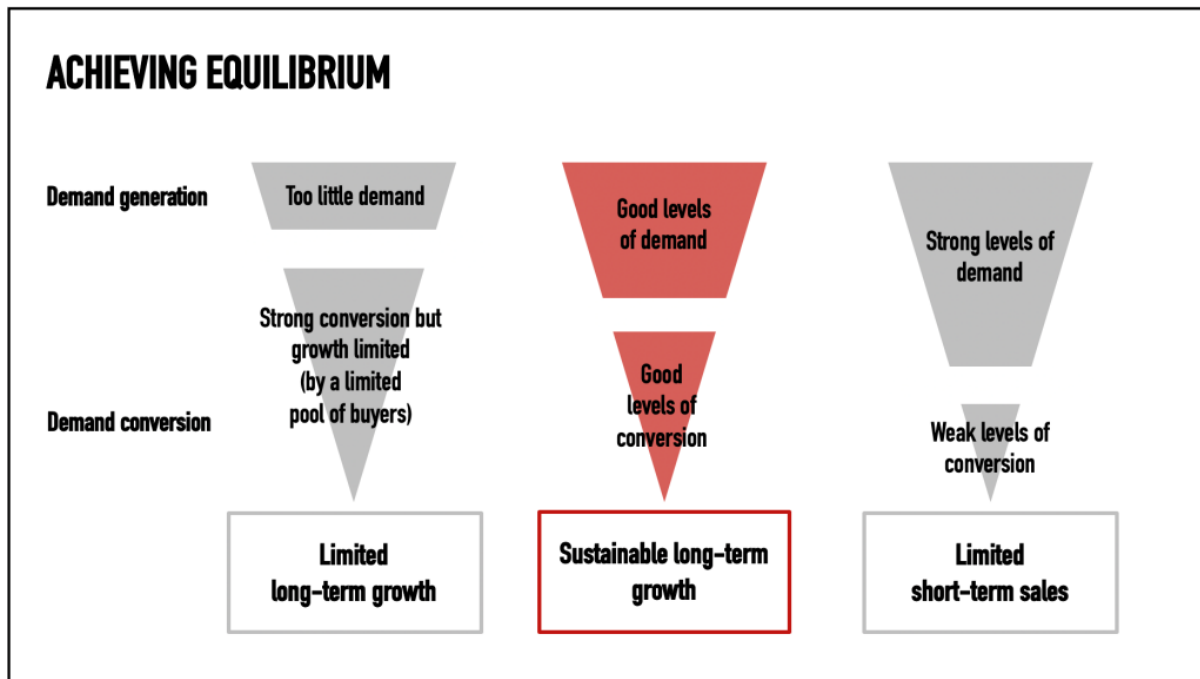


Fig 2: Center figure showcasing the balance between short term / performance and long term / brand efforts [4]

### 3. Discussion and Implementation

#### 3.1 Short term gains vs long term sustainability

Excessive focus on short term gain leads to creation of hyper targeted performance campaigns. These campaigns deliver phenomenal results in the short term acquiring customers at an efficient rate, however, very soon these businesses struggle to make a mark against the competition or show valuable returns over the long term.

For instance, ASOS, an online fashion retail brand, is a great example of excessive focus on short term performance goals [10]. While there are multiple external factors in the works with economic uncertainty and post COVID behaviors, however, the company's excessive focus on promotion based campaigns have contributed to the mounting losses. The company is now taking deliberate measures to invest in branding to build an image which would resonate with their core audience proving the need to strike a fine balance between short term promotions and a long term brand resonance with the audience in order to help the company sustain changing consumer behaviors as well as external market uncertainties like an economic downturn.

The world has gone through a lot in the last 5 years from pandemic, wars, economic downturn and post pandemic life. The external factors would always be in flux. The businesses have to learn to be agile to adapt to current market needs and prepare for the long haul.



### 3.2 Framework for full funnel marketing

According to a recent Nielsen meta-analysis of CPG efforts, full-funnel strategies have up to 45% greater ROI and 7% higher offline sales when compared to marketing campaigns targeting a single purchasing stage [9]

Businesses with a full funnel focus invest on building brand awareness and desirability while ensuring to be present at the right place at the right time when the user is in research or buying stage.

This requires a strategic framework that fosters collaboration between marketing teams and ensures both performance and brand objectives are pursued effectively.

- Align business and marketing priorities: Marketing goals cannot live in a silo. These have to be in close connection with where the business is headed.
- Build a robust measurement plan: Measurement includes conversion tracking, unified brand equity tracking, supplemental analysis like attribution analysis, incrementality experiments.
- Align all stakeholders including finance and other impacted teams: There are 2 aspects to organizational structure
  - Within marketing: Brand and performance teams have to work in unison being aware of goals and KPIs set for each
  - Outside marketing: CFO and CMO dynamic is crucial to establish the importance of brand marketing
- Connect the dots and assess the relation between leading indicator (brand metric) and final outcome (performance or business metric)
  - Start with basic regression analysis to connect all KPIs
  - Run geo holdout or user split incrementality tests to prove the incremental impact of media strategy at a regular cadence
- Establish the emotional connect with your audience through the creatives: Build a centerpiece theme or creative and later create versions of it based on length and ad format in order to be present at all stages of a user journey
- Leverage technology to create media plan and execute campaigns: Leverage the power of AI in audience targeting, media consolidation, ad format selection, bidding, reach expansion tactics etc.

The framework was successfully implemented by an emerging technology based education company (EdTech) company which decided to evolve into a subscription model with a goal to

acquire 1 million within 12 months to become a household brand. The translation of this business objective into marketing goals was two fold:

- Build brand awareness by expanding reach and driving awareness, recall and consideration metrics
- Drive 1M subscriptions at a reasonable cost per acquisition or ROI

Based on the marketing objectives, the remaining aspects of the framework were applied over a period of 12 months. This led to the company becoming profitable while achieving the subscription goal three quarters ahead of their target. Now they are working on scaling their brand internationally allowing them to build a solid foundation of profitable growth by skillfully balancing branding and ROI led marketing initiatives.

#### **4. Conclusion and Future work**

In today's dynamic marketing landscape, viewing performance and brand marketing as isolated entities is a recipe for missed opportunities. Creating competition between brand building and performance marketing leads to a zero-sum game, where both strategies suffer and overall marketing impact diminishes. Senior leadership plays a crucial role in ensuring everyone has the bigger picture and performance is not being prioritized over brand or vice versa. By embracing a synergistic approach that recognizes their inherent connection and fosters strategic collaboration, businesses can unlock the true potential of their marketing efforts. This balanced approach not only drives immediate performance but also cultivates lasting brand equity and customer loyalty, paving the way for sustainable growth and long-term success.

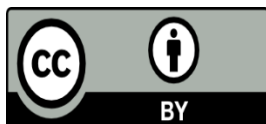
Further research can delve deeper into specific aspects and practical application with successful case studies. Brand measurement requires additional solutions such as incrementality experiment, channel attribution analysis and Marketing mix modeling. It could entail a detailed focus on measurement while exploring industry specific frameworks and implications of adoption of artificial intelligence.

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