

THE 2019 STATE OF DIGITAL MARKETING



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EXECUTIVE SUMMARY

Altimeter's *2019 State of Digital Marketing* report gives marketers the latest data on how companies are using digital marketing to drive business results. It identifies and quantifies the key practices being used by companies to achieve digital marketing excellence.

Based on a survey of 500 senior digital marketers across North America, Europe, and China, the report provides key insights into what strategies, channels, and practices perform best, including how these vary across industries and regions. It also identifies trends in innovation, current technology adoption, and key metrics for measuring digital marketing success.

KEY FINDINGS

- Brand awareness (37%) was cited as the top goal of digital marketing, followed by lead generation (26%) and customer experience (20%).
- Acquiring the right skills (55%) and scaling innovation (54%) are the biggest challenges for marketing organizations.
- Data analysis (41%) and tech expertise (38%) are the most-desired skills in new hires.
- Sixty-one percent of marketers said customer loyalty and Customer Lifetime Value (CLV) are their top metrics for measuring digital marketing success.
- Over 60% of respondents said their companies have mapped a digital customer journey, content customization rules, and testing points across all digital touchpoints.
- Websites (56%) and social media (69%) are the best-performing channels for digital marketing.
- Salesforce (26%) and Adobe (22%) are the most popular "primary" digital marketing platforms.

INTRODUCTION: WHAT DOES DIGITAL MARKETING EXCELLENCE LOOK LIKE IN 2019?

As the role of digital marketing continues to expand, marketers are faced with a continuous reevaluation of their roles and capabilities. Customer expectations have increased the pressure for companies to be present on many digital channels, delivering personalized, positive experiences on every single one. To keep up with these expectations, digital marketing goals have moved beyond simply creating brand awareness and now encompass managing the customer relationship for the duration of the purchase cycle. As these goals evolve, so does the definition of “digital marketing excellence,” which today is radically different from what it was even a year ago.

One of the most important markers of digital marketing excellence today is the ability to deliver personalized experiences and messages to audiences across many digital channels. In this survey, we benchmarked key practices that enable this multi-channel personalization. These include creating multi-channel customer journeys, multi-dimensional customer segmentations, content customization frameworks, and processes for testing and learning.

We were encouraged to find the majority of marketers surveyed reported their companies had already implemented or were in the process of implementing these practices, which indicates that most businesses today are aware of what constitutes innovative digital marketing and are focused on implementing and scaling it.

However, there were telling differences in maturity across regions. Europe lagged behind North America and China in almost all practices, and digital marketing excellence was far more tied to e-commerce excellence in China than it was in North America. There was variance in maturity by industry verticals: Healthcare showed more progress in digital personalization, but they also operated on fewer channels compared to retail or the tech industry.

These and other results of the survey capture complex benchmarking data that marketers can use to measure their progress against their peers (and within industries and across geographies), helping them chart a path to excellence and understand how the discipline of marketing will evolve over the next few years.



INCREASING BRAND AWARENESS IS THE TOP GOAL FOR DIGITAL MARKETING

One of the traditional goals of digital marketing has always been to increase brand awareness and generate positive sentiment around the brand and its products. While most respondents (37%) still named brand awareness as the top goal, our survey showed modern marketers have a diverse range of priorities for their digital marketing. For example, 26% listed lead generation as their top goal, while 20% chose to focus their efforts on delivering a great customer experience.

Interestingly, only 5% of respondents said they used digital marketing to increase business with existing customers. This suggests either a missed opportunity or that digital marketers don't believe they have permission to play in this area.

North-American marketers were even more likely to report brand awareness as their top goal (40%), whereas Chinese respondents listed increasing leads (36%) over brand awareness (31%) as their top priority.

Notably, respondents in the banking and finance industry indicated that delivering a great customer experience was their top goal (26%). By contrast, marketers in healthcare rated customer experience as their lowest priority (7%) and over-indexed on brand awareness. This suggests that healthcare companies choose to differentiate themselves mostly based on brand and perception and less so on actual customer experience. Of course, healthcare is also an industry where customers are not often in a position to demand a better experience, as they may not have other options to create pressure or set high expectations.

FIG 1: WHAT IS THE PRIMARY GOAL FOR YOUR DIGITAL MARKETING STRATEGY?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

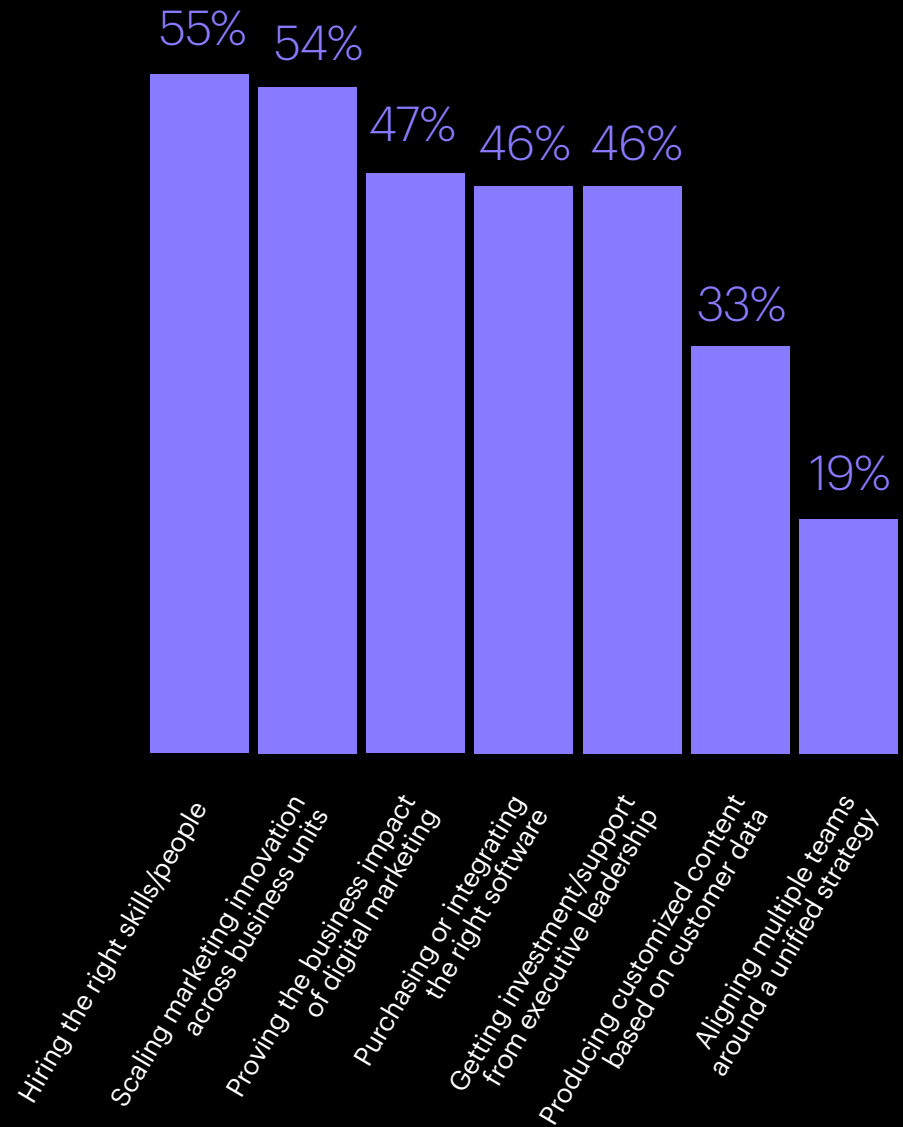
HIRING THE RIGHT TALENT AND SCALING INNOVATION ARE MARKETERS' BIGGEST CHALLENGES

Most large companies today have been able to digitally transform their marketing successfully in some way, either by function, channel, or region. However, they still struggle to scale that transformation to the rest of the company.

Our respondents cited hiring people with the necessary digital skills (55%) and scaling innovation across all parts of the business (54%) as their top challenges. The good news is that getting multiple teams to align on a strategy was at the bottom of the list (19%). This shows companies have made progress on their digital marketing efforts in the past few years. It seems that educating the organization on and advocating for adoption of new digital practices is a given — and the focus is now on growing and standardizing those new practices.

On the downside, almost half of our respondents (46%) still struggle with getting investment or support from executive leadership. Despite the evolution of the role of digital marketing, it appears budgets have not grown at the same rate and CEOs are asking for greater returns on the same level of investment, expecting digital practices to be more efficient.

FIG 2: WHAT ARE THE TOP CHALLENGES FOR YOUR DIGITAL MARKETING ORGANIZATION?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

The difficulty of hiring the right people was felt more acutely by marketers in Europe (61%), suggesting a dearth of talent with in-demand digital marketing skills such as data analysis and marketing automation software expertise.

Across industries, marketers in the manufacturing section cited scaling innovation (61%) and proving the impact of digital marketing (60%) as their top challenges. As manufacturing companies have traditionally been sales-led organizations, it's likely many of them still use marketing mostly for brand awareness and struggle to prove more tangible results, such as revenue, for their digital marketing efforts. That, in turn, would also explain why these companies have difficulty moving away from sales-focused practices and scaling new digital marketing innovations or tactics.

Interestingly, respondents that listed “brand awareness” as the top goal for their digital marketing efforts were also more likely to struggle with getting executive investment and support (62%), compared to respondents who cited other goals, such as product awareness (32%) or customer lifecycle value (21%). This suggests brand awareness, while still important for marketers, may not be seen as a top priority by CEOs. Teams that focus on product or growing revenue are likely to get more support and resources.



DATA ANALYSIS AND TECH EXPERTISE ARE THE MOST-DESIRED SKILLS IN NEW HIRES

It's no surprise that as companies aim to incorporate more sophisticated digital marketing practices, the skills they most desire in new hires are data analysis (41%) and marketing automation experience (38%). Experience in these two areas allows companies to engage in more data-driven targeting and personalization, customer segmentation and analysis, campaign performance tracking, and testing and learning processes.

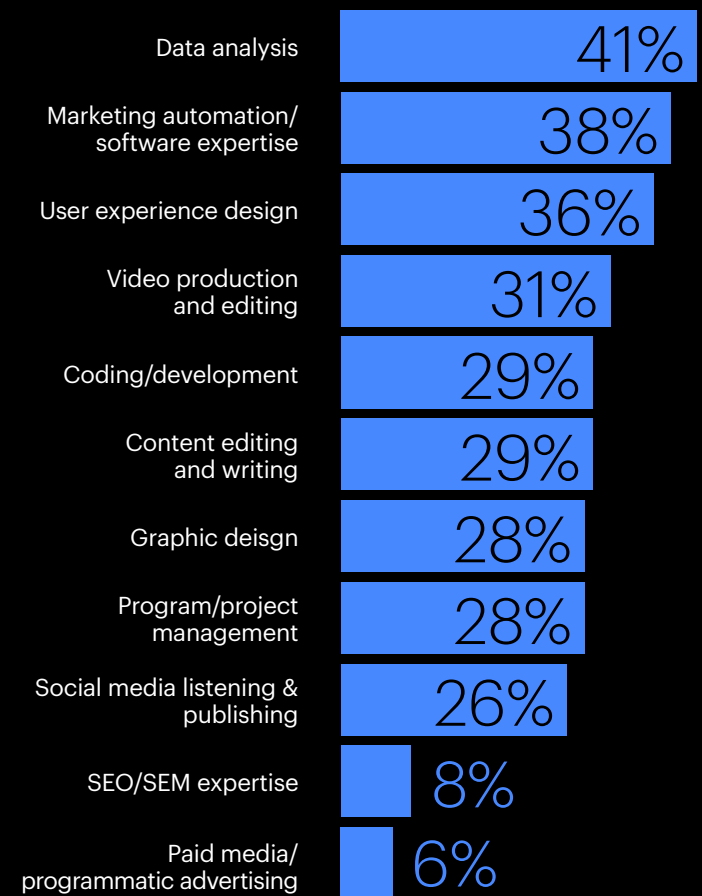
At the same time, our survey showed a healthy demand for creative skills, such as video editing (31%) and content editing and writing (29%), highlighting the continued need for traditional marketing skills.

Interestingly, the more "old-school" digital marketing skills, such as SEO or paid media expertise, are at the bottom of the list (8% and 6%, respectively), likely due to the fact that software has made these practices more automated and less technical. Additionally, these are also skills likely to be outsourced to digital agencies.

China was the only region where data analysis wasn't the most desired skill in new hires. Instead, User Experience (UX) design skills were far more in-demand (52%). This makes sense given that Chinese digital marketers are increasing their focus on e-commerce channels (web and mobile app), which require dedicated UX design resources.

UX design was also a top choice for hiring marketers in the retail industry (40%) — an e-commerce heavy vertical — and in healthcare (42%). Marketers in the healthcare industry also rated graphic design (41%) and video editing (42%) as highly desired skills in new hires, suggesting that healthcare companies are investing more in their website experience and also in telling stories through video to build trust, loyalty, and transparency with their customers.

FIG 3: WHAT ARE THE MOST DESIRED SKILLS FOR YOUR DIGITAL MARKETING HIRES IN 2019-2020?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

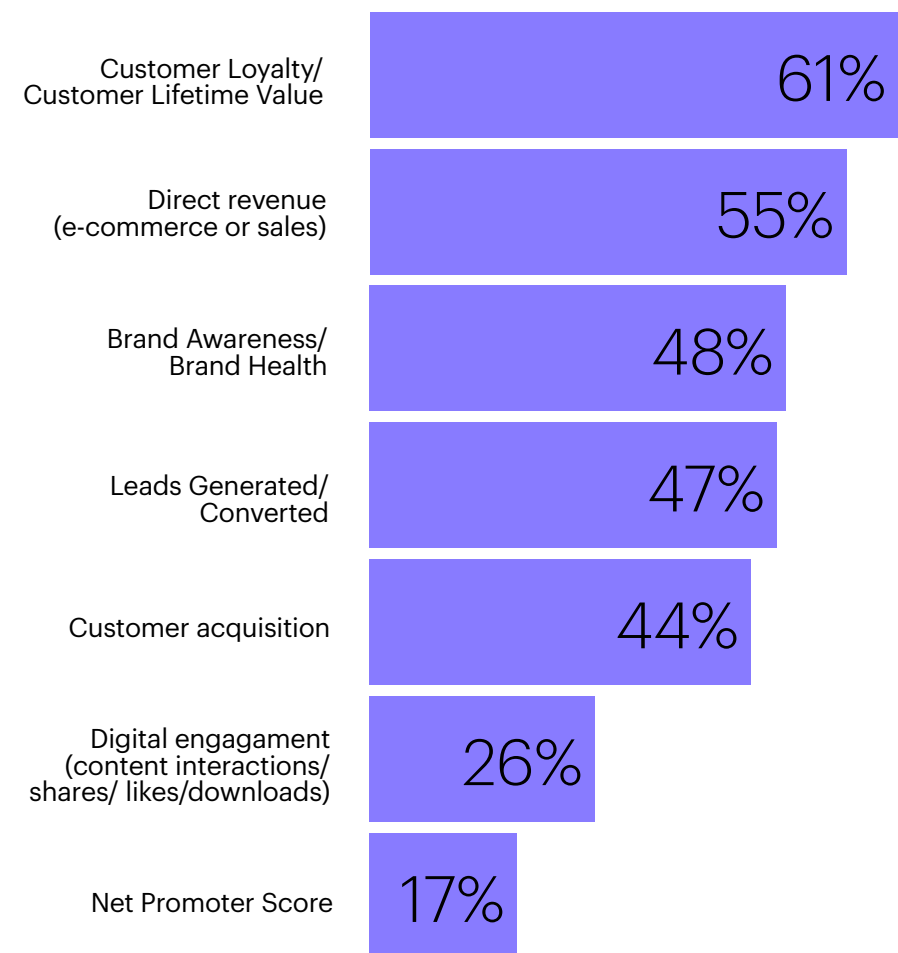
CUSTOMER LOYALTY IS THE PRIMARY METRIC FOR MEASURING DIGITAL MARKETING SUCCESS

Although marketers report that brand awareness is the most-popular goal for their digital marketing efforts, the majority of them also said that the success of these efforts are being measured using customer loyalty or CLV metrics (61%), followed by direct revenue (55%).

This finding points to a disconnect: Even though most digital marketers favor brand awareness as their top goal for digital marketing, they're being tasked with delivering on another goal, which might be perceived as more valuable to the company. It also shows that digital marketers are being asked to deliver results beyond the traditional "top-of-the-funnel" metrics, such as brand awareness or net promoter score, and take on duties that usually fall to other departments, such as sales, e-commerce, or service and account management.

In China, the focus on CLV was even more pronounced, with 75% of respondents citing it as the top metric for their digital marketing efforts. In North America, direct revenue (63%) was rated slightly ahead of CLV. Both results underscore the expectation that digital marketing should play a key role in driving customers to purchase repeatedly over the course of a lifetime.

FIG 4: WHAT ARE THE PRIMARY METRICS YOU USE TO MEASURE DIGITAL MARKETING SUCCESS?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

MOST COMPANIES SEGMENT CUSTOMERS USING MULTIPLE DATA CATEGORIES

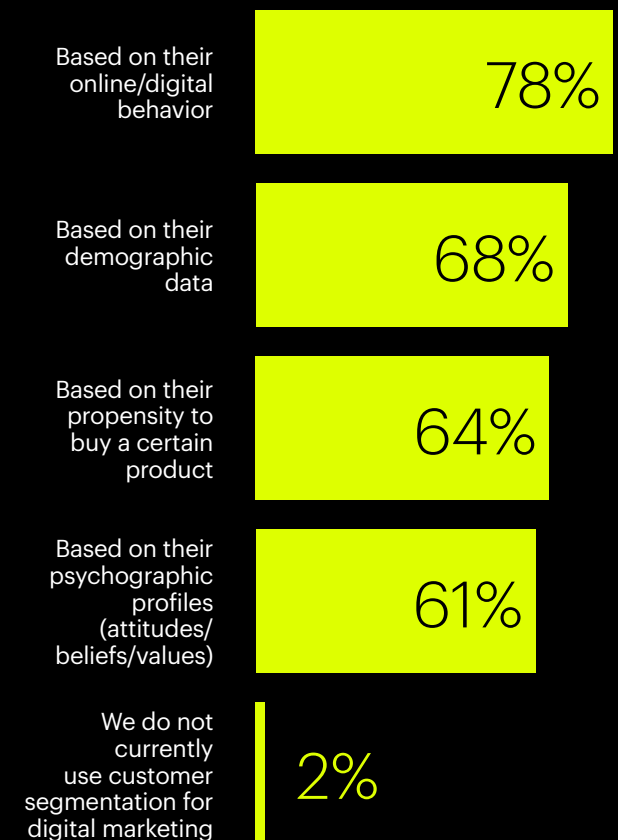
Traditional marketers have historically segmented customers by their demographics or psychographics (attitudes/beliefs or values), while digital marketers have typically focused on behavioral segmentation, which categorizes people by the type of actions they take on digital channels. We were encouraged to find most digital marketers we surveyed are using a mix of the above segmentation approaches to come up with sophisticated ways to target their digital campaigns at — and personalize content for — different audiences.

While the majority of respondents indicated they segment customers based on their online behavior (78%), a healthy percentage said they also relied on demographic data (68%), buying propensity information (64%), and psychographic profiles (61%) to create a holistic segmentation scheme. This enables them to deliver richer personalized content and provide a more compelling customer experience.

While our findings were mostly consistent across industries, there were telling regional differences in the survey responses. Eighty percent of North-American marketers said they used demographic data to segment their target customers, compared to only 53% of marketers in Europe and 47% in China. This difference reflects the distinct ways regional audiences regard privacy, with North-American audiences more likely to give up personal demographic information (such as age, gender, and location) compared to audiences in Europe or China, where marketers rely on digital behavioral data to segment and target them (82%).

We also found differences in how marketers segment customers depending on what their marketing goals are. Respondents who cited brand awareness as the top goal of their digital marketing were more likely to use demographic data (76%) than were those who focused on product awareness (58%) and CLV (38%) as their biggest priorities. This finding suggests that marketers focused on traditional goals like brand awareness are also more likely to rely on traditional data, such as demographic data, which may be limiting their ability to deliver on other success metrics, such as CLV.

FIG 5: HOW DO YOU CURRENTLY SEGMENT YOUR TARGET CUSTOMERS?



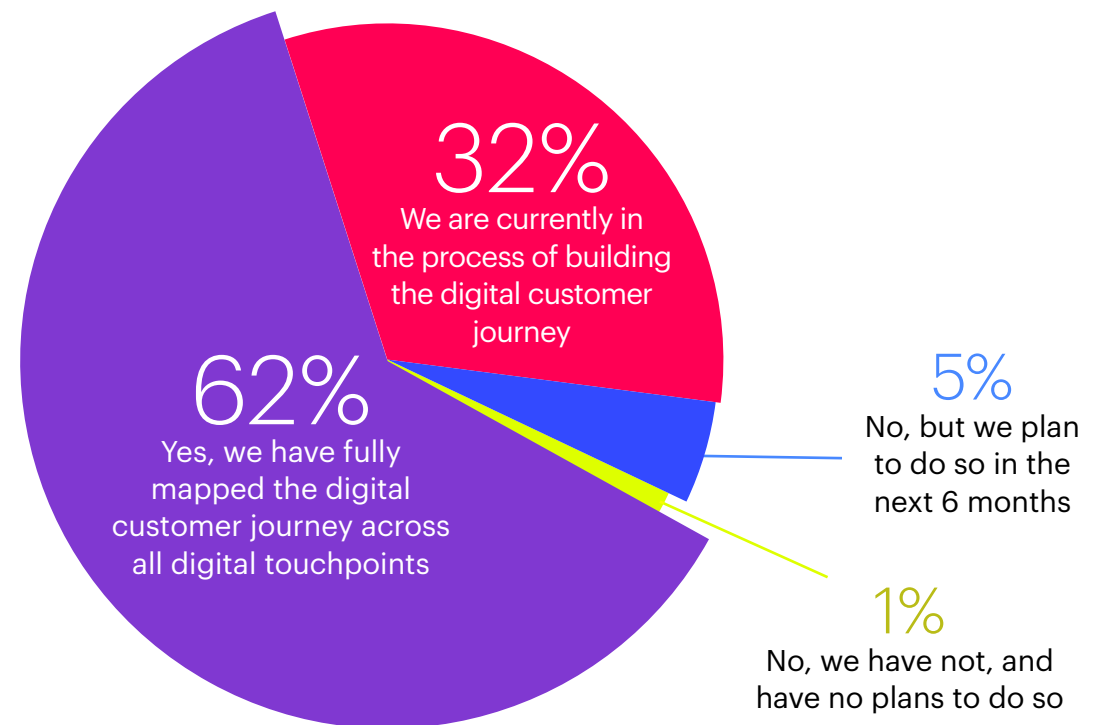
Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

MAJORITY OF COMPANIES HAVE CREATED A DIGITAL CUSTOMER JOURNEY AND A PLAN FOR CUSTOMIZING CONTENT

We benchmarked adoption of mature digital marketing practices by asking respondents if they had mapped a multi-channel digital customer journey; a content customization framework that indicates what content will be delivered at different touchpoints and to different audience segments; and a process for testing, learning, and optimizing content or experiences along different parts of the journey.

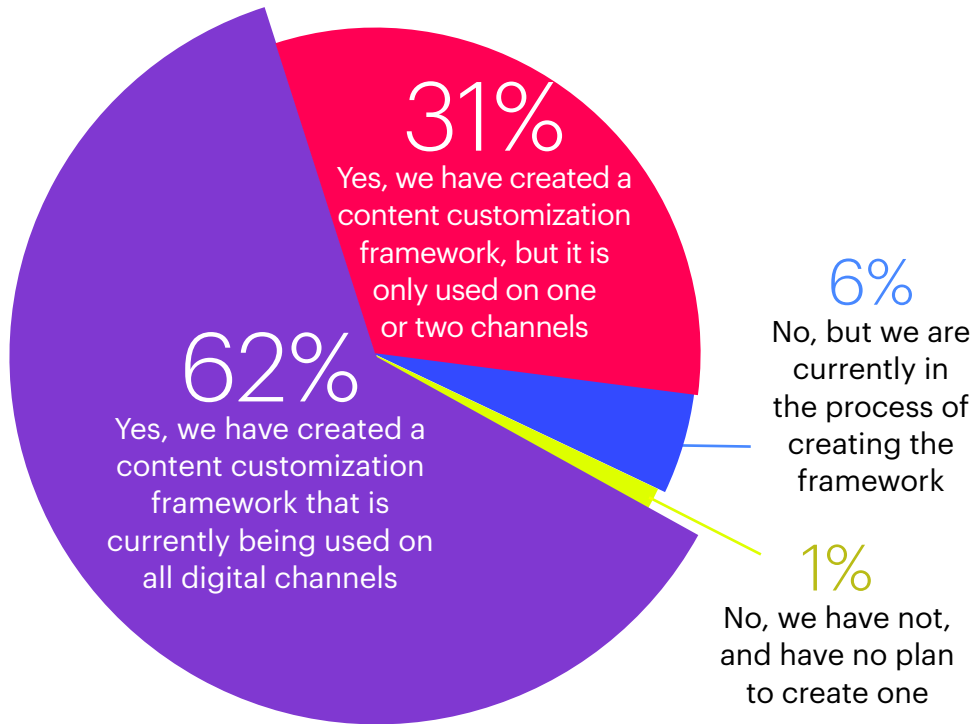
It was encouraging to hear over 90% of respondents say their companies had either implemented the above practices or were in the process of doing so. This shows that most marketing groups are mature enough to do the conceptual legwork and strategic planning required of modern digital marketing, even if they still have a way to go in executing or scaling it.

FIG 6: HAVE YOU MAPPED A DIGITAL CUSTOMER JOURNEY AND CLICKSTREAM THAT CHARTS CUSTOMER INTERACTIONS ON EVERY DIGITAL CHANNEL?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

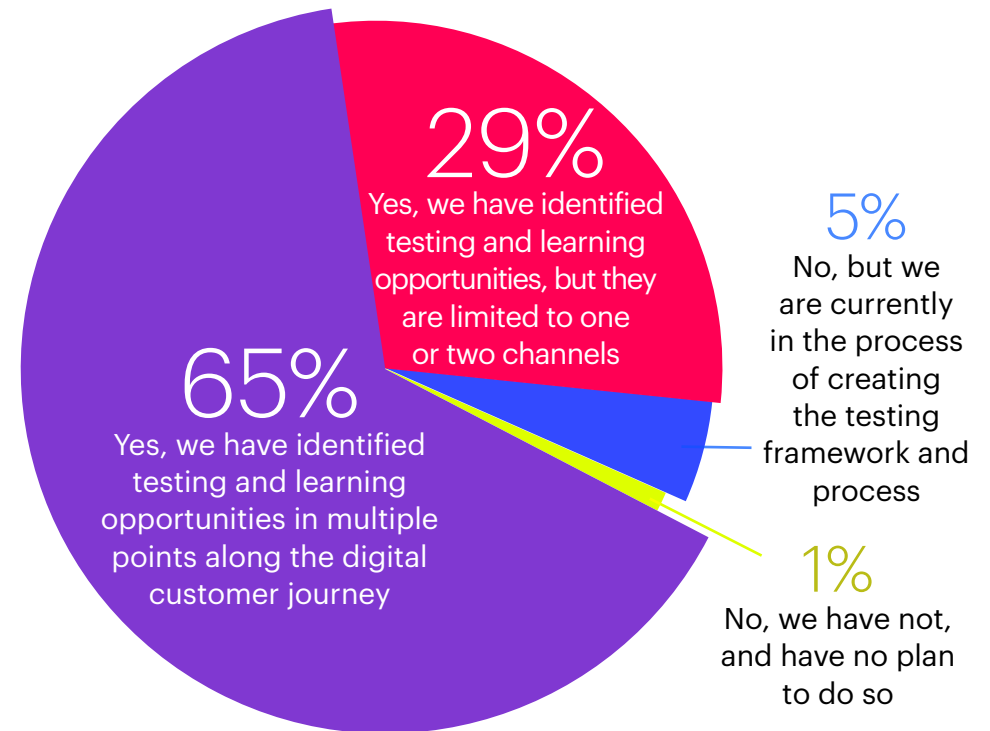
FIG 7: HAVE YOU CREATED A CONTENT CUSTOMIZATION FRAMEWORK THAT SPECIFIES WHAT TYPE OF CONTENT SHOULD BE DELIVERED TO EACH CUSTOMER SEGMENT?



North America has made more progress engaging in these mature practices than have Europe and China. Sixty percent of North-American marketers reported their companies have mapped a multi-channel digital customer journey, compared to only 48% in Europe and 56% in China. These numbers were roughly the same for creating content customization frameworks. The difference was most pronounced when it came to identifying testing and learning points: 73% of North-American marketers reported identifying such opportunities, compared to 54% and 52% of marketers in Europe and China respectively.

Across industries, healthcare was, surprisingly, the most mature, with the majority of respondents saying they had mapped a digital customer journey (79%), created a content customization framework (73%), and identified test and learn points (71%). These marketers were well ahead of those in retail and banking, who scored the lowest (only 56% and 54%, respectively, had mapped a digital customer journey).

FIG 8: HAVE YOU IDENTIFIED OPPORTUNITIES IN YOUR DIGITAL MARKETING OPERATIONS TO TEST CONTENT FORMATS, OFFERS OR MESSAGING?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

Although healthcare has traditionally been a laggard in digital marketing maturity, its progress in these practices can perhaps be explained by its relatively limited presence on many digital channels, especially compared to retail. Pharmaceuticals are restricted in what they can say on digital channels accessible to the public, and healthcare systems, such as hospitals and clinics, do not have to run their digital marketing at the same speed that — or engage in continuous messaging as — retail does. They can afford to market on a few select media channels and focus on their owned channels. When the number of digital touchpoints is limited, it's far easier to map a multi-channel customer journey or implement testing points.

Similar reasoning would also explain why a higher percentage of marketers at B2B companies reported that they have implemented these practices (73% say they mapped digital customer journeys, 71% created content customization frameworks, and 71% identified test and learn points) compared to B2C and B2G companies (55%, 56%, and 61%, respectively).



MOST COMPANIES PERFORM THREE TO FIVE DIGITAL A/B OR MULTIVARIATE TESTS IN A MONTH

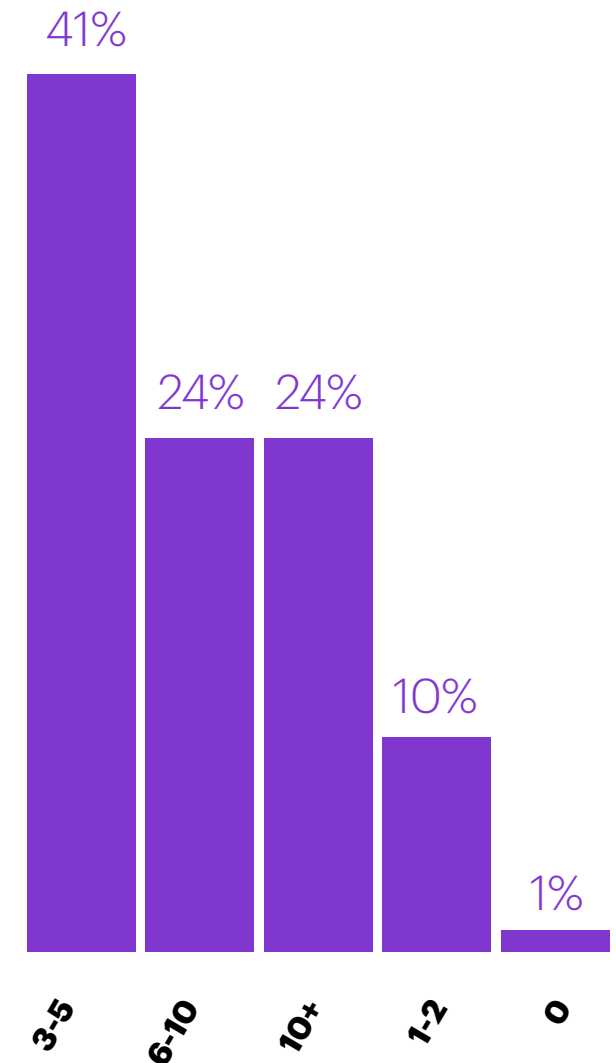
A key indicator of a sophisticated digital marketing operation is the ability to conduct A/B or multivariate testing. These tests present variants of the same content to an audience and track which variant performs best, allowing marketers to continually optimize the content and experiences they deliver.

The majority of survey respondents said their companies conduct three to five tests a month (41%), which is a relatively low percentage given the high number of potential items a digital team could test across their web, mobile, email, or paid ads channels. However, almost a quarter of marketers reported their companies conduct over 10 tests a month (24%), showing that, although it is still in its early days, digital testing is quickly becoming a standard practice.

A majority of respondents from North America (36%) said their companies conducted 10 or more digital tests a month. The number of marketers who reported conducting the same or more tests was drastically lower in Europe (8%) and China (3%), highlighting a lack of skills for designing and evaluating digital tests and of software for conducting them.

Across all industries, the majority of respondents said they performed between three to five digital tests a month, with the notable exception of marketers in healthcare. Fifty-six percent of them said they conducted 10 or more tests per month. This relative maturity can perhaps be explained by healthcare organizations' focus on their owned channels, where it is easier to test content in an organized way.

FIG 9: HOW MANY DIGITAL TESTS (A/B OR MULTIVARIATE TESTS) DO YOU RUN IN A MONTH?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

WEBSITES AND SOCIAL MEDIA ARE THE BEST-PERFORMING CHANNELS

Given that companies have far more control over the experience and content delivered on their websites (and that audiences are already engaged by the time they visit them), it makes sense that marketers rated them as a top-performing channel (56%). However, it is surprising to see social media ranked as the best-performing channel (69%). Since organic engagement rates on brand accounts have dropped quite low, it's safe to assume that advertising is driving much of the performance in this channel. Facebook, Twitter, LinkedIn, and Instagram all offer sophisticated advertising tools that allow effective targeting and converting of desired audience segments. It appears companies are getting their money's worth by investing in these tools.

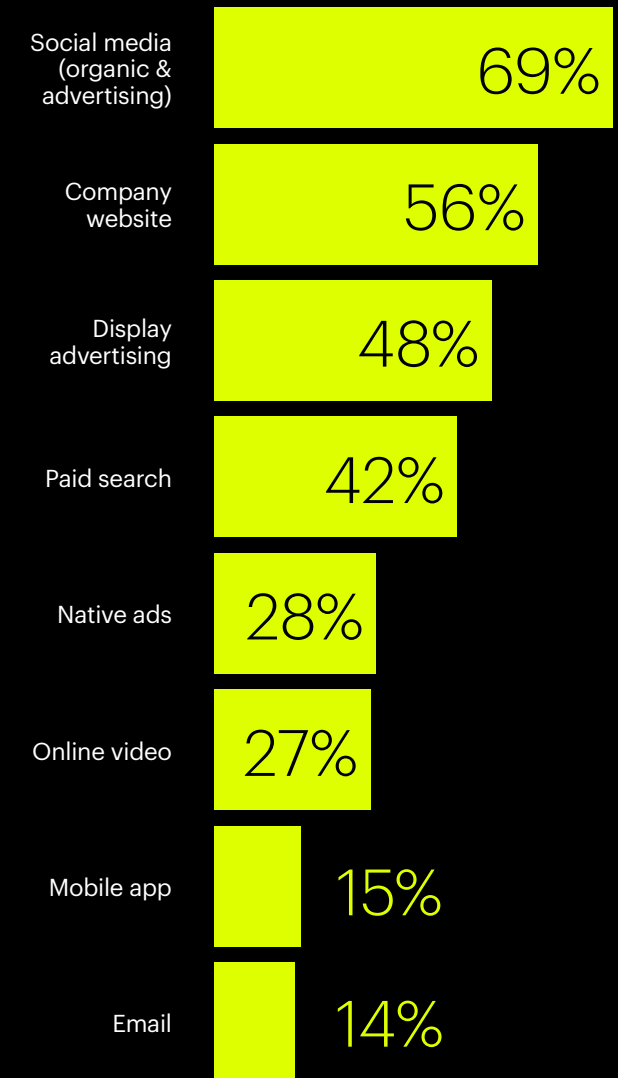
Despite its ubiquitous use, email was at the bottom of marketers' list of best-performing channels. In fact, its ubiquity as a marketing tool is likely to be blamed for its underperformance, as the average person now receives far more emails in a day than they will ever read, making it even harder to break through the noise.

China was the only region where respondents rated their companies' websites as more effective than social media. This can be explained, again, by the heavy focus on e-commerce in that country, where commerce websites and apps drive the metrics that count.

A reliance on social media was particularly pronounced in the technology industry, where 80% of respondents rated it as their top channel. Healthcare and retail industry respondents were more likely to evenly distribute their top channels between social media, company website, and display advertising.

Despite its low rating overall, email was ranked highly (33%) by marketers at companies where CLV is the top goal for their digital marketing efforts. In stark contrast, marketers at companies that focused on brand awareness rated email at the bottom of the list (8%). This suggests that email is much more effective at communicating and engaging with customers post purchase, rather than at the awareness and conversion stage.

FIG 10: WHICH CHANNELS ARE THE MOST EFFECTIVE OR DELIVER THE BEST ROI FOR YOUR DIGITAL MARKETING STRATEGY?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

COMPANIES ARE MOST SKILLED AT REAL-TIME PERSONALIZATION ON WEB AND MOBILE APPS

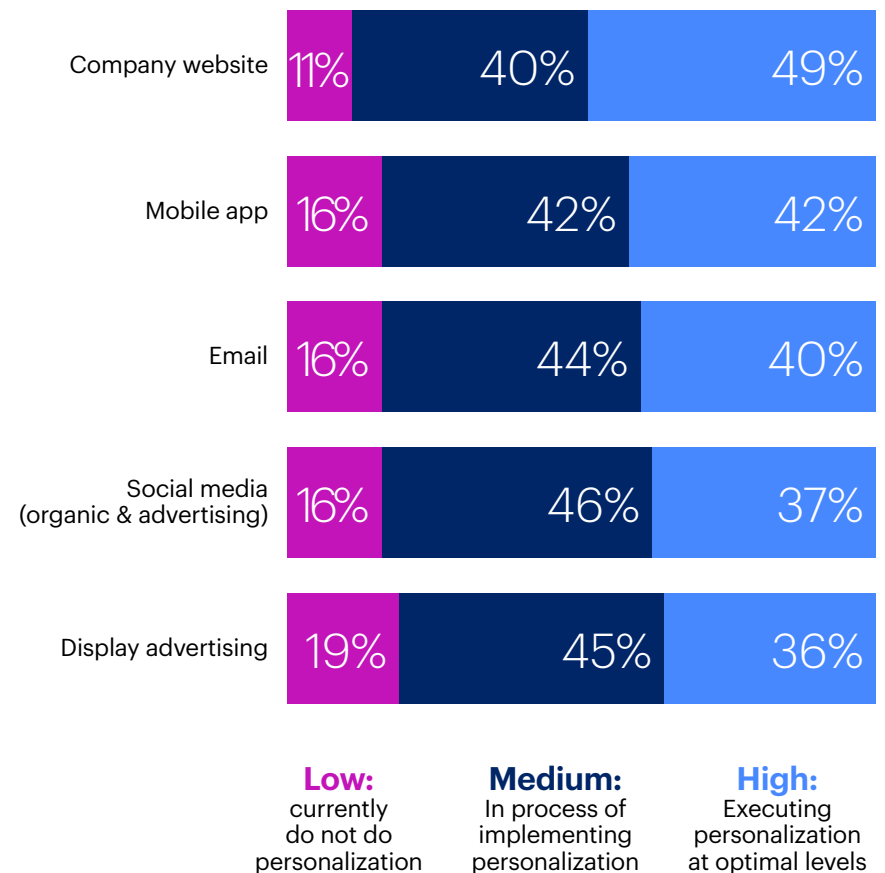
Real-time personalization — using software to deliver customized content or experiences to audiences in real time based on their actions or data that is unique to them — is another hallmark of modern digital marketing. An example of such personalization would be an airline website changing its background image to a beach when you're searching for tickets to Hawaii.

Over 80% of marketers say their companies are currently using or beginning to use real-time personalization in some form on their websites, mobile apps, social media, emails, and display ads. Almost half of the respondents (49%) said their companies are highly skilled at personalization on websites, while slightly fewer (42%) reported that they are highly skilled at doing so on mobile apps. Marketers were least confident about their companies implementing real-time personalization on display ads (36%). These results were roughly consistent across regions and industries.

These ratings reflect the fact that it's easier to enact real-time personalization on owned channels, such as web and mobile. That is thanks to modern Content Management Systems (CMSs) that have built-in features to design and execute personalization rules and can integrate with other company-owned data sources, such as Customer Relationship Management (CRM), sales records, or email records.

As marketers venture into social media or display ads channels, they require more specialized, platform-specific knowledge for delivering personalized content and experiences. Their ability to import data from other channels is also limited, making it harder to implement real-time personalization.

FIG 11: PLEASE RATE YOUR ABILITY TO DO REAL-TIME PERSONALIZATION IN EACH OF THE FOLLOWING CHANNELS



Source: Altimeter Digital Content Survey, Q3 2018; Base: N=400

WEBSITE AND SOCIAL MEDIA ANALYTICS ARE MOST COMMON DATA SOURCES FOR PERSONALIZATION

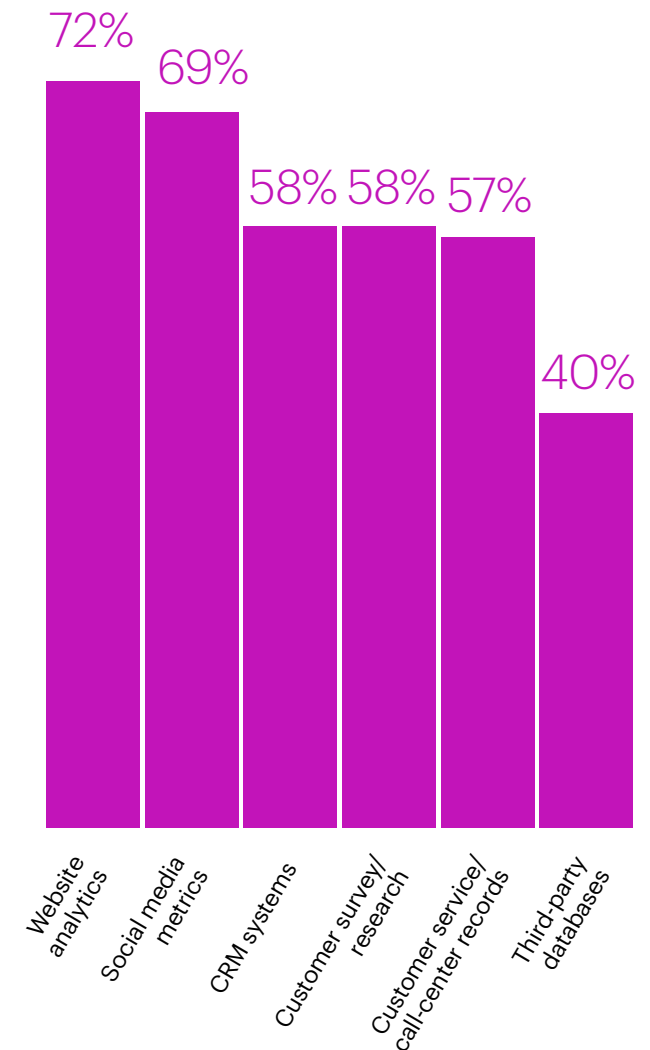
Web analytics platforms are standard tools used by every company with a website or mobile app. They don't require a lot of technical expertise to operate and gain insights from, and they integrate with most CMS or web personalization platforms. Not surprisingly, then, marketers reported that web analytics were the most frequently used source of data to deliver personalized content and experiences (72%).

Social media metrics (69%) were also popular among our respondents, although they are less suited for real-time personalization since that data is difficult to integrate or import into other channels. A large percentage of respondents also admitted to using good, old-fashioned customer surveys (58%), which can still provide value in the digital world. Forty percent said they use third-party databases to buy or import customer data, a practice that is on the decline in the wake of GDPR restrictions — and the often shady origins of this data.

Chinese respondents were more likely to use CRM systems (61%) or call-center records (61%) to personalize content, which highlights their focus on using previous purchase data, rather than browsing or searching behavior, to increase engagement.

Marketers at healthcare companies also reported high rates of CRM and call-center data use (70% for both) along with web analytics (75%). This suggests healthcare companies are more comfortable using data that customers have explicitly given to them through past purchases rather than behavioral data on channels where they might not have a big presence (i.e., social media).

FIG 12: WHAT ARE THE PRIMARY DATA SOURCES YOU USE TO DELIVER PERSONALIZED MESSAGES AND CONTENT ON YOUR DIGITAL MARKETING CHANNELS?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

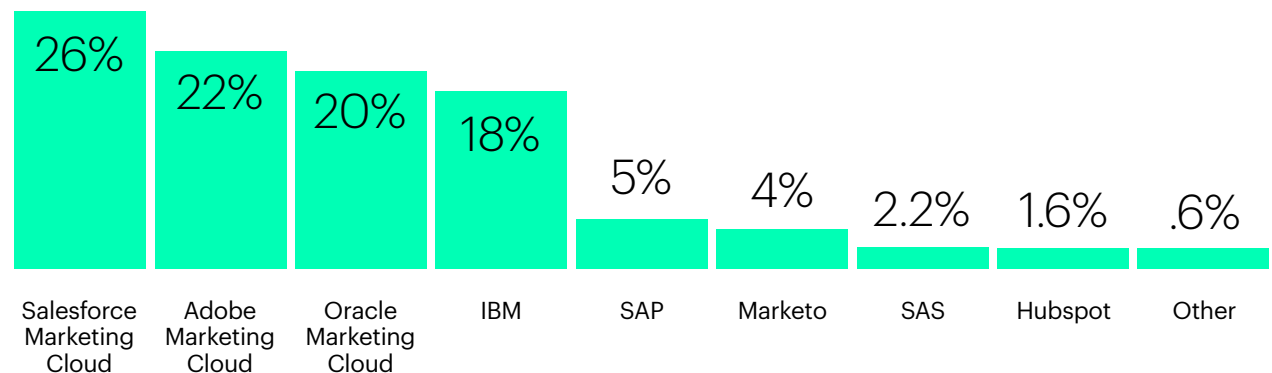
SALESFORCE AND ADOBE ARE THE MOST POPULAR “PRIMARY” DIGITAL MARKETING PLATFORM VENDORS

Most companies rely on a primary digital marketing platform or suite to orchestrate the majority of their digital marketing strategies. These platforms usually have a core application (typically email or web management) with integrated add-ons for managing other channels. The “big 4” enterprise marketing technology players (Salesforce, Adobe, Oracle, and IBM) account for 86% of the market share for primary market platforms. Salesforce Marketing Cloud is marginally ahead of the competition (26%), followed closely by Adobe Marketing Cloud (22%).

Regionally, the results were more varied. Salesforce and Adobe were neck-in-neck in North America (27% and 26%, respectively), but Salesforce and IBM were well ahead in Europe. And marketers in China rated Oracle (29%) ahead of everyone else, which underscores Oracle’s relative strength in commerce platforms, compared to Salesforce or Adobe, which focus more on outbound marketing and inbound experiences.

Our survey also found that marketers favor some platforms over others depending on the goals of their digital marketing. This highlights how each marketing platform has different strengths that make it particularly well suited to one use case over others. Marketers that cited brand awareness as their top goal for digital marketing were more likely to use Adobe (33%) than Salesforce (25%). Meanwhile, IBM (38%) was the top choice for marketers who focus on CLV. Oracle and Salesforce (24%) tied for top choice for marketers who cited customer experience as their top goal.

FIG 13: WHICH ONE OF THE FOLLOWING MARTECH PLATFORMS IS THE PRIMARY SOFTWARE FOR YOUR DIGITAL MARKETING STRATEGY?



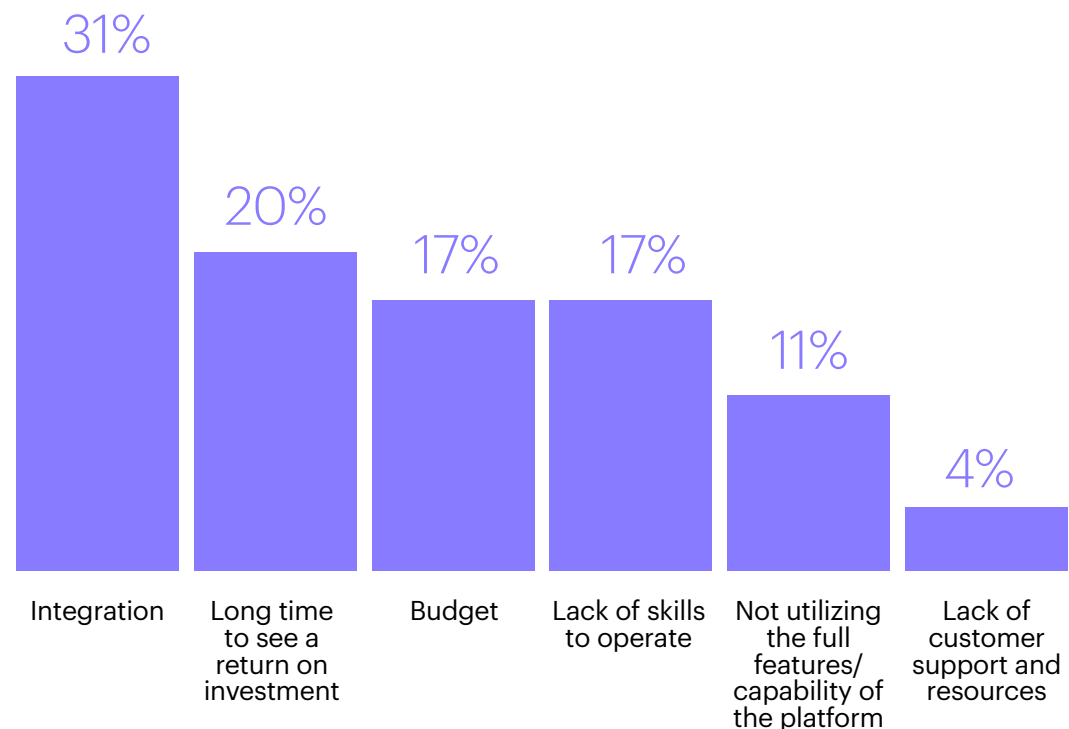
Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

INTEGRATION OF MULTIPLE TOOLS REMAINS THE BIGGEST MARTECH CHALLENGE

In order to deliver consistent, relevant experiences to customers, digital marketers need to pull data from and deliver content across multiple, often disparate systems. These systems store data in different ways, making it difficult to design and orchestrate a multi-channel campaign when none of the marketing channel platforms share data or campaign plans with each other. This is why integration between martech platforms remains the biggest technology challenge (31%) for marketing teams across all geographies and industries.

Marketers in healthcare, notably, also struggled with a lack of skills to effectively operate martech (26%) and also found the long time it takes to see ROI on martech (26%) as a big challenge.

FIG 14: WHAT ARE THE BIGGEST CHALLENGES IN EFFECTIVELY USING MARKETING TECHNOLOGY?



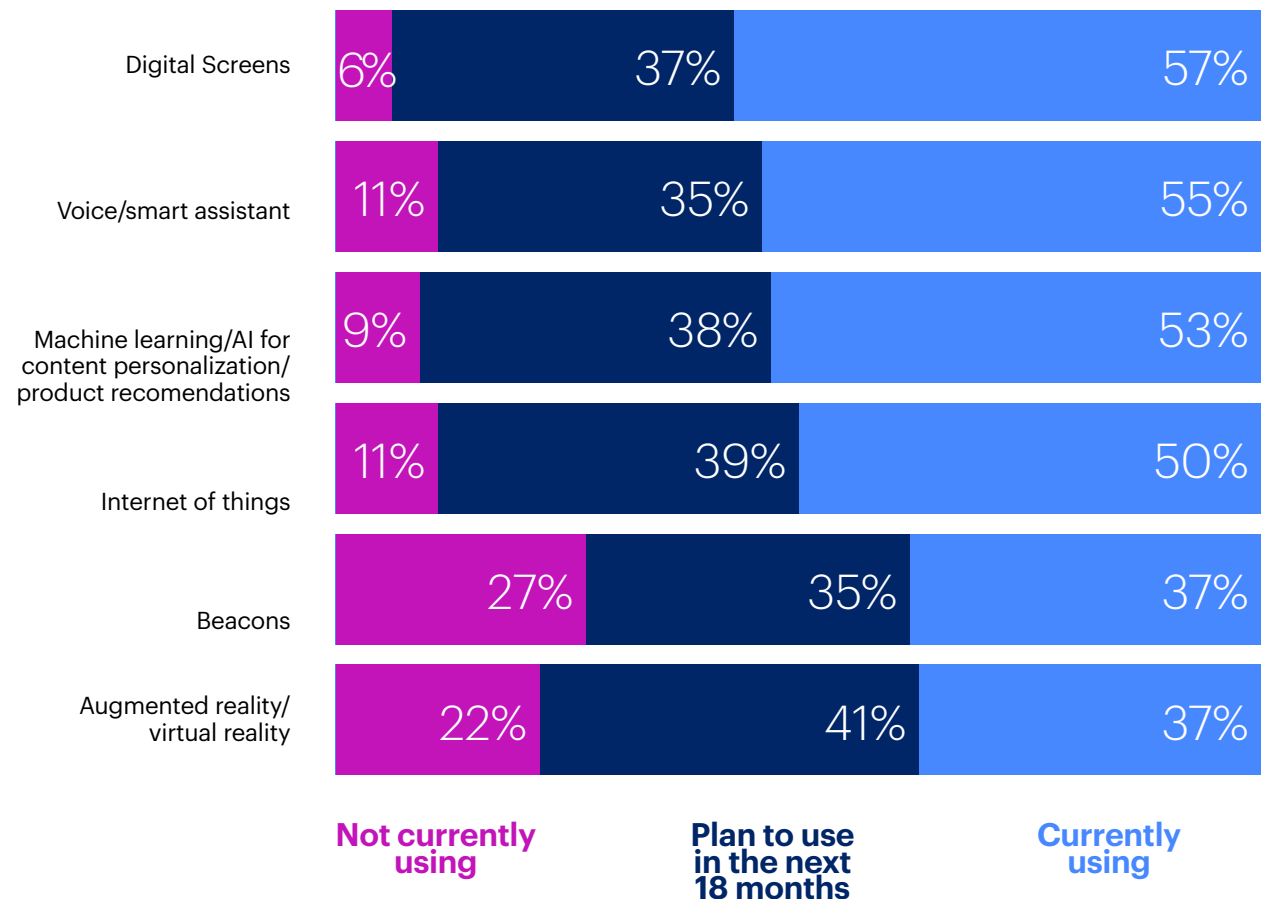
Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

DIGITAL SCREENS AND VOICE ASSISTANT ARE THE MOST-USED NEW INNOVATIONS

The majority of marketers reported their companies were currently using digital screens or blended digital and physical experiences to enhance and personalize in-store experiences or capture data (57%). An almost equal number said they were using voice or smart assistant technology (55%) and machine learning (53%). This underscores how pervasive Artificial Intelligence (AI) is becoming and how soon the focus will be on how companies are using AI, not *if*.

Although our survey shows that immersive technologies, such as augmented and virtual reality, have the lowest adoption in digital marketing, they are expected to have the highest growth, with 41% of respondents saying they plan to use them in the next 18 months.

FIG 15: PLEASE INDICATE WHETHER YOU CURRENTLY USE OR PLAN TO USE THE FOLLOWING NEW TECHNOLOGIES.



Source: Altimeter Digital Content Survey, Q3 2018; Base: N=400

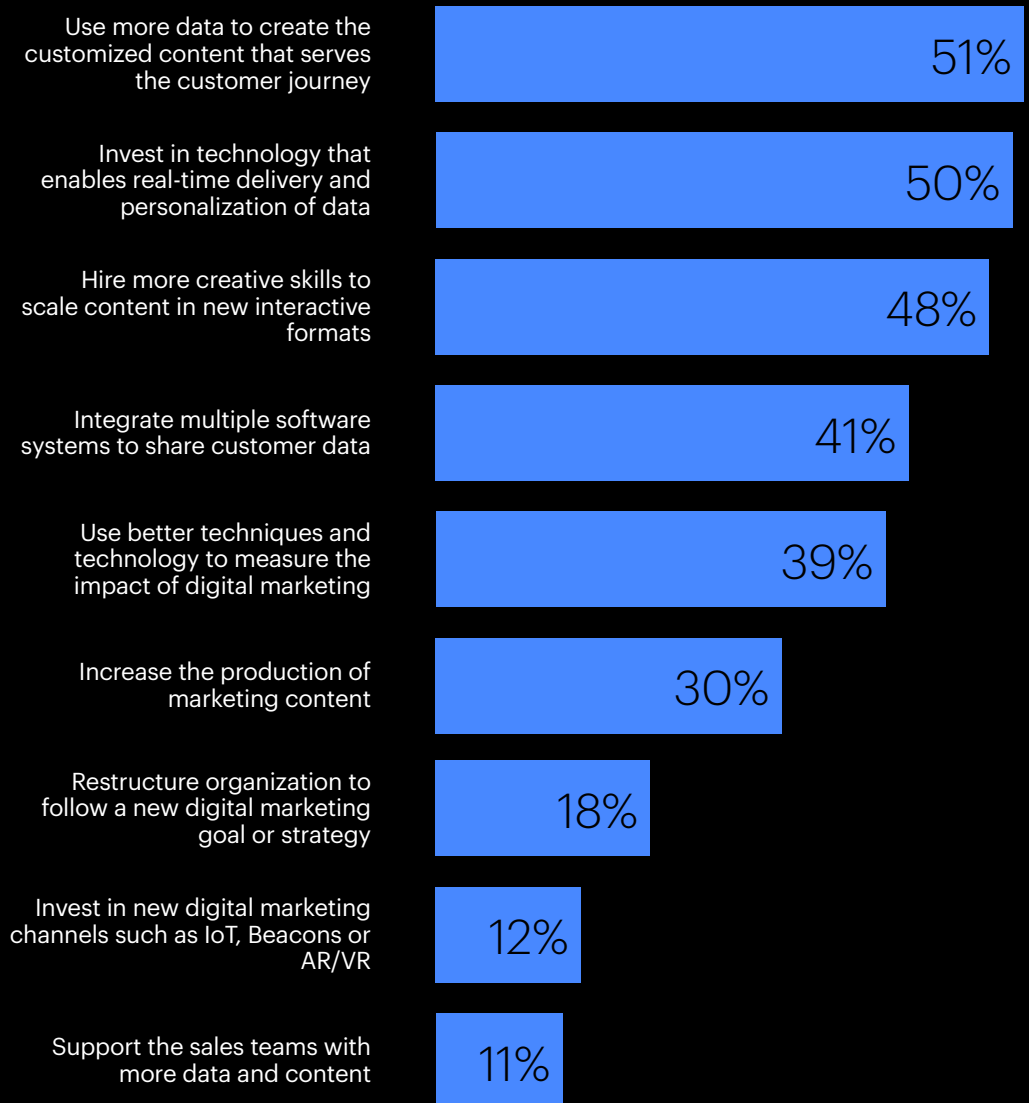
USING DATA FOR REAL-TIME PERSONALIZATION TOPS LIST OF FUTURE INITIATIVES

Our survey results show that the top future initiatives for marketers concern using data to deliver relevant content and experiences. Fifty-one percent of respondents said their top priority was to rely on data to create customized content, and an almost equal number said they would invest in technology that enabled real-time personalization (50%).

But the top future initiatives cited by our respondents weren't all about data and analytics. A healthy percentage of marketers pledged to hire more creatives to scale production of content in new formats (48%), underscoring the continued need for content creators and data specialists.

Although there were slight differences, respondents across regions and industries consistently reported these same top three priorities for the next 12 months.

FIG 16: WHICH OF THE FOLLOWING INITIATIVES WOULD YOU SAY ARE YOUR TOP PRIORITIES IN THE NEXT 12 MONTHS?



Source: Altimeter Digital Marketing Survey, Q2 2019; Base: N=500

CONCLUSION: ACTIONS TO CONSIDER

Based on the results of this study, we make the following recommendations to digital marketing leaders and teams planning initiatives and investments in 2019–2020:

- **ALIGN ON GOALS AND METRICS.** If you have felt limited to only focus digital marketing on brand awareness, you should start exploring other digital marketing goals. New technologies and practices have made it possible for marketing to directly contribute (and get more attribution) to activities that have a tangible effect on the bottom line, such as e-commerce or CLV. It also might be time to evaluate whether your business needs digital marketing to play a different role than what it may have traditionally been tasked with. The key is to take a look at the list of digital marketing use cases (brand awareness, lead generation, product launches, e-commerce, customer relationships, and so on) and decide which one is most likely to deliver on the current needs of your business. Marketing leaders can then decide which new practices, technologies, and skills to invest in, giving a clear direction and dedicated set of resources for the proposed transformation.
- **CONDUCT A CAPABILITIES ASSESSMENT.** Each digital marketing use case has its own set of resource and capability requirements. If your company is changing its digital marketing goals, it is crucial to first conduct an assessment of your people, processes, and tools to identify gaps and benchmark capabilities. For example, shifting your goal from brand awareness to lead generation requires the right marketing automation tools, a new customer segmentation and content customization scheme, and perhaps even a reorganization of your marketing structure. Until you identify and procure what's needed, the path to meeting your goals becomes difficult to chart.
- **INVEST IN A CUSTOMER-CENTRIC DATA STRATEGY.** Throughout this report, data has emerged as the single biggest priority for marketers, but it has no value unless you create a customer-centric data strategy. This means identifying exactly the data you need to execute the digital marketing plan you have devised. Once that process is completed, integrate that data into a single platform where it can be mined for insights in a continuous way.
- **CHART A PLAN FOR SCALING INNOVATION.** Although a lot of companies have made progress toward digital marketing excellence, it usually happens in silos or pockets around the organization. These innovations are difficult to scale without a formal plan that identifies where pilot programs will take place, how the learnings will be codified, and how they will ultimately be socialized throughout the organization. To chart a plan, start with a vision of where your digital marketing needs to evolve to in the next few years. Then identify the four or five initiatives that are most crucial to achieving this vision (e.g., data strategy, lead gen campaign ability, new martech stack, etc.). Pilot these initiatives in small areas and repeat processes within them until you have enough learnings to codify a program, which can then be rolled out to other departments, regions, or product lines.

METHODOLOGY

We surveyed 500 senior digital marketing executives and practitioners in companies with at least 1,000 employees, across three geographies, North America (US and Canada,) Europe (UK, France and Germany), and China. Additionally, we made sure to include a fixed quota of respondents from five industry verticals: banking / finance, healthcare, manufacturing, retail, and technology. We asked each respondent multiple choice answer questions about how they strategize, produce, deliver, and measure digital content.

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As a consultant, Omar has advised leading brands on how to choose marketing technology, build digital systems for marketing, and create digital content strategies. He has also worked with MarTech companies on product evaluation and competitive analysis.

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Altimeter is a research and consulting firm owned by Prophet Brand Strategy that helps companies understand and act on technology disruption. We give business leaders the insight and confidence to help their companies thrive in the face of disruption. In addition to publishing research, Altimeter analysts speak and provide strategy consulting on trends in leadership, digital transformation, social business, data disruption, and content marketing strategy.

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Altimeter research is applied and brought to life in our client engagements. We help organizations understand and take advantage of digital disruption. There are several ways Altimeter can help you with your business initiatives:

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ADVISORY. Retain Altimeter for ongoing research-based advisory: Conduct an ad-hoc session to address an immediate challenge or gain deeper access to research and strategy counsel.

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