

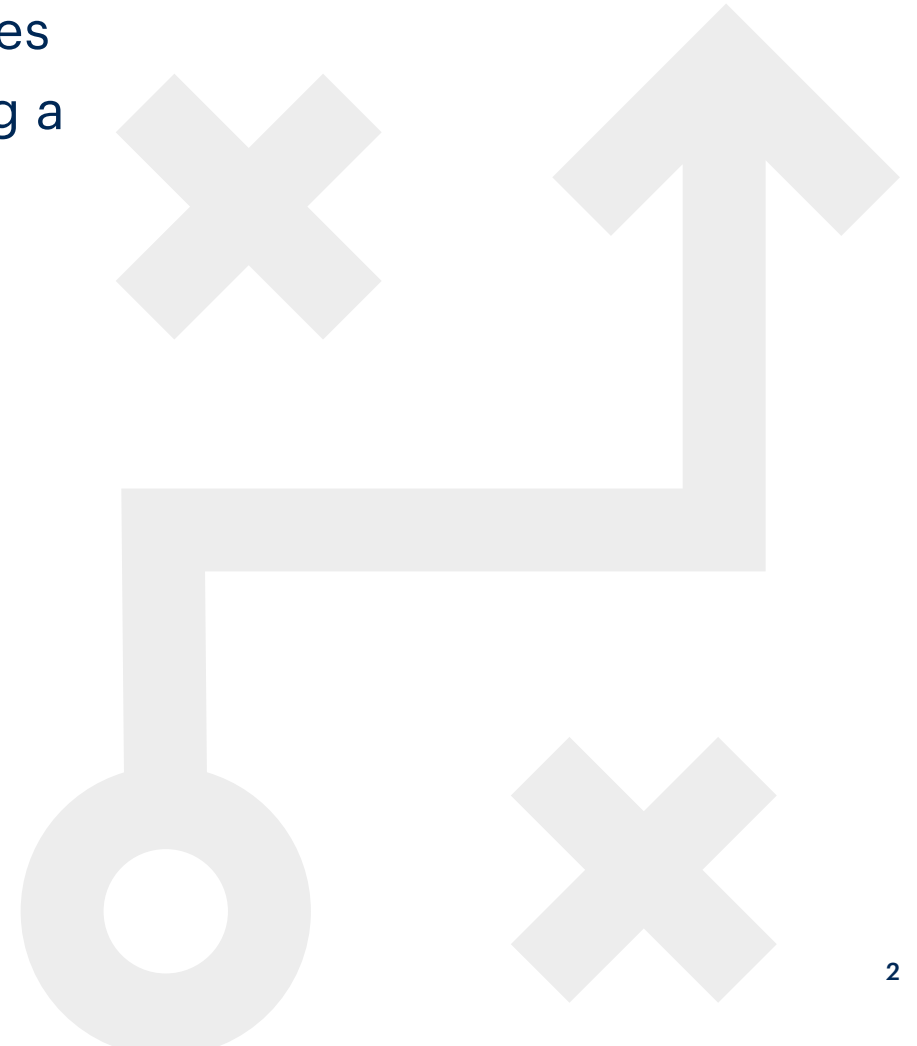
A New Way to Measure Brand Health: From Brand Strategy to Business Outcomes



CMOs identify brand strategy and activation as essential capabilities in marketing to help the organization meet business outcomes. This six-point framework defines key areas and metrics to assess brand health and provides a way to engage the organization to support creating a healthy brand.



Julie Reeves
Senior Director Analyst



Overview

Key Findings

- CMOs regularly cite brand building as a desired marketing capability, but they struggle to identify the right metrics to best measure brand strategy's success.
- Organizations must regularly assess and modify brand strategy as needed to maintain brand health, but CMOs face challenges explaining to the rest of the organization what brand health is, why it's important and how to strengthen it.
- CMOs struggle to make it clear to the entire organization that brand health doesn't rest solely on marketing, but requires collaboration through cross-functional teams.

Recommendations

To increase the impact of their marketing strategy and communications leadership, CMOs should:

- Assess brand health by adopting the Brand Health Framework and its metrics to measure strengths and weakness in each of six categories.
- Share the framework and the results from annual assessments with the rest of the organization to engage their expertise in supporting brand health.

Thus, it's crucial to understand the current state of brand health and how it is contributing to business outcomes. Unfortunately, branding is famously difficult to measure because of the length of time necessary to see results and the broad impact of the brand on many parts of the organization. It can be challenging to identify the metrics that best measure brand health.

This research outlines:

- Gartner's practical six-point Brand Health Framework for better understanding of all of the facets of brand health, how they work together, and the essential metrics required to identify strengths and weaknesses in brand health (see Figure 1).
- A strategy to build support for brand health within the organization.

Figure 1: Brand Health Framework



Introduction

Brand building remains a key priority for CMOs. Brand strategy ranked among the top competencies in the 2022 Gartner CMO Strategy and Spend Survey where marketing can add the most unique value to successfully executing an organization's strategy. A strong brand empowers an organization to define its competitive advantage. It also helps create unique opportunities in the market to engage customers and drive revenue.

There isn't just one magic metric to measure brand health.

This framework helps you understand:

- **The “why” behind the metrics:** Take a step back to understand the narrative you want to tell about brand health, what questions you need to answer and the essential metrics needed to answer those key questions.
- **The entirety of brand health:** With this view, you can then diagnose and treat brand health issues.
- **The best way to engage the organization:** Brand health is not solely marketing's responsibility. It must be an imperative across the organization. A complete view of brand health helps create a strategic narrative that can drive interest and engagement from cross-functional teams to accept their role in maintaining it.

Assess Brand Health by Adopting the Brand Health Framework and Its Metrics

For each step in the Brand Health Framework, there are fundamental questions that help get to the root of what you need to know to tell the story about brand health. Each question leads to essential metrics that can be used to perform necessary health assessments.

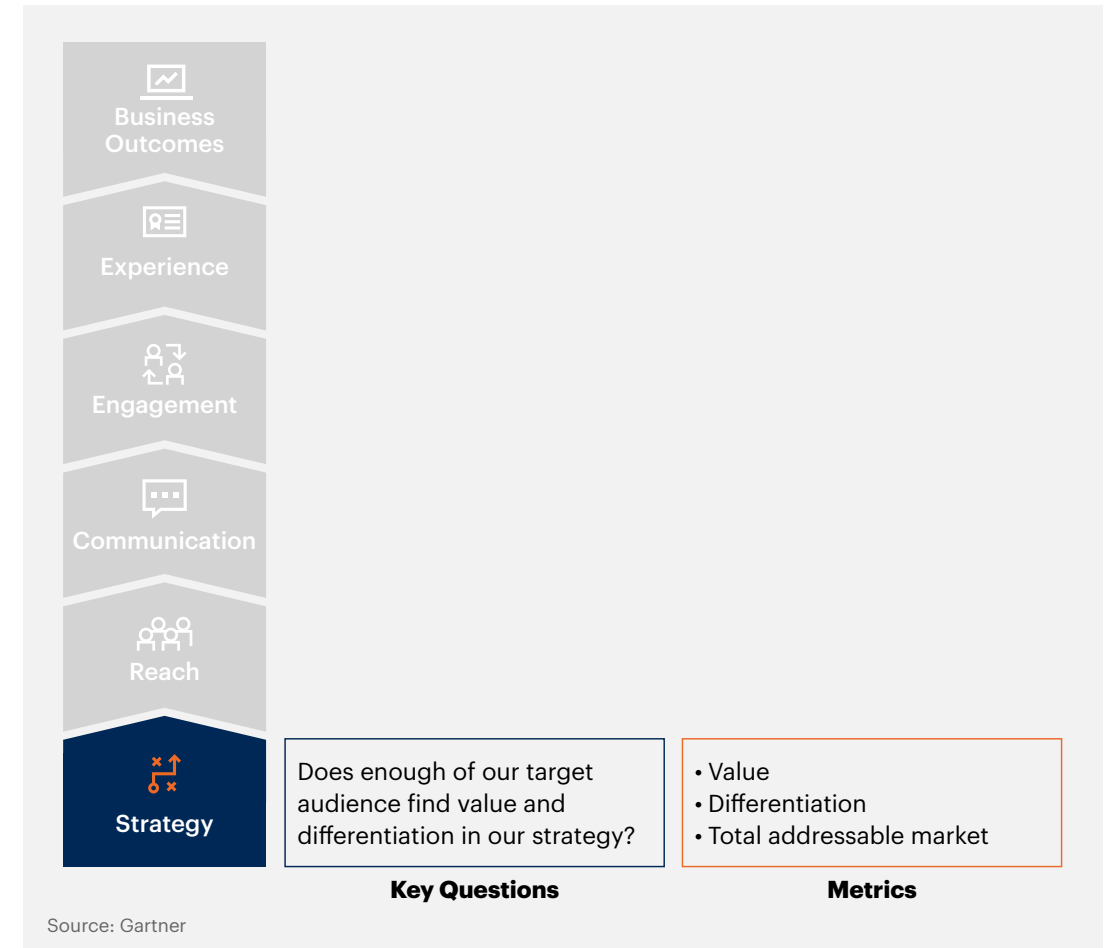
Step 1: Strategy — Does Enough of Our Target Audience Find Value and Differentiation in Our Strategy?

The first critical step of this framework is brand strategy, which must be defined from the perspective of your target audience and must differentiate the brand in a way that gives value to that audience. If you are ultimately offering something that people don't care about or can easily get elsewhere, then you will not be able to impact the business. Secondly, it is important to confirm that enough of the target audience sees that value and differentiation. If not, although you are differentiated, your small audience cannot match the growth ambitions of your organization (See Figure 2).

Essential Metric — Value Rating, Differentiation Rating and Total

Addressable Market: Survey your target audience, both brand users and potential prospects, to determine how much value and differentiation they find in what you offer. Total addressable market, or TAM, shows the target market you have identified and how many people are in the market.

Figure 2: Essential Metrics for Strategy



Step 2: Reach — Is Our Target Audience Aware of Us?

The next step is to identify brand reach. Brand reach can be driven by your organization or by external forces like PR or social media referencing your brand. If only a small number of your target audience knows about you, this weakens brand health and must be resolved before putting too much effort into the rest of the framework (see Figure 3).

Essential Metric — Unaided and Aided Reach: Unaided reach uses a survey of your entire target audience, not just customers, to determine if they name your brand among a list of those in the market. The results tell you the percentage of your target audience that identified your brand, which provides crucial insight into how you compare to competitors. Aided reach uses the same survey of your target audience to identify brands they know from a list.

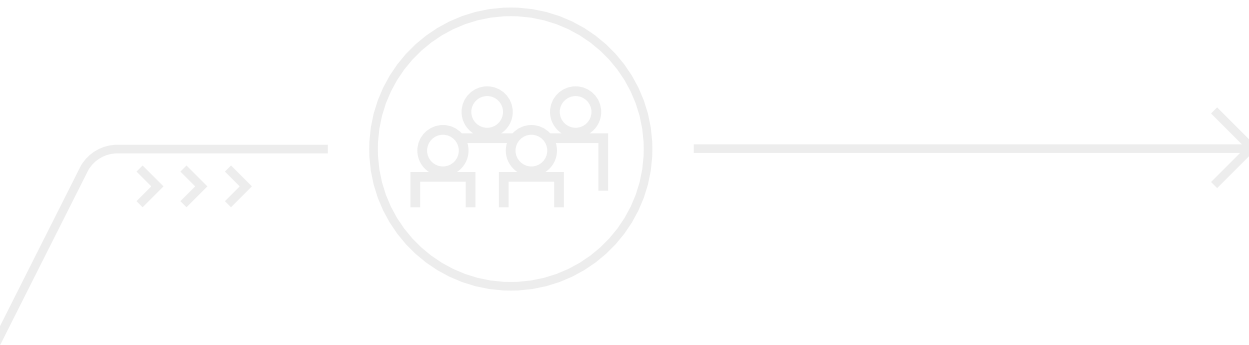
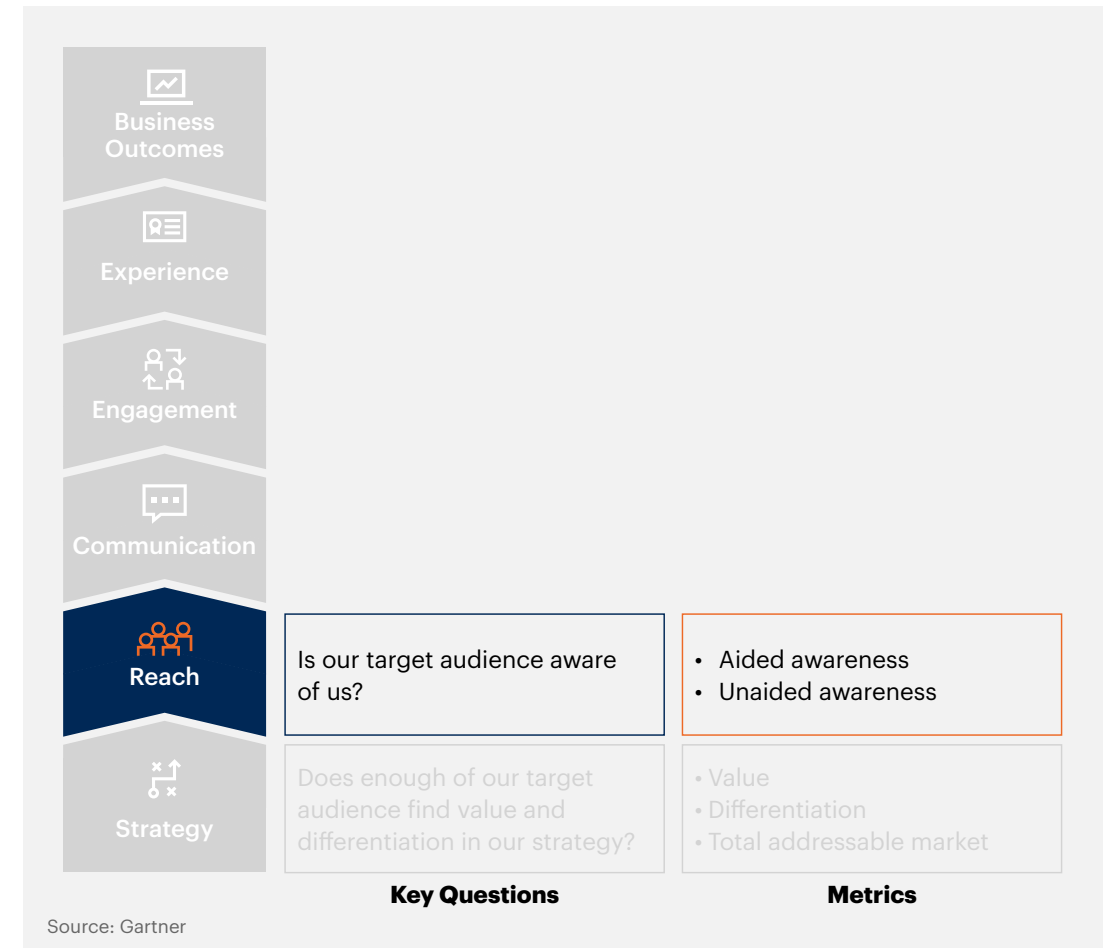


Figure 3: Essential Metrics for Reach

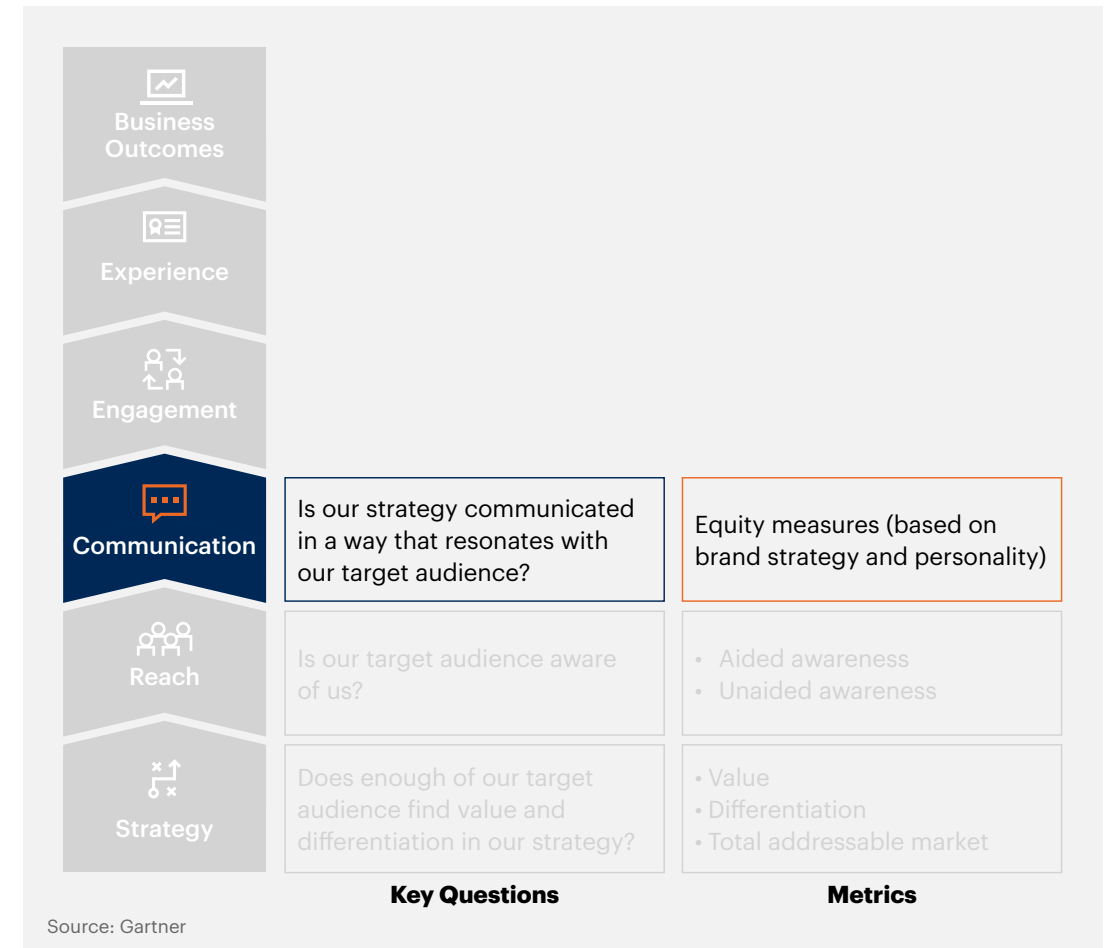


Step 3: Communication — Is Our Strategy Communicated in a Way That Resonates With Our Target Audience?

The next step is to assess whether you are communicating your brand strategy in a way that your target audience understands. Even the best brand strategy on paper will fail if it's not communicated well and is nonexistent in the minds of your target audience (see Figure 4).

Essential Metric — Brand Equity: Survey your target audience to understand how they rate your brand attributes, personality and values to determine if their perception of your brand is growing in line with your stated brand strategy. For context, it is also important to understand how your competitors rate on your brand equity measures (see CMO's Guide to Brand Equity Assessment).

Figure 4: Essential Metrics for Communication

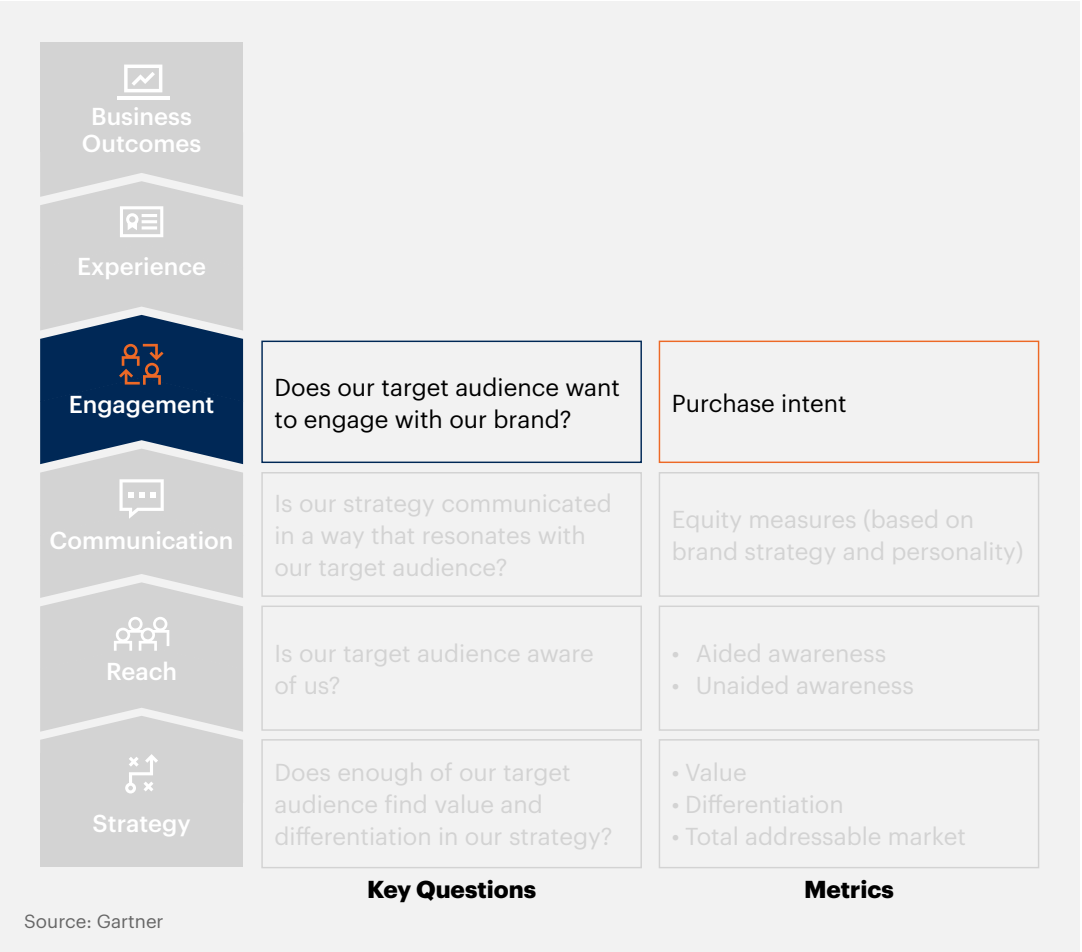


Step 4: Engagement — Does Our Target Audience Want to Engage With Our Brand?

The next step is to confirm demonstrated interest from your target audience through engagement. Engagement is your customer understanding the value you are bringing to them and wanting to engage with your brand. This engagement can come through content on social media, your website or through events (see Figure 5).

Essential Metric — Purchase Intent: The likelihood that the target audience will purchase from your brand is a key measurement of engagement. Although marketing leaders use many different metrics to study engagement, purchase intent presents a high bar that helps assess brand health and encompasses the impact of all engagement touchpoints.

Figure 5: Essential Metrics for Engagement

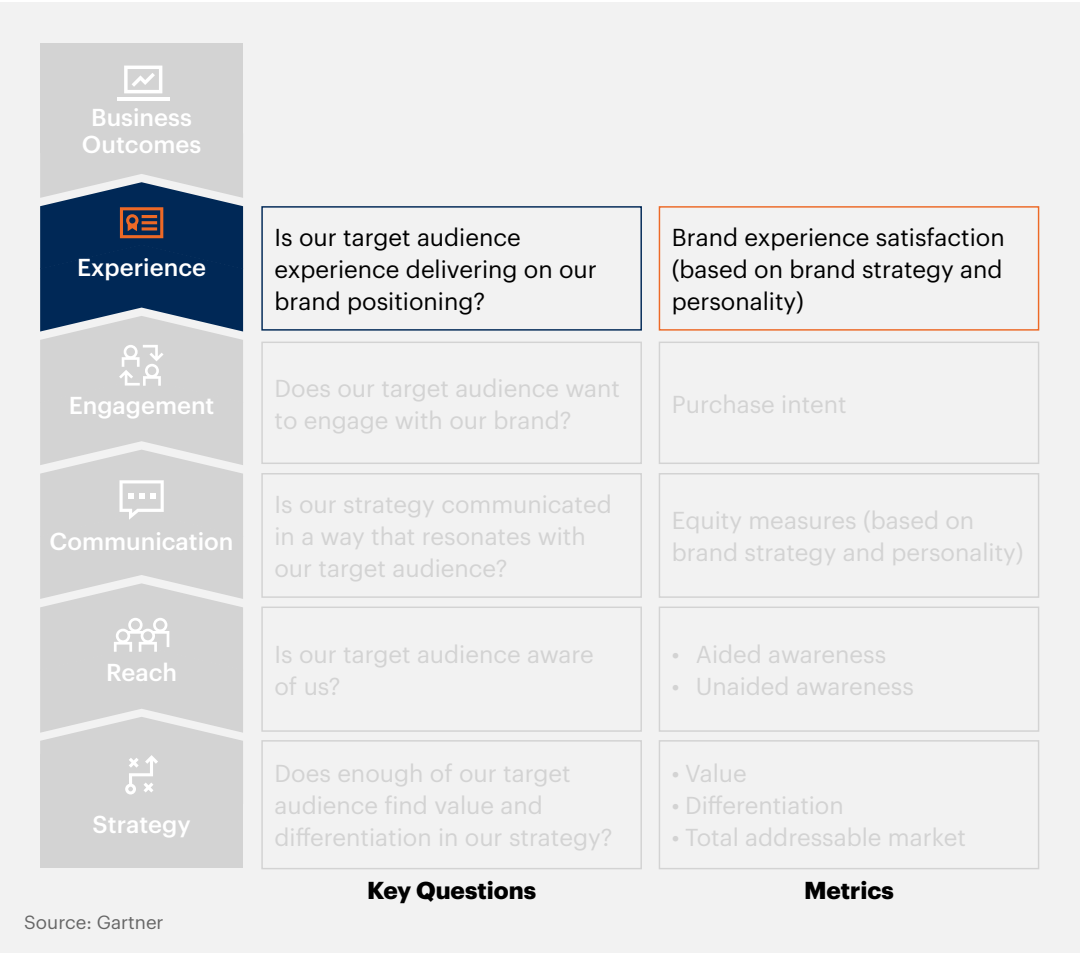


Step 5: Experience — Is Our Target Audience Experience Delivering On Our Brand Positioning?

The next step is to determine if your brand strategy is infused throughout your target audience’s experience of your brand. Essentially, are you living up to the hype (see Figure 6)? Determine key “moments that matter” where you would expect your brand positioning to shine through to your target audiences.

Essential Metric — Brand Experience Satisfaction: An external survey of your customers can assess at the “moments that matter” engagement points to determine if your brand is living up to the communicated brand strategy. You should also ask your prospects to rate their current providers on those same moments that matter to help contextualize your results.

Figure 6: Essential Metrics for Experience

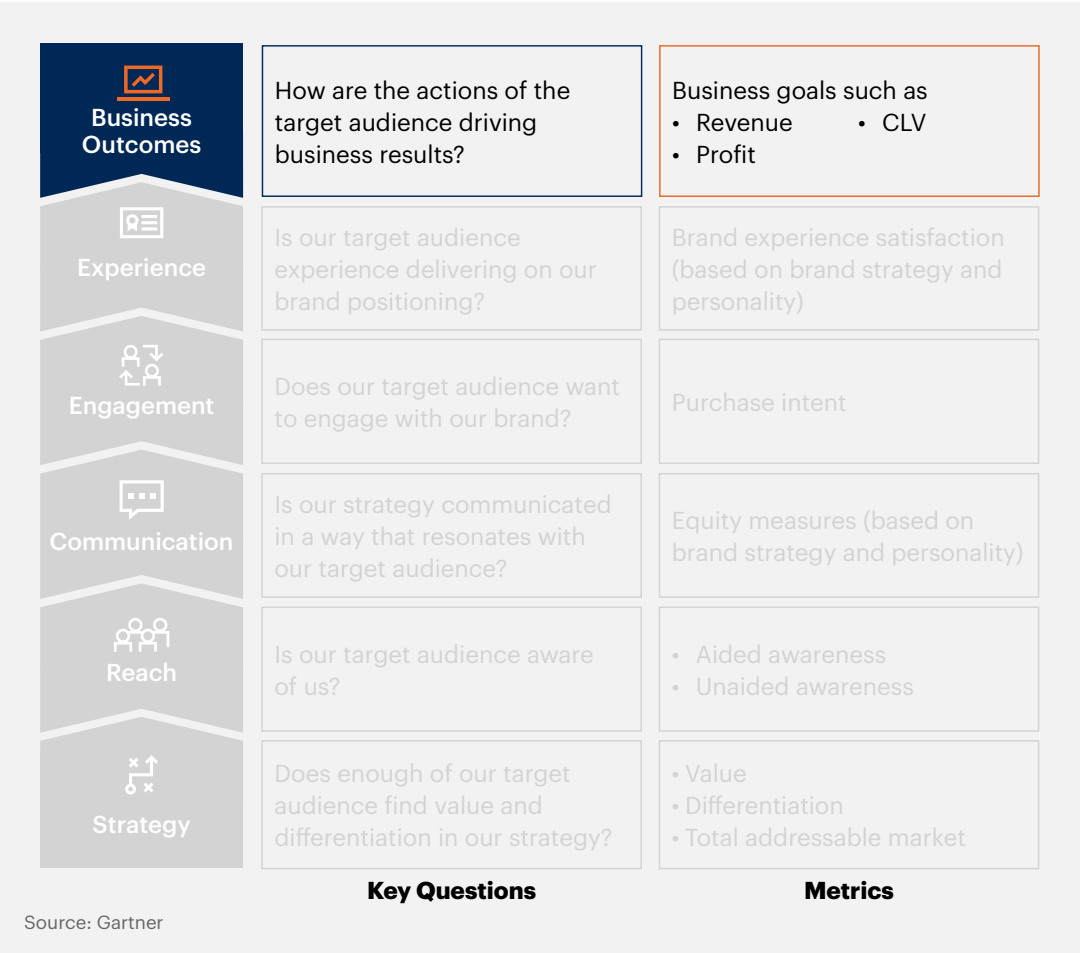


Step 6: Business Outcomes — How Are the Actions of the Target Audience Driving Business Results?

After determining the health of all other factors, you are ready for the last step, which is linking the brand strategy to increased business outcomes. If you have the right differentiation, enough people are aware of you, you communicate your strategy well, you engage people through to purchase and you deliver on what you say your brand is about, then the business should respond correspondingly (see Figure 7).

Essential Metric — Organizational goals such as Revenue, Profit, CLV: The best way to assess this framework’s impact on specific organizational goals would be with a matched market test (see How Digital Marketers Design and Measure Holdout Tests). If this type of test can’t be accomplished, you are still able to show the organization how a brand’s health impacts key customer metrics and how brand influences purchase consideration.

Figure 7: Essential Metrics for Business Outcomes



Share the Framework and Assessment Results With the Organization to Engage Other Teams in Brand Health

It is important to complete a full assessment annually to ensure your brand health is properly maintained. Doing so allows you to find, diagnose and address issues with your brand more quickly by seeing the whole through the sum of the parts (see Figure 8).

Figure 8: The Brand Health Framework With Questions Posed and Essential Metrics



This framework gives you the data and the information to control the narrative in your organization about brand health. You can define what having a healthy brand really means and tell the story of your brand to your organization and its relative health over time.

Another critical advantage of the brand health framework is that it can be used at various levels of the organization. While this research outlines use at the highest level of the brand, it can also be used at a divisional, regional or even product level. And using the same framework across levels allows better diagnosis of issues at all brand levels.

Brand health should not rest solely on marketing's shoulders. Other teams in the organization can provide their expertise to help deliver on that brand promise, especially through communication, engagement or brand experience. This framework can reveal to other teams in your organization where they can and should be involved in maintaining brand health.

For example, when considering the health of your brand experience, let's say you determine that your brand must differentiate on innovation and ease. Packaging design can really contribute to experience. If the packaging is hard to open or has graphics that don't feel modern, then it's not delivering on the innovation and ease. By looking deeply at experiences, you can bring all cross-functional teams on board to help brainstorm ways to bring the brand to life in their areas of expertise.

To effectively collaborate with the entire organization, CMOs should:

- **Engage** all areas of your organization to think about brand health.
- **Reveal** to your cross-functional partners the different factors in brand health.
- **Brainstorm** with cross-functional partners to understand where their touchpoints support brand health.
- **Launch** this framework at many different levels in your organization.

Brand health is an ongoing process, and this framework will help guide you and your organization as your brand health ebbs, flows and grows.

Analysis

CMOs, like other executive leaders, are always searching for the perfect ROI measurement. But when it comes to brand health, there isn't one magic metric. Think about your brand's health like a person's health. There isn't just one magic piece of data that adequately assesses a person's health. To understand health — of a person or a brand — you must consider different metrics together.

Actionable, objective insight

Explore these additional complimentary resources and tools for marketing leaders:

Infographic



The State of Marketing Budgets in 2024

Get actionable insights to benchmark your marketing budget.

[Download Now](#)

Webinar



Position Your Brand to Drive Business Outcomes

Get expert guidance on how to use brand positioning to drive key outcomes.

[Watch Now](#)

Tool



Gartner for Marketing Score

Use this tool to evaluate the maturity of your marketing function.

[Learn More](#)

Conference



Gartner Marketing Symposium/Xpo™

Discover key take-aways from the world's most important gathering of CMOs and marketing executives™.

[Learn More](#)

Already a client?

Get access to even more resources in your client portal. [Log In](#)

Connect With Us

Get actionable, objective insight to deliver on your mission-critical priorities. Our expert guidance and tools enable faster, smarter decisions and stronger performance. Contact us to become a client:

U.S.: 1 855 811 7593

International: +44 (0) 3330 607 044

[Become a Client](#)

Learn more about Gartner for Marketing Leaders

gartner.com/en/marketing/products/gartner-for-marketing

Stay connected to the latest insights



© 2024 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's research organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner research may address legal and financial issues, Gartner does not provide legal or investment advice and its research should not be construed or used as such. Your access and use of this publication are governed by Gartner's Usage Policy. Gartner prides itself on its reputation for independence and objectivity. Its research is produced independently by its research organization without input or influence from any third party. For further information, see "Guiding Principles on Independence and Objectivity." Gartner research may not be used as input into or for the training or development of generative artificial intelligence, machine learning, algorithms, software, or related technologies. CM_GBS_2840838

Gartner®