

# What Change in Customer Behavior Will Impact Marketing Most in 2015?

**15 MARKETING PUNDITS**

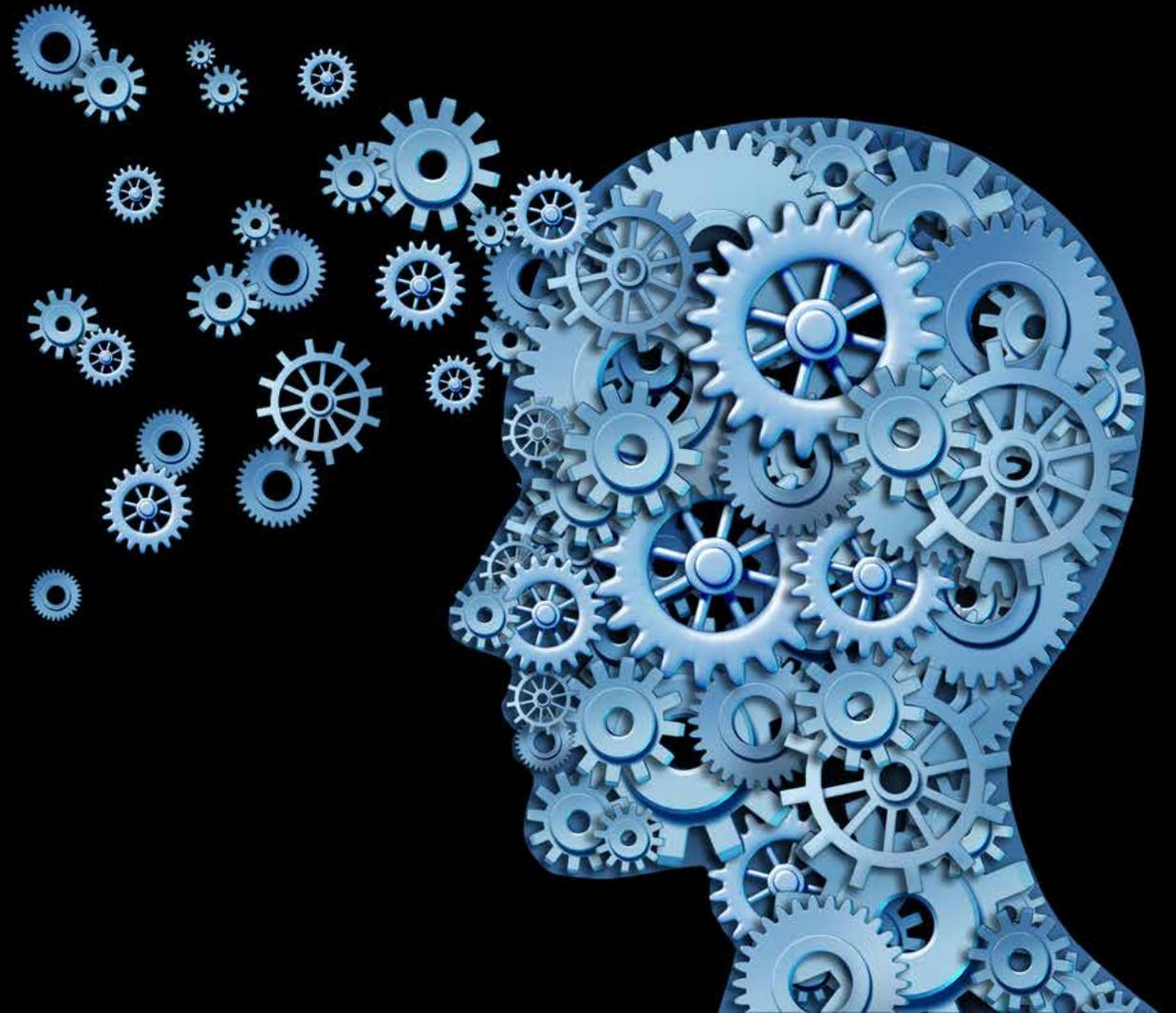
**PREDICT WHAT'S NEXT**

**FROM TODAY'S CAPRICIOUS**

**CUSTOMERS—AND**

**HOW MARKETERS SHOULD**

**SHIFT IN RESPONSE**



Oh, those wily, often unpredictable, ever-demanding customers. They have marketers scrambling to keep pace with their changing purchase habits and meet their skyscraper-high expectations. And just when marketers think they have it nailed—a campaign is especially effective or positive social sentiment spikes—customers unexpectedly adopt a new channel or behavior and the scramble begins again.

Customers, however, do have habits and preferences that help marketers predict what might be next in terms of customer demands. So, we asked 15 marketing pundits what change in customer behavior will impact marketing most in 2015? Here, their predictions of what marketers should expect from customers next year and how they can adjust their strategies accordingly.

-Ginger Conlon



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CREATION &  
CO-CREATION**

**BLAIR  
CHRISTIE**

CMO, Cisco

**RICHARD  
JONES**

CEO and  
Cofounder,  
EngageSciences



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CREATION &  
CO-CREATION**

**MEG  
BEAR**

Group VP, Oracle  
Social Cloud

**JUSTIN  
GARRITY**

President,  
TigerLogic



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**DATA & THE  
CUSTOMER  
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**DENNIS  
DAYMAN**

Chief Privacy  
Officer,  
ReturnPath

**KIM RIEDELL**

SVP of Product and  
Marketing, Digilant



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**DATA & THE  
CUSTOMER  
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**MICHAEL  
CLARK**

Principal and  
Cofounder, Beeby  
Clark+Meyler

**ALEX  
LUSTBERG**

CMO, Lyris



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MOBILE  
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**MANOJ  
AGGARWAL**

VP, Digital  
Strategy,  
McMURRY/TMG

**ED HASLAM**

SVP of Marketing,  
PlaceIQ



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**CONNECTED  
INDIVIDUALITY**

**STEVE KERHO**

Chief Strategy  
Officer, Meredith  
Xcelerated  
Marketing

**PETER  
HUBBELL**

Founder and CEO,  
BoomAgers



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**CONNECTED  
INDIVIDUALITY**

**DON  
MACLENNAN**

CEO, Bluenose  
Analytics

**CHUCK  
CORDRAY**

CEO, Inlet



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**CONNECTED  
INDIVIDUALITY**

**LIZ  
OSBORN**

Vice President  
of Product  
and Solution  
Marketing,  
Five9



# CONTENT CREATION AND CO-CREATION



**BLAIR CHRISTIE, CMO, CISCO**

The customer journey used to be linear. Marketers were the ones responsible for creating brand awareness and loyalty. Not true anymore! We're now living in a digital world where customers are in control. They're doing their own research, shopping online, and interacting with brands on social channels. In response to this shift in power and behavior, marketers must put content creation and digital engagement at the core of their strategy and use data, analytics, and new technology to learn more about their customer than ever before.

Ultimately, the most effective way to engage with customers is to obsess over them: customize content, establish relationships, and treat them well so that they make an emotional connection. That will translate into brand loyalty.

**RICHARD JONES, CEO AND COFOUNDER, ENGAGESCIENCES**

The massive growth in consumers creating user generated content (UGC) and how marketers can effectively use it will be the biggest challenges for marketers in 2015. Why? The increase in mobile broadband has led to an explosion of camera phones, catching and sharing content on a proliferation of social networks. In fact, a staggering 1.8 billion photos are posted every day, with 72% of consumers active on social media. Interestingly, 84% of millennials state that UGC influences what they buy, and using social content increases click-throughs on a call-to-action by 22%.

For marketers, this means the marketing currency of 2015 is not building likes and followers via third-party social media sites; it's finding and placing, as well as encouraging, the best user-generated content on their brand sites. By doing this their sites become effective social hubs that reduce bounce rates, increase dwell time, and drive sales.





**MEG BEAR, GROUP VP, ORACLE SOCIAL CLOUD**

The biggest change in behavior will be around customer engagement taken to a new level: Customers literally co-creating with companies to develop better products, services, and relationships.

We've always sought customer input—think: traditional focus groups. Technology, particularly social, has enabled the most comprehensive and insightful focus group ever. Our partner, General Motors, is developing better automobiles by seeking customer input, as well as by making product enhancements practically on the assembly line by listening to social conversations. Marriott generated an award-winning marketing promotion from a customer suggestion on social. And LeapFrog brought back a once-retired product simply by listening. We're talking about real business value; customers co-creating better products and services that drive stronger revenue and brand loyalty.

Businesses that listen, engage, and empower customers can transform their businesses. That new level of customer experience is really "customer engagement" that's all about collaboration and innovation where all parties win.

**JUSTIN GARRITY, PRESIDENT, TIGERLOGIC**

With the proliferation of new social networks and platforms, 2015 will see a deluge of user-generated content (UGC) across a multitude of channels. This presents a huge opportunity for brand marketers as the demand for fresh content will only continue to increase. As brands invest in new content marketing campaigns, they should look to the wealth of content generated by fans to keep up with that demand. Marketers should be prepared to turn UGC from their fans into a source of new content by giving fans a stage on which to share their content.



# DATA AND THE CUSTOMER RELATIONSHIP

## **DENNIS DAYMAN, CHIEF PRIVACY OFFICER, RETURNPATH**

Awareness is the word I would use. Customers are being bombarded day after day with data breaches and many of them are questioning when to share data on themselves and how to control it. I'm not saying marketing is going to die because of privacy and security issues, but consumers want to know that you're being reverent with the data they trust you with. This includes how you're securing it from unauthorized access and being up front with them when something goes wrong. Can you win their trust to give you their mobile numbers and not feel that it will be sold or shared without their knowledge and will it be kept secure?

Use your capture forms as a way to earn customers' trust by showing off to them your privacy and security standards. Don't bury those promises in a policy or terms. Be hyper-transparent with them and respect their choices.



## **KIM RIEDELL, SVP OF PRODUCT AND MARKETING, DIGILANT**

There's not one change in customer behavior that will impact marketers most in 2015; it's the speed in which customer behavior changes that will have the biggest impact. In today's multi-device world consumers are inundated with information and overwhelmed with choices and options. This has led to a more diverse and complicated audience for marketers to reach and convert. Consumers today have a range of characteristics and interests that change by the minute. To capture consumer attention and convert sales, marketers must understand how consumer personas change in real time and fortunately technology has evolved to enable them to do so. Gone are the days of broad audience segments such as "soccer mom." Consumers now cross into multiple segments and even jump between them throughout their day and over time. Marketers in 2015 must expand their understanding of consumers and adjust their marketing strategy to reach and convert them more effectively.



**MICHAEL CLARK, PRINCIPAL AND COFOUNDER, BEEBY CLARK+MEYLER**

The change in consumer behavior that will impact marketing most in 2015 is that consumers will be digital, multi-device, on-demand viewers of content and advertising.

Wait, hold on. That's not a change, is it? No, but I think that this 2015 prediction question as written indulges most marketers' habit of looking toward the new while ignoring and failing to act on the now. Maybe the better question for 2015 is: What change in marketer behavior will impact marketing most in 2015, given that consumers have already changed?

In 2015 marketers will take ownership of their data and treat it like an essential strategic asset.

Stop renting insight from your agencies and media partners and own your data. One place to start is to gain an understanding of how data management platforms work and how they can provide valuable insights into media effectiveness. Think of the data that device and media channel proliferation are throwing off right now. Are you going to sit on the sidelines for another year while your competitors get smarter?

**ALEX LUSTBERG, CMO, LYRIS**

The most important drivers of change in 2015 will be a focus on relationships—which is not new—but also an increased desire for customers to control what information they consume and when. Device proliferation, increased messaging volume/noise, and the ability to measure engagement and adapt with digital strategies that deliver content value at every opportunity remain the marketer's Holy Grail. But the key is making the vast troves of customer data easily available to marketers without having to replicate the "system of record" every single time. A new paradigm shift is emerging; one that focuses on connecting versus collecting customer information—that takes advantage of innovative data federation approaches to make real-time segments actionable in the service of delivering customer value at every interaction.



# REVVED-UP MOBILE ADOPTION



**MANOJ AGGARWAL, VP, DIGITAL STRATEGY, MCMURRY/TMG**

With the integration of NFC into iPhone 6, we'll see a tipping point in 2015 where mobile phones will become the central digital experiential touchpoint in people's day-to-day lives. We'll also see a new definition of viral as people share content by proximity and not just by sending or posting it. And, as consumers become increasingly comfortable with mobile being their primary means to access content of all types, they will increasingly look for content that is both location- and time-relevant while they're out in the "field." For example, the content that a user will want to consume while enjoying a sunset on a Florida beach will be very different from what they'll likely consume in a waiting room for a morning doctor's appointment. Marketers who can make their content contextual and sharable with respect to these new dimensions of time and place will be winners in 2015.



**ED HASLAM, SVP OF MARKETING, PLACEIQ**

The American market for smartphones will be nearly saturated by 2015, and marketers should be thinking about mobile ad strategies in terms of how to use smartphones to connect digital and real-world behavior. Customers will continue to move throughout the physical world and be influenced by a growing number of external factors on their purchasing journeys. Marketers need to ensure that they fully understand their audiences and can anticipate how they'll react.

Smartphones will continue to offer a way to not only gain insight into consumer behavior, but also to measure the impact of a campaign by understanding which locations consumers visit, post-impression. Marketers in 2015 must consider smartphones as both vehicles for ad delivery and tools for insight and measurement.

# CONNECTED INDIVIDUALITY



## **PETER HUBBELL, FOUNDER AND CEO, BOOMAGERS**

2015 is not just another new year; it's the beginning of a new era: the Age of Aging. No other trend will do more to impact the way we live and the way we market to lifestyles. 2015 will be the first year that all 78 million U.S. Baby Boomers will be over 50. So, now that they're no longer in the 18-49 demographic, these high-frequency consumers will need to be targeted discretely so marketers can capture their massive potential.

The Boomers are clearly what I've coined as Marketing's Most Valuable Generation, and they will continue to have the most and spend the most even as they age. Brands that anticipate the implications of aging consumers, innovate their products, and reflect the Boomers' deeply-held values in their marketing will not only reap huge short-term rewards, but also will tee themselves up to transfer their brands' equity to the Boomers' children...the millennials.

## **STEVE KERHO, CHIEF STRATEGY OFFICER, MEREDITH XCELERATED MARKETING**

The extraordinary advances in digital technology and social media have collided to create the most important development in digital marketing: the rise of the hyper-connected consumer. They have high expectations of content and access to it, and are on the leading edge of technology usage and adoption. They're also redefining expectations for digital utility that marketers need to be aware of and prepared to react to.

First, they expect simplicity in all of their digital interactions; anything other than an intuitive interface is a failure. Second, they expect all of their experiences to be highly personalized to their interests and needs. Third, they want experiences that empower their decisions. Think of how Uber has fundamentally changed the taxi experience by allowing users to easily track the vehicle on its way to pick them up.

Marketers who don't successfully cater to these unique needs do so at their own risk.





**DON MACLENNAN, CEO, BLUENOSE ANALYTICS**

In 2015 SaaS and the Subscription Economy will continue to affirm itself as customers' business model of choice. This poses a challenge to marketers who have to ensure they constantly engage with their customers to grow and retain them, or risk seeing them churn. In the past decade, as a marketer you would be satisfied with getting someone to buy your CD, and then progress along the multi-year upgrade cycle. Nowadays, people get to vote every month with their wallet as to whether they'll stay with you or not. This means marketing needs to be precise from day one with relevant messaging for each individual user's journey.

**CHUCK CORDRAY, CEO, INLET**

The customer is the center of it all. Instead of marketing to the masses, brands need to market to the individual. We know consumers want to dictate where and how they want to receive communications from their favorite brands and it's not just about the company's website anymore. Consumers are living a fast-paced, digital life and brands need to adapt.

Digital content needs to be distributed from companies to consumers via the destinations that the consumer selects. For example, most consumers are storing music and photos in the cloud; but now, they want all their information, including content from brands, stored where they want it. Companies should be making it easier for consumers to live their digital and paper-free lives by automatically providing customers with quick, convenient access to their digital communications.





**LIZ OSBORN, VICE PRESIDENT OF PRODUCT AND SOLUTION MARKETING, FIVE9**

Customers are no longer impressed by a seamless transition between channels, they expect it. In 2015 customers will demand that companies are responsive and engaging on their channel of choice. Marketers need to be present on these channels, and should proactively use data to identify and respond to the moment of truth.

By the time a customer reaches out to a company, most of the sales cycle and research process has already been completed and the vendor has not had an opportunity to engage. Today prospects are skimming all available recommendation sources (social, online reviews, peer evaluations) to have an accurate, unbiased representation of their options. This personalized review and evaluation process will drive the need for marketers to arm themselves with the tools capable of monitoring, responding, and engaging with customers across multiple channels. By intelligently following customers from channel to channel, and continuing to recognize their needs and stage of the buyer cycle, marketers will create an omnichannel experience for customers and gain a leg up on the competition.