



2018 Digital Marketing Plans for Best-In-Class Success



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Preface

An effective digital marketing plan contains a series of tactics used to achieve your most important marketing objectives.

Sounds simple, but what will a digital marketing plan that produces best-in-class performance look like in 2018?

To find out, Adestra, in partnership with Ascend2, fielded the 2018 Digital Marketing Plans Survey.

This report exclusively represents the opinions of 154 companies that described their digital marketing plans as very successful, or best-in-class in comparison to their competitors. We thank them for sharing their valuable insights with us, and you.

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Methodology

This survey was conducted online from a panel of marketing influencers and research subscribers. The following demographics are represented in this report:

Role in the Company

Owner / Partner / CXO	46%
VP / Director / Manager	45%
Non-Management	9%

Primary Marketing Channel

B2B	48%
B2C	36%
B2B and B2C Equally	16%

Number of Employees

More than 500	48%
50 to 500	37%
Fewer than 50	15%

Introduction

After a quarter-century of digital marketing, it's clear that the industry is once again moving faster than internal talent, and technology and data management can keep up.

At the same time, newer channels like social have become marketing's new darlings. They are perceived as more effective because marketers have recently figured out how to use them and results are now rising significantly to demonstrate effective use – however, these newer channels aren't replacing the tried and true workhorses of email, display and search.

Goals for marketers based on study findings:

Best-in-class marketers will be those who parse out some of the expected increases in their digital-marketing budgets to make investments in talent, technology and data. Marketers will also need to invest time in developing relationships with peers in HR, technology, and information services groups so that bigger challenges can be addressed over time, allowing long-term results to remain high.

In this report:

More than half (57%) of the marketing influencers surveyed for this Adestra/Ascend2 study described their marketing planning as very successful compared with their competition. However, these best-in-class marketers also face challenges, particularly in managing data and marketing technology.

Comparing your own planning process and results with these best-in-class marketers can help you assess your own success rate and identify areas where you can see potential improvement.

The findings and our interpretations suggest several questions you can ask yourself and your team to help you plan your 2018 marketing program more effectively:

- What are the most important objectives for digital marketing?
- What are the most critical challenges to digital marketing success, and which challenges should we focus on immediately and in the long term?
- What digital marketing channels should we consider prioritizing?
- Should we consider outsourcing our digital marketing execution, and to what extent?



Best-in-class marketers parse out some of the expected increases in their digital marketing budgets to invest in talent, technology and data.

Reporting on Best-in-Class Success

Fifty-seven percent of the marketing influencers surveyed described the success of their marketing planning as very successful, or best-in-class, when compared to the competition. What follows in this report is derived from this exclusive segment of best-in-class marketing planners.

Several of the channels and techniques we now use extensively in digital marketing were considered new only a decade ago. With more than half of marketers reporting that their marketing planning is very successful, we see digital as reaching the stage of maturity where most marketers know how to use each channel. The real goal now becomes maximizing each channel's effectiveness.

Marketers today are concerned with:

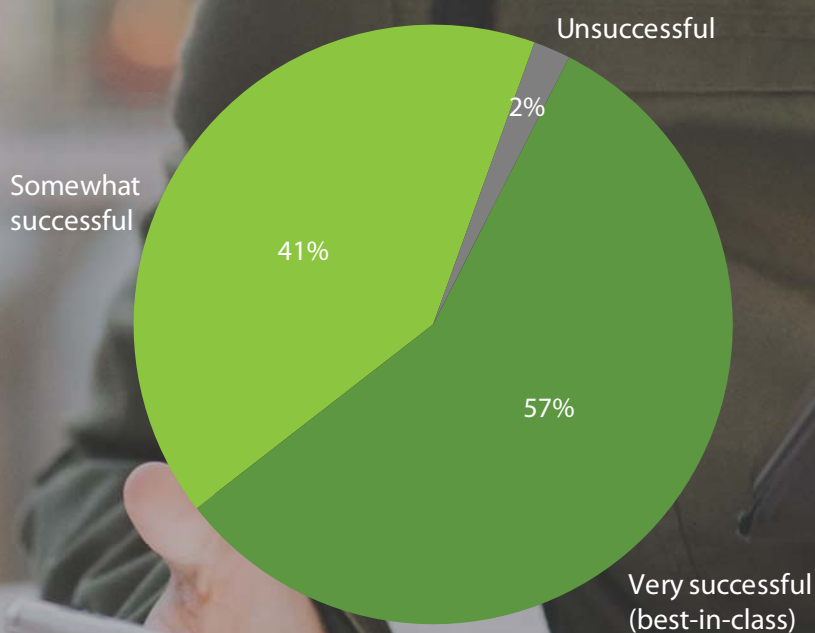
- **Talent acquisition.** Sourcing experienced talent is a challenge considering how quickly channel demand has ramped up.
- **Marketing technology investments.** The tools that marketers require to be effective in the digital space have changed considerably within the last decade, requiring investments that most brands can't match.
- **Measurement and reporting strategies.** Talent is in high demand because growth in the channel has outstripped the number of experienced professionals who can meet this new reporting challenge.
- **Data quality.** Effective use of digital channels depends more heavily on good data quality. Yet, this is an area where marketers see significant obstacles.

Five Steps to Digital Marketing Success

If you believe you are in the 41% of "somewhat successful" marketers, these five steps can help you improve, so that you can join up with your best-in-class peers:

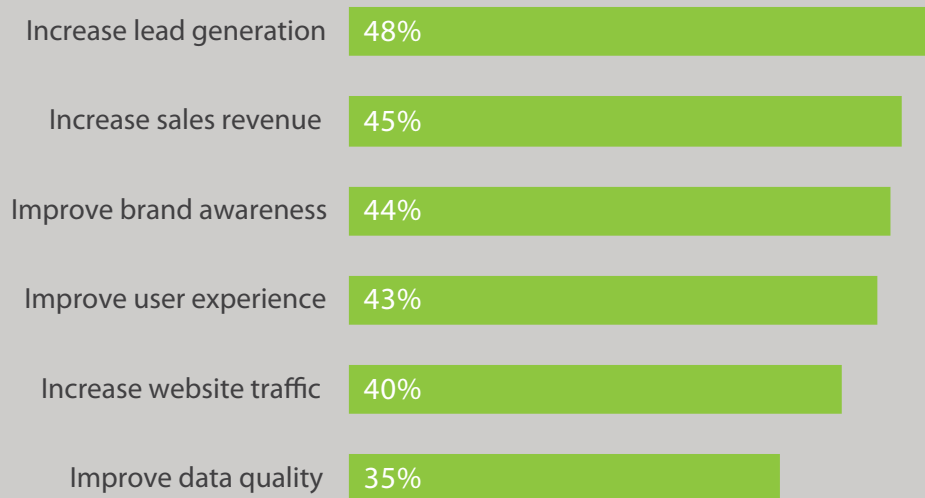
- ① Identify gaps in your channel resources, use, success and expertise.
- ② Source partnerships with vendors who can provide the expertise and technology you need.
- ③ Focus internal resources on both short and long-term initiatives to ensure results are maintained over time.
- ④ Make targeted investments in talent, technology, data quality and data acquisition.
- ⑤ Progress by proving value and ROI through testing.

Which best describes the **SUCCESS** of a digital marketing plan at achieving important objectives?



Most Important Strategic Objectives

What are the most important OBJECTIVES for a digital marketing plan to achieve?



Important objectives to achieve for 48% and 45% of best-in-class marketers respectively are increasing lead generation and increasing sales revenue. Combining these objectives to generate leads that convert to sales revenue rapidly and inexpensively is key.

Strategic objectives for digital marketing span the entire marketing funnel, with demand and revenue generation only slightly more important than branding and awareness. Improved data quality is considered much less important than other objectives that are more directly attributable to results. But this might be short-sighted.

Better data does yield better results. Central to First-Person Marketing is this credo: "Know Thy Customer." Progressive profiling – a technique that builds trust with your customers by asking little bits of information each time they visit – is a strong digital marketing tool that can contribute to the top objectives here.

It's an excellent way to gather data directly from customers with relevant queries sent over time, that won't overwhelm or annoy your customers.



***Marketers who invest in talent,
technology & data will be significantly
ahead of the game.***



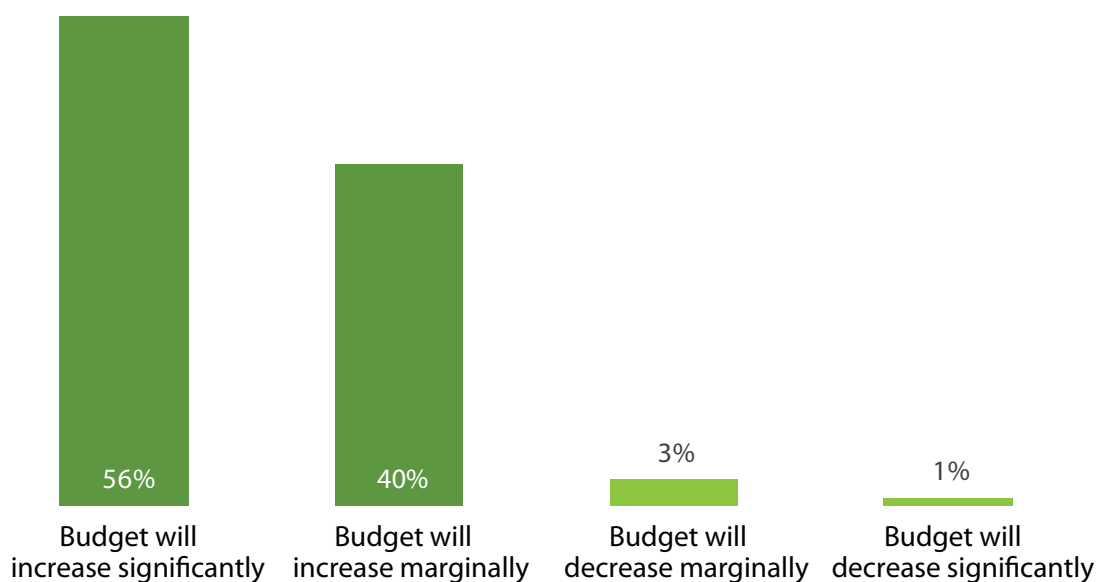
Budget Trends for the Year Ahead

The trend for digital marketing budgets continues to increase for a total of 96% of best-in-class marketers, with a 56% majority describing the budget increase as significant. This trend may reflect a positive outlook for continued business growth in the year ahead.

It's a great sign that best-in-class marketers see budgets increasing, with 56% expecting a significant increase. Marketers will need to invest these incremental dollars wisely in order to retain the new budget level past 2018.

This will require more than just better use of the existing channels. It will also require a considered investment approach to talent acquisition, technology and data.

Marketers who do not invest in these three areas might find that they will come across much greater challenges over the next few years – and that competitors who invested wisely will be significantly ahead of the game with results that prove the benefit of all three areas.



To what extent will the digital marketing BUDGET change in the year ahead?

Critical Challenges to Success

User experience will be a most critical challenge to the success of a digital marketing plan in 2018. Overcoming this challenge requires overcoming another critical challenge – attaining data quality.

It's no surprise that marketers cite data quality and user experience as their top challenges to success.

Marketers have long been frustrated by legacy systems, access issues, and the constant balancing act between asking too much versus too little in online (and offline) forms. Add to this the challenges of multiple screen sizes and the ever-evolving approaches to multi-screen layout and functionality, and it is no wonder the user experience becomes frustrating at times.

If these are also your challenges, you're in good company. Now, how do you address them?

3 Steps to Addressing User Experience and Data Quality Challenges

1. Align with user-experience and data-quality professionals.

If you're like most brands, this type of talent simply hasn't been developed internally. (If you do have experts here, congratulations! Also, do your best to keep them.)

Source an agency specifically for user experience strategy and execution, and lean on its expertise until your in-house resources are experts themselves. Look for a data management vendor, and do the same in that area.

2. Build a case to acquire third-party data.

These data sets can provide insights into critical audience segments and round out customer profiles with information on their interests and activities beyond your own websites and brands. More data means you have a greater opportunity to customize the user experience and make it more relevant.

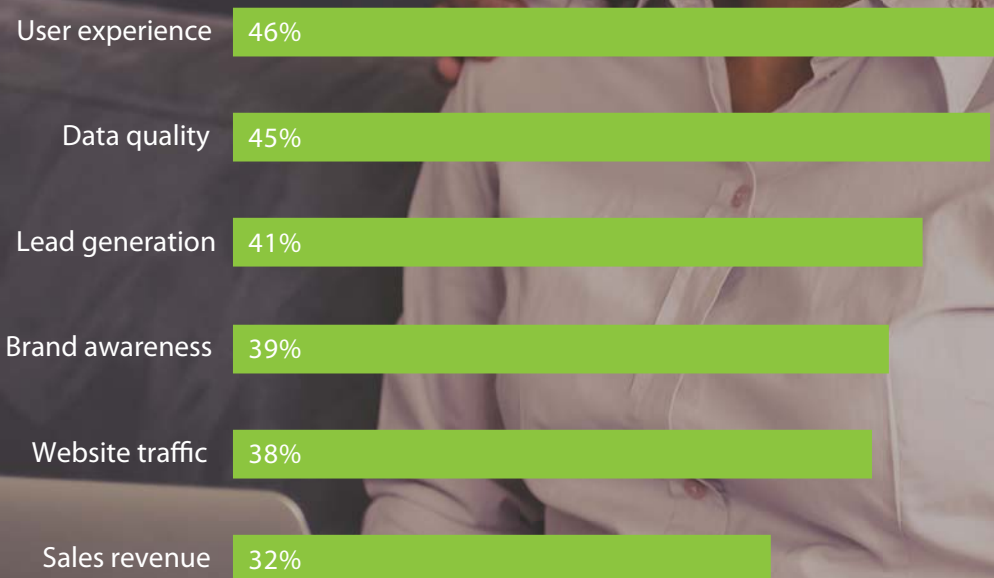
3. Commit to progressive profiling.

Build on your existing data through subsequent contacts, such as filling out preferences, answering quizzes or surveys or other formats. Don't just take the data and dump it in your data repository.

Much of the data acquired through progressive profiling will be valid for only a specific time. Make sure you have planned timeframes for cleansing the information you collect, or that you collect it in such a way that it can be automatically excluded from marketing efforts years in the future.

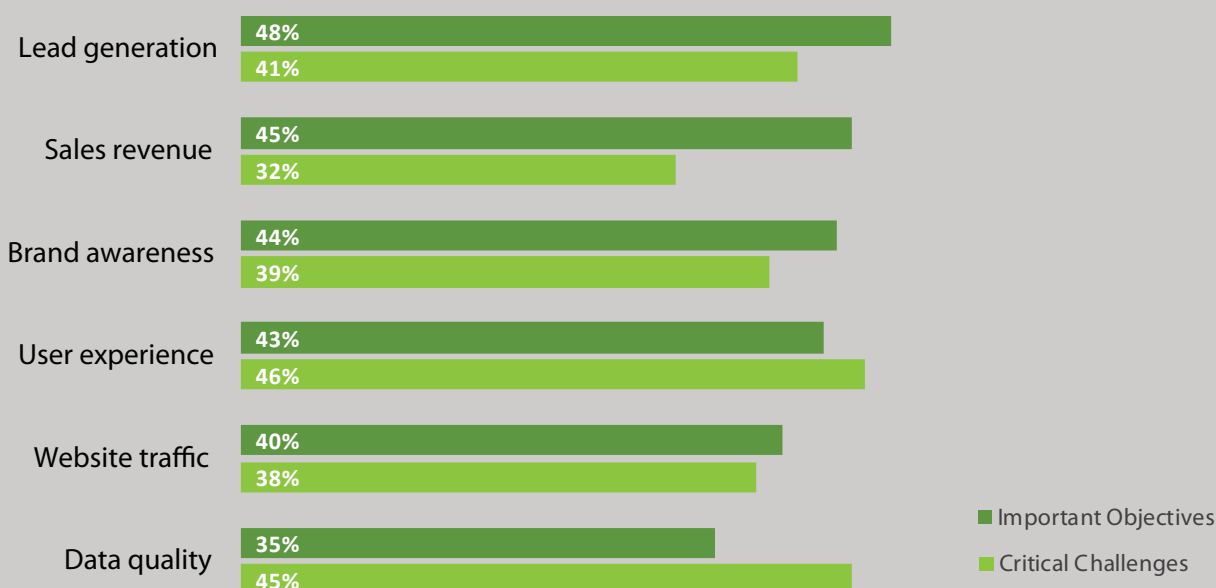
Want to know more about progressive profiling? Read "Progressive profiling: Why it's a win-win for everyone"

What are the most critical CHALLENGES to the success of a digital marketing plan?



Comparing Objectives and Challenges

Comparative analysis of objectives versus challenges.



Objectives that are significantly more important than they are challenging – such as increasing sales revenue – are more likely to be achieved, than those that are significantly more challenging than they are important to achieve, such as improving data quality.

It's good that marketers see their greatest objectives as being the least challenging (relatively speaking). We hope this means that they can achieve their short-term revenue and lead generation goals with budget to spare for the investments that we've discussed in this report already.

Marketers need to focus on investing in data quality to reduce the challenge so that it is aligned with the importance going forward. Data is critical to digital marketing success, and we predict that it will become even more important as machine learning approaches give way to artificial intelligence marketing capabilities.

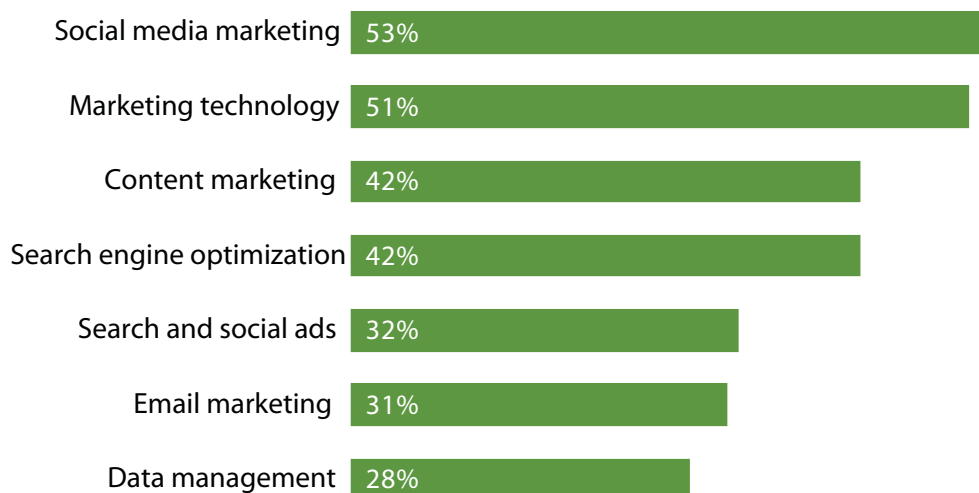
Most Effective Tactics

Social media marketing, and the marketing technology that streamlines the execution of tactics, are most effective for 53% and 51% of best-in-class marketers respectively.

It is not surprising to see social media and marketing technology topping the effectiveness list for 2018, especially given the importance of lead generation. However, we were amazed to see search and email marketing tools so much lower in effectiveness ranking.

We believe that this is because both channels are mature enough that they are well understood and cannot benefit from the effectiveness gains a newer, less mature channel is experiencing as marketers better understand how to use it.

This isn't to say that email and search are less important, but, as acknowledged workhorses, they aren't taking the spotlight anymore.



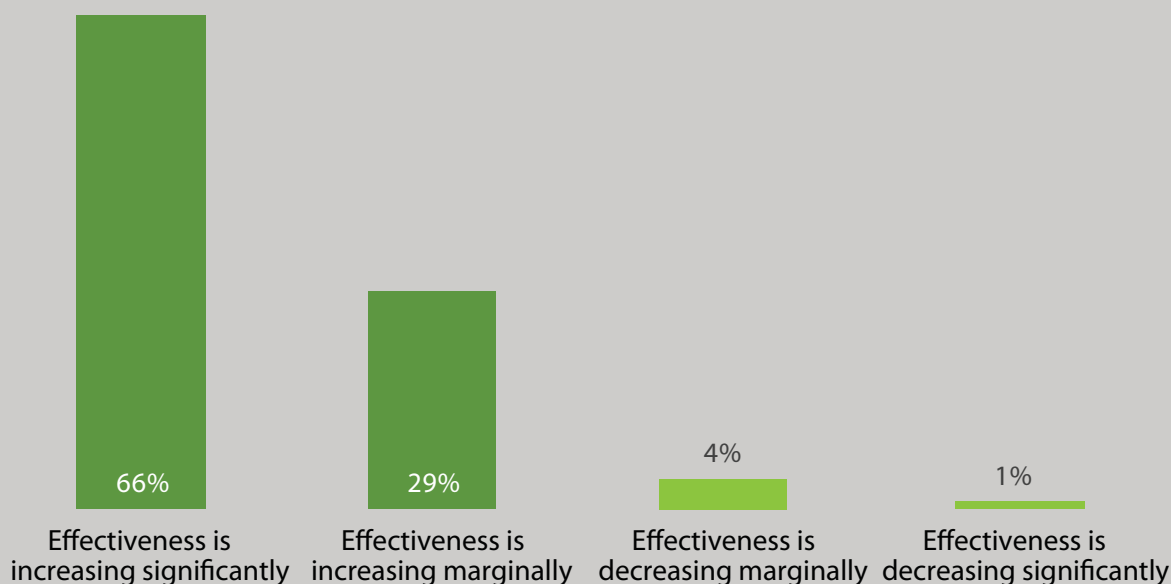
What will be the most EFFECTIVE tactics used in a digital marketing plan in 2018?



***As channels increase in effectiveness,
they help create great internal stories that
marketers can use to justify investment
in digital marketing.***

How Tactical Effectiveness is Changing

To what extent is the effectiveness of digital marketing tactics **CHANGING**?



Tactical effectiveness is changing in a very promising way for two-thirds (66%) of best-in-class marketers who describe this increase in tactical effectiveness as significant. Effectiveness is decreasing to some extent for only 5% of the best-in-class.

Once again, we're not surprised to see that marketers are bullish on channel effectiveness. Several digital marketing channels are still reaching maturity. So, of course, their effectiveness is increasing.

This is good news for those who have been trying to figure out how to make the channels work for a decade now. And it is great news for marketers looking for budget dollars for continued investment.

As these channels increase in effectiveness, they help create great internal stories that marketers can use to justify investment in digital marketing. The goal will be to capture as much incremental budget as possible with increasingly effective results.

Most Difficult Tactics to Execute

Two very technical tactics – data management and marketing technology – are difficult for the best-in-class to execute, primarily because the skills, capabilities and resources required to execute these technical tactics are not always available in-house.

Data management and marketing technology are the most difficult tactics for marketers to master, and for a good reason. To some extent, both are outside the marketer's scope. This is all the more reason to partner internally with technology and IT peers, and make sure they have access to the talent resources they need at your marketing agencies and vendors.

It can be hard to reach across the historic divide between marketing and IT, ecommerce or any other company department beyond your own. Everyone has a limited budget and employees who are stretched to the limits just to achieve their own department goals. In many companies, distrust between departments is rampant, further hampering efforts to partner up for mutual success.

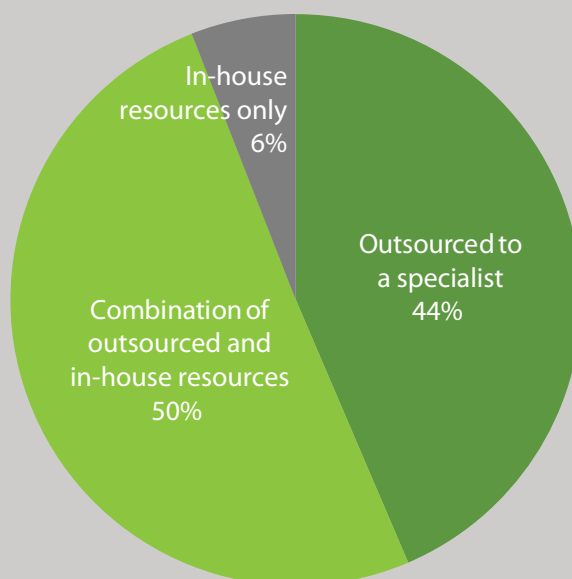
But the benefits for all are significant when departments work together, whether it means saving money with more efficient use or installation of technology, or shortening the lead time on revenue projects such as new email trigger programs. Persistence and an emphasis on shared goals can help everyone achieve success.

What are the most DIFFICULT tactics to execute in a digital marketing plan?



Resources Used to Execute Tactics

Which best describes the **RESOURCES** used to execute digital marketing tactics most effectively?



A total of 94% of the best-in-class say they outsource all or part of the execution of digital marketing tactics to specialists. Fully half (50%) consider a collaboration between outsourced and in-house resources the most effective way to execute digital marketing tactics.

94% of best-in-class marketers say they are either outsourcing execution entirely or partnering with digital marketing specialists to some extent. This is a good indication that you will need to develop your own partnerships in order to achieve your goals.

If your senior leadership isn't comfortable with external collaborations, sharing this graph might help. Trying to match your competitors' effectiveness when they integrate external experts into their team while you cannot, is a bigger challenge than you're likely to be able to overcome.

If you are already partnering, you're in good company. It might even be worth your while to consider how to partner more effectively – especially if that means there is an opportunity to develop your in-house talent.

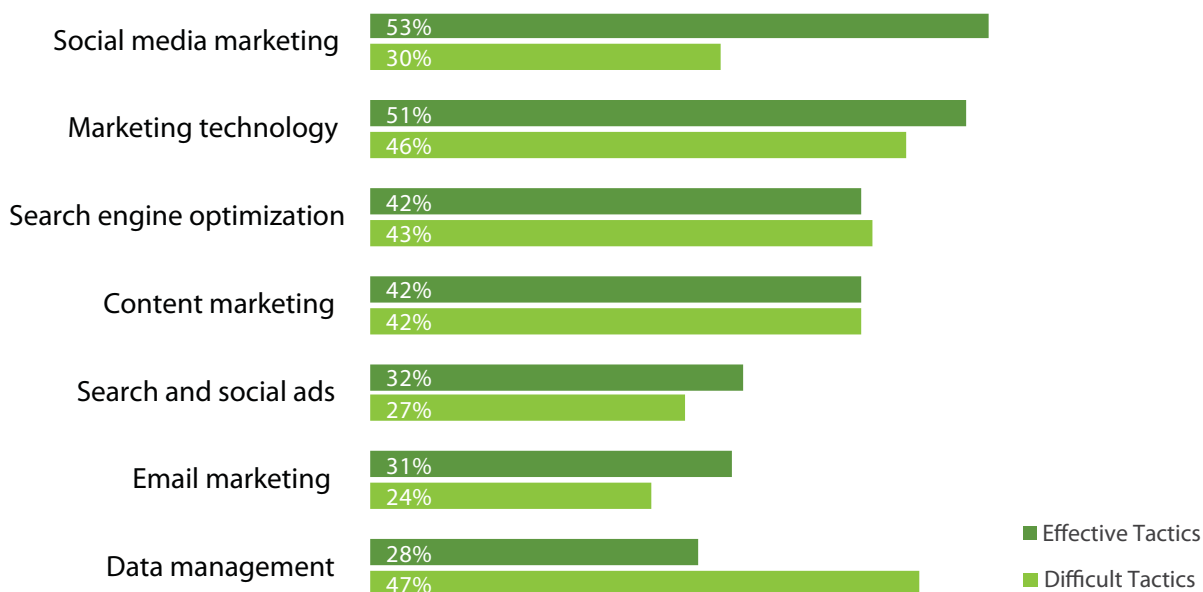
How Effectiveness and Difficulty Compare

Tactics that are much more effective than they are difficult to execute are more likely to be part of a digital marketing plan than are tactics that are considered less effective than they are difficult to execute. This is an example of how difficulty can impact perceived effectiveness.

Social media is clearly the darling of 2018 because its expected effectiveness is far greater than the perceived difficulty of using the channel. At the

other end of the spectrum, marketers say data management has more limited effectiveness compared to its difficulty of use.

This is a potentially dangerous dismissal. High-quality data and its effective management are the lifeblood of a digital marketing program. Marketers must make sure they aren't short-changing future results by being short-sighted about data quality and management.



Comparative analysis of tactical effectiveness versus difficulty.



***High-quality data and its
effective management are the lifeblood
of a digital marketing program.***

Conclusion

Digital marketing continues to experience explosive growth. It is encouraging to see brands investing in digital channels, despite continuing challenges posed by data quality and management, and adoption and use of technology.

These findings highlight the ongoing need for marketers to invest in talent, technology, and data quality/management in order to maintain success in the long term. However, investments will require more than a line item in the department budget.

Marketers must also invest time and energy in building partnerships inside and outside the company to call on and build knowledge and expertise with critical issues.

Within the company, marketers should reach out beyond the marketing department to IT, ecommerce, sales, technology, customer service and any other departments that can share goals.

Beyond the company's walls, marketers should build fruitful relationships with creative agencies, as well as technology and data vendors to supplement company resources.

Company success is a team goal. Marketing can and should play a key role in writing the playbook and helping players come together as effectively as possible on the field.



Adestra is a trusted provider of First-Person Marketing solutions for global and growing brands.

The company's industry-leading email platform provides a powerful infrastructure for one-to-one, contextual messaging and marketing automation, helping marketers communicate more effectively with their customers and subscribers. Robust reporting features allow marketers to efficiently evaluate and optimize their campaign results. The flexible structure and open integration architecture enables businesses to connect disparate technology platforms to create a seamless customer journey.

Along with a best-of-breed platform that drives customer engagement and boosts ROI, Adestra was founded on the principle that marketing success takes more than technology, which is why customer service is at the heart of its business. Adestra was a winner of the 2014 and 2017 Customer Focus Award from the Customer Service Institute. It also won Bronze for Customer Service Department of the Year at the 2017 Stevie Awards for Customer Service, as well as being presented with the 2017 Supplier of the Year Award from one of its longest-standing clients, UBM.

Adestra continues to maintain one of the highest customer retention rates in the industry. It is trusted by top companies including UBM, FranklinCovey, and Condé Nast Digital Limited, among others.

Established in 2004, Adestra has offices throughout the UK, US, Canada and Australia. For more information, please visit adestra.com.



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