



Brand and Demand: The Key Principles of Marketing Growth

Australia & New Zealand Edition

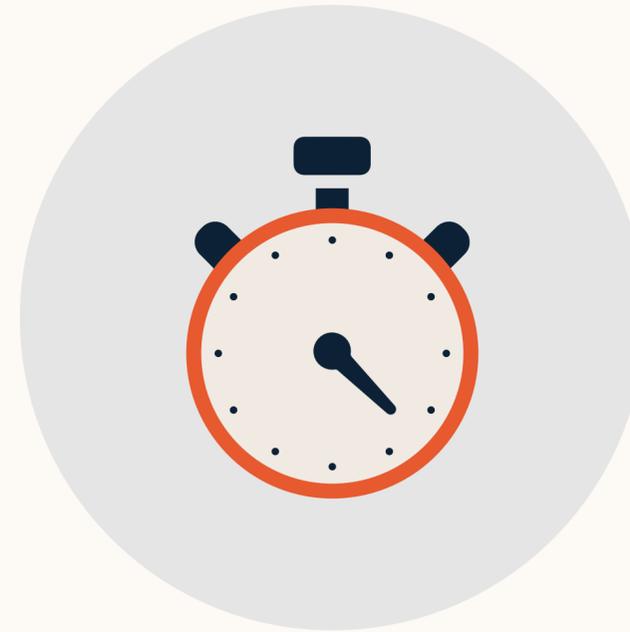
LinkedIn

Marketers traditionally employ brand or demand marketing at different times as part of their growth strategy



Brand Marketing

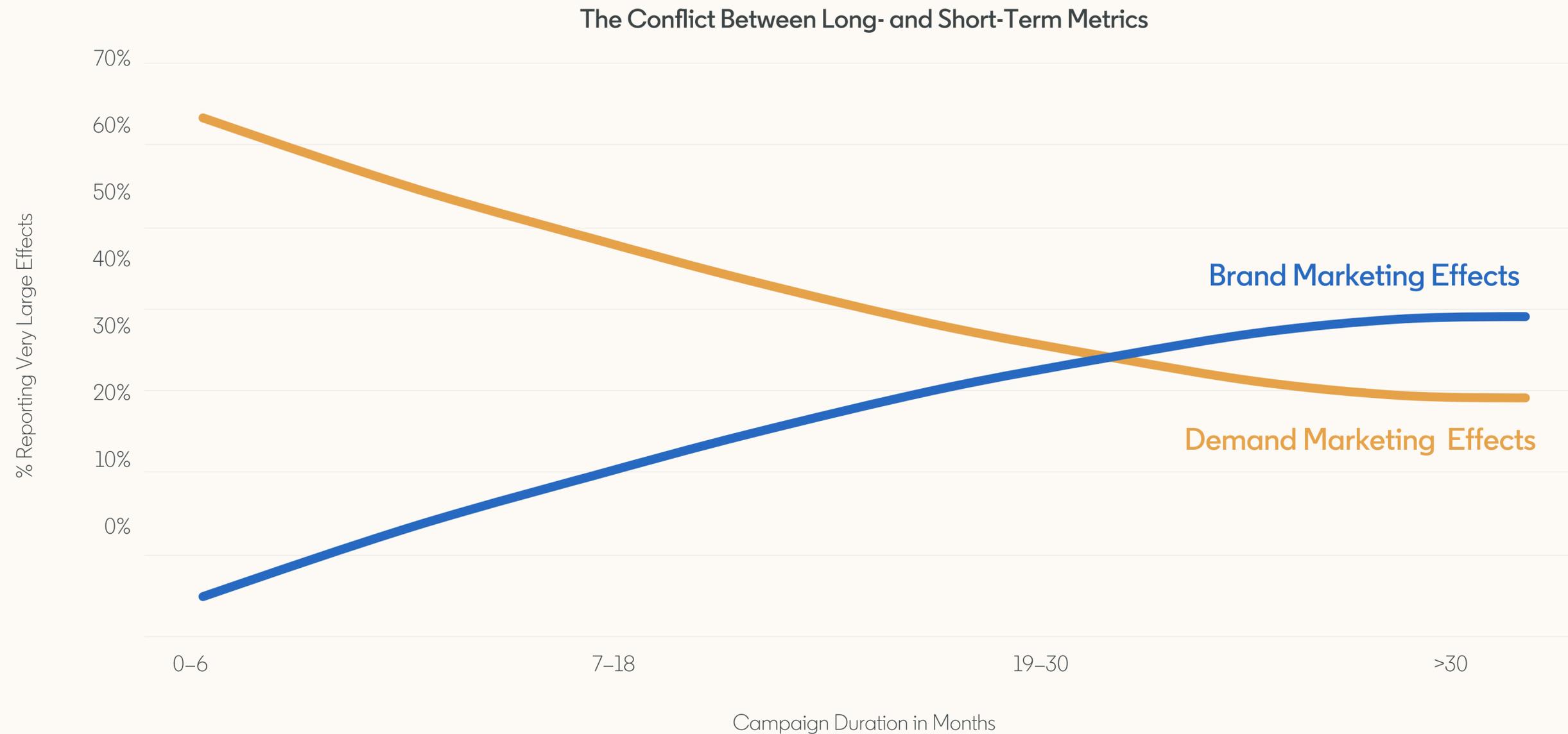
Creating memorable links between the brand and relevant buying situations to drive **long-term growth** (e.g. Media, Thought Leadership, Corporate Social Responsibility, Mission/Vision comms, etc.)



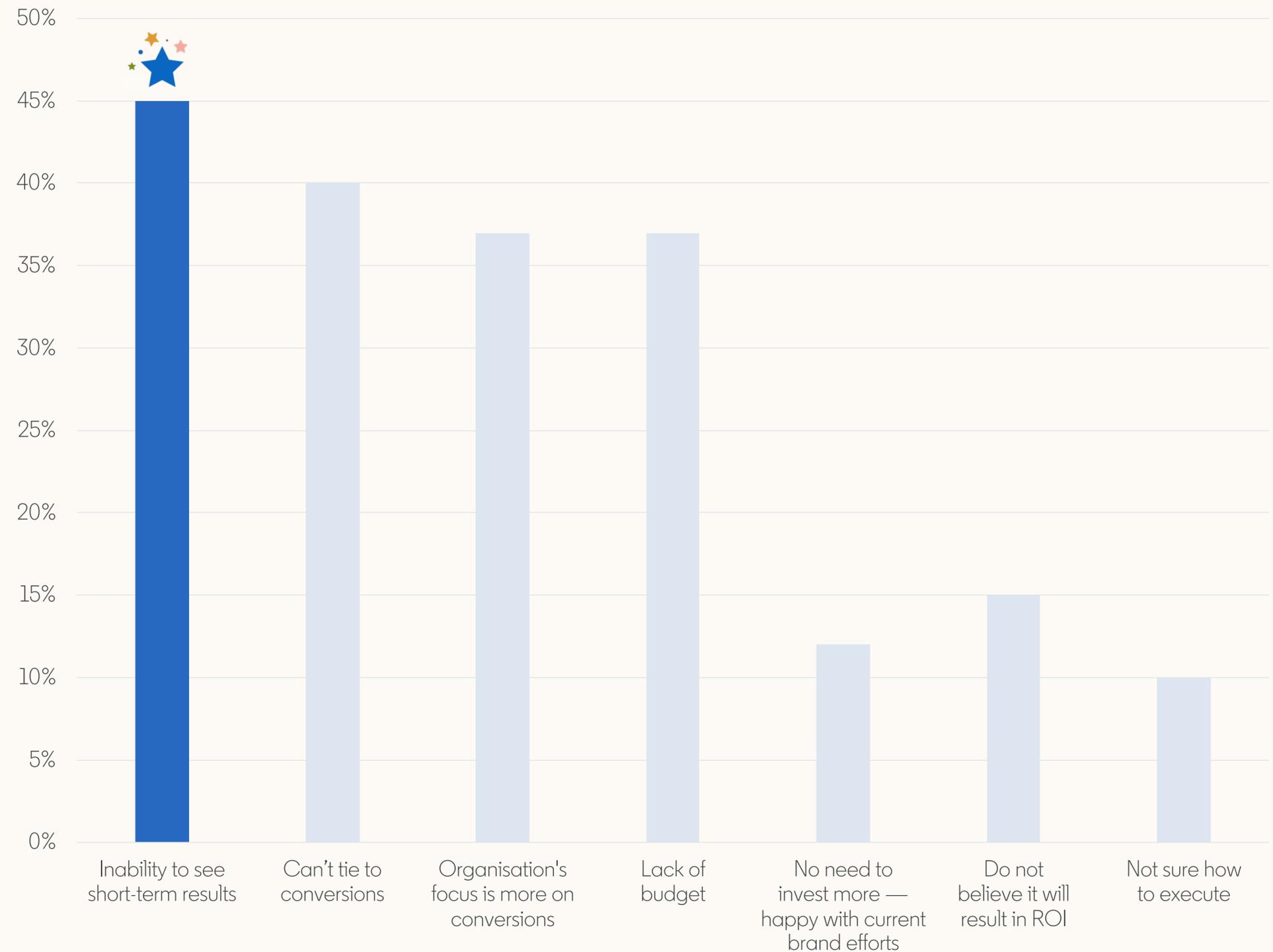
Demand Marketing

Creating urgency around specific offerings/services to drive **short-term growth**. Highly targeted to encourage and excite key audiences to drive demand.

Marketers lean more heavily into demand since near-term impact can be captured, whereas brand takes more time to measure



The inability to see results in the short term is the **#1 barrier to brand building**



Source: LinkedIn On-Platform B2D Study, 2019

Why is it time
for a change?



Investing in brand marketing should grow your business



Stronger
pricing power

Buyers are willing to pay
premium prices
for well-known brands



Lower
acquisition costs

Focused acquisition
strategy increases conversion
rates and lowers costs



Better
fiscal health

Orgs that invest 50% of
budgets in brand see better
financial performance

LinkedIn teamed up with the IPA, Les Binet and Peter Field to identify what it really takes to **maximise marketing growth**



Methodology: **3,702 B2B marketers** surveyed across **9 industries**

- Technology
- Financial Services
- Professional Services
- Healthcare
- Education
- Automotive
- Travel
- Manufacturing
- Energy

North America



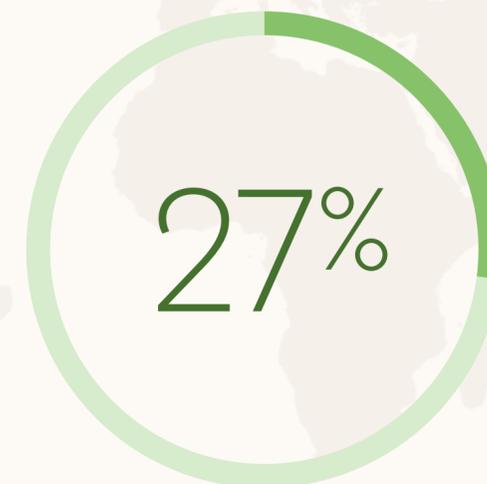
USA, Canada

Latin America



Brazil, Mexico

Europe & Middle East



UK, France, Austria, Germany, Switzerland, Spain, Italy, Netherlands

Asia Pacific



India, Australia, New Zealand, Singapore*, Hong Kong, Korea, Japan, Malaysia, Taiwan, China

*Small sample size (<100 responses)

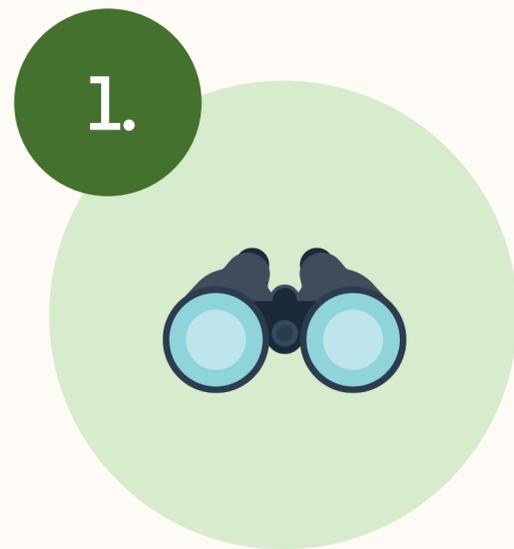
What we found

It takes balance

The five key principles of marketing growth
each depend upon
brand and demand marketing

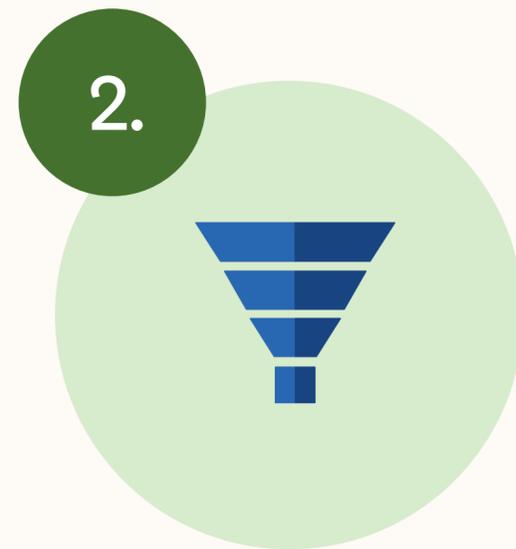


Your marketing plan likely reflects **5 key principles of growth**



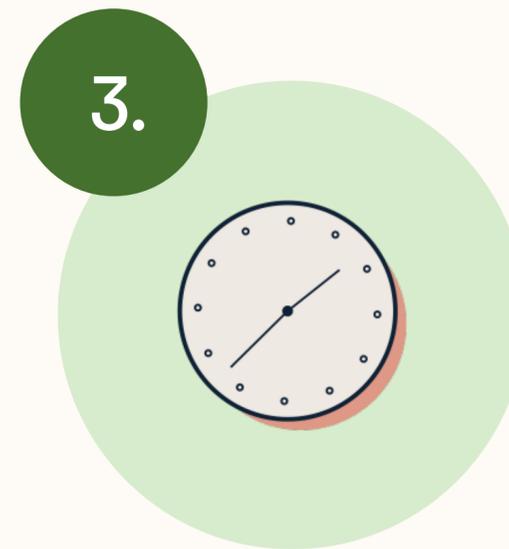
Who?

*Customer acquisition
and nurture growth
strategies*



What?

*Mindshare and
awareness throughout
the funnel*



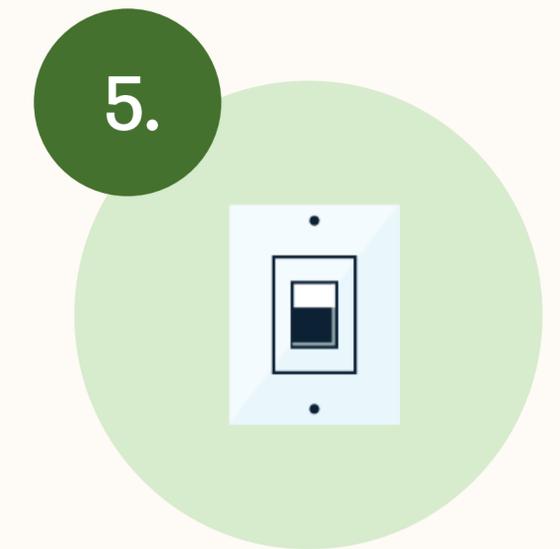
When?

*Short-term and
long-term campaigns
and initiatives*



Where?

*Targeting
broad and niche
audiences*



How?

*Advertising media
strategies for creative
development*

1. Who?



Customers



Non-Customers



It's critical to reach beyond your customer base as marketing only to existing accounts could limit growth

1.



Customers can only spend so much more

2.



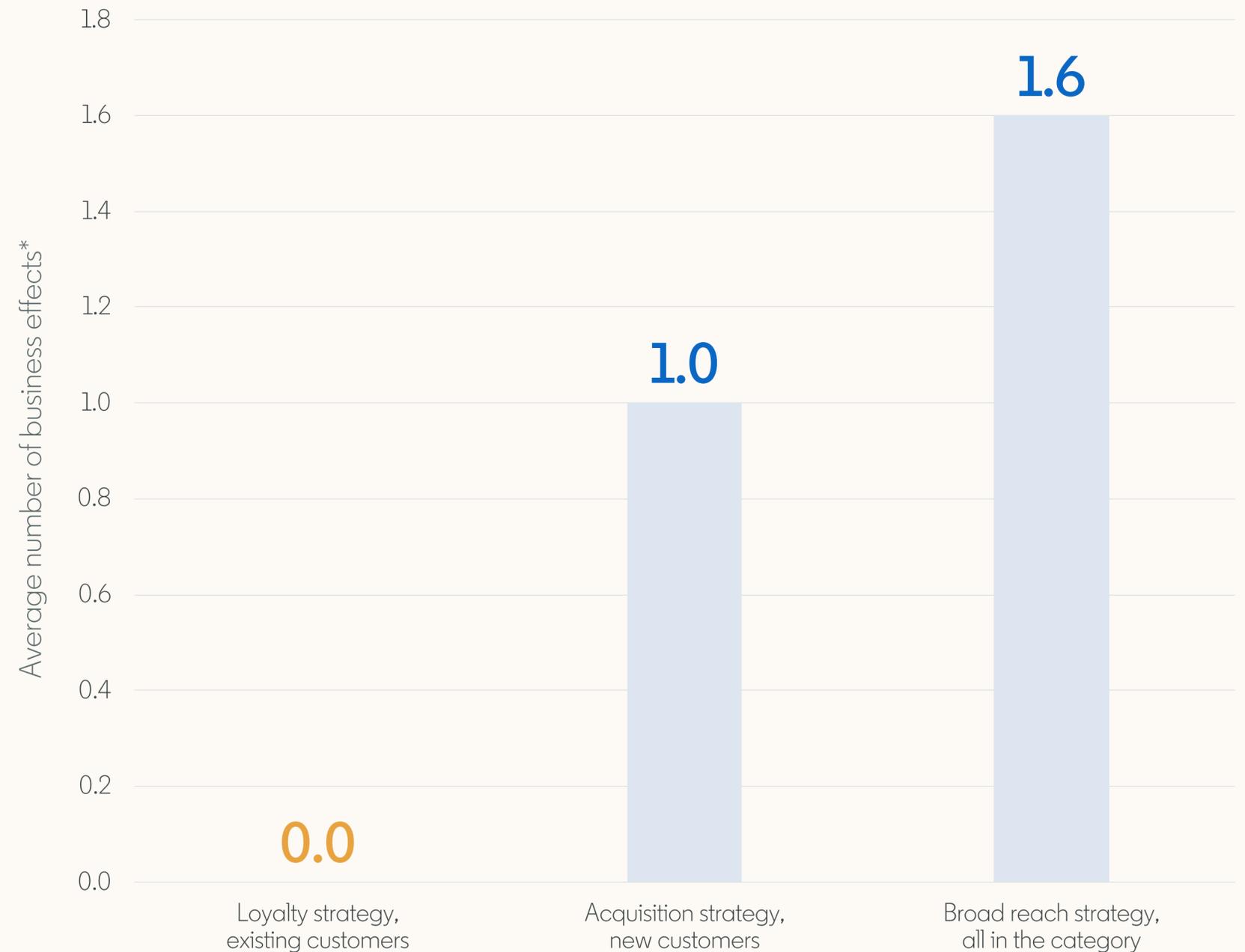
Churn is a natural process out of your control

3.



Product and sales are much more influential

Targeting existing and new customers **together** will drive a faster and more insulated growth strategy



What does IPA say?

Targeting existing customers, in isolation, will not drive business growth. Breaking into new budgets at new customers, as well as nurturing existing customers, will maximise growth.

Loyalty and acquisition

While balance is recommended, there might be instances where your strategy requires a heavier focus on one over the other

Loyalty

New decision makers
in existing buying centres

New decision makers
in new buying centres

Acquisition

New logos
in existing industries

New logos
in new industries

Marketer behaviours and beliefs

Principle 1:

Sustain growth by leveraging both acquisition and customer growth strategies

66%

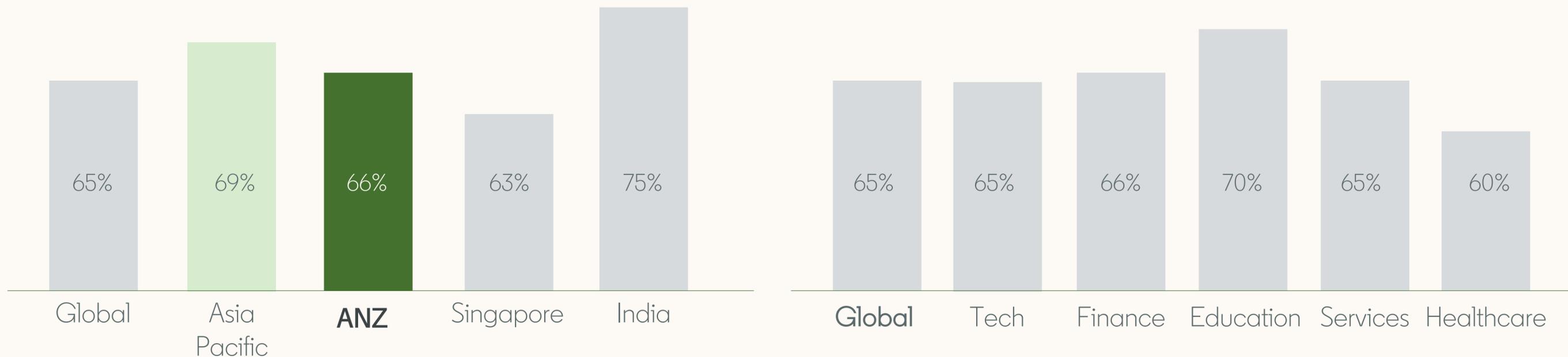
of marketers in Australia & New Zealand (ANZ) believe that businesses grow best by increasing customer loyalty, not by increasing customer acquisition. However, this is impacting their ability to truly grow at the pace they need.

The opportunity ahead

Invest in brand efforts to acquire new customers in addition to growing existing accounts

Why does this matter?

In ANZ today, 66% of marketers feel that businesses grow best by increasing customer loyalty, not increasing customer acquisition. However, industry research shows that you need to invest in both in order to grow. Marketers should consider how they can adjust initiatives to gain new customers by running brand campaigns.



2. What?



Awareness



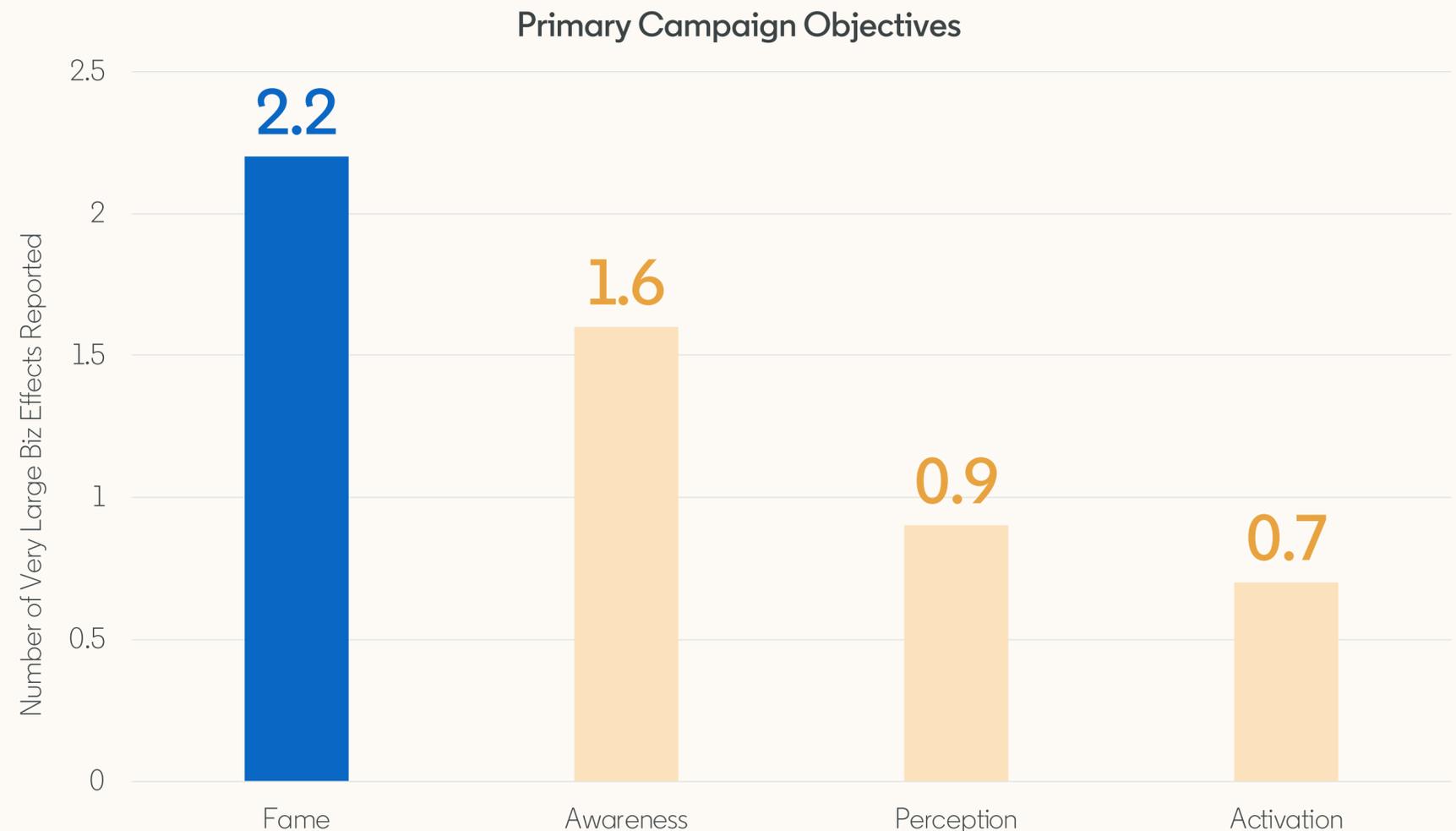
Fame



Marketers need fame in order to be top of mind at every stage of the purchase funnel

What is fame?

Fame is "awareness at scale" — when everyone in the category has heard of your brand and thinks of it effortlessly in buying situations



What does IPA say?

Mental availability matters for B2B and B2C alike. Campaigns that aim to increase a firm's share of mind are most effective. The more famous they make the company, the better the business results.

Principle 2:

Strive for ad consistency, reach, and duration in order to achieve fame

76%

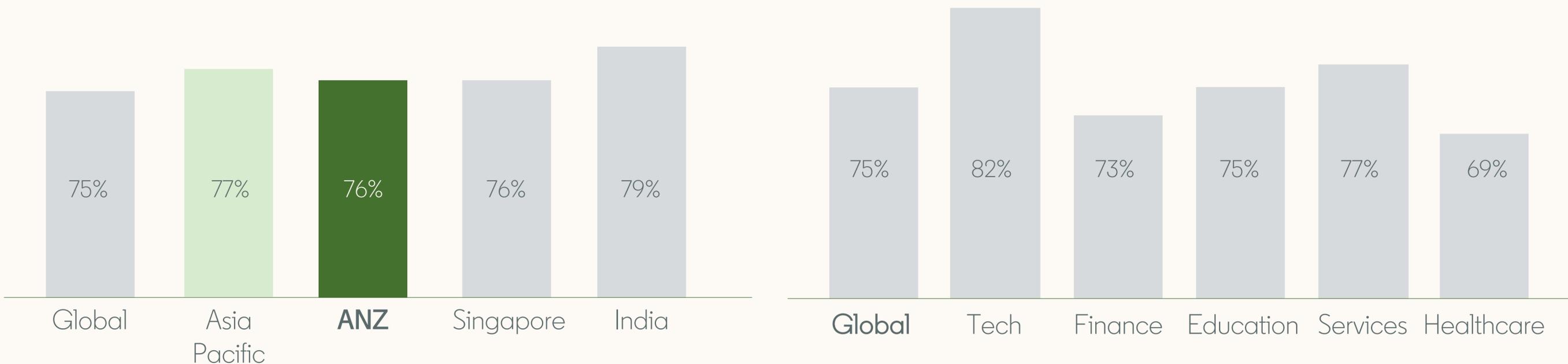
of marketers in ANZ run their brand campaigns for **6 months or less**. However, Binet and Field's research shows that marketers need to allow their brand campaigns to run for more than 6 months before they can see impact.

The opportunity ahead

Run brand campaigns with consistency, reach, and duration top of mind

Why does this matter?

76% of marketers in ANZ are running their brand campaigns for 6 months or less. Binet and Field's research shows that marketers need to allow their brand campaigns to run for more than 6 months in order to see impact.



3. When?



Short-Term



Long-Term



Whether your organisation is B2C or B2B, investment in short- and long-term campaigns will be critical for growth

B2C



Brand Marketing

Demand Marketing

B2B



Brand Marketing

Demand Marketing

What does IPA say?

Businesses need brand activity to create demand in the long-term, and activation to convert that demand efficiently into revenue in the short-term. When the balance is right, each effort should enhance the other.

Principle 3:

Invest in shorter-term demand generation efforts and longer-term brand campaigns to drive growth

46%

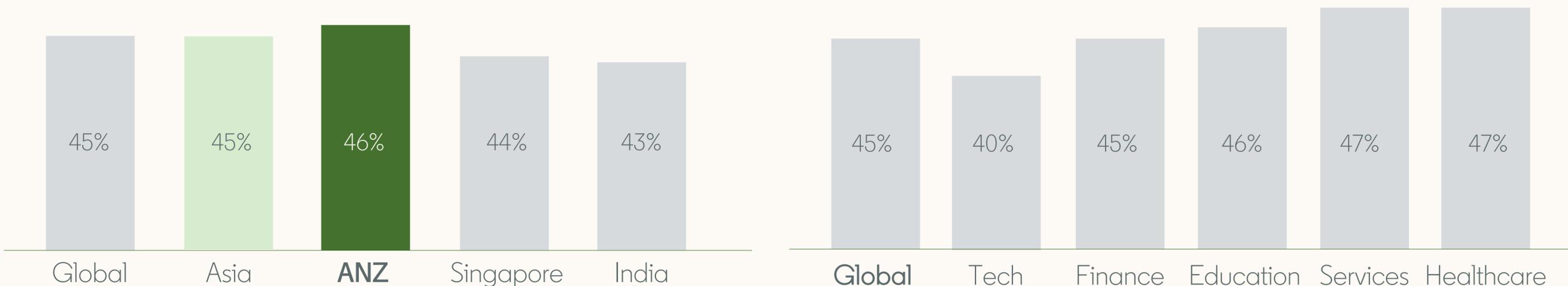
of marketing budget is allocated to brand marketing, on average, within B2B organisations in ANZ.

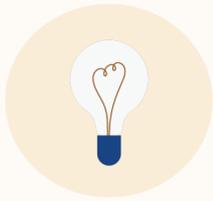
The opportunity ahead

Apply the 50/50 rule as you consider the split between brand and demand investment

Why does this matter?

On average, 46% of B2B marketing budgets in ANZ is allocated to long-term brand investment, which is in line with the recommended allocation. Businesses need both kinds of marketing activity: brand activity to create demand, and activation to convert that demand efficiently into revenue. When the balance is right, each will enhance the other.





While marketers should invest in both short- and long-term marketing efforts, they should measure ROI over the full length of their sales cycle to most accurately capture investment impact

Marketer behaviours and beliefs

96%

of marketers in ANZ are measuring ROI of their investment within 3 months. Since the average sales cycle is 6 months, marketers need to slow down when it comes to measurement.

4. Where?



Broad Targeting



Narrow Targeting



Targeting too narrowly might be ineffective as it ignores buying circles and future buyers

55% of working professionals
in ANZ change jobs,
companies, or industries
at least once every 4 years

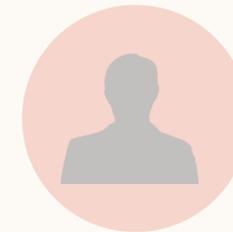
Buying Circles



Buyer



Buyer



Influencer



Influencer



Influencer

Future Buyers



Jr Assoc.



Assoc.



Mgr.

Principle 4:

Grow by reaching more customers than you currently have



Share of Voice > Share of Market
Brands Grow



Share of Voice < Share of Market
Brands Shrink

72%

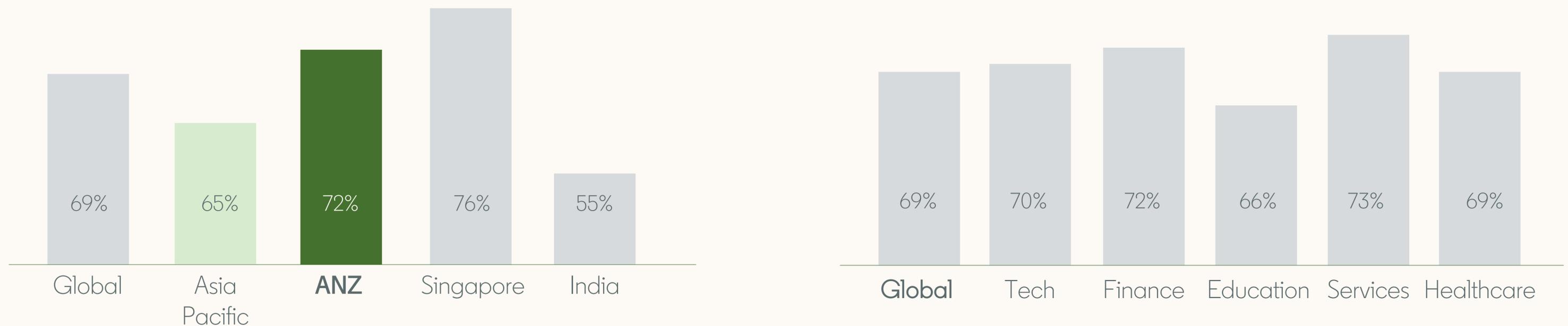
of marketers in ANZ do not believe that broad targeting is more effective for their campaigns than hyper-targeting.

The opportunity ahead

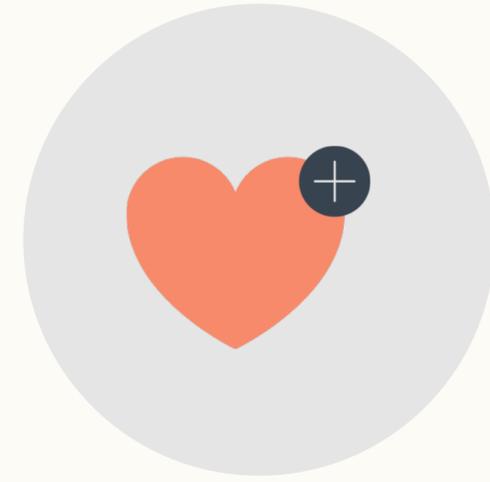
Target broader audiences in order to reach the entire buying circle and future buyers

Why does this matter?

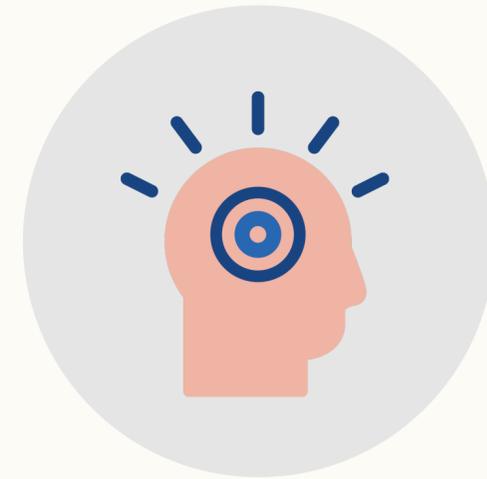
72% of marketers in ANZ do not believe that broad targeting is more effective than hyper-targeting. However, hyper-targeting often misses critical influencers in the buying circle and lacks the ability to nurture future buyers. We know that 6.8 people are typically involved in each B2B purchase decision. Consider expanding your reach beyond existing decision makers in order to create more opportunities for growth.



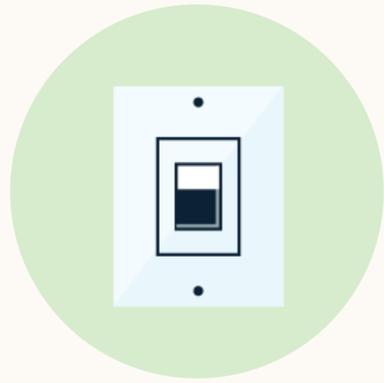
5. How?



Emotional

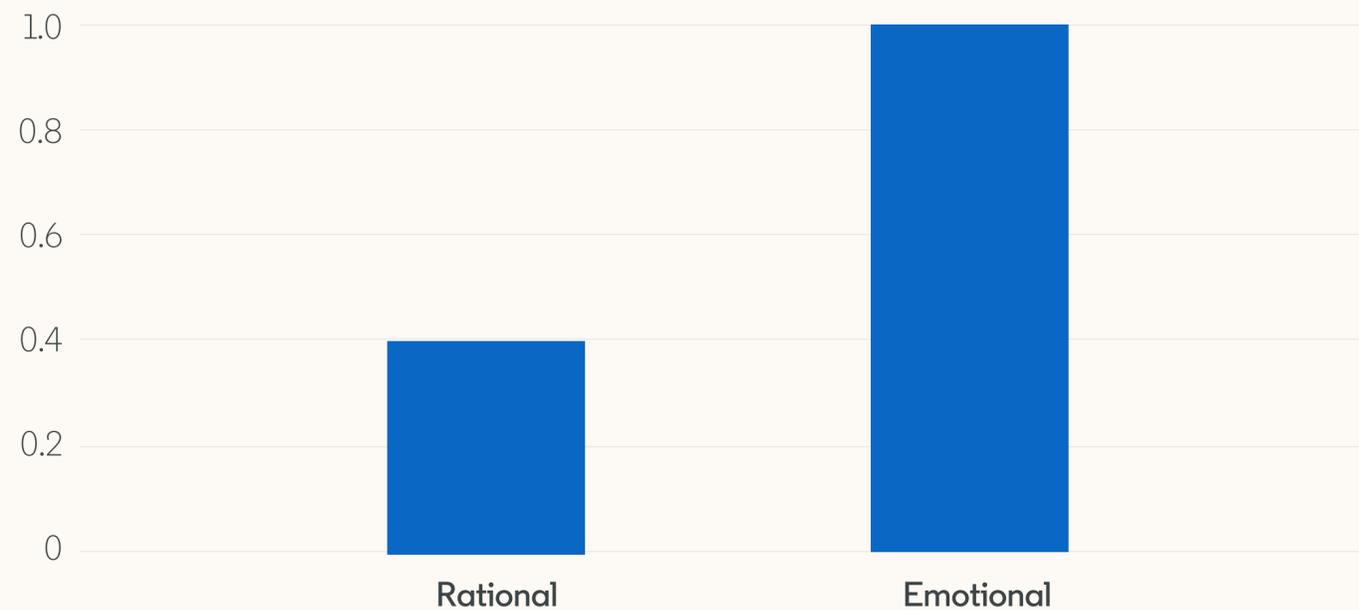


Rational

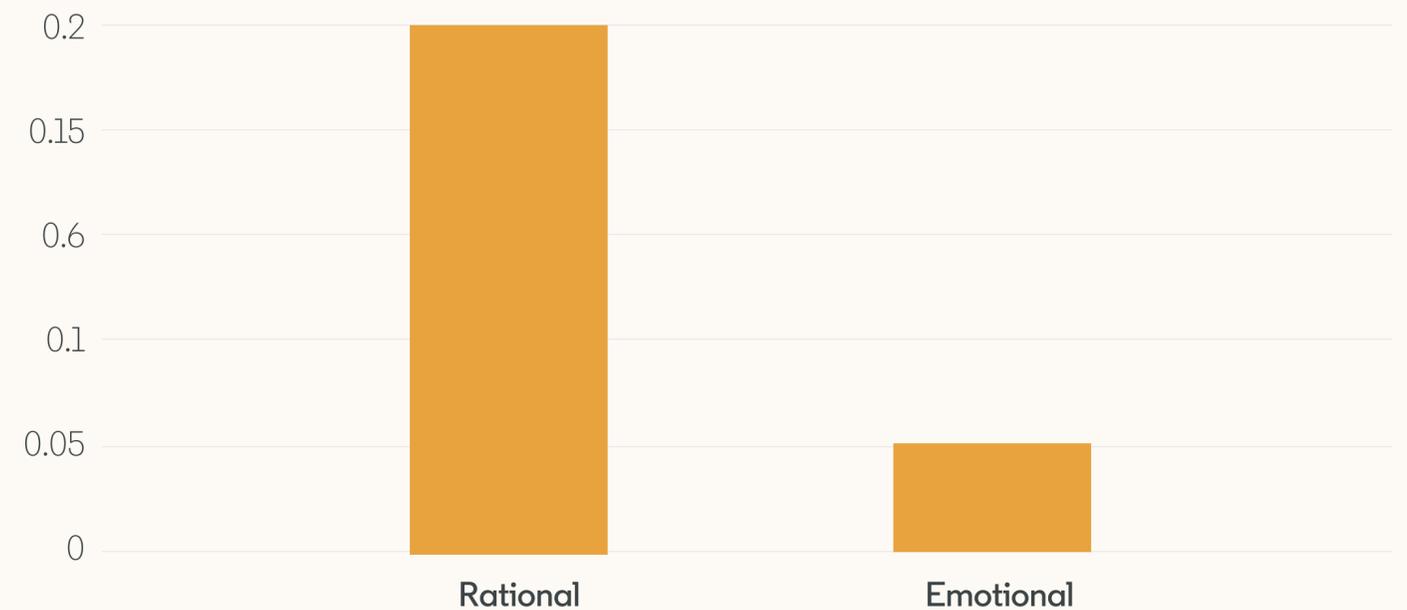


Buying decisions are both rational and emotional, so marketing should be too

Brand Effects



Demand Effects



What does IPA say?

Rational ads are more effective for in-market customers (the customers who will buy now). Emotional ads are more effective for out-of-market customers (the customers who will buy later).

Principle 5:

Balance the usage of rational and emotional ads to strategically build growth over time

2x

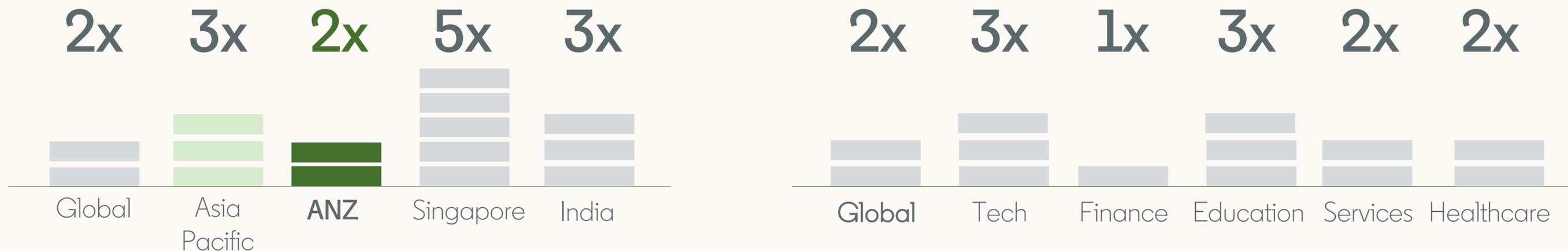
Marketers in ANZ are 2x more likely to produce rational ads vs. emotional ads, regardless of objective.

The opportunity ahead

Produce more emotional creative, particularly for upper funnel efforts, in order to reach out-of-market customers

Why does this matter?

Marketers in ANZ are 2x more likely to produce rational ads than emotional ads, but the rational approach won't always work for long-term brand building. In order to connect with buyers before they come to market, consider where and how emotional ads can be leveraged to drive business growth.



A successful balance of brand and demand marketing underlies these five principles of marketing growth



Balance investment in brand and demand



For more resources, visit
[LinkedIn Marketing Solutions](#)

