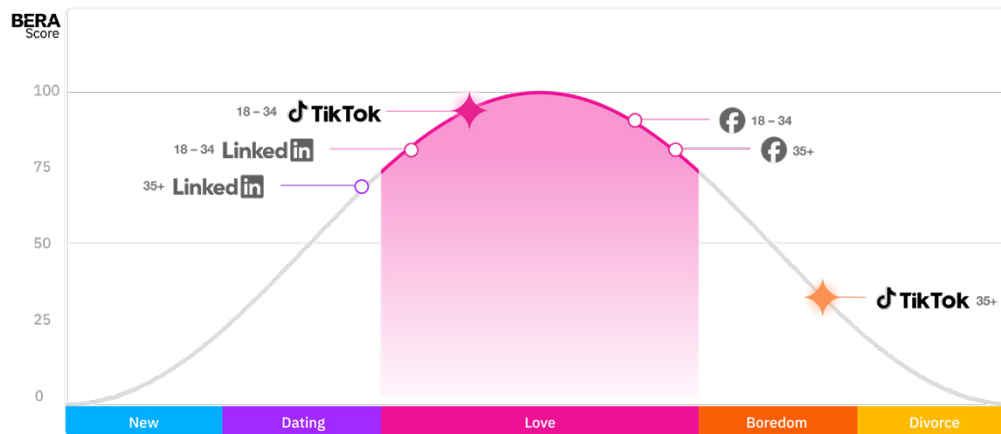


What Social Media Brands Tell Us About Brand Equity, the Sales Funnel, and Performance Marketing



Any brand can be mapped according to the relationship consumers have with it. Note in the graphic on the right how that relationship changes relatively little for LinkedIn and Facebook across the generational divide, whereas it falls apart for TikTok: **18-to-34-year-olds adore the brand and older adults (35+) border on hating it.**

In our previous spotlight, we explored why this is and what it would take for TikTok to fix its situation. In this one, we address the interdependency between brand equity, the sales funnel, and performance marketing.

In Table A, the brand equity and sales funnel is quantified for three social media brands across two age cohorts. It presents a striking picture:

As brand equity falls, the sales funnel falls even faster. Compare the drop in TikTok's sales funnel to its drop in brand equity as you cross the generational divide. Its brand equity is a whopping **43% lower** with 35+ adults than with 18–34s. But its consideration, usage, preference, and advocacy drop by even more, from a **50% drop** in consideration to a **76% decline** in advocacy. Also, note how mildly the sales funnel changes between the two age groups for the other two brands,

Facebook and LinkedIn. It's no coincidence that their brand equity is only mildly lower with older adults.

As brand equity falls, conversion through the funnel falls, too. For 18–34s, the average conversion rate through each stage of TikTok's sales funnel is **72%** whereas it's **only 52%** for the 35+ group. Likewise, the average conversion rate through Facebook's 35+ sales funnel is **67%** compared to **52%** for TikTok.

Brand awareness doesn't save your sales funnel. Note that TikTok's brand awareness with both age groups is sky high. And yet its awareness translates into more than twice the usage and over three times the preference for 18–34s versus the 35+ crowd. Sure, brand awareness is important to the sales funnel. But brand awareness without brand equity is not worth much.

Tik Tok's conversion rates drops from 72% with young adults to **ONLY 52%** for 35+ adults.

All the above says a lot about the dependency of performance marketing on brand equity. Imagine the ROI of a performance marketing campaign for a brand whose equity is producing a two-to-three times stronger sales funnel with an average conversion rate of **72%** versus one whose conversion rate is **52%**

through a much weaker sales funnel. If the aim of performance marketing is to build the sales funnel and pull consumers through it, brand equity can make or break its ROI. That’s one of the many ways that building brand equity contributes to business performance.

Table A

Brand	Brand Equity ¹	Sales Funnel ²				
		Awareness	Consideration	Usage	Preference	Advocacy
Facebook: 35+	87	99	80	71	42	16
Facebook: 18-34	93	98	77	64	38	17
LinkedIn: 35+	71	90	43	24	11	4
LinkedIn: 18-34	84	89	50	26	13	6
TikTok: 35+	55	95	36	26	13	6
TikTok: 18-34	96	98	72	60	43	25

1. Each number for brand equity is a percentile ranking against the 2,000 most important brands in the U.S.
2. Each number for each stage of the sales funnel is the proportion of each audience that is at that stage. For example, 42 for the Preference stage of Facebook’s 35+ sales funnel means that 42% of 35+ adults prefer Facebook.

What Now?

How does your brand equity and sales funnel compare across different audiences? What does that say about how to improve your sales funnel through building brand equity and about your ROI from performance marketing?

Answer these questions and more with BERA. Our digital platform is powered by the world’s richest data, metrics, and decision-oriented analytics to help brand owners drive faster brand growth, quantify their brands’ financial contribution, and amplify that contribution over time — all backed by customer support and ProServ with world-class brand expertise.

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