

# From The Funnel to Dual Buckets

RETHINKING OUR CAMPAIGN OBJECTIVES



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When I first got into marketing eight years ago, everyone talked about The Funnel, and we used this framework extensively at the agencies. Even after I transitioned to the client side, I still see The Funnel being used quite often. I've used it myself occasionally as well, but the more I think about it, the more I think that the purchase funnel needs a little tweak.

## "AWARENESS" IS THROUGHOUT THE FUNNEL

Many marketers categorize their campaigns as awareness and direct response. The awareness campaign focuses on the top part of the funnel while the direct response campaign focuses on the middle to bottom part of the funnel.

However, the term "awareness" has been very loosely used, and I believe that awareness doesn't just exist on the top of the funnel. Let's begin by defining "awareness" more clearly. Awareness of what? Your particular brand in general? A particular action/need that the consumers haven't been thinking of? Or a brand new product within your brand portfolio?

Let's keep it simple and say you want consumers to be more aware of your V8 Vegetable Juice. You can put a TV ad out there, which is usually considered a top-funnel execution. As for a mid-funnel execution, you can run paid search ads targeting consumers searching for "healthy drinks" to make them aware of your product. Alternatively, you can have the right shelf placement, putting the V8 next to other health drinks targeting the

consumers who are actively shopping in those aisles, and this would be considered a bottom funnel execution. If we follow the traditional purchase funnel categorization, the last two scenarios are usually considered to be direct response campaigns.

However, didn't the consumer just become aware of your product in those two scenarios? Therefore, consumer can become aware of your product throughout the funnel. It is important to know that although awareness is throughout the funnel, the purchase path remains the same. Consumers still need to go through the process below. The key difference is that consumers at the bottom of the funnel usually make their decisions faster than those at the top of the funnel.

## SPEED TO PURCHASE IS THE KEY WHEN MEASURING SUCCESS

Have you ever wondered why your TV ad or homepage makeover is not giving you an immediate return? Why do we see such high ROI when bidding on our competitors branded terms? That's because the speed to purchase varies drastically depending on when consumers are exposed to your brand. When consumers see your ad in the comfort of their couch at home, it's probably going to take longer for them to pick up your product as compared to those who are already in the grocery store but just learned about your product walking down the aisle.

When the speed of purchase is not immediate, several factors such as loss of tracking (think cookie deletion) or change of mind could affect a campaign's ROI. It

is important that we factor in the element of time when picking the metrics to measure the success of our campaigns. Immediate, trackable revenue is great but if the sales cycle takes a bit longer, measuring lift in consideration or pure product awareness might be a better choice.

## TWO BUCKETS — CREATING DEMAND VERSUS CAPTURING DEMAND

So if awareness exists throughout the funnel, is there another way to categorize a campaign?

In my world as director of digital media at Hyatt Hotels, I've scrapped The Funnel perspective and have been instead using a new method of categorizing most of our digital campaigns into two major buckets — creating demand and capturing demand.

To use a simple example: During the harsh winter in Chicago, you put out a TV commercial telling people to visit Miami (and, of course, suggesting they stay at a Hyatt hotel). In this scenario, you are trying to generate demand. On the other hand, when consumers are actively reading articles about traveling to the Bahamas, and you put your ads right next to the article, you are trying to capture demand.

Many companies organize their teams into retention and acquisition; this same concept of targeting can also be applied within those two groups. For existing customers, you can generate demand by encouraging them to purchase more. Then again, if you realize your existing consumer is considering other brands for a service that you provide, wouldn't you want to win them back by capturing such demand? Technology these days allow us to easily identify those users, and marketers should take advantage of such targeting capabilities as much as possible through tools like Google's remarketing lists for search ads.

So the next time you run a campaign, you might want to think about if your product or your campaign message is unique enough to generate consumer demand or you just want to target those in-market consumers and simply have a piece of the market share. Not a lot of marketers can create an entire market like what De Beers did with diamonds back in the 1930s, but I can entice consumers to travel more with photographs of exotic destinations. ■



In his role at Hyatt, Frank Wong is responsible for developing digital roadmaps and executing strategies across various digital channels including paid search, meta search, display, paid social and search engine optimizations. Frank is a big believer in data-driven marketing and is passionate about user experience. Prior to joining Hyatt, Frank spent four years at Digitas, where he worked on the Bank of America and Sprint accounts. Prior to Digitas, Frank spent two years working as a financial and operations consultant at Huron Consulting Group.