



## A Fresh Take

Staying ahead of evolving dynamics in the marketplace and our culture

# Performance Starts With Brand

How marketers are looking to balance short-term sales with long-term growth





# Inside how marketers view ‘brand’ vs. ‘performance’ marketing

Between navigating shifting KPIs, budget scrutiny and business mandates, marketers today are under pressure to deliver immediate financial results while building long-term brand value.

Based on a custom survey of 200 U.S. brand marketers, and building on our previously released guides, [What does ‘brand’ mean and how does it drive growth for my business?](#) and [Keeping Up With the KPIs](#), our latest report takes a closer look at the balancing act between short-term sales and brand equity across small, medium and large-sized businesses.

By segmenting brand marketers based on annual ad spend, we uncover:

- ▶ *How marketers across different business sizes are prioritizing brand vs. performance strategies*
- ▶ *What marketers would do differently if they weren’t faced with intense organizational pressures to achieve short-term financial goals*
- ▶ *Why ‘brand’ is so important for sustained growth*

Note: see appendix for full details on methodology behind the custom survey

# We analyzed three segments based on total ad spend to understand how, or if, balancing short-term and long-term goals vary by business size

For the purposes of this custom study analysis, we created these three 'brand marketer' segments:

## 'Small-Sized' Businesses

Brand marketer respondents working for a brand that spent ***less than \$1MM*** in total on advertising over the past 12 months

## 'Medium-Sized' Businesses

Brand marketer respondents working for a brand that spent ***\$1MM to less than \$25MM*** in total on advertising over the past 12 months

## 'Large-Sized' Businesses

Brand marketer respondents working for a brand that spent ***\$25MM or more*** in total on advertising over the past 12 months

Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. 'Small-Sized' Businesses: Less than \$1MM in annual ad spend (n=65), 'Medium-Sized' Businesses: \$1MM to less than \$25MM in annual ad spend (n=70), 'Large-Sized' Businesses: \$25MM or more in annual ad spend (n=65).

We answered **three key questions** to help understand how marketers within businesses of different sizes **view 'brand' and 'performance' marketing**



**1**

How are marketers prioritizing 'performance' vs. 'brand' investment and short-term sales vs. long-term results?



**2**

What would marketers do if they were free from the pressures of achieving short-term goals?



**3**

Why is 'brand' so important to business success and long-term growth?

1

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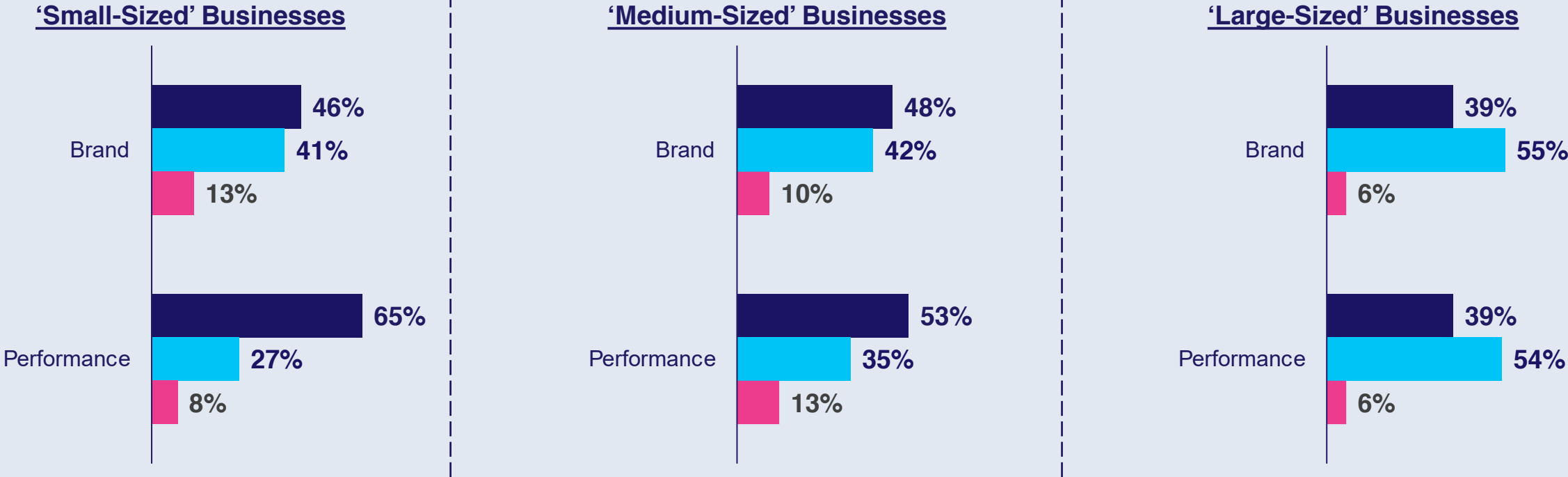
How are marketers prioritizing 'performance' vs. 'brand' investment and short-term sales vs. long-term results?



# Small and mid-sized businesses are more likely to have increased their investment in ‘performance’ than ‘brand’ in the past 12 months

How did your company’s spending on brand or performance marketing change in the past 12 months?  
 % of brand marketers

■ Increased    ■ Stayed the same    ■ Decreased

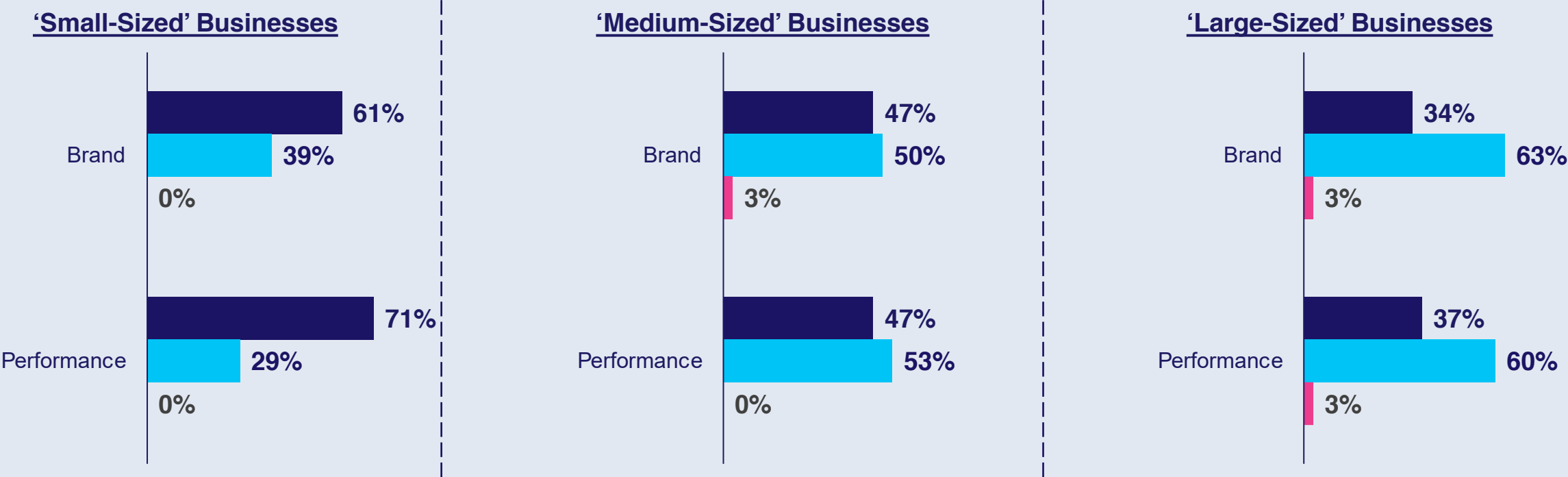


Source: VAB / Advertiser Perceptions ‘Marketer KPI Survey,’ February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q5. How did your company’s spending on performance marketing change in the past 12 months? Q6. How did your company’s spending on brand marketing change in the past 12 months? ‘Small-Sized’ Businesses: Less than \$1MM in annual ad spend, ‘Medium-Sized’ Businesses: \$1MM to less than \$25MM in annual ad spend, ‘Large-Sized’ Businesses: \$25MM or more in annual ad spend.

# Over the next 12 months, priorities differ as small businesses lean more into short-term, medium ones strike a balance and large ones hold steady

Over the next 12 months, how do you expect your company's spending on brand or performance marketing to change?  
% of brand marketers

■ Plan to Increase ■ Plan to Stay the Same ■ Plan to Decrease



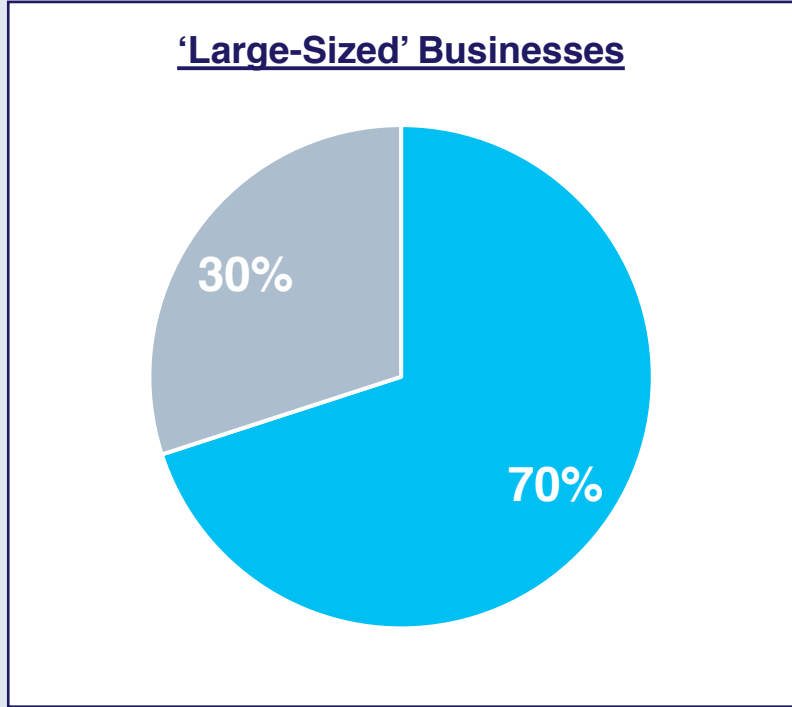
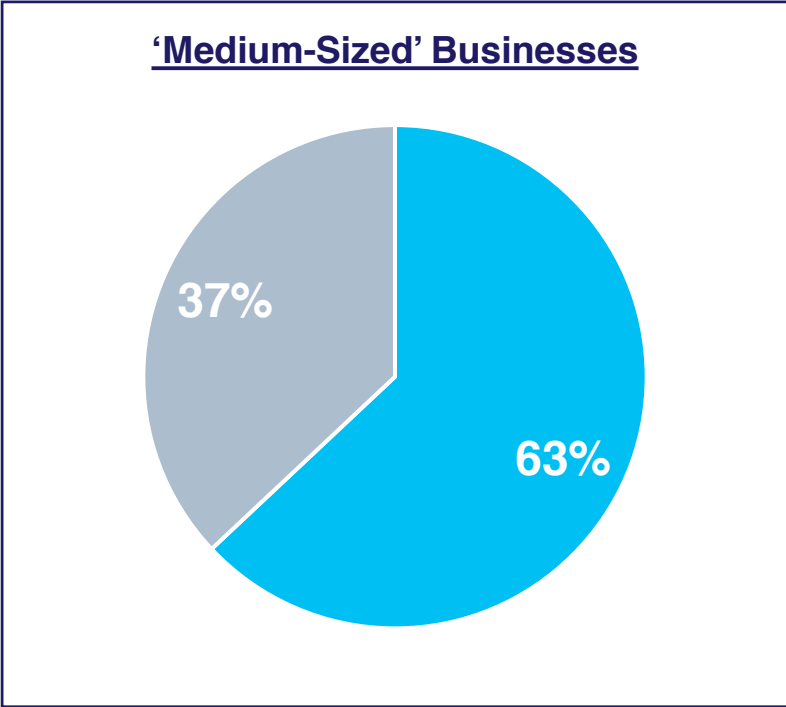
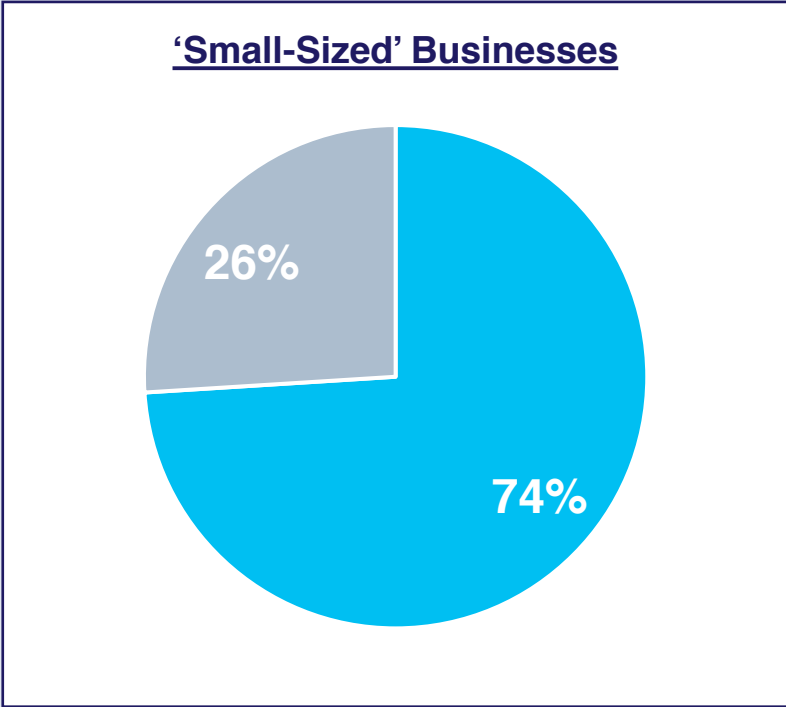
Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q7. Over the next 12 months, how do you expect your company's spending on performance marketing to change? Q8. Over the next 12 months, how do you expect your company's spending on brand marketing to change? 'Small-Sized' Businesses: Less than \$1MM in annual ad spend, 'Medium-Sized' Businesses: \$1MM to less than \$25MM in annual ad spend, 'Large-Sized' Businesses: \$25MM or more in annual ad spend.

# Most marketers across all business sizes believe their KPIs today reflect a prioritization of short-term sales over long-term branding results

▶ A focus on short-term sales may come at the expense of long-term value such as building brand equity, loyalty and resilience

*Do you feel your KPIs reflect a prioritization to achieve short-term sales over long-term branding results?*

■ Yes    ■ No



Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q15. Do you feel your KPIs reflect a prioritization to achieve short-term sales over long-term branding results? 'Small-Sized' Businesses: Less than \$1MM in annual ad spend, 'Medium-Sized' Businesses: \$1MM to less than \$25MM in annual ad spend, 'Large-Sized' Businesses: \$25MM or more in annual ad spend. To learn more about marketers' KPIs, download VAB's [Keeping Up With The KPIs: 10 Key Questions Answered by Marketers to Understand Priorities Across Businesses](#).

# Across all business sizes, there are five key organizational reasons why marketers believe their KPIs reflect a desire to achieve short-term sales

## Reasons marketers believe their KPIs reflect a desire to achieve short-term sales

Based on summary of verbatim responses



**Pressure to meet financial goals**



**Easier to measure short-term metrics**



**Focus on 'acquisition' over 'brand'**



**Organizational culture and norms**



**ROI & ROAS mandates**

Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q15a: Why do you feel your KPIs reflect more of a desire to achieve short-term sales?

# Marketers across sizes cite revenue pressures, ease of measurement and organizational needs and mandates as reasons for short-term focus

## Reasons marketers believe their KPIs reflect a desire to achieve short-term sales

Based on summary of verbatim responses

Category	Sampling of Responses
Pressure to meet financial goals	<ul style="list-style-type: none"> <li>▶ “Pressure to <b>hit revenue targets</b>”</li> <li>▶ “We are under pressure to <b>deliver quarterly financial results</b> and our internal KPIs reflect this”</li> <li>▶ “<b>Compensation is linked</b> to quarterly and annual goals”</li> <li>▶ “Leadership wants to see an <b>immediate revenue impact</b>”</li> </ul>
Easier to measure short-term metrics	<ul style="list-style-type: none"> <li>▶ “Because they are <b>easier to measure</b> and the industry standard”</li> <li>▶ “Because KPIs can <b>more easily be attributed</b> to short-term sales than to long-term goals”</li> <li>▶ “Easier to measure, <b>shorter time to measure</b>”</li> </ul>
Focus on acquisition over brand	<ul style="list-style-type: none"> <li>▶ “They focus on reaching new customers and <b>getting the first sale</b>, but not so much how to keep a new customer returning”</li> <li>▶ “We are <b>very acquisition focused</b> and need to switch to consider long-term customer engagement”</li> <li>▶ “We do a lot of promotional activity versus growing brand awareness and consideration”</li> </ul>
Organizational culture and norms	<ul style="list-style-type: none"> <li>▶ “Because of the company’s thinking and <b>service offer plan</b>”</li> <li>▶ “<b>Because of tradition</b>, and because our KPIs are based on data. Data becomes obsolete within 4 quarters”</li> <li>▶ “Because it’s <b>all focused on sales</b> right now”</li> </ul>
ROI & ROAS mandates	<ul style="list-style-type: none"> <li>▶ “<b>Mandated to spend only within</b> an expected &amp; approved ROAS”</li> <li>▶ “<b>ROI supports</b> short-term sales tactics”</li> </ul>

Source: VAB / Advertiser Perceptions ‘Marketer KPI Survey,’ February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q15a: Why do you feel your KPIs reflect more of a desire to achieve short-term sales?

# 2

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What would marketers do if they were free from the pressures of achieving short-term goals?



# Without the pressure of short-term goals, marketers would focus more on 'branding' opportunities to achieve long-term, sustainable growth

% of brand marketers who agree that without the pressure of short-term goals they could...

■ 'Small-sized' businesses

■ 'Medium-sized' businesses

■ 'Large-sized' businesses

...align marketing efforts with bigger-picture objectives

(i.e., brand loyalty, customer retention)

73% / 73% / 79%

...focus on long-term KPIs

(i.e., brand awareness and customer lifetime value (CLTV))

83% / 84% / 83%

...invest in more sustainable growth

49% / 66% / 70%

...explore more innovative and long-term marketing strategies, aligned with overall business goals

84% / 85% / 81%

Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q17. To what extent do you agree with the following statements around alignment of your long-term strategy with short-term goals & objectives? 'Small-Sized' Businesses: Less than \$1MM in annual ad spend, 'Medium-Sized' Businesses: \$1MM to less than \$25MM in annual ad spend, 'Large-Sized' Businesses: \$25MM or more in annual ad spend. \*Summary of completely or somewhat agree.

# 3

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Why is 'brand' so important to business success and long-term growth?



# Marketers view outcomes tied to ‘brand’ like customer satisfaction, trust, loyalty and identity as the top drivers of business success

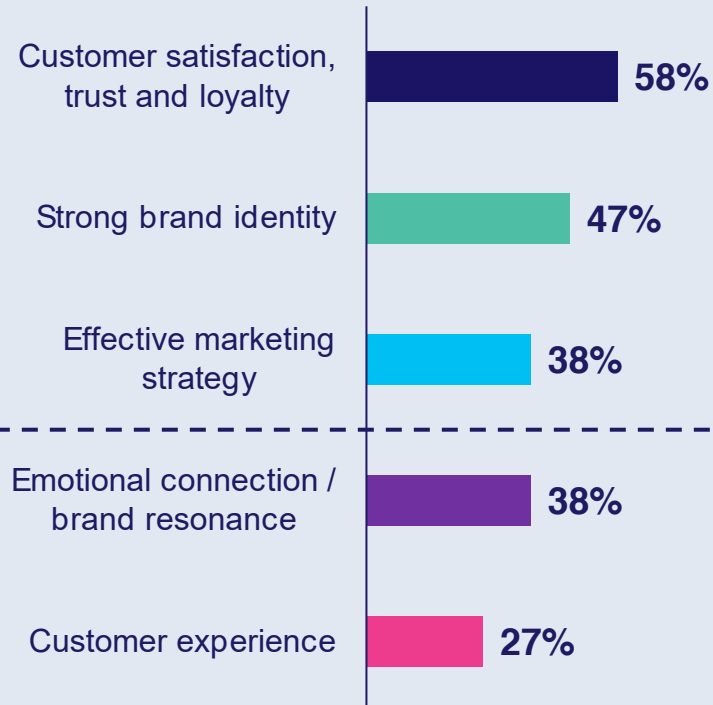
- ▶ Smaller-sized businesses focus more on establishing their brand identity and creating an effective marketing strategy, while larger businesses emphasize their unique value proposition

## Top 5 Factors That Contribute to the Success of a Brand % of brand marketers

### ‘Small-Sized’ Businesses



### ‘Medium-Sized’ Businesses



### ‘Large-Sized’ Businesses



Source: VAB / Advertiser Perceptions ‘Marketer KPI Survey,’ February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q10. How does your brand contribute to your company’s overall growth strategy? [Rank 1-5]. ‘Small-Sized’ Businesses: Less than \$1MM in annual ad spend, ‘Medium-Sized’ Businesses: \$1MM to less than \$25MM in annual ad spend, ‘Large-Sized’ Businesses: \$25MM or more in annual ad spend.





# Whether building awareness and visibility or loyalty and retention, 'brand' is a key lever for long-term growth across businesses of all sizes

- ▶ There are subtle differences within the common themes across business sizes; for example, while small businesses are building their reputation among consumers, medium-sized businesses are creating on-going relationships and large businesses are encouraging repeat purchases

## How does your brand contribute to your company's overall growth strategy?

Based on summary of verbatim responses (ranked by top themes)

### 'Small-Sized' Businesses

	<b>Customer Trust, Loyalty &amp; Retention</b> Building initial reputation and customer confidence
	<b>Brand Awareness &amp; Visibility</b> Gaining visibility in local or niche markets
	<b>Differentiation &amp; Identity</b> Standing out with unique offerings
	<b>'Brand' Drives Revenue, Sales &amp; ROI</b> Driving sales via brand presence
	<b>Emotional Connection</b> Brand tied to personal/founder story

### 'Medium-Sized' Businesses

	<b>'Brand' Drives Revenue, Sales &amp; ROI</b> Increased sales, lead generation, conversion and profitability
	<b>Customer Trust, Loyalty &amp; Retention</b> Driver of ongoing relationships, not just first-time sales
	<b>Brand Awareness &amp; Visibility</b> Visibility, top-of-mind awareness and recognition
	<b>Differentiation &amp; Identity</b> Clear voice that resonates with target audiences
	<b>Emotional Connection</b> Creates emotional resonance that drives purchasing decisions

### 'Large-Sized' Businesses

	<b>Customer Trust, Loyalty &amp; Retention</b> Retaining customers, encouraging repeat purchases and building long-term value
	<b>Brand Awareness &amp; Visibility</b> Increases visibility, recognition and purchasing intent
	<b>Differentiation &amp; Identity</b> Vehicle for distinctive proposition development
	<b>'Brand' Drives Revenue, Sales &amp; ROI</b> Sales performance, market share growth and expansion into new categories
	<b>Premium Perceived Value</b> Customers recognize the value of the brand

Source: VAB / Advertiser Perceptions 'Marketer KPI Survey,' February 2025, fielded January 27 – February 7, 2025 (n=200). Survey base: Brand marketers directly involved in influencing or executing video advertising. Q9a. How does your brand contribute to your company's overall growth strategy? 'Small-Sized' Businesses: Less than \$1MM in annual ad spend, 'Medium-Sized' Businesses: \$1MM to less than \$25MM in annual ad spend, 'Large-Sized' Businesses: \$25MM or more in annual ad spend. Responses have been sorted by frequency and relevancy.

# Key Marketer Takeaways

## Brand-building paves the way for long-lasting performance and business growth

- ▶ Most marketers today believe their current KPIs reflect a prioritization of short-term sales over long-term brand results; citing immediate revenue pressures, ease of measurement and organizational mandates as the reasons
- ▶ However, without the weight of short-term demands, marketers would double down on 'brand' strategies and tactics; signaling acknowledgement of its critical role in building lasting business impact
- ▶ Marketers recognize that 'brand' strategies create full-funnel outcomes - awareness, visibility, sales, loyalty, retention – which are essential to business success and long-term growth
- ▶ With 'brand' strategies being such critical drivers to success, it's important for businesses to think in terms of 'brand and performance' for their marketing campaigns and not 'performance only' because 'branding' truly drives long-lasting performance and sustained growth

**Download our additional reports** from our custom study to learn more on how marketers set their KPIs and what ‘brand’ means to them



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Innovative thinking to make a lasting impact on your business growth.

**Keeping Up With The KPIs**  
10 Key Questions Answered by Marketers to Understand Priorities Across Businesses

**VAB** Insights. Inspiration. Impact.

May 9, 2025

**Question of the Week:**

**“What does ‘brand’ mean and how does it drive growth for my business?”**

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*click the above report covers to download*

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# About VAB

VAB plays a dual role in the video advertising industry. We are leading the change to bring about a more innovative and transparent marketplace. We also provide the insights and thought leadership that enables marketers to develop business-driving marketing strategies.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



We are committed to your business growth and proud to offer VAB members, brand marketers and agencies ***complimentary access*** to our continuously-growing Insights library. **Get immediate access at [theVAB.com](https://theVAB.com).**



# Custom Study Methodology



VAB commissioned *Advertiser Perceptions* to conduct an online survey between January-February 2025.

The results are based on 200 U.S. brand marketer respondents from Advertiser Perceptions' survey panel with a wide range of annual total advertising budgets (\$10K - \$250 MM+) across a variety of market sectors (e.g., CPG, retail, financial, auto, food / B2B, technology, entertainment, etc.)

## Respondent Qualifications:

- ▶ Brand marketer decision maker involved in influencing or executing video advertising
- ▶ National / Regional sales focus
- ▶ Mix of job titles (junior, mid, senior level)

