



**Why Incremental
Growth Requires
Brand and
Performance**



From Visibility to Value: Rethinking Modern Marketing Growth

The marketing landscape has never been more complex. An explosion of commerce and retail media has created a new reality for CMOs: every dollar spent is scrutinized for immediate return. KPIs like ROAS and last-click attribution dominate boardroom conversations, pushing brands toward short-term wins at the expense of long-term health.

While analyzing results is essential to creating growth for brands, it also presents a danger: over-indexing on performance marketing can erode brand equity, commoditize your offering, weaken pricing power, and ultimately detract from a brand's ability to attract new customers. In a world where differentiation and trust drive resilience, focusing solely on performance can be costly. At the same time, overreliance on branding campaigns means limited immediate return on ad spend and visibility of results.

The marketing conversation has long been framed as a choice: **brand or performance**.

This may appear to be a trade-off between awareness and conversion-- long term and short term -- but this is no longer the right question. In today's commerce driven ecosystem, brands cannot afford to choose. Sustainable growth comes from connecting brand meaning with performance activation across the entire consumer journey. The challenge? Balancing measurable results and enduring brand impact in an ecosystem where performance channels exist in silos. This is not just a tactical question; it's a strategic imperative that requires harnessing the full potential of retail media, data-driven targeting, and cookie-less solutions.

Performance without brand creates efficiency without preference.

Brand without performance creates meaning without momentum.

The brands that grow today and endure tomorrow are the ones that **orchestrate both together**.

Why Performance Became Dominant and Why It's No Longer Sustainable



The rise of e-commerce, retail media, and addressable platforms has fundamentally reshaped marketing. Performance marketing became essential because it worked:

- It was measurable
- It scaled fast
- It aligned with commercial pressure and accountability

For many brands, especially digital-first ones, performance unlocked growth at unprecedented speed.



But as e-commerce matured, a new reality emerged:

- Auctions became crowded
- CPMs and CPCs increased
- Creative messages converged
- Differentiation disappeared

Performance didn't stop working, it **stopped being sufficient on its own.**

Many brands discovered that once easy growth was captured, their performance media investment reached the same users repeatedly, leading to a decline in incremental growth. Without brand support, incremental performance is expensive and lacks durability.

When Performance Only Strategies Hit a Plateau

Several well-known brands learned the hard way that, after years of performance-led acceleration, transactional messaging alone couldn't sustain demand. These brands had to return to emotional narratives around belonging, motivation, and lifestyle to rebuild relevance and value.

This is not a not failures of performance. This is an example of what happens **when performance starts to be disconnected from brand meaning.**

The industry's obsession with short-term metrics is understandable but misguided. When brands chase conversions at all costs, they fall into four common pitfalls:

1. **Over-investment in lower-funnel tactics** that deliver diminishing returns.
2. **Lack of long-term analysis** to boost lifetime value or generate incremental growth.
3. **Underfunding brand-building activities**, leaving the brand vulnerable to disruption.
4. **Dependence on price promotions**, which commoditize the brand and erode margin.

Performance marketing is also undergoing a transformation. It's no longer just about last-click attribution or immediate conversions.

As measurement becomes more sophisticated, nearly every media investment is being evaluated through a performance lens. **Performance slowly changed from tracking clicks to generating connections.** Whether it's brand lift, engagement rate, generation of incremental sales, or contribution to lifetime value, the definition of performance is expanding.

This shift means that even traditional "brand" channels are now expected to deliver quantifiable impact. The implication is profound: performance is not a channel, it's a mindset. Soon, all media will be performance media, judged by its ability to move the needle across the full consumer journey.

Performance-only strategies create fragile brands. They win transactions but lose the relationship, and in a reputation economy relationships are everything. Don't fall into the risk of extremes choices: performance-only strategies can weaken loyalty and erode margin, while brand-only strategies struggle to justify ROI in a data-driven world.

The future belongs to brands that master both.

The Missing Ingredient: Emotional Connection as a Growth Driver

Performance optimizes action. Brand creates preference. And preference is what makes performance work better.

In a world where products are similar, prices are transparent and switching costs are low, **emotion becomes the real differentiator**. Brands that build emotional connections can convert faster, retain longer, pay less for acquisition, and are less dependent on promotions. This is why performance plateaus when it is fed only by tactics and accelerates again when it is fueled by **story, values, and consistency**.



Brand equity isn't a 'nice to have'. It's a growth engine. Here's why:

Differentiation in cluttered categories:

When every competitor is bidding on the same keywords, brand is what makes you stand out.

Long-term ROI:

Strong brands reduce acquisition costs and improve lifetime value.

Resilience in disruption:

Brands with equity resist crises better than those built on promotions.

That's why we need to move to a new equation for digital marketing.

The New Equation: Brand + Performance

The industry still talks about brand and performance as if they were opposing forces. They are not. It's not **brand vs. performance, it's brand + performance**. Brand drives demand upstream & performance captures demand downstream. Together, they create a self-reinforcing growth loop.

Today's consumers expect **continuity**:

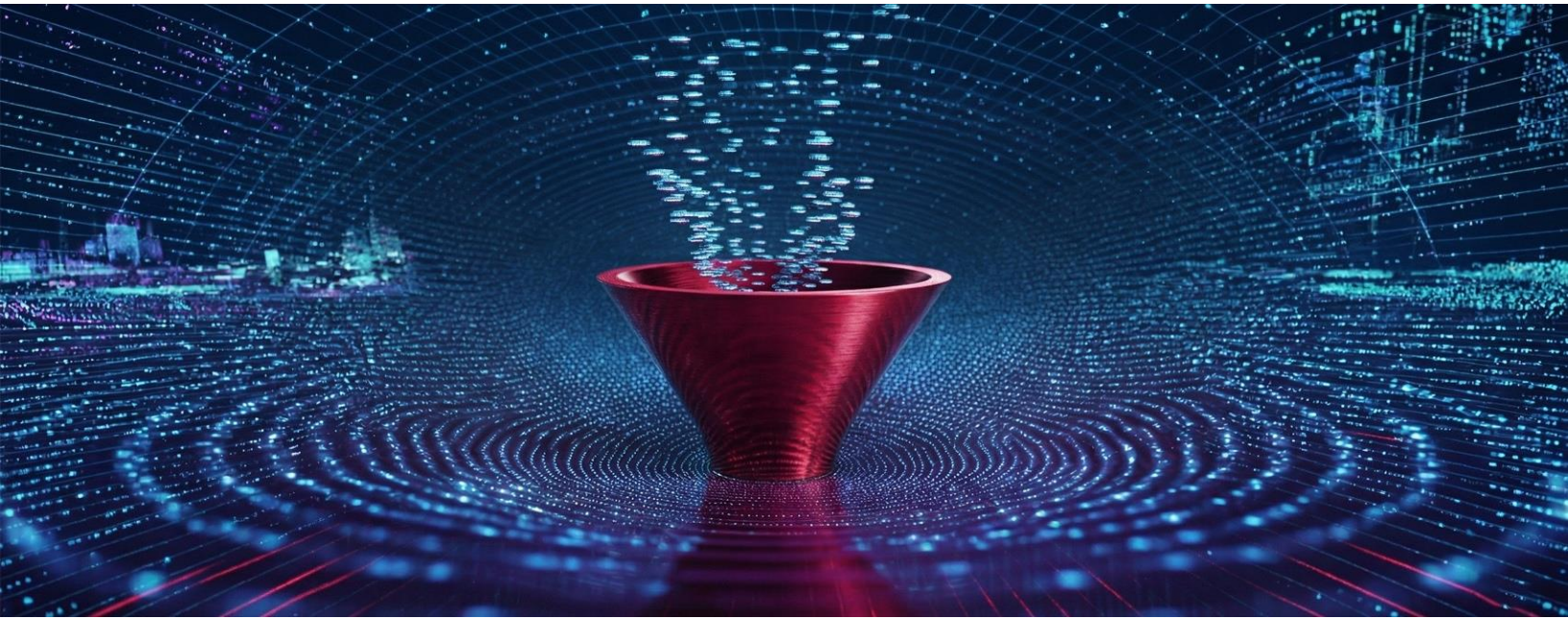
- The story that builds awareness must connect to the message that drives action
- The emotion that attracts must also reassure at the moment of purchase

This means brands need real connections between what drives visibility and what drives conversion. These are not parallel strategies, but one coherent system.

The traditional split between brand and performance is increasingly irrelevant. In reality, every brand touchpoint has the potential to drive both perception and action. A TikTok ad can build affinity and drive clicks. A product page can reinforce brand values through design and storytelling. The idea that brand lives in TV and performance lives in search is a relic of a bygone era.

Today's consumers don't distinguish between channels, they experience brands holistically. Marketers must follow suit, collapsing the silos and building strategies that reflect how people actually engage with media.

The modern full-funnel strategy



A modern full funnel strategy is not about dividing budgets into “brand” and “performance” buckets. It’s about:



Designing **upper funnel storytelling** that improves lower funnel efficiency



Embedding **brand signals into performance channels**



Measuring success beyond last click, including **incrementality, lifetime value, and brand lift**

In this model every channel has a branding role & every brand moment has a performance impact. As performance pressure intensifies, many brands are actively shifting budgets back into brand investment – not nostalgically, but strategically, to support performance rather than replace it. Today, brand is not a cost: it’s a performance multiplier.

Brands need to find the optimal media mix. By balancing upper-funnel storytelling with lower-funnel activation, results will be performance-based and durable long-term. The optimal media mix today is no longer a simple split between brand and performance. It’s a dynamic balance that shifts based on category maturity, consumer behavior, and business objectives. Brands must move beyond rigid allocations and instead adopt a fluid approach that allows upper-funnel storytelling to feed lower-funnel efficiency. A campaign that begins with emotional resonance can drive stronger engagement and conversion downstream.

The key is not choosing between brand and performance but designing media ecosystems where each element amplifies the other. This is especially critical in environments like retail media, where brand presence and commerce activation coexist in the same space.

Finally, data needs to be unified to link shopper and brand signals for a seamless view of the consumer journey.

This is where **Havas Market** comes in.

Havas Market: Commerce That Converts and Conveys Meaning

Our approach integrates the incremental growth prowess of performance marketing experts with storied heritage in brand building.

We use Full-Funnel frameworks as proprietary models to guide investment across awareness, consideration, and conversion, creating campaigns that break the performance and brand silos. By unifying brand and shopper data, we deliver holistic measurement that provides the insights to make relevant strategic choices. We embed storytelling into performance channels to protect brand equity while driving incremental growth.

In driving both business growth and long-term brand awareness, data plays a pivotal role in activating audiences across the entire funnel. Through Converged.AI, we create secure data clean rooms that seamlessly connect your first-party data with any other available sources. This enables efficient and measurable activations of upper-funnel audiences, as well as past prospects and customers on all channels.

Our goal is not only to generate actions or sales, but to accurately measure the incremental impact of any changes in media strategy. Understanding how investment drives true incrementality is essential. That's why we developed MIM (Multi Incrementality Model), a dedicated platform designed to help our clients uncover the real impact of each media campaign.

We've helped clients shift from short-term promotions to strategies that deliver both immediate conversions and measurable brand lift. That's the power of integration.

What is your Brand + Performance strategy?

The separation of brand and performance is a myth; the reality is that they work best when fused into a single strategy. To make sure your brand strategy is not relying purely on performance you need to look for a few signs:

- 1 Is your media mix is 80%+ performance/lower funnel?
- 2 Do promotions drive most of your sales spikes?
- 3 Are brand health metrics part of your KPI dashboard?
- 4 Does attribution stop at last click?
- 5 Are your creative assets focused only on price and product?

If you're frequently wondering whether sales would actually decrease if you stopped 'always-on' performance campaigns, it's time to review new campaigns through the lens of important questions like:

How do we ensure performance activity supports our brand promise?

How do we measure long-term vs. short-term ROI together? What's the right mix of brand + performance in our category?

In the age of retail media and relentless KPI-oriented performance campaigns, it's tempting to chase the click that will generate quick revenue.

However, clicks and short-term sales don't build brands, meaning does. At Havas, we help you do both. Because the brands that win tomorrow are the ones that balance conversion with connection today.

This means every campaign has clear objectives for awareness, consideration, and conversion, regardless of the channel. More importantly, the campaign reflects the brand's media philosophy. Whether the brand is commerce-oriented, personalization-driven, or purpose-led guides our execution across all touchpoints, from programmatic display to paid search. Instead of tailoring media to the funnel, we tailor it to the brand's ambition, creating consistency, coherence, and impact at every stage.

Defining a brand + performance strategy is not a one-size-fits-all solution. Every category, every brand has its own equation. Let's work together to:



Audit your current mix to review how we can deliver the best full funnel strategy.



Build governance models that balance near-term sales with long-term health.



Select partners that unify brand + commerce campaigns to cover all relevant sales and media channels.



Implement technologies, such as data clean rooms, to fuel performance audiences with branding insights



Deploy incrementality testing methodologies to review the real performance of channels and avoid cannibalizations with last-click attribution models only



Deploy a coherent and adaptable KPI framework to cover campaign actions, dependencies and new users

Thank you!

HAVAS Market

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