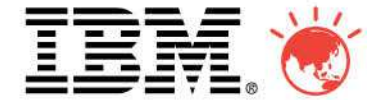
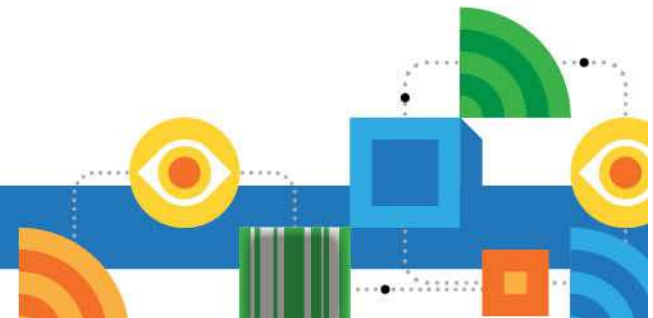


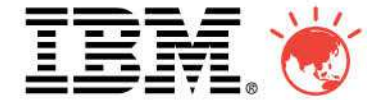
Agenda



- What are the implications for a system of engagement ...
- EMM's Annual Marketing Survey 2012 ...
- What are the characteristics of leading marketing ...
- What are the outcomes ...
- A customer's perspective ...



Businesses perform better with a system of engagement across all channels ...



• Our Findings

- Our research revealed a group of companies that are developing their EMM capabilities to create an optimized system of engagement with customers
- These “Leading Practitioners” have had significantly better revenue and gross profit performance over the past 3 years
- Leading Practitioners have a distinct profile that other organizations can learn from:

Broad Segmentation



Personalized Engagement

Demand-gen Focused



Strategic Responsibility

Arbitrary



Measured

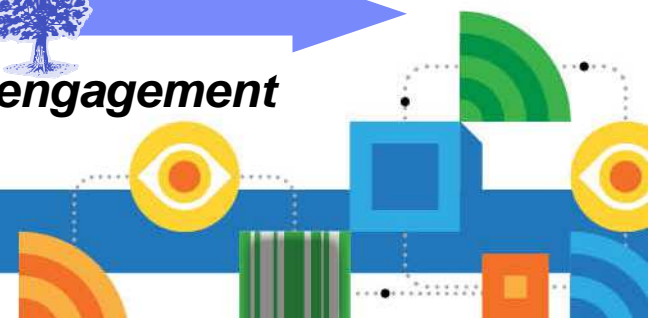
Silo'd



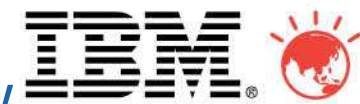
Collaborative



Developing an optimized system of engagement



But marketers face transformational challenges as they harness massive amounts of data and new channels to create personalized experiences



CMO's expect a very high level of complexity over the next 5 years, but most do not feel prepared.

Companies are generating almost overwhelming amounts of data that contain valuable insights.

The number of channels and devices that consumers are using is rapidly expanding.

52%

Of CMO's state that they are unprepared for the expected level of complexity over the next 5 years.¹

2.5 petabytes

The size of Wal-mart's customer database supporting over 1 million transactions per hour.²

5.9 billion

Mobile-cellular subscribers world-wide at the end of 2011.³

How should marketers respond to this shift?

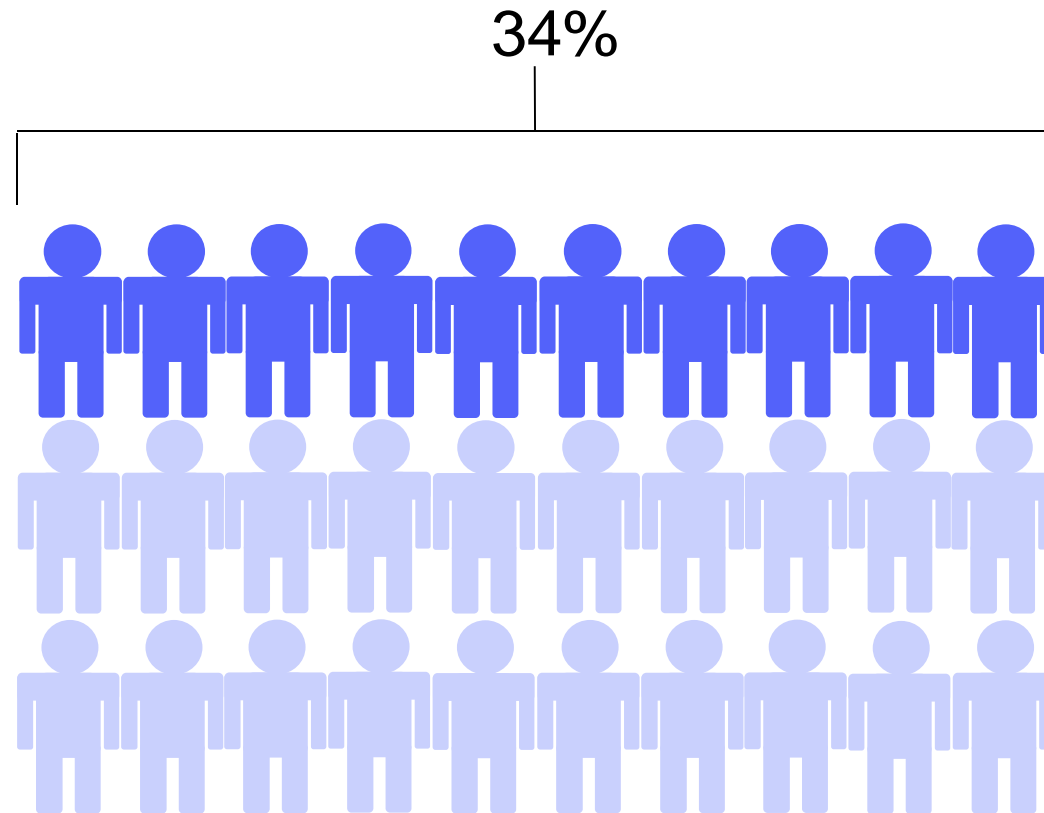
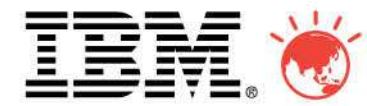
Sources: (1) 2011 IBM CMO Study URL (2) "Data, Data Everywhere." The Economist. 25 Feb. 2010. <http://www.economist.com/node/1557448>. (3) The World in 2011. Rep. International Telecom Union. http://www.itu.int/ITU-D/ict/news/2011/material/ICT_Fact_figures2011.pdf. (4)



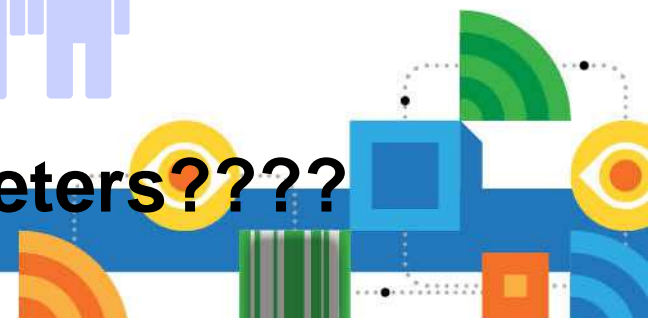


We surveyed 362 marketing professionals worldwide, across more than fifteen industries, and found that...

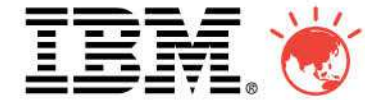
... just 34% of marketing organizations have a sophisticated approach to “investing” marketing resources and “engaging” customers across multiple channels



Who are these marketers????



...these individuals are leading marketers and they exhibit the following characteristics



LinkedIn Account Type: Basic | Upgrade

Home Profile Contacts Groups Jobs Inbox Companies News More

Jane Doe

Current: Director, Digital Marketing at ABC
Previous: Manager, Web Analytics, XYZ
Education: University of Analytics, Computer Science

244 connections

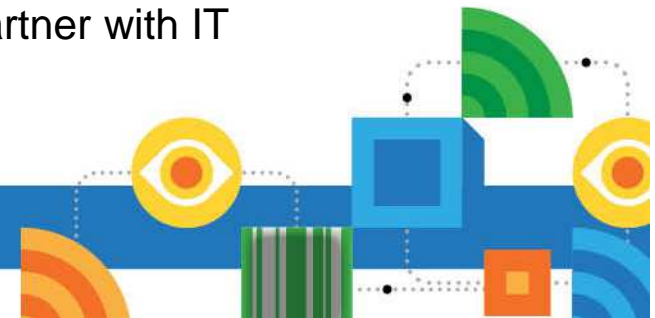
Summary

Manage customer experience across all digital channels. Responsible for integrating all digital channels, including web, mobile and social, and delivering personalized real-time communications in all channels. Lead advisory board that examines points of integration between digital and traditional channels, focusing on attribution and a common set of KPI's for marketing and executive management. Contribute to marketing team that has consistently grown revenue and profitability.

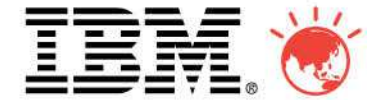
Skills & Expertise

- Digital Marketing
- Customer Experience Management
- Web Analytics
- Social Media
- Mobile Marketing

1. Belong to organizations that perform better financially
2. Own and manage the 4P's
3. Expand marketing's role
4. Coordinate the customer experience enterprise wide across all channels
5. Use innovative technologies, such as real-time, and actively engage new channels
6. Measure everything
7. And partner with IT

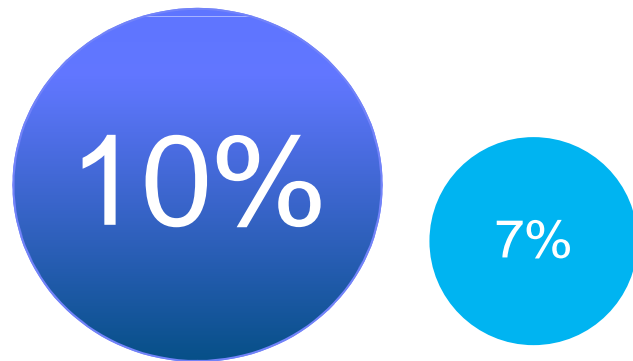


Leading marketers work for companies that exhibit superior financial performance...

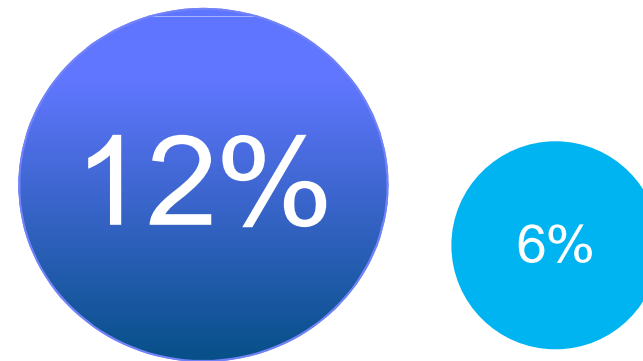


Leading marketers had revenue growth on average 40% higher and growth profit growth 2x greater than their peers. Further, 65% of leading marketers grew gross profit faster than 10%!

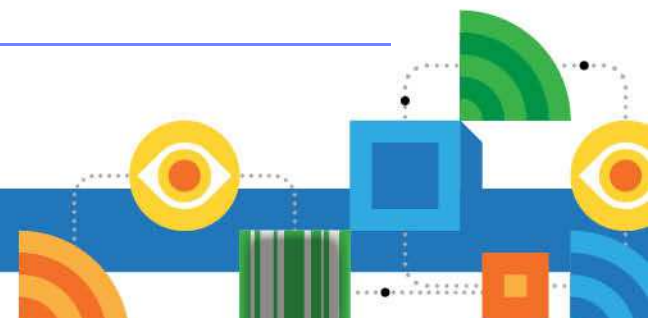
Revenue Growth
3-year CAGR, 2008-2011



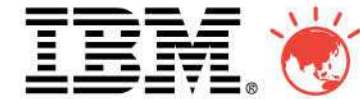
Gross Profit Growth
3-year CAGR, 2008-2011



■ Leading Marketers ■ Others



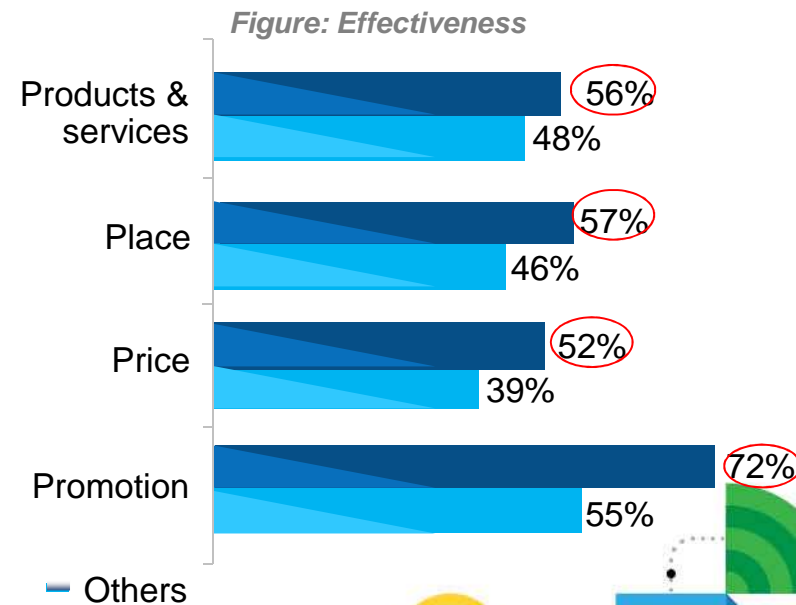
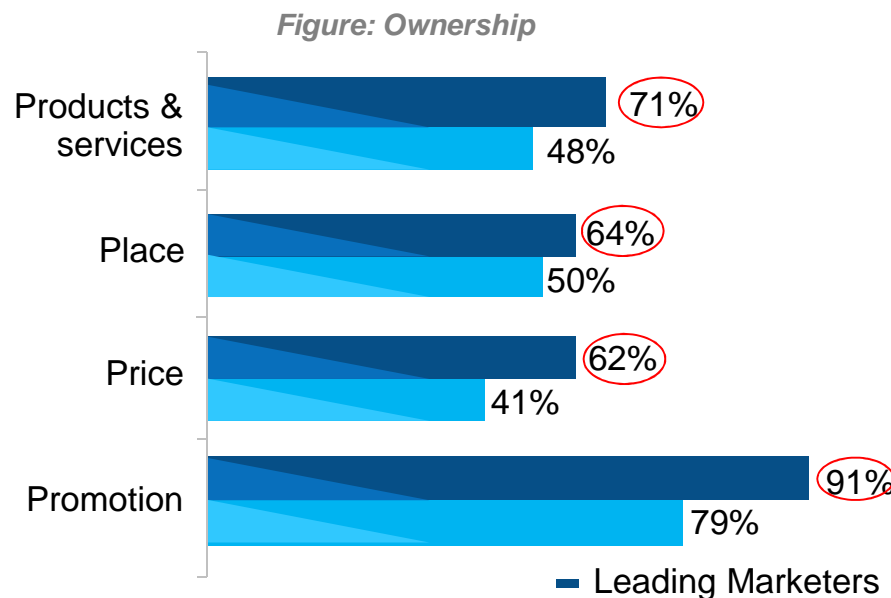
Leading marketers have an increased scope across the 4Ps



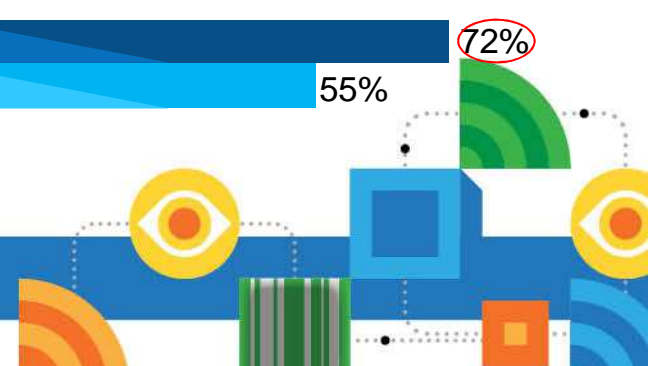
Leading marketers NOT only have greater responsibilities for the 4Ps, but also demonstrate greater effectiveness. This allows them to measure ROI, optimize pricing and expand the role of marketing to lead the customer experience.

Figure: Marketing Ownership by Business Outcome

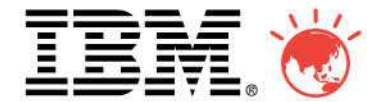
Q. How much ownership do you and your marketing organization have for the following areas of responsibilities?



○ Significantly higher than the Rest of Population



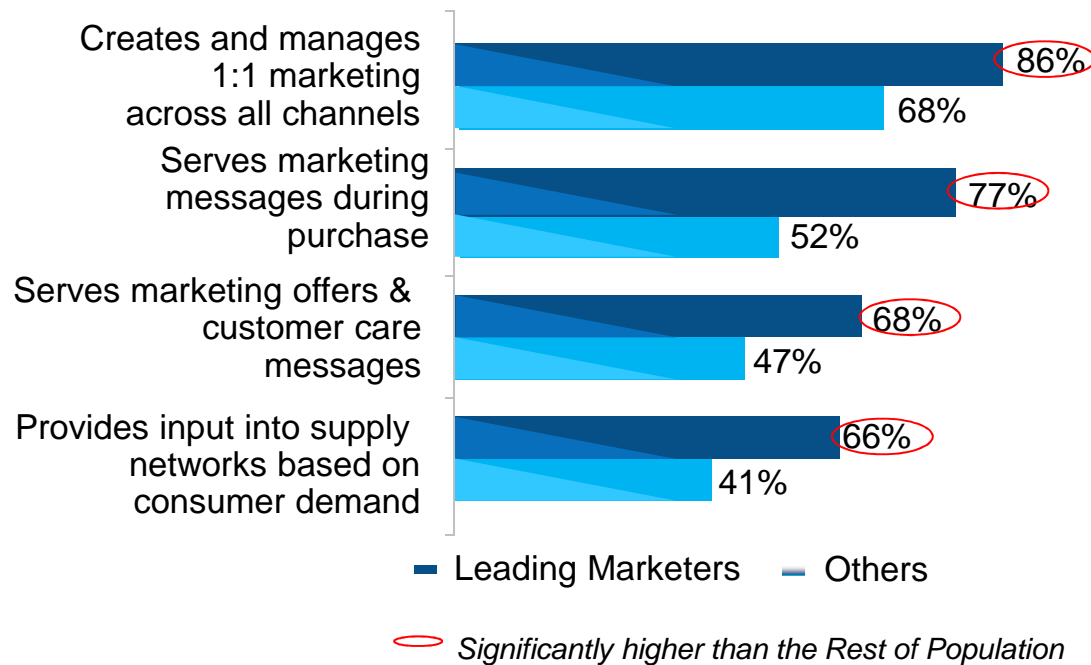
Leading marketers are extending their role beyond marketing



These marketers are more likely to lead the coordination of messages in different functional areas that are not marketing, expanding their strategic role and application of technology to proactively improve their customers' experience.

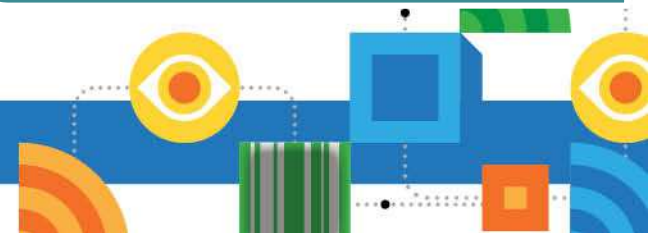
Figure: Marketing Responsibility by Business Outcome

Q. Please rate the level of responsibility marketing has for each of the following areas.

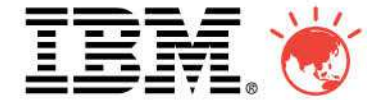


3X

Leading marketers are 3X more likely to be proactive leaders driving the customer experience across all channels



Leading marketers engage their customers across all channels and in real-time using different



45%

Leading marketers more likely to have integrated marketing tactics.

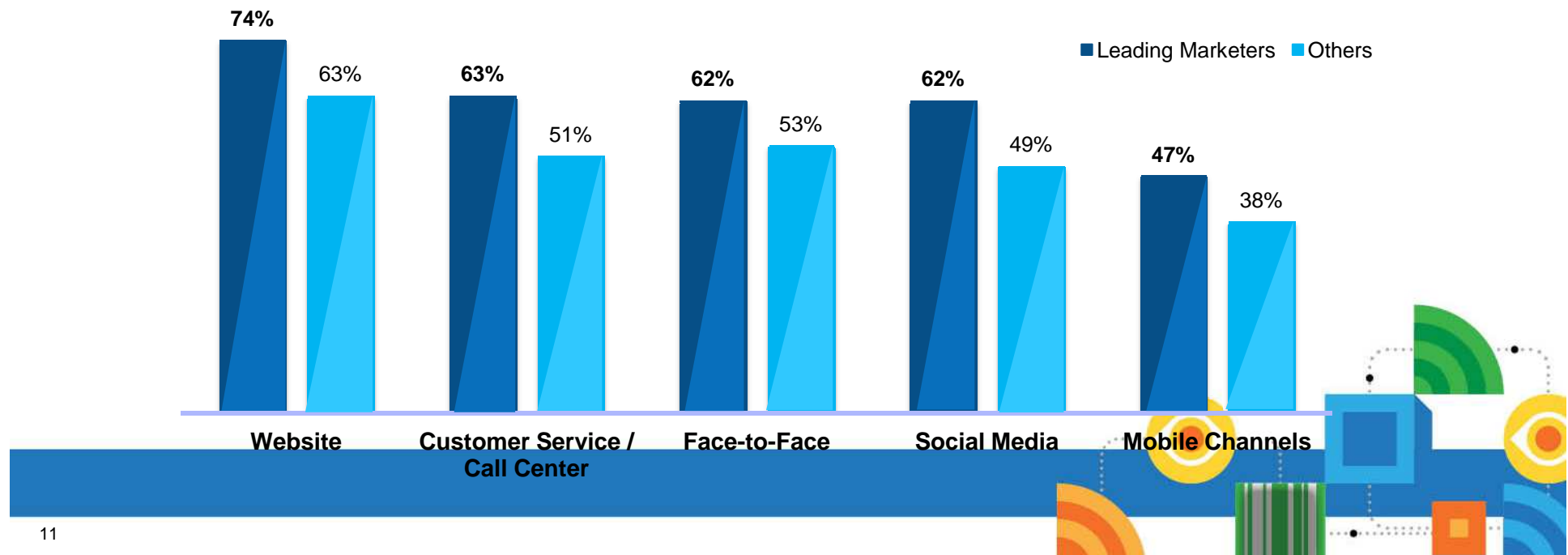
83%

Leading marketers use interaction optimization technology in all channels.

127%

Leading marketers are more likely to adjust real-time offers in all channels.

Figure: Channel used to deliver personalized messages in real-time



Leading marketers are more innovative across mobile and social



Mobile



41% **25%**
Currently use mobile messaging campaigns



36% **20%**
Currently use location-based targeting



33% **18%**
Currently use mobile ads

■ Leading Marketers ■ Others

Social



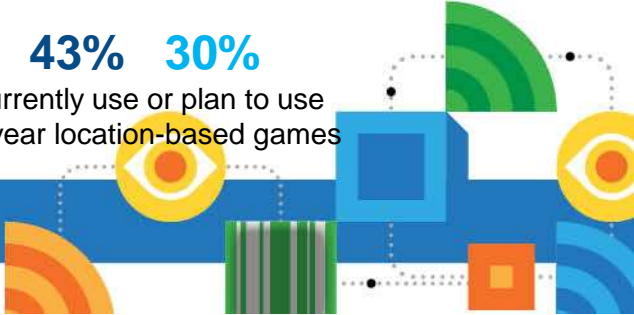
71% **56%**
Currently use or plan to use <1 year apps on 3rd party social networking sites



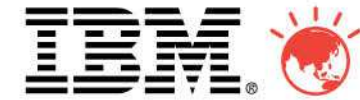
48% **31%**
Currently use or plan to use <1 year social/local group buying



43% **30%**
Currently use or plan to use <1 year location-based games



Leading marketers have greater visibility and measure their programs to justify additional investments



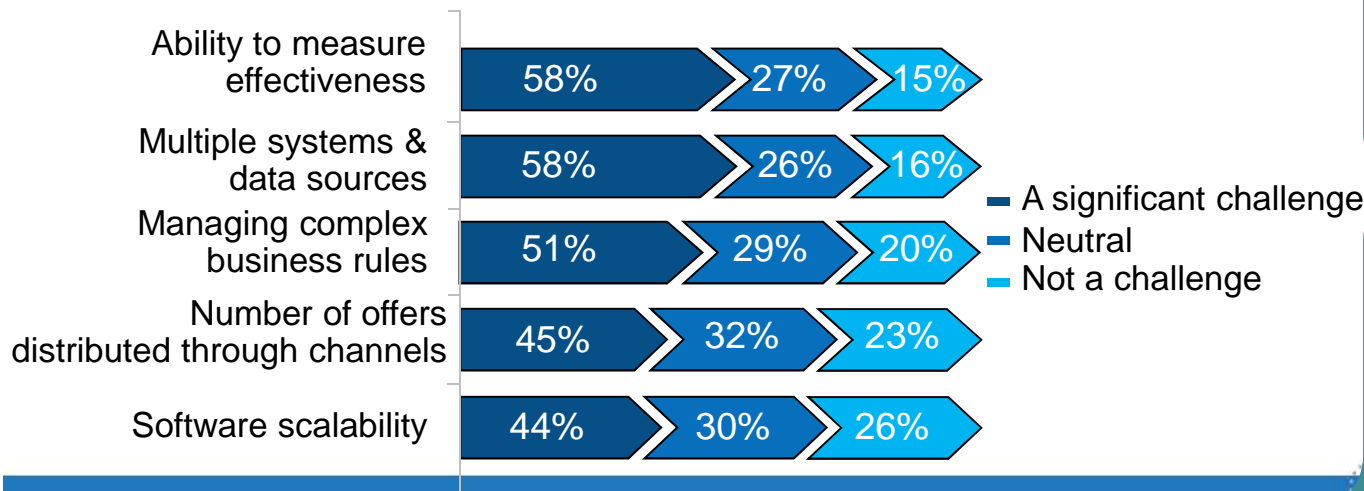
85%
Of marketers agree with the need for an integrated suite.

But 27%
Of marketers don't perform attribution.

Yet 88%
Of leading marketers can attribute results to marketing activities.

Figure: Challenges in Accessing, Managing and Analyzing Data across Channels

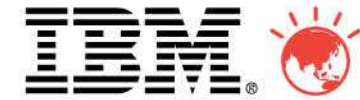
Q. To what extent does your organization face the following challenges in accessing, managing and analyzing data across different channels?



And 93%
of these leading marketers have a process for assigning credit to attribute to marketing campaigns ...

Base: Total Sample (n=362)

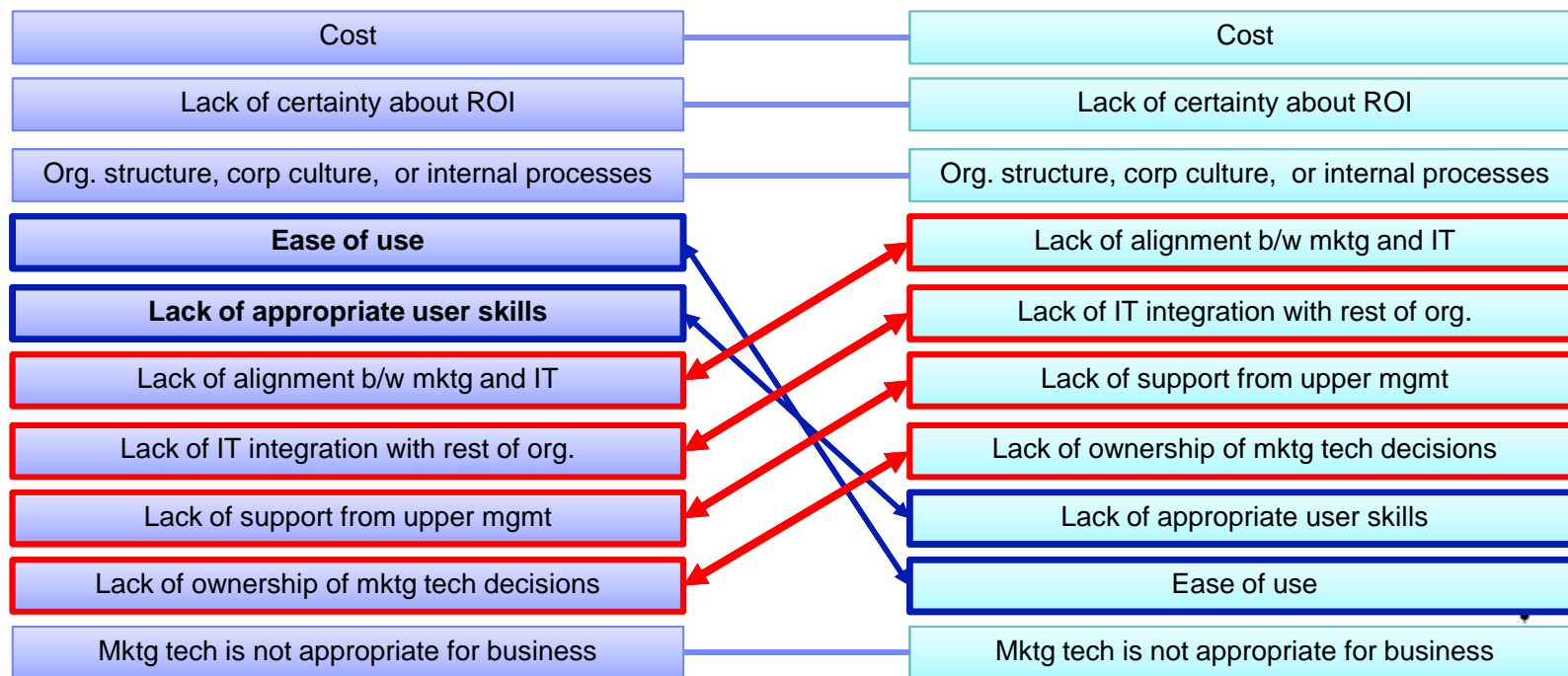
Leading marketers collaborate with IT and are focused on scaling their function by developing skills and improving the usability of their software investments



Barriers to purchasing and implementing marketing technologies

Leading Marketers

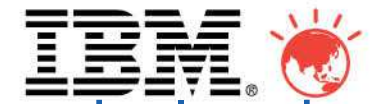
Others



Base: Total Sample (n=362)



Leading marketers have a significantly better relationship with IT and have moved beyond mechanical and operational challenges



76%

Of marketers either drive the purchasing decisions for marketing software or collaborate with IT.

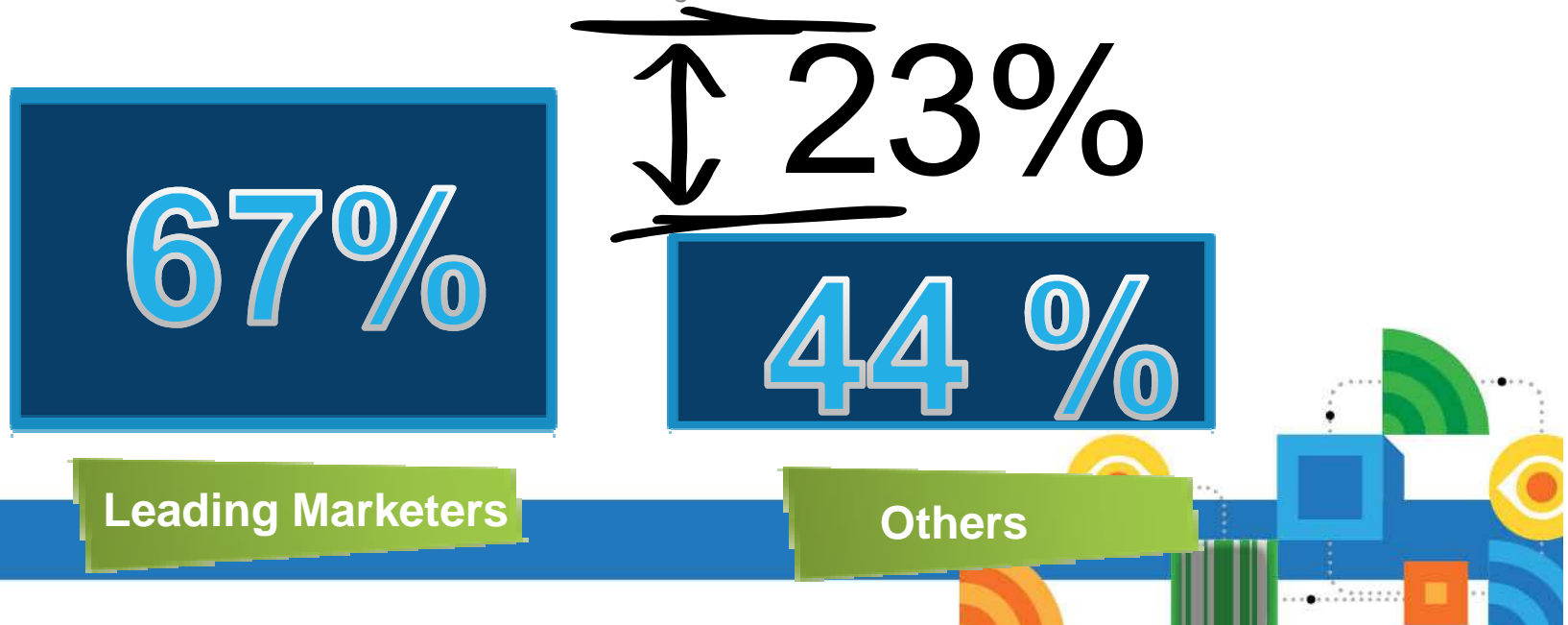
48%

Believe improved technology infrastructure or software will enable marketers to do more.

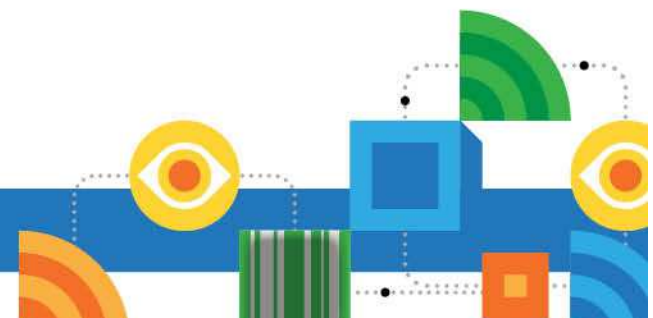
Nearly 60%

Indicate that lack of IT alignment and integration are significant barriers to the adoption of technology.

Figure: Collaboration Between IT and Marketing on Technology Purchases.
Q. How well does marketing collaborate with IT?



Appendix





Notable Differences – Asia Pacific

All regions are doing the reporting and analysis basics for online visitor data. But there are clear gaps in levels of sophistication between Asia Pacific (AP) top performers and the rest of the population. In addition, AP top performers are demonstrating a greater level of sophistication in their use of online data for syndication and 1:1 messaging compared to the rest of the world.

65%

Of respondents are doing the basics by reporting and analyzing their online visitor data.

Only a third

Use this data in targeting one-to-one offers or messages in digital channels.

Less than 1 and 5

Leverage online data to make one-to-one offers in traditional channels.

Figure: Use of Online Visitor Data Comparing Company Performance Among Asian Pacific Respondents

Q. How are you using your online visitor data?

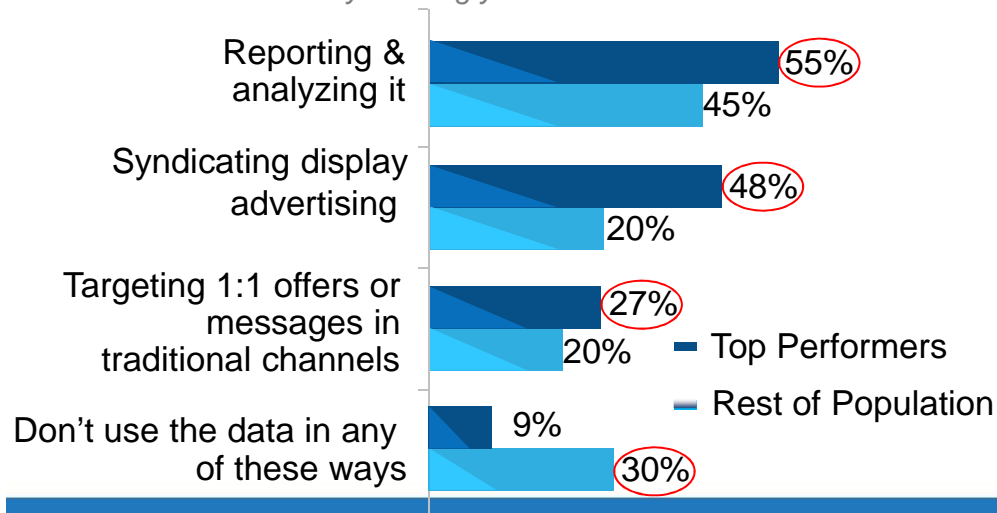
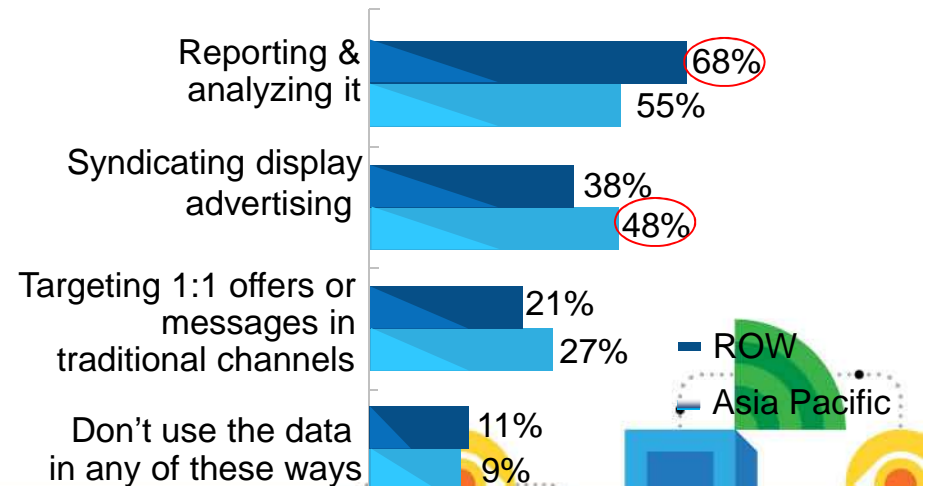


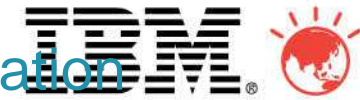
Figure: Use of Online Visitor Data Comparing Company Performance Comparing ROW with Asian Pacific Top-Performers

Q. How are you using your online visitor data?



Base: Companies that have online visitor data (n=65)

Marketers are mobilizing, but success hinges on integration



Only 21%

Currently run mobile marketing tactics as part of integrated campaigns.

79%

Run mobile marketing in silos, **discretely** and on an ad hoc basis.

Higher

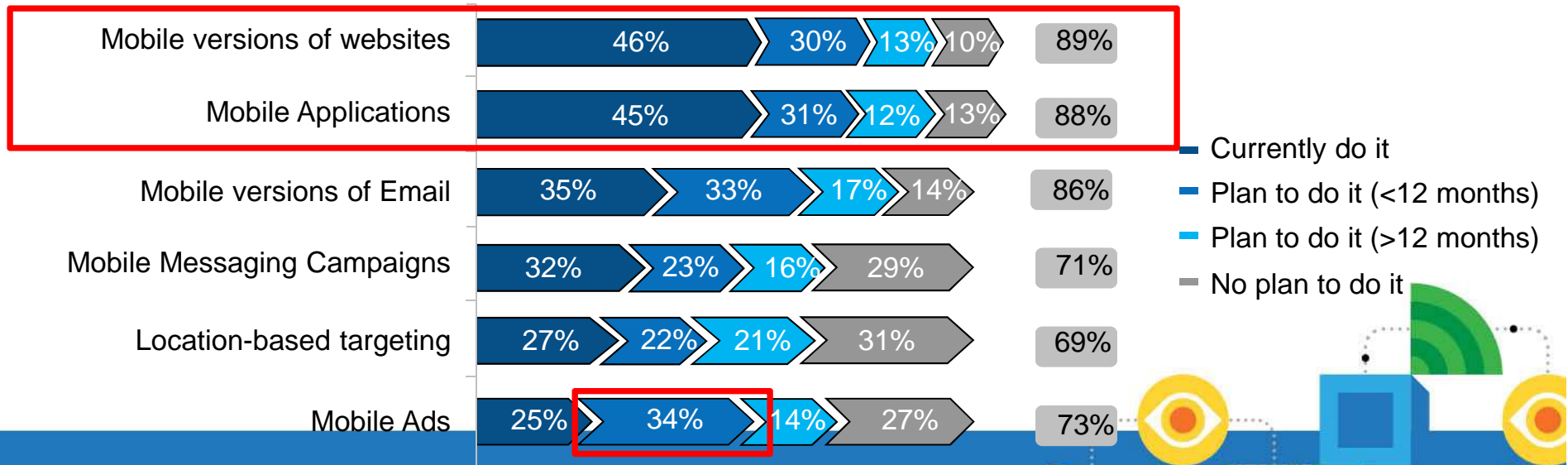
performing

Companies currently use mobile channels more than lower performing ones; however, that will change in 12 months.

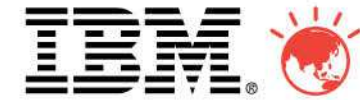
Figure: Use of Mobile Marketing Tactics

Q. Which of the following mobile marketing tactics is your company using or planning to use?

Net Expected Adoption 2012



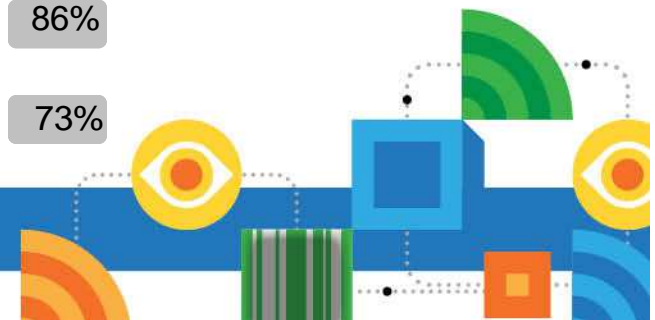
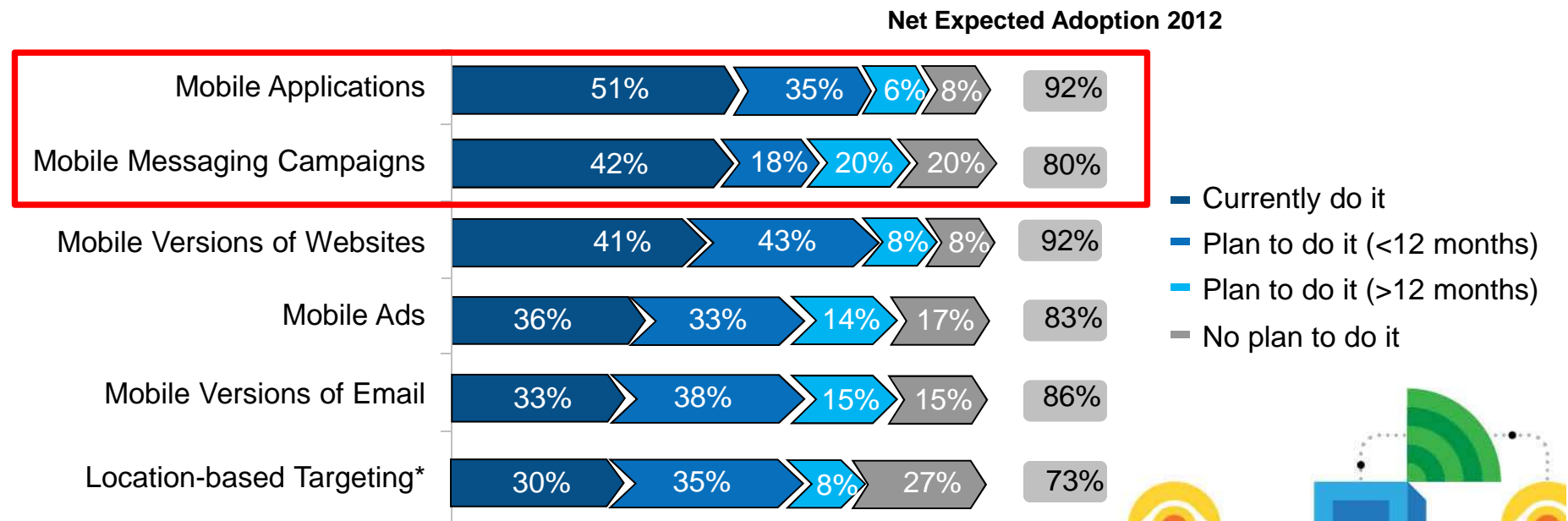
Base: Respondents who know what their company is doing (324 – 346 respondents)



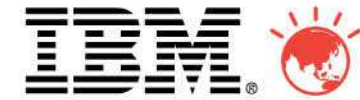
Notable Differences: Asia Pacific

Asia Pacific has adopted mobile tactics more aggressively than the rest of the world. In particular, it has greater levels of net adoption over the rest of the world for mobile websites, location-based targeting and applications, with significant differences adoption for mobile versions of email, mobile messaging and mobile ads.

Figure: Use of Mobile Marketing Tactics by Asia Pacific Respondents
Q. Which of the following mobile marketing tactics is your company using or planning to use?

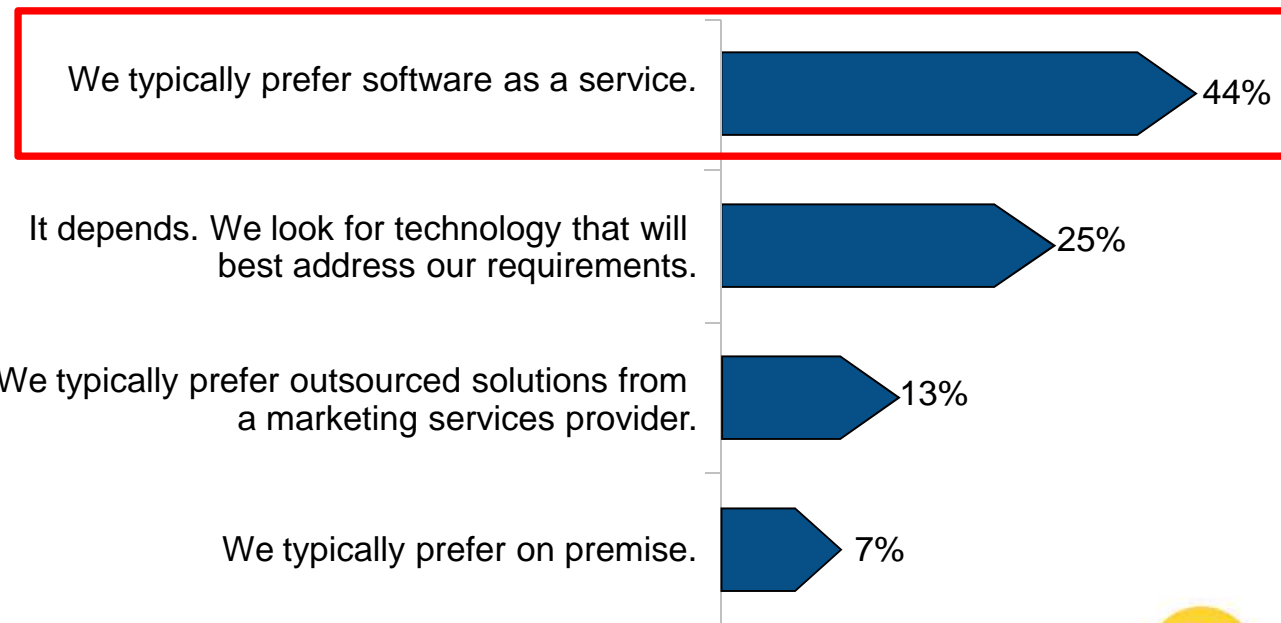


Notable Differences: Asia Pacific



Asia Pacific marketers prefer SaaS. This preference may suggest that many respondents are likely not beholden to more complex legacy systems of their European and North American counterparts

Figure: Preferred Software Deployment Approach Asia Pacific
Q. Which of the following best describes your deployment model preference when selecting marketing technologies?



Base: Total Sample (n=64)

