



BOOST YOUR
MARKETING ROI WITH A
FULL-FUNNEL STRATEGY

choozle

INTRODUCTION

We all know that the typical marketing funnel features three segments: awareness at the top working to build your brand; consideration in the middle where customers can explore your offerings; and conversion at the bottom where the sale is made. But today's customer journey is rapidly shifting—it's more complex, it zigzags, and it includes more touchpoints. The result is that many marketers don't know how top-of-funnel brand awareness activities impact lower-funnel conversions. Or, they believe that mid- and top-funnel digital channels (i.e. display ads) should drive the same performance outcomes as lower-funnel campaigns (i.e. paid search or social advertising).

At Choozle, we believe that the best way to achieve bottom-line growth in this challenging marketing environment is to implement a full-funnel marketing strategy that uses the top of the funnel to not only build brand awareness, but to boost performance at every stage of the purchase journey as well. What follows are some practical tips on why brand and agency marketers should implement a full-funnel marketing strategy and how you can get started.





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MARKETING FUNNEL 101

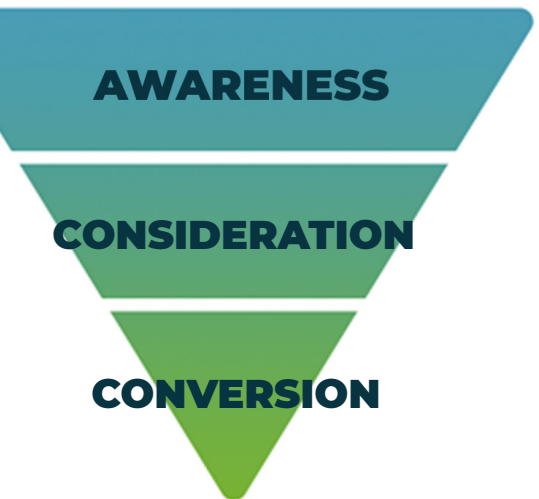
THE THREE STAGES OF THE MARKETING FUNNEL



Today's customer journey is rapidly shifting—it's more complex, it zigzags, and it includes more touchpoints. The result is that many marketers don't know how top-of-funnel brand awareness activities impact lower-funnel conversions.

Top of the funnel: The goal here is to generate brand awareness and recognition. You want to bring new consumers or prospects who are not familiar with your brand into the funnel so you can begin to educate them and eventually lead them to act. The digital media typically used at the top of the funnel include display ads, video, and content marketing (i.e., website, blogs). The digital metrics used to measure top-of-funnel impact include ad impressions, reach, and total website traffic.

Mid-funnel: The goal in the middle of the funnel is to generate consideration or interest in the brand. In other words, once you've introduced your brand at the top of the funnel, you now need to engage those consumers. Typically, marketers employ paid search and social media advertising to provide brand value here, and on the programmatic side, activate CRM lists to gather more data on these consumers. To measure mid-funnel impact, you can track click-throughs, time on site, page views, and time spent on each web or landing page.

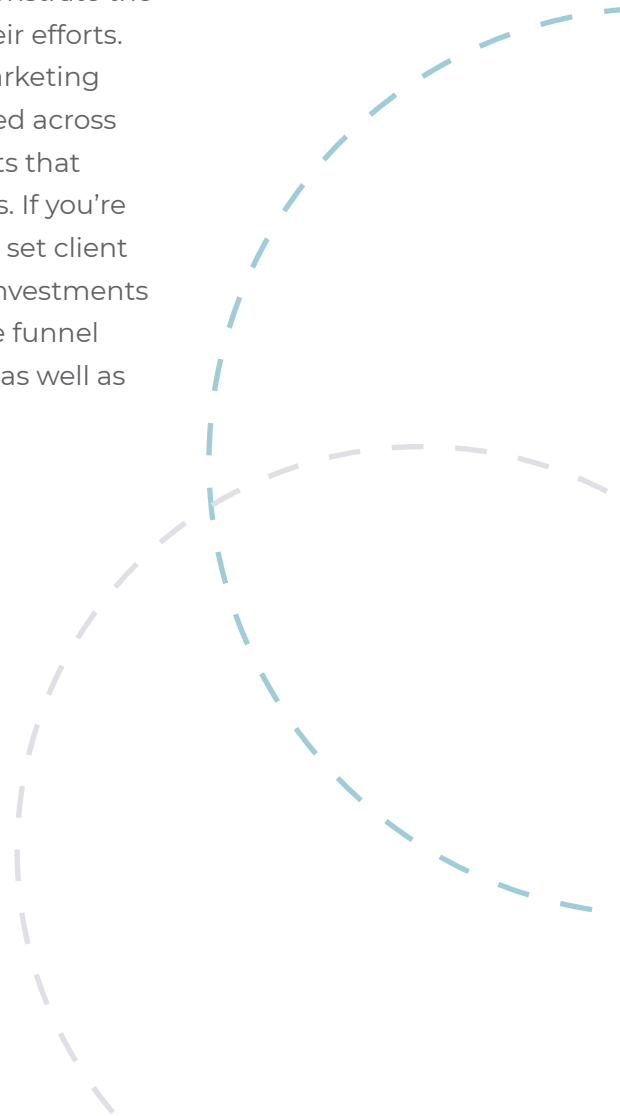


Lower funnel: Conversion is the goal—whether the event is an online purchase, appointment, form fill or whitepaper download. Retargeting (site, search or video) and CRM/email marketing are two channels that are often used to spur transactions. Typical metrics are total conversions, cost per conversion, and return on ad spend.

A BALANCING ACT:

BRAND BUILDING VS. PERFORMANCE

Marketers today have to balance the long-term goal of building the brand while achieving short-term goals based on conversion results. Every business needs to drive conversions, but to do that, you have to first push potential customers into the top of the funnel. It is never an “either/or” proposition. While performance marketers tout their ability to drive clicks, brand marketers push for longer-term investments but often struggle to demonstrate the immediate value of their efforts. None of this is easy. Marketing goals need to be aligned across numerous departments that may be working in silos. If you’re an agency, you have to set client expectations for how investments in each segment of the funnel will support the brand as well as bottom-line growth.



4 CORE CHALLENGES TO THE MARKETING FUNNEL

THE FACT IS THAT A TRADITIONAL FUNNEL STRATEGY ISN'T EFFECTIVE IN TODAY'S MARKETING ENVIRONMENT. LET'S LOOK AT FOUR OF THE BIGGEST CHALLENGES FACING DIGITAL MARKETERS.

1

The non-linear customer journey

The progression from one phase of the customer journey to the next has evolved into a complex web of online/offline channels, zigzags, and more information than ever before. There's no longer a straight line from the top of the funnel to the bottom.

2

Changes in shopping behavior

Nearly 20 percent of U.S. consumers switched their "go-to" brands as a result of the COVID-19 pandemic.¹ Economic pressure, store closings, and changing priorities have led 75 percent of U.S. consumers to try a new shopping behavior.² For many, the pandemic simply accelerated changes they had already begun.

3

Too many internal silos

The marketing and sales teams aren't talking. Digital marketers don't collaborate. Your agency is responsible for traffic acquisition—but has no influence on the brand's website, email, or sales contacts. Account managers report to a different executive than marketing or sales. Sound familiar? Too much marketing inefficiency results from teams that aren't working together to push prospects through the customer journey.

4

Questions about campaign performance

Marketers are under increasing pressure to be accountable for their media investments. But there is little insight into top-of-funnel performance in today's crowded media marketplace and evidence that shows performance ads are becoming ineffective, with returns plateauing or declining in 2020.³ Perhaps even more alarming: less than one in five marketing executives understand how their brand-building campaigns are performing.⁴

¹ McKinsey & Co.

² McKinsey & Co.

³ eMarketer's February 2021 Forecast Database

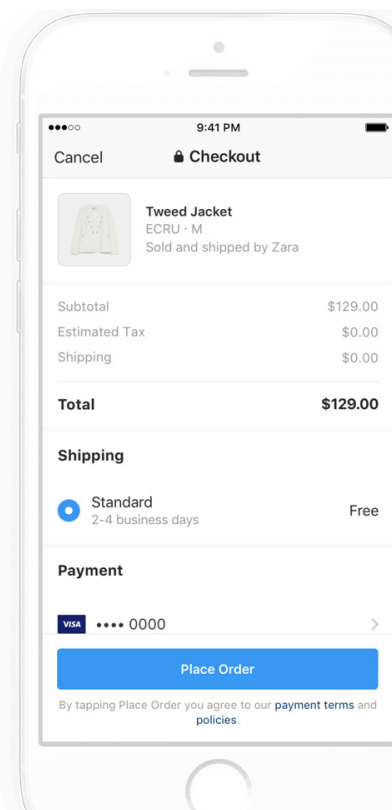
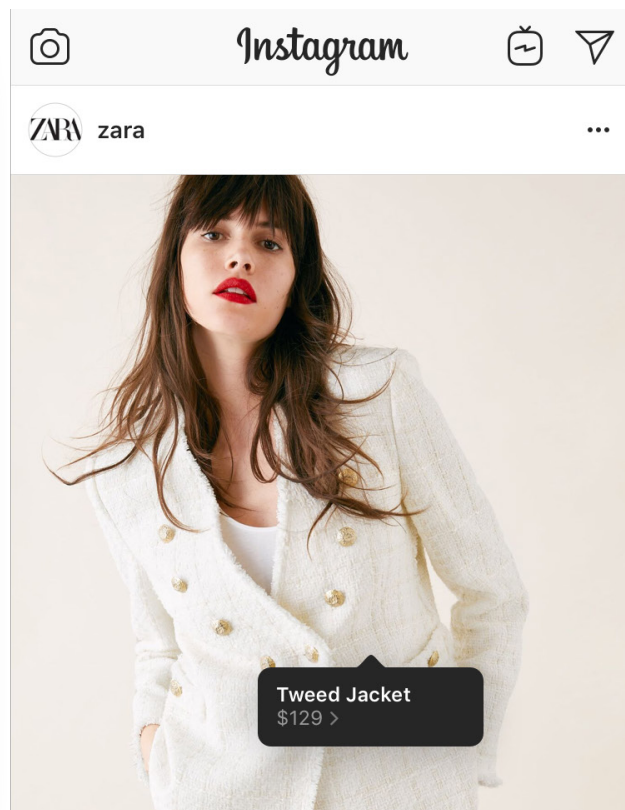
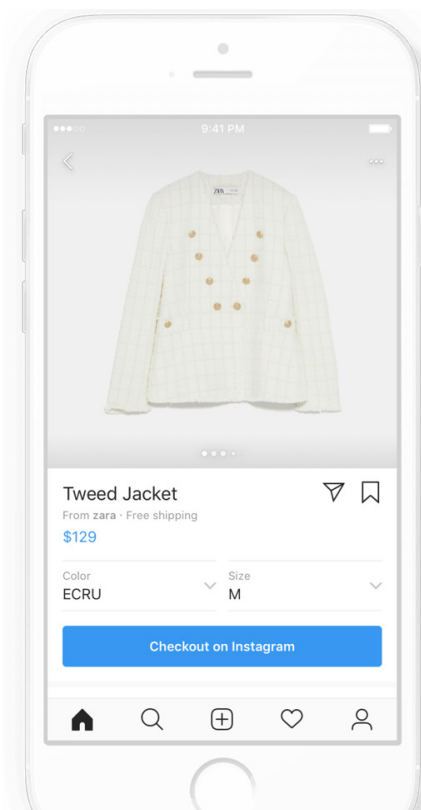
⁴ McKinsey & Co.

THE FULL-FUNNEL MARKETING STRATEGY

OUR SOLUTION TO THESE CHALLENGES IS A FULL-FUNNEL MARKETING STRATEGY THAT CONNECTS THE FUNNEL FROM TOP TO BOTTOM BY ALIGNING RESOURCES, GOALS, AND MEASUREMENT.

A full-funnel approach doesn't mean you have to spend more. It means that you increase your understanding of how each stage of the funnel impacts the others to create a more seamless—and profitable—customer experience. For example, understanding how spend on connected television ads boosts personalized email response; or how social media advertising drives online and in-store visits.

You can “raise the lake” on overall performance in the process because top-of-funnel spend is coordinated and tracked throughout the funnel. By surfacing insights into funnel segment impact, marketing teams can focus on investment outcomes—rather than individual campaigns. A robust full-funnel marketing approach will nurture leads, influence purchase decisions, convert prospects, and create long-term loyalty that grows lifetime customer value (LCV).



THE BENEFITS OF MEDIA DIVERSIFICATION

A KEY DRIVER OF SUCCESS IN A FULL-FUNNEL MARKETING APPROACH IS MEDIA DIVERSIFICATION, OR EMPLOYING A WIDER VARIETY OF DIGITAL CHANNELS TO LIFT FUNNEL PERFORMANCE.

In this example, our Choozle partner began with an investment in SEO and SEM to spur conversions among what we would call the “lowest hanging fruit.” As response leveled off, the brand added social media advertising, which offers a closed ecosystem (i.e. Facebook or Instagram) and a relatively high return on ad spend (RoAS). The complementary social activity provided a clear bump in response, as visualized in Figure 2.

But every media buy reaches an audience, messaging or creative saturation point over time. So as social returns plateaued, Choozle’s partner added new programmatic advertising buys in connected TV and display retargeting that again lifted response and extended ROI. Diversifying its digital media buys led to improvements in volume, efficiency, and RoAS.

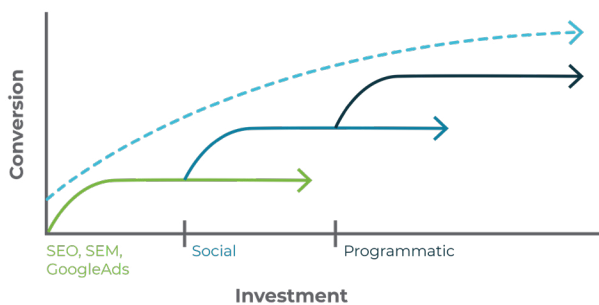


Figure 2

Let’s look at another example which shows how multichannel media exposure not only boosts response but compresses the buying cycle to create conversions more quickly. Figure 3 shows the average number of days it takes to convert versus the number of channels activated for each campaign. You can see that the fewer channels used, the longer the average time it takes drive a conversion. When campaigns double the number of channels from two to four, the number of days it takes to convert is cut in half.

Case study: Multi-channel exposure led to a more efficient path to conversion for a QSR brand

Average no. of days taken to convert (store visits) vs. no. of channels activated

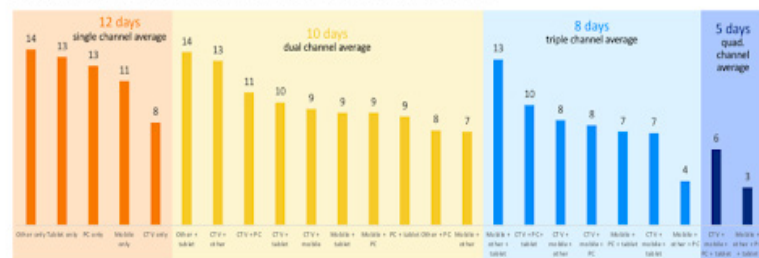


Figure 3

Both of these examples reinforce the message that a full-funnel marketing strategy provides numerous bottom-line business benefits. Instead of one-off conversations about lower funnel search or social activities, it is much more effective to talk holistically as a marketing organization about diverse top, middle, and lower funnel media investments that will drive a better return over time.

THE POWER OF PROGRAMMATIC ADVERTISING

At Choozle, we believe that programmatic advertising is the catalyst for creating and executing top-of-funnel media strategies that will “raise the lake” on performance throughout the funnel. The first step is to develop an authentic brand story: Who are you? What do you stand for? What unique value do you offer? Today, consumers wade through a lot of media clutter and can tell when a brand isn’t being genuine. Authenticity is impactful and can boost brand awareness.



With a clearer understanding of consumer preferences and behavior at the early stages of their buying journey, companies report marketing efficiency gains of up to 30% and incremental top-line growth of up to 10% without increasing the marketing budget.

-2021 McKinsey & Company

Programmatic platforms use machine learning and artificial intelligence (AI) to automate time-consuming, manual tasks such as bidding and ad placement. With programmatic features such as predictive bid factoring, media buys become more efficient and better optimized to align your brand with the right supply-side technology partners. Ultimately, ROI improves without increasing your ad budget.

To measure full-funnel media ROI you’ll need a unified set of key performance indicators (KPIs) that link every stage of the funnel to actual business results. It’s critical to have cross-functional conversations about KPIs before buying media or launching campaigns so you know the answers to these types of questions:

How are we going to measure top-of-funnel performance?

Can we track if our brand-building efforts lead to more branded search queries?

How will we look at the mid-funnel?

Will we activate downloads with a special offer or promotion?

What will success look like?

THE POWER OF PROGRAMMATIC ADVERTISING (CONTINUED):

The following metrics can help your marketing team more effectively measure the lower funnel impact of your brand-building activities:

WEBSITE CONVERSIONS/ BRANDED SEARCH QUERIES

Links programmatic ads to an increase in website conversions or branded search queries to demonstrate how display ads are lifting response down the funnel.

DIGITAL BRAND LIFT SURVEYS

Enables you to measure brand awareness and favorability in near real-time to tie ad exposures to conversions.

MULTI-CHANNEL ATTRIBUTION

Correlates each ad investment to the time and location of exposure and follows the actions taken by a targeted cohort of consumers. For example, minutes after a connected TV spot airs, what is the impact on search queries, website visits, or social media mentions?

DIRECT/INCREMENTAL TRAFFIC INCREASES

Direct traffic results from consumers discovering your brand through social media ads or branded keyword searches. Incremental traffic comes from A/B testing groups or brand campaigns.

ASSISTED CONVERSION VALUE

Measures display ad contribution to website clicks that later convert via a different marketing channel.

CHANNEL SEGMENTATION

Tracks traffic driven from each upper funnel channel separately as they travel down through conversion.

SUMMARY

Traditional marketing funnel approaches aren't working in today's rapidly evolving media marketplace. There are more channels and brands competing for limited consumer attention, and the COVID-19 pandemic has accelerated what may become permanent changes in consumer loyalty and shopping behavior.

The answer is a full-funnel marketing strategy, which can boost performance from top to bottom, and create insight into how each stage of the funnel impacts the others. Programmatic advertising plays a key role in this transformation by optimizing top-of-funnel value without increasing the marketing budget. Programmatic platforms like Choozle connect supply-side systems to facilitate a multichannel approach and collaboration between various marketing teams to align media messaging for a more seamless customer journey.

