



NEW ENGEN

***BREAKING
THROUGH THE
PERFORMANCE
PLATEAU***

A NEW GOLDEN RULE FOR BRAND GROWTH

In today's world, sustained brand growth is wholly dependent on dedicated, substantial upper-funnel investment. Consider the **95/5 rule**, which posits that **just 5% of a brand's addressable audience is in-market at any given moment**. While this figure can vary (skewing closer to 10%, as is the case for one New Engen client in the outdoor retail space), the fact remains that an overwhelming majority of a brand's audience is currently out-of-market. Put simply, relying too heavily or explicitly on lower-funnel channels means leaving 90%+ of your audience untapped (and less likely to consider your brand when the time finally comes to make a purchase).

Knowing that upper-funnel awareness media is fundamental to brand growth and actually investing in it are two different things. Without the right measures and inputs, many brands struggle to build an effective strategy for long-term growth, let alone make a strong case for upper-funnel expansion. Below, we map out the three key indicators that signify it's time to invest in upper-funnel, provide a step-by-step guide to help you get started, and outline best practices for measuring success. Plus, we offer guidance around communication and pitching for swift buy-in from business leaders.



WHEN TO INVEST IN UPPER- FUNNEL AWARENESS MEDIA



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Early Signs of Stagnating Growth

When a business experiences stagnating growth despite ongoing lower-funnel marketing efforts, it often signifies the onset of a “**Performance Plateau**.” This phenomenon occurs when lower-funnel channels become saturated, resulting in escalating costs and diminishing returns. For instance, a notable indicator of this plateau is the increasing customer acquisition costs (CAC) over time. As the cost of reaching consumers through lower-funnel campaigns continues to rise, businesses may encounter challenges in maintaining profitability. A high CAC relative to customer lifetime value (CLV) underscores inefficiencies in lower-funnel approaches, prompting the need to diversify strategies and target broader audiences through upper-funnel initiatives. If a company finds itself at the performance plateau, it becomes imperative to transition towards a comprehensive full-funnel strategy promptly to reignite growth and sustain competitive advantage.



Brand Awareness Lags Growth Targets

It's important to measure your forecasted or desired market share (i.e., growth targets) against key brand awareness signals. Pay attention to things like brand search volume and organic social media engagement, for example, because these indicators can signal a need to increase brand visibility. In such scenarios, remedying low brand awareness, consideration, or recall through upper-funnel initiatives is essential to closing the gap between actual and desired market position.

Insufficient brand awareness metrics, such as low search volume for brand terms or minimal organic social media engagement, indicate a critical need to enhance brand visibility. In such scenarios, prioritizing upper-funnel activities becomes essential to effectively increase brand recognition and reach a broader audience. By deploying upper-funnel tactics, businesses can establish a stronger brand presence, capture the attention of potential customers, and lay the foundation for long-term brand loyalty and engagement.

While you may be seeing positive returns on bottom-funnel investments (i.e., if the aforementioned performance plateau feels like a distant concern), it's possible that stagnation is waiting just around the corner. The best way to know where you stand is to be vigilant with brand interest analyses of Google trends and other brand awareness measures.



Increasing Competitive Pressure

Rising competitive pressure within the market landscape necessitates a strategic shift towards upper-funnel initiatives. In order to maintain or expand market share cost-effectively, businesses must invest in activities that elevate brand visibility and differentiation. This becomes particularly crucial when facing competition from lower-cost or lower-quality alternatives. By focusing on upper-funnel strategies, such as brand-building campaigns and awareness-driving initiatives, businesses can effectively differentiate themselves, enhance perceived value, and solidify their position in the market amidst intensifying competition.

In [Blueprint for Brand Growth](#) (2024), [Kantar](#) uses its Meaningful Difference framework to examine the relationship between brand perception and growth potential. This method defines “meaningful” as the relevance of a brand’s products or services to consumers’ needs and “different” as the perceived difference between a brand and its competitors. Kantar found that consumers are willing to pay as much as 2X for brands with high rates of meaningful difference (page 21). By this measure, the stronger the brand, the better the pricing power.

GETTING STARTED: THE NEW ENGEN APPROACH IS AUDIENCE-FIRST

At New Engen, we use a proven methodology for upper-funnel expansion based on the four principles outlined below.





Step 1: Audience Research

Conducting comprehensive audience research is paramount before launching upper-funnel marketing initiatives. This involves delving deep into consumer demographics, psychographics, and behavioral patterns to identify potential audience segments that may exhibit interest in the brand but are not actively engaged in product searches or consideration. By understanding the nuances of these untapped audience groups, businesses can effectively tailor their messaging and outreach strategies to the unique needs, preferences, and aspirations of respective consumer segments.

Additionally, thorough audience research will unlock valuable insights that, in turn, can inform the development of targeted full-funnel campaigns—from expanding brand awareness and consideration to fostering meaningful connections with potential customers.

Fellow Case Study

Our client, **Fellow**, offers a prime example of how this strategy can be used to reach new audiences at scale. In 2023, the espresso product design brand was struggling to grow outside of its core customer base, millennial men. We conducted thorough audience research with tools like **GW** and **MRI-Simmons** to create three distinct customer personas: Coffee Curious, Coffee Uninformed, and Coffee Aficionado. Then, we launched audience-first messaging and ad creative tailored to each audience segment.

The results? By December, female purchasers improved by **+346%**, and the audience was evenly distributed between men and women (**down from a male-dominated, 70/30 split in August 2023**).



Step 2: Content Strategy

A well-crafted content strategy lies at the heart of successful upper-funnel marketing efforts. Businesses must develop compelling and engaging content that not only captures the attention of their target audience but also resonates with their interests, pain points, and values. By crafting content that speaks directly to the aspirations and challenges of a particular audience, businesses can establish an emotional connection and position themselves as a relevant and trustworthy brand within their industry.

Content is a powerful tool for influencing brand recall. As such, it's imperative to champion a robust content program that incorporates blog posts, social media, video, and everything in between. Producing eye-catching, captivating content infused with authenticity (through humor or sentimentality, for example) is a powerful way to generate positive and memorable brand awareness among potential customers.

It's important to remember that bottom-funnel creative tactics often differ from those applied across the funnel. Since you are targeting an audience with less awareness of your brand, your first priority should be to establish an emotional connection and capture attention rather than focusing on specific products or value propositions. Fortunately, you don't need to invest in expensive, high-production videos to achieve this. UGC, influencer content, and even repurposed assets from existing campaigns can be used to deliver memorable creative in a cost-efficient way.

Jockey Case Study

We partnered with our client, [Jockey](#), to scale influencer creative through performance media executions. Our strategy leveraged influencer sourcing through Acorn (a New Engen solution) and organic media activations. By using whitelisted influencer content to develop new ad creative for Jockey's Meta campaigns, we saw a record-breaking **4X increase in click-through rates** during Q4.

3

Channel
Selection

Step 3: Channel Selection

Selecting the right channels to disseminate upper-funnel messaging is crucial for reaching and engaging target audiences effectively. Businesses must consider the preferences, habits, and online behaviors of their target demographic when choosing channels for their marketing efforts. Media platforms, such as Meta and YouTube, offer extensive reach and targeting capabilities, making them ideal for brand awareness campaigns. Similarly, programmatic video/display advertising, influencer partnerships, and affiliate marketing programs provide additional avenues for reaching and engaging potential customers across various touchpoints. By aligning channel selection with audience preferences, businesses can maximize the impact of their upper-funnel campaigns and drive meaningful interactions with their brand.

At New Engen, we conduct thorough audience research using tools like [EMARKETER](#) and [MRI-Simmons](#) to inform any new channel expansion opportunities for our clients. These insights are crucial to ensuring that marketing dollars are being spent efficiently and are aligned with key business objectives surrounding brand growth.



4

Testing & Optimization

Step 4: Testing and Optimization

Launching small-scale upper-funnel campaigns allows businesses to experiment with different messaging, creative elements, and audience targeting strategies. Through rigorous testing and continuous optimization, businesses can gather valuable insights into what resonates most with their target audience and refine their approach accordingly. By monitoring campaign performance metrics like engagement rates, click-through rates, and brand lift, businesses can identify areas for improvement and make data-driven adjustments to enhance campaign effectiveness over time. By embracing a culture of testing and optimization, businesses can iterate on their upper-funnel strategies and drive sustainable growth and brand awareness in the long run.

Colorescience Case Study

After the launch of iOS 14.5, New Engen client **Colorescience** experienced declining rates of new customer acquisition on Meta, its primary driver of customer growth. To help the skincare brand overcome these performance hurdles, we deployed an upper-funnel investment strategy grounded in the following tests:

1. **Traffic vs. Reach:** These findings powered efficient reach of incremental audiences (-88% Cost Per Site Visits) and fueled higher intent audiences down-funnel.
2. **Creative Execution:** We evaluated different formats (UGC, editorial, educational, etc.) and identified storytelling creator content as the highest-performing. As a result, UGC now constitutes 60% of Colorescience's creative portfolio.
3. **Meta Incrementality:** Analyzing Meta's impact on the conversion funnel served to validate traffic investment in Q2 of 2023.

These efforts culminated in a **+47% increase** in New Customer Growth for Colorescience after the launch of upper-funnel awareness media.



MEASURING SUCCESS

When it comes to top-of-the-funnel marketing, companies need to focus on metrics that measure brand exposure and awareness, such as impressions, reach, and website traffic. These metrics help our clients understand how effective advertising efforts have raised awareness about their brand or product. And, while they may be viewed as “vanity metrics,” it’s important to map these signals to revenue and overall business impact. Secondary engagement metrics like new customer sessions and average session time should also be used to evaluate messaging and the extent to which it is driving interest and interactions with your brand.

Here are four tactics to implement when measuring upper-funnel efforts:

1

Shift from Direct Response Metrics

While lower-funnel campaigns are typically measured based on direct response metrics like conversions and ROI, upper-funnel campaigns require a shift towards brand awareness and engagement metrics such as impressions, reach, clicks, and brand lift.

2

Implement Brand Lift Studies

Implementing brand lift studies to measure the impact of upper-funnel campaigns on brand metrics like awareness, consideration, and favorability provides insights into campaign effectiveness beyond immediate conversions.

3

Always-On Incrementality Testing

This strategy allows brands to accurately measure the impact of specific marketing activities and determine the true value of marketing channels—while also providing insights into the relative contributions of each ad set, media channel, and marketing tactic.

4

Cross-Channel Measurement

To gauge the effectiveness of upper-funnel campaigns, brands should utilize cross-channel measurement alongside tools like marketing mix modeling (MMM). This comprehensive approach provides insights into every touchpoint, enhancing marketing attribution accuracy. MMM further aids in attributing spending to sales, enabling efficient resource allocation and informed marketing decisions.

A huge benefit of MMM is that it doesn't rely on "attribution," which means it can see past attribution biases that often favor the bottom of the funnel. Thus, MMM is a potent tool that can be used to connect upper-funnel investment to actual revenue and business results.





GETTING **BUY-IN**

For our portfolio of clients, we have implemented the following methods to get buy-in from business leaders and key financial stakeholders, faster.

A NEW GOLDEN RULE

WHEN TO INVEST

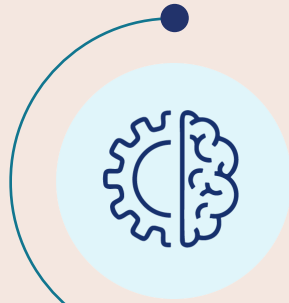
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Educate on the Importance of Upper-Funnel Metrics



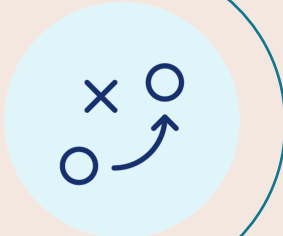
Demonstrate the Benefits (and Limitations) of Attribution and the Value of Incrementality



Align with Business Objectives



Implement a Gradual Transition Plan



Collaborate and Seek Input





Educate on the Importance of Upper-Funnel Metrics

Explain the limitations of relying solely on last-click attribution, emphasizing that it only captures the final touchpoint before conversion and overlooks the role of earlier touchpoints in the customer journey. Then, highlight the significance of upper-funnel KPIs, such as brand awareness, reach, engagement, and consideration, in driving long-term growth and building a strong brand presence.



Align with Business Objectives

Emphasize how shifting towards upper funnel metrics and multi-touch attribution aligns with broader business objectives, such as driving brand awareness, acquiring new customers, and maximizing lifetime value. Frame the discussion in terms of long-term value creation and the importance of investing in brand-building activities to secure future revenue streams and competitive advantage.



Demonstrate the Benefits (and Limitations) of Attribution and the Value of Incrementality

Showcase case studies and industry research that illustrate the benefits of multi-touch attribution in providing a more holistic view of the customer journey and accurately attributing value to each touchpoint. Look for examples that illustrate how multi-touch attribution can lead to better-informed marketing decisions, improved campaign effectiveness, and increased ROI by optimizing budget allocation across the funnel.

Furthermore, embody a comprehensive understanding of potential revenue impacts and ownership over these outcomes. Discuss the importance of lagging measures and design tests that will enable thorough and insightful reporting.



Implement a Gradual Transition Plan

Propose a phased approach to transitioning from last-click attribution to multi-touch attribution, allowing the finance team to gradually adapt to the new measurement framework. Start by introducing additional metrics and insights from upper-funnel channels alongside existing ROI metrics, incrementally expanding the scope of measurement over time. And finally, get ahead of (inevitable) pushback with transparent communication and constant reporting.



Collaborate and Seek Input

Involve members of the finance team in the decision-making process and seek their input on defining KPIs, selecting attribution models, and interpreting performance data. Foster open communication and collaboration between marketing and finance teams to ensure alignment on goals, expectations, and methodologies.

SO, **WHAT NOW?**

If you've made it this far and you're thinking to yourself, "It's time to board the upper-funnel train," here are six goals to aspire to in the next 6 months:





1. Go Full-Funnel (For Real)

A balanced full-funnel approach increases reach and potential for growth while maintaining focus on high ROI, direct response efforts. Full-funnel strategies differ across media channels:

- **Upper-Funnel:** generate awareness through broad targeting.
- **Mid-Funnel:** drive traffic via refined audience segments.
- **Lower-Funnel:** convert with highly targeted campaigns.



2. Execute Seamless Integration

Integrate lower, mid, and upper-funnel tactics cohesively to ensure a seamless customer journey from awareness to conversion. Additionally, ensure that your channel selection is strategically aligned and that your creative approach is centered on reaching audiences at every stage of the customer journey.



3. Adjust Your Creative Approach for Every Stage of the Funnel

As mentioned in the 4-step process outlined above, it's important to adjust and refine your brand creative at every stage of the marketing funnel. Implement personalized messaging, tailor content across the customer journey, and define audience segments to enhance engagement and relevance.

At the top of the funnel, use humorous or educational videos to attract and engage customers. Down-funnel efforts should include content like UGC testimonials, tutorials, and feature/benefit callouts that resonate with customers in the discovery phase of their purchase journey. At the last stage of the funnel, pair static assets with relevant messaging to drive action and conversions.

Finally, personalize across every layer based on your target audience's needs and drivers. For example, customers in an older, higher-income bracket will be more receptive to messaging around premium or luxury features. Conversely, younger customers are more likely to respond to themes of innovation, trends, and bold decision-making.



4. ABO (Always Be Optimizing)

Continuously optimize media allocation and messaging based on performance data and insights from cross-channel measurement, aiming for maximum efficiency and effectiveness across the entire funnel.



6. Continue Audience and Competitive Research

Conduct regular audience and competitive assessments to understand industry trends, benchmark performance, and customer behavior (and identify opportunities for differentiation and iteration).



5. Test and Expand

Testing and measuring outcomes is crucial for refining and validating the full-funnel approach and ensuring effectiveness over time. Explore new channels, formats, and platforms to expand reach and engage with audiences in innovative ways, staying ahead of evolving consumer behaviors and preferences.





CONTRIBUTORS



Lola Behren
Content Marketing Manager



Kevin Goodwin
VP of Digital Marketing



Diana Perez
Senior Manager of
Client Strategy



Tatiana Lawrence
Creative Director

WANT TO KNOW MORE?

Reach out to us at
info@newengen.com,
follow us on [LinkedIn](#), and
subscribe to our [newsletter](#).



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