THE EMPTY BRAND EFFECT

A Benchmark Study of Brand in the Age of Performance

15
Years of annual attitudinal benchmarking via The Gathering

80+
2026 trend reports analyzed across the industry

119
Independent sources — IPA Databank, Kantar BrandZ, Nielsen, Analytic Partners + 7 case records

THE CENTRAL FINDING

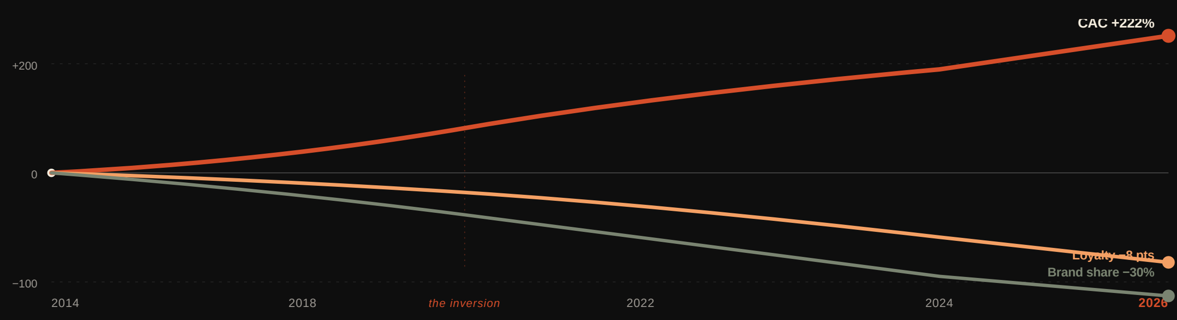
Why are we spending more every year to generate the same growth?

Marketing got more efficient. Growth got harder.

Brands are spending more to acquire customers while getting less of what matters most in return — net profit, repeat visits, preference. This is what two decades of optimizing for reach over meaning actually cost — measured at the income statement.

FIG. 1 THE BUDGET INVERSION, INDEXED 2014 → 2026

Three bills. Same income statement.



CAC · +222% over 8 yrs *SimplicityDX*

Loyalty · 77% → 69% *SAP Emarsys*

Brand share of spend · 32% → 22% *WARC / IPA*

+222%

Customer acquisition cost growth over 8 years.

Most brands responded by buying more reach. Few asked why customers stopped choosing them.

— SimplicityDX · CAC inflation, 2014–2022

THE FOUR DIRECTION LINES

↑ **Performance spend**
68% → 78%+ share of digital ad spend

↓ **Brand preference**
True loyalty fell, first time in 5 yrs

↑ **CAC**
+222% over 8 yrs

↓ **LTV**
63-pt ROAS swing, single quarter

Marketing got more efficient. Growth got harder.
That is not a coincidence. It is a cost.

WE CALL THIS THE EMPTY BRAND EFFECT

Brands got very good at reaching people. And very bad at meaning anything to them.

A four-paper benchmark synthesizing 15 years of attitudinal data via The Gathering, 80+ industry trend reports, and 119 independent sources spanning the IPA Effectiveness Databank, Kantar BrandZ, Nielsen, Analytic Partners, and the published case records of seven leading multi-location brands.

THE ARGUMENT · FOUR PARTS, ONE CONTINUOUS CASE

PART I

The Pattern

More than 80 major 2026 trend reports point to the same shift — consumers moving toward brands and experiences that feel more trustworthy, consistent, and worth their attention.

PART II

The Cause

A long-term budget and measurement imbalance. Marketing optimized for conversion and short-term return while underweighting memory, trust, and preference.

PART III

The Cost

Three linked commercial costs: higher CAC, erosion in brand equity, compression in lifetime value. The chart on page 1 is what it looks like.

PART IV

The Cure

Experience architecture — distinct from experiential marketing. The deliberate design of journey moments where trust, preference, and repeat behavior are reinforced or weakened.

> THE OWNABLE POINT
>
> **For multi-location and experience-dependent brands, operational experience is one of the primary mechanisms through which mental availability and preference are reinforced or eroded. That is not a CX claim. It is a commercial growth claim.**
>
> THE EMPTY BRAND EFFECT · CULT COLLECTIVE 2026

THE THREE COMMERCIAL BILLS · THREE BILLS, SAME INCOME STATEMENT

Customer acquisition costs up

↑ 222%

Eight years. From a $9 net loss per new customer to $29.

— SimplicityDX, 2022

Top 100 global brand value

↓ 20%

Single year. Every one of 13 sectors recording a downturn.

— Kantar BrandZ, 2023

ROAS swing, single quarter

↕ 63 pts

Full-funnel vs performance-only. The asymmetry made measurable.

— Nest Commerce Q1 2024

WARC MULTIPLIER EFFECT · 996 IPA CAMPAIGNS

+90% ROI uplift moving to brand-plus-performance. −40% moving the other direction.

The asymmetry is the whole argument. Brand investment amplifies the performance outcome. Performance alone cannibalizes itself.

WARC Multiplier Effect study, 2024

QUALTRICS 2025 · EXPERIENCE ECONOMICS

Moving a 1–2★ experience to 3★ lifts repeat purchase +68% and recommendation +97%.

That magnitude of behavioral change does not come from a performance channel or a discount mechanic. It comes from the brand's experience at a moment that mattered.

Qualtrics 2025 customer experience research

The brands outperforming in this environment are not running better campaigns. They are building stronger operating systems that connect reach, memory, preference, experience, and repeat choice into a single commercial model.

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