

GEORRGSON

& Co. *Proudly Presents*



BULLISH ON BRAND.

Investors are good at gauging the value of your **marketing**. In fact, probably better than your board and C-suite. How can I say this? **Read on!**



What is most **important** to an investor?

Technological **innovation**?

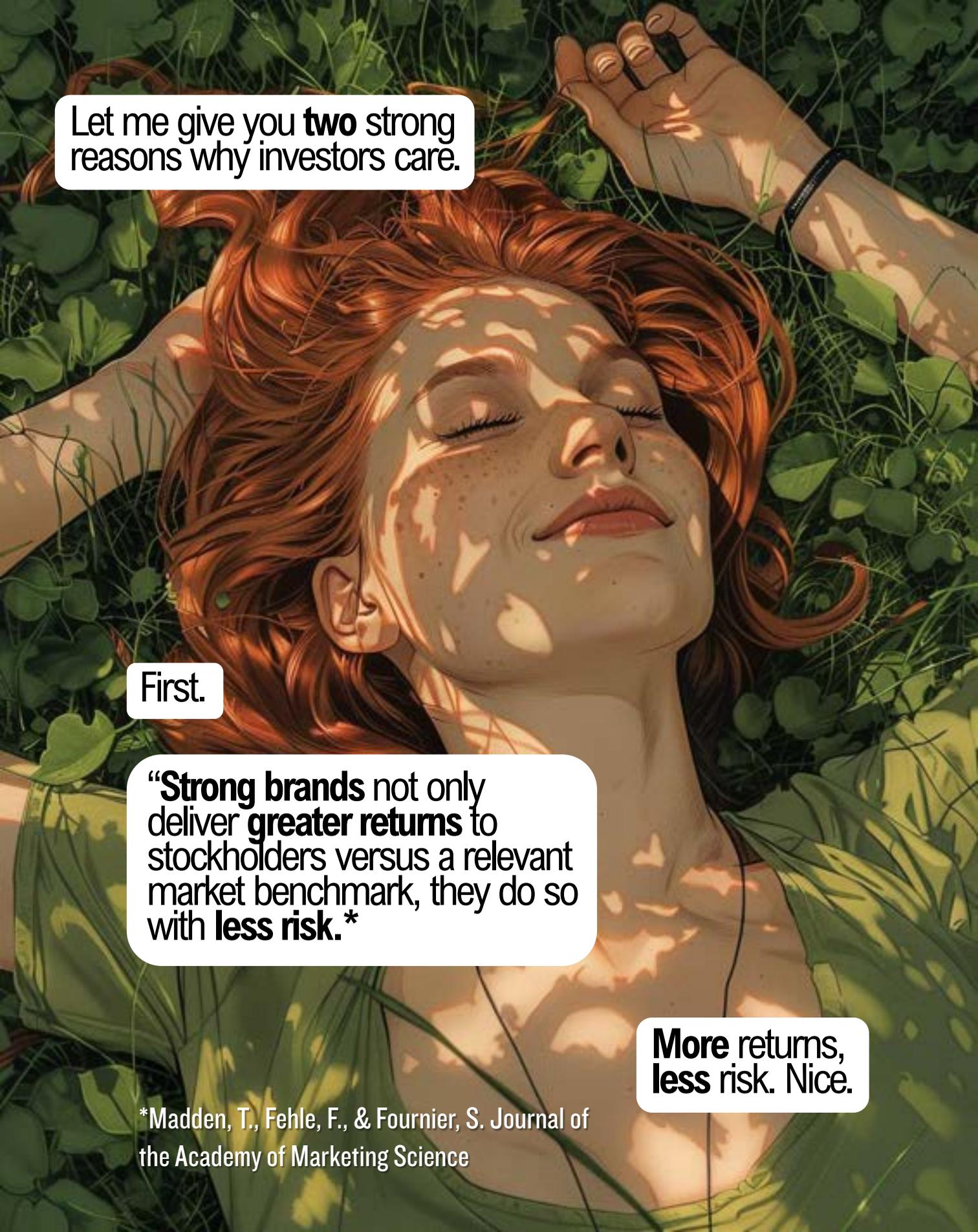
Leadership **quality**?

Reported **profit**?

Nope. **Marketing.**

200 financial analysts across the UK & USA cited '**strength of brand/marketing**' as important in **79%** of cases – the **single most important factor**.

IPA/Brand Finance Investment Analyst Survey 2023



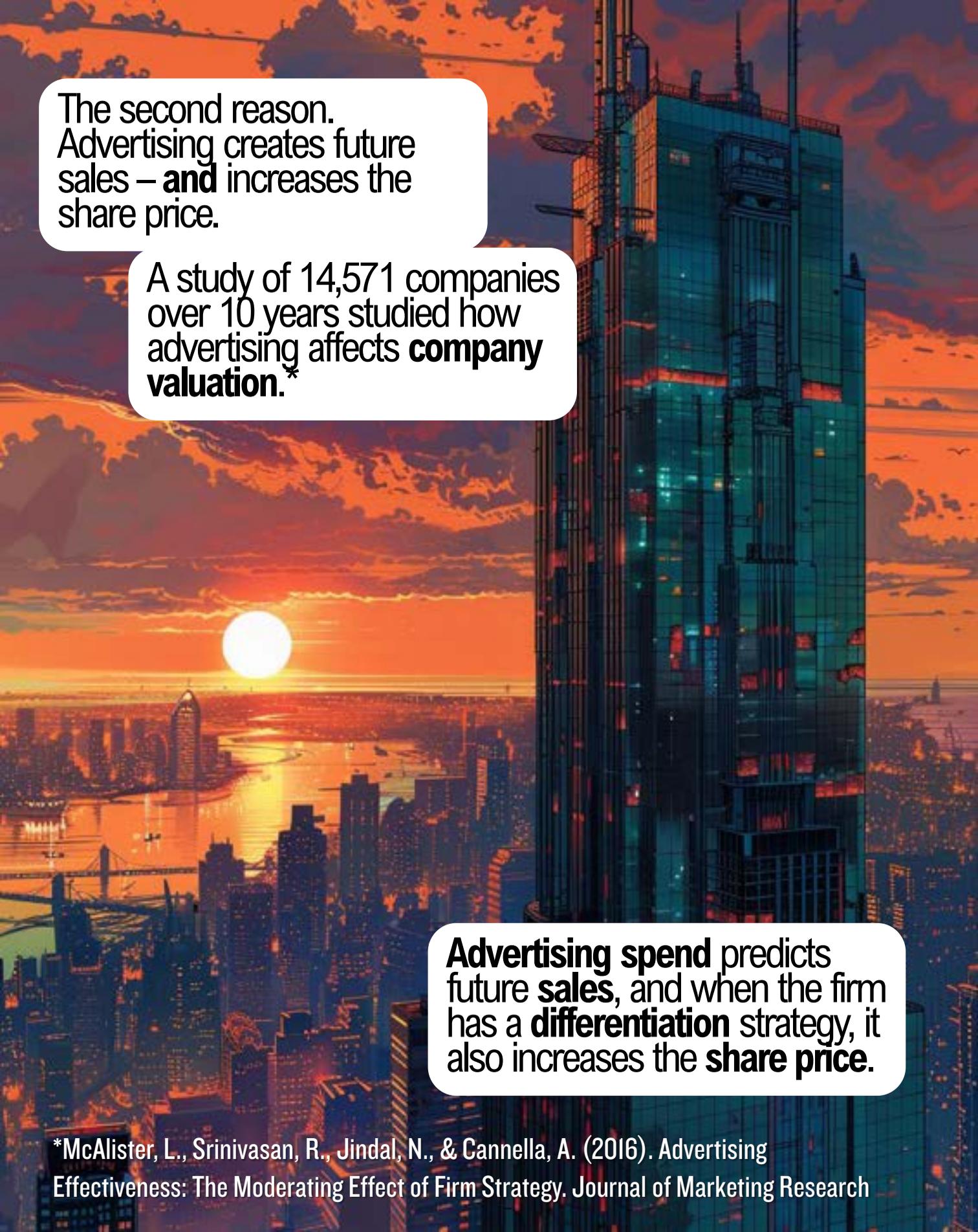
Let me give you **two** strong reasons why investors care.

First.

“**Strong brands** not only deliver **greater returns** to stockholders versus a relevant market benchmark, they do so with **less risk**.*”

More returns, less risk. Nice.

*Madden, T., Fehle, F., & Fournier, S. Journal of the Academy of Marketing Science

A vibrant cityscape at sunset. The sky is a mix of orange, red, and purple. A large, bright sun is low on the horizon, reflecting on a body of water. In the foreground, a tall, modern skyscraper with a glass facade is illuminated with blue and red lights. The city below is filled with other buildings and lights.

The second reason.
Advertising creates future sales – **and** increases the share price.

A study of 14,571 companies over 10 years studied how advertising affects **company valuation**.*

Advertising spend predicts future **sales**, and when the firm has a **differentiation** strategy, it also increases the **share price**.

*McAlister, L., Srinivasan, R., Jindal, N., & Cannella, A. (2016). Advertising Effectiveness: The Moderating Effect of Firm Strategy. *Journal of Marketing Research*



So there it is. Wall street believes in marketing.

They **reward** advertising spend, when it **differentiates**.

But this is **not** the reality of most CMOs.

71% of CMOs believed they **lacked sufficient budget** to fully execute their strategies in 2023.*

*Gartner CMO Survey 2023



The problem is in the **C-suite**.

And the **boards**.

Somewhere they lose the plot. It may be because of **biases** to their own **expertise** and **background**...

...or that they simply don't **understand marketing well enough** to hold opinions on it.



So lets **summarize**.

The **CMOs** tend to be frustrated over budgets.

The **C-suite** does not give them enough to execute.

The **boards** might not sign off either.

But **their** bosses – the investors on wall street – understand and **reward** strong **brands** and even **advertising spend**.

How do we **fix this**?



It is not **that hard** really.

Any company has **goals and objectives** three or more years into the future.

If these are to come true, there are **marketing metrics** that need to be true.

To achieve those, marketing needs **realistic budgets**.

If the board or C-suite wants to **discuss** if there are “smarter ways” to do this...

Then do so **after** they take a **relevant course** and/or under **guidance** in a **workshop**.

FOR **TWENTY YEARS**, WE'VE MADE **BRANDS SHARPER**
AND **BUSINESSES** MORE **SUCCESSFUL**.

WORKING FROM **RESEARCH-BASED** MODELS,
EXTENSIVE **EXPERIENCE**, AND A **CREATIVE EDGE**,
WE **LIBERATE YOU** FROM **COMPLEXITY**.

BECAUSE,

IT'S **REALLY EASY** WHEN YOU **KNOW HOW**.

GEORGSON
& Co. *Brand Magic*

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