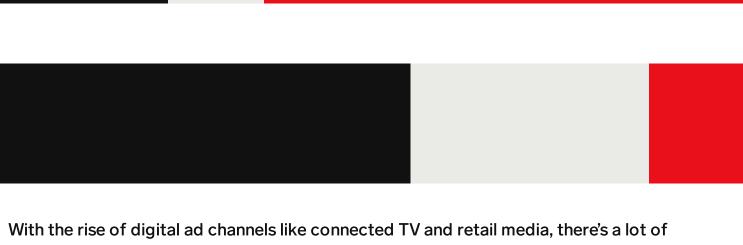
Rethinking lower-funnel tactics for brand marketing

Article



With the rise of digital ad channels like connected TV and retail media, there's a lot of emphasis on making every ad and consumer touchpoint shoppable. Ad formats with direct calls to action help drive conversions and increase ROI. But brand equity can get left out of the conversation when we focus on performance marketing in isolation. Every ad should perform and provide some sort of measurable impact, but each ad is also vital for telling a

brand's story, even at the bottom of the funnel where marketers are more focused on driving conversions.

Here are three areas where brand marketing is sometimes forgotten, and how advertisers should rethink their approach.

1. Retail media

Retail media is valued for its proximity to purchase, offering ads to people who are already potential buyers. But retail media is already moving up the funnel, into what our analyst Andrew Lipsman calls retail media's 2.0 era.

"As RMNs [retail media networks] get serious about using first-party data for targeting display, video, and streaming TV ads—often by partnering with third-party publishers and media companies—brand dollars are migrating into these formats. That means retail media will become as much about branding as it is about performance advertising," Lipsman wrote.

Brands are already thinking about retail media as a brand marketing tool.

- Display makes up an increasing percentage of US retail media ad spend. It's still behind search,
 but will account for over 40% of spend in 2027, according to our forecast.
- Retail media is expanding into other formats, including search and social, as well as off-site, where US retail media ad spend will grow by 64.1% next year for a total of \$11.04 billion, per our forecast.
- Though conversion times may increase as retail media ads move away from paid search, the brand will still benefit along the way.

Case study: 7-Eleven's Gulp Media RMN is specifically aimed at upper-funnel marketing. "Our focus is connecting our database to third-party platforms and in-store for top-of-funnel and mid-funnel marketing," said Mario Mijares, vice president of insights, loyalty, marketing, and monetization platforms at 7-Eleven, during Advertising Week New York 2023.

2. Organic search

How people search for a brand is how they view that brand. A focus on SEO as a performance marketing metric is important, but it can take away from the importance of search in brand



marketing.

- SEO professionals should be focused on more than just search rankings, said Wil Reynolds,
 vice president of innovation at Seer Interactive.
- "You want to find an SEO [professional] that can understand certain things that you're not going to want to do because of your brand [identity]," Reynolds said.

Chat- and image-based search is also informing a brand's identity in search results.

- New tech like AI-assisted search and multimodal search that combines images, conversation, keywords, and video will offer users a brand experience directly within search results, which means brands have less control over their image than when users visit their websites.
- Making sure brands are well represented in places like Google's Search Generative Experience will take experimentation, since the tech is so new.

Case study: Reynolds pointed to an example early in his career, where Mercedes-Benz USA asked him to go after the phrase "pre-owned luxury car." Reynolds suggested they go after the word "used" instead, which was typed in way more often. But for the car company, it was vital to the brand's luxury status that people not associate Mercedes-Benz with used cars.

"The VP [was] like, I am going to change the way people search in the future, but I'm never going to use the word 'used' on my website, ever. I will sponsor golf tournaments to get people to think of our cars as pre-owned," said Reynolds.

3. Approaches to loyalty

Turning existing customers into returning customers is past the bottom of the traditional marketing funnel. But to build a strong brand, customers must feel comfortable returning to and identifying with that brand.

- How a brand responds to negative product reviews and improves its products or its relationships with customers feeds the entire identity of the brand.
- Positive product reviews can become customer success stories, leveraging satisfied customers on brand websites and social media to generate brand buzz.
- Loyalty programs are also important for building brand identity, offering incentive for customers to return and identify themselves as proud consumers of a brand.



Case study: Earlier this month, a viral TikTok showed a Stanley cup that had not only survived a car fire, but still had ice in it. Stanley's response was to use the car fire as a customer success story, capitalizing on the TikTok buzz by offering not only to send the TikToker new Stanleys, but also to replace her charred car.

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