

The Challenger Framework: A Radical Reimagining of Performance Marketing

WPROMOTE

Marketing frameworks are a dime a dozen, and it's easy to write off yet another attempt to distill the multifarious arms of marketing strategy into a simple diagram.

But 2020 has forced marketers to re-evaluate at every level: their assumptions, processes, goals, audiences... the list goes on.

That presented us with a unique opportunity: as an agency working with clients across every conceivable industry, we have gotten the chance to see the way patterns and changes played out for many different organizations, from retail giants to software disruptors to DTC brands to travel-dependent businesses.

That's why we built the Challenger Framework, a radical re-imagining of the traditional performance marketing approach.

What Makes The Challenger Framework Different:

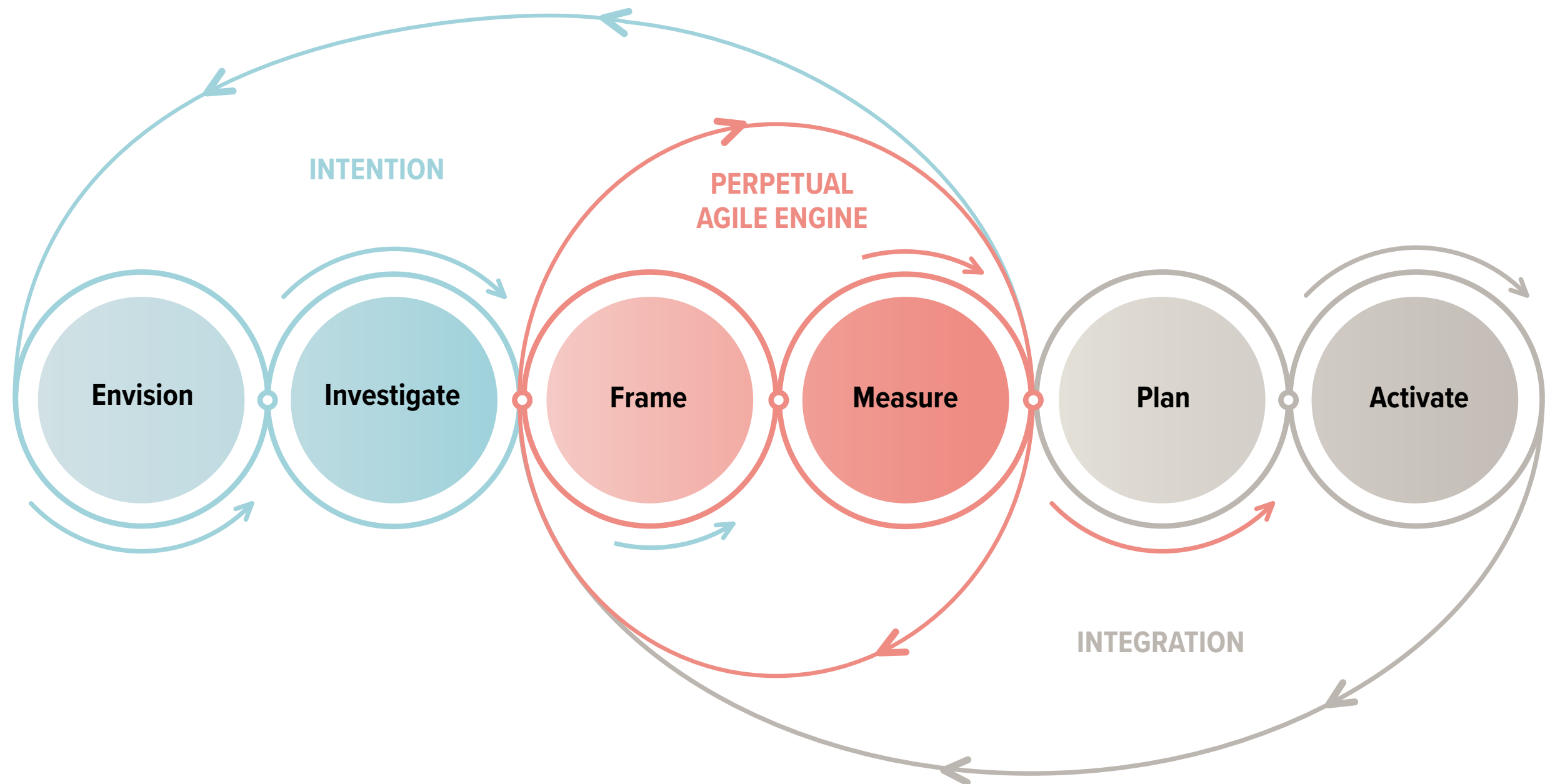
- 1 The traditional wall between brand and performance marketing? Dead, deader, deadest.
- 2 Great marketing doesn't start with a time-consuming/boring brief-and-audit process, it starts with a vision for the future and an investigation into what works and what doesn't.
- 3 We put your data at the center of your marketing where it belongs, not the afterthought tacked on at the end of yet another circle/cycle.
- 4 Agility is now the biggest differentiator for marketing teams, so we built a process that is made to grow, adapt, and evolve. Darwin would be proud.
- 5 If you're not approaching your marketing holistically, you're going to lose: we can help you unsilo and integrate without a full-scale re-org.
- 6 In marketing, as in Frank Herbert's Dune, fear is the mindkiller: that's why rigorous testing and calculated risk-taking start from the moment of activation.



This framework has two primary goals: the first is descriptive, to explain how our clients embrace and express the Challenger Mindset in their marketing, refusing to settle for the status quo and building innovation into the very fabric of their marketing strategy. The second is prescriptive, a roadmap to more effective marketing, based on our observations of how marketing is changing for brands, that can help brands reorganize and re-strategize for the future.

THE CHALLENGER FRAMEWORK

A RADICAL REIMAGINING OF PERFORMANCE MARKETING



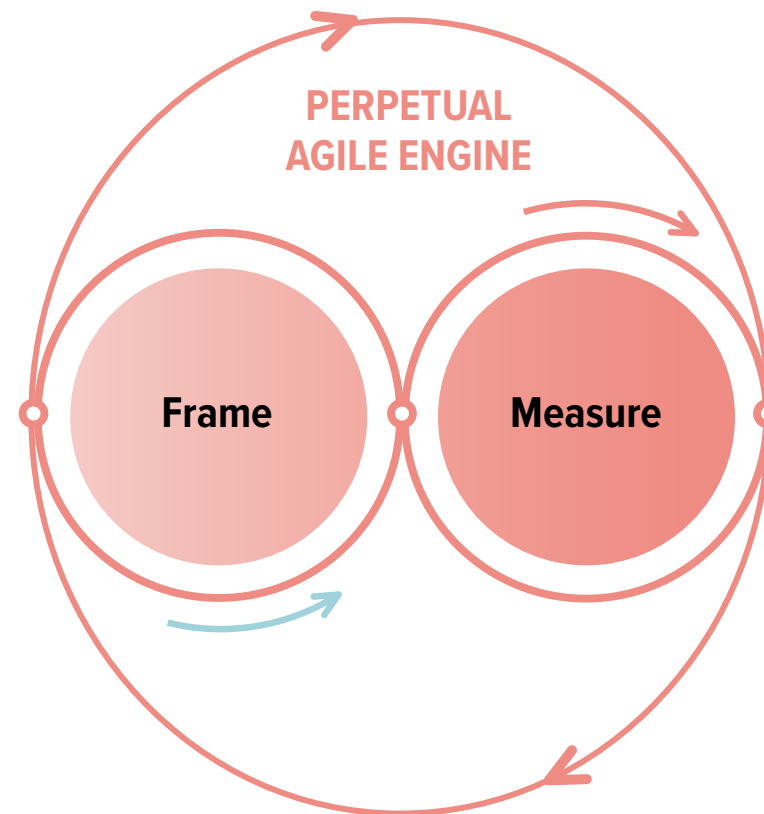
The First Layer: The Three Essential Attributes of Modern Marketing



There are three essential attributes animating the Challenger Framework: **agility, intentionality, and holistic integration**. We're going to start not at the beginning, but with the beating heart of the Challenger Framework: the perpetual agile engine.

Setting Up A Perpetual Agile Engine to Capitalize on Opportunities In Real Time

Agility has emerged as the defining attribute of successful marketing in 2020, most often through digital performance channels like paid search and social. We realized a functional performance marketing framework required a perpetual engine at the center that married strategy and measurement.



Centering the engine of strategy and data is the key to successful performance marketing.

It is impossible for a business to embrace the Challenger Mindset without flexible, continuous interaction between strategy and measurement. Differentiating this engine from the rest of the framework and centering it as the key to successful performance marketing (instead of characterizing performance marketing as a single cycle that starts at initial planning or goal-setting and rolls to a measurement endgame before the inevitable loop back to the beginning) is one of the ways we help our clients develop mature, fast-moving marketing strategies that are built to follow demand, take advantage of opportunities, and quickly adapt to new information or changes in consumer behavior.

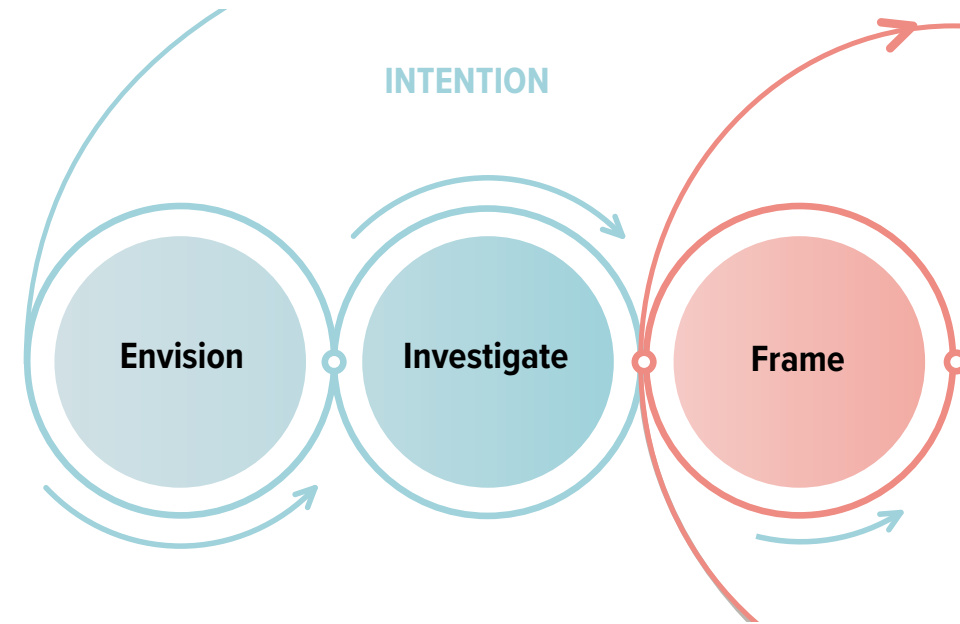
But, like everything from the Force to a strong downward-facing dog, agility requires balance. Performance marketing too often prioritizes rapid execution over intention.

To make the biggest possible impact, you need to have a strategy in place so you're making the right decisions that align with our shared goals, your business needs, and your audience. That strategy will inform which KPIs are most relevant to your broader goals; once everything is turned on, that flow of data will shape how you're deploying your strategy (and spend) across channels in real time.

When it comes to strategy, performance marketers, so often at the forefront of innovation in the marketing world, need to take a page from the brand marketing playbook and make sure that they are setting up the right foundation for their perpetual agile marketing engine.

Aligning on Intention to Make More Effective Marketing Decisions

Intentionality is the solid strategic foundation that effective agility (and performance) flows from. When all of your channels are working toward a common goal with enough direction and plenty of information, your performance marketing will be able to achieve much stronger results.



Because this framework is based on our actual empirical observations, we took a different approach to building that intentional base than the traditional dry, time-consuming brief-and-audit process. We knew this stage needed to be thorough, but not slow. (Let's face it: performance marketers are notorious brief-haters).

Building intention
doesn't mean following
the traditional,
time-consuming
brief-and-audit process.

So we start instead with the vision, grounded in your core business objectives, and move outward to discover what we need to understand to make that vision come to life. It has to start there: after all, we are pushing our clients to Think Like A Challenger, not to think small. Instead of a brief, we focus on the future to set our intentions: what are we trying to achieve together?

One truth universally acknowledged by performance marketers is that what worked yesterday won't necessarily work today, but all too often that still translates into a series of assumptions based on past performance.

It's yet another tough balancing act: the context of the past is important information, but it can't be the only ingredient in your marketing strategy. By leading with the future, we aren't just passively implementing what's worked in the past: instead of just relying on the data dump of an audit, we use the opportunity to ask targeted questions about past performance and positioning to conduct a data-driven investigation that will inform the strategy we are building to achieve your vision for marketing.

That all flows into the strategy. According to Ascend2, 48% of performance marketers identify strategy as their greatest challenge, but it provides the frame for all tactical execution. Before leaping straight from what we've learned in the past to building out the tactics you're going to deploy on each channel, we need to translate what we know about the future vision and what we've learned about past performance into a strategy that will inform everything else. It's possible to be successful in the short-term without a comprehensive strategy, but it's impossible to reach the full potential of your marketing efforts.

You can be successful in the short-term without a comprehensive strategy, but you'll never reach your full marketing potential.

That strategy, built intentionally, is what actually tells us how to use the real-time data coming in from your actual campaigns. It makes sure we're measuring the right things and targeting the right people. It ensures that the agile perpetual engine at the center remains on track and working toward the right goals. It also provides a broad understanding of how different channels are contributing to those goals.

For most businesses, re-assessing and changing this part of the performance marketing framework happens on a quarterly, bi-annual, or annual basis, based on both shifts to core business objectives, the vision, and new performance data gathered through the period. But huge shifts in customer behavior like the pandemic can trigger a re-assessment and resetting of intentions as well.

Integrating Brand and Performance Marketing Across Channels to Drive Results

Holistic integration is a major challenge for marketers, and is the single most important way your business can level up performance across the board.

There are major roadblocks to integration: on the performance side, channels are traditionally siloed and the left hand doesn't always know what the right hand is doing. More broadly, brand marketing usually lives in a completely separate universe than performance marketing, with separate budgets, goals, planning, you name it. There are also earned channels like SEO or content marketing that exist (often uncomfortably) somewhere between the two.

This is probably the right place to say something we think is obvious but is hard for a lot of marketing folks to accept: those entities we traditionally call "brand marketing" and "performance marketing"? They're the same. That separation is arbitrary and bad for everyone, and, with the advent of channels like connected TV and digital content, essentially meaningless.

We know that's enough to break out the smelling salts for some very old school marketers and Mad Men aficionados, but think about it: shouldn't all of your marketing drive brand value? Shouldn't all of the marketing you're putting into the world perform?

**YOUR
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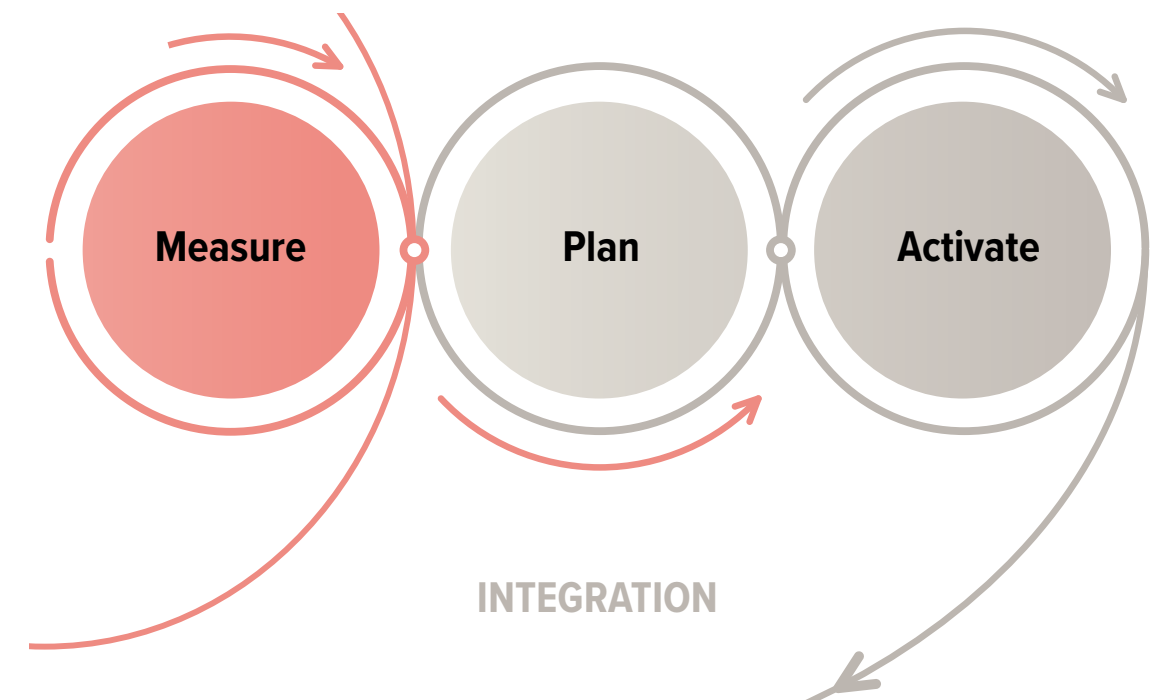
That doesn't mean every piece of marketing is doing the same thing or should be measured the same way, it means that they are all part of the great clockwork mechanism that is your brand. And that's what your customers see: your brand. Not the channels, not brand v. performance strategies. Just your brand.

So if it wasn't clear, this framework for performance marketing? It's a framework for the whole shebang. We mean it when we say holistic integration.

We know those hurdles aren't easily overcome, and most organizations aren't prepared to make massive changes to the org chart or budgeting processes because of a framework you downloaded from a whitepaper, no matter how convincing.

But once again, the disruption of 2020 has opened a door to conversations that seemed impossible before. The strategy your business is building necessarily includes all marketing channels, whether those are TV ads or

Instagram stories. An integrated marketing strategy ensures a better, more cohesive customer experience, and when your channels are working together, they all work better.



The strategy (and the intention-setting work that informed it) helps us set up the high-level KPIs that are our barometer of how effective our efforts are. Integrating your data sources is a must here: on a high level, you need to not just be comparing channel v. channel, but understanding how those channels are contributing to those business goals.

That's what will inform how you adapt and adjust your strategy and spend, empowering you to both follow demand and quickly react to new changes.

Measurement doesn't just mean the real-time information from performance channels; holistic marketing KPIs should also incorporate long-term and upper funnel tracking around brand lift from brand marketing initiatives, organic visibility, and qualitative content engagement, depending on which channels your business is using and what your goals look like.

The fact is that you can't Think Like A Challenger in just one channel. Only considering performance metrics does not give you a full picture of how your marketing is impacting your business: when considering where you should make your next marketing investment, you should know if a television commercial airing in a specific area is correlated with a rise in social media conversion or if downloading a specific piece of content indicates a much higher response to retargeting ads on LinkedIn. Otherwise you are making decisions half in the dark.

Once you understand what your KPIs are and how they align with your vision (more on this in a minute), it's time to get granular and build an actual plan: the tactical program that will bring your strategy to life. The strategy has set the intention for your channels and media; now your channel experts can plan out how to actually get there.

This process might be the most heavily impacted by the constant upheaval of 2020: six months can seem like too far in advance to plan out a channel strategy without knowing what's coming in the world at large.

Long-term media planning as it was might be dead, but performance marketing is being asked to do more than ever as audiences increasingly rely on digital channels. In fact, according to that same survey from Ascend2, 42% of performance marketers plan to increase their budgets by 20% in the next 12 months.

That means you need to think bigger. Your planning can't just be channel by channel, but needs to laser in on cross-channel opportunities. Different media requires

different planning cycles, but all signs point to a future with less onerous up-front spend expectations, even when it comes to traditional channels like television advertising. Align those plans on a timeline that works for your business while understanding that budget will shift according to incoming performance data. Your channel or media experts will also identify the right channel-specific metrics to track against that align with your core KPIs.

Performance marketing
needs to do more than ever
as audiences increasingly
depend on digital.

Listen to your channel and media experts and make sure they are communicating with each other; one tactic we recommend implementing is creating a regular Win Room meeting. You don't have to change the entire org chart to bring your experts together to discuss incoming results and make adjustments to your plan, all while holding everyone accountable to the core strategy. You can revisit and change your plan for a channel or channels based on the output from the perpetual agile engine as needed.

Once that plan is set, whether it is a plan for the next two weeks or the next six months, it's time to get everything activated and turned on. Mobilize your chosen channels and media, make sure everything is set up to track and analyze the data that will feed the agile engine, and watch the entire framework turn on as real information starts to flow.

We'd love to tell you that this is the kind of machine that can be just turned on and left to run, but let's be real: that's not why any of us chose a career in digital marketing. Digital marketing is always changing and re-defining itself in real time. In a very real way, innovation is the life force of digital marketing, and the best brands know they need to adapt or die.

That's why, from the moment of activation, you need to be testing: taking calculated risks and gathering empirical data from your campaigns that open the door to exponential growth and future success.

At Wpromote, constant testing is in our DNA. All of our clients have access to something we call Challenger Labs, which is dedicated to large-scale testing. Whether that's a new campaign type, an opportunity for automation, or innovative creative, we have defined a rigorous testing methodology you'll hear more about in the section dedicated to activation. We don't think of our clients as Challengers because it's cool (full disclosure: we think it's pretty cool), we call them Challengers because they are fearless when it comes to getting ahead of the marketing curve.

There are two different reasons to revisit this part of the framework: first, making changes triggered by the real data coming in and how effectively you're performing against your strategy. Shifting your plan and activating channels according to new data from the perpetual agile engine or new insights from testing can happen at any time. More significant changes are usually a result of re-visiting and shifting your vision and strategy and aren't as frequent.

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RESULTS
AND MAKE
ADJUSTMENTS**

The Second Layer: The Agile, Intentional, Integrated Performance Marketing Process



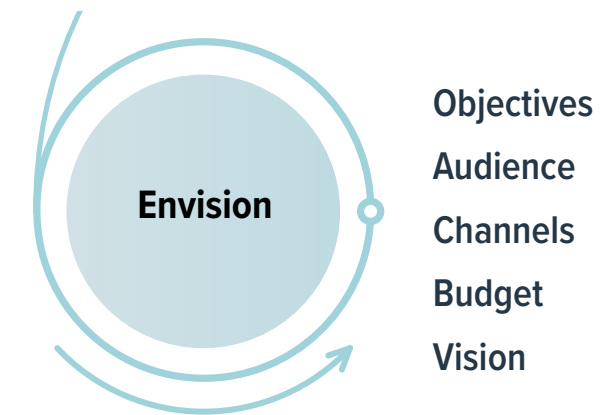
The other way to use the Challenger Framework is linear: from Envision straight through to Activation. This describes the process of exploring, building, and executing on a performance marketing strategy.

One thing to note: in all things marketing, don't let perfect be the enemy of good. A framework is useful not just as an organizational tool, but as a sometimes aspirational description of the way we believe Challenger brands should approach marketing. In the real world, on your marketing team, it might not always be possible to execute on every step as thoroughly or impeccably as outlined here. And that's okay: we face those same questions with our clients every day. This framework is our proposed solution, but it is built for utility, not purity.

**The Challenger Framework
is a solution built for utility,
not purity.**

Envision: What do you want to accomplish?

The first step in the process focuses on alignment: getting everybody on the same page around what is possible for your marketing.



We work with our clients to understand five key areas that can serve as our source of truth when we progress to investigating what's already happening and framing the strategy:

- ✓ Objectives
- ✓ Audience
- ✓ Channels
- ✓ Budget
- ✓ Vision

We start from the bottom, with the Core Business Objectives (CBOs) that everything else has to work toward. That doesn't mean general, wish-list style objectives like "to grow" or "to raise awareness" or "retention." Instead, all CBOs must satisfy 4 requirements:

- ✓ Focused on a major business objective
- ✓ Structured to be quantifiable and measurable
- ✓ Built around a specific time frame
- ✓ Written in your own words

Think about CBOs like this: if you are adopting a Challenger Mindset, the first thing you need to define is the challenge at hand.

| Not A CBO | CBO |
|---|---|
| Increase the number of paid memberships to increase sales | Grow memberships from 100,000 to 500,000 by 2025 |
| Build brand awareness to increase revenue | Grow ecommerce revenue from \$10M to \$15M in 2021 (+50% YoY) |
| Grow Revenue for the business across D2C | Generate \$5M in D2C revenue by 2022 |

When you know where you're trying to go, it becomes much easier to see what to do to get there.

While all of the examples speak to the first requirement of addressing a major business need, the CBOs add a level of specificity. Before we start thinking about the how, we have to identify what all of these efforts will ladder up to. When you know where you're trying to go, it becomes much clearer to see what each individual needs to do to get the team there.

Next, we need to consider the audience: what do we need to know about the brand's customers? That doesn't mean arduously building assumption-based brand personas that are left to rot in a PowerPoint presentation, it means understanding how different customer cohorts contribute to your CBO.

In short, you need to know who your most valuable customers are.

Customer lifetime value (LTV) is a model that forecasts how much a customer is going to spend on your products across the entirety of the relationship between the brand and the customer, based on customer data your business already has.

LTV models can help you determine how much you should spend to acquire customers that are similar to your loyal consumer, what types of deals and products the highest LTV customers need/want, and even the content and creative your brand should be producing. At the end of the day, LTV will help you tailor your marketing (and business) to your best customers, resulting in more efficiency and higher profitability.

Peter Fader, professor at Wharton and co-founder of Theta Equity Partners, is probably the single most knowledgeable expert on customer valuation models out there. And he lays it out clearly: “All customers are not created equal. If we can really understand those differences and leverage them, we can make more money than if we just play it right down the middle and go after that average customer who might not even exist.”

Once you’ve identified which customers are most valuable to the business, that information will inform both your strategy and media planning. Most companies have a mix of customers from the extremely loyal to one-time buyers. Think of LTV as the most effective way to understand your customers at an individual level. It forms the spine of your marketing strategy, informing everything from media mix to messaging.

The best part: **calculating LTV only requires a minimal amount of data**, including unique customer identifiers, transaction dates, and the value of each transaction. Utilizing actual first-party customer data from your CRM means you know who is actually buying your product, not speculating based on

assumptions—and that makes it much easier to efficiently acquire new customers and retain your highest value customers.

Prioritizing By Customer Lifetime Value

We recommend segmenting your customers into high-value, good-value, and low-value groups. For example, a stationary company found that their high-value group identified as calligraphers, their good-value group identified as writers, and their low-value group identified as students.

Next, you need to identify which channels you’re leveraging to accomplish your objectives. The information you’ve gathered about your highest value customer cohorts will help you identify the best possible channels.

As an agency, we aren’t always scoped to work on every single marketing channel, but that doesn’t mean we don’t take the full picture into account. Too often, agencies or internal channel teams take a competitive approach to this step, which is a mistake. Instead, all stakeholders, whether that’s a single agency working across channels,

Strategy Example: Who Are Your Highest Value Customers?

High-Value Customers

CALLIGRAPHERS

These are your best customers who will spend the most and have a very high LTV. You should invest more to get these great customers

Good-Value Customers

WRITERS

While they aren't your VIPs, these customers have a solid LTV. By focusing on loyalty and nurturing efforts, you can convert them into High-Value Customers. You can do less to invest in these customers.

Less Valuable Customers

STUDENTS

Your last group of customers have the smallest opportunity for growth. While you don't want to necessarily overlook them, your investment should be much lower for them.

multiple agencies, or multiple internal teams (or some mix of these options), need to collaborate and align on how each channel will contribute to achieving the CBOs and serving the high customer LTV cohorts.

To effectively execute for our clients, we need to know a lot more about your business than what's in the scope of a contract so we can deliver the best possible results for the business, not just a channel.

What's possible is also informed by the



budget, of course. Performance marketers are often just given a budget and an objective and sent forth into the world to try and make it happen. But while budget is an essential part of building a realistic vision for the impact your marketing can have on your business, it must be informed by the rest of the work in this step.

That, in the end, is what we're building toward: the vision. Articulating that vision and getting everyone on board can mean the difference between a version of success that is more attuned to the status quo and a version that unlocks the full potential of your brand.

Articulating a shared vision can mean the difference between the status quo version of success and unlocking the full potential of your brand.

Take a look at the CBOs you've identified, and work collaboratively to identify what has to happen to achieve the objective.

Those might be subsidiary actions or benchmarks to hit together, gaps that need to be bridged, or known challenges.

We find it helpful to consider three versions of the vision: the successful version, the moonshot version, and the roofshot version. This can help your team get outside the box in how they're articulating what's possible.

Three Versions of Your Shared Vision

- 1 The successful version: This might be very close or the same as the original CBO. Think of it as the baseline version of success: what does your marketing need to do to check the necessary boxes?
- 2 The moonshot version: This is the Challenger sweet spot. Ask yourself how the CBO might change if your team, resources, and creativity were truly stretched: what can you picture that's possible but would represent a serious challenge to accomplish? What has to happen that's different from the satisfactory version to get there?
- 3 The roofshot version: What would the vision for marketing look like if there were no obstacles and no limits? What is the ultimate version of marketing for your business?

It's very easy to use these three versions incorrectly: they will not replace the CBO you have already set. Instead, they can help your team brainstorm and articulate what levers they can pull to surpass the CBO, which can ultimately introduce elements to your strategy you haven't considered before. They also help everyone understand the ways your marketing team could meaningfully exceed expectations, making it more likely that everyone is on the same page to take advantage of opportunities should they arise.

Investigate: What's already happening that you can learn from?



Now that we are all on board with a collective vision, it's time to Investigate: examining the relevant information you already have to make sure we're building the most effective possible strategy. The purpose is twofold: to understand what has already been done, what worked and what didn't, and to identify low-hanging fruit and what will take longer to achieve.

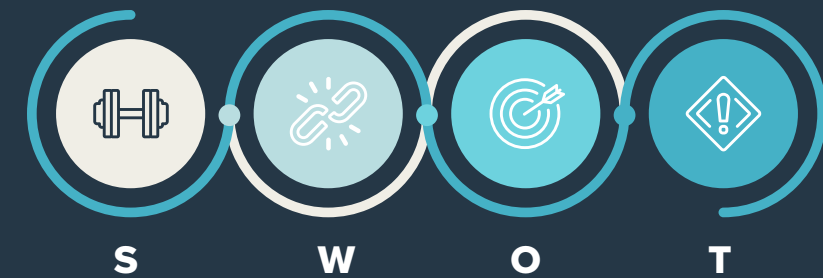
There are five main questions we need to answer:

- ✓ Brand: How is your brand positioned?
- ✓ Landscape: What's happening around you?
- ✓ People: Who are you talking to?
- ✓ Performance: What's working/what's not?
- ✓ Data Infrastructure: How sound is your data pipeline?

We start by examining your brand itself. Start by defining your brand's unique value proposition: what does your brand mean to the world? Performing a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis can help you understand how effectively you're articulating that value through your marketing.

The SWOT analysis starts by outlining the strengths and weaknesses of your brand, then transitions to a consideration of the landscape your brand is operating in by identifying any foreseeable opportunities that could crop up, and current threats that could negatively impact your brand.

STRATEGY EXAMPLE: SWOT ANALYSIS



Strengths

How does your brand stand out from the rest of the industry?
What specific advantages does your business bring to the table?

Weaknesses

Where are the chinks in your brand's value proposition?
What areas can be improved upon?

Opportunities

What market trends, business changes, or other scenarios could come up that you could capitalize on?

Threats

What's happening in your industry that could make it difficult to reach your target audience?

That landscape also includes your competition. Determine if there is a whitespace opportunity within your competitive set and explore how your direct competitors are speaking to their target markets: What channels have they invested in? How are they faring against other competitors in the space?

One key part of this analysis that many marketers overlook is indirect competition, or competitors for attention in your space, which can include publications, non-profits, and other businesses marketing related-but-not-exactly-matched products or services. Remember: you're thinking about the entire relevant landscape your customers are navigating, not just your business competition.

Think about the entire relevant landscape your customers are navigating, not just your business competition.

Next, we'll take a look at your audience again. You'll need to apply your customer LTV filter to evaluate your marketing thus far.

Look to the data to assess whether or not you're reaching your highest value customers. Are you effectively targeting the right people with the right messages? Is your targeting aligned with your high priority customer groups?

We also look beyond our clients' marketing to research the reality of your core customer cohorts: what does your customer care about the most? What cultural context or trends are impacting your audience? How do those factors affect their purchase decision? Has your marketing effectively addressed any of these needs?

All of these questions are bound up in performance. Ultimately, we are examining what's working and what's not and extrapolating learnings based on that assessment that can help you achieve your CBOs through marketing.

That evaluation includes your data infrastructure. There are several trends that are converging that make the question of how you handle your data and connect the dots between data sources extremely important.

THE QUESTION OF HOW YOU HANDLE YOUR DATA AND CONNECT THE DOTS IS EXTREMELY IMPORTANT

Your customer data strategy should function as the central source for understanding how all of your data is connected.

The first is the ongoing rollout of new limitations and regulations on data privacy, whether those are laws like CCPA or platform updates like Apple's upcoming changes in iOS 14. You need a customer data strategy that ensures you have clean first-party data to work with as third-party data becomes less accessible.

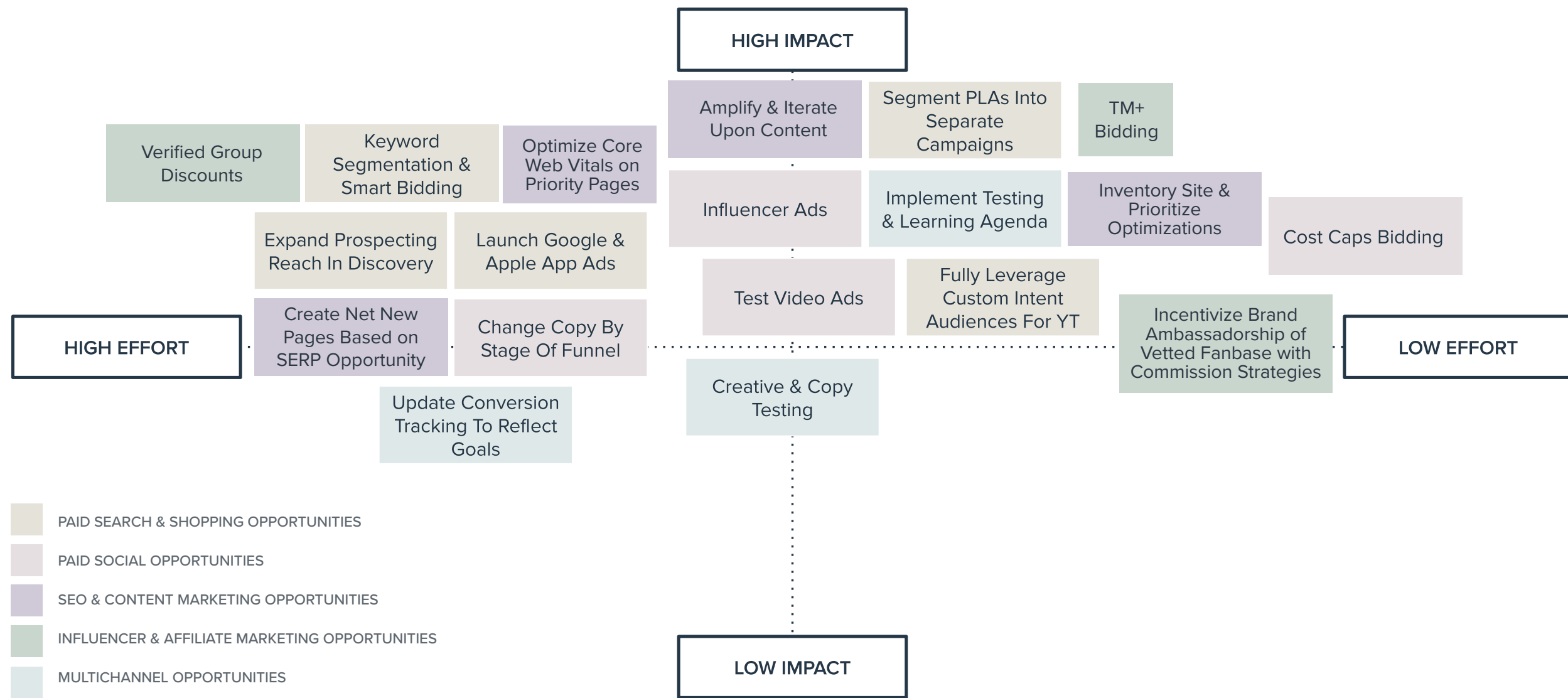
The second relevant trend is the rapidly increasing need to integrate siloed data sources. That can mean by channel (Google data needs to talk to Facebook data to effectively measure attribution) or for a more seamless customer experience (in-store inventory needs to keep pace with BOPIS purchases in real time).

Your customer data strategy should function as the central source for understanding how all of your data is connected. While most enterprise organizations rely on disparate systems with different sources and types of data, the ability to unify these systems will be a key differentiator in the future.

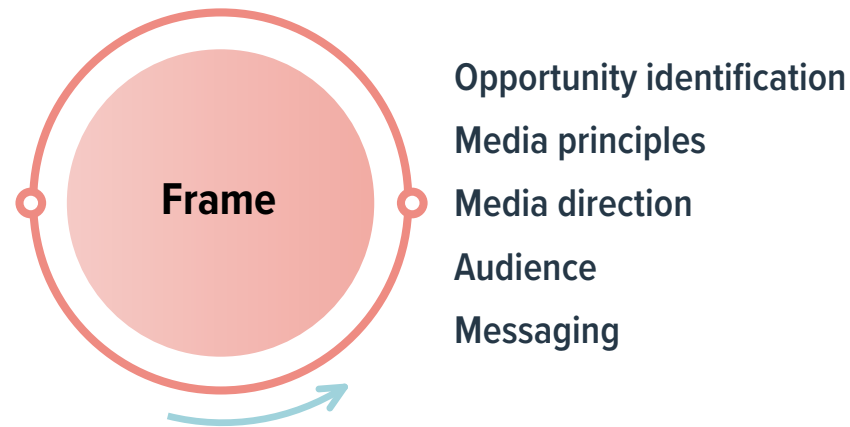
Because data is so essential to our approach to marketing, we have invested heavily in building out a proprietary tech platform for our clients that unifies data sources across channels and helps our clients clearly understand how marketing is contributing to the business. Understanding what technology, services, or support your business needs to invest in must be part of your investigation into what's working and what needs to change.

You should come out of this process with two key things: a list of necessary actions to take to make sure you have what you need to achieve your CBOs, and a map of opportunities based on what you learned, charted across two axes (graph, not lumberjack, to be clear): expected impact and estimated effort.

STRATEGY EXAMPLE: IDENTIFYING OPPORTUNITIES



Frame: What strategy will define your approach?



Armed with our vision for the future and our learnings from the past, it's time to build a Challenger strategy for the present: the flexible frame that ensures that every tactic deployed is working together toward a shared, broader vision and holistic approach. In short: without this frame, agility just means throwing a lot of stuff at a wall and seeing what sticks.

There are five key components that need to be addressed in your strategy:

- ✓ Opportunity identification
- ✓ Media principles
- ✓ Media direction
- ✓ Audience
- ✓ Messaging

Strategy is critical to helping brands navigate the current environment and understand the key role marketing can play in tackling and overcoming challenges. As the boundaries between brand and performance marketing continue to dissolve, this holistic guidance is essential to success. Tactical excellence, the traditional purview of performance marketing, is not enough.

We take a more expansive view of performance marketing: it's not just a bunch of digital channels if you're doing it well, it's a multi-channel marketing strategy that correlates to and supports business performance and goals.

That leads us to the core question at the center of your strategy: what does your media need to do to achieve your business goals?

We start building out that game plan by identifying opportunities: using the quadrant assessment from the Investigate step, we look for common themes and patterns so we can find the right recipe for achieving results for the business. We then synthesize and simplify those findings to identify the most important, impactful actions to take that align with the client's CBOs.

Marketers specializing in (the artist formerly known as) brand marketing channels need to pivot to a new strategy and framework for traditional media advertising that is in line with consumer behavior and revenue impact expectations today and in the future, not assumptions built 30 years ago. We call this new version performance branding, and it means holding your brand marketing dollars to account with clear, objective KPIs that ultimately tie back to your core business goals.

If your objective is tied to expansion, you're in an ideal position for a performance branding play. Lay out your logical, data-backed plans to grow the pie while minimizing the risks of inefficiency or wasteful spending. Map your assumptions and opportunities back to the CBO itself to show a clear path.

If your industry is not expanding, and you're just looking to improve market share, or worse, your industry is shrinking and you're just trying to stay afloat, you may have a harder time convincing your bosses to unlock funds beyond the lower funnel. However, you could argue that the need for performance branding is even greater in this situation, as you explore incremental avenues for growth outside of the norm and seek to forge a new future, rather than fighting over slices of an ever-shrinking pie.

STRATEGY EXAMPLE: INTEGRATED MARKETING STRATEGY



After identifying the highest priority opportunities, we need to build out the principles that will form the foundation of everything we do. These are channel-agnostic rules that will define how we approach media planning, execution, and messaging: think of them as the expression of the vision, informed by what we've learned about your brand and business, as it applies to your marketing right now.



Those principles in turn are applied more specifically to relevant channels to set the direction for your media. How are those principles applied to specific channels? These action plans will provide the blueprint for channel planning and ensure that every tactic you deploy is working toward the broader vision, by leveraging insights, expertise, and experience.

Documentation is a major part of the value of your strategy, for the purposes of both alignment and accountability. That's why, although we've already discussed customer LTV and its decisive role in the preliminary steps, you still need to take what you've learned about your audience and make it official: which cohorts are high priority? What specific insights, direction, or information need to be included in your strategy?

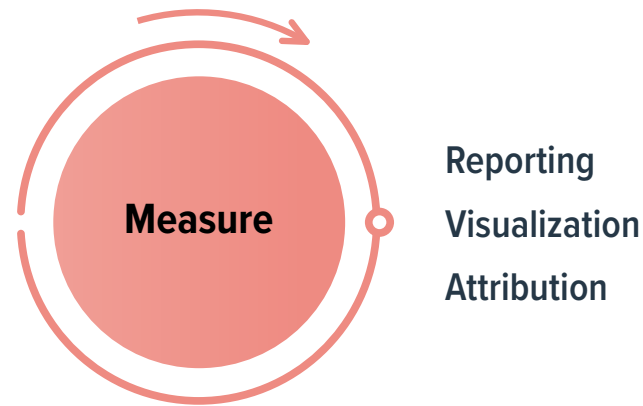
The final component of your data-driven, documented marketing strategy is around messaging. Specific campaign messaging will be determined farther down the line, but once again, the strategy should serve as the guiding light that you can use to decide which ideas are good—and which aren't right for your brand and audience. Developing (and continuing to revisit and refine) a style

and voice guide for your brand should be on your content team's to-do list; if you already have one, make sure it's up-to-date and applicable to all of your channels.

That guidance is essential to unsiloing channels and, especially, bridging that old divide between brand and performance marketing and adapting performance standards and best practices to higher funnel, slower burn channels. The same customer considerations and broad brand initiatives must apply across channels. After all, and it can't be said enough, all of them represent the same thing to your customers: your brand.

Documentation is extremely important: it keeps people both aligned and accountable.

Measure: How will your data help you adapt and improve your strategy



The next step requires aligning what you're measuring with your media principles and direction so that you can translate that data into action. Organizational KPIs are part of the discussion from the beginning, but now that you've made it official and put your strategy on paper, you need to make sure everyone is on the same page.

Once you proceed to the Plan stage, you'll identify the specific channel metrics you need to track that roll into your organizational KPIs.

The reality is that tracking your results isn't sufficient; you need to be able to translate your data into digital intelligence in three ways:

- ✓ Reporting
- ✓ Visualization
- ✓ Attribution

Your Challenger Mindset needs to have a strong foundation: clean data architecture, advanced analytics, and predictive modeling combine to translate your business objectives into agile, high-performing campaigns.

We've already mentioned our investment in developing better data architecture for our clients, ensuring that we're collecting clean data across marketing channels. But to unlock business-changing actions, we also invested in data science to give our clients the edge when deploying and adapting their strategy.

The evolution of tracking and abundance of data has made it much easier to adapt your strategy to specific digital channels: every interaction with a customer or prospective customer yields more data that allows you to craft and continuously optimize channel-specific messaging and creative. That means reporting is more important than ever: what information do you need to complete your feedback loop? How do you track results not just channel-by-channel, but by business impact?

Strategy Example: Measurement Framework

- 1 **Introduce**
 - ✓ Unique Reach & Frequency To New Prospects
 - ✓ Lifted Users
 - ✓ Completed Video Views
- 2 **Guide**
 - ✓ Remarketing Impressions
 - ✓ Click to Website
 - ✓ Searches
- 3 **Convert**
 - ✓ Initial Sale (New vs. Returning Segmentation)
 - ✓ Post Sale Confirmation (No Return)

It's also not just about the doing: you also need to be able to share key findings with other stakeholders. Clear visualizations help you tell your story, and are the means to effectively communicating your wins or successfully tying specific campaigns or marketing actions to business impact.

Remember: the impact on the bottom line is always top of mind. As a result, attribution is a major focus, and part of the performance marketer’s job is building a practical attribution framework to track the impact of your efforts and understand which channels drive value for the business.

Our clients have access to a proprietary attribution tool called (appropriately) Wpromote Attribution. We built the tool to unsilo channel data, provide more accuracy and context into buyer motivation across the funnel, and reflect real campaign strategy modifications over time.

Greater accountability for advertising dollars invested in digital marketing has ramped up the pressure on brand dollars allocated to

traditional media channels to be held to the same standard. As silos begin to break down, the millions of dollars invested in traditional media, especially TV, are subject to much greater scrutiny.

That solution won’t be the same for every brand, but there are objective, real-time metrics that can be tracked at scale that will help you measure the impact of your upper funnel marketing channels as part of your performance strategy.

A key point to consider here is the KPI you

As silos break down, the millions invested in traditional media like TV are subject to greater scrutiny.

are optimizing for at the campaign level. The metrics above help us demonstrate the overarching brand story, but carefully consider which role each interaction plays within your broader customer journey using your documented strategy as your guide.

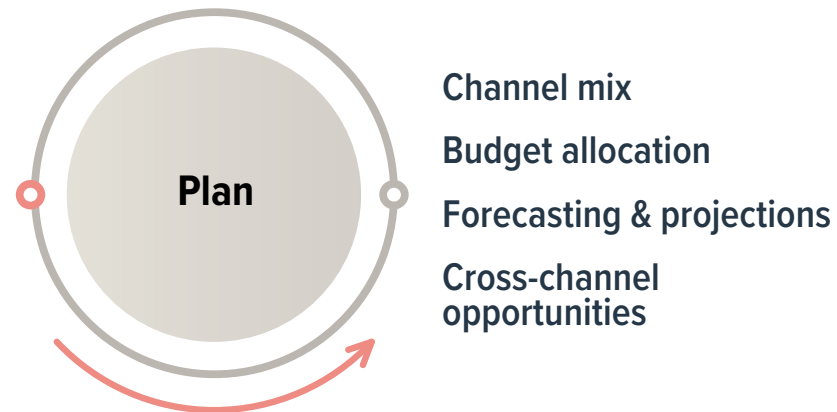
Upper funnel initiatives might be focused on reach or engagement, but take care to make sure the criteria you’re using to compare channels align with your organizational KPIs, which in turn clearly tie back to your CBOs. For example: if your campaign is focused on building awareness for a key new feature of your product, then impressions alone won’t speak to its effectiveness. Engagement, or subsequent searches for the feature, would be a better fit.

Strategy Example: The Channel Matrix

| Channel | CPM | Cost | Impressions | On Target Reach | On Target Impressions | Effective CPM | Spot Length Viewed | Seconds Viewed/Dollar | Seconds Viewed |
|----------------|------|-------------|-------------|-----------------|-----------------------|---------------|--------------------|-----------------------|----------------|
| TV | \$16 | \$1,000,000 | 62,500,000 | 30% | 18,750,000 | \$53.33 | 15 | 281 | 281,250,000 |
| FB & IG | \$5 | \$1,000,000 | 200,000,000 | 99% | 197,000,000 | \$5.10 | 3 | 591 | 591,000,000 |
| YouTube | \$7 | \$1,000,000 | 142,857,143 | 90% | 128,571,429 | \$7.78 | 10 | 1,286 | 1,285,714,286 |
| Addressable TV | \$40 | \$1,000,000 | 25,000,000 | 80% | 20,000,000 | \$50.00 | 15 | 500 | 300,000,000 |
| Connected TV | \$18 | \$1,000,000 | 55,555,556 | 80% | 47,222,222 | \$21.18 | 15 | 708 | 708,333,333 |

One major reason marketers fail to make the case about upper funnel marketing investment is because they’re measuring channels on their own and not taking the full funnel into account. If you’re just measuring each part individually without looking at the total customer journey, you’re likely to over-invest in lower funnel advertising.

Plan: How will you deploy your strategy across the entire ecosystem?



Now you've set up the strategy that will guide your efforts and identified what data you'll need to both track your results and fuel your agile engine. It's time to roll your sleeves up and put together your plan: how to bring your strategy to life and identify potential opportunities in your ecosystem.

Your media plan needs to include four essential elements:

- ✓ Channel mix
- ✓ Budget allocation
- ✓ Forecasting & projections
- ✓ Cross-channel opportunities

At Wpromote, the planning stage is where our strategy experts and planning wizards join forces to make sure our clients are ready to not just Think Like A Challenger, but actually operate effectively in the market as a challenger.

This collaborative process is the final preparation stage before turning the key on your new marketing engine. Our planning team is responsible for finalizing the media mix and budget allocations, directly flowing from the holistic strategy frame.

Additional rounds of analysis focus on identifying additional cross-channel opportunities and leveraging digital intelligence to set up benchmarks, forecasts, and projections that will unlock additional data-driven decisions.

In the wake of 2020, it's become increasingly clear that your marketing planning needs to be much less prescriptive than in years past: the goal is a fluid omnichannel approach that builds in a much higher degree of flexibility and potential for pivoting and makes space for moving creative assets and messaging to different channels.

That's why the work you've put in defining your vision and clarifying how you'll be evaluating performance is so important: your shared goals and strategy unlock flexibility in your planning. Work out a process for tracking performance and quickly iterating on successes across channels, including creative assets.

When it comes to cross-channel opportunities, your plan should include testing multi-touchpoint, cross-channel strategies across demographics to get more information about what's working right now, with who, and where—and to test out your new processes too.

Investment in high volume performance creative is also essential: your plan needs to set up the cross-channel feedback loops that allow for scaled creation, deployment, testing, and iteration, continually informed by customer insights and performance metrics and built to be flexible.

Budget fluidity is a huge determining factor in whether or not you will be successful. Make sure that you don't sacrifice volume for efficiency if your goal is driving profits. Many marketers make the mistake of trying to maximize ROI, but that's not actually the same thing as focusing on profit. Uncapping budgets and upping cash flows allow you to rapidly scale the highest performing channels and ultimately increase profitability for your business—in other words, unleashing your inner Challenger.

Optimizing and automating spend allows you to actually follow the demand more effectively. Machines will be able to keep up with the changes and the demand better than you will. Build the right dashboards and put the right processes in place at the planning stage so you can make the most of your digital channels.

When it comes to upper funnel planning, a great way to start integrating brand and performance marketing is by planning for tactics that align with the channels that are already working for you.



Budget fluidity is a huge determining factor in whether or not you will be successful.

STRATEGY EXAMPLE: INTEGRATING PERFORMANCE BRANDING

| Effective Current Channel | What That Tells Us | Potential Performance Branding Opportunity |
|---|---|--|
| Paid Search (particularly branded) | If someone has high intent and awareness, they are likely to choose your product or service. | <p>Expand (further) into non-brand search, adopting a blended ROAS/CPA goal and leveraging RLSA and/or overlay audiences of people who have been exposed to upper funnel campaigns (if search volume is high enough).</p> <p>Test YouTube & Programmatic Display leveraging custom intent tactics to reach a wider audience.</p> |
| Paid Social | You have an eye-catching message and an offering that's strong enough to resonate with someone even if they aren't actively searching. | <p>Address any upper funnel social & video opportunities you haven't tried yet e.g. Pinterest, YouTube, Connected TV. Explore digital Out Of Home (OOH) in key areas.</p> <p>Experiment with podcast advertising/digital radio for audiences that closely align with your targets.</p> |
| Display Retargeting | Your product or service may have a slightly longer consideration phase, but it is memorable enough for people to come back and convert after their initial interaction. | Test sequential messaging via programmatic video, display, audio, and OOH to follow your user across their day. |
| YouTube | You have your audiences keyed in and an appealing value proposition that can be conveyed quickly. | <p>Take the next step with addressable/connected TV paying close attention to cross-device interaction.</p> <p>Layer in native placements with high-end content partners.</p> |
| Content Marketing | Your product or service is in a position to be included in compelling content and has a role to play in the broader conversation. | <p>Expand blog advertising beyond your own website through guest posts, influencer campaigns, or paid media placements.</p> <p>Grow your visibility by leveraging paid placements on Twitter, Apple News, and native advertising partners like Teads.</p> |

Activate: What tactics will you use in each mobilized channel?

The final stage of the Challenger Framework is activation: the granular tactical plan for each channel, including making sure the data feedback loops your marketing depends on are ready for action.

It's true that, in today's marketing world, channel specialization will only take you so far. But channel experts are still an essential part of this process: they own their specific part of the overall game plan, and are responsible for translating the strategy into the channel-specific tactics you'll need to deploy to reach your goals.



STRATEGY EXAMPLE: WPROMOTE'S COLLABORATIVE MODEL



It's at this stage that you truly see the clockwork of your marketing come together; for our clients, that means the culmination of the work of many teams, all working toward a common goal.

On the ground, that translates to many different actions: onboarding and organizing platforms and technologies, building out the right account structures on platforms like Google Ads and Facebook, setting up targeting according to the strategy and planning guidelines, identifying the right KPIs for specific channels, and allocating budgets for campaigns.

The non-exhaustive list of channel activation activities include (but are not limited to):

- ✓ Structure
- ✓ Platforms
- ✓ Targeting
- ✓ KPIs
- ✓ Budget
- ✓ Creative
- ✓ Reporting

We aren't going to break down best practices for every single channel in this whitepaper (don't worry, it's coming!), but there are a couple of general rules to remember at this stage. When it comes to performance marketing channels, the preliminary phase of activation usually consists of a mix of targeted quick wins and tests designed to collect additional data or challenge assumptions before putting more spend behind particular initiatives.

Upper funnel marketing usually requires a longer runway, whether that's because of up-front costs like television advertising or because they grow in value over time, like SEO or content marketing. There might be a six month window before you have meaningful results to measure—setting the right expectations is one the important contributions from channel experts.

Ultimately, activation is just one part of the cycle, but it's probably the most exciting: it's the first time real data will start flowing into the framework and you can see it in motion. And that's not the only thing that

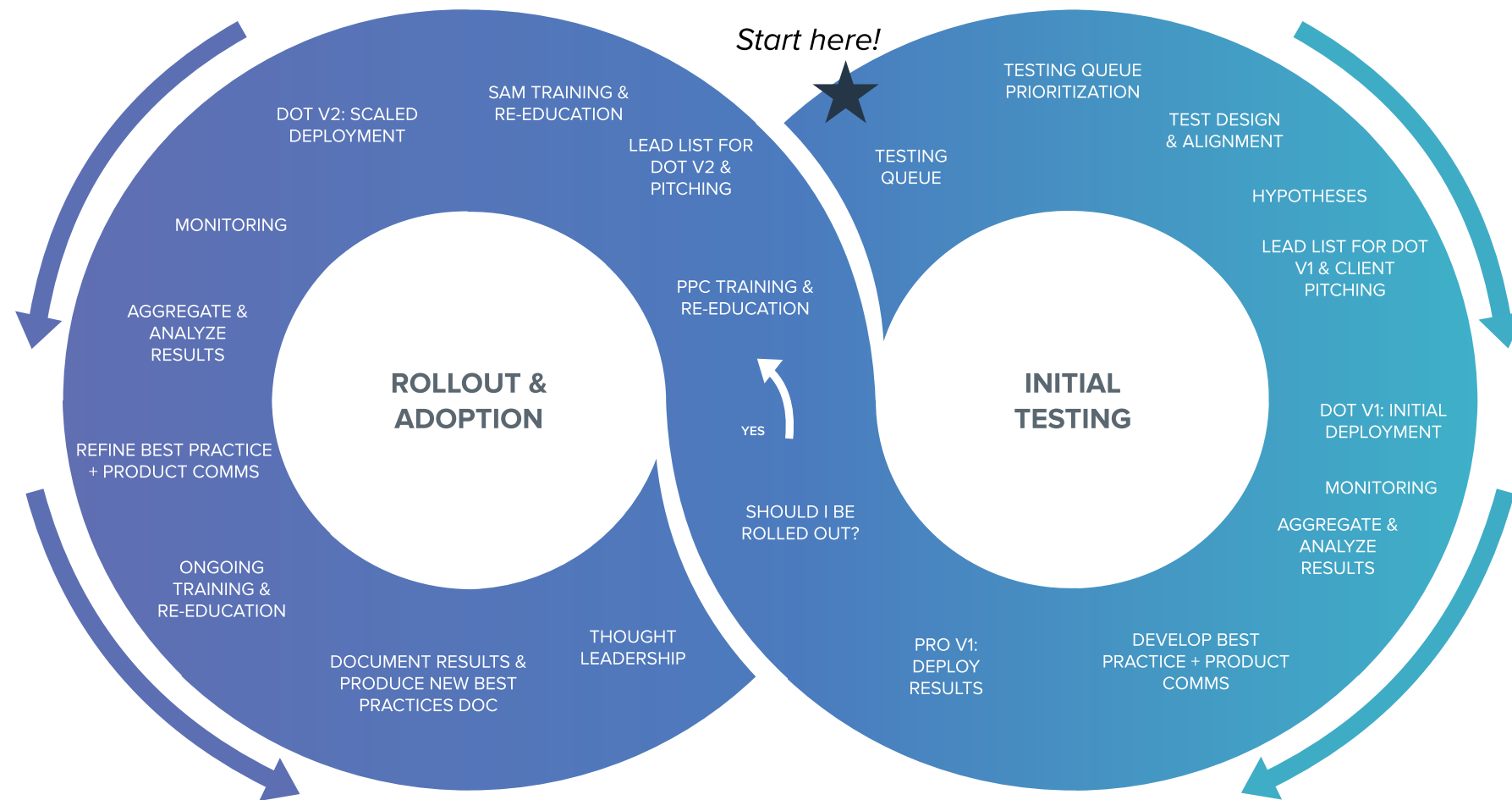
gets the blood pumping about activation for our clients: approximately 10,000 pages ago, in this very whitepaper, we mentioned Wpromote's Challenger Labs and our testing methodology.

We wanted to share a little bit more about what makes our testing culture unique: namely, our methodology that ensures we're conducting the kind of rigorous and effective testing that actually produces actionable results for our clients.

That framework is called DOT.PRO, which stands for Documented Testing, Planned Roll Out. Thought leaders from every channel lead our Challenger Labs and apply the DOT.PRO process to some of the thorniest questions in marketing.

Setting the right expectations is one of the most important contributions from channel experts.

STRATEGY EXAMPLE: TESTING METHODOLOGY



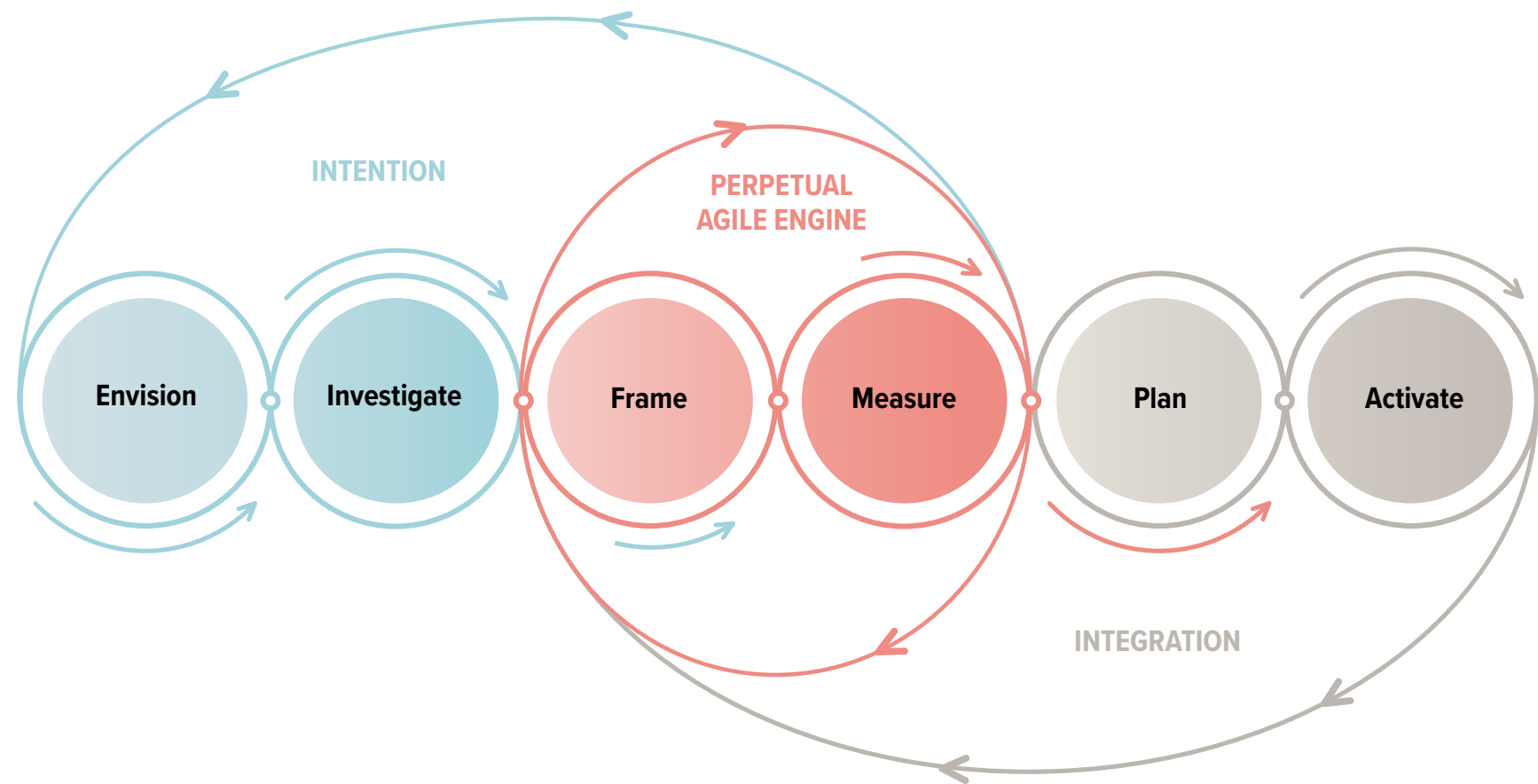
DOT = Documentation of Test

Here's how it works: First, our team focuses on DOT (documentation of testing): testing methodology, hypotheses, execution and measurement for specific, targeted pilot accounts. If successful, a limited PRO (planned roll out) proceeds so we can test at scale and develop new best practices to roll out to the organization through new training and re-education initiatives.

In digital marketing, best practices are always evolving. Challenger Labs aren't just a part of the Wpromote package, they're a promise to our clients: that we aren't content with knowing what works right now or applying stale strategy to new problems. We are always testing, always looking for new opportunities, always making sure our clients are positioned and performing at the very top of the holistic digital marketing wave.

Challenger Labs are a promise to our clients: that we are always testing, always looking for more opportunities, always making sure our clients are performing.

The Framework that Fuels Your Challenger Mindset



The Challenger Framework is one tool in our marketing arsenal, but it's a powerful one. In many ways, a framework like this is a living document: after all, we'll never stop learning new things from our clients, which means we'll continue to improve on this framework in the future.

If nothing else, we hope you'll remember one thing: the only kind of marketing worth doing is the kind that performs, whether that's lower funnel or upper funnel or anything in between.

That's the Challenger Mindset.

READY TO THINK LIKE A CHALLENGER?

Wpromote is an award-winning digital marketing agency with nine offices across the United States. Named the Leader in the Forrester Performance Marketing Wave, Wpromote helps brands Think Like A Challenger to drive transformational growth. Challenger clients include leading brands such as Whirlpool, Zenni, Adobe, TransUnion, Frontier Airlines, and more.

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