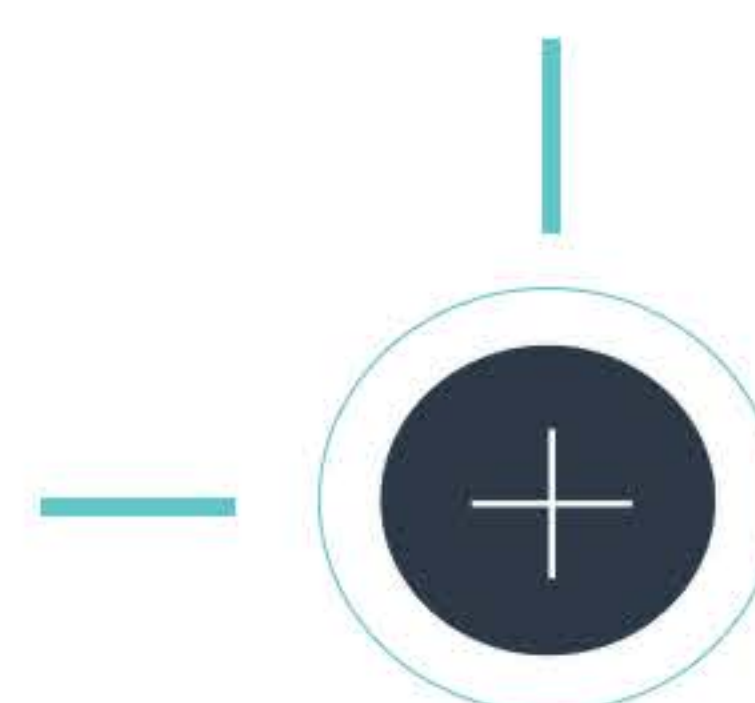




The 2017 State of Digital Marketing Report *in Travel & Tourism*



A Note from Jeff McPherson, Chief Digital Officer, SilverTech, Inc.

I'm pleased to present SilverTech's second annual "State of Digital Marketing Report." We've been in this space for 20 years and we feel there is little doubt that 2017 represents a sea change for digital marketing. Older, disruptive techniques no longer work; prospective customers are better educated and more in control of the buying process than ever before. Marketers in 2017 need to be asking, how do we take a look at what we know about a customer, how do we react to a customer using our websites, our applications, and how do we take that data and improve the customer experience?

To engage your customers, communicate effectively with them, and gain their trust, you need to understand them and their buying cycle. Our hope is that this report will give you insight into how effective marketing teams, both large and small, are doing this now. By aligning the technology and setting the appropriate strategy, your team can succeed in 2017 - and beyond - regardless of what budget or resource constraints you may face.

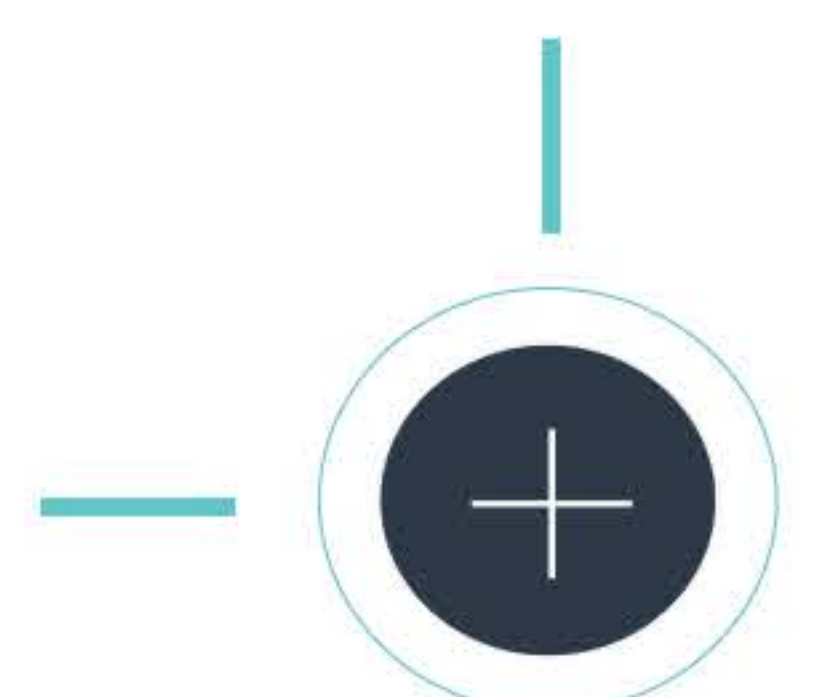
Jeff McPherson
Chief Digital Officer,
SilverTech, Inc.





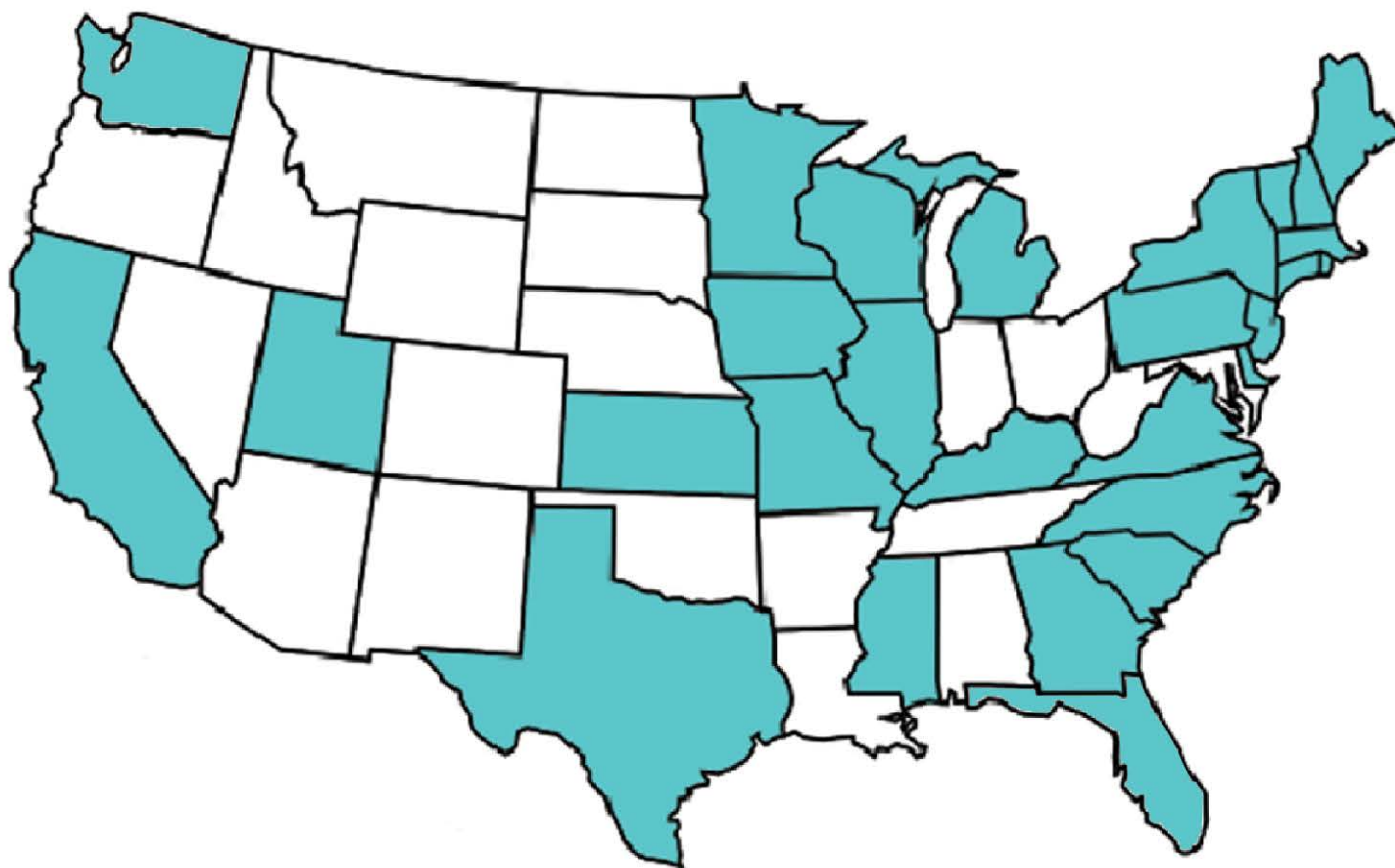
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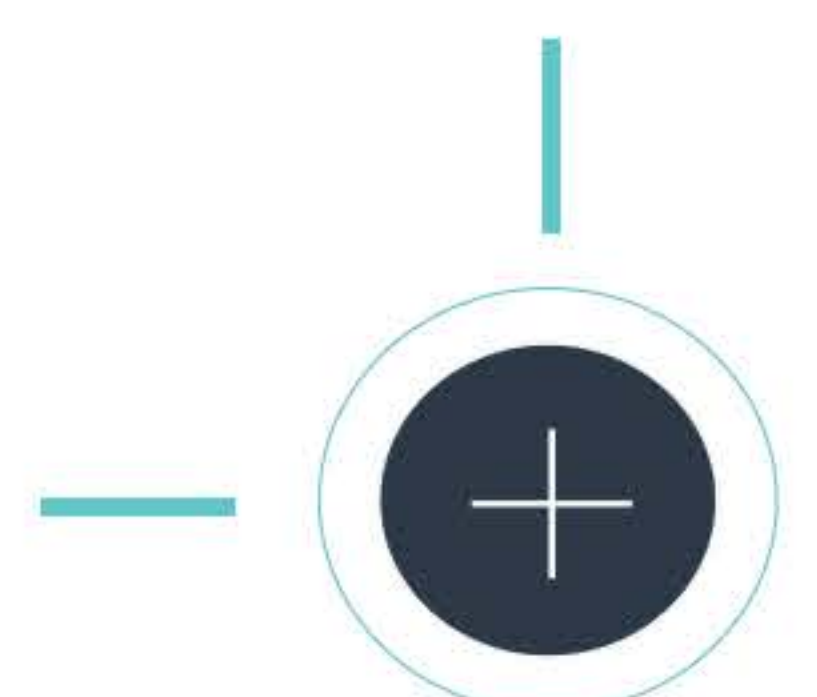
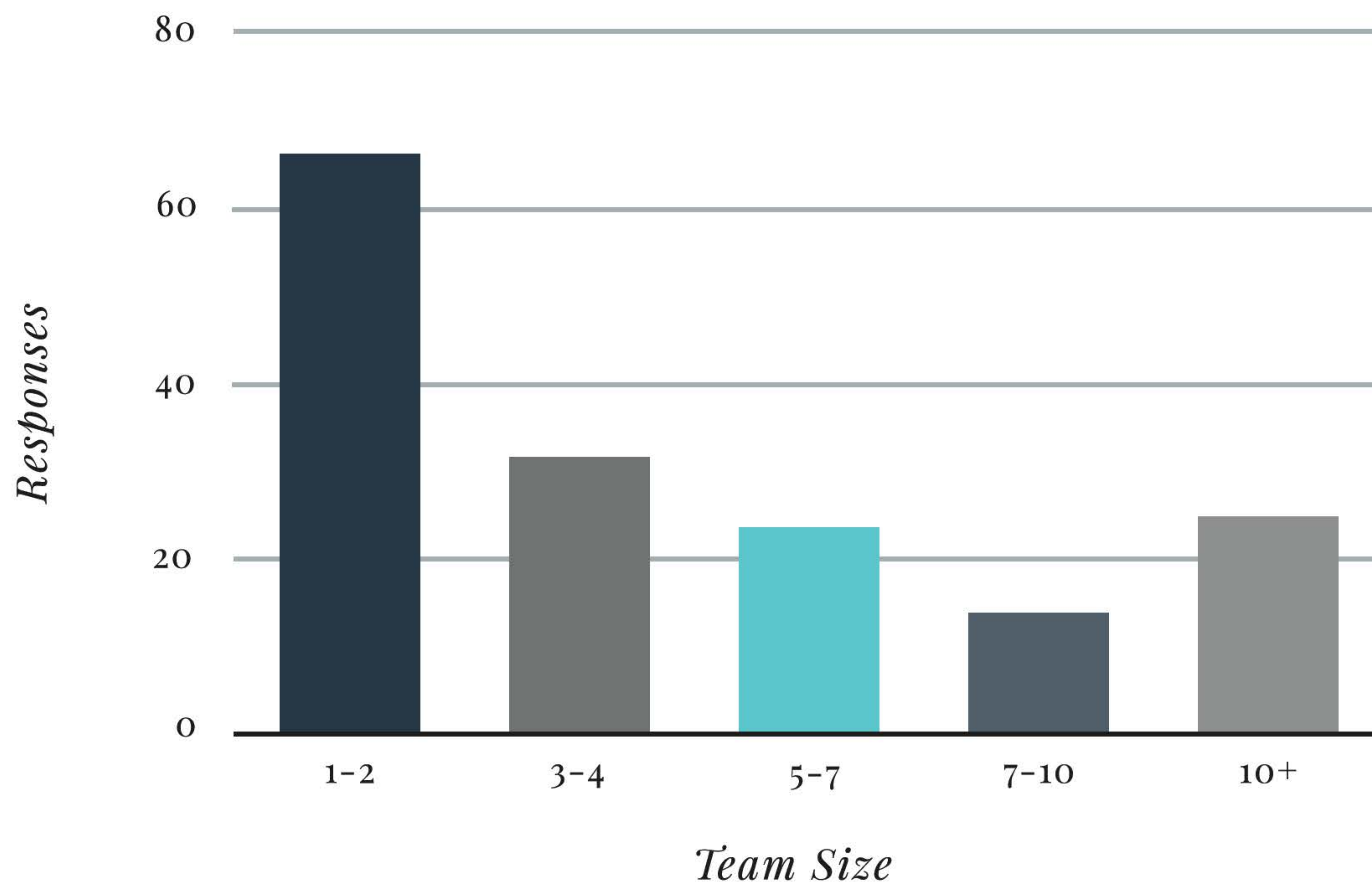
About This Report

For our second annual “State of Digital Marketing” report, SilverTech surveyed nearly 200 Marketing leaders, including 27 directors of marketing, 19 marketing managers, 10 chief marketing officers, and a variety of social media managers, IT directors, and digital marketing managers from 147 unique companies headquartered in 28 different states.



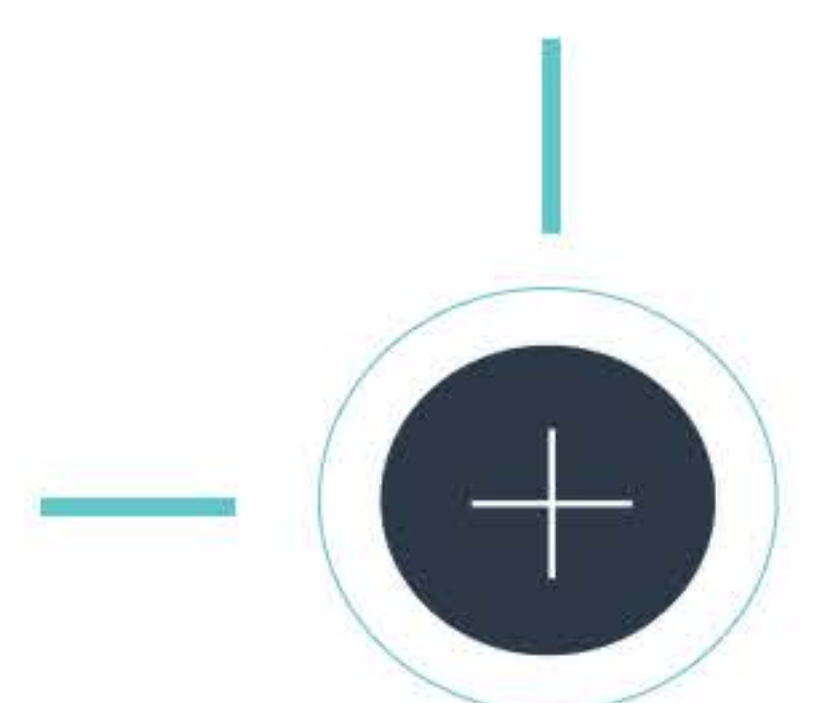
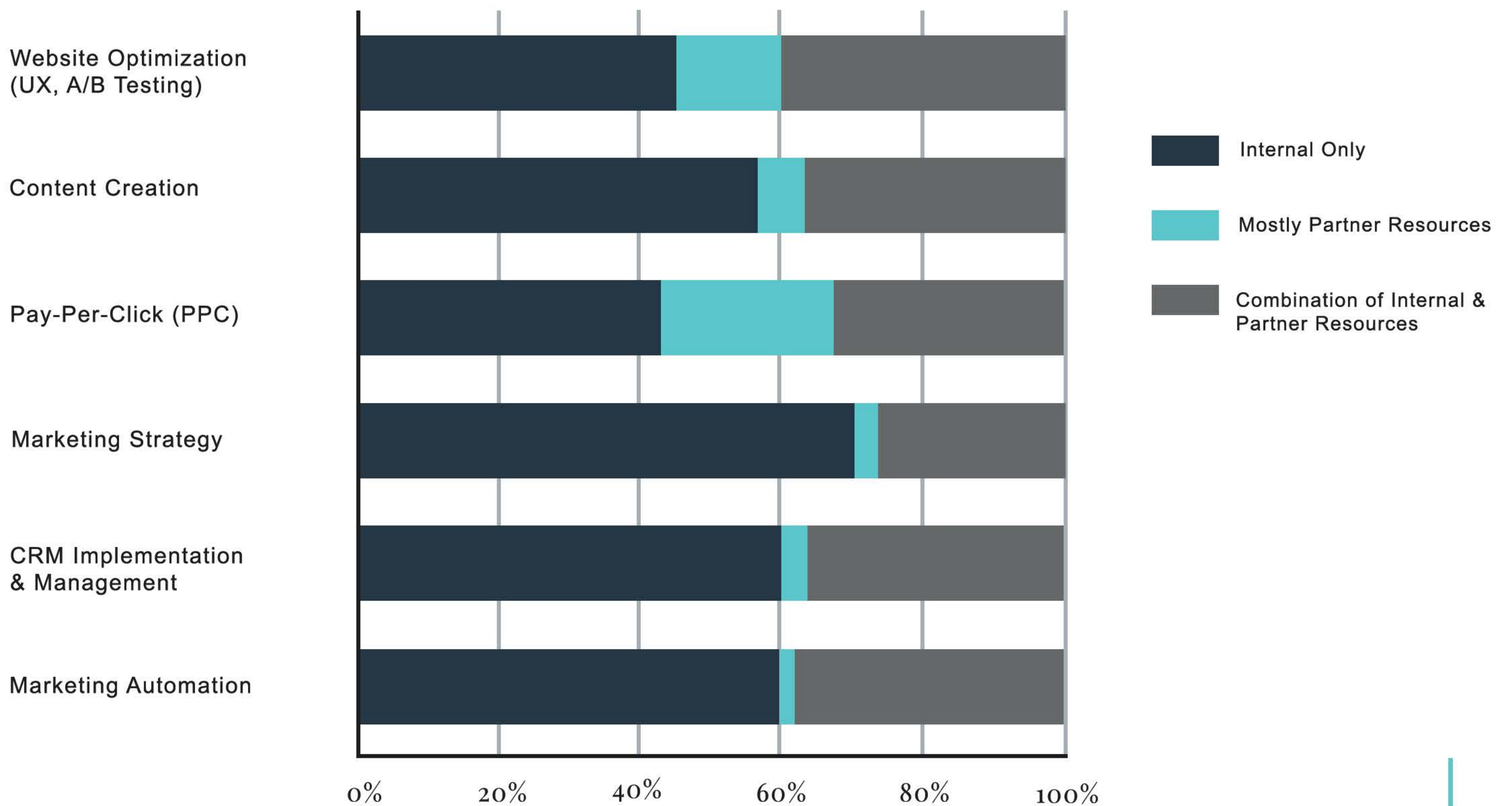
About This Report

Marketing teams, both large (10 or more marketers) and small (less than 10 marketers), from B2B, B2C, and B2B2C companies were surveyed. Teams responsible for all marketing efforts (both traditional and digital), primarily traditional marketing efforts (TV, print, radio, events), primarily digital marketing efforts (social media, PPC, SEO), and Information Technology (IT) were also surveyed.



About This Report

Respondents shared what marketing-related activities their teams are responsible for as opposed to using outside partners or contractors to execute.



Executive Summary

In this constantly evolving digital ecosystem, if you aren't looking ahead you are already behind. The most effective marketing teams are using customer journey strategies, personas, and technology roadmaps to plan, execute, and measure digital marketing projects and ensure that those projects support the strategic goals of their organization.

Here is a brief overview of some of the other key findings from our industry-wide survey:

Large Marketing Teams are **1.5x** more likely to utilize personas, **1.8x** more likely to utilize a customer journey strategy, and **1.4x** more likely to utilize a technology roadmap than Small Marketing Teams. See *page 12*.

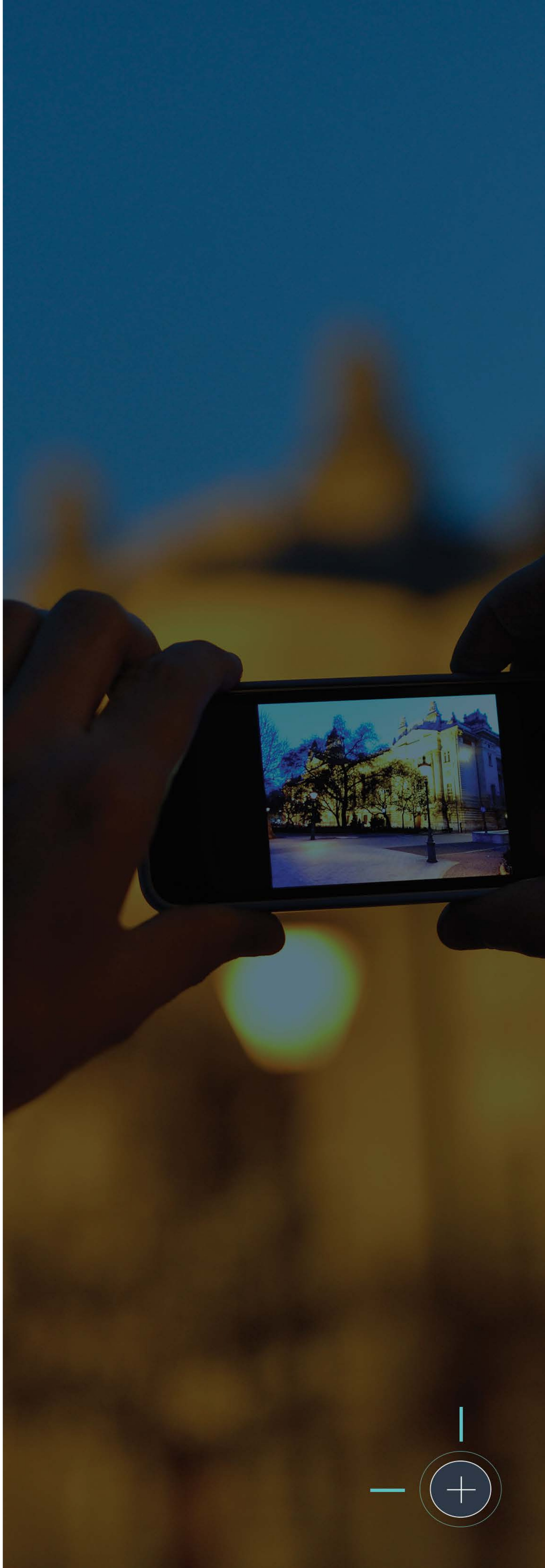
Marketing teams that rate their website performance as "effective" are **1.5x** more likely to have redesigned their website within the last year than marketing teams that rate their website performance as "ineffective." See *page 17*.

Marketing teams that rate their inbound marketing as "effective" are **1.5x** more likely to utilize a marketing automation platform than marketing teams that rate their inbound marketing as "ineffective." See *page 19*.

Marketing teams that rate their email marketing as "effective" are **1.4x** more likely to utilize a customer relationship management (CRM) tool than marketing teams that rate their email marketing as "ineffective." See *page 21*.

Effective marketing teams, both large and small, are using what we at SilverTech call the Lead to Loyal™ approach.

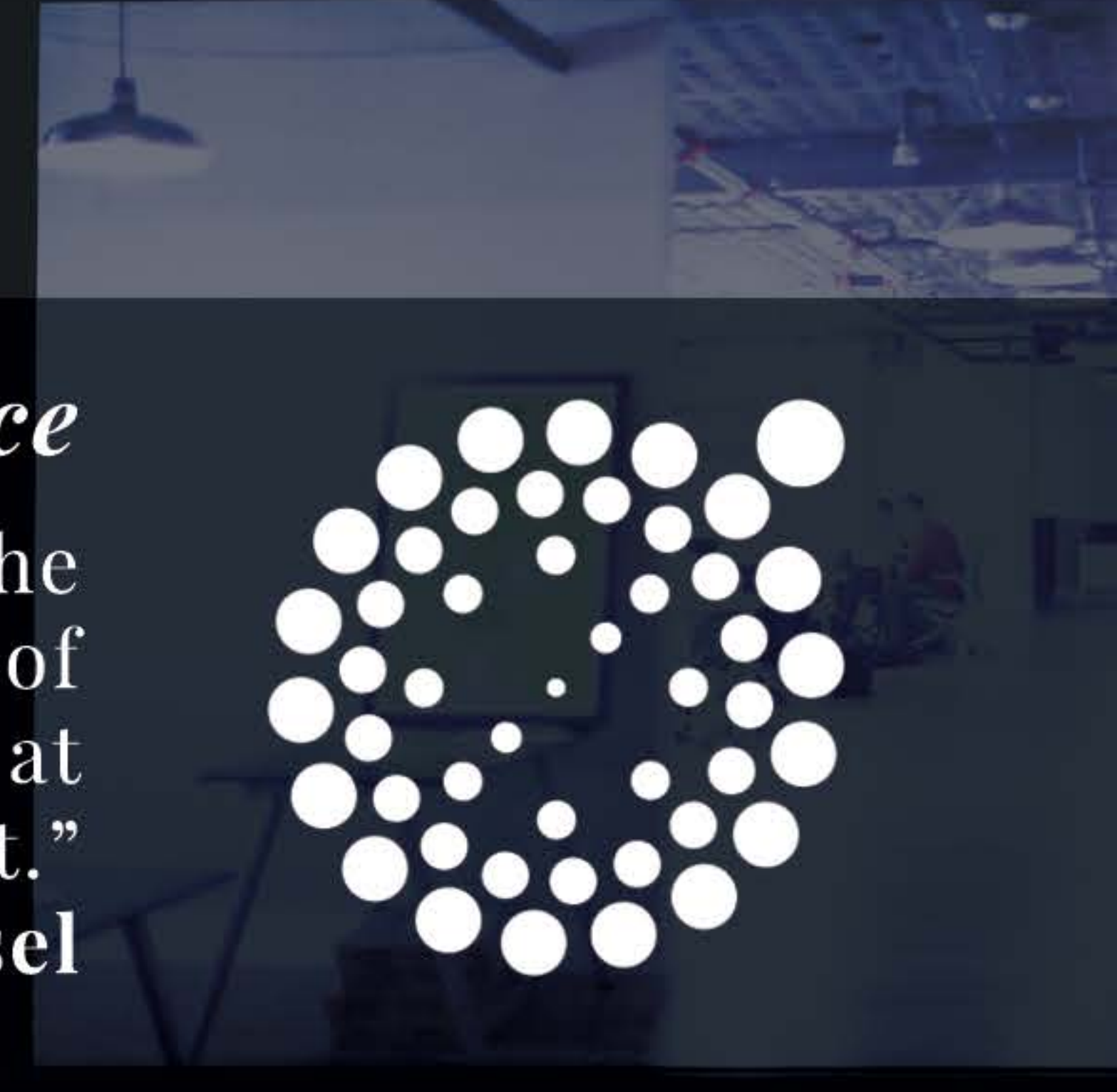
The Lead to Loyal™ approach couples 3 technology pillars with 3 strategic cornerstones to ensure that marketing teams can create valuable digital experiences for their leads so that they continue the journey all the way to loyal.



Industry Outlook – ADA Website Compliance

“Your company should review your website to determine if it provides the same reasonable level of accessibility to content and key points of transaction as you do in your physical locations...It is a certainty that at some point you may want to make your website ADA compliant.”

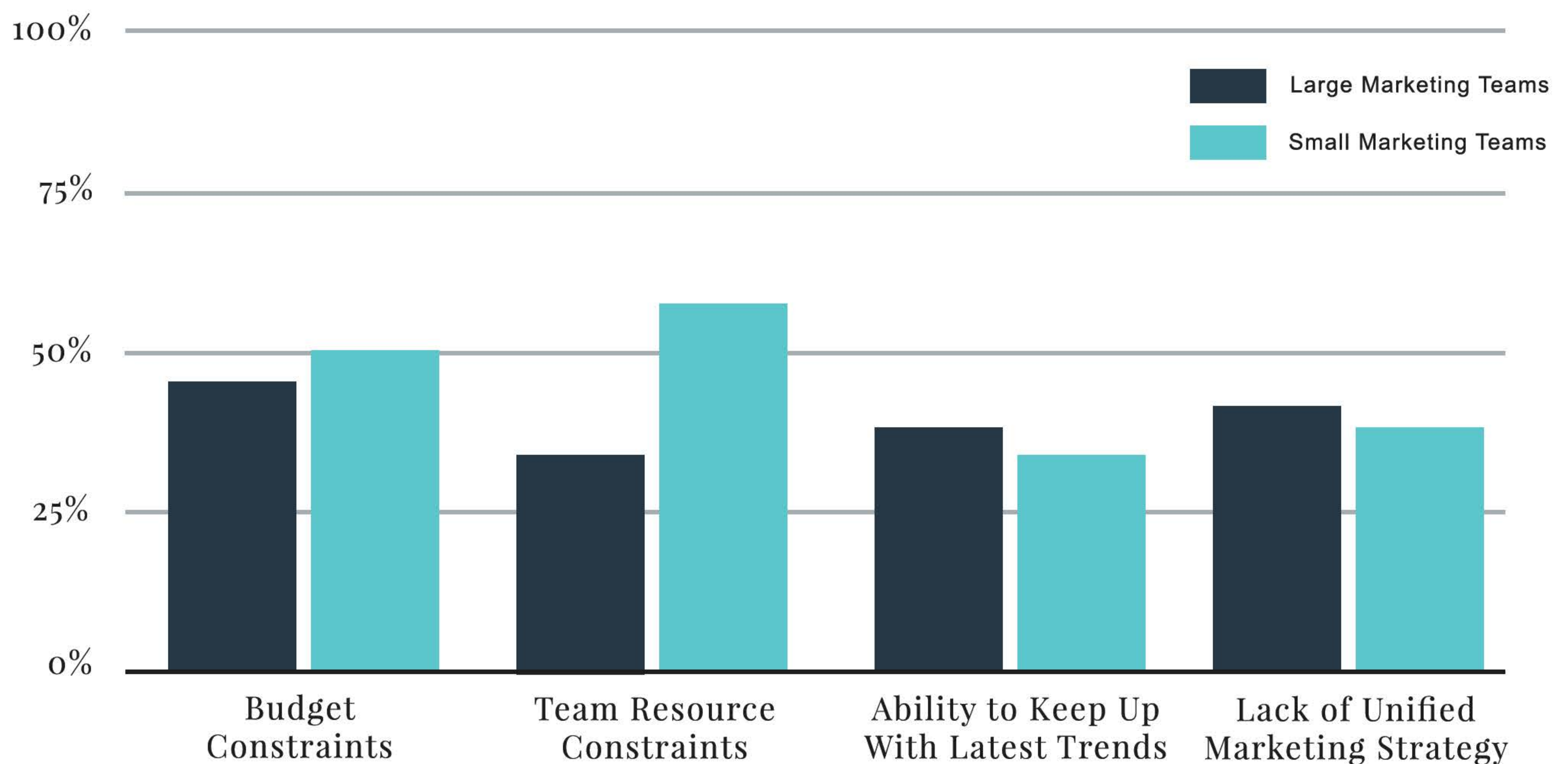
Paul Creme, VP, General Counsel



Resources, Challenges, & Top Priorities

Small Marketing Teams more often rate budget and team resource constraints as major challenges than **Large Marketing Teams**. While **Large Marketing Teams** are more likely to identify “ability to keep up with latest trends” as a major challenge.

Looking forward to 2017, what are your organization's top marketing challenges?
Large and Small Teams rated what they saw as challenges and/or major challenges



Partner Insight

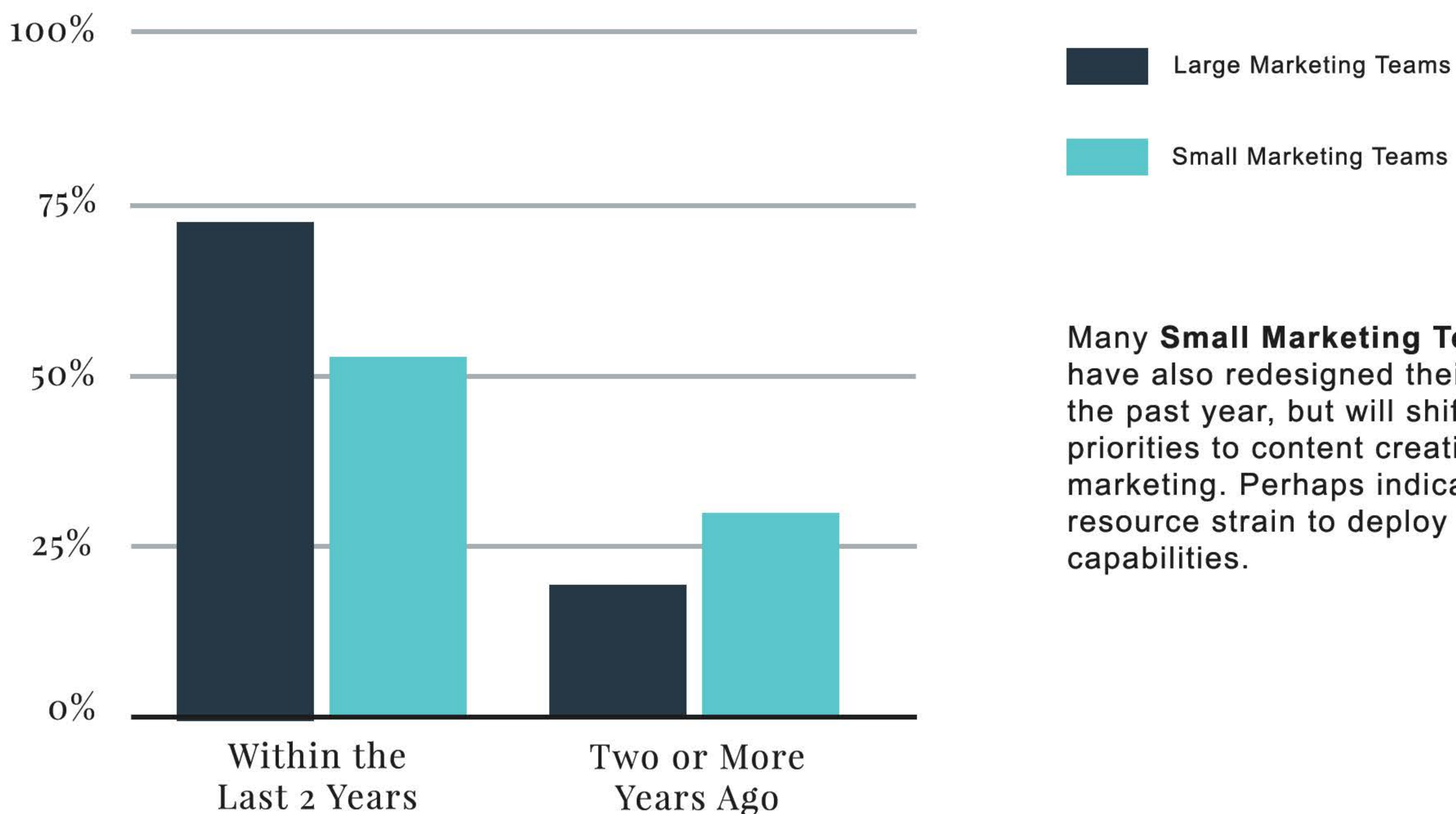
“Most B2B sites don’t get refreshed as often as they should. We should probably be thinking of it as often as we update our phones. Every year -and-a-half to two years; you want to get the most current software underneath and you want to take advantage of the hardware upgrades that go along with it.” - **Kevin Cahill, Regional Alliance Director, Sitecore**



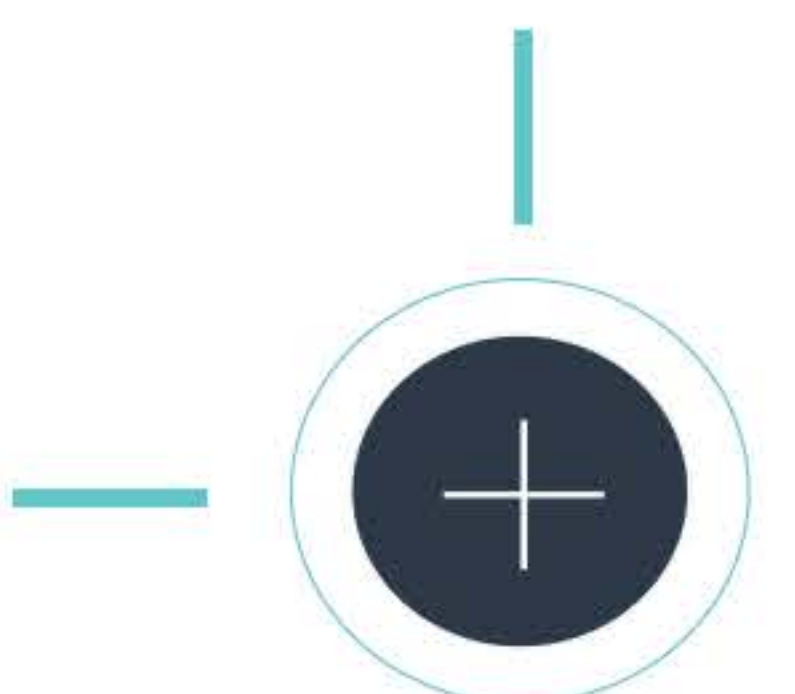
Resources, Challenges, & Top Priorities

Large Marketing Teams are increasing their website budgets in 2017 despite going through a website redesign in the past year.

When was the last time your organization went through a website redesign?



Many **Small Marketing Teams**, 52%, have also redesigned their websites in the past year, but will shift their budget priorities to content creation and email marketing. Perhaps indicating a resource strain to deploy advanced capabilities.



Partner Insight

“When businesses think about customer journeys, they need to think about it from an outside-in perspective. This means moving away from the idea that the customer journey is a controllable process. Customers are ultimately in charge of the interactions they have with a business.”

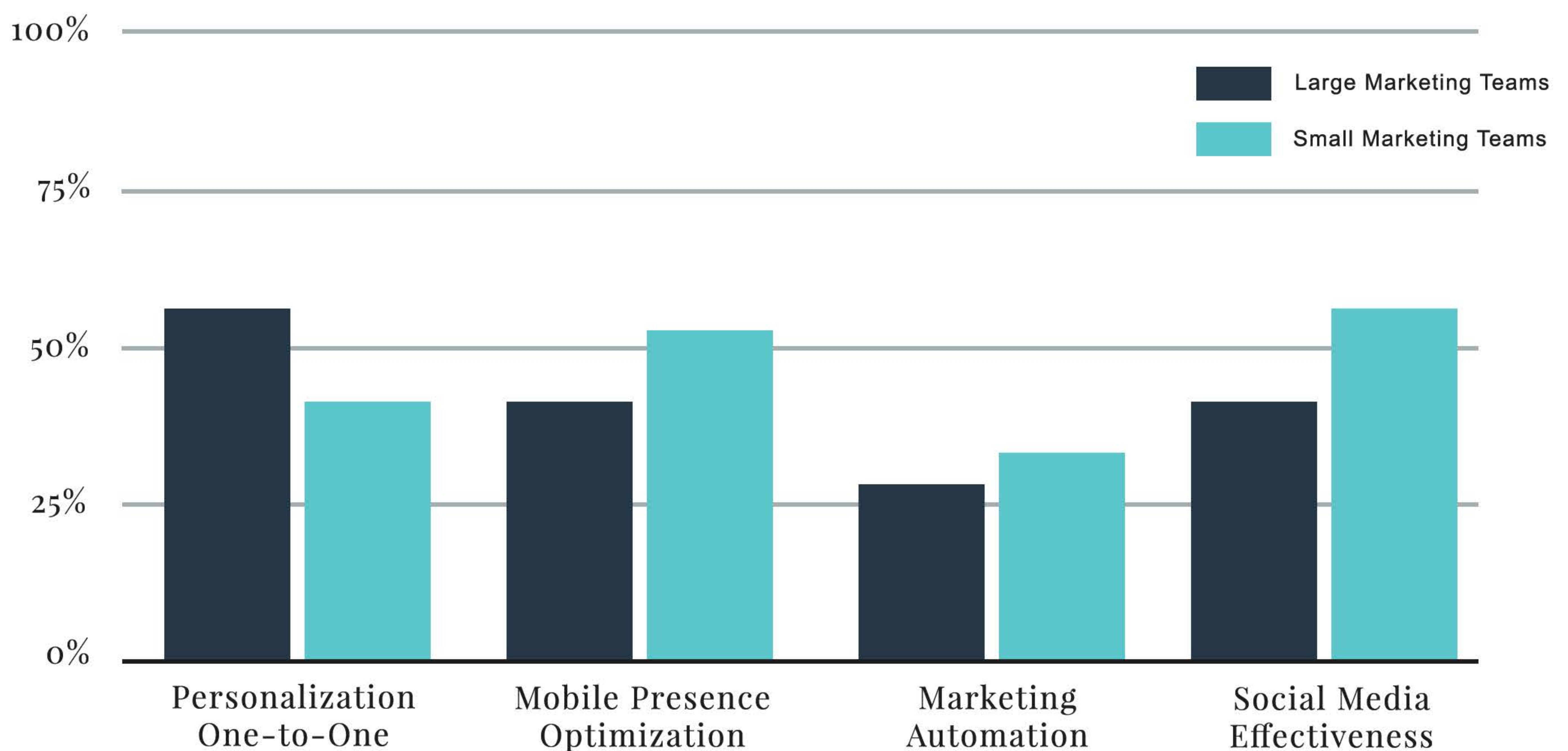
Pat Coyne, VP of Sales for North America, Thunderhead



Resources, Challenges, & Top Priorities

Top priorities for **Large Marketing Teams** in 2017 are personalization and one-to-one messaging. **Small Marketing Teams** are prioritizing social media effectiveness.

Of the following trends, which will be priorities for your organization in 2017?



Large Marketing Teams vs. Small Marketing Teams

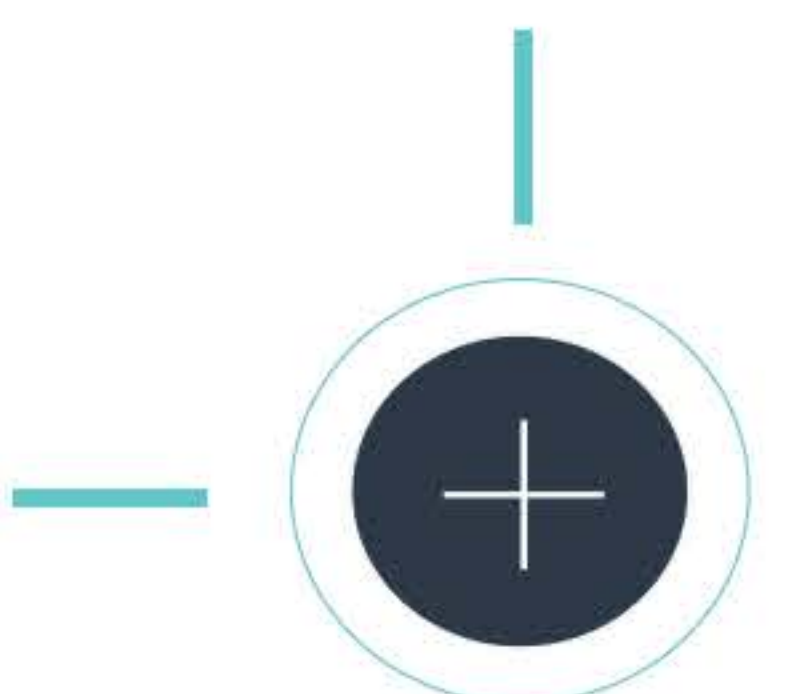
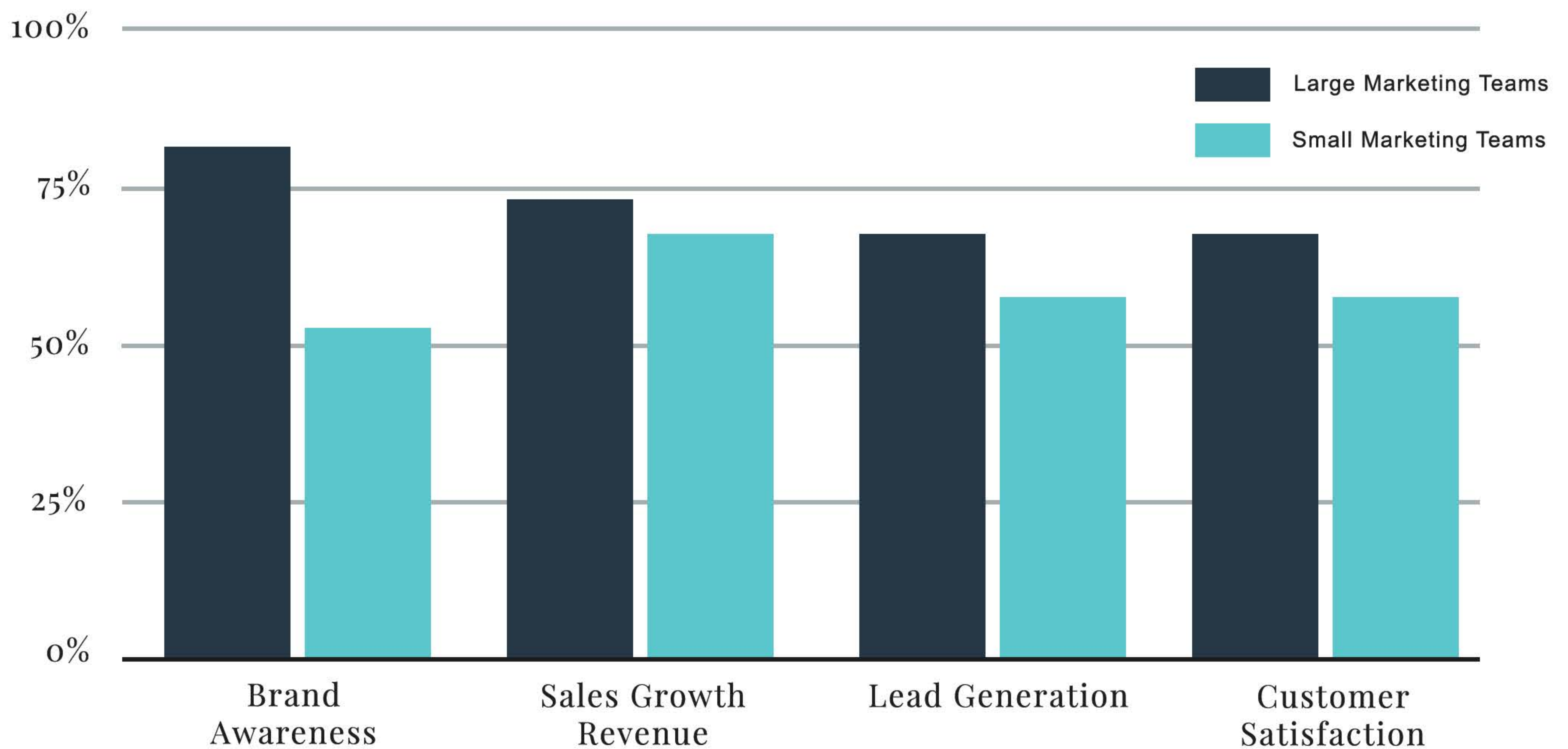
2.1x
more likely to identify brand awareness as very important to how they are measured.

Resources, Challenges, & Top Priorities

In our first State of Digital Marketing report, it was clear that marketing efforts could be clearly measured and their effectiveness determined. In 2017, organizations have clear expectations that their marketing teams will perform as drivers of revenue rather than cost centers.

How is your marketing team measured for effectiveness?

Respondents chose what was important and/or very important



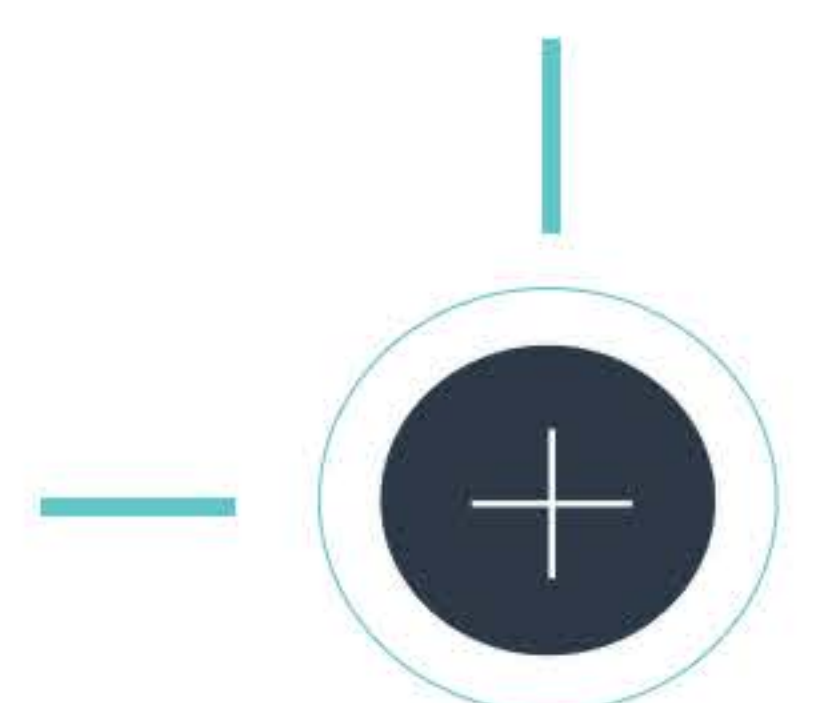
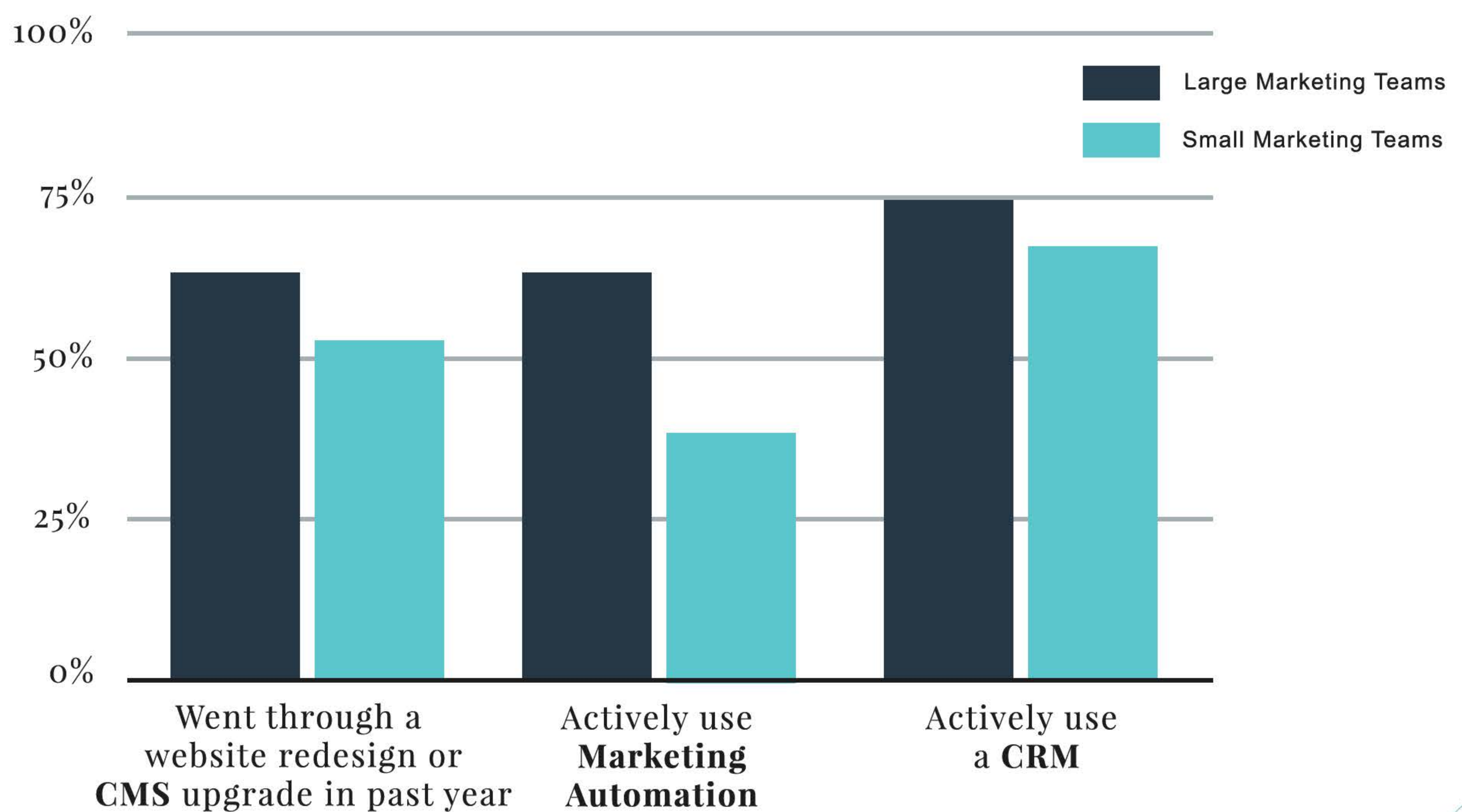
Large Marketing Teams vs. Small Marketing Teams

1.8x
more likely to utilize a marketing automation (MA) platform.

Resources, Challenges, & Top Priorities

As primary end-users of the core communication technologies, marketing teams, both large and small, are often at the vanguard of driving digital transformation within their organizations.

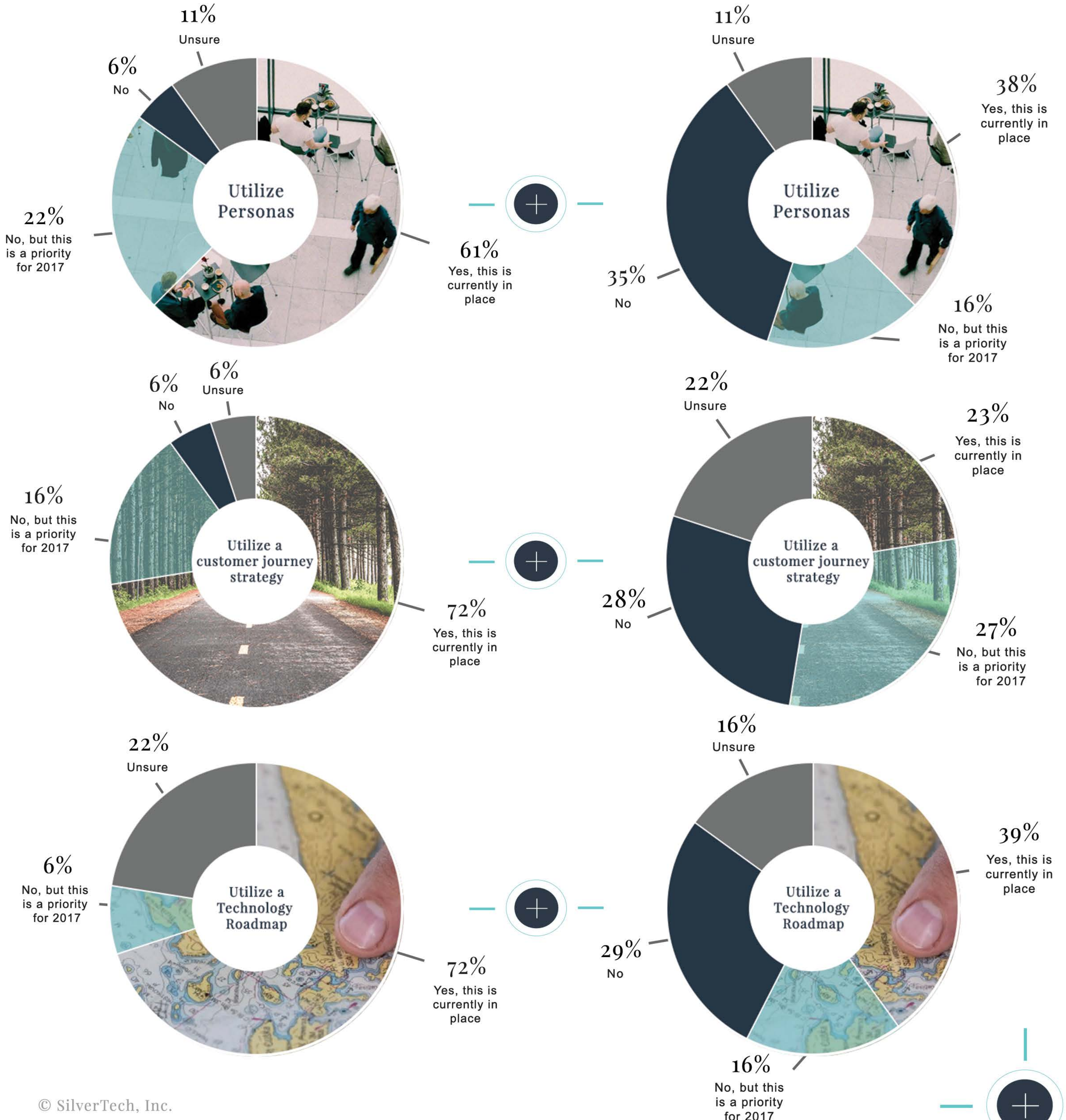
A look at the adoption and use of core marketing technologies - CMS, MA, & CRM - in large teams vs. small



Large Marketing Teams are 1.5x more likely to utilize personas, 1.8x more likely to utilize a customer journey strategy, and 1.4x more likely to utilize a technology roadmap than **Small Marketing Teams**. With more resources, **Large Marketing Teams** are able to plan ahead while remaining flexible enough to adjust as priorities shift.

Large Marketing Teams

Small Marketing Teams



The Lead to Loyal™ Approach

What has traditionally happened - and it's still happening today - is that people define a need within their organization, such as a new website - they want to get up to date, they want to improve lead flow, conversions. Oftentimes in that engagement, something is built, but where the data goes is still a missing element. This is where Lead to Loyal™ comes into play and why we are obsessed with it.

Lead to Loyal considers the three technology pillars of the business ecosystem - Content Management Systems (CMS), Marketing Automation (MA) platforms, Customer Relationship Management (CRM) - and the three strategic cornerstones - Personas, Customer Journey Strategies, and Technology Roadmaps. When used in tandem, the pillars and the cornerstones give you a full understanding of who your customers are and what their needs are as they embark on that digital customer journey from initial contact as a lead through the journey into a long-term, loyal relationship. However, for this to really work, there needs to be collaboration between the engineering/developer side and the marketing side of any organization. As an agency, we've been talking about this for 20 years. That marriage between the two sides has to happen.

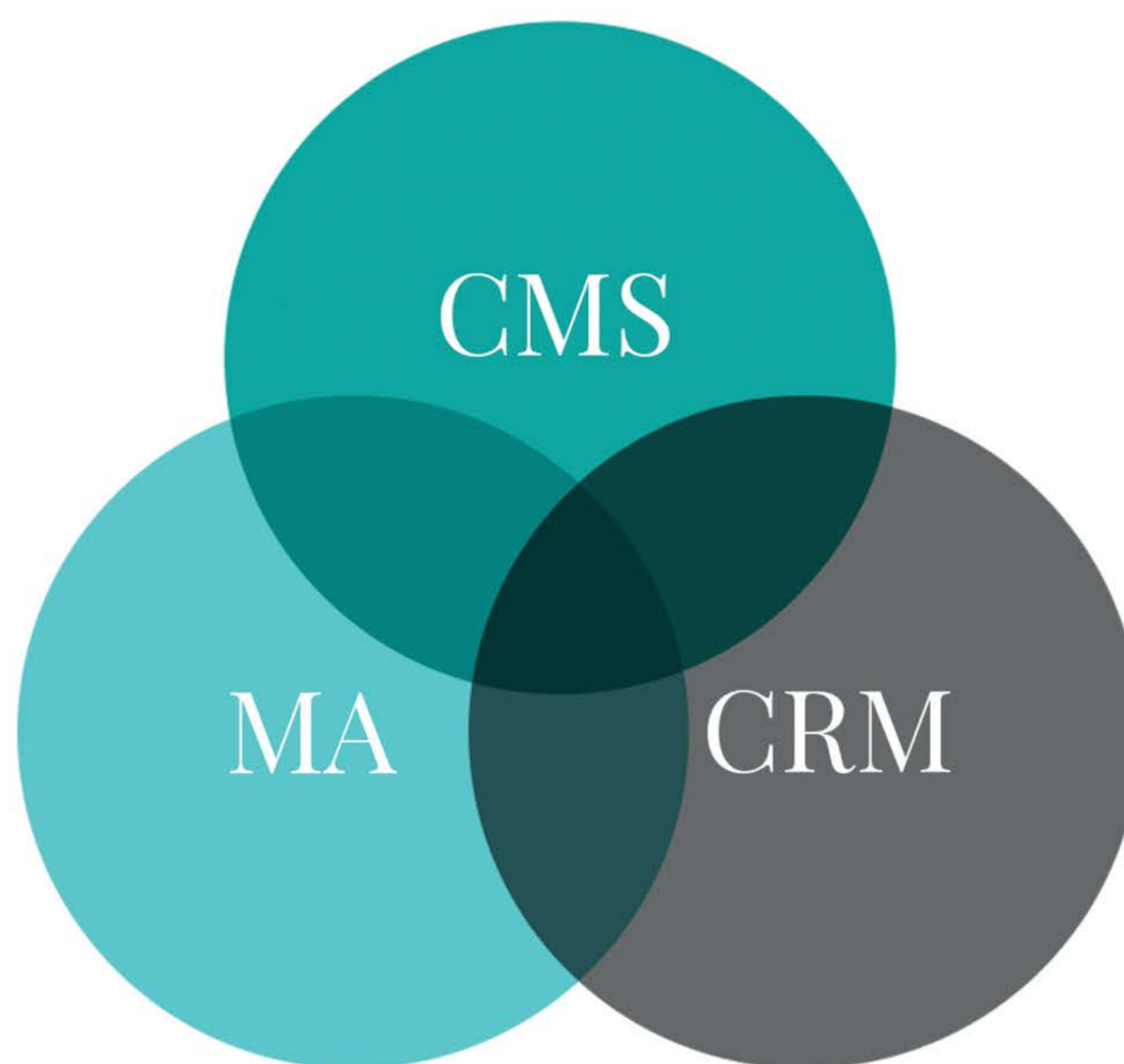
When it does, you start to solve many of the problems that many organizations face - what do I do now that I've created leads, what do I do with this data, and now that I've created customers, how do I keep them loyal?

Samantha Maltais
Principal Strategist,
SilverTech, Inc.



The Technology Pillars of Lead to Loyal™

SilverTech envisions a seamless customer experience that is built upon three essential technological platforms. Each platform fulfills a very different function that when integrated, will provide the foundation to communicate the right messages at the right time to prospects, partners, and customers at the appropriate stages of their customer lifecycle.



Content Management System (CMS)

A content management system (CMS) is the platform that acts as a repository for all content, including images, video, and copy, that is presented to visitors through a business or organization's website. Content management systems have evolved considerably since the beginnings of the web to enable improved design, usability, and management.

Marketing Automation (MA)

Marketing automation is not just a passing trend. It is an actionable and useful tool that, when implemented and executed properly, can make measurable impacts to an organization's bottom line. There are several forms of marketing automation platforms. They may have their own differentiators, but their main purpose stays the same: provide personalized, targeted content to an online visitor through strategic workflows and to empirically measure and quantify the return on an organization's marketing investments.

Customer Relationship Management (CRM)

A CRM system in today's world of sales, marketing, and communications serves a number of important functions, not least, an improved customer experience. Additionally, for many organizations, data is one of the most valuable strategic assets and CRM systems house some of the most valuable data.



The Strategy Cornerstones of Lead to Loyal™

The Lead to Loyal™ approach allows businesses to navigate and optimize the customer experience better than ever before. By understanding each individual customer interaction, SilverTech drives engagement with integrated business intelligence to enhance both customer-facing and internal user experiences.



Persona Development

Since there are a number of customer groups, or personas, interacting with an organization, each with their own set of user requirements, it is essential to understand who these personas are. The creation of well-thought-out personas will help you identify the problems you are hoping to solve for your customers. According to Marketing Sherpa, a persona-based website was found to have a 210% increase in website traffic, 97% increase in website generated leads, and 124% increase in website generated sales.

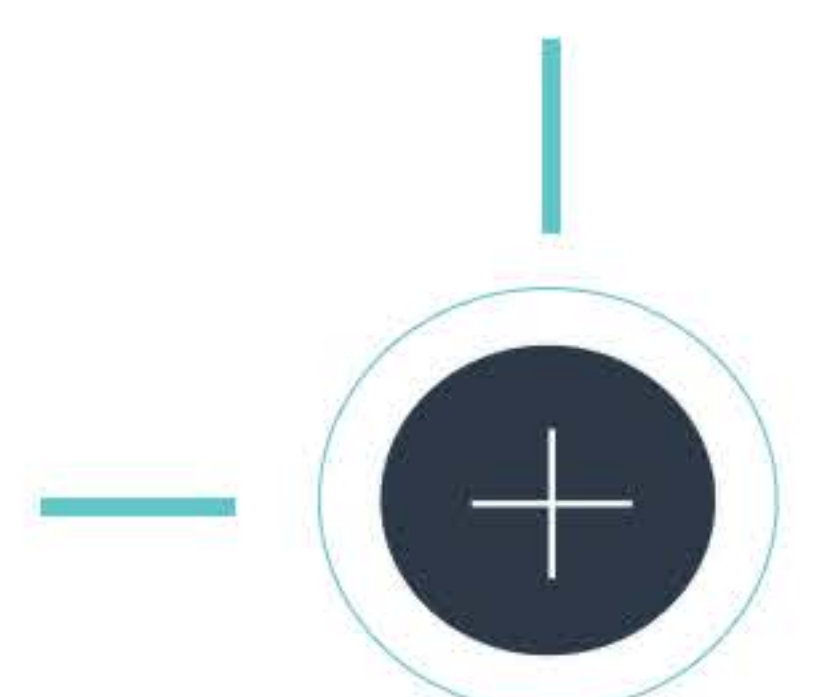
Customer Journey Strategy

A customer journey strategy enables you to map your customer's journey to create appropriate click paths, provide strategy and workflow for both internal and external audiences, and develop interactive prototypes for iterative user testing and validation -- all to create a seamless experience to the end-user. A customer journey strategy is critical to creating an optimized user experience (UX), one that removes barriers and heightens usability.



Technology Roadmap

In order to leverage technology to support and scale customer and partner success teams, it is critical that organizations utilize a technology roadmap. This document is adaptable and intended to act as a roadmap for planning, executing, and measuring customer service and digital marketing projects. All successful roadmaps contain the following: goals, milestones, gaps and barriers, action items, and priorities and timelines.



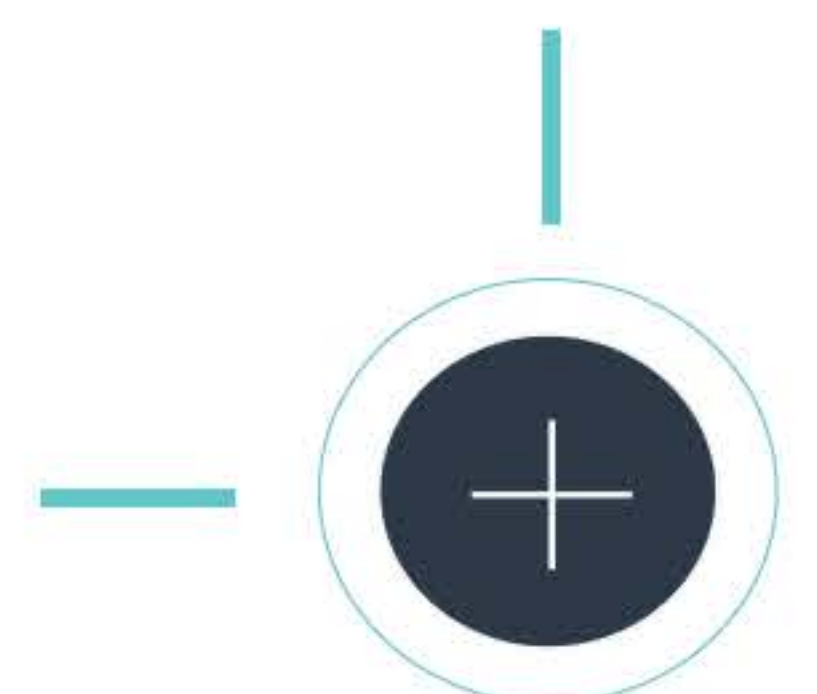
The Technology & Strategy Practices of Effective Marketing Teams

In our analysis of the survey responses, it quickly became clear that effective marketing teams are those that integrate the marketing technology pillars and utilize the strategy cornerstones.

The application of the pillars and cornerstones, what we at SilverTech call the Lead to Loyal™ approach, gives marketers dramatic insight into the buying habits and needs of their customers.

In the next section of this report, you will see that marketing teams that rate themselves as “effective” all share a higher rate of adoption of the technology pillars and a higher rate of utilization of the strategy cornerstones.

By the conclusion, it should become clear that the only valid approaches are those that integrate both technology and strategy with an aim toward gaining a full understanding of the customer journey.



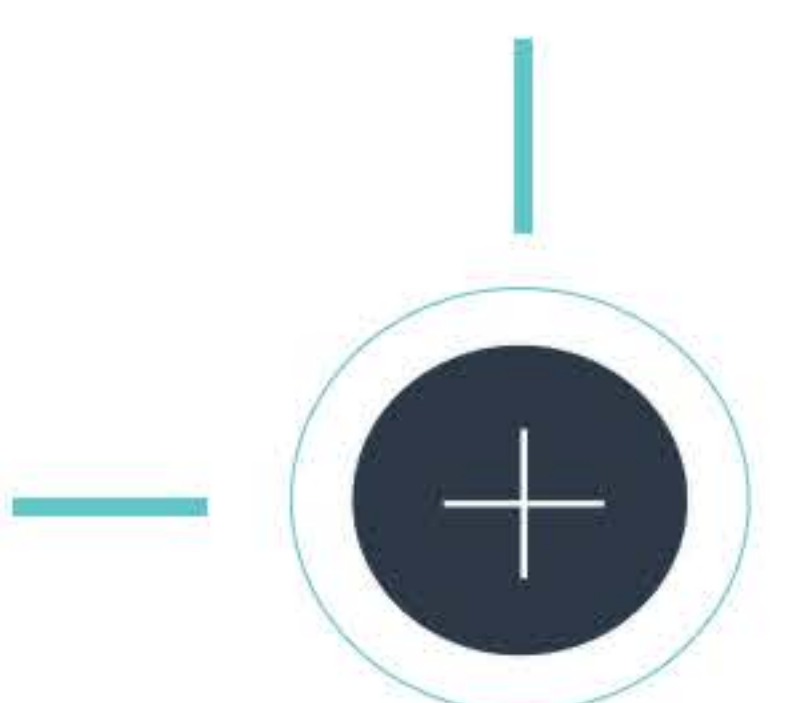
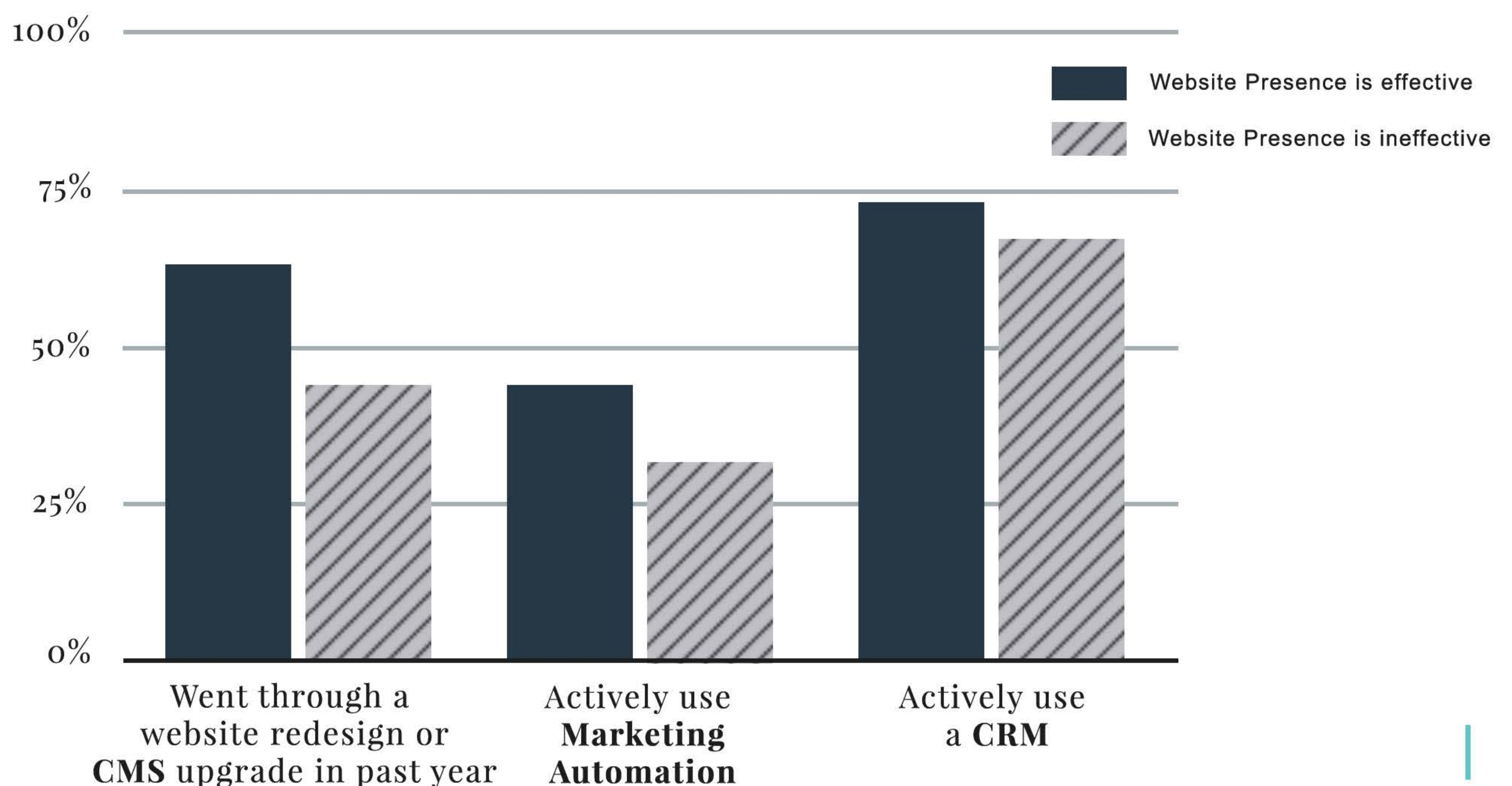
Effective Marketing Teams vs. Ineffective Marketing Teams

1.5x

more likely to have redesigned their website within the last year.

The Technology & Strategy Practices of Effective Marketing Teams

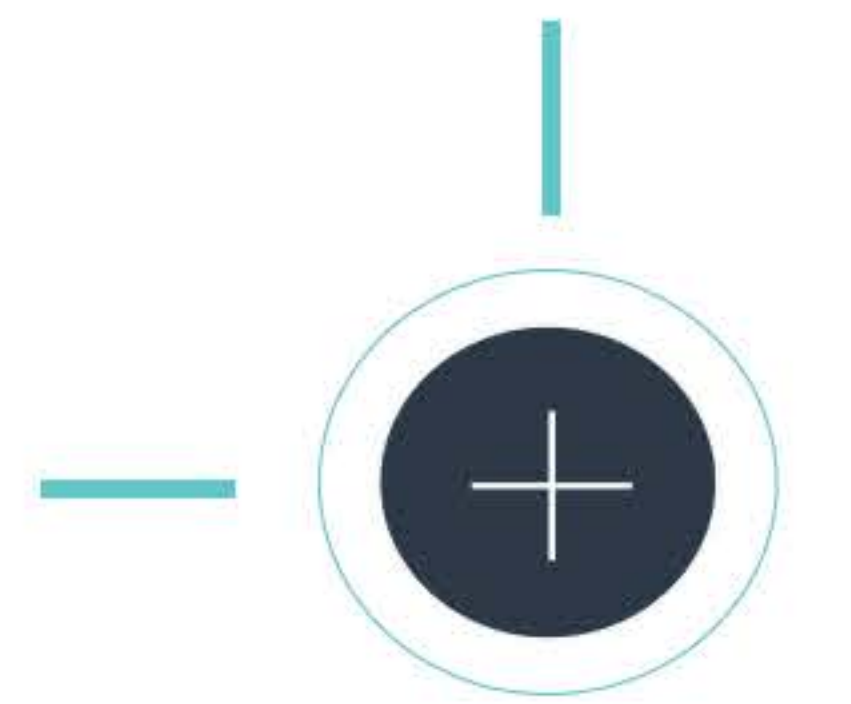
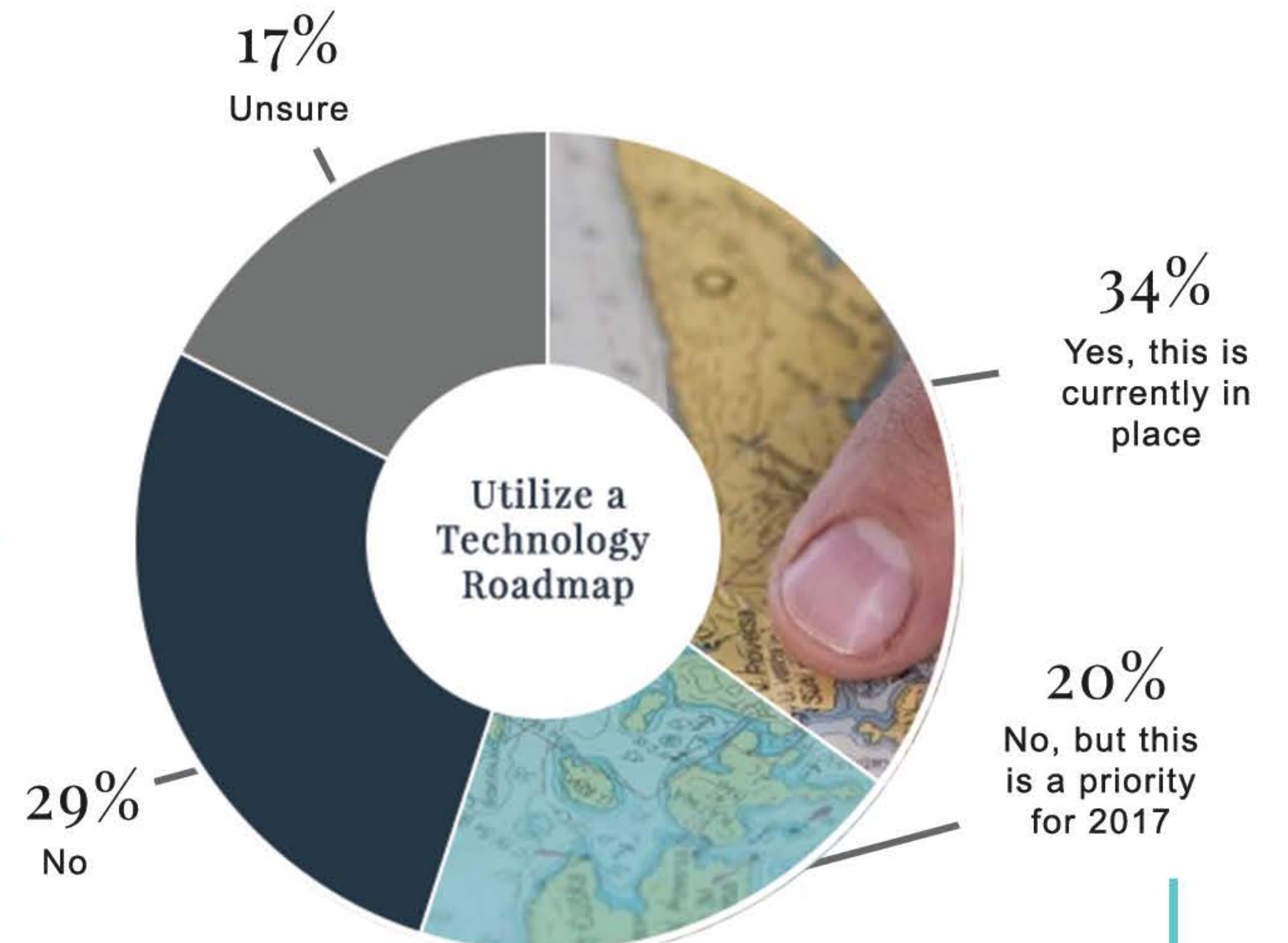
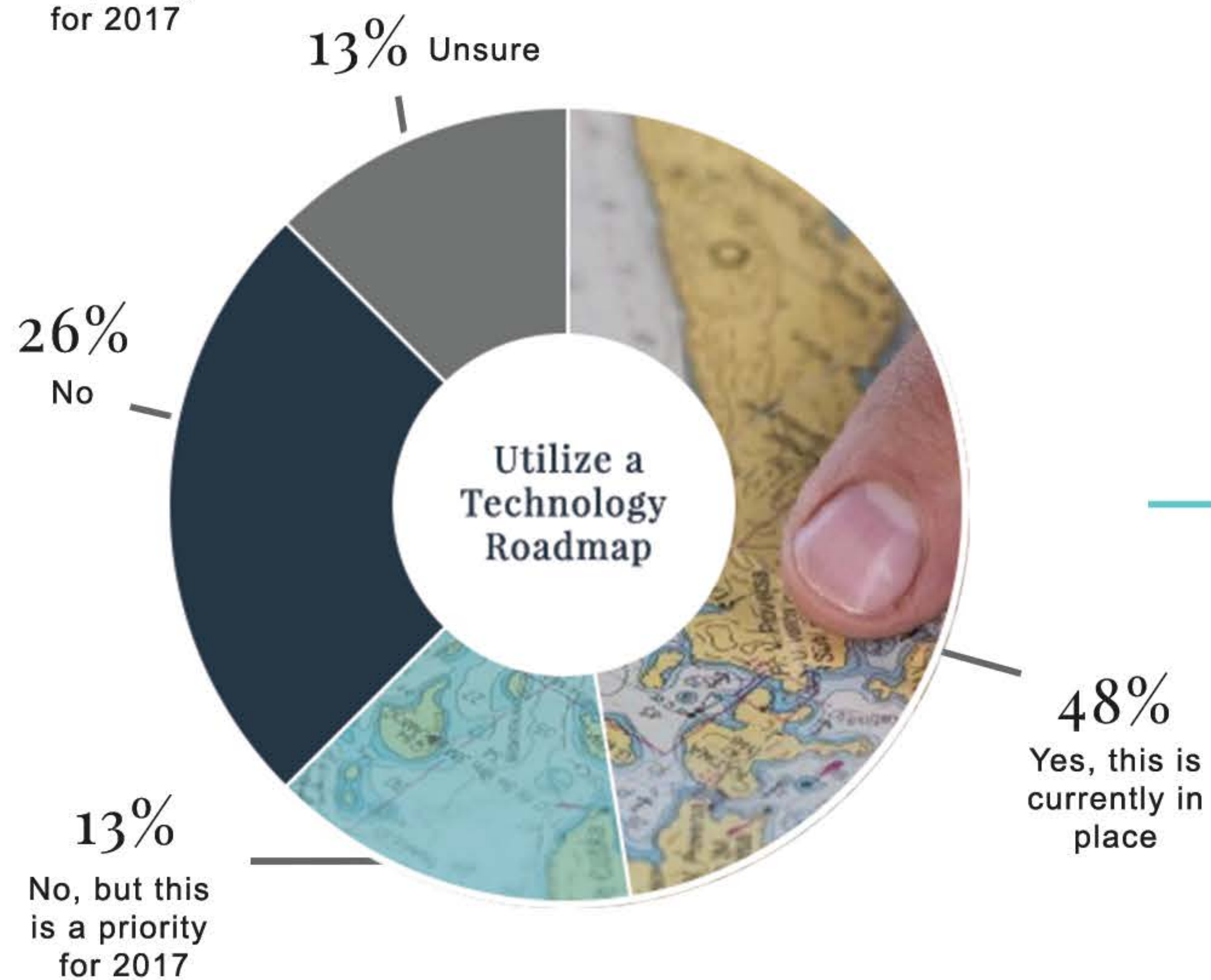
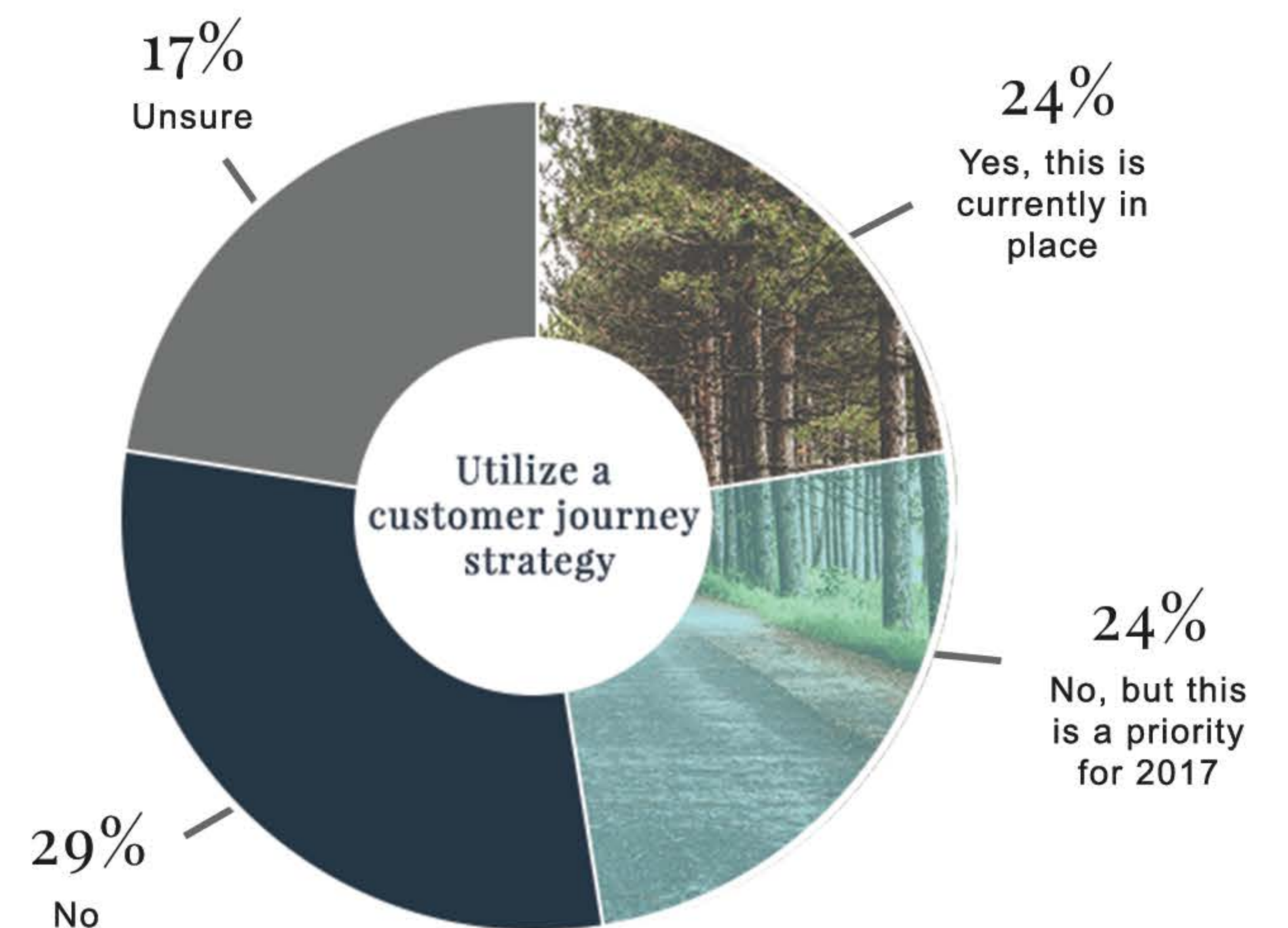
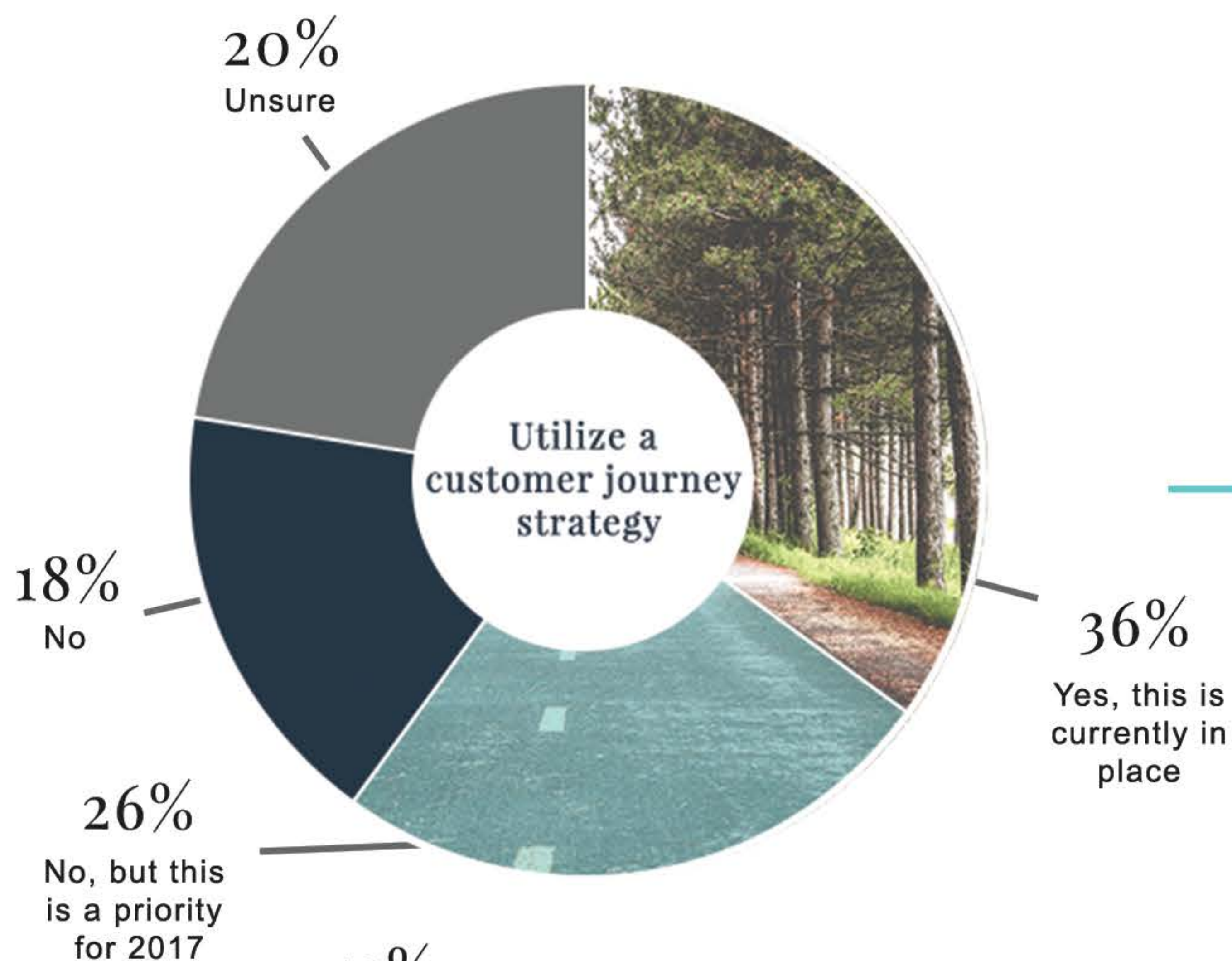
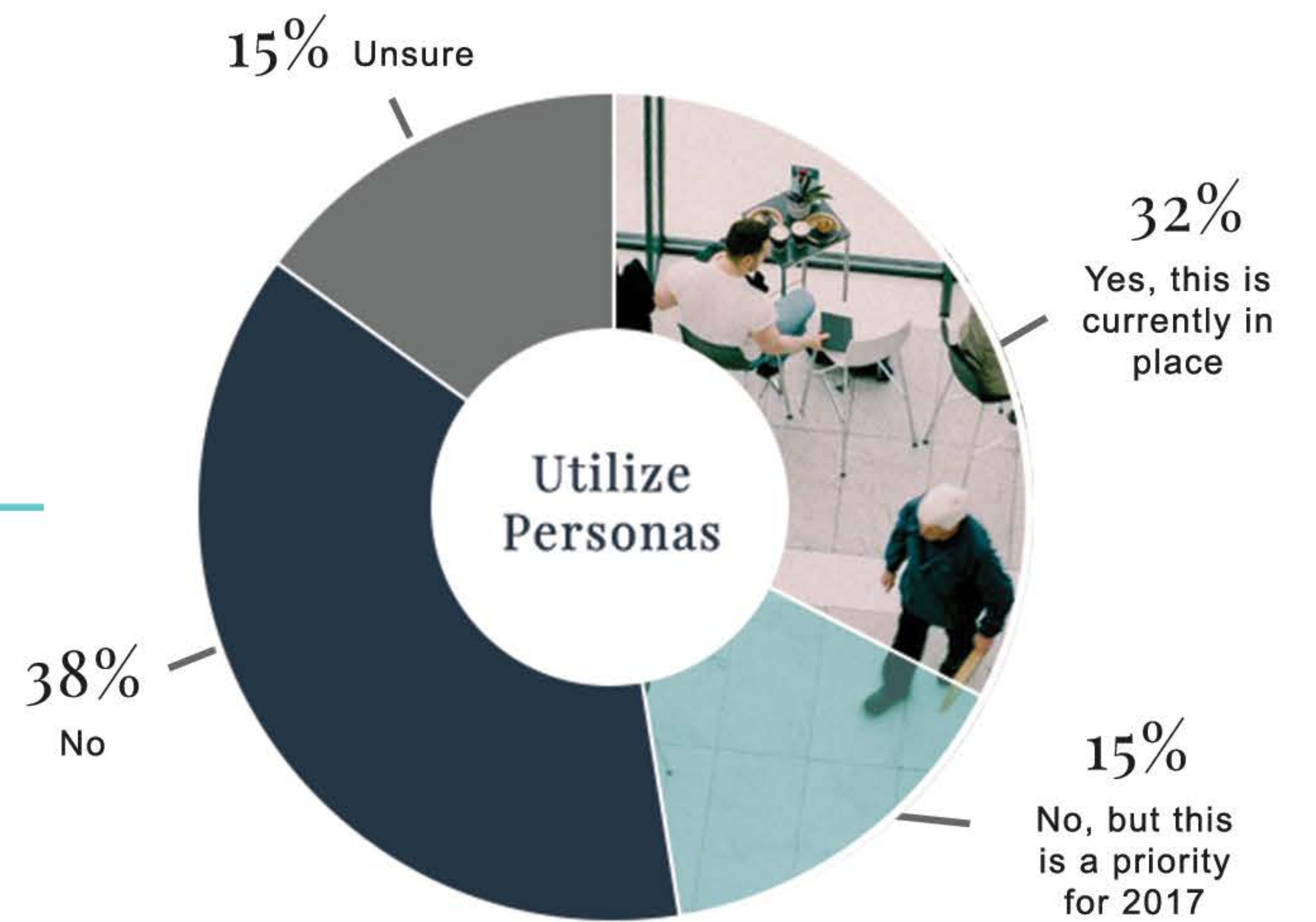
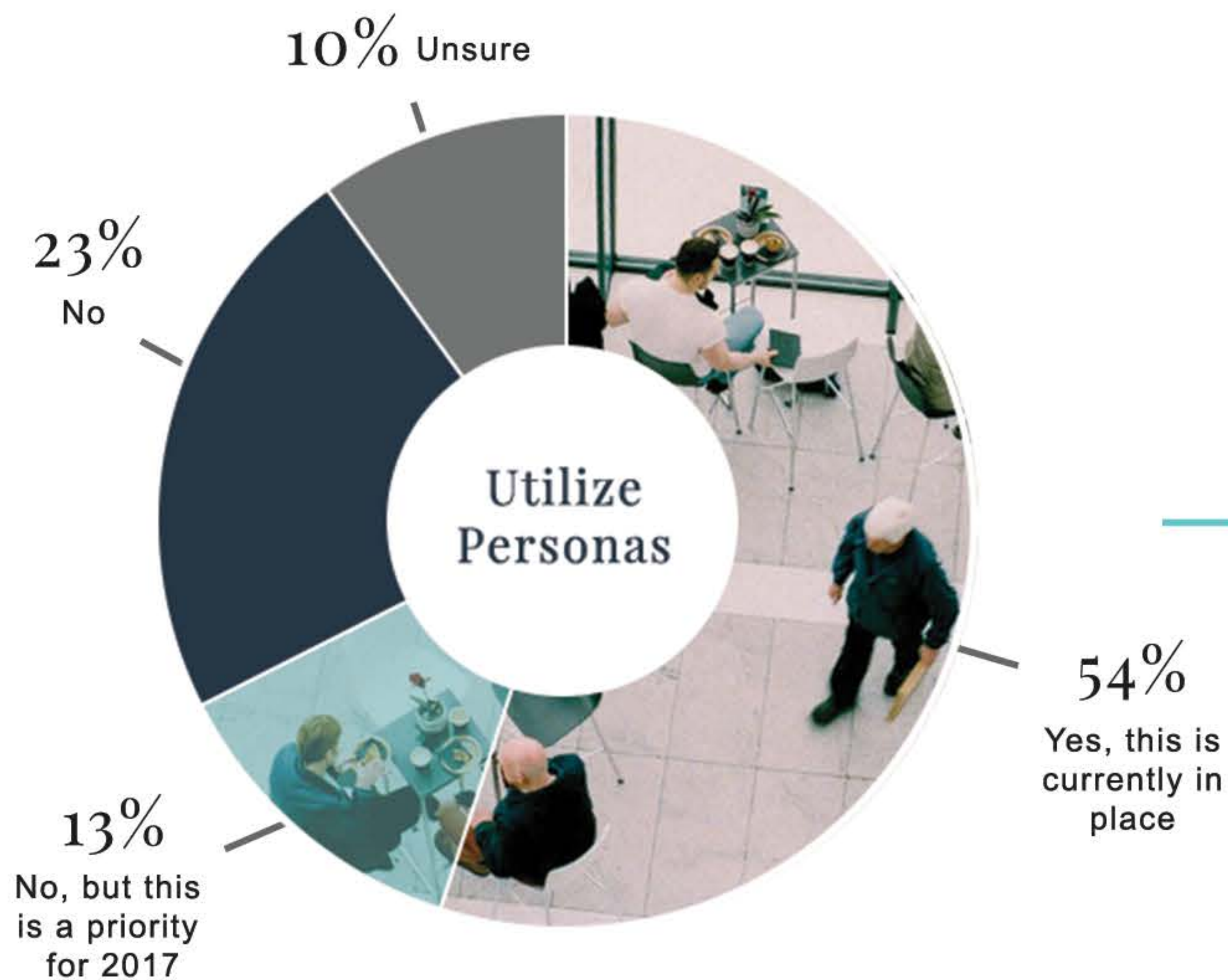
A look at the adoption and use of core marketing technologies - CMS, MA, & CRM - in teams that rate their website performance as effective vs. those that rate their performance as ineffective.



Respondents were asked to rate the effectiveness of their website presence toward meeting their business goals. Those that rated their performance as “effective” were **1.4x** more likely to utilize personas, **1.3x** more likely to utilize a customer journey strategy, and **1.1x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

Website Presence is mostly or very effective

Website Presence is ineffective or only somewhat effective



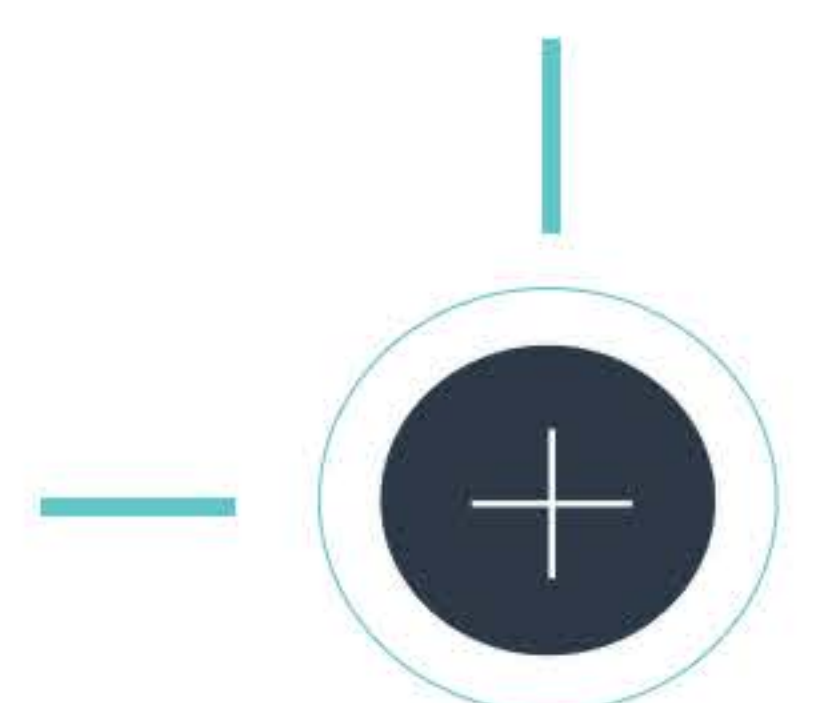
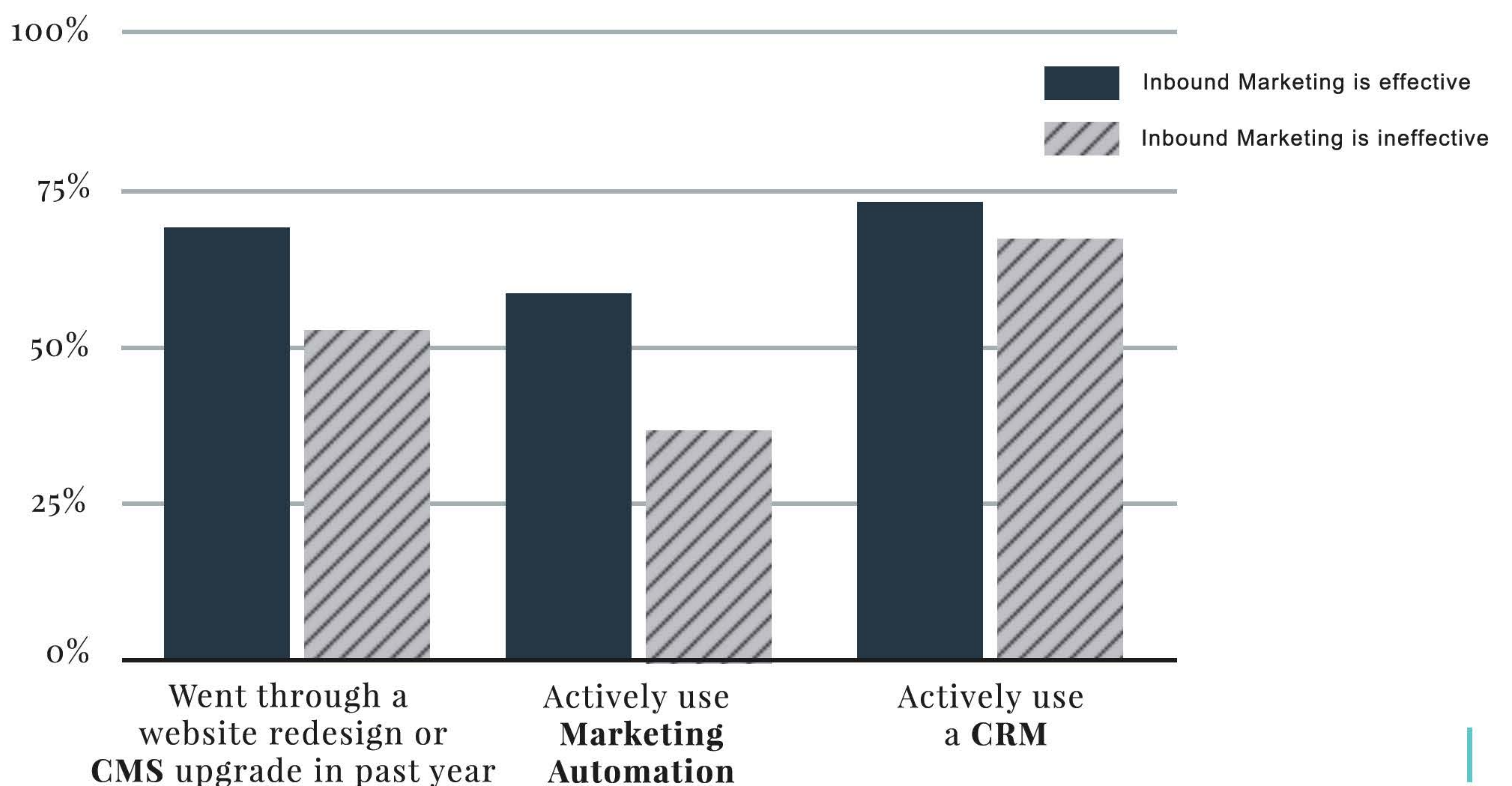
Effective Marketing Teams vs. Ineffective Marketing Teams

1.5x

more likely to utilize a marketing automation platform.

The Technology & Strategy Practices of Effective Marketing Teams

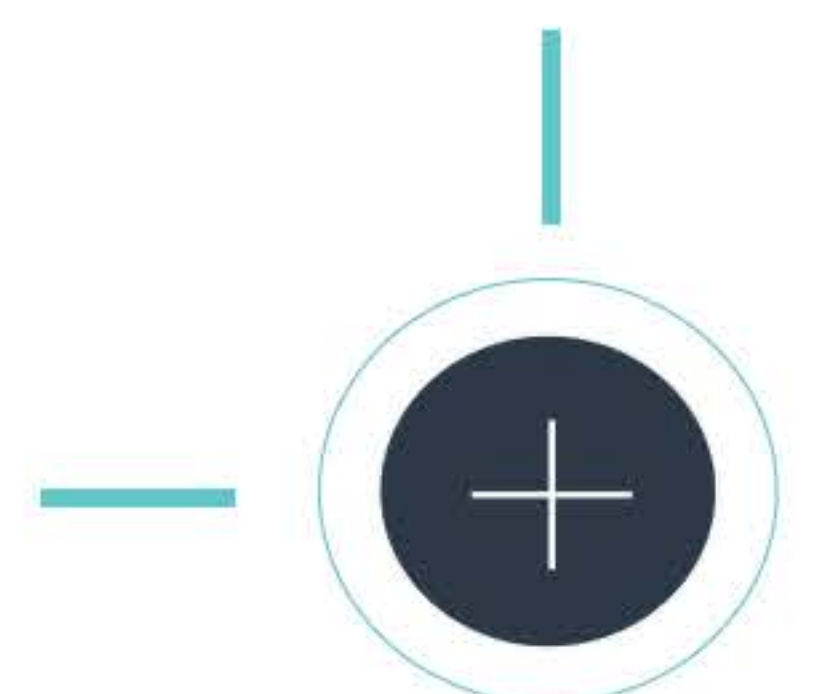
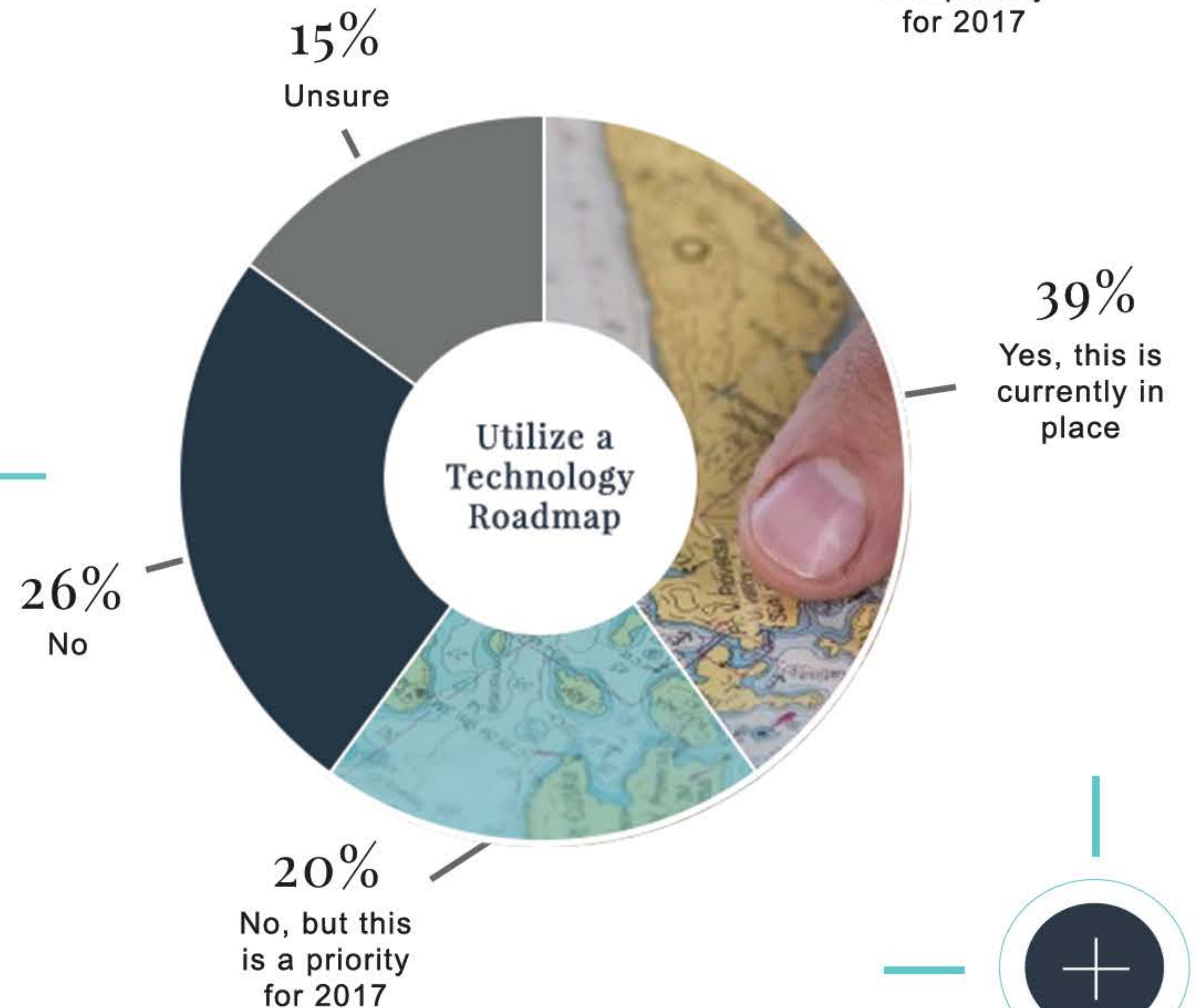
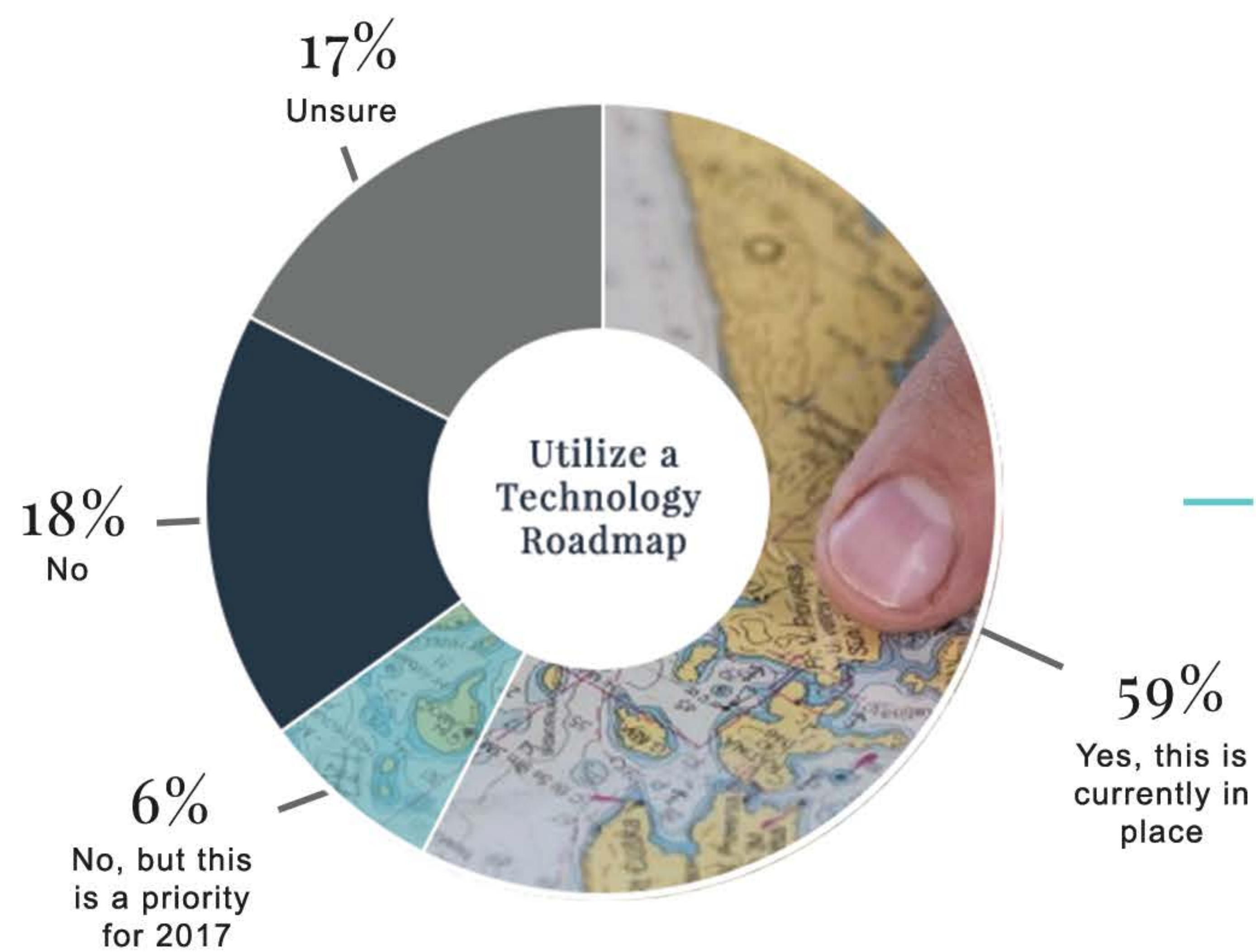
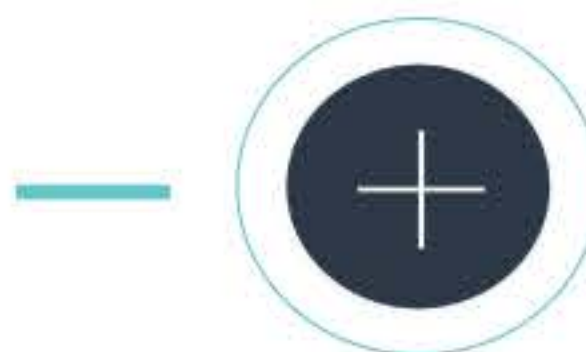
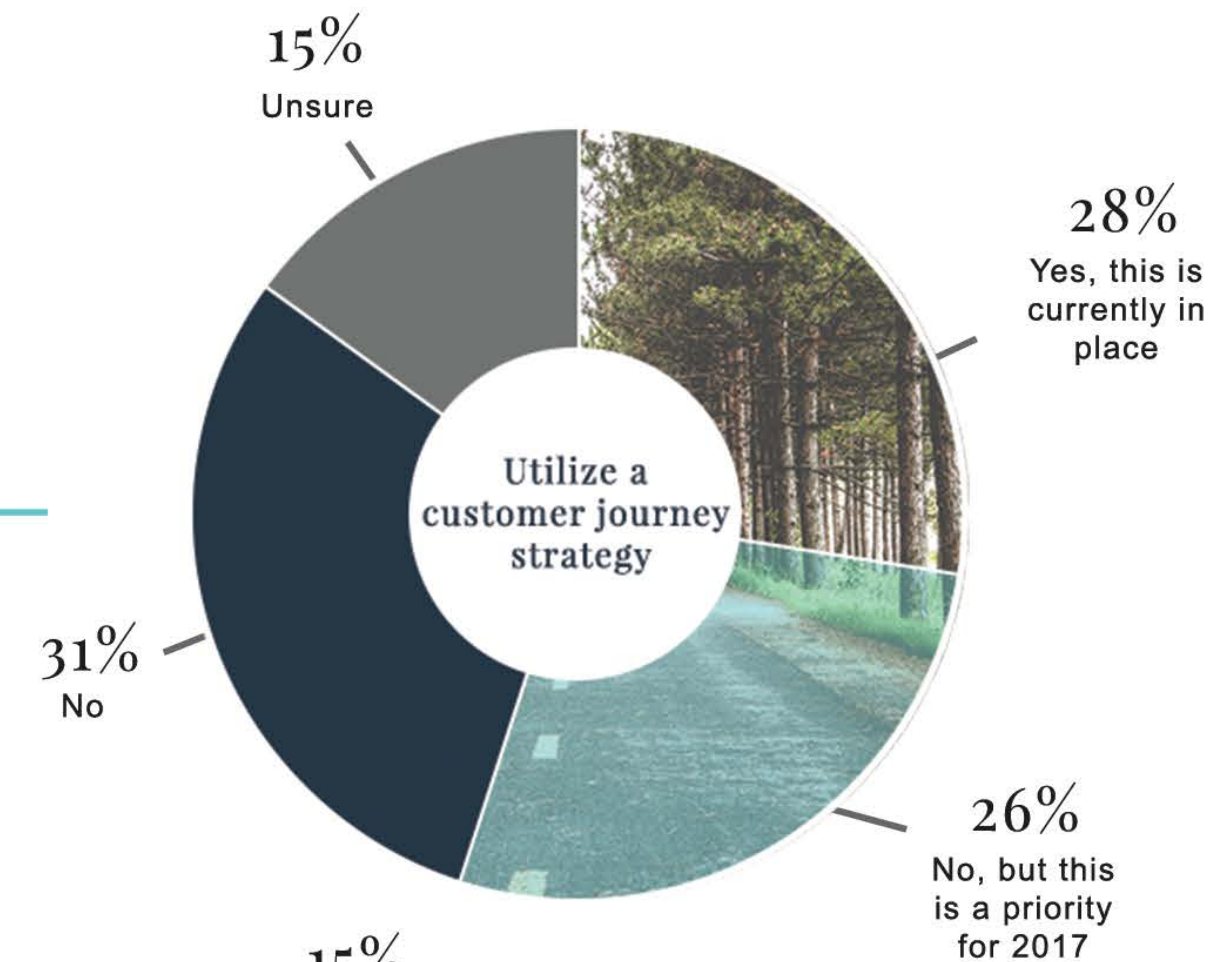
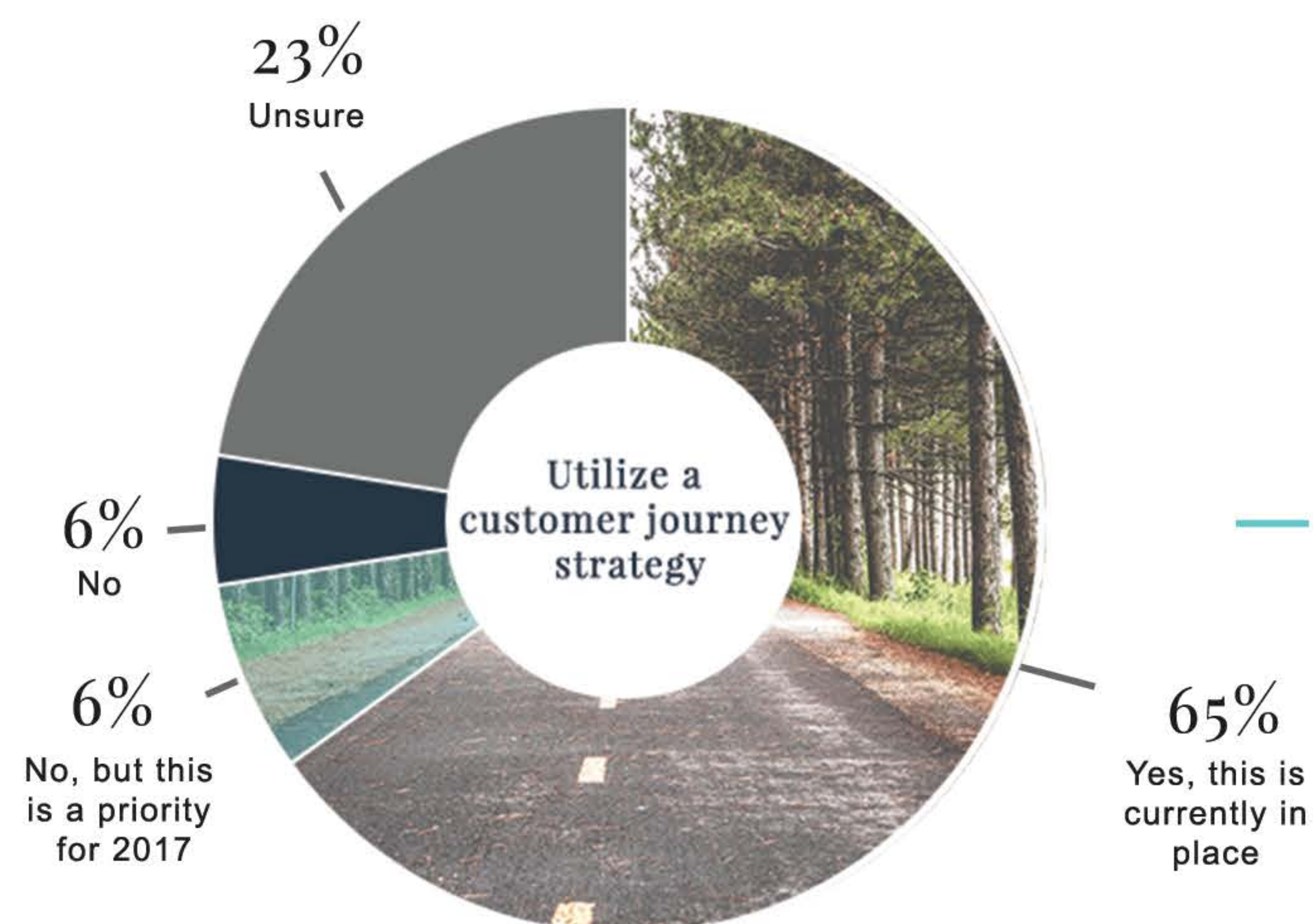
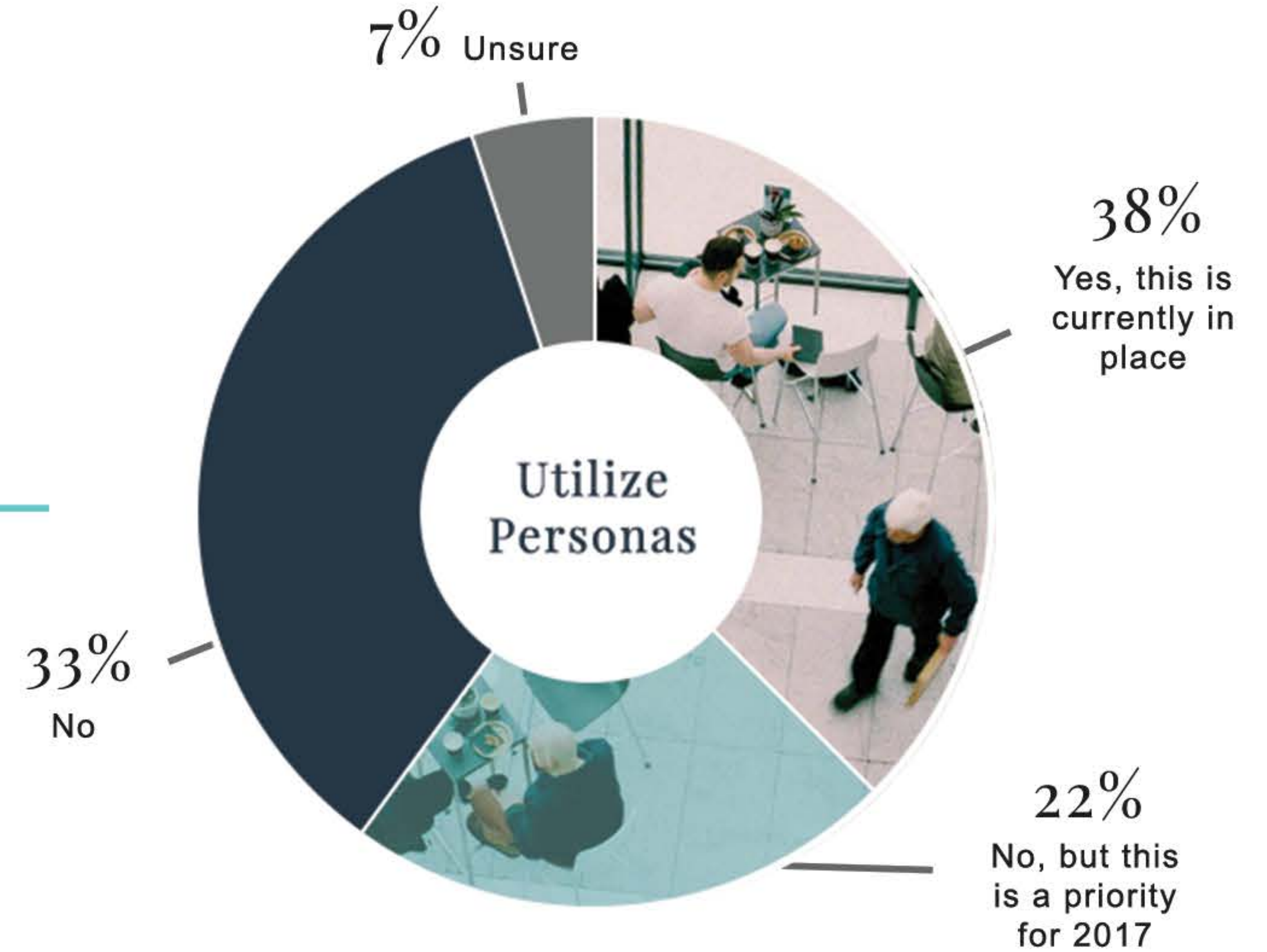
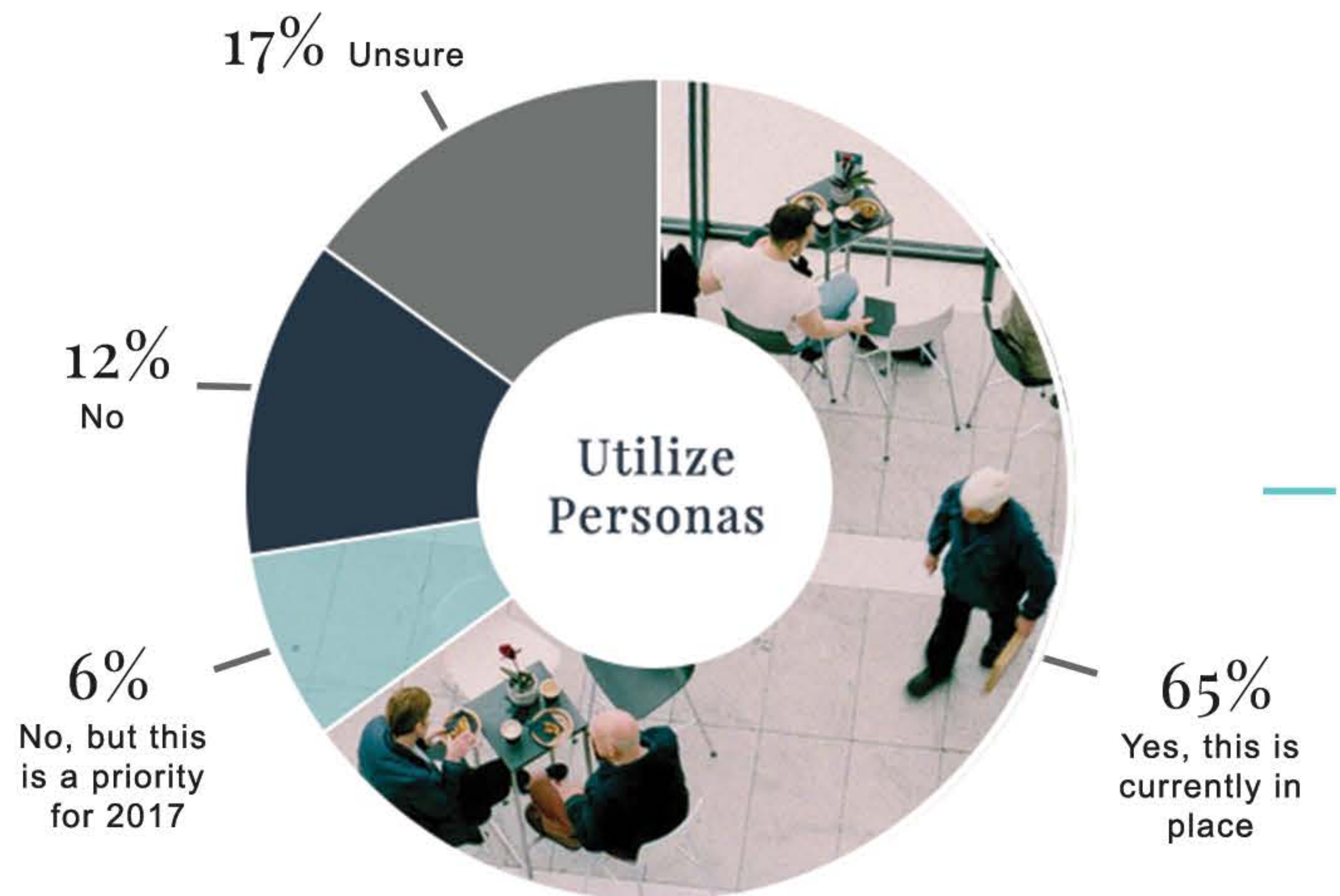
A look at the adoption and use of core marketing technologies - CMS, MA, & CRM - in teams that rate their inbound marketing as effective vs. those that rate their performance as ineffective.



Respondents were asked to rate the effectiveness of their inbound marketing toward meeting their business goals. Those that rated their performance as “effective” were **1.2x** more likely to utilize personas, **1.3x** more likely to utilize a customer journey strategy, and **1.1x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

Inbound Marketing is mostly or very effective

Inbound Marketing is ineffective or only somewhat effective



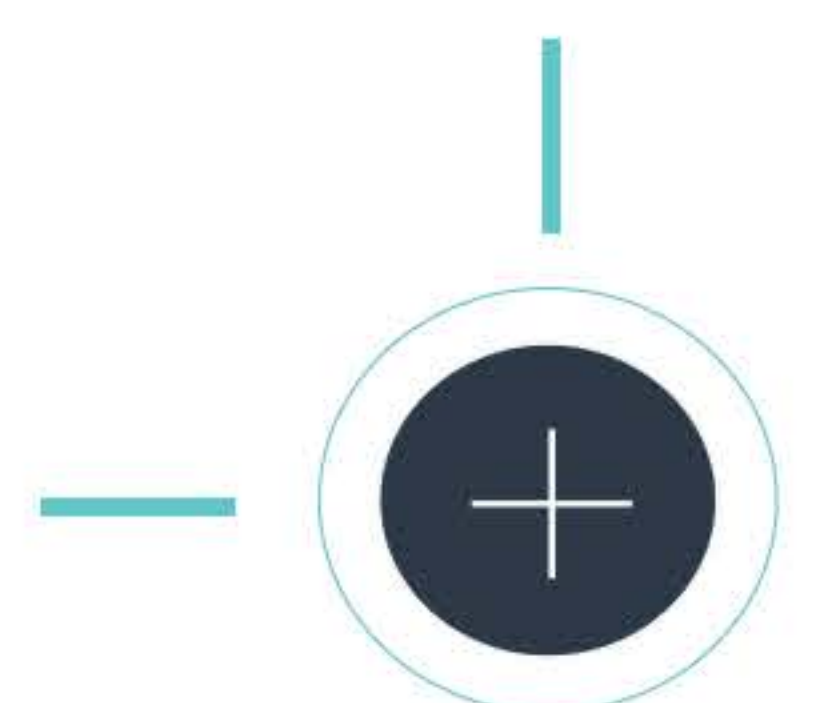
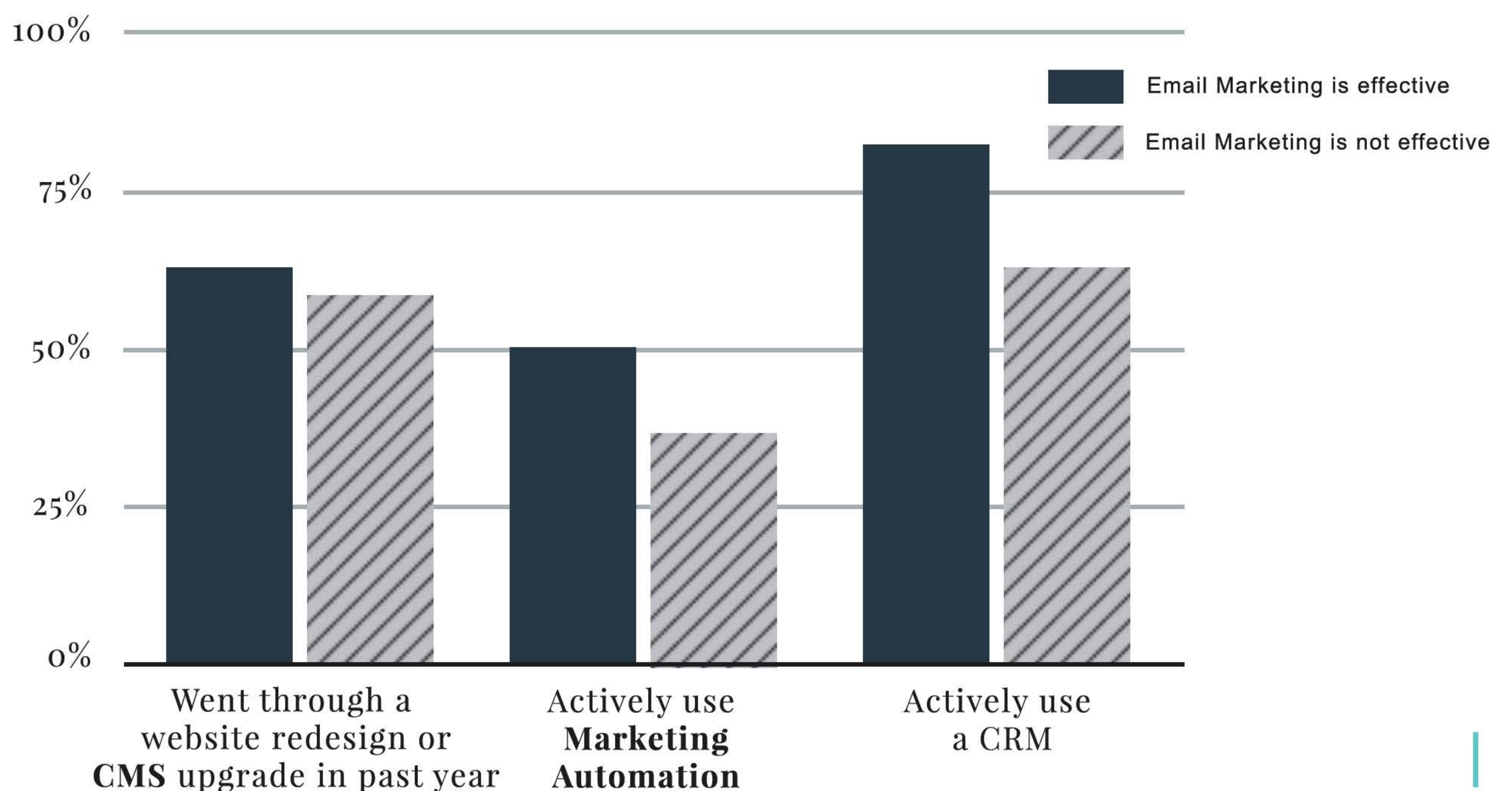
Effective Marketing Teams vs. Ineffective Marketing Teams

1.4x

more likely to actively utilize a CRM tool.

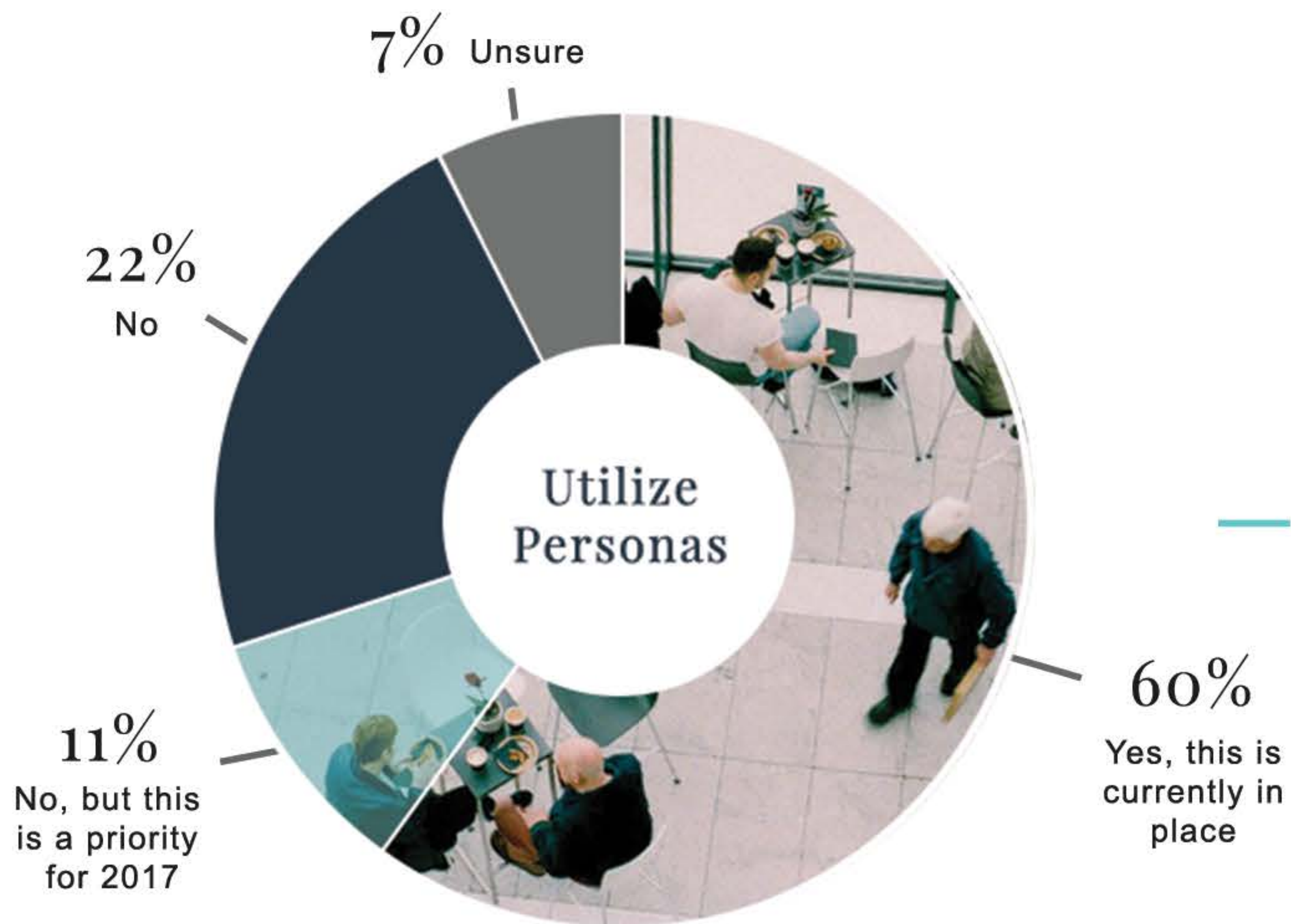
The Technology & Strategy Practices of Effective Marketing Teams

A look at the adoption and use of core marketing technologies - CMS, CRM, & MA - in teams that rate their email marketing as effective vs. those that rate their performance as ineffective.

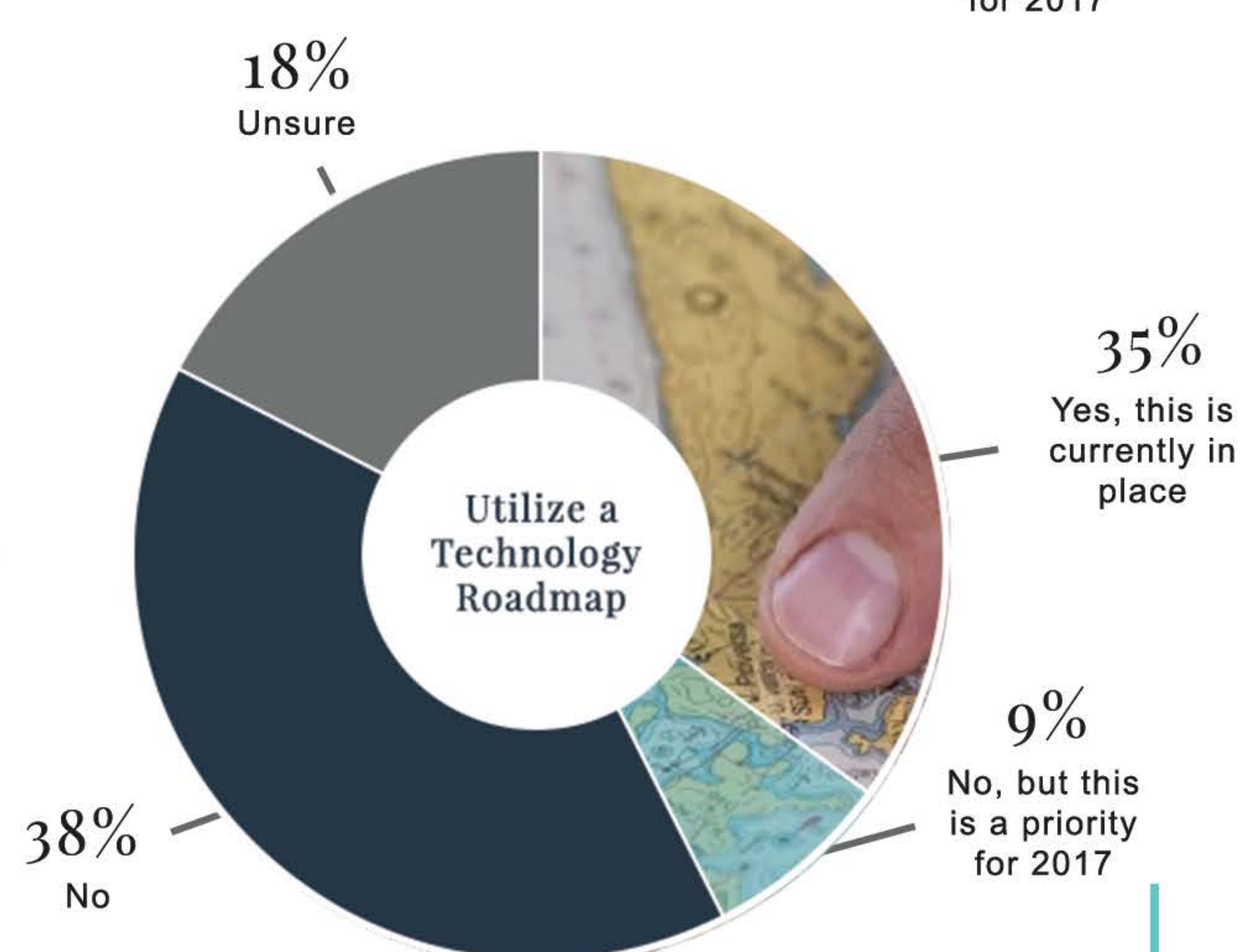
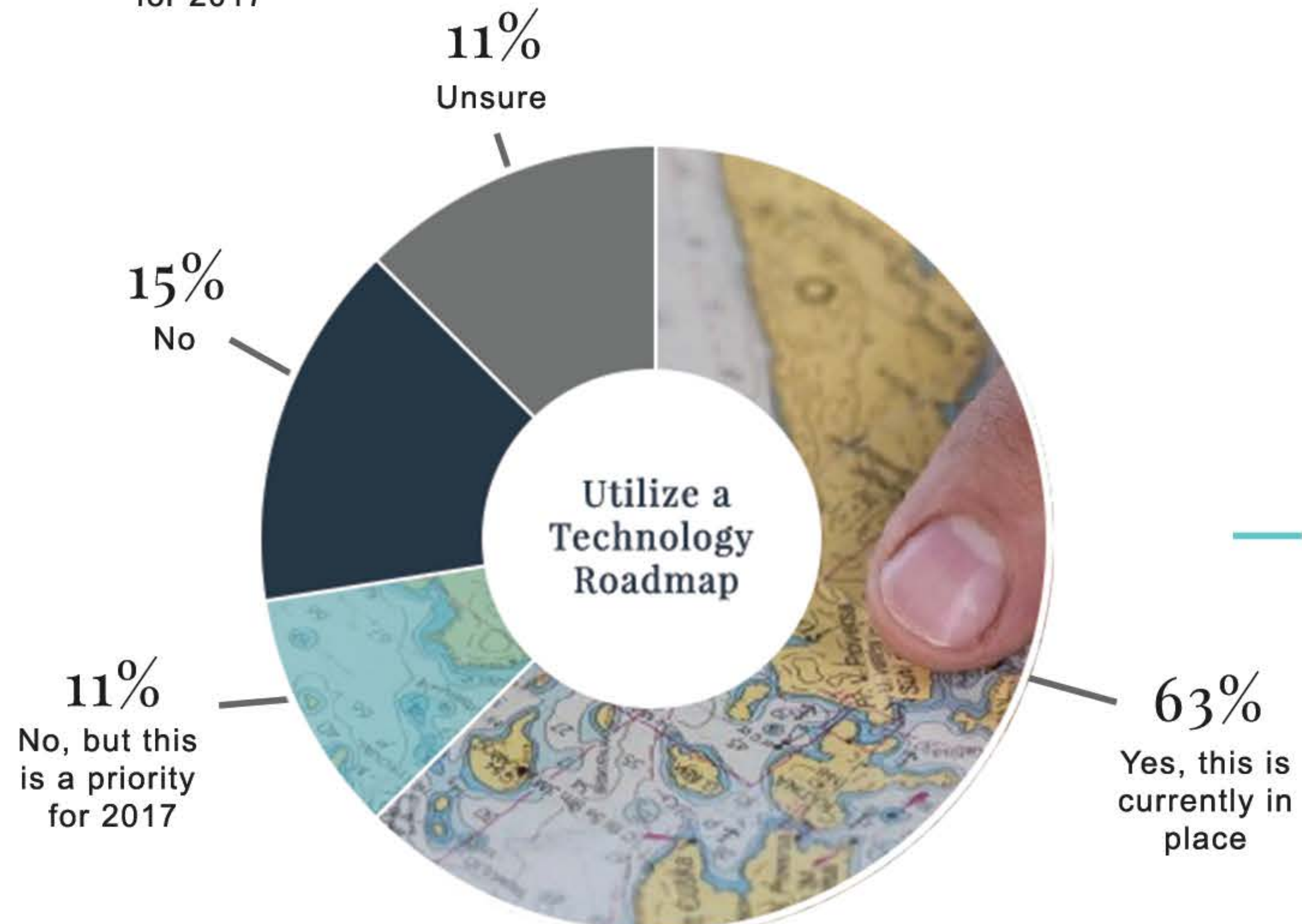
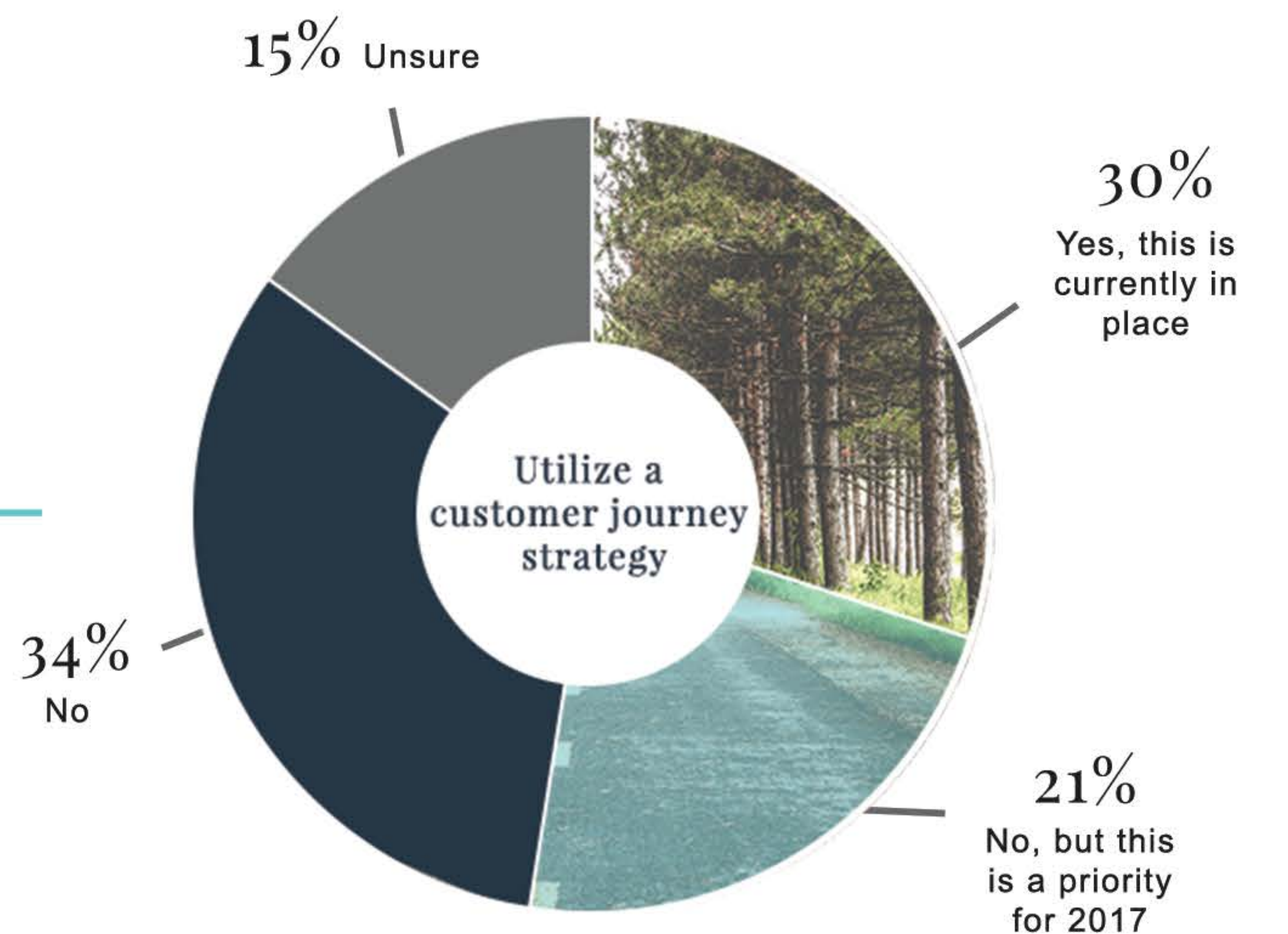
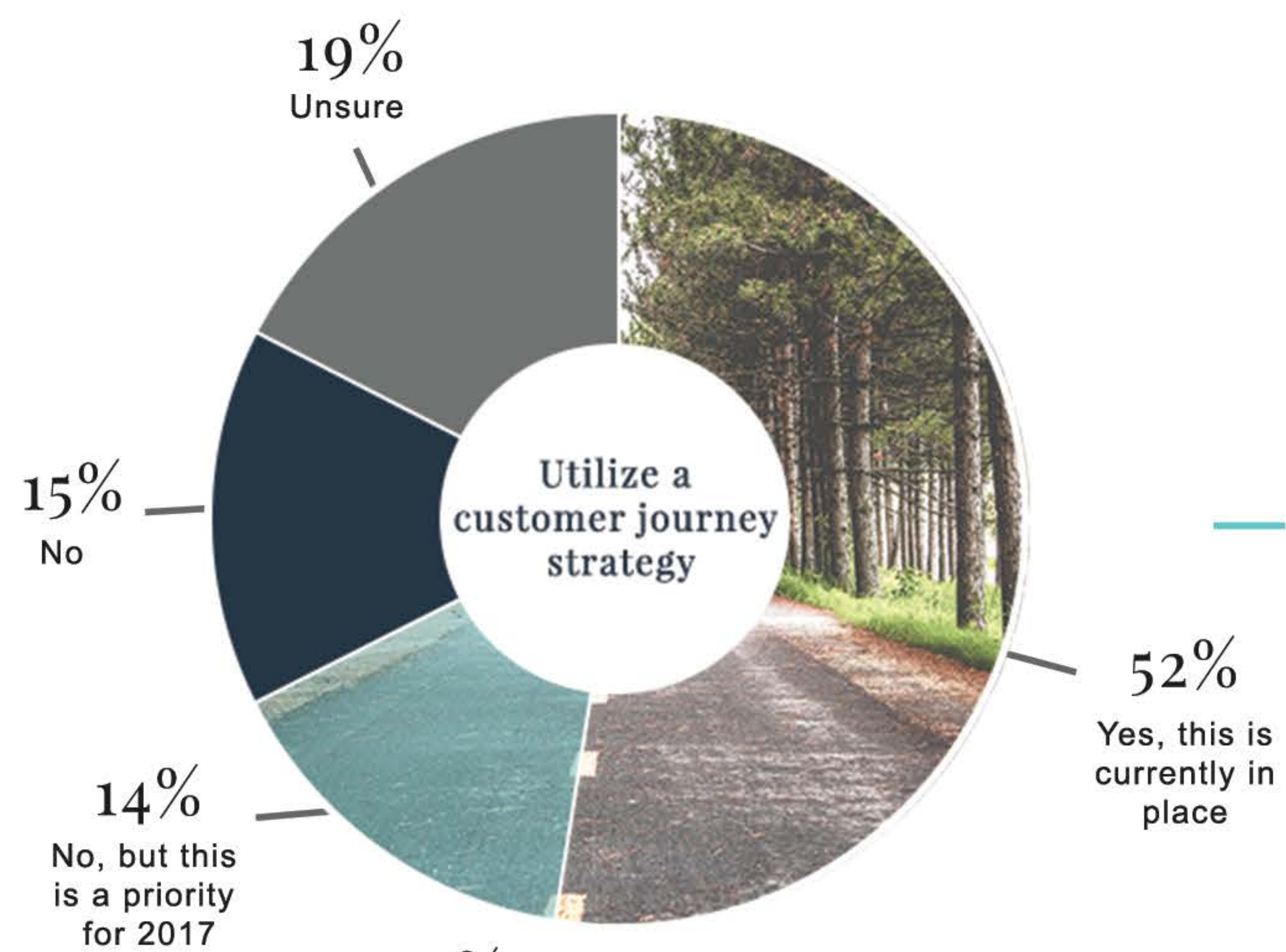
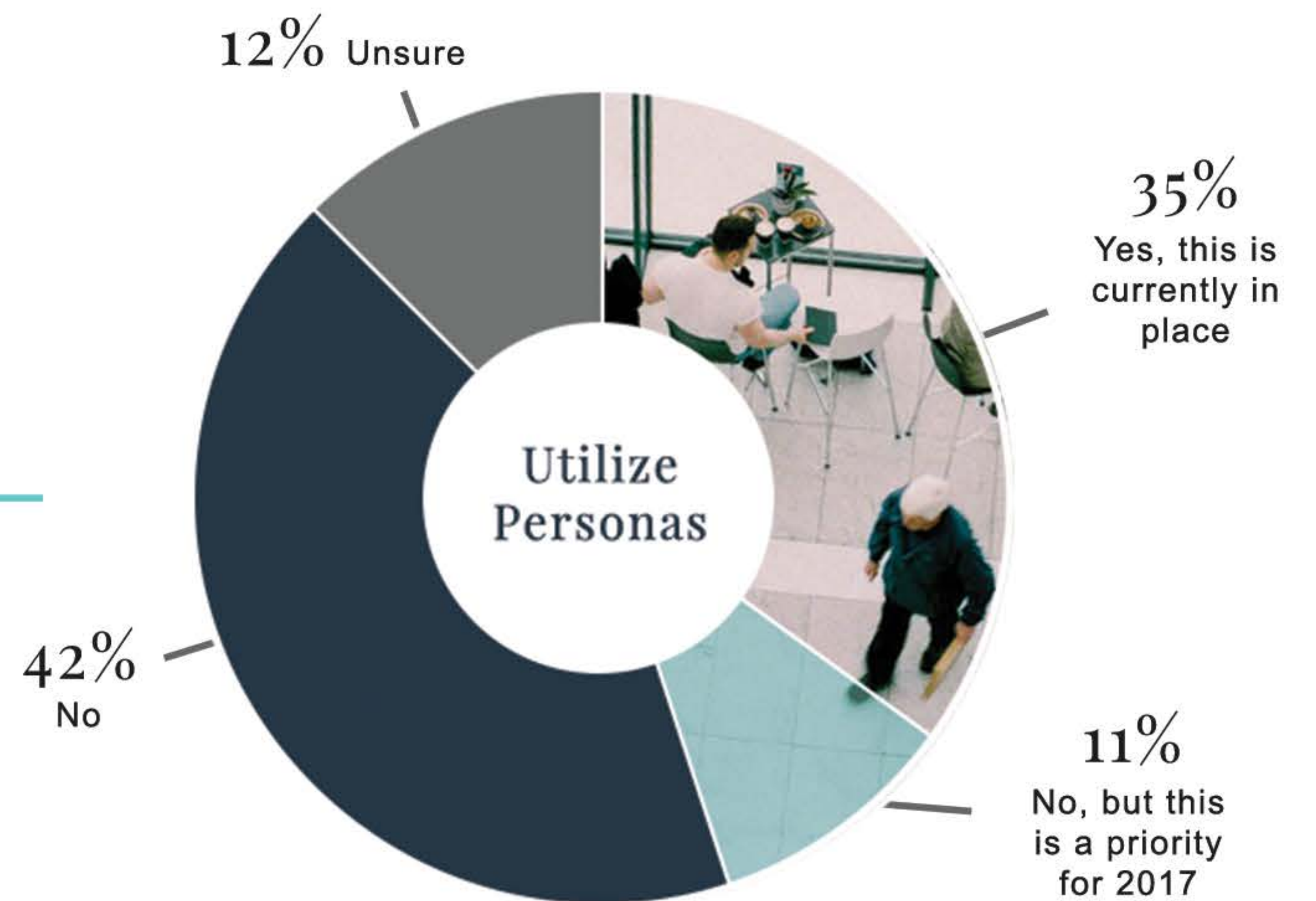


Respondents were asked to rate the effectiveness of their email marketing toward meeting their business goals. Those that rated their performance as “effective” were **1.5x** more likely to utilize personas, **1.3x** more likely to utilize a customer journey strategy, and **1.7x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

Email Marketing is mostly or very effective



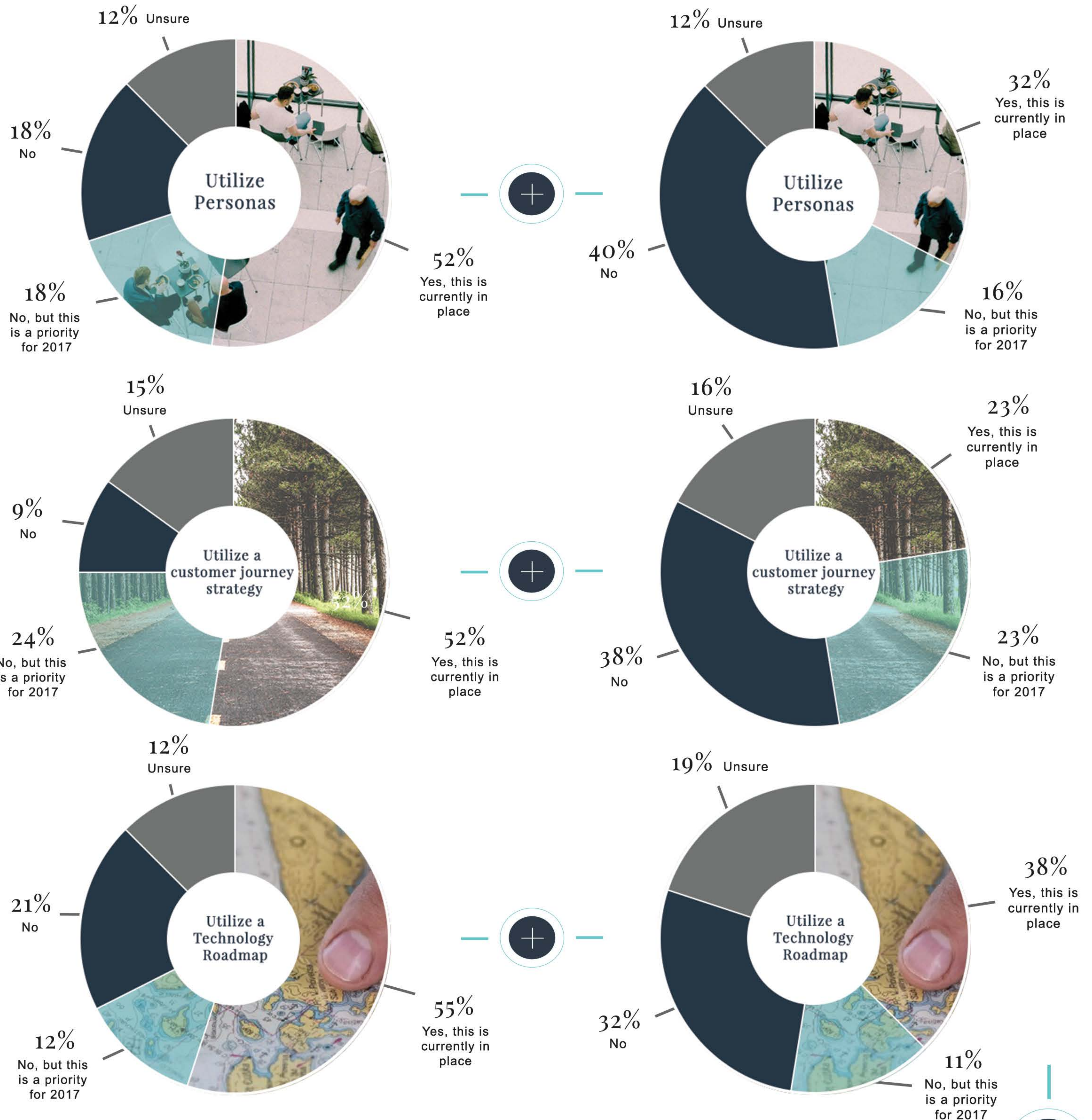
Email Marketing is ineffective or only somewhat effective



Respondents were asked to rate the effectiveness of their Search Engine Optimization (SEO) toward meeting their business goals. Those that rated their performance as “effective” were **1.5x** more likely to utilize personas, **1.7x** more likely to utilize a customer journey strategy, and **1.4x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

SEO is mostly or very effective

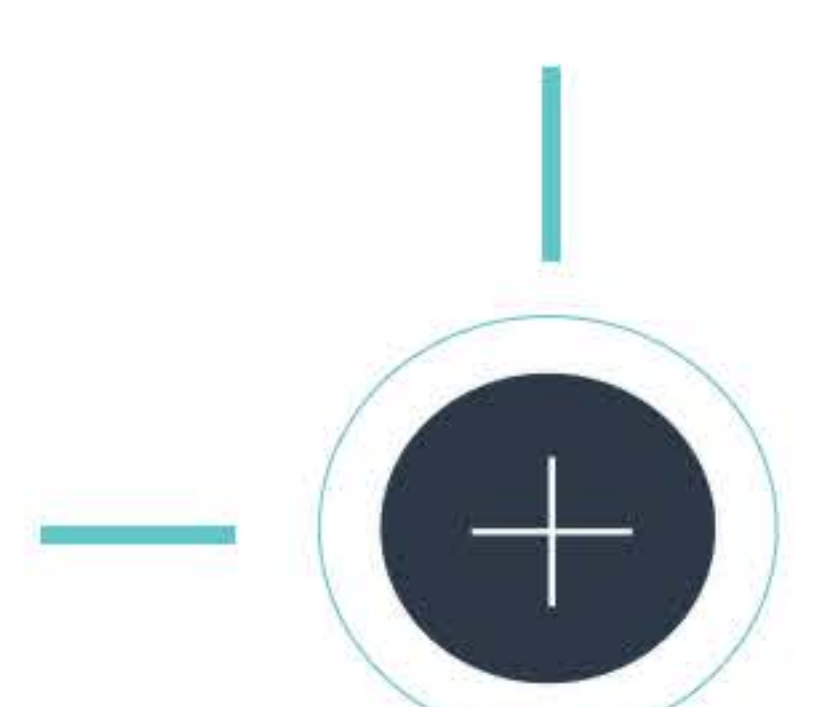
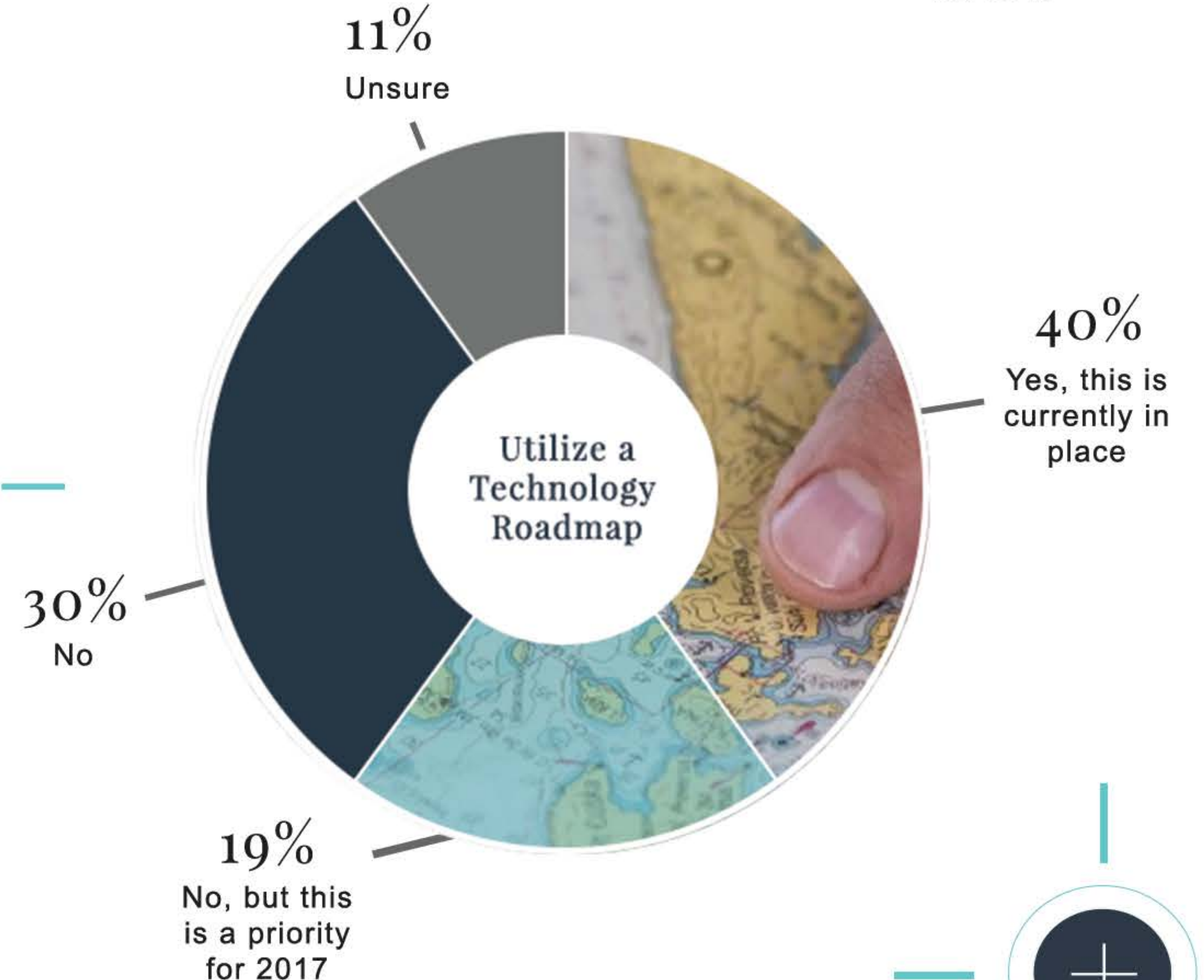
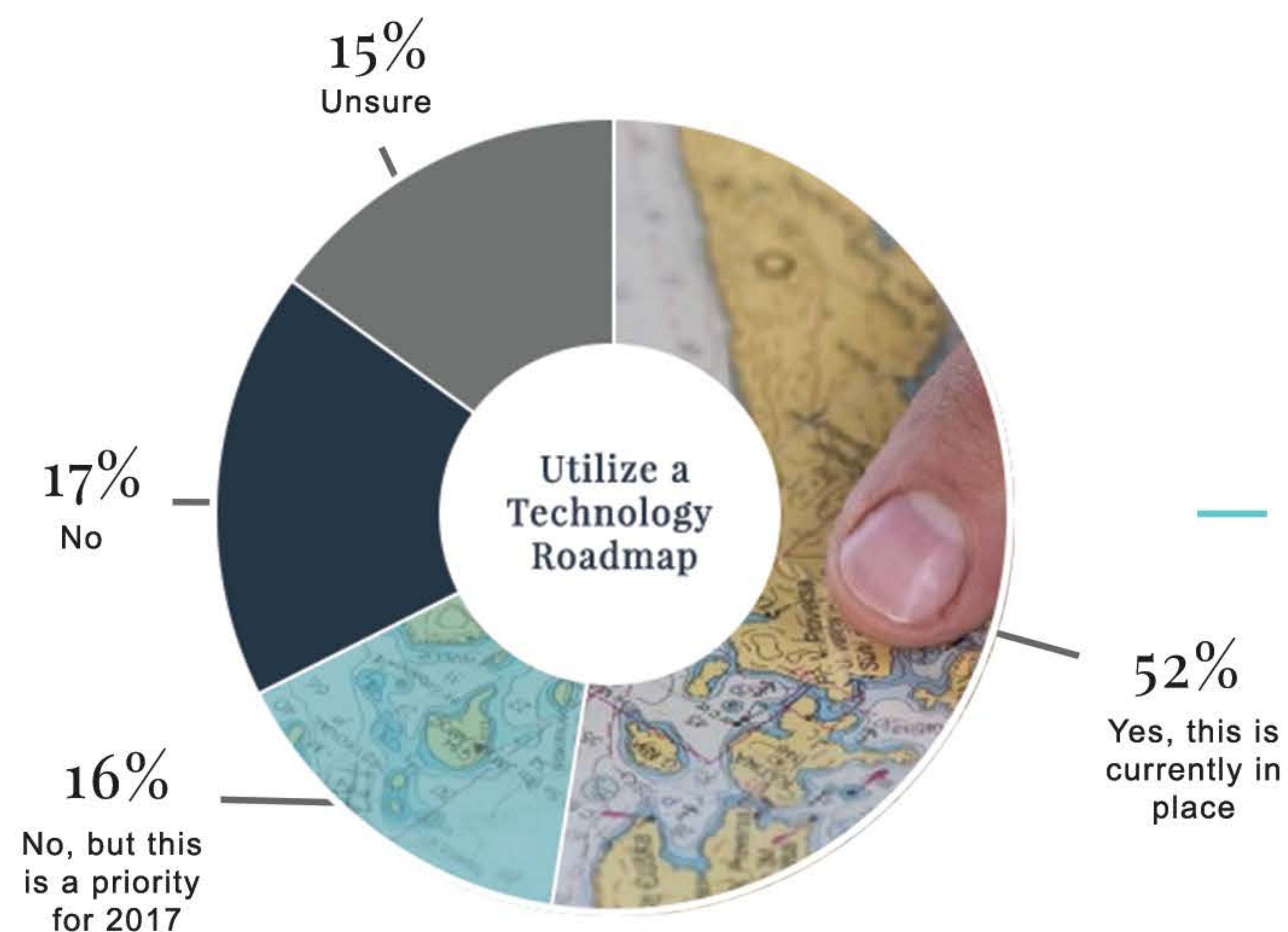
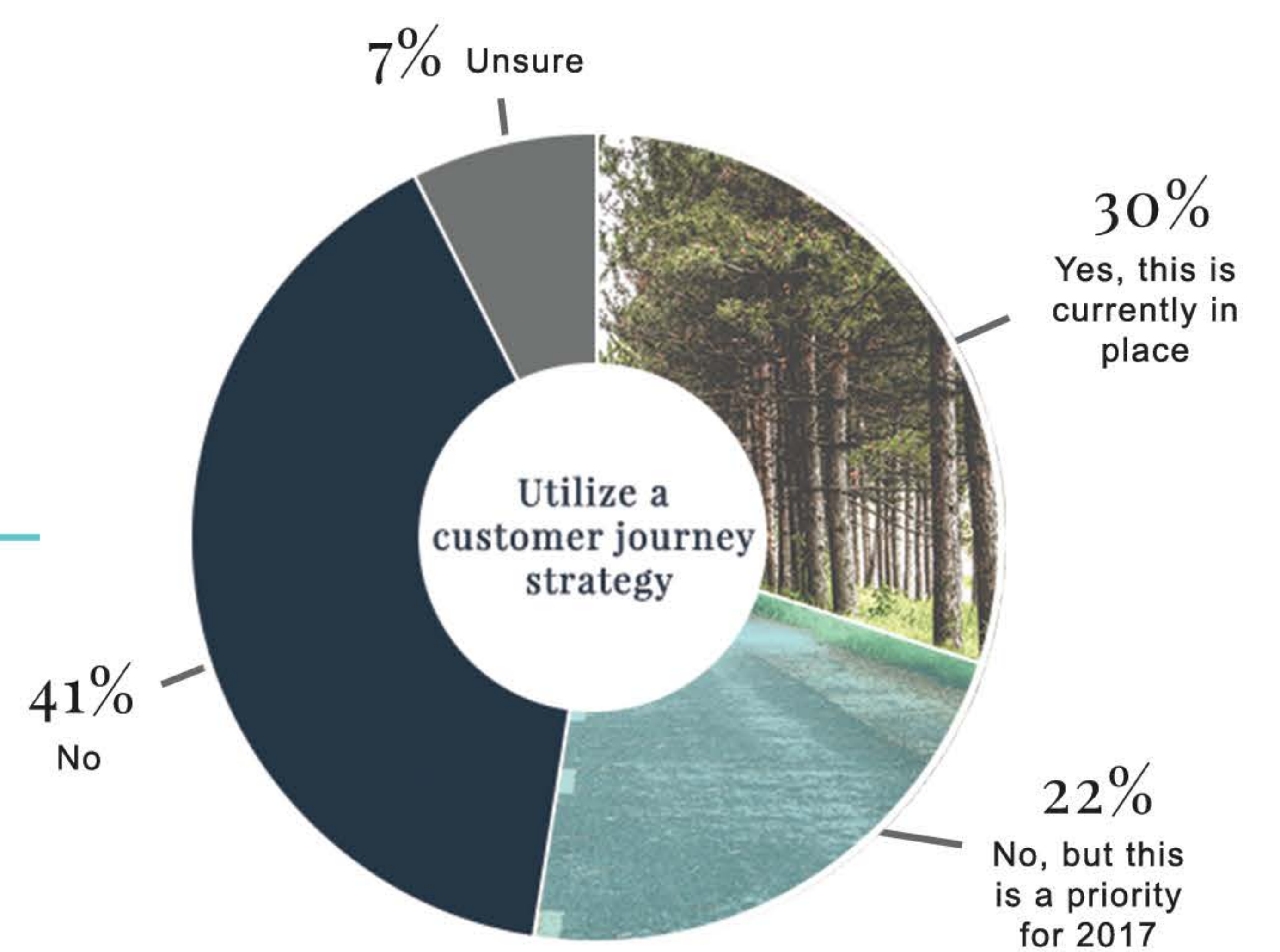
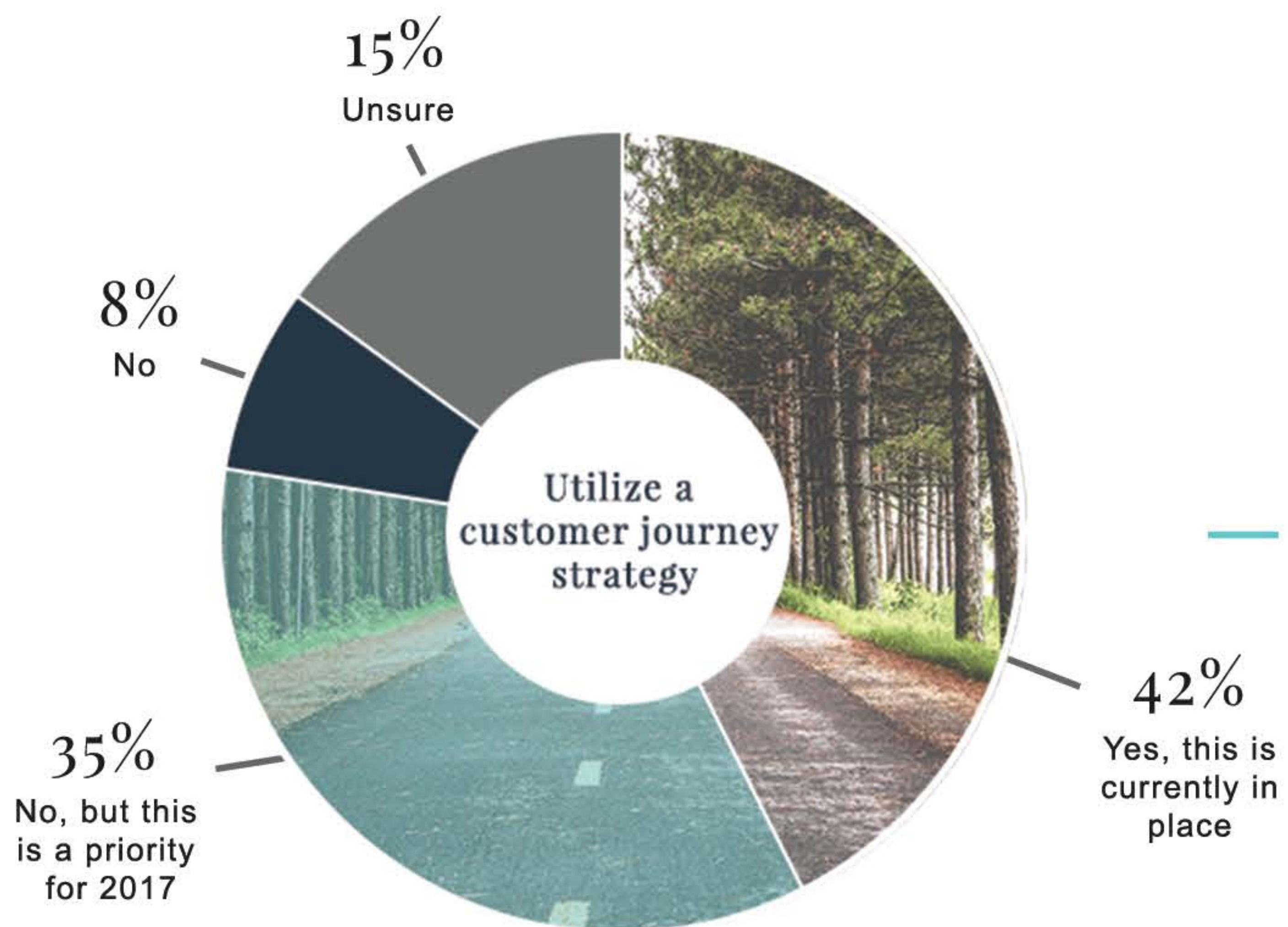
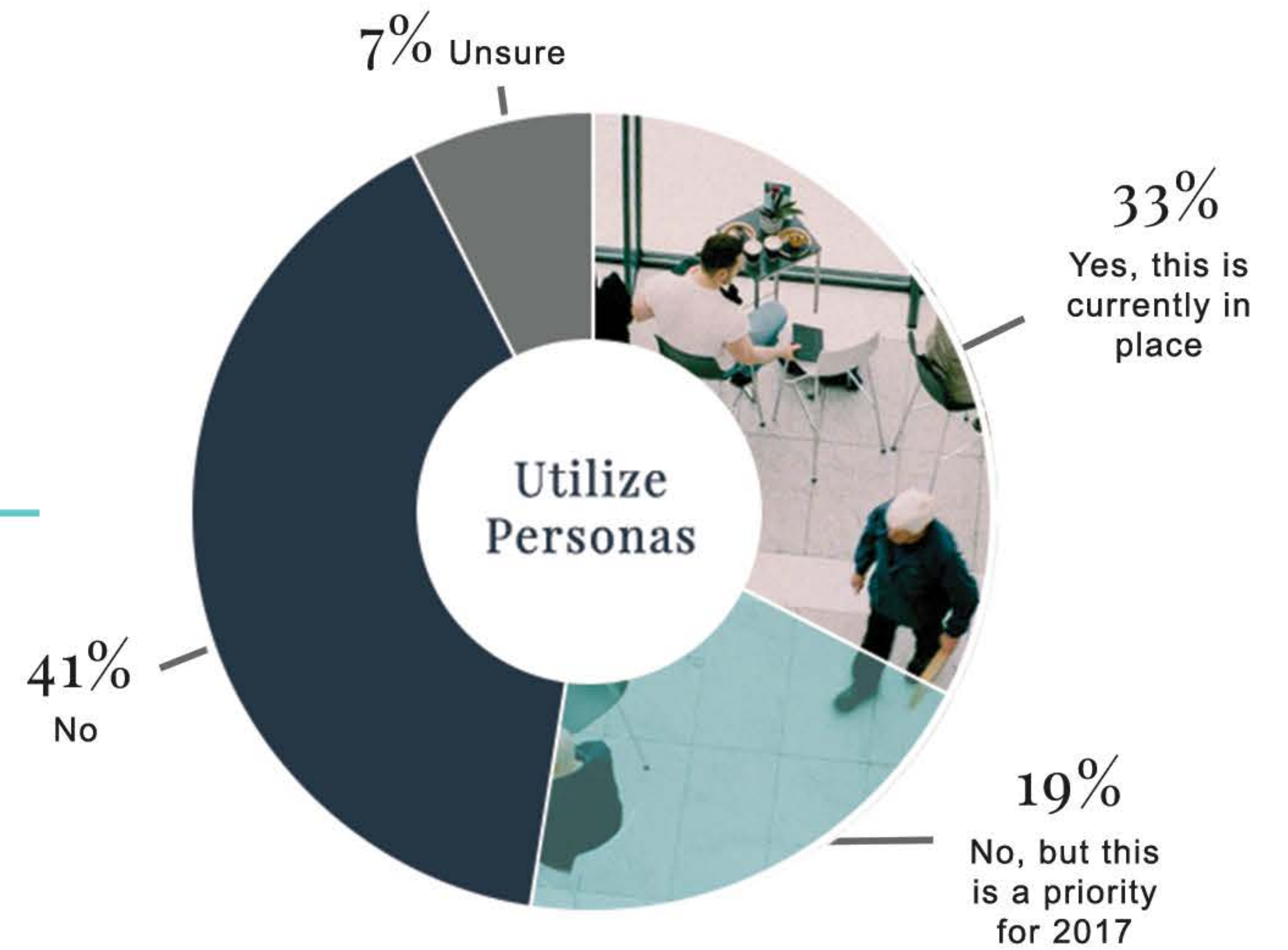
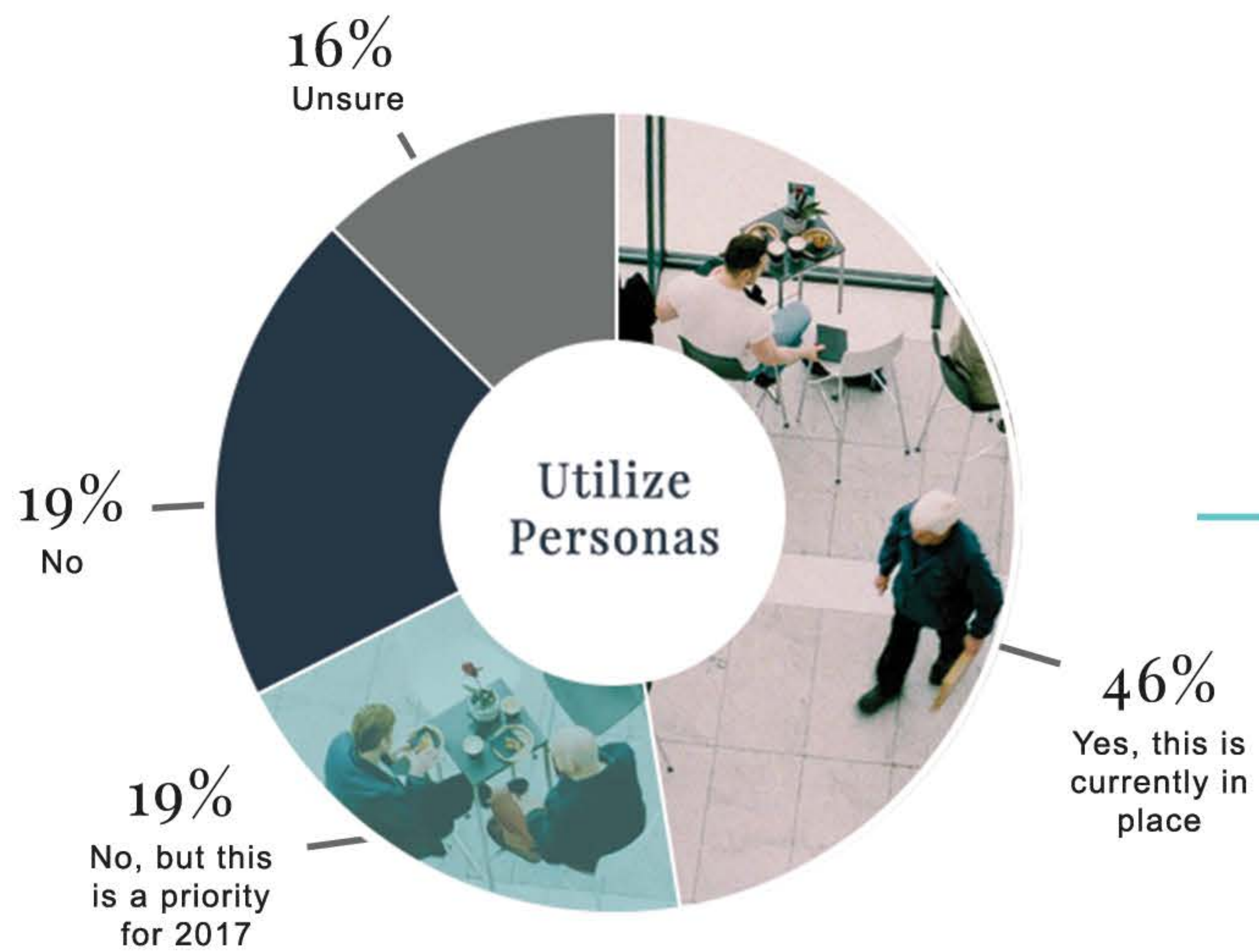
SEO is ineffective or only somewhat effective



Respondents were asked to rate the effectiveness of their digital advertising toward meeting their business goals. Those that rated their performance as “effective” were **1.3x** more likely to utilize personas, **1.5x** more likely to utilize a customer journey strategy, and **1.2x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

Digital advertising is mostly or very effective

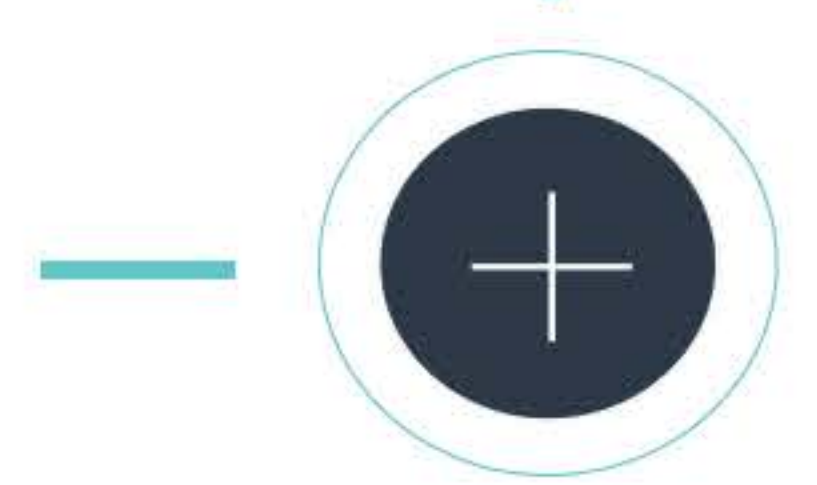
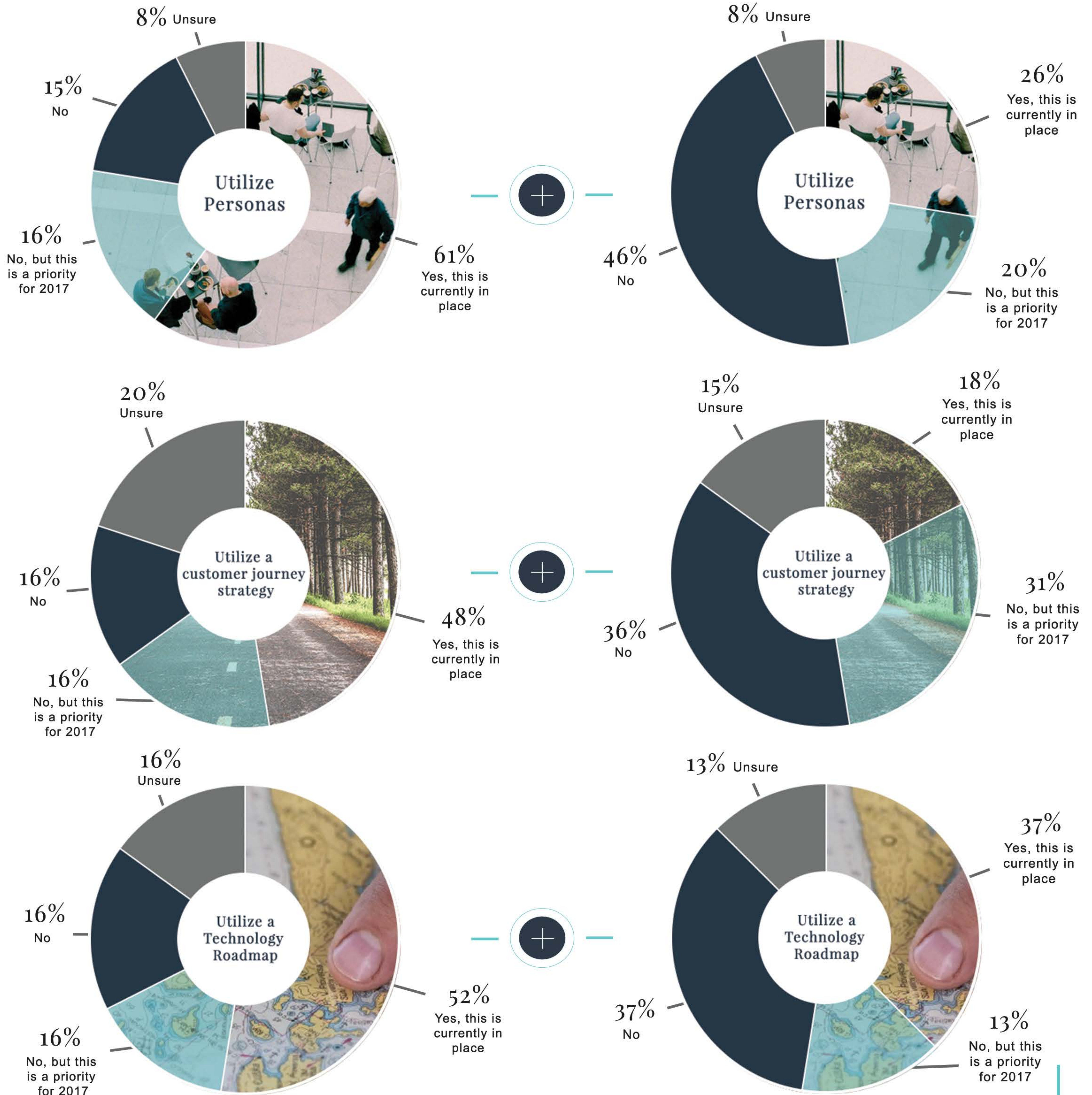
Digital advertising is ineffective or only somewhat effective



Respondents were asked to rate the effectiveness of their social media marketing toward meeting their business goals. Those that rated their performance as “effective” were **1.7x** more likely to utilize personas, **1.3x** more likely to utilize a customer journey strategy, and **1.4x** more likely to utilize a technology roadmap than those that rated their performance as “ineffective.”

Social Media Marketing is mostly or very effective

Social Media Marketing is ineffective or only somewhat effective



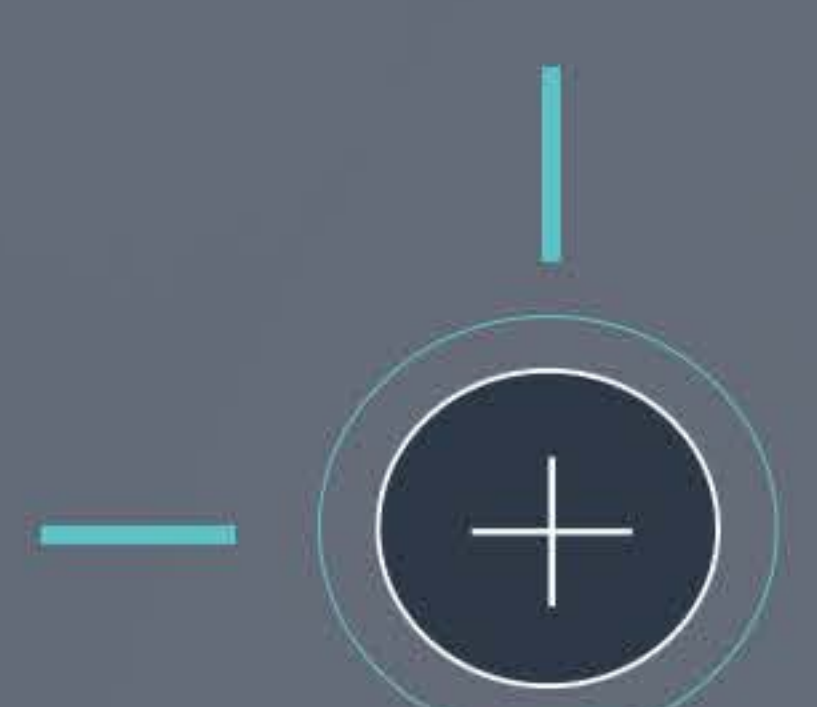
How to Become a Highly Effective Marketing Team

No matter what type of business or industry you are in, you've felt the enormous impact that digital technology has had on the way your customers want to conduct business, communicate with you, shop, and compare your products and services.

Highly effective marketing teams are creating valuable digital experiences for their customers using integrated technology and advanced digital strategies. Today, customers expect to use highly designed websites when interacting with businesses and organizations. Those that prioritize the User Experience (UX), which evolves constantly, enjoy high engagement rates and are able to utilize their websites for what they are - lead-generating and information-giving platforms.

It's clear from this report that the habits of Large Marketing Teams, due to their relative budget and resource freedom, and Effective Marketing Teams include persona development, the use of a customer journey strategy to map user experience, and technology roadmaps to understand the necessary technology timeline.

The final and most important conclusion that we can draw is that Large Marketing Teams and Effective Marketing Teams collaborate with the engineering/development side of their organization or partner with an agency or contractor to ensure that their core marketing and sales technologies, CMS, MA, and CRM, are fully integrated to allow a free flow of data that facilitates of full understanding of the customer and their journey from Lead to Loyal™.



Bylines & Methodology

Methodology:

SilverTech fielded an online survey from October 18th, 2016 to November 16th, 2016. Responses were sourced via email invitation, social media, and SilverTech's website, www.silvertch.com. No personal information was collected, as responses were only reported in aggregate. As an incentive for participation, respondents were entered for the chance to win a \$150 Amazon gift card.

About the Team:



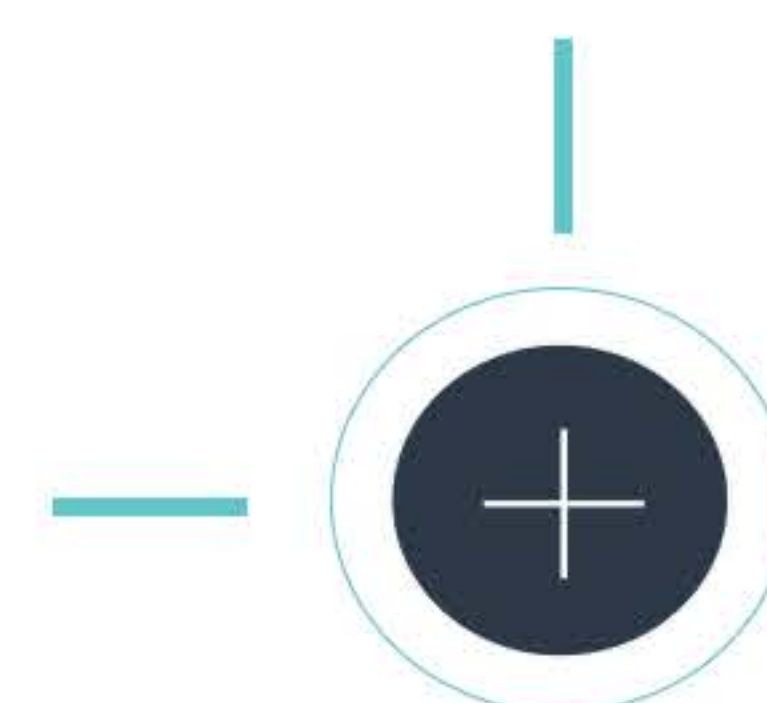
Author, Design:
Ian Hughes
Content Strategist

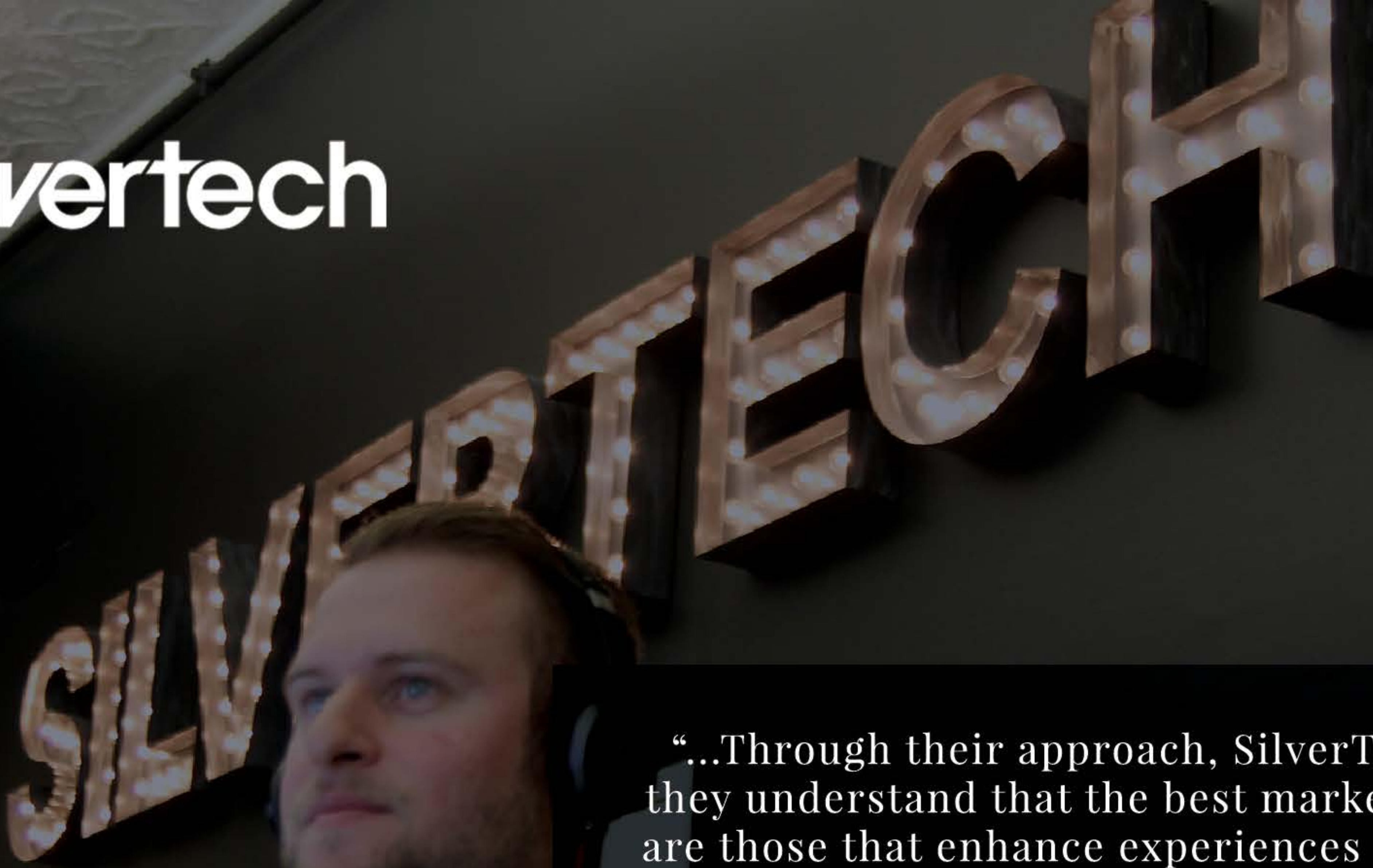


Copy Editor:
Melissa Woelflein
Marketing Coordinator



Survey Creation:
Samantha Maltais
Principal Strategist





“...Through their approach, SilverTech has proven they understand that the best marketing strategies are those that enhance experiences throughout the entire customer journey.”

- Brian Halligan, CEO, HubSpot



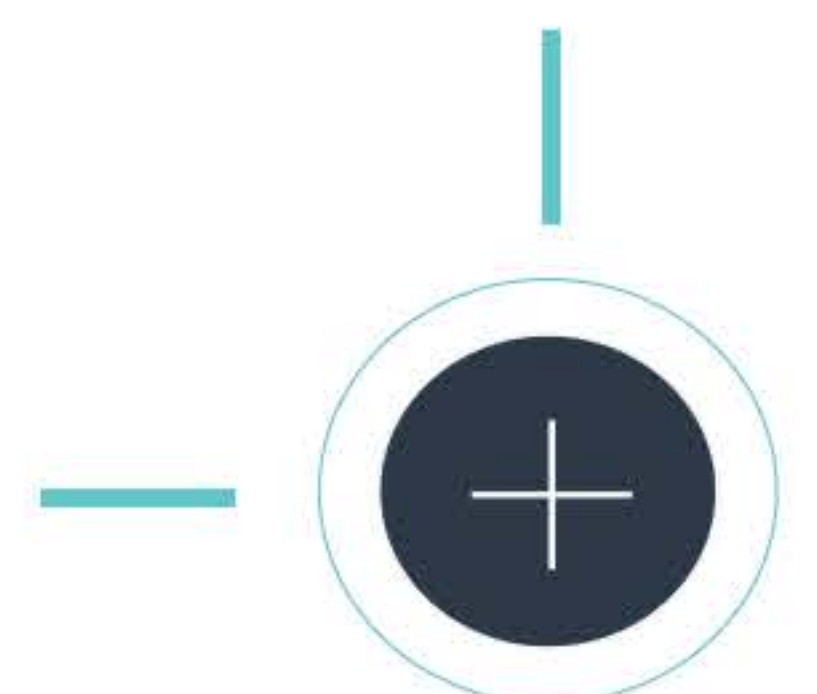
About SilverTech

SilverTech is a digital marketing and technology company; redefining how businesses engage with and understand their customers. Founded in 1996, SilverTech was built on the belief that connected data can yield strategic, actionable insights. Our custom, integrated solutions give a 360 degree view of even the most complex customer journeys. From our headquarters conveniently located in Manchester, NH, we have helped national and international clients transform their business for the digital age and unlock new possibilities for growth. SilverTech's core services, united by our Lead to Loyal™ approach, include website and mobile development, digital marketing and strategy, user experience (UX) design, salesforce development and integration, marketing automation, application development, and managed services and hosting. Go to www.silvertech.com for further information.

Technology Partners



Kentico





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