

What does brand awareness really mean anymore?

Is brand awareness something that adds a tangible benefit for small to medium-sized businesses?

With all the robust analytics platforms and a wide variety of ways to measure the performance of a specific campaign, it seems that ambiguous brand awareness metrics no longer play as strong of a role in the digital era.



In retrospect, the past decade of marketing seems like a scramble for quantity based metrics. For years, campaign performance was gauged by the volume of impressions, clicks, and likes.

Simply put, traditional metrics that focus on brand awareness have been doing a poor job of measuring sales, engagement, retention, and ROI. This has left a lot of missed opportunities on the table for businesses.

Businesses need to make a push for building audience retention and audience quality, as opposed to campaigns that purely focus on building brand awareness. Not only are traditional brand awareness campaigns difficult to measure, therefore wasting ad spend, but they also don't do a great job at building retention.

Small to mid-size businesses that don't have million-dollar brand awareness budgets would be keen to optimize their marketing efforts for customer retention and building relationships with their customers, building their reputation instead of the size of their megaphone, and moving intangible marketing efforts into tangible forms of measurement.

Beware of the Vanity Metrics

The vast majority of businesses believe an "impression" is a single human being seeing an advertisement one time. In actuality, a [true "impression" is one web browser making a request to be served with one advertisement from one ad network.](#)

This means that there is no guarantee that a human being will see an impression. The fact that impressions are corrupted by non-human traffic should raise a red flag to any brand-awareness heavy businesses.

Vanity metrics have no direct impact on the return of your investment, and brand awareness is largely strung together using vanity metrics.

True success should be determined by the number of sales and average cart value for ecommerce businesses, conversion rates, and CPAs for Google AdWords, search engine ranking, or financial metrics such as profit, margins, and revenue.

To further elaborate, envision the two scenarios:

Situation 1: I bring out a megaphone to a busy corner in Manhattan and talk about why my bicycle shop is the best in New York City, and why you should buy from me. I (magically) counted 10,000 people pass by me that day.

Situation 2: I spend the day talking to people who fit my demographic of customers. These people looked young and healthy and walked with a sense of urgency. I talked about their needs and why my passion for bikes urged me to start this business. I spoke to 100 people, received 25 emails, and scheduled ten appointments to walk around my shop.

The first situation might have got me some brand awareness, but I have no idea how people feel about my brand or whether they will buy from me. I might have 1 out of the 10,000 come into my shop and say, “Yeah, I heard you on the megaphone the other day and figured why not check the store out.”

The second situation, however, has some hard metrics. 25% of people submitted their information. 10% of people set an appointment to come into my store. Assuming a few people purchase a bike from me, this situation was largely more effective.

But our business isn’t complete here. How conducive is a long-term relationship based on hearing me talk from a megaphone to crowds of people?

How about if I spoke to you individually, learned about your needs, and collected your information? This may seem overly simplified, but this is essentially the distinction between a brand awareness approach and one that is focused on retention.

Brand Awareness vs. Brand Reputation

Brand awareness and reputation often get packaged together as synonyms, but the distinction is very important. Brand awareness measures how familiar people are with your business and the products and services you provide. Brand reputation qualifies this attention and measures whether those people feel positively or negatively about your brand.



You can't really have a strong brand reputation without people's attention to form opinions about it. However, relentless prioritization and focus on building brand awareness without a keen eye for improving how people perceive your brand is a treacherous path.

Marketing strategies that focus solely on brand awareness are essentially throwing a plate of spaghetti on the wall to see what sticks. This model is faulty for a number of reasons:

1. Consumer attention is becoming increasingly more fickle. One of the most interesting psychological impacts of the digital era is that consumer's attention has significantly dwindled. A [page that takes 4 seconds to load](#) will cause one out of every four visitors to bounce and take their attention elsewhere. Consumers are constantly bombarded by tailored advertisements and are constantly on their guard to protect their attention. Consumers tend to make snap judgments whether or not a message is relevant to them, and if they are delivered a brand awareness focused message without seeing adequate brand reputation potential, they will likely abandon the message completely.

2. Consumers are skeptical of being overly wooed. It's crazy to think about how many brands are guilty of this. Businesses that place a huge emphasis on top of the funnel activities (such as brand awareness) without solidifying the rest of the funnel run the risk of not only losing many of the potential customers that are aware of their brand but also creating a lasting negative impression.
3. Disruptive, irrelevant messages are seen as invasive. A major problem with the focus on brand awareness is that it has traditionally been, and is still somewhat, invasive. The novelty of having a Fortune 500 brand respond to a customer's' tweet is fading. Small to mid-sized businesses are often unable to execute effective social media outreach campaigns, and these attempts are often ignored. Social media can be incredibly powerful for small to mid-size businesses but only when used correctly.
4. People negatively react to irrelevant advertisements. Keep in mind that the days of hearing an annoying advertisement jingle on an otherwise pleasant drive are only a few years behind us. Sure, blasting out an identical message to ten thousand people in your geographic might raise brand awareness, but if the majority of those people equate your brand with a message they felt negative about, is it really doing you any good?
5. Your ads are being blocked. A dilemma many businesses have is that the majority of their target audiences are using ad blockers, and have to be reached in different ways.

What Brands Can Do

Brands that are able to thrive in the post-brand-awareness-centric world are able to largely capitalize on three things:

1. Placing a focus on creating long-term relationships with their customers.
2. Utilizing social proof to build their reputation. Social proof comes in the form of anything like testimonials and user-generated reviews, to social media presence and engagement. [71% of consumers](#) are more likely to buy from a brand they follow on social media.
3. Moving the intangible to something tangible.

Small to medium-sized businesses using traditional methods don't have a very good handle on brand scorecards or brand measurements, and the following strategies will help to correct that.

Create and Retain a High-Quality Audience

A brand awareness perspective is similar to that of a hoarder's; both perspectives collect and collect until they find themselves the owners of a highly impractical and awkward entity.

Brands that aim to create, retain, and nurture a high-quality audience from the beginning will ultimately be more successful in the long run.

Not only is customer retention easier and more profitable, but it's also much less expensive. Finding a new customer is up to [6-7 times more expensive](#) than selling to existing customers. Yet brands are allocating the majority of their marketing budgets to reach new people, and end up throwing those people in a broken customer retention process.

Instead, the savvy business will focus on creating an excellent customer experience (CX) so that each new person that enters the funnel finds enough value not only to stick around but to start referring friends as well.

Keep in mind that brand awareness is merely the ticket to get access to an interested audience. In the digital age, customers will hardly remember a brand's advertisement because they will likely begin the buying journey all over again, and be presented with dozens of appealing options. "Just in case" brand awareness simply won't cut it.

A critical concept to understand is that not all audiences are created equal. This is why it is very important to make use of all the robust analytics platforms, such as Google Analytics and Facebook Audience Insights. These platforms help to completely understand what high-quality audience you want to build, and then to plan out how you plan to retain them for the long-run.

The Art of Analytics

While there will always be a place for awareness campaigns, tracking them can be very difficult. This is why it's important to migrate from the murky traditional means of generating awareness into methods that you can reliably and confidently track each step of your campaign.



To further expand on this, as machine learning and artificial intelligence continue to ramp up, these analytical platforms are only going to get more and more fine-tuned. Brands that miss this train will likely be stuck sprinting to catch up with their competitors that have a better grip on their analytics and more data and patterns to analyze.

Analytics provides business owners and marketers the ability to qualify their marketing efforts. This is exceptionally important for small to mid-size business owners, who need every edge they can get to compete with large businesses that can dish out a million dollar brand awareness campaign without a second consideration.

Final Thoughts

The argument that brand awareness can't effectively be measured or translated into sales is not a new one. This discussion has been going on for decades. The only difference is that today, the tools to measure and create tangible results are more than available.

Google Analytics has the most extensive and robust analytical measuring platform the world has ever seen. Data can be analyzed from multiple angles and, through the intelligent use of KPIs, the intangible brand awareness components can finally be put on a digestible and real platter.

Facebook Audience Insights also has an almost incomprehensible amount of data. Insights allow brands to understand their audiences much better by using demographic information to create better campaigns in order to understand the performance of their campaigns in real-time.

The benefit of using these platforms is that business owners have the freedom to view and analyze their audience insights and campaign data at a granular level. This analysis was fuzzy at best just a decade ago.

The pursuit of creating a high-quality audience through the use of analytics, and not abandoning the mission to forge a long-term relationship with your customers is what separates successful marketing efforts from those that fail.

Customer retention is a much better metric for success than brand awareness, and the businesses that adopt this different frame of mind will be much better off long term. In fact, a study by Bain and Company found that a 5% bump in customer retention can increase profits by [25% to 75%](#).

The vast majority of purchasing decisions are either based on relationships or impulse, and each different type can be manufactured by brands looking to create a long-term relationship. Purchases always come back to the brand.

Small to midsize businesses might never get the chance to be the next Nike or Coca Cola, but there are still other means to create considerably successful campaigns. By using the strategies above, you're winning your marketing powers back from the throes of ambiguity.

Create an ecosystem of your brand's health within a smaller customer group, and work extremely hard to keep this small group of people happy and growing steadily.