

11 Key Marketing Trends for 2011

Highlights from the Annual Unica Marketing Survey

WILL MORE MARKETING OPPORTUNITIES LEAD TO PROFITABLE PATHWAYS – OR DEAD ENDS?

“More” is certainly the key word for our times. But, as the results of our annual survey of marketers reveal, the proliferation of marketing channels and the concomitant explosion of data pose a wealth of challenges for marketers in 2011. As the survey results suggest, marketers are looking for ways to turn more marketing possibilities into better marketing results. Our survey reveals the following key trends for 2011:

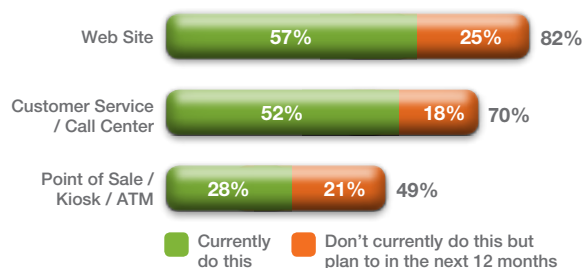
1. MARKETERS WILL BRIDGE THE GAP BETWEEN ANALYSIS AND ACTION (FINALLY!)

When does a rich set of customer data become a mixed blessing? When asked to rank the top bottlenecks in the marketing process, participants identified “measurement, analysis & learning” as the number one impediment, reflecting appreciation of its value. Yet, in a follow-up question regarding the most important marketing issues, “turning data into action” earned top honors. Over the last decade, many marketers have become data junkies, absorbing information for its own sake. But, as they say, recognizing a problem is the first step toward solving it. Marketers can no longer blame IT for withholding information; with so much data readily available, it’s time to overcome “analysis paralysis” and turn this newly found knowledge into action by integrating data captured across all channels into subsequent campaigns and more personal offers.

2. MARKETERS WILL LET CUSTOMERS LEAD THE DANCE BY TAKING ADVANTAGE OF INBOUND INTERACTIONS.

For as long as anyone can remember, marketing has been all about getting a message *out*. Advances in technology are driving a shift in direction. Today, inbound marketing is seizing the momentum: customers are taking the initiative and directing the relationship on their terms. Marketers are getting the message. When asked if their departments were planning to deliver personalized messages in customer initiated transactions, participants demonstrated substantial commitments to using, or planning to use, inbound channel communications – via their websites (57% already in place, 25% planning to do so within the year), customer service/ call centers (52% vs. 18%) and point of sale/kiosk/ATM (28%/21%).

Inbound Marketing Adoption by Channel



Base: Total Sample (279 Respondents)

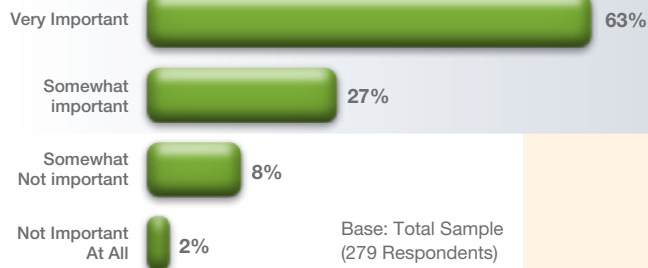
57% SAID THEIR TOP BOTTLENECK WAS MEASUREMENT, ANALYSIS & LEARNING

62% SAID THEIR TOP MARKETING ISSUE WAS TURNING DATA INTO ACTION

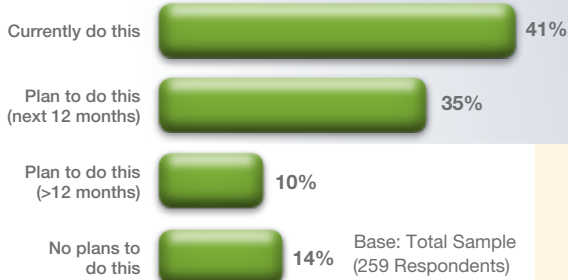
3. MARKETERS WILL LEVERAGE ONLINE BEHAVIORAL DATA TO HELP TURN DATA INTO ACTION.

Whatever anyone says about information overload, marketers cherish the data they collect from their websites. Web interactions open a priceless window on customer interests, intentions and desires – a wealth of precise information that easily trumps mere demographics or transactional data. It's no surprise that 90% of marketers see web data as important to drive campaign decisioning. While only 41% currently use this data in campaign decisioning, another 35% say they will in the next 12 months.

Value of Using Web Data in Customer Analytics and Decisioning



Use of Web Data in Campaign Decisioning



4. TO KEEP EMAIL RELEVANT, MARKETERS WILL FOCUS ON IMPROVING INTEGRATION, SEGMENTATION, AND TARGETING.

Email hasn't lost its status as a deeply entrenched, well understood marketing channel. 85% of total participants reported they are using or planning to use email software. But now that the low-hanging fruit has been plucked and the field is glutted with competing messages, how will marketers sustain email's relevance? Today, smart marketers are actually addressing this problem by integrating campaigns with data and triggers from other channels to make email an essential part of an ongoing, evolving dialog with customers and prospects. The job isn't easy: only 34% of marketers say their email data is automatically integrated with other marketing data; another 39% say the integration is accomplished manually. Looking ahead, email will become the natural integration point with emerging channels such as social and mobile. In fact, over half (54%) of marketers report including social sharing links in email and about a third (35%) are already creating mobile specific versions of emails.

5. "FREE" ONLINE MARKETING TOOLS WILL GET EXPENSIVE.

Like email, web analytics and paid search are contemporary marketing mainstays. But more than half (53%) of marketers rely on "free" tools for Web analytics and more than a third (37%) rely on tolls from the search engines to manage PPC marketing. The savviest marketers are now considering the cost of "free." For starters, a free search tool is limited by its applicability to the search engine that provides it. Worse, neither the search tools nor free web analytics can be incorporated with the marketer's other systems, making it impossible to close the loop and understand the value of the customers that these efforts are delivering. Precisely because the information these tools provide is so valuable, it cannot remain stranded, leaving you incapable of realizing the full potential of search and web data. Investing in web analytics and search bid management solutions will pay short and long term dividends.

6. CHANNEL PROLIFERATION WILL DRIVE THE NEED TO NURTURE NEW CHANNELS.

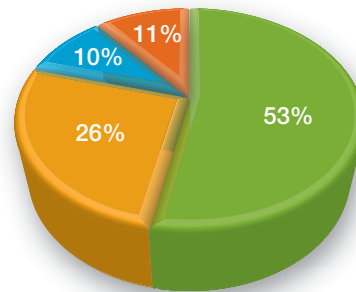
New channels continue to multiply like rabbits with familiar channels, such as mobile, breeding new “micro-channels” e.g., Foursquare. With the growth of smart phones and tablet computers e.g., the iPad, there’s no reason to expect the proliferation of channels to decelerate any time soon – nor is it reasonable to expect success from all of them (remember Second Life?).

But in the face of a rapidly evolving marketing landscape, what is reasonable is this: marketers need a structured process for assessing opportunities, testing tactics, measuring results and evaluating further involvement in new channels. For example, a leading financial services organization developed a structure to determine which business goals each social media channel might support. They discovered that business Facebook is a great place to drive new customer acquisition, but wasn’t particularly effective for customer service. They use web analytics to measure traffic on their Facebook wall and correlate this traffic with traffic from their other web properties and micro-sites. When traffic arrives at their website from Facebook, the customer more often than not signs-up for a card rather than logging into their account for a service interaction. With social media and mobile, individual channels will come and go; but a solid evaluation process will be a lasting investment.

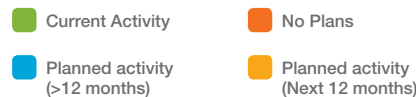
7. SOCIAL MEDIA WILL EXPERIENCE GROWING PAINS.

This year, social media is no longer the adorable baby everyone wants to hold, but the angst-filled adolescent – still immature yet no longer cute – who inspires mixed feelings. All things social continue to hold intense interest, with 53% of marketers currently applying it to their marketing efforts. But as tactics rise and fall, a more sophisticated approach is emerging. Instead of thinking tactic by tactic, marketers are beginning to think strategically across three major areas of social content: owned (what they create), earned (what customers create) and paid (what marketers spend money for).

Social Media Marketing Usage



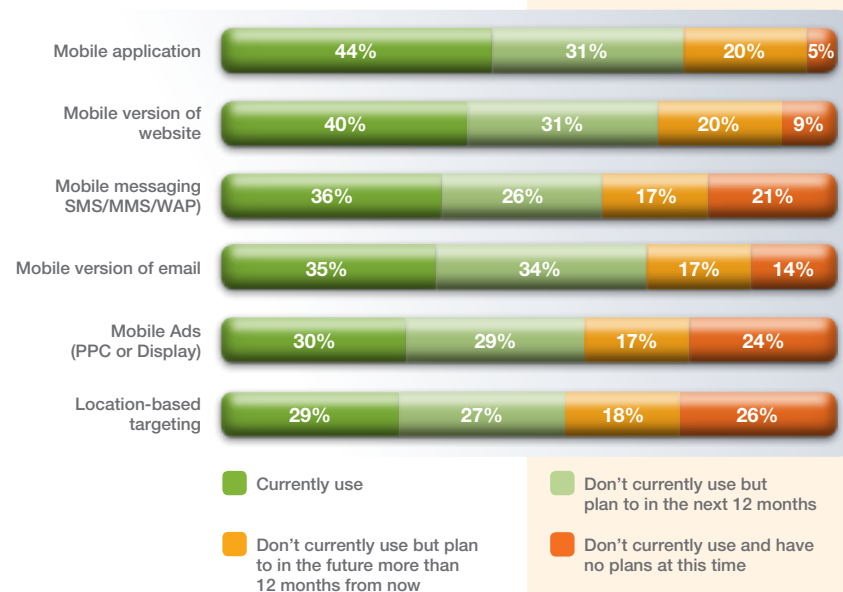
Base: 254 Respondents



8. MARKETERS WILL TREAT MOBILE AS A DEVICE WITH MANY CHANNELS, NOT A SINGLE CHANNEL.

Survey results show that marketers are growing ever more bullish on mobile, with over forty percent of marketers currently using mobile marketing tactics. Among survey participants, mobile applications lead the way with 44% current usage; mobile sites and mobile messaging follow at 40% and 36% respectively. But the real question isn’t whether to use mobile or not, but which mobile marketing channels, if any, are relevant to your business and its customers? Is it SMS texting? Mobile versions of websites? Paid mobile search? Or the tactic du jour, mobile applications? Or some mix of the above?

Use of Mobile Marketing Tactics



9. INTERACTIVE MARKETING WILL REACH THE TIPPING POINT AS A DOMINANT MARKETING DISCIPLINE.

Each of these trends isn't taking place in isolation. Marketing messages delivered during inbound interactions need to be coordinated with outbound campaigns. Web analytics data should inform both online and offline marketing campaigns. Integrating social, mobile and other emerging channels in the marketing mix will play a pivotal role in meaningful cross-channel dialogs. Interactive Marketing bridges these trends to facilitate customer awareness, centralize decisioning, and execute across channels. Most marketers understand the need to create cross-channel dialogs and buy into the Interactive Marketing strategy. Yet, when asked about their current practices, a mere 10% say they have completed their Interactive Marketing journey. The good news? Half of marketers say they are currently integrating across some channels. Over the next year, savvy marketers will increase their adoption of Interactive Marketing and expand the number of channels they include in this orchestrated strategy.

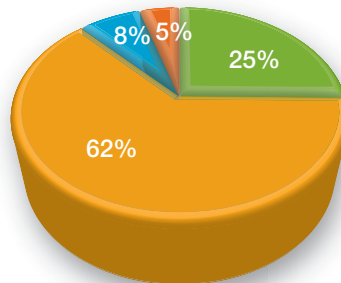
10. MARKETERS WILL GET MORE SERIOUS ABOUT USING CROSS-CHANNEL ATTRIBUTION TO UNDERSTAND MARKETING EFFECTIVENESS.

It's not enough to coordinate campaigns and deliver results. Marketers must better understand which activities, programs, and campaigns are contributing to those results. In the ranking of top marketing issues, "attributing success to marketing" took the second spot with more than half of marketers saying they find it challenging. Attribution — the process of assigning credit to marketing campaigns and exposures that lead to conversions — has become a critical component of marketing analytics. Marketers will look for cross-channel attribution that demonstrates the value of specific tactics and helps them direct resources to the most productive options. For successful attribution, marketers will need a centralized interaction history of marketing contacts and customer responses. The good news? Those marketers who adopt an Interactive Marketing strategy will already have a centralized view of marketing touches.

11. ADOPTION OF AN INTEGRATED MARKETING SUITE WILL ACCELERATE.

Marketers remain confident that technology will ease their pain. More than half of marketers said that technology would increase productivity more than additional staff or external agency support. Moreover, an overwhelming 87% agreed that marketing needs a more integrated suite of software to improve their effectiveness. Why the strong interest? Integrated tools mean integrated, interactive marketing, with shared sources of data and real-time behavioral triggers allowing marketers to take communications to the next level: personally relevant messaging to the right audiences at the right times. To deliver a more coordinated customer experience and integrate activities across channels, marketers will turn toward a comprehensive suite for centralized, strategic control. Adoption should accelerate as the economy eases out of the downturn and releases pent up demand for more integrated marketing solutions.

Increasing Marketing Productivity with an Integrated Marketing Suite



Base: Total Sample (279 Respondents)



MORE THAN
HALF

(53%) OF MARKETERS
SAID THEY HAVE AN
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SUCCESS TO MARKETING

READY WHEN YOU ARE

Unica is hardly a neutral bystander in marketing technology. In fact, we're deeply committed to marketing automation. Based on our experience with hundreds of enterprise clients, truly interactive, integrated marketing will be the way marketers will achieve differentiation, attract prospects, and hold profitable customers, regardless of whatever new channels come and go. Come see what we mean – visit the Interactive Marketing microsite for a comprehensive set of resources that will put you on the path to more personal, profitable marketing.
www.theinteractivemarketingjourney.com

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Unica, an IBM Company, is the recognized leader in marketing software solutions. Unica's advanced set of enterprise marketing management and cloud-based marketing solutions empowers organizations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, timely, and measurable business outcomes. These solutions integrate and streamline all aspects of online and offline marketing. Unica's unique Interactive Marketing approach incorporates customer analytics and web analytics, centralized decisioning, cross-channel execution, and integrated marketing operations. More than 1,500 organizations worldwide depend on Unica for their marketing management solutions. Unica is headquartered in Waltham, Massachusetts with offices around the globe.



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