



MARKETING AND SALES

Building Lasting Brand Equity in the Age of AI

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Paths to purchase have become increasingly fragmented, and while brands now have more opportunities than ever to reach consumers, they also face unprecedented competition for attention. At the same time, GenAI has unleashed an explosion of content. The very tools that fuel creativity also produce an abundance of brand generated content that often looks and sounds alike.

In this environment, effective and sustained brand marketing has never been more valuable, allowing brands to earn attention, build trust, and stay top of mind when consumers make choices, all of which directly influence growth.

The Financial Impacts of Brand Marketing

BCG's latest research quantifies just how significant brand investment has become to fueling short- and long-term performance. Cutting \$1 of brand spending today costs companies \$1.92 in future investment to regain lost share, up from \$1.85 in 2022. Moreover, three out of four marketers now believe that brand cuts cause more damage than they did five years ago, reflecting the rising financial cost of lost consumer attention. (See Exhibit 1.)

EXHIBIT 1

Companies That Cut Brand Spend Must Work Harder to Regain Lost Mind Share



Sources: Pathmatics; Nielsen; Capital IQ; Euromonitor; BCG Senior Marketing Professionals Brand Marketing Survey, 2025, n = 134; BCG analysis.
Note: Sample of 220 brands owned by public companies across verticals; monetary values adjusted for inflation.

The evidence shows that brand marketing behaves like capital. When sustained, it compounds. When underfunded, it depreciates quickly, requiring disproportionate reinvestment to recover.



Rethinking Brand Marketing

In light of these realities, leaders must rethink their brand marketing approach. Winning now requires success on two fronts: Externally, brands must influence consumers effectively. Far from being a discretionary expense, our analysis shows that brand marketing is a measurable investment that drives consumer attention, trust, and top-of-mind recall. (See Exhibit 2). These outcomes directly shape how consumers navigate choices, which brands they remember first, and ultimately whose products or services they buy.

EXHIBIT 2

What Do We Mean by Brand Marketing?

Brand marketing is a measurable investment to build a distinctive identity that **captures attention and earns trust** with consumers, **influencing customers** to **think of you first and choose your products and services**.

	Captures attention and earns trust	Consumers are influenced most by ads that catch attention (47%) and build trust (68%)
	Not only reaches, but also influences	High-maturity marketers focus on influencing consumer purchase decisions as their top brand objective (67%), well over driving reach (33%) alone
	Comes to mind first in a moment of choice	Brands that are trusted and remembered at the moment of choice are 2x as likely to be purchased

Sources: BCG Consumer Brand Marketing Survey, 2025, n = 2,391; BCG Senior Marketing Professionals Brand Marketing Survey, 2025, n = 134; BCG analysis.

Internally, brands must elevate their partnership with finance, bringing greater rigor to how brand marketing is measured and demonstrating the tangible financial returns it delivers for the organization. New metrics such as First-Fast Response (FFR) detect early shifts in consumer associations, giving leaders a clearer view of whether their brand is breaking through or blending in—and what this means for future sales. (See the sidebar “What Is First-Fast Response?”)

— What Is First-Fast Response?

First-Fast Response (FFR) is a research approach that captures the immediate cognitive associations consumers make between a brand and their needs. By analyzing speed and frequency of top-of-mind responses, FFR allows marketers to statistically link these associations to future sales outcomes. FFR is 2.6 times more responsive and four times more predictive of future sales versus unaided awareness.

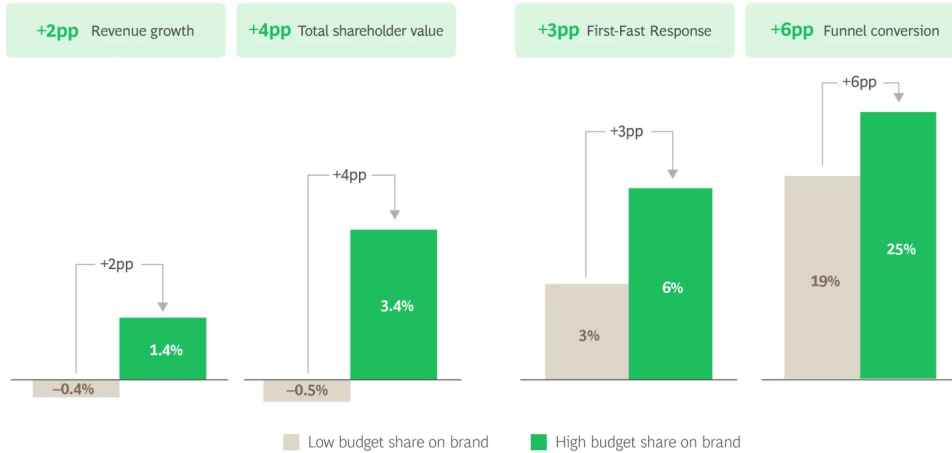
Organizations with high budget-share on brand marketing consistently deliver higher returns than peers that underinvest. This holds true across revenue growth, total shareholder value, FFR, and funnel conversion. (See Exhibit 3.)

EXHIBIT 3

Brand Marketing Investment Pays

Brands that invest boldly in marketing grow faster and deliver more business value . . .

. . . and sustain that edge over time across brand metrics that matter most



Sources: Pathmatics; Nielsen; Capital IQ; Euromonitor; BCG Consumer Brand Marketing Survey, 2025, n = 2,391; BCG analysis.
Note: Sample of 220 brands owned by public companies across verticals.

Five Drivers of Above-Market Brand Returns

Every organization starts from a unique position, shaped by its current market share and growth goals. For example, incumbents aim to reinforce existing mental associations to defend high share, while challengers seek to build new associations to capture share where they are advantaged.

Two-thirds of high-maturity marketers—those with the strongest capabilities, integrated channels, and active use of AI—cite influencing target audiences' decisions as their top brand objective.

Across this spectrum, BCG's analysis of 2,400 consumers and 130 senior marketing leaders reveals a clear pattern. Brands that achieve above-market returns anchor their activation on five tenets.

These interconnected practices help them lift performance and hold their ground in a noisier, faster market.

- **Understand what influences consumers.** Consumers no longer move linearly from awareness to conversion. They flow fluidly across touchpoints. Two-thirds of high-maturity marketers—those with the strongest capabilities, integrated channels, and active use of AI in their workflows—cite influencing target audiences’ decisions as their top brand objective. Leading marketers use influence maps to visualize how different touchpoints interact across the journey and to understand the distinct shapes of each journey type.
- **Use precision to capture attention.** Half of consumers point to capturing attention as a top driver of purchase decisions, underscoring the need for new tactics to stand out. High-maturity marketers take a hyper-focused approach, using social listening, platform analytics, and behavioral insights to develop a comprehensive understanding of their customers. This precision enables them to orchestrate timely windows of opportunity to deliver breakthrough marketing.
- **Build trust through authenticity.** Trust remains the foundation of consumer choice. It is cited as the top purchase driver by 68% of consumers and correlates with an 8-percentage-point boost in FFR. Conversely, brands that fail to build trust show 10 percentage points lower total shareholder value. Strong brands build trust by authentically aligning campaigns with consumers’ emotional and functional needs—and consistently delivering on those promises over time.
- **Evaluate impact with financial rigor.** With the right measurement, brand investment can be managed with the same discipline, rigor, and speed as many conversion channels. Among high-maturity marketers, 70% triangulate across three or more methodologies to measure both short- and long-term effects. They enhance traditional brand KPIs with fast-moving, predictive metrics like FFR—building shared confidence across marketing and finance that brand investments work and are worth growing.
- **Leverage high-impact channels, like video, with the help of GenAI.** High-maturity marketers tailor messages to consumer segments, particularly through high-impact channels like video, whose content is 2.3 times more likely to feel personalized. They are 1.7 times more likely to run multiple video variants, each with distinct story arcs tailored to different needs. GenAI helps them achieve greater relevance at lower cost, and they are 1.2 times more likely to reinvest the savings into working spending for marketing than send it to the bottom line.

Brand as a Strategic Investment


Brand marketing now sits closer to the core of performance than it has in years. With AI democratizing creativity, brand distinctiveness has become the last true competitive moat.

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Companies that achieve above-market returns treat brand as a measurable, strategic investment, not a discretionary line item. They focus on building distinctiveness, trust, and recall at the moment of choice, and they measure brand health with the same financial rigor as any other growth lever.

The practical next step is to treat these five drivers as an operating checklist. Leaders who work this way can transform brand into a lever that strengthens growth, pricing power, and commercial resilience in the short and long term.


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