BRAND EQUITY:

THE BLIND SPOT ON TODAY'S MEDIA PLANS

Want to avoid a major sales drop?

Don't overlook this key KPI.

exverus MEDIA

INTRODUCTION

In years filled with economic uncertainty, marketing teams work on contingency plans and revisions. Budgets are meticulously dissected, sales scrutinized, and tenuous growth projections are laid out. But amid the flurry of performance-focused discussion, a crucial element often slips through the cracks: **how strong is our brand equity?** While executives diligently chase tangible metrics like revenue and profit, the less tangible value of their brand – consumer perception and its effects on the bottom line – remains largely unmeasured and undervalued.

This oversight is a critical misstep in strategy, because despite our appetites for instant gratification, brand equity is not a luxury – it is the bedrock of lasting, sustained business growth. And your media plan needs to maximize it if you want to maximize sales.

So, how do you bring brand equity out of hiding and integrate it into an effective media planning strategy? Let's find out.

WHAT IS BRAND EQUITY?

First, let's level-set on a basic definition:

Brand equity is the reason people will choose (and pay more for) a product instead of a generic equivalent. It includes **brand awareness and associations**, **loyalty**, and **perceived quality**.

Brand equity helps us understand what a customer just bought, and it will be the reason they come back again next year (if it's strong). Or not (if it's weak).

Since most people aren't in the market for your product today, brand equity will be the reason they think of your brand instead of a competitor when they're ready to buy.

WHY IT MATTERS AS A MEDIA KPI

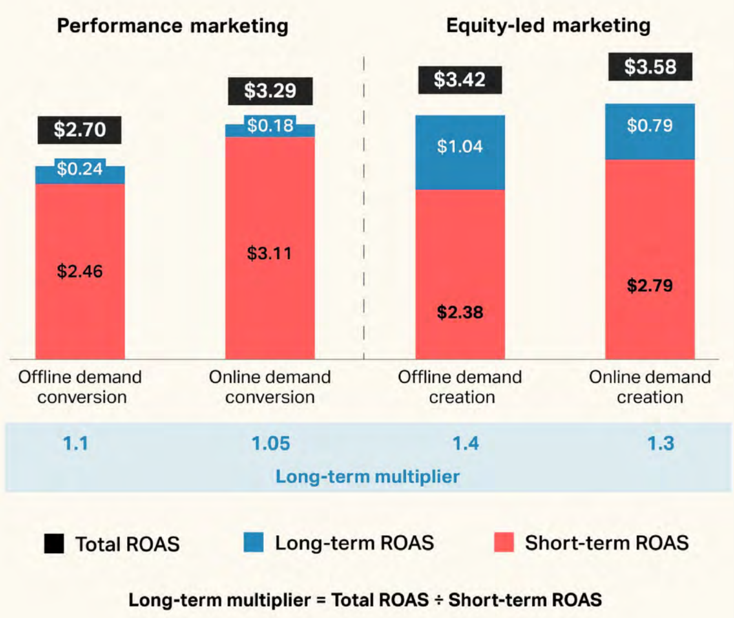
Stronger brand equity acts as a multiplier, enhancing the impact and efficiency of performance and brand marketing. When brand equity is high, brand and performance marketing will achieve better results, leading to increased sales and customer retention.

Whichever way you frame it, brand equity has the power to attract customers, command premium pricing, and foster brand loyalty – and for those reasons, it cannot be ignored.

THE PROOF IS IN PERFORMANCE

As WARC confirmed in its 2025 paper *The Multiplier Effect*, "The biggest returns come when marketers see brand equity as an **accelerant of commercial performance**." An analysis they cited showed that brand equity-led marketing was more effective than purely sales-driven performance marketing when factoring in short-term and long-term performance.

ROAS OVER TIME: EQUITY VS. PERFORMANCE



Source: BERA.ai

IF IT'S SO IMPORTANT, WHY IS BRAND EQUITY OFTEN OVERLOOKED?

Most marketers don't intend to devalue their brand; it just gets lost in the pursuit of immediate results. But with clear, standardized measurement tools, the intangible comes into sharper focus.

While CMOs usually understand the importance of equity-building, convincing the rest of the C-suite can be a challenge, as they often fail to grasp how equity investments correlate to bottom-line results.

Does any of this sound familiar? Don't worry, we've got you.

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SO, HOW DO YOU MEASURE BRAND EQUITY?

You know the old adage: *What gets measured, gets managed*. Brand equity is often overlooked in media planning because it's difficult to quantify – but not impossible!

We recommend collecting a combination of quantitative and qualitative data points to paint a comprehensive picture of your brand's equity, like:

- **Marketing Mix Modeling (MMM):** Directly tie core brand equity metrics to sales and market share data to prove a financial cause-and-effect
- **Brand Lift Studies:** Measure consumer perception around brand preference, brand values and brand awareness before, during and after marketing efforts
- **Social media & digital metrics** like sentiment analysis, engagement rates, share of voice, online review ratings
- **Financial metrics** include the price premium customers are willing to pay, market share, stock price performance, and brand valuation
- **Customer-based metrics** include customer satisfaction surveys, brand loyalty index, repeat purchase rate, and customer lifetime value
- **Website analytics** like site traffic, conversion rates, branded search volume, etc.
- **Focus groups & in-depth interviews** provide qualitative insights into emotional connections, nuanced brand differentiations, customer pain points

Avoid the temptation to survey only within your target audience – the goal is to understand the brand's reputation among the population at large, and to benchmark the brand against a broader set of brands, not just the brands' closest competitors.

HOW TO INTEGRATE BRAND EQUITY INTO PAID MEDIA PLANS

1. **Link brand equity to company revenue**, shareholder value, and return on investment (ROI) through statistical modeling techniques.

2. **Include specific brand equity KPIs** in your media plans from the outset. Smart goals help you make informed decisions, allocate resources, track progress, and optimize along the way.

3. **Share goals across departments** including PR, media, creative, performance, e-commerce, and shopper teams. Creative assets and channel selection should reflect a consistent narrative across all touchpoints.

4. **Finally, show the C-suite** how brand equity builds lifetime customer loyalty.
    - Retention Revenue = Average Customer Lifetime Value × (Retention Rate Improvement Percentage)

FINAL THOUGHTS

Brand equity is essential in a paid media plan as it informs budget allocation, enhances the effectiveness of advertising, and multiplies long-term business success. When brand equity is high, brand and performance marketing will achieve better results, leading to increased sales and customer retention and making you the hero of the C-suite.

If your organization is looking for better tools to measure the effectiveness of your marketing, tie brand equity to sales and drive performance through every media channel, contact us today.

ABOUT EXVERUS MEDIA

The Data-Driven Agency for Growth-Stage Brands

Exverus Media is an award-winning media agency based in Los Angeles, amplifying global, growth-stage brands across all traditional, digital, and emerging media channels. Our omnichannel strategies combine precise market research with creative ideas to confidently allocate every ad dollar for maximum return. Named for the Latin phrase "from the truth," Exverus dedicates itself to transparency and long-term client trust. Exverus is the 8x-winner of Adweek Media Plan of the Year and 3x Ad Age Small Agency of the Year. Learn more at **www.exverus.com**.

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