

# 10 Key Marketing Trends for 2017

## and Ideas for Exceeding Customer Expectations



# CONTENTS

Introduction .....	3
<b>Trend #1:</b> Cognitive insights revolutionize how marketers deepen customer connections and fuel strategic growth.....	4
<b>Trend #2:</b> Companies shift from “mobile strategy” to creating an engagement strategy for their customers on mobile.....	5
<b>Trend #3:</b> Influencer marketing becomes more sophisticated and critical to brands’ social strategy.....	6
<b>Trend #4:</b> Marketing and ad technologies draw closer together to drive efficiency and a better customer experience. ....	7
<b>Trend #5:</b> Customer success and retention strategies leap to the marketing forefront.....	8
<b>Trend #6:</b> Center-brain marketing melds creativity and tech to fuel success in a future driven by machine learning. ....	9
<b>Trend #7:</b> Interactive email shifts the channel’s paradigm and powers new ecommerce opportunities.....	10
<b>Trend #8:</b> Understanding the evolution from big data to dynamic data becomes imperative to success. ....	11
<b>Trend #9:</b> Apps continue to escape their icons and change the face of mobile interactions. ....	12
<b>Trend #10:</b> Leading marketers pursue a holistic view of the customer journey that radically shifts the customer experience. ....	13
<b>Bonus Trends</b>	
Partners .....	14
Tweets .....	14
Conclusion.....	18



### TWEET THIS!

Reading IBM’s “10 Key Marketing Trends for 2017 and Ideas for Exceeding Customer Expectations”

# 10 Key Marketing Trends for 2017 and Ideas for Exceeding Customer Expectations

Every day, we create 2.5 quintillion bytes of data.<sup>1</sup> To put that into perspective, 90 percent of the data in the world today has been created in the last two years alone – and with new devices, sensors and technologies emerging, the data growth rate will likely accelerate even more.

Is it any wonder that many marketers feel overwhelmed? Regardless of industry or profession, you need the right information at the right time to make truly confident and well-judged, productive decisions. But there's just so much information, and it's getting harder and harder to separate the signals from the noise, to discern the insights from the hindsight.

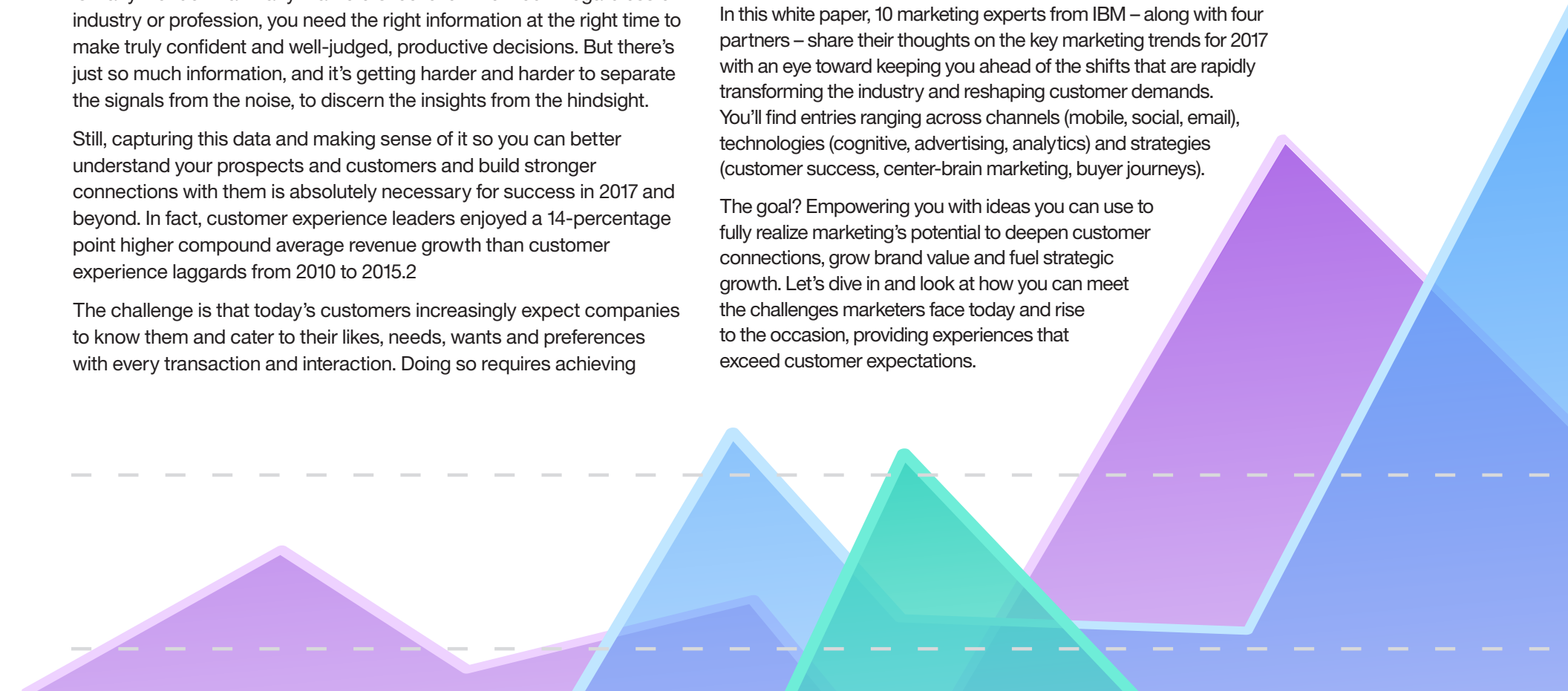
Still, capturing this data and making sense of it so you can better understand your prospects and customers and build stronger connections with them is absolutely necessary for success in 2017 and beyond. In fact, customer experience leaders enjoyed a 14-percentage point higher compound average revenue growth than customer experience laggards from 2010 to 2015.<sup>2</sup>

The challenge is that today's customers increasingly expect companies to know them and cater to their likes, needs, wants and preferences with every transaction and interaction. Doing so requires achieving

a holistic view of the customer journey that can be daunting in a multichannel world in which, for example, four touchpoints across four channels yields 256 possibilities for paths to purchase. The good news, though, is that technological innovations are opening up incredible new opportunities for marketers to evolve their strategies and employ smarter tactics to better connect with customers.

In this white paper, 10 marketing experts from IBM – along with four partners – share their thoughts on the key marketing trends for 2017 with an eye toward keeping you ahead of the shifts that are rapidly transforming the industry and reshaping customer demands. You'll find entries ranging across channels (mobile, social, email), technologies (cognitive, advertising, analytics) and strategies (customer success, center-brain marketing, buyer journeys).

The goal? Empowering you with ideas you can use to fully realize marketing's potential to deepen customer connections, grow brand value and fuel strategic growth. Let's dive in and look at how you can meet the challenges marketers face today and rise to the occasion, providing experiences that exceed customer expectations.



## Trend #1: Cognitive insights will revolutionize how marketers deepen customer connections and fuel strategic growth



**Maria Winans,**  
CMO, IBM Cognitive  
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The cognitive era will make 2017 a watershed year for marketers. Simply put, marketing in the cognitive era is different. It requires embracing data in previously unseen ways to deepen customer connections and fuel strategic growth. That means tapping into structured and unstructured data, spanning the information you possess, the data outside your firewall, and the data that's coming.

In the pre-cognitive world, the sheer complexity of data and the tools used to make sense of it kept us reliant on IT and data specialists to extract customer and marketplace insights. Unfortunately, when responsiveness and relevancy are critical (as in, always), those extra steps hinder the agility required for leading marketing that wins.

Fragmented views of customer data across organizations don't help either. The biggest

challenge is that some of the most revealing data about critical human insights is in unstructured forms such as images, natural language and video. This "dark data" has traditionally been out of reach, with 88 percent of all available data dark to most organizations.

The beauty of cognitive technologies is that data of all types from practically all sources — structured and unstructured — can be correlated and analyzed, creating unique insights. I'm talking about insights into emotion, attitude and tone — elements that can bring you closer to your buyers. The potential for marketers is enormous as we access these new data types and gain new awareness of feelings, motivations and behaviors.

Imagine, for example, using analytics to identify the customer journey that led to the most sales for your most important buyers. Then, with that information in hand, tapping cognitive technology to select the images and offers that would resonate with these buyers. From there, you might employ real-time personalization tools to present this content to only the right targeted audiences at the perfect time to encourage click-

throughs and purchases. Finally, cognitive tools could help you analyze campaign performance to assess the potential impact of tweaking content rules and program logic to drive even stronger results.

In this cognitive world, marketing solutions understand, reason and learn, serving up ever-smarter, contextual recommendations that help you create and precisely tune the entire customer experience. It's really a whole new realm.

As we enter 2017, marketing in the cognitive era is about using insight and technology in new ways to elevate the entire customer experience — creating singular yet cohesive moments throughout the customer journey that are tailored to each person's needs, beyond any single product or service. It's about building connections with customers that withstand the changing dynamics and demands of your evolving marketplace. It's taking on new opportunities to lead strategic growth for your organization.

It's a revolution, and it's coming fast.

## Trend #2: Companies shift from “mobile strategy” to creating an engagement strategy for their customers on mobile.



**Dave Faupel,**  
**Director of Marketing,**  
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[@davezamazing](#)

“Mobile” as many marketers once defined it is beginning to feel like a dated term. Now that the first decade of the “modern mobile experience” is coming to a close, we need to acknowledge that mobile devices are simply an essential vehicle through which the customer experience takes place.

As such, companies in 2017 and beyond shouldn’t have a “mobile strategy,” they should have an engagement strategy for their customers on mobile. Businesses that are creating beautiful mobile experiences that aren’t tied to their online systems, offline messaging, branding, trade shows and more are throwing money into the wind.

This isn’t to suggest that you should make every interaction so vanilla that there aren’t interesting assets in your mobile campaigns. Mobile devices have become the gateway to your brand, the easiest device to access no matter where you are. In most cases, this vehicle and its unique capabilities should be considered first before designing any content or campaigns.

However, while considering how a customer experiences your brand on a mobile device is essential, it’s not the only experience to consider. Every channel should know about interactions taking place in other channels — customers expect that. Remember: You’re one brand to a customer, not 12 channels.

When it comes to the mobile experience, the best way to break through the noise is to deliver relevance wherever and whenever your mobile customers want to shop. Consider, for example, that the average smartphone owner typically only uses three apps frequently.<sup>1</sup> How do you deliver truly relevant and meaningful experiences so you’re one of those three?

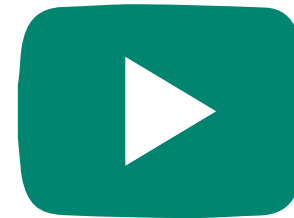
Simply put, data helps create relevance. The more data you can make sense of, the more you can use to create valuable engagement with your customers. Mobile devices are a treasure trove of data, providing information on app behavior, email opens and clicks, web behavior, push responses, offer redemption, payments, location and more.

In 2017, make it a priority to integrate your technologies, processes and teams so the actions customers take on mobile are tied to your internal systems (CRM, marketing automation). The opposite is also true — your

customers’ online and offline behavior need to inform your mobile campaigns.

For example, a customer’s app behavior should trigger email campaigns. SMS clicks should inform desktop web content. Facebook messenger Bot interactions should determine when a customer gets a customer service phone call. If a customer recently shopped in a store, that individual should receive a “drive to store” message the following day.

The devices on which we can engage with customers will continue to grow. From wearable devices to smart refrigerators, it’s the marketer’s job to determine the value of new platforms and how they might disrupt their businesses, and then take the lead on creating experiences that add value to a customer’s day.



VIDEO

“Why Marketers  
 Shouldn’t Put Mobile  
 on an Island”

## Trend #3: Influencer marketing evolves and becomes central to brands' amplification strategy.



**Amber Armstrong,**  
Director, Digital, Social  
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IBM Commerce  
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Savvy marketers having used influencers for years as part of their social strategy, but in 2017 brands will use influencers differently, increasing their sophistication to more effectively expand message reach and social impact.

Whether you're working in a B2B or B2C environment, the process of finding the right influencers and leveraging them to connect your message to the right audience will become an increasingly critical part of social marketing strategy.

Here are three key ways influencer marketing is shifting and some related thoughts on how you might transition your approach.

### 1) Businesses get more creative in their use of influencers.

In recent years we've seen businesses move from a singular focus on selling products toward a more well-rounded vision of better understanding the buyer journey, providing an outstanding customer experience and increasing retention.

Likewise, the ways marketers use influencers will evolve beyond the more predictable

product-focused model we've seen in the past. Instead, forward-thinking companies will provide influencers with access to subject matter experts and other resources so they can understand the larger principals behind the company's vision. Influencer marketing won't just be about the products, but rather the message. Speaking of which ...

### 2) Marketers stop trying to control the message.

Many companies make the mistake of trying to dictate the message rather than letting influencers speak in an authentic way to their audience. It's a natural instinct, which is why it's so important to ensure you select the right influencers.

To that end, remember that the number of followers an influencer boasts isn't nearly as critical as whether he or she has the followers you want to interact with and a strong understanding of the content you wish to communicate. To aid you in this pursuit, cognitive technologies have emerged that enable you to analyze unstructured data from a potential influencer's social media feed and identify key characteristics that resonate with a target demographic.

If you've selected your influencers wisely and know they're aligned with your brand values and expectations, you can let them run free knowing they'll express the right message in a way that resonates with their audiences.

### 3) The metrics used to track influencer success shift dramatically.

When influencer marketing started out, especially in the B2B world, people often measured the impact of influencers by how many social impressions they drove.

Moving ahead, leading companies will use more advanced metrics and analytics to gauge influencers' impact on overall business success versus the vanity metrics used previously. If you want to drive better results, aim to measure influencer success by metrics such as the number of clicks they drove to your website and the number of sales they drove.

By updating your approach to how you select, utilize and measure social influencers, you'll be well-positioned to expand your brand reach in 2017 and bring new customers into the fold.



VIDEO

“How Today's Leading Companies Are Using Influencers Differently”



## Trend #4: Marketing and ad technologies draw closer together to drive efficiency and a better customer experience



**Jay Henderson,**  
Director of Strategy,  
IBM

[@jay\\_henderson](#)

Have you ever found yourself leisurely surfing the web, only to repeatedly be served up an advertisement for a product you already purchased? Or, worse yet, seen ad after ad pop up for a product you've not only bought, but then panned on the company's review site?

In recent years we've seen a push toward integrating different aspects of marketing to drive less siloed initiatives, better marketing performance and a more seamless customer experience. But one of the biggest remaining disconnects is the disjointed experience between marketing and advertising.

There are a handful of reasons for the divide. For starters, the people responsible for paid media and owned media frequently run in different circles, with different routines and priorities. Add in the fact that the technologies they use often aren't synced, and you have a recipe for silos.

The good news is that since there's traditionally been so much inefficiency in advertising, there's huge opportunity to wring out some of that waste by applying marketing techniques and data to ad tech. Given the hard dollar cost associated with advertising and the potential ROI of bringing the groups closer together, doing so will be a priority for leading organizations in 2017.

Think about the sophisticated ways marketers are using email and website personalization, and then imagine how extending this experience into the advertising world could result in much stronger user experiences. Benefits include:

**1) More efficient spend:** Are you wasting part of your media budget advertising products to people who already own them? By connecting your marketing database to your demand-side platform, you can then suppress these buyers from receiving ads for products they've already purchased — and drive some serious savings in the process.

**2) Improved likelihood of conversion:** Target customers with display ads that reflect everything you know about them, from the items in their online shopping cart to their in-

store browsing behaviors. Then, apply cognitive technologies to only show content when the conditions are favorable, such as using weather data to inform ads based on whether it's raining, snowing, cold, etc. The increased relevance will help shorten the path to purchase.

**3) Increased customer loyalty:** When informed with marketing data, ads can do so much more just than drive sales. What about helping customers make the most out of their purchases, tap into loyalty programs and customer communities, and build a relationship with your brand beyond “buy-buy-buy”?

**4) More effective acquisition:** Want more prospects that look like your best customers? Identify these customers in your marketing data, feed them into your advertising engine, target look-alike audiences and drive conversion for people who are more likely to engage with your brand.

Add in new cognitive technologies that help advise advertisers on the best bidding strategies, and you can see how businesses could vastly improve effectiveness in 2017 by moving to more closely align advertising and marketing technologies.

## Trend #5: Customer success and retention strategies leap to the forefront.



Ellen Valentine,  
Marketing Evangelist,  
IBM

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For years, new customer acquisition held center stage for most companies as the primary economic driver of corporate expansion. However, for the last few years the winds have started to shift. Savvy companies are realizing that retaining and growing existing customers can provide a stable foundation for successful corporate longevity and maximum shareholder value.

While the roots of customer success originated in SAAS technology companies, today even basic product companies (think razors) are realizing that recurring revenue models and customer success retention strategies are far better than infrequent one-time purchases.

As a result, leading companies are investing in “Customer Success” organizations, with dedicated sales and marketing resources (and related budgets) solely focused on maximizing lifetime customer value. New tools, platforms and measurements are emerging that support these Customer Success teams, providing enhanced visibility into customer health, product usage and customer skills.

While marketing automation platforms have been around for a while, now customer-focused marketing

teams are using these veteran solutions with newer cognitive and predictive tools to enhance the customer relationship in exciting and highly personalized ways. Here are three quick examples:

### 1) Enhanced Call Center Experience and

**Follow-Up:** Just about everyone has had a bad experience with a call center. That’s why forward-thinking companies are integrating their call center data or help desk/support solutions with marketing automation.

This important connection allows support and marketing to come together to enhance the customer experience. Now as soon as a call or help desk contact is finished, marketing automation can pick up and enhance customer satisfaction by delivering a helpful post-event nurture campaign.

**2) Increased Product/Service Value:** Top-performing organizations are integrating more product usage data into their marketing automation platform. This might be as easy as collecting log-in or feature usage and importing it into your marketing automation platform. Or, it might be as complex as building new sensors into the actual product using IOT (Internet of Things) strategies.

Initial efforts in this area have focused on supporting automatic replenishment orders or enabling a closed-loop feedback to product design. However, by uniting usage data, marketing automation and cognitive capabilities, highly personalized, automated communication can occur

to allow users to get even more product value.

### 3) Improved Mobile and In-Store Experience:

Another strategy might include capturing mobile app behavior and/or geo-location sensors and integrating that data with marketing automation practices. Suddenly retail locations and showrooms enable high-value, multichannel follow-up in ways that were never possible. These uber-personalized interactions facilitate stronger relationships and customer success.

While a fledgling movement in prior years, in 2017 customer success will become a central practice for many leading organizations. These focused organizations are getting highly creative about leveraging existing platforms and data to improve the customer relationship.

If your company culture is dominated by new customer acquisition approaches and your marketing budget is focused on new business strategies, this is the year to evaluate what it could mean if you move customer success, recurring revenue strategies, customer retention and customer marketing to the center stage.



VIDEO

“Doubling Down on Customer Success: What Marketers Need to Know”



## Trend #6: Center-brain marketing melds creativity and tech to fuel success in a future driven by machine learning.



**Loren McDonald,**  
Marketing Evangelist/  
Customer Success, IBM  
[@LorenMcDonald](#)

One of my favorite quotes is by German economist Rudi Dornbusch: *“In economics, things take longer to happen than you think they will, and then they happen faster than you thought they could.”*

This also applies to marketing and the rise of left-brain marketing, driven by data, analytics and cognitive technologies.

Marketing has traditionally been seen as a right-brain activity: people huddled together, brainstorming copy, images and slogans.

But marketing has also been left-brained for years, although as Dornbusch’s quote implies, we might not have seen it coming. Data applications have been integral to marketing for decades, including direct marketing and RFM analysis in the 1960s and 1970s.

Moving forward, this shift will be accelerated as marketing will be dominated by left-brain people using machine learning and artificial intelligence for marketing decisions, targeting, creative and conversion optimization. Technologies like IBM’s Watson cognitive marketing tools will help

marketers deliver more relevant content and offers at the right time than humans alone ever could.

However, this doesn’t mean marketers will be replaced like car drivers in an autonomous, self-driving world. Marketing needs humans to provide input, make strategic decisions and recognize the emotional aspects of building brands and consumer connections.

Enter the concept of “center-brain marketing,” which brings both tools and technologies plus left-brain technical people together with the right-brain creative team members to achieve success in a future driven by machine learning.

Center-brain marketing transformation uses a framework of strategy, technology, people and process:

**1) Strategy:** The best cognitive technologies are meaningless if they aren’t based on brilliant business and marketing strategy. Machines analyze huge amounts of data and produce incredible insights at blinding speeds, but humans own the input and output.

**2) Technology:** Which technologies are the best fit for your organization and increase success and efficiency for your team, and which might be shiny toys?

**3) People:** Right-brain creatives must let the data, not gut feelings, inform decisions and drive

creative direction. In turn, left-brain data people must understand marketing strategy and how emotion factors into the creative process.

**4) Process:** Successful marketing team leaders will ensure that creatives and data works work together, not against each other. This is essential in moving from manual, calendar and campaign-based marketing to automation, where a message created today might not reach its first customer for more than two years.

Bottom line? Cognitive technologies are the future of marketing. Teams lacking the right people and processes will get left in the dust by higher-performing competitors.

Center-brain marketing ensures your organization can take advantage of left-brain analytics and machine learning while still allowing right-brain creativity to produce the kind of breakthrough marketing that drives brand preference and customer success.



VIDEO

“Rethinking Your Approach with Center-Brain Marketing”

## Trend #7: Interactive email alters the channel's paradigm and powers new ecommerce opportunities.



**Dave Walters,**  
Marketing Evangelist,  
IBM Marketing Cloud  
@ [DaveWalters](#)

Email is the lights-out best channel for ecommerce conversion based on delivering maximum relevance and timely content to your most engaged audiences, but it's always required recipients to click through to complete an action – a daunting proposition in an increasingly mobile era. But what if you could tweak CSS coding to enable the ability to power commerce from WITHIN an HTML email body?

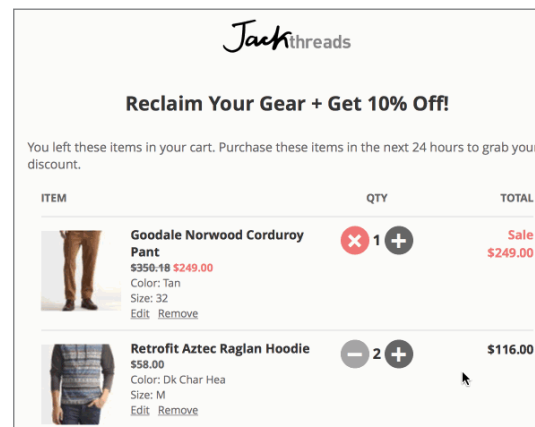
Suffice it to say you'd provide an all-new reason to focus on the channel. Well, the future is now: interactive email is set to shift the channel's paradigm.

### The Dream of HTML Commerce

In the traditional digital marketing world, email was simply the pretty pictures and relevant content designed to get you to the site where the real commerce happened. And therein lies the challenge – email is the perfect door opener, but it turns out to be really hard to evaluate and buy in a full-on mobile experience unless you're Amazon or equally brilliant at selection, price, stored payment and free shipping.

But if you could sell directly from within an

HTML email, that would change the mobile shopping experience, right? Well, it turns out you can employ radio buttons and tab values supported in CSS to inject a mind-boggling bunch of dynamic content into the body of an HTML email. Sure, it requires some super-strong email coding work – and the ability to populate some seriously dynamic content based on each individual recipient – but it enables some amazing opportunities.



Click the email image above to see how an interactive email works.

For example, you could use the concept to power a multi-item, interactive shopping cart that enables recipients to make minor tweaks to their cart and click to buy – all within the email. You could also tap it for simpler processes like signing up for a service or scheduling a demo with a salesperson.

### Keeping It Between the Lines

While the concept is amazing, I can almost hear email marketing managers thinking about how hard it is to get the rendering right across email clients even with the most basic of content. And you're exactly right. This strategy isn't a one-size fits all move – you shouldn't be thinking about blasting this shopping experience email out to all your contacts in your Friday sale email.

The best marketers I work with have a highly segmented view of their lists. So, if you know some email clients (like Outlook, Yahoo and AOL) don't fully support CSS, go ahead and suppress those addresses out of any queries that drive this type of commerce messaging. You're better off if fewer customers have the best experience versus all your customers having a mediocre experience.

Remember, your email list is among your most valuable "owned" assets, and how effective you can be with smart, unique strategies can often be the difference between bouncing along at a steady revenue state or driving your company into hyper-growth mode. Start the conversations now with your internal designers or your agency resources to try this out in 2017.

Credit: @M\_J\_Robbins of Rebelmail.



VIDEO

"Replicating  
Ecommerce Buying  
Moments in Email"

## Trend #8: The staggering growth in dark data shifts marketers' focus to making sense of their existing data.



**Jeremy Waite,**  
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Looking back on predictions made in 2014, 2015 was the year of “big data.” It was certainly the top buzzword at most tech conferences, and business articles everywhere shocked us with the sheer rate at which big data was growing. By 2016, 90 percent of the world’s data had been created in the last 12 months.

Now we’re living in a world where big data is growing at a rate equivalent to a company the size of Google being created every day. It’s staggering. And it’s only going to get bigger. Many data analysts are suggesting the digital universe will be 40 times bigger by 2020!

This is largely due to the vast increase of dark data, meaning all the unstructured data from the Internet, social media, voice and information from connected devices. As a direct result of this data explosion (and the lack of tools and skills to make sense of it), many executives feel overwhelmed and completely unprepared for the challenges their businesses are about to face.

*So what does that mean as you prepare for 2017?*

I believe that the smartest executives in 2017 will be more focused on making sense of the data they already have versus trying to capture more of it. The vast majority of organizations (88 percent by some accounts) don’t even share their own customer data between their own sales and marketing departments, so this is the real battleground.

Aim to find insights, behaviors and buying patterns in the data you have, rather than just trying to capture more leads and email addresses.

*So where should brands start?*

Smart companies should start simply by focusing on the 5 V’s of “dynamic data” — rich data sets that hide all kinds of valuable information — and then look at the best technologies to help them find meaning in them.

- **Volume:** How much data should you really be measuring?
- **Variety:** How many different kinds of data do you actually need / from how

many channels (and how much of it is actually useful)?

- **Velocity:** How fast is your customer data travelling? (Understand this in order to make sure you respond within your customers expected response times).
- **Veracity:** Is your data accurate? (Are you sure?)
- **Value:** Capturing valuable data is important, but make sure that you are creating more value for your customers than you are capturing.

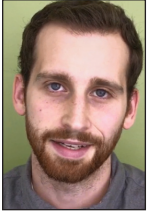
Executives who make sense of the “5 V’s” will find 2017 a good year to do business. They’ll feel less overwhelmed and more optimistic about their business, because they will be better informed. Think big, start small and scale fast!



VIDEO

“Tips for Navigating the Dark Marketing World”

## Trend #9: Apps continue to escape their icons and change the face of mobile interactions.



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@ThatsLogical

Mobile is in for a very interesting year. In particular, the mobile app landscape as we know it is changing dramatically. Earlier this year, at Apple's WWDC event, the company announced it had paid more than \$50 billion to developers on its platform.<sup>1</sup> Today, there are more than 1.5 million apps in the iOS App Store, and even more on Google Play. The volume of apps and revenue created by them continues to grow, but that doesn't tell the whole story.

Mobile customer behavior is changing. Unlike the early days of the app store, when users might download more than 10 apps a month, today's users average a much lower number of downloads – zero.<sup>2</sup> Instead, users are shifting to “core apps.” In fact, roughly 80 percent of app usage is spent within a user's top three apps.<sup>3</sup>

In response to this market shift, more apps are breaking the bonds of their app icons. Developers are finding ways to include their services — typically found exclusively within their own app environment — through other apps, AI assistants or even the mobile operating

systems themselves. Uber, OpenTable and Venmo are just a few examples of apps that are being integrated into iMessage, Google Assistant, Siri, Allo, Alexa, chat bots, maps apps and more.

I believe this trend will not only continue, but will also usher in the next era of mobile development, as well as create new opportunities for marketers. No longer will app engagement be limited to just messages within the app or on the lock screen. Instead, the ways in which customers will interact with their favorite brands will rapidly expand.

Marketers should start by looking for where their customers spend most of their time. Since messaging apps, browsers and social media are almost always among your customer's core apps, they are a natural place to begin. Here are a few ideas:

- **Messaging Apps:** Think about what function your product or service can deliver between two or more people, such as payments or gift giving.
- **Chat Bots:** Find a cumbersome task, such as checking the status of an order, that could be performed by a bot instead of via a website.
- **Maps:** Decide if your locations are found through map searches, and see if offering

a service like booking a hotel room right within a search result would be convenient for your customers.

“OK, Google, pull the trigger on those shoes I have in my cart.” “Alexa, if we get low on ketchup, order some more.” “Hey Siri, if my flight is delayed past 9 p.m., book me a hotel room near the airport.” The brands that will be a part of this future are the brands that think about their apps as more than just icons, but rather as utilities that can be applied in every part of a customer's life.



VIDEO

“Marketing and Mobile Apps: Thinking Outside the Icon”

## Trend #10: Leading marketers pursue a holistic view of the customer journey that radically shifts the customer experience.



**Elizabeth Magill,**  
Program Leader,  
Customer Analytics,  
IBM Watson Marketing  
[@emagill](#)

We're living through a disruptive time in commerce. We've gone digital, focused on mobile and transitioned to multichannel. At every juncture, we've tried to do a better job of improving the customer experience because we know – both in our hearts and from the data – it's critical to customer loyalty and our bottom line.

And it's working! We've made peace with the fact that the customer journey is not a simple funnel anymore, but rather a complex and growing set of touchpoints across multiple channels, over time. We know we need to satisfy – no, delight! – customers at every step of their journeys. Of course, the hard part is actually getting this done.

As we enter 2017, we need to shake things up. We need a new approach. We need a complete, holistic view of the customer journey, so we can glean the insights needed to craft exceptional experiences. Here's how you can get started.

### **Sweat the Small Stuff**

Even the best companies have gaps in the path to purchase — places where the customer

experience is lackluster, prospects drop out of the funnel or existing customers become dormant.

That's why leading marketers are tapping new technology that shows the most common journey paths. By studying them, identifying problem points, and working collaboratively with teams across your organization to solve the unearthed issues, you can radically shift the customer experience.

### **See Through Your Customers' Eyes**

Organizations that have mastered the art of creating superior customer experiences start by learning everything they can about their customers' behaviors. They want to truly understand why customers take specific actions at each point in their journeys with their brand.

At every step, we need to reevaluate the journey from the customer perspective – do customers feel like they're wasting time, can't accomplish the desired goals or are frustrated with too many steps?

### **Collaborate Across Teams**

Delivering a stellar customer experience starts at the top of the organization and flows into

every area. It's not just marketing or IT. All departments – billing, shipping, sales, customer service — need to be aligned. This type of collaboration creates consistent, high-quality interactions across all channels at all times. Brands that are good at this incorporate continuous improvement programs to sustain the effort.

### **Eliminate Data Siloes**

Brands that take customer experience seriously know the importance of customer data. Access to this data across all touchpoints can illuminate customer journeys and give you insights. A journey analytics solution that removes data siloes, integrates piecemeal reporting efforts and is accessible to all pertinent departments can be the difference between a “meh” customer experience and a great one.

Leading brands know that dramatically improving customer experiences takes a holistic approach. They must understand how they are currently performing, identify problem points where they need to improve, and build cross-functional processes to redesign and support those journeys. If you haven't already done so, make it a priority to start this process in 2017.



## Bonus Trends: Partners

### Renewed push to tie sophistication to business KPIs drives incremental strategy adoption.



**Rich Wilson,**  
VP, Customer Experience,  
[Brightwave](#)

If 2016 was the big year of “what if,” 2017 looks to be the year of “what works?” One recent report stated that 70 percent of brands will increase investment in email strategy to operationalize efforts toward customer obsession,<sup>1</sup> but there are bound to be missteps.

Marketers pleading the executive ranks for greater budgets for multichannel integration or granular progressive profiling should come to the pitch table prepared with an equally impressive analytics strategy tied to business KPIs. Without proper tracking codes and reporting metrics in place, it can be hard to defend the good thinking that goes into your advanced multichannel programs.

#### Give KPIs Business Meaning

Expect to see more attribution modeling to show how different channels affect each other. This gives the brand a clearer sense of the overall value of each channel and the additive effect they have on each other by being

coordinated through various marketing platforms.

#### Expect Small Steps Towards Awesomeness

As an agency, we often find our clients’ eyes are bigger than their stomachs. At the onset of a relationship, we may see the desire for revolutionary campaigns that include journey mapping, integration of beacons and countless data sources. However, the first contract may more closely resemble a smaller incremental step above their current state. Just like our industry is charged with earning the right to sell to customers, those advocating for greater sophistication in automation must earn the right to be amazing by proving business value at each step.

### The potential of an “affordable butler” arrives to better serve customers.



**Russell Zack,**  
SVP, Product and  
Strategy, [HelloWorld](#)  
[RussZack](#)

The world of chatbots is quickly emerging, with players as diverse as Sephora and StubHub getting involved. With the ability to exist

outside apps and leverage texting and voice technology, chatbots have the environment to thrive and bring a sense of efficiency to consumer interactions. The promise of the “affordable butler” has arrived. Not only do bots streamline transactions, they allow brands to capture a breadth of consumer data while engaging with customers one-on-one. Chatbots have vast — and valuable — applications to consumers of all ages and are deployable across any messaging channel, such as Facebook Messenger, WeChat, Skype, SMS and email.

Chatbots are quickly gaining momentum across industries, granting marketers unprecedented, personalized access to consumers. While older generations may opt for minimal input, preferring multiple choice and voice-driven options, younger consumers crave geotargeted recommendations, ongoing dialogue and a sense of immediacy. Brands must devise distinct strategies aligned to each segment’s behaviors and preferred use cases.

In the coming year, marketers should consider how chatbots’ unique functionalities can enhance communication with new and returning customers and how they can optimize existing chatbot experiences. From FAQs and customer support to transactions, news and recommendations, there are many ways to determine how your affordable butler should serve your customers.



## Marketers focus on the greater care and feeding of automation and personalization.



Chad White,  
Research Director, [Litmus](#)  
[@chadwhite](#)

Marketing automation and data science-driven personalization are transforming email marketing. In 2017, brands will accelerate a shift in resources from one-size-fits-all broadcast messaging to much higher ROI targeted messaging.

Currently, most brands spend the vast majority of their email marketing time and resources cranking out broadcast emails that are declining in effectiveness. We'll see a significant reevaluation of resource prioritization in 2017 to bring the appropriate focus to triggered emails, which are already generating the majority of email marketing revenue at some brands.

This refocusing of priorities will recognize that automation and data science are not "set it and forget it" solutions. They require regular care and feeding. Nearly 60 percent of brands review their triggered emails once a year or less frequently.<sup>2</sup> In 2017, more brands will review these critical emails quarterly to:

1. Add seasonal messaging to put them in the context of holidays and other events

2. A/B test to increase performance over time
3. Ensure the emails are still rendering and functioning properly

Hand in hand with the growth of highly personal emails, we'll see inbox providers — especially Gmail — put more emphasis on email encryption to protect recipients' privacy. This will complement and extend the trends around email authentication that we've seen during the past decade with SPF, DKIM and, most recently, DMARC.

## Leading organizations will add operationalization and cognition to customer journey mapping.



Laurence Leong,  
Senior Director, Strategic  
Alliances, [SugarCRM](#)  
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Customer journey mapping involves creating a visual diagram of all the ways your customers engage with you throughout the buying cycle. It's an important exercise that helps companies understand their customers' perspective so they can meet needs and expectations. It also drives companies to reach all the business goals for individual customers — such as long-term engagement, buying additional products or services, or becoming a reference.

In 2017, leading organizations will extend the value of customer journey mapping initiatives in two ways:

### 1) Operationalize them.

Customer journey mapping is a common exercise, but the challenge is turning the customer journey map from a theoretical framework or tracking mechanism into a practical tool that proactively guides customers throughout their journeys.

To that end, marketers shouldn't be the only ones using operationalized customer journey maps to shape the entire customer experience — every customer-facing individual in every customer interaction should do so. That means baking customer journey maps into the CRM tool that sales and customer service use. By doing so, CRM data can then be mapped back to customer journey analytics and reporting.

### 2) Add cognitive capabilities throughout the customer journey.

Engagement throughout the customer journey and across all parts of the organization delivering that journey — marketing, sales and service — can benefit from cognitive technologies. Examples include providing sales and service reps with personality insights about their customers, suggesting to a sales rep which collateral piece is most appropriate, providing customer self-service based on a knowledge base, or making suggestions to a service rep.

## Bonus Trends: Social

We asked our Twitter friends and followers to share their picks for the key marketing trends of 2017. Here's a sampling of what they had to say:



@IBMforMarketing #THINKmarketing sensible use of #bigdata rather than a complete customer overwhelm some will succeed and some will fail 😊



@IBMforMarketing the continued use of #cognitive technologies as well as #content focused marketing for bizs large & small #THINKMarketing



@IBMforMarketing In 2017, the top marketing trend will be Facebook Messenger Bots for cognitive engagement opportunities #THINKmarketing



@IBMforMarketing The marriage of #socialmedia, artificial intelligence, & #content in real-time #marketing & advertising. #THINKmarketing



@IBMforMarketing use technology/AI to enhance the customer journey while providing personalized experience tailored to the individual



@IBMforMarketing #ThinkMarketing Personalization to ensure engagement with content given content tsunami that consumers now experience.

**IBM Watson Marketing** @IBMforMarketing · Nov 29  
 You tell us! The top marketing trend in 2017 will be \_\_\_\_\_.  
[#THINKmarketing](#)



**Branden Moskwa**  
 @bmoskwa



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[@IBMforMarketing](#) The biggest 2017 marketing trend will be increasing Facebook ad budgets, especially for mobile and video [#THINKmarketing](#)



**Frank Guardi**  
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Higher emphasis on mobile. 80% of millennials use their phone in-store [#THINKmarketing](#)



**Tadd Wilson**  
 @SmarterRetail



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...the realization marketing (like care or Cx) is part of every brand surface, not just a function.



**Salvador Stabler**  
 @salstabler



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[@IBMforMarketing](#) top 2017 marketing trends: wearable and mobile marketing. [#THINKmarketing](#)



**Mark Milligan**   
 @mmilligan



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[@IBMforMarketing](#) evolution of display ads to video ads.

## Conclusion

As a marketer and business leader, you're tasked with helping drive multiple initiatives, charting courses for business growth and deeper customer connections, and identifying and pursuing opportunities for innovation. That's a tall order, and achieving these aspirations requires deep reflection: 81 percent of marketers report that strategic thinking is the most important aspect of their jobs, and 68 percent believe it's more necessary today than it was five years ago.<sup>3</sup>

Thinking strategically – let alone executing on these strategies – can be difficult with resources frequently constrained and an ongoing rush to get that next campaign or initiative launched. Sure, you know there a ton of innovative options out there, but where do you begin? What's the best use of your precious time and energy? And what will give you the best return in terms of meeting key business goals?

Use the trends, strategies and tactics discussed in this white paper as your starter's guide for success in 2017. Pick the ones that apply the strongest to your customers and align closest with your business goals, outline a plan of attack, and enlist team members across your organization to help get you there. By infusing these ideas and insights into your marketing approach and expanding collaboration across your marketing team and organization, you can enhance your contributions as a strategic business builder and experience architect.

Nearly two-thirds of today's CMOs regard developing deeper, richer customer experiences as their top marketing priority.<sup>4</sup> By understanding and learning about your customers, and then using this information to serve up ever-smarter, contextual content and interactions, you'll tune the entire customer experience to enhance brand value, increase customer engagement and fuel strategic growth — making 2017 your most successful year yet.

## Footnotes

- 1-IBM, "[What Is Big Data?](#)" Nov. '16
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- 7-Marketing Week, "[Brand strategy, data and customer experience are marketers' new priorities](#)," Mindi Chahal, May '16.
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## About Watson Marketing

Watson Marketing offers campaign automation, marketing insights and real-time personalization embedded with cognitive capabilities. With Watson Marketing, marketers can uncover new levels of actionable insights, deliver powerful and personalized experiences that customers want and value, and discover innovative ideas that provide a competitive edge.