



What Will Influence Marketing in 2015?

25 PUNDITS PREDICT THE NEXT BIG THING ON THE MARKETING HORIZON

By Ginger Conlon, Elyse Dupré, Natasha D. Smith, Perry Simpson, and Al Urbanski

Trend predictions abound as one year ends and a New Year begins. Behind the marketing and consumer trends are changes and influences that, like erosion impacts the flow of a river, alter customer behaviors and marketing strategies. Direct Marketing News asked 25 experts who track the changes behind the trends to provide their insight into what Big Thing—a transformation or introduction—will happen in marketing in 2015, what will influence marketing most as the year unfolds, and what, if anything, will disappear. Here, their outlook on the marketing landscape in 2015.



JEANNETTE HO
VP of Revenue
Management and
Analytics, FRHI
Hotels and Resorts

Consumers are increasingly self-enlightened and independent in the discovery and research phase of a purchase, with [the] majority of affluent customers indicating that they can access good quality information online [and] are influenced by user reviews and expert opinions. They're growing more invulnerable to the persuasion of advertisement and supplier messaging, so brands will need to ensure that their personality online, in print, and, most important, throughout the customer journey experience is meaningful and consistently expressed to the consumer.



BRUCE BIEGEL
Senior Managing
Director,
Winterberry Group

Next year we're going to start to see a dramatic increase in programmatic TV adoption. Given the fragmented delivery market, a diverse set of insertion order platforms, and the local nature of cable TV, buying it is going to take time to adopt the platforms, process, and the sales forces, but it's going to happen. We expect to start seeing adoption and testing in 2015 at the local, regional, and national level because as viewers continue to move around devices and research and shop on multiple screens, marketers will begin to realize the value inherent in synchronizing marketing

messages across channels, day-parts, frequency, devices, and audiences.

In terms of what will influence marketing, 2015 will be heavily focused on measurement: what's working and how do I optimize my spend? We'll see a big collision in measurement among providers as marketers look for more accurate and easier digital measurement across channels, platforms, and devices. Consider Google's purchase of Adometry, and AOL's acquisition of Convertro—they're building out a better way to show the efficacy of their advertising. They're diverting attention from the classical companies like Nielsen that were always in measurement. The environment will be challenged by who moves forward fastest or do they collaborate? The large enterprise services providers, publishers, and marketers are going to try (i.e., test) everything before it all sorts itself out over the next few years.

We won't see any channels or strategies go away next year. Things don't go away, because there are leaders and laggards; some industries go fast and some go slow. Restaurants, for example, only spend 5 to 10% on digital, versus the auto manufacturers, most of which spend about 50% on digital now and plan to increase that next year. Something only would go away if it was regulated away and I don't see that happening.



**EDUARDO
CONRADO**
SVP of Marketing
and IT,
Motorola Solutions

Marketers will see a move toward creating high-quality, focused, and, above all, "human" content that



The Future Of... **GLOBAL MARKETS**

Disruptive global trends are coming. Here are three:

- 1. The connected planet.** The uber-convergence of mobile, Web, cloud, and the Internet of Things will connect brands and consumers faster, creating a dynamic real-time global marketplace.
- 2. Smart cities.** Forget about regions and nations, it's all about the next 100 cities where the talent, tech, wealth, and buying power will be.
- 3. Global wealth shift.** By 2030 more than 50% of global GDP will be generated by emerging markets.
—James Canton, Ph.D., CEO, Institute for Global Futures and author, Future Smart

uses technology to deliver appropriate campaigns to users across many channels. I see mobile-first methods as fading out in 2015. This term has been incorrectly cited as the way to best address user needs for content. While some of the principle holds true, it will be refined into a context-first approach, with talks not about a device dictating what users will want to see, but the situation they're in. [Marketers] need to do a better job of understanding and respecting their customers to cut through the unnecessary data and get them the content they want to see through the use of robust analytics. I think 2015 has the potential to be the year where the digital experience will be the primary focus and marketers will take more mindful, analytics-driven, and orchestrated approaches to all aspects of marketing.



JACOB MORGAN

Author, *The Future of Work*, and Cofounder, The FOW Community

There are several powerful drivers that will impact marketing in 2015 and beyond; the most powerful will be Big Data. As devices become more connected to each

other and to us, the amount of information and data that companies will have on their customers will increase exponentially. This means marketers will take personalization and targeted marketing to a whole new level. The challenge for marketers, however, isn't going to be how to collect the data, but how to make sense of all the data they get from multiple streams and then how to turn that data into something meaningful to create superior customer experiences.



PAT SPENNER

Managing Director, Marketing & Communications practice, CEB

Based on the results of our "Digital Marketing Capabilities Investment Survey, I expect that the primary objective of marketing-technology investments will shift from cost reduction in 2014 to

building brand preference and purchase intent in 2015. In 2014 cutting marketing cost was the primary driver for B2C marketing-technology investments. This was even more pronounced in B2B, where 50% of the digital capabilities that saw mainstream adoption in 2014 are consid-

ered best suited for cutting marketing cost. This focus on cost cutting is driven by high investment in operational, analytic, and data capabilities.

As enterprises deploy these technologies, they will shift their technology investments in 2015. B2C organizations will focus on building brand preference with their technology investments. B2B organizations will invest in technologies that are best suited to aid customer information gathering and create consideration for their solutions.



JOE PULIZZI

Founder, Content Marketing Institute

I predict that we'll see a surge in print magazines from brands in 2015. As most brands continue to focus heavily on digital, smart brands will realize that it's much easier to cut through the clutter by leveraging "the post" without much competition at all.

I also predict that medium-size and large businesses will begin to purchase niche media companies in 2015 because they thirst to create real relationships with targeted audiences. Most enterprises struggle at creating a content platform to build audiences, so some will just go buy it instead.

What will go away? Organic reach in Facebook. Facebook is 100% a media company where brands will have to pay to get attention.



PATRICK QUIGLEY

CEO, Vantage Media

The difference between desktop and mobile was really evident in 2014, and the ability to advertise on the two was very different for marketers. But, the effectiveness of mobile and better responsive Web design and apps will close the gap in different marketing strategies, and it will become the same across the board.

This will definitely influence decisions marketers make in 2015.

In fact, the way we think, talk, and plan digital will change fundamentally in 2015. And by that I mean we'll stop talking about "digital" as if it's something different and distinct. It will just become part of our regular plans. Kind of the way, as consumers, we don't take out our phone or turn on our iPad and say, "Look, now I'm going to use my digital device."



V. KUMAR

Executive Director of the Center for Excellence in Brand & Customer Management, Georgia State University and Head, Marketing Science to Marketing Practice Initiative, INFORMS Society for Marketing Science

I foresee the marketing function transforming into a more crucial role within the organization by becoming an integral part of the organizational decision-making framework. In other words, a tight-knit integration of marketing activities with the other business functions can be expected. This will create unique opportunities for marketers wherein marketing campaigns and strategies will now have to consider the interface of other business functions, and not just the marketing function. Further, interdependencies with other factors such as accountabili-

ty, investment decisions, technology needs, and operational guidance will come to the fore as companies will begin to realize the power of marketing and its data-oriented analytical capabilities.

Additionally, requirements from the corporate board and shareholders regarding accounting for marketing actions and how they improve the bottom line will be felt more strongly by marketers. Specifically, the expectation to demonstrate the value added by the marketing function, and its efficiency and effectiveness will come to the fore. This will reinforce the importance of collecting and analyzing Big Data that will help in justifying marketing actions.

Externally, changes in media usage patterns will impact marketing. With consumers spending more time on social media and interactive media, companies will reassess their overall strategy and resource allocation across the channels. This will have a strong impact on their media budgets that are designed to rapidly promote their brand through viral content and consumer engagement efforts. More companies will be keen on collecting data on the impact, reach, and progress of a product/service to align their offerings with customer behavior.

I think the product-centric approach to marketing (i.e., selling products) will largely be replaced by the customer-centric approach to marketing (i.e., serving customers). While the product-centric approach focuses on making and selling superior products, the customer-centric approach focuses on the customer's needs and wants. Already many companies such as Apple, Wells Fargo, and Harrah's have changed their focus to the customer. This approach is characterized by considering customers as sources of value, building and enhancing customer equity, and realigning resources centered on customers. This is also supplemented with a change in the organizational-level philosophy of doing business, realignment of organizational roles, and the integration of different functions. Such an approach will enable companies to improve their bottom line by implementing customer-focused campaigns directed at increasing purchases, referrals, customer influence on the social media, and feedback to improve offerings.



The Future Of... **OFFLINE**

More and more "on-line only" businesses have discovered that well-crafted offline advertising actually drives great ROI. Warby Parker is opening stores across the U.S., Shutterfly and Bonobos are doubling down on print catalogs, and there are now more than 100 dot-coms running TV campaigns. These typically aren't nine-figure branding efforts, but rather targeted, data-driven bets that are extensions of the direct response approaches that are already producing results through online campaigns. I expect offline spend among online brands to only continue going forward.

*-David Rodnitzky,
CEO, 3Q Digital*



NICK BELL
Senior Director,
Oracle Marketing Cloud

“If chief marketing officers are smart, they will become the chief money officer. They won’t have to change the initials on their towels.... They will have just as much if not more opportunity to drive revenue and company success than anybody else in the C-suite next year.”

personalize a customer’s experience actually comes from having a full picture of each individual customer, which is dependent on looking at all the data in a holistic way instead of individual silos.”



WALTER LEVITT
CMO, Comedy Central

“Consumers and their evolving media habits will influence marketing most in 2015. And at the risk of sounding like everyone else, that surely means a continued drive to mobile.

“Hopefully, we’ll never, ever, ever again hear anyone say, ‘Let’s make a viral video.’ Instead, we’ll

all just focus on making smart, memorable advertising. And the best of that work will be seen widely if consumers deem it share-worthy.”



PETER FOSTER
VP of Solutions
Development, Yahoo

“There are a lot of measurement options out there today that matter to digital advertisers; for example, closed loop, brand studies, and last click. But, ultimately, marketers need to know three things to effectively measure success: was their ad seen, who saw it, and what was

the impact? Finally, in the coming quarters, with viewability standards and data availability clarifying the first two, marketers will be able to get more insight into each of these pieces, and be able to focus on a clearer vision of their efforts—showing how their strategies collectively contribute to the bottom line.”



MATTHEW FABIAN
Director of Customer
Contact and Lead
Management, BMO
Bank of Montreal

“The term ‘Big Data’ [will go away in 2015]. This will go from the next big thing to table stakes. As channels converge and digital becomes more prominent, more and more integration of data, including

unstructured data, will be a necessary competency to drive relevant analytics and customer insight.”



PAUL TOMS
General Manager, Joss & Main

“As the ad marketplace gets noisier and noisier, there will be an even greater need for marketing content to stand out in a meaningful way that informs, entertains, and captivates your target audience. In addition to a strong content strategy, it will continue

to be important to align messages across all channels and communicate in a clear, concise, and authentic way.”



MICHAEL D'ADAMO
CEO, T.O.P. Marketing Group

“Marketers are the biggest advocates and advertisers of our enterprises, therefore the integrity of our leadership, the integrity of our brand, the integrity of our message, the integrity of our policies, and the integrity of our operations will act as a bridge between the marketer and the customer.”



STEVE DENTON
VP of Marketing Solutions,
eBay Enterprise

“Personalization is likely to have the biggest impact on marketing in 2015. We constantly hear people talk about the power of data, but rarely see its impact on consumers. For marketers, it means providing customers with an experience that is customized to their buying habits,

including what devices they use when making purchases and what products they’ll be interested in.... The ability to

THE SPEED OF CHANGE

Marketers need to invest in channels that show growth, demonstrate undeniable potential, and meet ever-changing company and customer needs. Experts predict the 2015 trajectory of five specific platforms: email, mobile, print, social, and Web.

Direct mail as a channel will plateau in 2015. Direct mail, however, still provides advertisers with an opportunity to gain incremental sales and leads in a cost effective manner. The world is becoming much more digitally savvy, so it will be critical to tie direct mail efforts to some sort of digital brand experience. Direct mail is a great way to encourage offline audiences to visit the brand's digital properties, through the use of QR codes, augmented reality experiences, or coupon codes that can be used online or in-store.

The outlook for **email** in the coming year is mainly positive. It's a mainstay for most marketers, and the data email provides will become more and more valuable for marketers identifying customers and audiences cross-device and cross-channel.

—Mark Strecker, CEO, Amobee

The use of **email** [marketing] in 2015 will stay the same. But I think targeting will improve based on the connection to social data and to the cloud. Marketers are building authentic, one-to-one relationships with their customers on social platforms—Facebook, Twitter, and LinkedIn. And [marketers] learn about [customers]. That information they glean, the social data from the social platform, will inform email campaigns to improve targeting, personalization, and demand generation. Marketers will send more relevant emails in 2015 with this data. In effect, those tailored messages will improve performance.

Mobile. It's now the indisputable, dominant, media-consumption device for users. They're consuming media on mobile, and they're going to be interacting and transacting even more. So, mobile will be revving up, and its biggest trend in 2015 will be Twitter's integration of

Mo-Pub and tech commerce, which will spur significant growth. Marketers can't ignore that.

—Mark Josephson, CEO, Bitly

In 2015 **mobile** will be the primary way marketers will interact with consumers and the primary way consumers interact with brands—and they expect that experience to be seamless and continue to their...mobile devices. It's definitely revving up. No question. And the biggest change in 2015 will be that people will expect their local physical experiences to reflect on their personal, portable devices.

Web will continue to accelerate. It'll be revving up, and the biggest trend there will be around content marketing—companies creating authentic brand stories. It'll be deeper and more transparent data on the Web about products and services.

—Ken Allard, Managing Director, Business Strategy, Huge



Actually, the dust is beginning to settle around **social**. Marketers are beginning to understand social; the kind of euphoric excitement is simmering down, and that's a good thing. Social is one more tool in the arsenal, but there's

no longer this overemphasis on the power of social by itself; it's becoming more a strategic component of a campaign rather than a bright, shiny object. It's normalizing.

—Rebecca Lieb, Analyst, Altimeter Group

Revvng up is a tough description [for **social**]. There will be growth in the use of social data. There will be a diversification in social channels for the purposes of distributing media and marketing messages—channels like Snapchat, Kik, and other social media ecosystems. The use of social media isn't going to increase that much; it's just that its shape will evolve. In 2015 there's going to be even more diversity in social channels, and that'll make it harder for marketers to find their customers on those channels and determine which social channel is best for engaging which audience for which purpose.

—Mark Yackanich, CEO, Genesis Media



The Future Of... VIDEO

We see screencasting as the future. Instead of juggling multiple devices, consumers will access everything through their phones. Based on their unique location, we'll be able to connect these mobile units to a variety of screens to have a seamless content experience. For example, you'll be able to go from watching TV at home to watching TV at the office all from one single device, which will be equipped with a variety of multi-device capabilities. This experience will be similar to the Apple AirPlay experience, where users can wirelessly stream content from their iPhone, iPad, and iPod touch to the TV via Apple TV. Eventually, this ability to connect all devices seamlessly will be as transparent as WiFi. User experiences will no longer be fragmented, but rather continuous and unified, allowing all of their devices to be managed by a single smartphone.

—Zvika Netter, Cofounder and CEO, Innovid

WHAT WAS THE BIGGEST MARKETING WOW IN 2014?

Earlier this year CVS Caremark rebranded as CVS Health and its retail pharmacy chain, CVC/Pharmacy, stopped selling tobacco products. The latter sent a resounding message to customers and other constituents that the organization takes its brand positioning as a health-care company seriously. In terms of marketing, CVS is walking the walk of its brand promise to be about health—and in a big way considering the short-term lost revenue of what was about \$2 billion a year in tobacco sales, according to the company. Wow.

CVS Health wasn't the only company to turn heads with a marketing "wow" last year. Here, several industry observers cite other wow marketing moments from 2014.

GEORGE WRIGHT / Thunderhead.com

For me, my wow moment was represented by the shift in how brands think about where their relationships start and end with customers.

In the past the product purchase was the end point of the customer experience, now it's the starting point. Think about that shift: it's awesome in that it's so value-driven.

Nike is one example; it used to make shoes and market them. It was: everything ends with the sale. Now it starts with the sale. The brand is partnering with companies such as Apple and Fitbit to understand what motivates customers about fitness to truly personalize their experiences. It's outside-in thinking. Nike is really changing the way it determines whether it's made the right products; how it should enhance those products; and how customers actually use and get value from them.

The brand also allows customers to personalize their own products through its 'NIKEiD' service, enabling customers to choose the look and feel of their trainers and accessories as part

of a shared experience with the company.

Customers give feedback on how they think Nike can personalize and improve its products. Nike feeds that back into its product design and development, and over time builds richer and more valuable relationships with its customers. That's where it's going: Starting to balance the outside in, with the inside out.

RICHARD ROSEN / President and CEO, ROSEN

The biggest marketing wow of 2014 was the ALS Ice Bucket Challenge. Each participant poured a bucket of ice water over his head, posted a video of it on social media, and/or donated to the ALS Association—and challenged others to do the same. The results? About \$100 million in one month.

In today's world the companies that achieve sustainable success will be the ones that similarly blend profits with social purpose. People crave empathy; they want to be a part of something that makes them feel empowered.

As marketers, appealing to customers' higher sense of purpose adds a whole other layer to our messaging platforms.

The ALS Ice Bucket Challenge is proof that customers want to be a part of something big and meaningful. They will gravitate toward brands that capture their hearts and minds with genuine values. This is what will spark a greater connection with your brand, and, ultimately, win long-term relationships.

ADAM PADILLA / Cofounder and President, BrandFire

The biggest marketing wow of 2014 has been the phenomenal crossover success of Taylor Swift's "1989" album. I'm proud to say that I bought this album, and love it. I credit state-of-



The Future Of... THE U.S. POSTAL SERVICE

Falling letter mail volume for about eight years has led some pessimists to conclude that there is a bleak future for the postal service. I disagree. Postal operators (POs) need to downsize even more than they've done recently. POs need to rethink the Universal Service Obligation (USO), essentially the obligation to deliver to every address six days a week. Instead they should deliver from one to six days a week depending on traffic. POs will become more like parcel companies, delivering many more parcels from their own customers and from parcel companies. Finally, more POs will become privatized as governments see fewer benefits in owning them. POs do have a future, but they will be very different from POs today.

—Michael A. Crew, Professor of Regulatory Economics, Rutgers and Director, Center for Research in Regulated Industries



the-art marketing and branding tactics just as much as her musical talent.

Her team's strategy has been direct in its approach and brilliantly effective. She entered the music world as a country sensation. Swift's persona and "brand" on the incredibly catchy "1989" album is that of a fun-loving pop star who went from country music star to pop music idol, and won many fans in the process. I call that brilliant marketing by way of creative content and brand extension.

Further, by disavowing Spotify as a hub for piracy, she doubled her Youtube views and her sales shot through the roof. A risky strategy, but with the knowledge of her crossover boom eminent, a fruitful one.

GARY KOEPKE / Chief Creative Officer, SapientNitro North America

The biggest marketing wow for me in 2014 has been Big Data's impact. Yes, we all knew it was coming, and we all knew it would be here to stay. But did we really know how powerful the results would be? According to *Harvard Magazine*, the data stream from phones, credit cards, televisions, and computers, in addition to data streaming from city infrastructures and sensor-equipped buildings, trains, plane, and automobiles, over the past two years is a zettabyte. I don't even know how big that is! But they said it dwarfs the entire record of the prior human civilization. More important, what we can do with this data is revolutionary, not only from a qualifiable point of view, but also how it can be used to determine the kind of bread I may buy or predict the name of my next kid, or even whether I'm likely to have another kid.

Include the continued growth of social media, new algorithms, and the public's willingness to "share" their information and experiences with others, add Moore's Law to this all, and who knows what new predictive models for marketing will be able to accomplish—sooner rather than later. Wow, think of those consumer insights. It should make my job a lot easier, although it may just be "too much information." Time will tell.

STEVE HARDING / Global CEO, Geometry Global

Two campaigns in particular wowed me in 2014: **"Volvo Trucks Live Test" Series** – This was a standout piece of marketing for me this year. B2B marketing for the YouTube era! This campaign shows how brands can become publishers of original content that, in turn, ignites conversations outside the original target group. Volvo Trucks Live Test films generated more than 100 million YouTube views and were shared nearly eight million times. All the spoofs created based on Jean-Claude Van Damme's Epic Split created another 50 million YouTube views. **"Second Chance" for Business in the Community** – This campaign employs a clever hack of the "Skip Ad" button and tells a great story at the same time. The ad interacts with the viewer's actions, with the character getting more distraught every time "skip ad" is pushed, or growing in confidence the longer the viewer watches. The viewer—sitting in the position of a potential employer—is thereby encouraged not to automatically skip a candidate with a record, but to give ex-prisoners in the UK a second chance.



The Future Of... SOCIAL MEDIA

2015 is the moment of truth for social marketing. Facebook acted like an abusive spouse in 2014 ("You're too markety!" and "You're not spendy enough!"), with endless algorithm tweaks and hoops to jump through. It's been tough enough to justify social spend, but with the increased budget now required to fund paid social ads, some social marketers may decide enough is enough. This year marketers must find ways to justify paid social ad spend if they want to continue to be social brands. ROI frameworks, social performance software, automation tools, and their learning curves will be top of mind in 2015.

–Eric Weaver, Chief Social Officer, IPG Mediabrands