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Key Elements of a Next-Gen Digital Strategy

Executive Summary

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Digital marketing has come a long way from simply running banner ads on the internet. But while most companies have evolved from mass to personalized messaging, that's not enough.

The leaders in digital marketing are stepping into the future, continually expanding into new channels. And they are genuinely integrating communications, blending them between physical and digital environments.

This elite group of marketers is still creating brand awareness. But they have broader goals, too, including demand generation, driving digital commerce and optimizing customer experience. To reach these goals, they are developing a next—generation digital marketing strategy, one that harnesses the power and complexity of today's marketing technology and data platforms.

Our <u>report</u> on these future—ready marketers details precisely what these companies are doing right, with a clear description of what digital marketing and customer engagement excellence look like.

The three defining features?





These brands speed customers along the progressive stages of the buying funnel-not just at the top. And the velocity of commercial customer movement through all stages of the customer journey is a crucial metric.



2 — They're nailing personalization

The best digital brands build relationships that are constantly deepening. They optimize each interaction using behavioral, demographic and propensity data to deliver personalized content and messaging that is valuable to customers.



3 — They are integrating operations

Excellence comes from the breadth and strength of moving among channels, whether they are digital, physical or both. These brands know relevance is built by communicating with people in new and innovative ways. As we studied each of these traits, we isolated six essential drivers underlying these comprehensive next-generation strategies. These are useful for all digital marketers and offer a way to evaluate just how ready they are for the next phase of digital evolution.

SUCCESS DRIVER 1 Clarity of goals, and the use cases that achieve them

The most important factor is the selection and prioritization of the right digital marketing goals and similar use cases. Forward-thinking marketers no longer restrict those use cases to traditional brand-building. Because they know which business goal is most important at a given point in time, they find the use cases that have the best odds of success.

Typically, they come from four archetypes:

The Brandvertisers. Think of Coca–Cola or Red Bull campaigns, delivering brand-focused messages to maintain awareness and relevance. They shift perceptions, reaching a large, digitally-engaged audience. Success factors include customizing messages at scale, creating highly engaging content and a sizeable budget for advertising on different channels.

Relationship Builders. While they are certainly not exclusive to B2B marketers, companies drawing on these use cases are focused on new customer acquisition, customer value growth and enabling their sales force and channels. They aim to build a connection between the brand and its prospects and customers. Scale is less important.

Since sales cycles are long, there are plenty of opportunities for digital marketing to capture data, deliver customized content and even communicate through in-product messaging.

Inbound Optimizers. With the primary goal of driving traffic—like Amazon and Uber—these use cases require significant investment in website and mobile experience management platforms, as well as the use of social media, advertising and email.

Constant Communicators. These use cases draw on real-time messaging, giving relevant information exactly when and where the customer needs it. Companies like FedEx with its multichannel updates or TransUnion with its fraud resolution messages are two examples, but others include companies with extra-product experiences, such as user groups or engagement communities. These cases call for a strong presence on many different digital channels, and the ability to deliver a consistent experience of the brand across many moving parts.

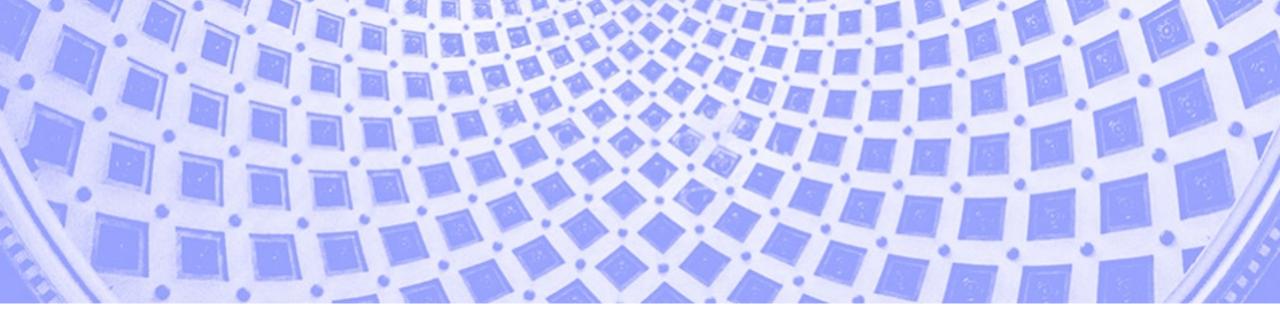
SUCCESS DRIVER 2 Sophisticated customer data analysis and a "next-best-move" strategy

Traditional marketing relied solely on demographic customer data, but anonymous site visitors and prospects are harder to segment. As a result, modern digital marketing has developed the ability to collect and use data points beyond demographics, including psychographics, geo-location, digital activity, historical behavior and product propensities.

From this wealth of data, next-gen digital marketers design campaigns that focus on personalized messaging and products at the individual and segment level. That provides the best possible experience on digital channels and also moves people faster along to purchase. The key is calling on the right data source at the right time.

SUCCESS DRIVER 3 High quality, customized digital content

To bring this next-best-move strategy to life, brands need to craft content that is highly relevant, depending on the customer's state of mind at that moment. Messaging and visuals need to reflect their immediate needs, and that calls for tapping the right sources of data. Fewer than half of the companies (42%) surveyed in a recent study say they can create this level of personalized content.



SUCCESS DRIVER 4 Sophisticated customer data analysis and a "next-best-move" strategy

The best digital marketers think ahead. As social media and mobile have become basic, they are deploying chatbots and voice devices, like Alexa. They're working with tech that helps blend physical and digital environments—beacon devices in stores, digital billboards and smart shopping aisles. And they know this requires continually adapting content formats, back-end technology and data capabilities.

SUCCESS DRIVER 5 High quality, customized digital content

Another fast-moving piece of the puzzle is having the right technology tools and data architecture in place. Here is where clustering use cases into archetypes is especially helpful, with each emphasizing a somewhat different toolset. Every modern marketing stack should be able to engage customers on multiple digital channels, store data generated by those interactions in a central place, draw insights from the data and create and deliver relevant content and experiences based on those insights.

SUCCESS DRIVER 6 Clarity of goals, and the use cases that achieve them

Having the right skills and talent is crucial. The most obvious hires are the people who can actually operate the Martech tools and platforms. These specialists run the digital marketing engine and monitor day—to—day results, optimizing as needed. But increasingly, we're seeing a need for managers and strategists who can design and orchestrate a campaign across multiple channels. These individuals must build relationships with various teams, and understand analytics, platform capabilities and creative oversight.

Finally, building a next-generation digital marketing strategy requires the right kind of leaders. These people decide on goals, evaluate metrics, fund projects and clear obstacles. Digital progress requires not just their support, but their deepening understanding of the new capabilities of marketing. Not only does that leadership pave the way for next–gen strategies, but it also leads to uncommon growth. And it prepares companies for the next next-gen transformation, and an enterprise that's genuinely future–ready.

For more information on how to develop a next–generation content strategy for your organization, please contact inquiries@prophet.com or visit us here.

