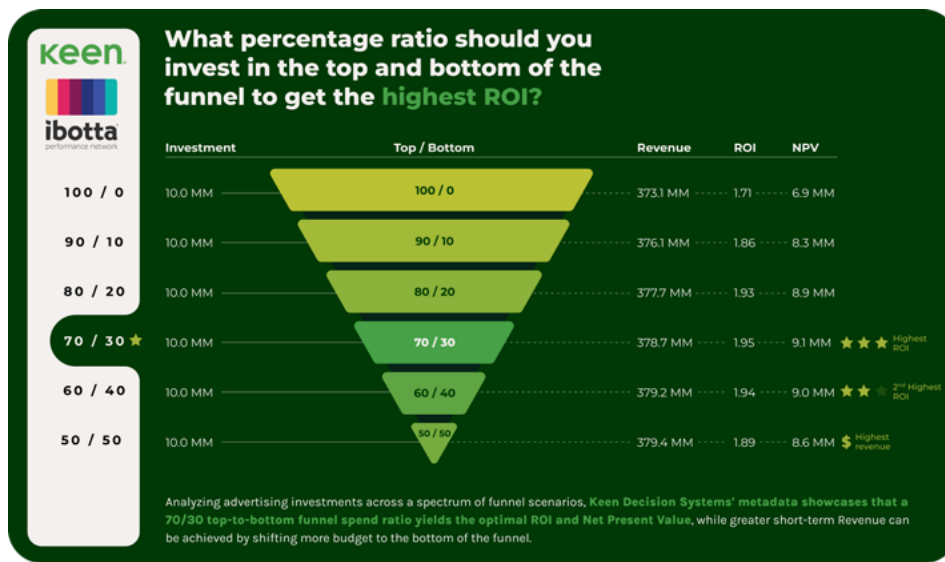


How to Balance Top and Bottom of the Funnel Spend to **get the Highest ROI**

By analyzing advertising investments across a spectrum of funnel scenarios, Keen’s metadata shows that a **70/30 top-to-bottom spend ratio** yields the optimal ROI and Net Present Value (NPV), while greater short-term revenue can be achieved by **shifting more budget to the bottom of the funnel**.



Let’s compare the outcomes when two different brands allocate their spend differently across the funnel.

Brand X isolated marketing and media (excluding trade) and the brand’s investment levels remained flat YoY, but revenue was down because of the pricing pressures by retailers along with volume decreasing which was experienced across the industry. Also, by adding in the cost for inflation, you can see that the overall profits eroded which is the opposite impact that Keen sees from brands with well balanced funnel investments.

METRIC	MODEL	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Total Revenue		166.43M	238.37M	175.22M	129.15M	174.9M	231.58M	165.61M	111.94M	156.54M	212.96M
Investment		10.53M	21.27M	17.22M	8.6M	13.85M	22.62M	16.49M	9.67M	15.76M	22.61M
Contributed POS Vol (Same Yr)		482K	1,020K	623K	265K	549K	937K	526K	235K	516K	836K
Contributed Net Profit (All Yrs)		5.46M	17.2M	6.97M	1.31M	6.67M	15.91M	4.69M	-0.21M	3.58M	11.29M
Profit ROI (All Yrs)		1.52	1.81	1.4	1.15	1.48	1.7	1.28	0.98	1.23	1.5

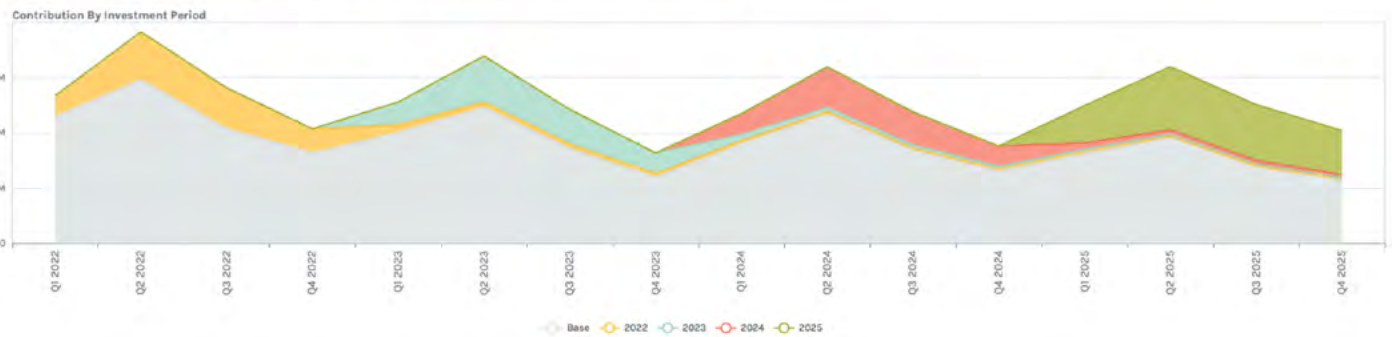
In this next example, **Brand Y** cut back on trade investments to preserve price, shifted dollars to marketing and drove a 19% increase in sales.



Brands that do not spend in a balanced marketing funnel, erode their base and their marketing dollars need to work harder to achieve the same revenue. By combining underperforming marketing with higher cost pers, a brand's profitability will decrease.

Base continues to erode with overspending at the bottom of the funnel

Media budgets are pushed toward the bottom of the funnel to move units, but it comes at the sacrifice of the brand's base equity.



About Keen Decision Systems

Keen Decision Systems is a high-growth SaaS company that helps FORTUNE 500 and other marketing leaders make data-driven decisions, tie them to financial impact, and create long-term value across the board, including for shareholders. Keen's software lets marketers run scenarios to achieve their growth goals, driving a 41% improvement for clients over the past 52 weeks. Based out of North Carolina's Research Triangle Park, Keen manages \$2 billion in marketing for major brands under Church & Dwight, Bush Brothers, Suja, Athletic Brewing, and Bumblebee Foods, among others.

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