Moving Toward a Digital, Customer-Centric Marketing Strategy
Tearing Along ‘The Line’ – or Tearing It Up?
Table of Contents

Executive Summary ......................................................... 1
Introduction ................................................................. 1
Defining the Line .......................................................... 2
  The Line ........................................................................... 2
  Through the Line (aka Across or Between the Line) .............. 3
  Digital Marketing ......................................................... 4
Movement of ‘The Moment of Truth’ .................................... 6
  Succeeding (in Marketing) in the Digital Age ....................... 8
Summary ........................................................................... 13
  Technology ....................................................................... 14
  Processes ......................................................................... 14
  People .............................................................................. 15
About SAS ........................................................................ 15
References ......................................................................... 16
Executive Summary

Most businesses and professions have their own descriptive jargon that has fallen into everyday use even though the meaning may have changed substantially from what was originally intended, and marketing is no different. The terms “above the line” (usually intended to describe mass marketing and advertising) and “below the line” (used to define data-driven, direct marketing) are still frequently used, even though they no longer adequately cover the breadth of modern marketing practices.

This paper will explore and provide insights into the shift taking place in modern marketing – a shift that is being driven primarily by the inexorable global change in consumer behavior.

Introduction

Centered on the fictitious New York advertising agency Sterling Cooper, the TV series Mad Men is sometimes used as a reference point for the style, mood and changing social mores of the 1960s. It also provides a lens through which we can view the changing attitudes of the marketing industry itself, and the evolution of roles and activities required within marketing organizations to survive and thrive in an increasingly consumer-led, global marketplace.

Between the 1960s and the 1990s, consumerism underwent its metamorphosis in the increasingly red-hot glare of the media. Unsurprisingly, marketing, in leading the charge, enthusiastically exploited the emerging technological opportunities. As Mad Men portrays, advertising and product marketing became a metaphor for the fast-moving and “sexy” consumer world of opportunity and creativity. Indeed, many of the marketing icons of those times survive today and are reused extensively to inform “retro” fashion and style.

By contrast, “customer direct marketing” in those days was somewhat limited. Database marketing is a term that still conjures visions of arcane data management processes, random and largely unsuccessful mass mailing programs, and ineffective product “push” tactics to increasingly unwelcoming and vociferous consumers.

The contrast between the marketing disciplines of the old days and today could not be more stark.

While the major catalyst for change in global marketing perspectives during the last 20 years is generally agreed to be the Internet, the global financial crisis in 2007-2009 – being the longest and deepest of the post-WWII era – also contributed to a unique set of circumstances that resulted in the advent of a new breed of consumer. This new customer is demanding, suspicious of unsolicited offers, expectant of high standards of service, aware, informed, connected and opinionated.
Globally, economies have since remained stubbornly stagnant with the notable exception of parts of Asia and Latin America. As economies continue to stagger out of recession and into slow, uncertain recovery and limited GDP growth, we see consumers at the poles of economic fortune. The affluent segments are now rebalancing and re-establishing their financial positions, while the lower-income segments have tightened their (spending) belts to weather the storm, which is predicted to continue for some time. Meanwhile, the middle-income segments – the group that collectively holds the most disposable income – appear to be hardest hit. In the face of this economic adversity, across all segments, changed consumer behavior is likely to be permanent. However, the middle and lower segments account for a huge and growing percentage of total buying power and must be catered to appropriately.

It’s unsurprising, then, that we’ve seen a shift to more interactive customer relationship marketing with attendant reassessment of global marketing priorities, channel exploitation and funding distribution. Perhaps the question is not the extent of the change from above-the-line to below-the-line, but whether “the line” will be relevant at all in the future.

If you feel challenged by the terminology and jargon of this fast-changing global consumer marketplace, then this paper can help demystify and explain the trends – and summarize a route to progress.

**Defining the Line**

To avoid getting too hung up on the jargon, it’s probably worthwhile to start with some simple definitions of the terms used in marketing today as a baseline for reference.

**The Line**

Originally, this term was attributed to the way Procter & Gamble – one of the world’s largest advertising clients – formally accounted for its marketing media costs. In the 1950s and ’60s, advertising agencies made their revenue (commissions) from creative advertising programs and booking media for clients. Thus, these costs sat in P&G’s balance sheet and profit-and-loss accounts, visible in accounting terms – and thus termed – “above the line.” By contrast, direct marketing programs in those days had no media involvement and incurred no such charges – and therefore sat “below the line.”
These two types of marketing programs could be categorized as follows:¹

<table>
<thead>
<tr>
<th>Above-the-line (ATL) marketing programs</th>
<th>Below-the-line (BTL) marketing programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tailored to reach a mass audience</td>
<td>Targeted to individual consumers, based on their expressed needs and preferences – and are thus data-driven</td>
</tr>
<tr>
<td>Establish brand identity or reinforce emotional concepts surrounding a product or brand</td>
<td>Issue a “call to action” inspiring specific customer activity or tailored messages about a product or brand</td>
</tr>
<tr>
<td>May or may not drive customer response</td>
<td>Drive individual responses</td>
</tr>
<tr>
<td>Difficult – if not impossible – to measure with any accuracy</td>
<td>Highly measurable, allowing marketers insight into their return on investment, as well as which tactics are (and are not) working</td>
</tr>
<tr>
<td>Cater to the mass market</td>
<td>Establish 1-to-1 relationships between consumers and marketers</td>
</tr>
</tbody>
</table>

Historically, these categories have been manifested through:

<table>
<thead>
<tr>
<th>TV/radio advertising</th>
<th>Direct mail/email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print – newspapers, magazines, etc.</td>
<td>Direct response broadcast/print</td>
</tr>
<tr>
<td>Out of home (outdoor) advertising</td>
<td>Event-based marketing</td>
</tr>
<tr>
<td>Telephone directories</td>
<td>Interactive marketing</td>
</tr>
<tr>
<td></td>
<td>Promotional marketing</td>
</tr>
</tbody>
</table>

Other “variants” have emerged that can often have slightly different interpretations depending on the context in which they’re used.

**Through the Line (aka Across or Between the Line)**

This depicts a marketing strategy that includes both a brand-building ATL activity (e.g., TV, radio, press/print) and customer-targeted BTL activities (e.g., direct mail, email, search engine marketing), but the two important characteristics are:

1. The ATL and BTL components are integrated within the specific marketing program.
2. There is consistency in the creative elements used between the components.

These factors serve to increase the efficacy of the overall marketing program as a consumer follows the message from initial awareness through to purchase.

¹ Winterberry Group – V12 Group. Tracking the Trends.
There have been several significant examples of disruptive change within the marketing arena – television being one, the Internet being another. But possibly the most significant recent change has been the emergence of digital marketing, which is having a major effect on the use, relevance and perceived value of other marketing approaches. Digital marketing’s emergence and growth have been expedited by the astonishing explosion of mobile technology and consumer usage – encompassing a plethora of personal devices and smartphones now available in the consumer marketplace.

Digital Marketing

Digital marketing (DM) is the practice of promoting products and services using digital channels – communication using only electronic signals – to interact with consumers. While it is often tied closely with the Internet as the primary channel, its success is precisely due to the fact that DM exploits a multitude of other digital channels – such as mobile (SMS, MMS, WAP, etc.), social media marketing and any other form of digital media.

Digital marketing utilizes the following methods:  

<table>
<thead>
<tr>
<th>Method</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Display</td>
<td>Ads that appear on websites, pop-ups, banners, etc.</td>
</tr>
<tr>
<td>Search engine marketing</td>
<td>Paying for your pages to be shown on search results pages</td>
</tr>
<tr>
<td>Email marketing</td>
<td>Sending email newsletters or electronic direct mail</td>
</tr>
<tr>
<td>Editorial</td>
<td>Paid-for coverage in online news, magazines and portals</td>
</tr>
<tr>
<td>Affiliate (partner programs)</td>
<td>Paying site a commission to promote your product</td>
</tr>
<tr>
<td>Promotions (sales, coupons, competitions)</td>
<td>Digital versions of marketing sales promotions</td>
</tr>
</tbody>
</table>

Digital marketing can be thought of as a combination of both “push” (e.g., email, IM, SMS, RSS, WAP Push) and “pull” (e.g., pay per click, ad-serving) technologies to execute a marketing program, and its success is predicated upon several fundamental characteristics. Namely, it is:

- Targeted.
- Trackable.
- Measurable.
- Involved in the development of a relationship with the customer.

---

A combination of all of these marketing methods accounts for the majority of all global marketing activities and investments irrespective of industry segment, geographical location or technology platform – with the goal of intercepting the consumer in his or her highly dynamic, cross-channel buying journey. The media types that are used to perform this task are commonly described as the table below shows.³

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Definition</th>
<th>Examples</th>
<th>Role</th>
<th>Benefits</th>
<th>Challenges</th>
</tr>
</thead>
</table>
| Owned      | Channel and brand controlled | • Website  
• Mobile site  
• Blog  
• Twitter account  
• Facebook account | Build for longer-term relationships, existing customers and earned media | • Control  
• Cost efficiency  
• Longevity  
• Versatility  
• Niche audiences | • No guarantees  
• Company communications not trusted  
• Takes time to scale |
| Paid       | Brand pays to use a channel | • Display (banner) ads  
• Paid search (words)  
• Sponsorships | Shift from foundation to a catalyst that feeds owned and creates earned media | • In demand  
• Immediacy  
• Scale  
• Control | • Clutter  
• Declining response rates  
• Poor credibility |
| Earned     | When customers become the channel | • Word of mouth  
• Buzz  
• “Viral” | Listen and respond – earned media is often the result of well-executed and well-coordinated owned and paid media | • Most credible  
• Key role in most sales  
• Transparent  
• Lives on | • No control  
• Can be negative  
• Scale  
• Hard to measure |

Paid media, which has traditionally been the primary choice for advertising and marketing initiatives, no longer works as effectively as it once did, in part due to its loss of credibility with consumers – unless it is supported by additional marketing channels. It is also extremely competitive with myriad other products and services competing for the customer’s “clicks and hits.”

Owned and earned media are increasingly vital to successful digital marketing initiatives – but they have their own challenges. Owned has limited reach and requires that traffic be driven to it, but it enables easier measurement and tracking, which in turn requires content and data to be well-organized in order to be fully exploited. Earned has growing consumer advocacy, but it carries the inherent risk of damage from negative comments, which can rapidly develop into a viral threat to an organization’s brand.

However, these media types are converging with the flow of information, content across multiple media platforms and the changing behavior of media audiences. As Wikipedia states.⁴

⁴ http://en.wikipedia.org/wiki/Technological_convergence
“Media convergence, in reality, is more than just a shift in technology. It alters relationships between industries, technologies, audiences, genres and markets. Media convergence changes the rationality media industries operate in, and the way that media consumers process news and entertainment. Media convergence is essentially a process and not an outcome, so no single black box controls the flow of media. With proliferation of different media channels and increasing portability of new telecommunications and computing technologies, we have entered into an era where media constantly surrounds us.”

**Movement of ‘The Moment of Truth’**

For all of our technological advances, the fundamental objective of marketing has not changed since a serpent persuaded Eve to taste a piece of fruit. That is:

> To get somebody to buy from you, to have them stay as your customer for longer and buy more from you ... and (potentially) to encourage others to do the same.

The natural corollary to the objective statement above is:

> How and when does a customer decide to buy from you?

In 2005, Procter & Gamble took a concept originally authored by Scandinavian Airlines CEO Jan Carlzon in his 1989 book *Moments of Truth*, and they coined a highly influential phrase along with a consumer purchase model for CPG called “First Moment of Truth.” Indeed, it was considered so revolutionary that *The Wall Street Journal* dedicated a front-page spread to it.

![Diagram of Moments of Truth](Image)

*Source: Google – Winning the Zero Moment of Truth*
The First Moment of Truth (FMOT, pronounced “eff-MOT”) describes the short time – assessed as being between three and seven seconds – after a consumer first encounters a product on a store shelf, during which marketers have the chance to convert the browser into a buyer through sensory, value and emotional appeal. The encounter could be “conditioned” by some form of previous marketing stimulus. The Second Moment of Truth (SMOT, or “ess-MOT”) occurs every time the customer subsequently uses the product. This provides another marketing opportunity – to reinforce a correct buying choice, to prove the value of the product, to “delight” the customer and (importantly) to potentially initiate a repeat or additional product purchase event – either personally or with another consumer.

In 2010, Google VP Jim Lecinski published his book Zero Moment of Truth, which moved the concept firmly into the “new” digital arena.

ZMOT in a sense characterizes the changed buying journey that is now increasingly prevalent as consumers become more aware, connected and independent. Today’s consumers frequently arrive at their FMOT far better informed and prepared than they ever were before. The period between initial stimulus and FMOT is now both varied and potentially longer than before, as consumers investigate and share information regarding potential product purchases before making the buying decision.

This requires organizations to proactively seek to educate, inform and engage – on an individual basis, in their target consumer markets – to make their ZMOT investments a corporate priority, recognizing that consumers increasingly trust the word of their friends and other shoppers over the claims made by product marketers.

Since we are all now, by varying degrees, members of the global digital consumer community, it is quite evident that this model is no longer solely relevant in the CPG arena. It is entirely appropriate to most, if not all, forms of commodity purchase, although clearly some will be more suited than others.
The reasons why organizations should take all this seriously are reflected in simple survey data:\(^6\):

- 50% of consumers used a search engine to find out information.
- 49% of consumers talked with friends/family about the product.
- 38% of consumers comparison shopped online.
- 36% of consumers sought information from a product brand/manufacturer website.
- 31% of consumers read product reviews or endorsements online.
- 22% of consumers sought information from a retailer/store website.
- 22% of consumers read comments following an article/opinion piece online.
- 18% of consumers became a friend, follower, or “liked” a brand.

While all this “MOT-madness” was going on, many of the global advertising agencies were busy setting up new business divisions. Sometimes just appended by “digital” to their corporate brand name (e.g., WPP Digital\(^6\)), sometimes held as separately branded digital operations, and sometimes integrated in the mainstream business and referred to as “diversified agency services” (a la Omnicom\(^7\)), these organizations offer a range of digital and direct marketing services in competition with the plethora of small and medium-sized specialist digital services firms. And these services now contribute an increasingly high proportion of the profitable agency revenues.

If the term “above the line” was ever intended to refer to the potential revenue and profit streams of the advertising agencies from mass marketing, then the advent of the digital divisions has surely conspired to put an end to its validity.

**Succeeding (in Marketing) in the Digital Age**

There is no shortage of evidence of the stagnation of marketing budgets worldwide – with only a few exceptions. Overall, marketing budgets are generally only growing very cautiously. Indeed, the uncertain economic climate is giving rise to adaptations in the budget planning process – with marketers moving away from the traditional approach of planning based upon the previous fiscal period or as a percentage of sales, and toward planning based upon funds required to achieve marketing objectives in the next period. This brings with it a need to be able to measure and justify attribution of funding to marketing initiatives – something that digital marketing potentially lends itself to far more easily than traditional advertising.

Traditional ATL budgets are showing limited growth – but where the money is going is into the digital/direct arena, often at the expense of traditional advertising. In its research paper *Global Outlook 2013: Data-Driven Marketing, Now and Tomorrow*, Winterberry Group, a global marketing consultancy, provides insight into the shift in marketing spending:

---

\(^6\) Google/Shopper Sciences Macro Research Study

\(^6\) WPP plc (Wire and Plastic Products) has grown by acquisition and organic growth to become the world’s largest marketing services group by revenues. www.wpp.com

\(^7\) Omnicom is an advertising and corporate communications company based in New York. It is the world’s largest media services conglomerate. omnicomm.com/mediagroup.com
In U.S., Total Ad Spend Expanded $15BB+ in 2012, Primarily Driven by New & Shifted Investment Into Digital Channels

- **Systemic shift in spend from traditional to digital channels** continued in 2012
- Spend in **traditional & direct marketing** segments continued to see modest growth
- **Summer Olympics and U.S. national elections** in 2012 were primary drivers of heightened U.S. marketing spend for the year

### U.S. Advertising and Marketing Spending, By Share of Approach 2009-2012 (US $BB)

![Graph showing share of advertising and marketing spending by channel from 2009 to 2012.]


And the estimated effect on traditional/direct/digital decomposed further:

**Traditional Media Slows – “Odd Year” Without Elections, Olympics or World Cup, Plus Continued Shift Towards Less Expensive Digital Media**

### 2013E U.S. Traditional Spending: $130.4BB

- **Outdoor:** $7.1BB, +4.3%
- **Cinema:** $0.6BB, +2.0%
- **Television:** $66.4BB, +2.8%
- **Yellow Pages:** $7.7BB, -6.1%
- **Radio:** $15.1BB, -1.5%
- **Magazines:** $13.7BB, -1.9%
- **Newspapers:** $18.8BB, -4.8%

Source: Winterberry Group analysis of multiple sources

Note: Arrows reflect expected percentage change in spend, by channel, from 2012 levels
Digital Will Captures New Ad Budgets and Shift from Print; Traditional Direct Flat to Slightly Down

2013 E.U.S. “Direct & Digital” Spending: $137.2B

- Other Digital: $12.3B (49.0%)
- Insert Media: $0.8B (-5.0%)
- Display: $16.2B (18.4%)
- Search: $18.8B (5.7%)
- Teleservices: $41.1B (1.0%)
- Direct Mail: $44.8B (-0.9%)

Source: Winterberry Group analysis of multiple sources
Note: Arrows reflect percentage change in spend, by channel, from 2012 levels; Insert Media includes FSIs and statement inserts

All “Green” in Digital Segments: Mobile Continues Aggressive Growth and Video/Rich Media Drives Display Increases

2013 E.U.S. Digital Advertising Spending: $47.3B

- Mobile*: $7.2B (77.1%)
- Email: $2.0B (11.1%)
- Online Display: $16.2B (18.4%)
- Search: $18.8B (5.7%)
- Social Technology and Services*: $2.8B (32.1%)
- Lead Gen & Affiliate Services: $0.3B (7.0%)

Source: Winterberry Group analysis of multiple sources
Note: Arrows reflect expected percentage change in spend, by channel, from 2012 levels
1 Excludes social display and social search spend
2 Excludes mobile display and mobile search spend
These charts provide an outlook of decline in traditional print and yellow pages, with TV showing less than 1 percent growth. Meanwhile, direct marketing – direct mail, teleservices and email – enjoys a more positive outlook, and the growing popularity of digital is most obviously represented in the mobile arena.

As mentioned earlier, there are good, basic reasons for this shift to exploiting digital and direct more aggressively – chiefly driven by the overriding ambition to provide a high-quality and ever-improving customer experience and the ability to measure results:

- **Customer experience.**
  Perception – that the consumer increasingly feels involved in an ongoing dialogue rather than being the subject of a more random sales or product branding initiative.
  Interaction – that allows the consumer to initiate or respond using their preferred channels in a manner that is convenient and accessible.

- **Measurability.**
  That provides the marketer with the information to track, measure, compare and adapt individual marketing initiatives.

Clearly, there can be significant differences in the “readiness” that different organizations enjoy in being able to engage and integrate digital marketing within their overall marketing strategy. These differences transcend the availability of the necessary digital marketing expertise and fall into areas such as technological, environmental, geographical, cultural and competitive considerations – as well as the constant themes of changing consumer interest, expectation and acceptance.

Further, the digital evolution takes us beyond just “digital marketing” – as if such a new marketing initiative is all that is needed to help today’s customers achieve the “delighted customer experience” goal. Obviously, it is not. If we consider the later stage of Google’s ZMOT model, then after-sales and customer service play a crucial role, too.

The ultimate objective is “digital business” – where the organization’s most valuable asset, the customer, has more than just a product need that requires satisfaction and is increasingly aware of the power that has shifted in their favor.

The explosive rate at which digital business is gaining globally is reflected by the aggressive business strategies of the “tech titans” – as they are characterized by Lori Schafer, SAS Executive Advisor for Retail. In her executive briefing presentation, “Marketing in the Tech Titan Era,” Schafer describes the inexorable rise of digital firms such as Amazon, Apple, eBay, Facebook and Google from their roots just 10 years ago. These firms are revolutionizing not only their own businesses, but pushing beyond that to other markets through a mixture of aggressive acquisition and supercharged organic growth. These are the tech titans that now exploit digital channels and technology and have in their laser sights the mainstream industries such as media and entertainment, travel, publishing, financial services, health care, technology and, of course, retail.
But it’s also interesting to note that the tech titans are not completely overlooking the traditional “bricks and mortar” customer touch points – you only have to look at the success of Apple’s high-street stores or Home Depot’s rollout of PayPal to realize that even the tech titans regard a mixed marketing infrastructure as the most advantageous way forward.

We could conclude, then, that rather than continuing to depend on a static and structured annual planning process, marketing organizations should develop a flexible plan that includes tactical (short-term) considerations that contribute to fulfillment of a secondary, phase-oriented, strategic vision to move the business toward its digital goals.

Such a flexible plan could include ideas such as:

• **Aligning the digital strategy with your customer’s communication and product-involvement life cycle.** This means treating different customers differently – and could start at a micro-segment level rather than individual customer level. It would potentially involve aligning the marketing spending and media mix to the different stages of the life cycle – acquisition, on-boarding, retention, win-back.

• **Shifting from “transactions” to “interactions.”** This requires further investment in interpreting customer behavior to predict preferences and propensities and using data to steer relationship development. It also requires a change of attitude – social marketing demands that communication etiquette be studiously observed. Social networks are not ideal for sending product messages, but they can provide valuable insight into sentiment and mood to better guide the relationship.

• **Moving customer engagement to a more genuine and authentic basis.** Marketing is accustomed to being in control of the dialogue, but this is no longer valid. Savvy consumers quickly detect a marketing wolf in sheep’s clothing. Consumers are the generators of comments and content that is shared across the network, and sometimes that might include negative sentiments on a product or service. But the organization cannot control that – nor should it try. Sometimes it can help with authenticity if things go wrong. It’s how the organization reacts to such criticism that is vital. You are far more likely to win hearts and minds by encouraging dialogue among consumers and responding with personalized information than with a promotional marketing pitch.

• **Increasing the speed and accuracy of customer responses.** This isn’t just about increasing responsiveness, although consumers do expect that. It’s also about ensuring that the organization is agile and consistent at different customer touch points: sales, marketing, customer service, product support. So the marketing plan has a wider perspective and helps the organization to succeed at SMOT as well as FMOT.

The purpose of the plan is to locate, intercept and engage this elusive consumer in his “moment of truth” journey – in the knowledge that the average consumer is bombarded with literally thousands of brand impressions and messages every day. This bombardment originates from traditional media, advertising (both off- and online), social media or even a mixture of all three. The goal for the organization is to select the best media or combination in order to achieve its business objectives.
At the same time, traditional marketing techniques have far from gone away. Advertising continues to be a key tool in consumer awareness and consideration, and better targeted direct marketing programs remain popular in the major B2C segments.

However, the marketer needs to pause for breath and consider several key consumer-oriented issues:

- Gaining attention.
- Relevance of messaging.
- Speed of response.
- Continuity between organizational groups.
- Service level.
- Privacy and security.

This is not an exhaustive list, but there is a common theme: The volume of consumer data available, and the speed at which it needs to be processed, can only realistically be achieved by a thoughtful investment in the technological infrastructure that supports marketing.

**Summary**

As the consumer continues to become more independent and technology-savvy, the onus is increasingly on the organization to establish the best balance of marketing techniques – advertising, digital, interactive and direct marketing – in order to achieve the twin objectives of providing a distinct and compelling experience for the customer while making the best use of available marketing resources and funding.

In doing so, the organization faces substantially higher volumes of data – both structured and unstructured – emanating from a range of existing and emerging customer touch points; a requirement to respond with increased speed, accuracy and consistency; and an increasing expectation that the organization will at once treat the consumer as an individual and respect the individual’s privacy.

To be able to achieve these key tasks, the organization is required to build a “DNA Profile” of the individual customer, to understand and predict their preferences and habits, and then to initiate marketing programs in the ideal manner for both parties.

Of course, the idea of one-to-one marketing is not new. For many years, a plethora of CRM technology has been available ostensibly for exactly this purpose. But the proliferation of disparate and incompatible platforms has created confusion and has been based upon insufficient “intelligence.” Increasingly, however, there is a visible shift to let analytics be the guide.
There is no “one size fits all” answer to the customer experience conundrum. Much depends on what is best for each organization and its customers. But, at a high level, we could consider developing a road map for progress based upon three legs of a stool:

- Technology.
- Processes.
- People.

**Technology**

The key idea here is the objective to develop practical intelligence. We’re not exploiting analytics for any other purpose than to gain the attention (and respect) of the customer. This means focus in three major areas:

- **Data.** Contrary to the perception that “big data = big problems = big costs,” the challenge is to sip at the water hose while avoiding being deluged by it. The technology now exists to collect, pre-process and present the key consumer data from emerging channels, in conjunction with historical transaction and demographic information. Further, individual organizations can adhere to their own data privacy policies during this data gathering process.

- **Analysis.** Once assembled, advanced predictive analysis, business rules and optimization scenarios can be applied in an automated fashion to produce highly tuned responses to individual customers as well as perfecting online presence and awareness from advertising through improved marketing decisions.

- **Exploitation.** Speed and agility form the basis of improving customer interaction. The ability to embed the outcomes of the analytical process more tightly within the marketing execution process – inbound or outbound, and channel-neutral – becomes an important factor.

**Processes**

Recent improvements in automating the marketing process have taken us quite a way down the road to improved efficiency. The next step is to increase effectiveness by improving the customer’s exposure to the organization – across a variety of touch points. The means focus on two major areas:

- **Marketing operations.** This allows us to more easily access, share and adapt information regarding the marketing strategy so that we are able to provide continuity of theme and reuse of marketing assets throughout the customer life cycle.

- **Measurement.** As we move further into the digital realm, we gain a greater ability to actively monitor and assess the outcomes of marketing initiatives. As a result, we can more accurately and quickly provide the KPI information that the business will now demand from the marketing function.
People

In many senses, the behavior of marketing organizations will adapt to meet the needs of consumers. The new breed of marketer is, of course, creative and responsive to market needs – but also carries skills such as data analysis, optimization, sales generation and content development. We already see far-improved user interfaces within the key applications used in all aspects of modern marketing. And we can expect further moves toward solution “gamification” to increase the usage and reduce the technical dependencies upon the marketing function.

There is also a view that this gamification will have an increasing effect on the entertainment and education value of content – either marketing or consumer-produced – thus affecting its stickiness, longevity and, ultimately, the perception of the marketing function itself.

Within the discipline of data analysis, we already have interfaces that allow the statistically untrained user to quickly develop analytical models and carry out rapid analysis on increasingly vast arrays of data. Of course, the organization still must invest in formally trained analysts in order to ensure accurate interpretation and deployment of analytical models. Visualization and wizard-based “drag and drop” technology is now also commonly used within the marketing campaign set-up and execution process.

In recent years, we have seen the emergence of a new role – customer insights (VP or executive) – whose focus has been primarily the development of the 360-degree customer view. We’re now also seeing the analytics teams within organizations pushing to become more visible and accessible to the business. Industry blogger Scott Brinker has also published some compelling material and ideas in what he refers to as the “rise of the marketing technologist.”

It would seem that the future of the marketing business is alive and thriving in our new digital world.

About SAS

SAS is the leader in business analytics software and services, and the largest independent vendor in the business intelligence market. Through innovative solutions, SAS helps customers at more than 60,000 sites improve performance and deliver value by making better decisions faster. Since 1976 SAS has been giving customers around the world THE POWER TO KNOW®.

SAS provides the most comprehensive integrated marketing management solutions for your customer-centric marketing process. While other vendors provide components that can satisfy some of your needs, SAS delivers the only complete set of capabilities available on the market. The SAS difference means you can:
• **Continually make smarter decisions.** Using SAS® Analytics, you’ll gain the knowledge and insight needed to make smarter decisions and have a complete understanding of your customers. Whether it’s building predictive models for campaign response rates, using optimization to maximize channel ROI, forecasting to predict sales, or managing and maintaining your existing models, SAS is the proven leader in providing analytics to help you make smarter decisions.

• **Solve more marketing challenges.** Only SAS provides a complete set of capabilities to solve more of your marketing challenges. As you develop strategies and activities to fulfill the needs of your customers and marketing organization, you can count on SAS to deliver the solutions and technology you need for success.

• **Evolve your marketing organization’s capabilities.** SAS Customer Intelligence is structured to provide a growth path that addresses all stages of your marketing organization’s development. Whether you need to develop an accurate view of your customer, or focus on executing and optimizing your customer communications, SAS has a solution that fits your organization’s needs.

References

About SAS

SAS is the leader in business analytics software and services, and the largest independent vendor in the business intelligence market. Through innovative solutions, SAS helps customers at more than 60,000 sites improve performance and deliver value by making better decisions faster. Since 1976 SAS has been giving customers around the world THE POWER TO KNOW®. For more information on SAS® Business Analytics software and services, visit sas.com.