



When is Branded Search Worth the Investment?

Real-world, large-scale analysis shows when branded search works and how to leverage it.



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Executive summary

1

Branded search is more incremental when competition is high.

Your chances of incrementality are better if multiple competitors are bidding on your brand terms. However, you should still be calculated with how you respond to pressure.

2

For brands selling on Amazon, branded search ads shift sales toward DTC.

Depending on your margin profile, this may or may not be a good thing.

3

Branded search influences new customers more than existing customers.

This runs counter to the conventional wisdom on who branded search biases towards and has implications for how you should segment your campaigns.

4

Branded search is a demand capture channel – you see the impact immediately.

Don't count on delayed impacts or funnel-building effects from branded search.

Background

For growth marketers, investing in branded search can be one of the most controversial paid media decisions: Are you defending your brand from competitors, or paying Google to send you traffic you would've gotten anyway?

Branded search refers to the ads that appear above organic results when people search for your brand's name, [typically on Google](#). The paid ad gets prominent placement – but it often pushes your own website further down the page.

At first glance, it seems redundant: Why pay for people already searching for you when your organic listing is a short scroll away? It's a fair question – this inventory is the digital equivalent of the sidewalk in front of your store. The customer is mere steps away from the front door with intention to enter. There's nothing left to do besides greet them... right?

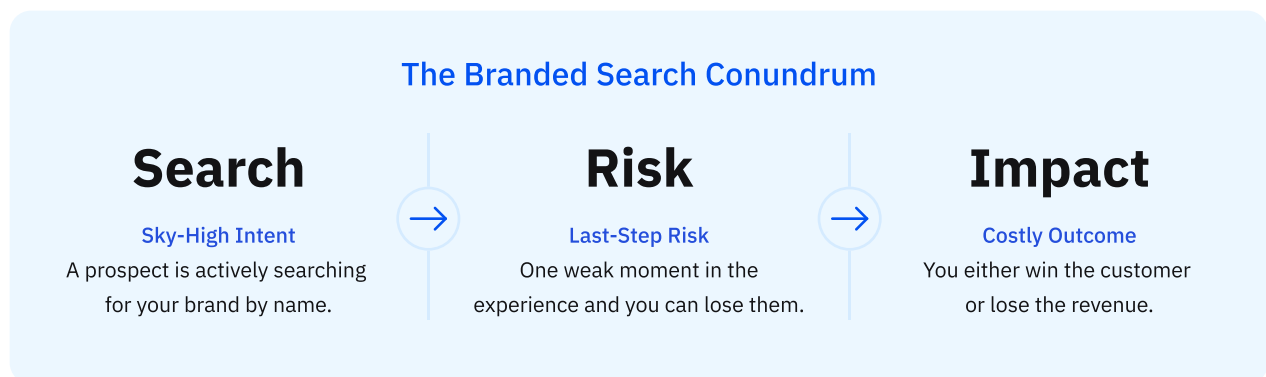
Unfortunately, as is so often the case in growth marketing, the answer to that question is not so simple.

The branded search conundrum

Let's imagine a competitor intercepts your customer at the door with a flyer offering 50% off – suddenly even your most loyal customers might think twice.

This is The Branded Search Conundrum: A prospect looking up your brand likely has sky-high intent, but the risk of losing them at the last step is hard to ignore – and potentially costly. Add in pressure from your CEO – who just sent you a screenshot of your main competitor in top position – and it's no surprise most brands default to holding first position, often without questioning whether that strategy is profitable, let alone profit-maximizing.

Yet the opposite response is equally flawed – assuming without evidence that you shouldn't spend a dollar on defense is risky. Even if your ad doesn't change minds, it prevents competitors from siphoning attention at a critical moment.



The middle way

As with most debates that hit the C-suite, the prudent response lies in the middle – not at the extremes.

The optimal approach to branded search is rarely all-in or all-out. It depends on business-specific factors: opportunity costs, margin profiles, and auction pressure.

The debate over this crucial question has raged for years, with passionate perspectives on both sides, but little hard evidence. For marketers, the wrong call can mean millions in wasted spend – or worse, losing customers at the very last click.

That's why we analyzed a trove of branded search experiments across industries – to cut through the noise and uncover when and why brand defense actually pays off. The results may challenge what you thought you knew!

Part I: Insights from branded search incrementality tests

Understanding the data

Before we dive in, here's some background on the data and a few definitions you should know:

- All experiments were conducted on Google text-ad campaigns exclusively targeting brand-name keywords.
- The median test in the study ran for 14 days with no [post-treatment window](#) (PTW). 27% of tests included a PTW.

- How we're defining "high competition" and "low competition" on branded terms:
 - High competition: 3 or more competitors totaling over 50% impression share. The average brand in this group surrendered 24% top-position impressions to competitors.
 - Low competition: 2 or fewer competitors totaling less than 50% impression share. The average brand in this group surrendered less than 1% top-position impressions to competitors.
- We defined "significant lift" as having greater than 80% possibility of being above 0.
- An [incrementality factor](#) (IF) is the ratio between the amount of incremental sales a channel drives relative to the sales reported in-platform.
- iROAS = Incremental Return on Ad Spend. Unless otherwise noted, we are referring to DTC-only iROAS.

Now let's take a look at the first factor you should be considering...

Auction competition sharply increases incrementality

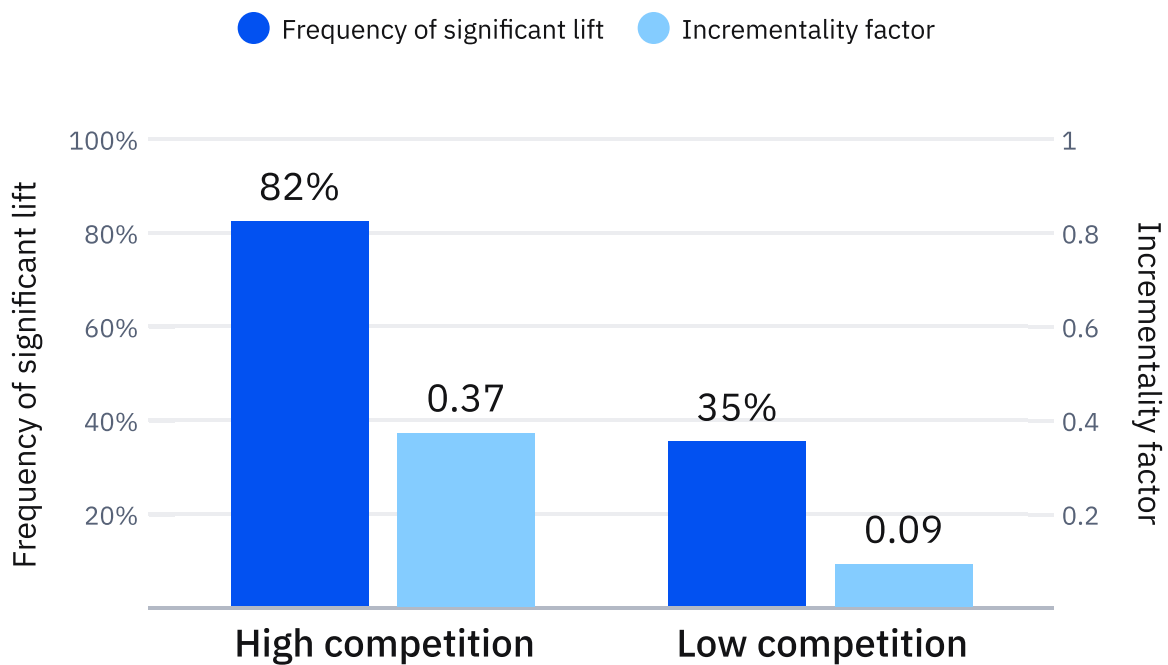
The top determinant of your branded search incrementality is the extent of competition you're facing on your terms: **82% of brands facing high competition measured significant lift on branded search compared to just 35% of those facing low pressure.**

Brands in the high-competition group also saw much higher incrementality factors than their counterparts (0.37 vs 0.09), though it's worth reminding ourselves that platform-reported ROAS for branded search campaigns be very high, particularly when competition and CPCs are low. This means these

campaigns may still support profitable iROAS even if their incrementality factors are lower than other tactics. The only way to determine for sure how that sky-high platform number translates to incremental impact for your business is with an incrementality test.

Branded search results by competition

Real example of a Haus customer showing TikTok warms up an audience, builds demand, and efficiently captures that demand ahead of a promotional period.



Despite the CPC premium brands with high competition pay, they still saw 47% higher iROAS on average. It's a counter-intuitive case where stiffer competition may actually improve the efficiency of your spend. Hopefully that offers some respite for any brands out there facing a sudden or unexpected surge in branded search CPCs.

Branded search pulls sales away from Amazon

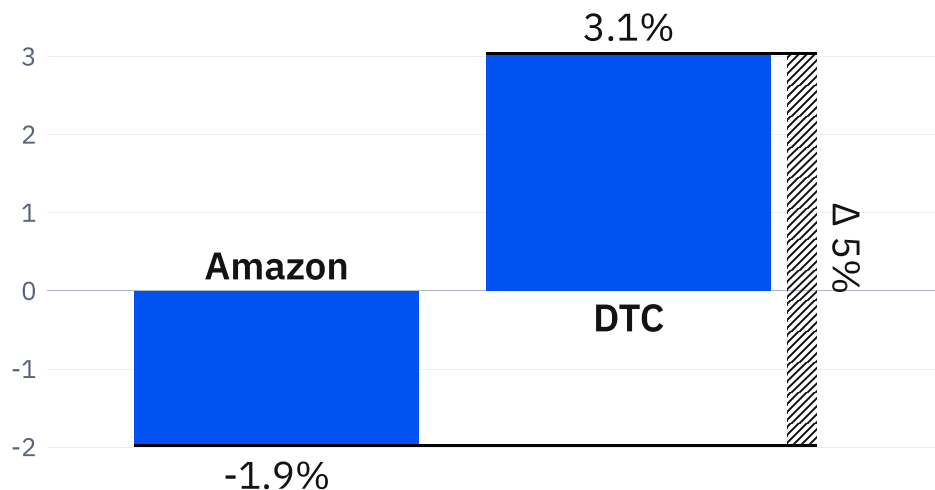
Among brands selling on Amazon, 67% saw branded search drive negative or no lift on Amazon sales. On average, this came out to an average -1.9% Amazon sales lift (or should we call it anti-lift?).

Notably, 78% of brands in this sample faced Amazon in at least 10% of their branded auctions. When branded search spend was paused, [Amazon's ads stepped in unchecked](#) — which helps explain the shift in sales away from DTC and toward Amazon.com.

When you factor in an average DTC lift of +3.1%, **the net result of branded search is a share shift of approximately 5% away from Amazon and into DTC** for these brands. Depending on your unit economics, this is either a good thing or a bad thing; if you're a brand using Fulfillment by Amazon, for example, the share shift towards DTC might not be as welcome.

Average sales lift driven by branded search

The average brand saw a 5% net share shift in sales out of Amazon and into DTC.



In either case, [if you sell on Amazon](#), you should include those sales in your lift calculus – otherwise, you are getting an incomplete view of the omnichannel lift that branded search is driving.

Note: Lift against physical retail was essentially neutral (+0.1% on average).

Most of branded search's impact is on new customers

Branded search results are guaranteed to attract a diverse assortment of traffic – from prospects who've just heard of your brand for the first time to loyal customers looking for the latest product drop or promotion. Each of these varied audiences will have varying incrementality and segmenting them accordingly presents an easy opportunity to improve your campaigns' profitability.

There is a common perception in growth marketing circles that branded search disproportionately targets existing customers. That might be true, but on average **branded search drove a 1.7x higher lift % against new customers than existing customers.**

It makes intuitive sense that, while existing customers might make up the lion's share of searches for your brand, they are also less likely to be swayed by a competitive ad – exactly what we're seeing in the data.

Even if you already suspected this, the insight has an important implication: If you haven't separated existing customers into their own branded search campaign, Google may be bidding up on them based on higher observed conversion rates. Because its bidding strategies don't account for incrementality, taking manual control here can nudge the algorithm toward what matters most – new customers, not existing ones.

The same goes for mid-funnel segments like your retargeting audiences – while we didn't include a comparison of true prospecting vs retargeting in this analysis, there is likely an additional opportunity for data-driven segmentation here for brands who have an extended purchase journey.

Branded search is, in fact, demand capture

This one shouldn't surprise anyone, but we wanted to anticipate the question just in case. For experiments that included a post-treatment window, Haus measured just less than a 10% increase in DTC lift on average – just a fraction of the delayed lift of [an upper funnel channel like YouTube](#). This is a strong indicator that confirms branded search is typically the last, or close to the last, step in the purchase journey.

Part II: Crafting an incrementality-forward branded search strategy

Whether zero competitors are on your brand terms or a hundred, it pays to have a data-backed strategy – our gut reactions to competitive pressure are rarely the best guide. If your goal is optics, ignore what you're about to read; if you're trying to maximize incremental outcomes, then keep reading for our recommended three-prong approach.

Look at iROAS, not absolute top of page rate

The fastest way to waste money on branded search is chasing first position at all costs. You wouldn't give another channel a blank check regardless of efficiency – branded search shouldn't be an exception to that rule.

There are two chief reasons why this approach is ill-advised:

- 1. There's always a walk-away price.** Every dollar you overspend here is one you can't deploy elsewhere. If competition drives bids past the point of efficient marginal return, it's time to reallocate.
- 2. Overbidding feeds pressure.** If you're first-place in a second-price auction, raising your bid just provides more space for the runner-up to increase their bids without facing any additional cost. Instead, all of that extra cost is passed directly onto you.

Defend your position at a profitable bid level – ideally determined based on an incrementality test result. Google's auction system rewards ad quality, meaning rivals often have to overspend to push past you.

Don't make your brand an easy target

Even if competition is light, maintaining a presence on your branded search terms is often justified. **Costs are lower and your ads give you access to Google's [auction insights](#)** so you can spot competitors coming early.

If you're still concerned about mitigating costs, remember that you don't need to hit 100% impression share to access auction insights. There is no magic number from Google here, but in certain cases the threshold may be as low as 10%.

The added benefit of maintaining a presence, even at a conservative bid level, is that it immediately raises the barrier to entry for any competitor – as they will have to submit a much higher bid to rank ahead of you.

Know where to reallocate

Here is some sage advice from Haus Measurement Strategy Lead and [Google Ads expert Ike Armstrong](#):

“In my experience with branded search, the key is striking the right balance between defense and performance. You want to invest enough to capture high-intent demand and block competitors, but not so much that it cannibalizes more scalable growth channels.”



Ike Armstrong

Measurement Strategy Lead, Haus

Ike hits on something here that’s often overlooked in these discussions: If you do find some savings in branded search, you then have to decide what to do with that newfound budget.

According to Ike, brands typically aren’t moving this budget away from Google: “They’re reallocating within it... YouTube is an obvious place to turn because of its tendency to fuel more searches, but there’s often opportunity within PMax or Shopping as well.”

Branded search is only as scalable as the high-intent traffic that you’re feeding it, making [funnel-building channels like YouTube](#) a potentially wise choice if you’re hitting a wall. Just keep in mind that upper-funnel channels are difficult to measure with traditional tooling; It’s a risky bet to shift large sums of budget into these channels without an incrementality test to justify it.

Retest when necessary

Like any advertising channel, brand search incrementality is subject to change over time, regardless of whether you're receiving pressure from competitors.

Promotional periods and product launches are prime examples here because these are cases where there is an added advantage to a paid result over an organic one: controlling the experience. These are instances where speaking to an offer or sending traffic to a hot new product landing page can boost paid conversion rates and generate a short-term boost in incrementality for branded search.

You cannot run a test during every unique moment on the calendar, but having at least one data point to indicate whether branded search is more or less necessary during these seasonal high-points is probably a prudent approach for most brands.

Part III: Putting it all together

Branded search is so fascinating because it's the one channel you partly create for yourself. Every dollar you spend upstream – on awareness, on product, on brand equity – feeds the pool of people searching for you. And unlike most channels, you can actually see the auction play out in near-real time.

This uniqueness is a gift and a challenge. It means there are no universal rules, only choices: when to defend, when to step back, when to redirect budget. Those choices will determine whether branded search is a tax... or a lever for growth.

Haus exists to help you make those choices with confidence. If you're interested in speaking to a member of our team, you can do so [here](#). But if you're not ready to chat yet, that's cool – you can always just... Google us.

