

# Product Advertising vs. Brand Advertising

## How to determine your ad allocation

*Typically, this question arises when companies begin to sort their budgets and marketing plans for the following year: how do we determine if we need product ads or branding ads next year?*

*There is some logic to answering this question and selecting your ad focus mix.*

### Product Advertising

New product launches are exciting, and pre-planning all of the crucial elements will ensure that you have a smooth push every time.

Typically, these campaigns focus only on a single product or product line. The ads should clearly outline the benefits of the product to the reader. Faster, more accurate, or “can be used underwater,” for example. However, this does not mean a laundry list of specifications. Focus on how this new product solves an issue, is an improvement, or allows the user to use different wavelengths than in the past. If this is a workhorse-level product, you may have to get creative, as you likely have existing competition with similar functionality and price-points.

Web ads tire quickly, as readers have adjusted to seeing fresh graphics continually. Check with your media sales representative to learn what their recommended change rate is for ad artwork.

### Typical Types of Product Ads

- Remarketing ads
- Third-party banner ads (media sites, newsletters, sponsorships)
- YouTube/Vimeo videos
- Webinars
- Social Media Ads

A quick word on landing pages. While your product ads are running, track incoming clicks to the product landing page. Keep the message and images consistent across the entire campaign. For UX design (web user experience) purposes, consistency is required to keep people engaged and moving forward on the site to conclude in a sale or other goal.

### Allocation for Product Advertising

If your brand is stable and has not made significant changes in direction recently, you are generally safe allocating 100% of your ad budget to product ads. This approach makes sense, especially if you have a modest budget. Work with your product development team to determine how many different products will launch during the year. Divide accordingly.

## Branding Advertising

If you are a new company (launched the past five years), on a significant growth push, or have recently merged or changed company names, you need to allocate some of your resources to explaining what you do and who you are. This is typically referred to as Brand Marketing. The message and content are aimed at educating and building trust around your brand with your audience.

Why is this important?

It typically takes seven touches before a prospect recognizes and recalls your company name.

This occurs because we are bombarded with information all day long, and our attention can only focus on one thing at a time.

The example below shows why it takes so much effort to teach people to remember your brand - who you are, what you stand for, and why they should care about you.

Readers may not need your product line or service today. When they do, you want your company name to be top-of-mind when finding a solution. The goal is to be visible in all of those top areas, and likely a few that you maybe do not use yourself. Think like your target audience and go there.

## Typical Types of Branding Advertising

- Advertorials
- Banner Ads
- LinkedIn Ads
- PR opportunities

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### ***People only retain:***

***20% of what they read (articles, research)***

***20% of what they hear (radio)***

***30% of what they see (trade shows, ads, social media)***

***50% of what they see and hear (videos, webinars, presentations)***

(Source: CHA Manual)

Understanding who your target audience is, what matters to them and where they go for information regularly is critical knowledge when creating your ad set. Details matter, which is why marketers rely on stories. Stories are easier to remember and stay with the reader longer. Remember to showcase the Value your brand brings to the table. Elements of a strong brand ad include a clear message around how you solve those problems or are otherwise head-and-shoulders above your competition.

## Budget Allocation for Branding Advertising

If you are pushing into a new market space as the new provider in town, you will need to focus resources on becoming visible, understood, and trusted. Allocate the majority of your ad budget to branding efforts in this case.

If your audience is already well-established, you can look to share resources with your product team, but continue to have a brand presence. You need to be understood and recognized by

new people in the industry and remind others that you are still an important player. The final allocation will likely take some internal negotiation.

## When Both Product and Branding Ads Are Required

When looking to make budget allocation decisions frequently a mix of brand and product-focused options will be required for a full year.

If you have a robust new product program upcoming, you may need to allocate 100% of your budget to product ads for an entire year. However, keep in mind the branding points mentioned above. If the company has made significant shifts in product offering types, has grown through acquisition or other changes, you will need to allocate a minimum of 25-45% of your budget to branding growth efforts.

If your team is struggling to find a way forward with your ad allocation or marketing budget for next year, [contact Full Gallop Communications](#) and let us guide you to a confident decision.



### ABOUT FULL GALLOP COMMUNICATIONS

*Dynamic Branding and Strategy.* Created in 2015, Full Gallop brings a wealth of experience, dedication and personal attention to every project and client. As a marketing consultant and creative agency, we work hand-in-hand with your team to develop a customized plan for your goals, needs, and budget for a perfect fit.

*Founder/Principle, Amanda MacDonald,* has been a professional marketer since 2002, working with health care, non-profits, manufacturing, optics & photonics, and equestrian markets. Previously at the University of Rochester and IDEX Optics & Photonics providing project management, marketing strategy, and branding leadership, Amanda has put in many hours in the saddle for new brand, product and website launches as a seasoned marketer. She enjoys the process of sorting out a marketing strategy that will have a positive impact.