



KANTAR

Analytics Live

Balancing your investments in marketing

Experts provide insight on short-term
sales vs long-term brand building

Introduction

In times of economic disruption, businesses typically face additional challenges, and are forced to make increasingly difficult choices about how they're investing their limited marketing dollars and resources.

How should they balance their marketing efforts to drive short-term sales versus long-term brand building?

[Patrick Moriarty](#), SVP & Analytics Practice Leader, North America at Kantar talked with three marketing and analytics experts to discuss how they get the right mix, and how to measure and prove it's working. Our experts ([Bhanu Bhardwaj](#), Director, Head of Marketing Science at Meta, [Eric Schmidt](#), Senior Leader, Global Data & Analytics at The Coca-Cola Company, and [Loucenda Teter](#), Senior Director, Strategy & Insights at Darden) offer varied perspectives for marketing a company through economic downturns, disruptions, and other obstacles.

Moriarty, who has also seen numerous cycles through his twenty-plus years in the industry, understands that *"marketers always look at the world in two ways—we want to drive our short-term sales lift, and, at the same time, we want to build our brands. Sometimes those objectives can seem like they're at odds with one another, and it's a challenge when we look at measurement."*

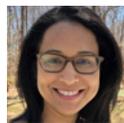
What should companies do? Our experts discussed the following:

1. Finding opportunity in a crisis
2. Balancing brand development and performance
3. Identifying the right KPIs
4. Combining brand and performance KPIs
5. Understanding the importance of methodologies

Panel of experts



Patrick Moriarty
Kantar



Bhanu Bhardwaj
Meta



Eric Schmidt
The Coca-Cola
Company



Loucenda Teter
Darden

Finding opportunity in a crisis

Every expert has to deal with disruptions—from the pandemic and inflation to shifts in consumer activity. What impact do these obstacles have, and how do you build a brand and drive sales during these times?

One of Loucenda Teter's guiding principles is to keep things simple. *"Even before the pandemic, Darden has always been a proponent of back to basics,"* she says. *"We have to make things simplistic in order to execute them flawlessly, and marketing is no different."*

She found opportunity in the marketing pause that the pandemic provided. *"We had to stop for a time, because we weren't driving people into restaurants. It really gave us the opportunity to think about each of our brands. What do people love? What do we want to stand for? Because we knew we were going to turn the marketing engine back on, and we wanted to do that in a way that would set us up for the future."*

While each major downturn is unique, you can also find guidance in studying the past. Schmidt discovered a useful framework in an old Harvard Business Review article that outlined [four categories of consumers](#) you'll find during an economic shift.

Through this lens, Schmidt advises marketers to focus on research and analytics to determine your next step. *"It starts with understanding where your consumer is going, how are they impacted, and then what are your products, brand, and services doing to pivot to meet those changes in what the consumer needs and wants. You have to understand what are the actual key levers that you should be looking to pull."*



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Balancing brand development and performance

Is this the appropriate time for brand development? Or should companies focus on value given the high degree of economic uncertainty—even though [strong brands do well in times of crisis?](#) Where do marketers find the right balance?

"I think it depends brand by brand," says Teter. "I do think we're entering a period where there's going to be more pressure to start to build some of that short-term momentum, because it's going to take some convincing to get people to spend their decreased discretionary income on a sit-down meal or a take home meal."

Eric Schmidt recalls one of his business school seminars when people from Coca-Cola were talking to the class about how *"downturn moments are actually good times to at least maintain if not build the brand equity, so as you come out of the downturn then you wind up gaining more on the tail end of that."*

As Bhanu Bhardwaj points out, one recent development she sees at Meta is the emergence of *"creator marketing—using creators to be the spokespeople for your brands."* CMOs should consider how to value creator-based marketing alongside brand and performance.

But perhaps the most disruptive trend (and opportunity) is the acceleration of the direct-to-consumer (DTC) movement. *"The real, underlying thing is the desire to understand our consumers better, so we can drive a lot of value, connect with our consumers, and meet their needs,"* says Schmidt. Some of the challenges, he adds, are to navigate the privacy and regulatory issues, while also providing products and services that are differentiated enough to be *"additive versus cannibalizing."*



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Identifying the right KPIs

Which KPIs and key analyses are most relevant? That's a critical question as marketers decide whether to invest for now, invest for later, or invest for both now and later.

"For brand, if you're looking at things longer-term, you want to look at equity," says Bhardwaj. "At Meta, we also look at brand lift, which is short- to medium-term. For media, you have to think about what you're tracking," and which channels you're focusing on. Measuring creative, she says, depends on whether it's meant to drive your brand, short-term sales, direct response outcome, or your DTC outcome.

"Some things you can measure with a very clear KPI, and you have access to it," she adds. "Other times, you need to create a proxy. Knowing and understanding this is a big learning for an organization."

At Darden, Teter looks at data from eClubs, apps, and other internal sources.

"One of our competitive advantages is extensive data and insights. That's something we hold dear as a portfolio company, and all that data becomes data that we can leverage on the marketing side." Even as competitors use third-party delivery services (which become the middleman between the company and the consumer), Darden has chosen not to go that route in order to stay closer to their consumers—and that data.

Ultimately, says Schmidt, it's about what you do with the data and metrics. *"Do they actually impact the things that matter to you in the business, and are the KPIs something that you can maintain and track, and that people understand?"*



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Combining brand and performance KPIs

An ongoing challenge is not just determining which KPIs to use, but how to cover both brand and performance metrics, notes Kantar's Moriarty.

Bhardwaj observes a convergence in performance and brand marketing—which may require additional metrics. *"There are a lot of businesses whose marketing budget depends on what they sold the last week. If they're not selling, they're not spending. What some of those businesses do is actually combine performance and brand marketing, and call it performance branding."*

Regardless of the approach, Bhardwaj emphasizes the need to *"future-proof"* marketing and measurement efforts, given privacy challenges and other dynamic issues. *"I think being flexible, having a learning mindset, and evolving and staying true to that, is going to be very important for the next two to three years."*

Schmidt distinguishes between *"top of the house financial metrics,"* that are reported to Wall Street, versus *"everything you do in your business that rolls up to those top-of-the-house metrics."*

As he explains, *"the metrics that matter in the shifts that you might be seeing in recent years really happen when you get down into the operational and tactical levels. Where are our consumers? How are you engaging them? What are the marketing channels you're working through? What can you measure?"*

Once you have short-term metrics like click-through or foot traffic, he adds, *"you need good analytics and modeling that relate that to more aggregated top-of-the-house metrics, like brand equity and long-term sales."* Ultimately, *"you need to have robust, good measurement on both the equity and the value aspects of your short-term and long-term."*



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Understanding the importance of methodologies

When it comes to performance management and measurement, the methodologies certainly make a difference. But experts say it's important to consider other factors.

"Of course I'm going to say that methodology is incredibly important," says Teter. "But a lot of it can be distracting. So I think one of my roles is to help the organization understand that there are just a handful of things you can look at, because you'll get more action if you can simplify it and focus."

Given the evolution in the industry, *"staying wedded to one methodology for a really long period of time is not a good idea, in my view,"* says Bhardwaj. She also encourages marketers to think about triangulation. *"We know that multiple approaches can get you to a similar assessment, but can you use one to make the other better? For example, can you make your Bayesian estimate better by using an incrementality based approach, and how do you triangulate that?"*

Schmidt believes that *"whatever the methodology is, adoption is key. It doesn't help if you've got the most sophisticated AI or machine learning thing that is 100% accurate if the business leaders don't understand it, or don't believe it, or won't use it."*

He notes that a consistent framework lets marketers be *"methodology agnostic"* and avoid chasing every shiny new thing. *"If you've got an appropriate framework for how you think about leveraging inputs from whatever the methodology is, then you leave it to the analytics folks to figure out what the best solution is. If there's a new KPI scorecard or a new framework each year, you just waste a lot of time trying to figure out the new thing, and you lose that history."*



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