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Connected Intelligence

**2015
Multichannel
Digital
Marketing
Report**

In partnership with



Contents



About The Author

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Nick is an award-winning digital marketer who over the last 20 years has worked agency, media and client side, including senior roles at six start-ups. He got the digital bug back in 1995, launching nme.com-the world's biggest standalone music site. He lectures in Digital Marketing and Integrated Strategy for the IDM, and wrote the Squared Online digital marketing course for Google, where he was senior tutor.

About Digital Doughnut

Digital Doughnut connects the global marketing community both on and offline. Members of the community gain access to skills and resources, the latest thinking on key marketing topics, crucial insights and best practice learnings that enable them to make better business decisions. Digital Doughnut both leverages and provides value to the community by tapping into the collective intelligence of the network to create high value content that's based on actual market conditions and informed by practitioners experience.

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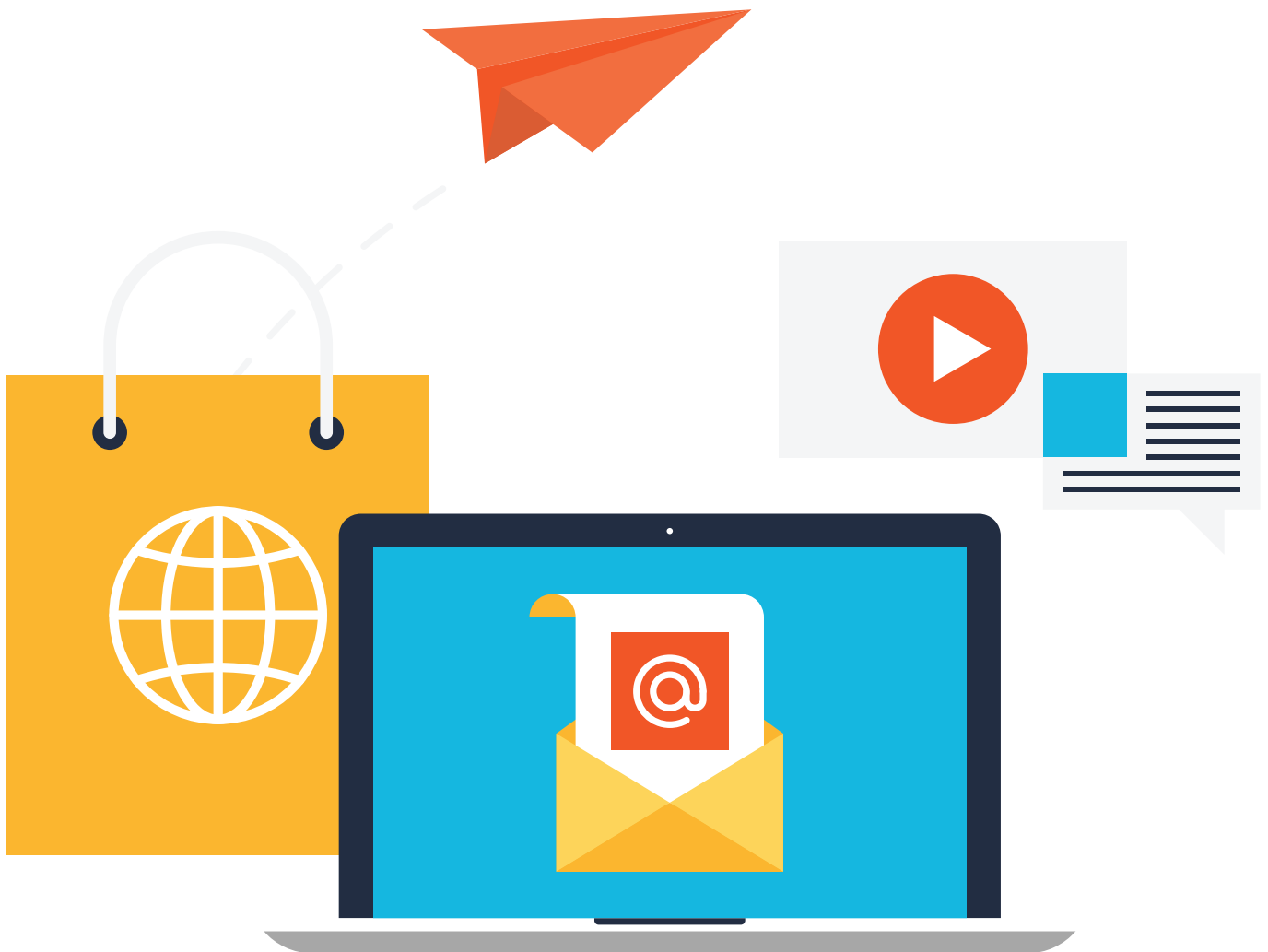
Executive Summary

The way that brands communicate with their customers has fundamentally changed. Digital marketing technologies help provide a more consumer-centric, integrated approach to communication, allowing us to deliver the right message to the right person at the right time through an ever-increasing number of channels and devices.

As we all discover, the value of simply being present across channels is diminishing. Consumers expect to be engaged with an increasing range of content types and channels via a seamless and consistent customer and brand experience.

This report, in partnership with EPiServer, is designed to provide you with valuable insights about how businesses are tackling multi channel marketing. The report will provide you with:

- **Details of how effective crosschannel marketing can help you drive effective customer experiences that deliver ROI**
- **Useful insights about how businesses are integrating their marketing channels**
- **An understanding of how your organisation compares.**



Key findings



95% of marketers agree that a multi-channel strategy that allows them to target customers is important for their organisation



49% of marketers have to go to IT or another department when they need to add, manage or edit content on their websites



51% of marketers claimed to be unable to react to new channels, devices, trends or competitors with their current technological capabilities



46% of organisations suffer from delivering poor customer experiences that can cause abandonment



Only **73%** of businesses have a multi-channel strategy in place



Marketers identified a number of issues that hamper them in delivering an effective multi-channel experience:

- The capability to integrate third party applications to help leverage customer data
- The capacity to identify visitors when they are most likely to buy
- The ability to boost conversion rates



Only **30%** of marketers are highly confident of their ability to deliver against their multi-channel strategy

67% are only somewhat confident



61% of businesses don't have the ability to recognise where a customer is in their journey, and then know where to take them next



The most commonly used content types by all business types are social media updates/posts, and articles on their products or services



46% of businesses claim the complexity of diverse channels requires skills that are not available or easy to acquire



When it comes to marketing-driven technology decisions:

49% are being made within the marketing department, while

42% are jointly made between IT and Marketing.



Only **27%** of companies were highly confident in their ability to track the channels their customers are coming from, which suggests that attribution is still a major challenge for many marketers



There is no discernable difference in the challenges faced by marketers who work in SME's or large enterprises, or across different business sectors.



Once purchased, in **80%** of cases the ownership of marketing technology lies within businesses' marketing departments



27% of marketers lacked confidence in their ability to deliver the right message at the right time to the right prospect or customer



Introduction



Multichannel marketers seek to combine inbound marketing techniques with their traditional, outbound approach. Fusing the two together can result in a two-way, mutual interaction that yields results for both company and customer

Adam Sarner
Research Vice President
Gartner

A mix of inbound and outbound marketing is key if businesses are to move from a broadcast messaging model to two-way multichannel communications that match customers' needs and intent with the right content, experiences and offers.

As Chris Balman points out in Forbes: "today, every customer is a multichannel customer and every employee is a steward of your brand's story and culture. This carries several important implications for organisation structure, brand strategy and enterprise technology needs".¹

Multichannel, Crosschannel, Omnichannel?

'Why use one descriptor when you can use three' seems to be a common problem in the digital space. However, there are some distinct differences between the three approaches to the customer-supplier relationship.

- **Multichannel** customer experiences are those that are delivered using multiple channels, but the communication isn't always consistent and seamless across devices or touchpoints.
- **Crosschannel** customer experiences are those where a combination of different touchpoints or devices are

used by consumers to make the same purchase.

- **Omnichannel** customer experiences use multiple channels to engage consumers, however the communication is both consistent and seamless across all channels.

As Dan Miller at Opus Research, points out: "Multichannel feels more modest and doable. Omnichannel is more provocative and perhaps aspirational because it hints at omnipresence and omnipotence – which are attributes each individual customer would welcome gladly."

John Bowden, Senior VP at Time Warner, emphasizes the difference: "Omnichannel is Multichannel done right!"

¹ <http://www.forbes.com/sites/onmarketing/2015/02/11/five-new-challenges-for-tomorrows-global-marketing-leaders/>



Single-Channel THE LEGACY

- Customers experience a single type of touchpoint
- Retailers have a single type of touchpoint

Multi-Channel THE REALITY

- Customer sees multiple touch-points acting independently
- Retailers' channel knowledge and operations exist in technical and functional silos

Cross-Channel THE ASPIRATION

- Customer sees multiple touch-points as part of the same brand
- Retailers have a 'single view of customers' but operate in functional silos





Omni-Channel THE NIRVANA

- Customers experience a brand not a channel within a brand
- Retailers leverage their 'single view of the customer' in coordinated and strategic ways

Source: <http://www.omnichannel.nl/tag/multichannel/>

Delivering an integrated customer experience

Key to delivering an effective customer experience is delivering the right message to the right person at the right time, through the right channel, across the whole of the customer journey. However, as we are all-too aware, the customer journey has been irrevocably changed by digital.

The right message	To the right person	At the right time	Through the right channel
			
✓ Added value for client	✓ Personalisation	✓ Observing behaviour and life-cycle	✓ Respecting user preferences and habits
✓ Not just selling	✓ Segmentation	✓ Calibrating message frequency	✓ Creating a fluid omnichannel experience

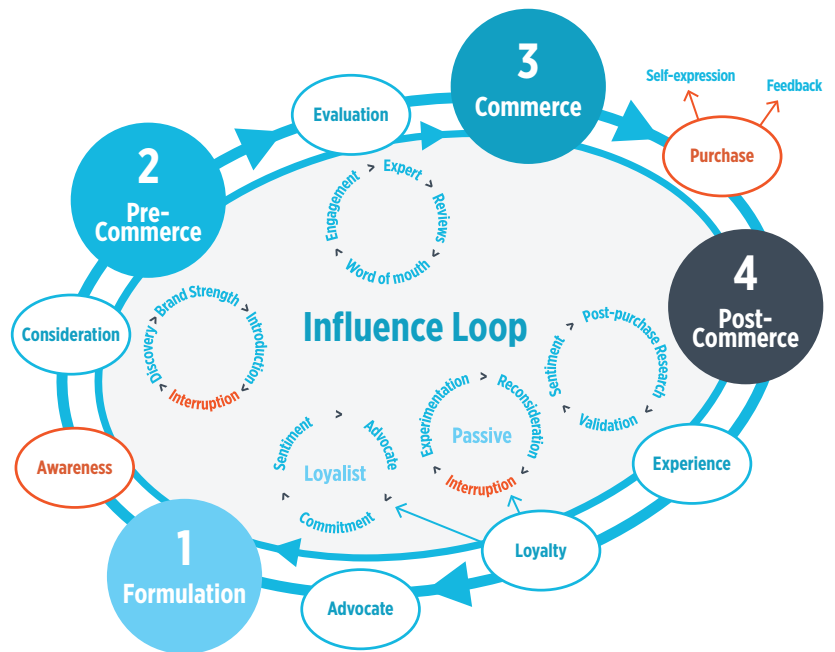
The Purchase or Marketing Funnel proposed by E. St. Elmo Lewis' AIDA framework in 1898 was the first attempt to illustrate the customer journey towards the purchase of a product or service. However, the traditional funnel no longer reflects what has become a non-linear, dynamic journey.

This new dynamic framework, posited by the Altimeter Group's Brian Solis, 'reimagines the traditional sales funnel into a constant and very public elliptical path that often repeats itself.' As Solis illustrates, the AIDA funnel implies that the customer moves along a linear unbroken path to purchase, while the customer journey of the connected digital consumer is more analogous to the flight map on a busy day over Heathrow Airport!

As Google's Jim Lecinski points out in his book, ZMOT - Winning The Zero Moment Of Truth, the new multichannel journey is characterized by:

- The more information available, the more the shopper seeks
- They bounce back and forth at their own speed in a multichannel marketplace
- They switch devices to suit their needs at any given moment
- They search; go off to look at reviews, ratings, styles and prices; and then search again
- They see ads on TV and in newspapers and online
- They walk into local stores to look at products
- They talk to friends, over the back fence and on social media

The Dynamic Customer Journey



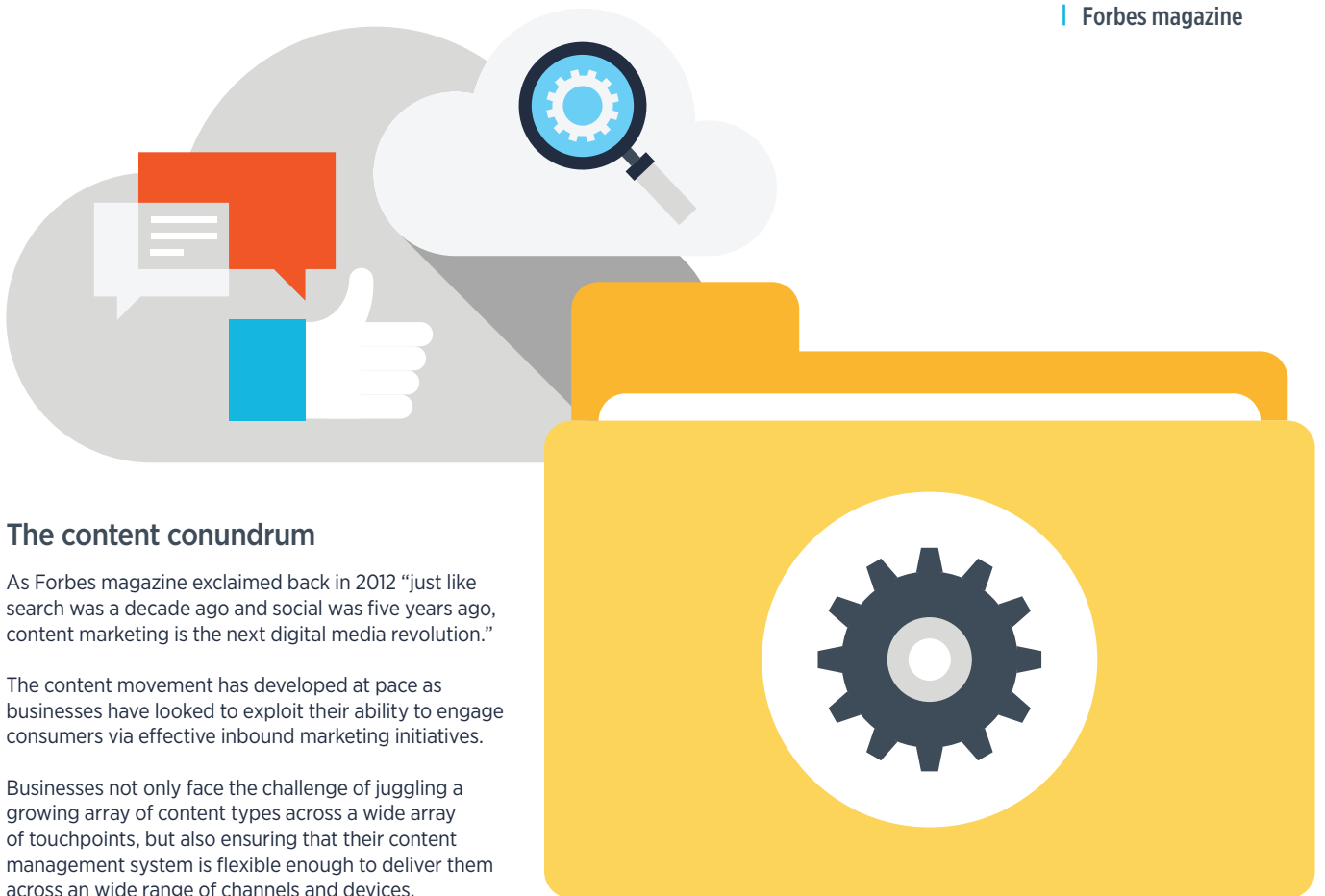
Source: Altimeter





Just like search was a decade ago and social was five years ago, content marketing is the next digital media revolution

| Forbes magazine



The content conundrum

As Forbes magazine exclaimed back in 2012 “just like search was a decade ago and social was five years ago, content marketing is the next digital media revolution.”

The content movement has developed at pace as businesses have looked to exploit their ability to engage consumers via effective inbound marketing initiatives.

Businesses not only face the challenge of juggling a growing array of content types across a wide array of touchpoints, but also ensuring that their content management system is flexible enough to deliver them across an wide range of channels and devices.



The Survey

How multichannel are you?

- 95%** of marketers agree that a multichannel strategy that allows them to target customers is important for their organisation
- 73%** However, only 73% have a multichannel strategy in place
- 30%** Only 30% of marketers are highly confident of their ability to deliver against their multichannel strategy (67% are only somewhat confident)

There was an overwhelming acceptance that a multichannel strategy is important to businesses of all sizes, from start-ups to \$1billion turnover businesses.

However, almost a quarter of businesses admitted that they don't have a multichannel strategy in place, and this admission was consistent for businesses big and small.

The lack of confidence in businesses' ability to deliver against their multichannel strategy, where they have one, also suggests that while many businesses realize the opportunity that multichannel presents, they are failing to deliver on both customers' and the organisation's expectations. Increasingly the right steps are being taken by businesses, but only a small percentage were highly confident of the results.

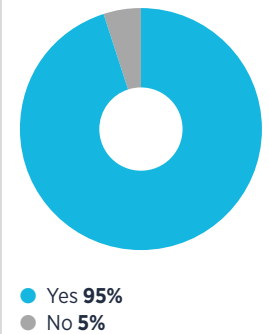
Marketing technology disconnect?

- 49%** When it comes to the marketing-driven technology decisions within the business, 49% are being made by the marketing department, while 42% are made jointly between IT and Marketing
- 80%** Once purchased, in 80% of cases the ownership of marketing technology lies within businesses' marketing departments
- 49%** However, 49% of respondents have to go to IT, development (or another department) when they need to add, manage or edit content on their websites

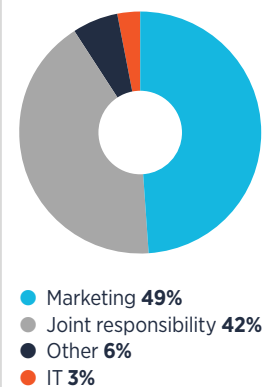
Many people are talking about the 'battle' between Marketing and IT and why this is hurting business. However, these results indicate that both IT and Marketing are aligned and working together in at least some companies, with over **40%** of businesses making marketing-driven technology decisions jointly. However, for the majority of businesses the marketing department is making the key decision.

It also suggests a degree of trust when it comes to ownership of the technology, which increasingly lies with the marketing department. However, it might also explain why almost half the respondents have to go to IT or their developers to add, manage or edit content. This suggests that businesses are either failing to provide the necessary training or skills across the business, or that their content management system fails to provide the tools required to get the job done. In an age where delivering on consumers' expectations benefits those businesses that are fleet-of-foot, the requirement to react to customer wants and needs in real time is only likely to increase - becoming a must-have, rather than a nice-to-have.

Is a multichannel strategy that allows you to target customers important to your organisation?



Who makes the marketing driven technology decisions within your business?



Multichannel challenges

When it comes to their websites, the three things that marketers are crying out for are:



The capability to integrate third party applications to help leverage customer data



The capacity to identify visitors when they are most likely to buy



The ability to boost conversion rates

Identifying when visitors were most likely to buy was crucial for **74%** of marketers, be it via their website, social media, mobile app, or any other channel or device.

There was also a high level of demand (**74%**) for the ability to integrate third party applications with current marketing technologies to help leverage customer data more effectively, which is key to delivering an integrated, consumer-centric, real-time approach to marketing, which is becoming increasingly crucial for business.

Less surprising, but equally important, is that **73%** of marketers agree that there is a distinct need to boost conversion rates. Marketers are increasingly under pressure to demonstrate ROI and attribute success to the increasing number of channels and tactics they using to engage customers.

Less pressing but also significant is the ability to publish content without help from IT (**65%**). We have already seen that **49%** of respondents have to go to IT when they need to add, manage or edit content on their websites, however this suggests that the problem may be even more endemic.

Other key concerns for marketers included:

- The ability to target content to specific audiences (**54%**)
- The ability to ensure message continuity across channels (**44%**)

These concerns were supported by marketers' response to their ability to deliver across the customer journey:



of businesses don't have the ability to recognise where a customer is in the journey, and then know where to take them next

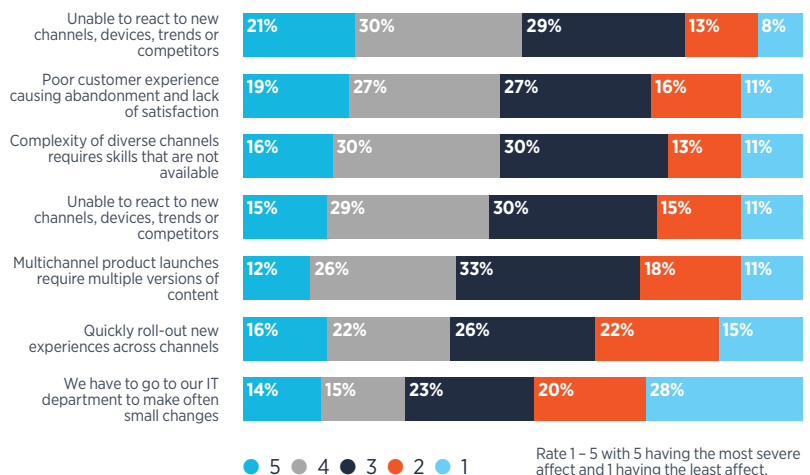


Only 17% of marketers were highly confident about their ability to deliver the right message at the right time to the right prospect or customer in the right way.



More fundamentally, only 27% of companies were highly confident in their ability to track the channels their customers are coming from, which suggest that attribution is still a major challenge for many marketers.

How have the following challenges affected your ability to deliver a seamless and unified customer experience?



When it came to the challenges they face in delivering a seamless and unified customer experience, there were three things that stood out:



Over two-thirds of businesses are being hampered to some extent by their ability to react to new devices, trends or competitors. This may be the impact of inflexible legacy technology that is unable to deliver across new channels or devices. For example, **45%** of all UK businesses², and **94%** of SME's³ are still without a mobile-optimised site or app, in an age where more people go online from their phone than via a desktop computer.

A mixture of legacy technology and the lack of skills present within the organisation may also explain why almost half of respondents highlighted poor customer experience as a key reason for abandonment and lack of satisfaction.

Between a quarter and one-third of businesses surveyed felt that all the challenges the survey highlighted were having some impact on their ability to deliver a seamless and unified multichannel experience⁴.

Although almost half of respondents have had to go to IT to make changes to their sites it was, however, the factor least likely to affect the overall customer experience, although it still seems to be a considerable irritant to marketers!

Are you content?

The website (**80%**) is still perceived to be the most important channel when it comes to where customers prefer to go to get information about businesses or services, closely followed by email (**77%**), and social media (**58%**) - all three channels being increasingly driven by content.

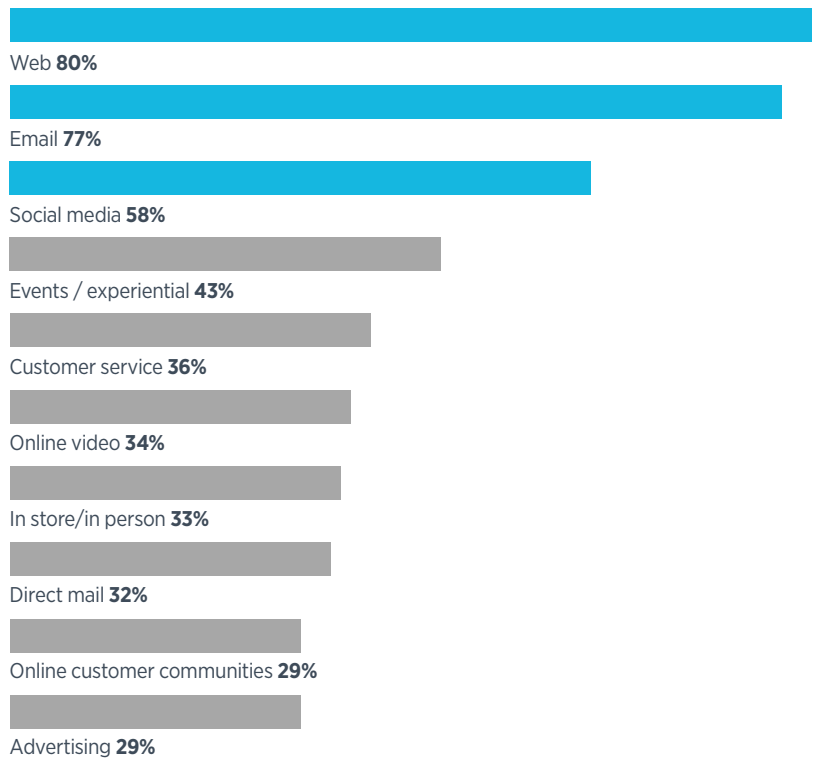
However, only **27%** of marketers were highly confident in their ability to track the channels customers were coming from, suggesting that in some cases the business' analytical skills were limited, and therefore hampering their ability to send the right message to the right person at the right time and through the right channel, which is key to delivering an effective customer experience.

² <https://econsultancy.com/blog/62656-45-of-businesses-still-don-t-have-a-mobile-site-or-app-report/>

³ <http://marketingland.com/survey-online-6-percent-smbs-mobile-sites-45-percent-dont-site-73937>

⁴ Rated 1 or 2 on a scale of 1 – 5 with 5 having the most severe affect and 1 having the least affect.

Which of the following channels do your customers prefer when it comes to getting information about your business or services?



The most commonly used content types by B2B, B2C and B2C&B businesses were social media updates/posts, and articles on products or services:

85%

of B2C businesses put social media updates/posts as the top type of content they create, with articles on products and services coming second (58%)

92%

of B2B businesses use articles on products and services, while 88% put social media updates/posts as second top

74%

of businesses that are both B2B and B2C put social media top, with articles on products and services coming second (70%)

There was a notable variation in the types of content used, dependent on business type:

6

On average B2C businesses used six different types of content

7

On average businesses that are both B2C and B2B used seven different types of content

14

On average B2B businesses used 14 different types of content

It appears that B2B marketers have by far the most difficult task when it comes to orchestrating their content tactics, as they have twice as many content types to work with. However on the positive side B2B businesses have a broader range of opportunities to create effective content and experiences for their customers - including case studies, webinars, infographics and trend reports.

Are all businesses the same?

Other than using different content types there was no significant difference between B2C, B2B and B2B&C companies. Their attitude towards multichannel marketing is consistent.

What was more surprising is that no matter the size of business, we again see a uniform approach, be they start-ups or micro businesses (with less than £2m revenues), SME's, or large \$50m+ enterprises. Businesses of all sizes were as likely as each other to have a multichannel strategy, have the ability to recognise where a customer is on their journey, and then know where to take them next in place as large enterprises, for example.

This shows how far we have come in terms of embedding key multichannel marketing principles, even in the smallest businesses.

Encouragingly marketing leaders were aligned with their middle and senior management when it came to the challenges and opportunities that multichannel marketing delivers.



Conclusion

Multichannel marketing is obviously a key priority for businesses of all sizes and types, whatever their ability to deliver on customer expectations across the whole customer journey. Even when businesses have a strategy in place, their confidence in their ability to deliver on it suggests there are still some concerns.

Increasingly it seems the technology is in place and ownership resides with the marketing team, however the lack of skills and hard-to-use systems to make often simple changes to content on their sites seems to be a big frustration for many. This suggests that businesses need to invest in providing their existing staff with the skills and tools that they need to get the job done.

Marketers identified a number of must-haves for the business, which technology can facilitate. These include using third party apps and technologies to help leverage customer data more effectively, and give them the capacity to identify visitors when they are most likely to buy, which will all help boost conversion rates.

Businesses are still struggling when it comes to recognizing where customers are within their journey, and then knowing where to take them next, leading to an inability to deliver the right message at the right time to the right prospect in the right way.

Marketers also feel as if their hands are tied when it comes to reacting to new channels, trends or competitors using the marketing technologies they have to hand. This can lead to poor customer experiences, and is exacerbated by the lack of skills within the business.

The array of content types being used by marketers continues to increase, as is the number of channels being used. This is especially true for B2B organisations, which use twice as many content types on average to deliver a valuable customer experience compared to other business types. However, social media updates and content about product or services are still key.

The impact of digital and multichannel practices seems to be increasingly embedded in businesses of all sizes, with no discernable difference in the challenges or the requirements, irrespective of size or business type.

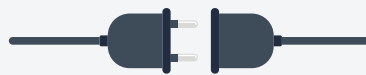
Tackling the multichannel challenge?

EPIserver believe these **5 pointers** that will help you develop and deliver an effective multichannel experience



CHOOSE

Choose the right web content management as your marketing backbone – Forrester has pointed out that web content management is the core of digital experience, so make sure your WCM is agile and supports things like responsive design/mobile, rich media, scalable and is easy to use enough to empower marketers to carry out their work



CONNECT

Technology is modern marketing's new best friend, but to reap the benefits you need to build a connected digital eco-system. No a single technology can deliver upon the full customer experience - combine them with a best of breed approach in the right quantity and context to realize the true value in optimizing the customer journey



PERSONALISE

With the right content management system and a best of breed digital eco-system, marketers will be able to react in real-time and deliver personalized experience base on customer behaviour



RESTRUCTURE

Restructure the marketing team and upskill staff - traditional marketing teams are built to work in silos. Organisations need to adapt and restructure to focus on customer experience, not channels. And make sure they have the knowledge and data access to keep up with customer demands



APPOINT

Appoint a marketing technologist – technology plays an increasingly important role in customer experience and now marketing team requires a new breed of marketing technologist to take charge of the digital roadmap and act as an interface between IT and marketing to make the best of their technology investment

Appendix

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Results by Seniority	29

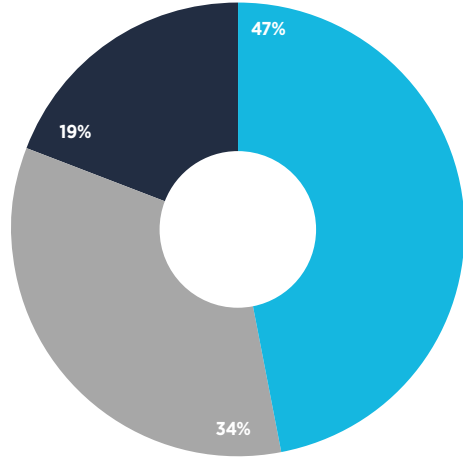
Topline Results

1

What type of business are you?

KEY

- Business to Business (B2B)
- Both B2B & B2C
- Business to Consumer (B2C)

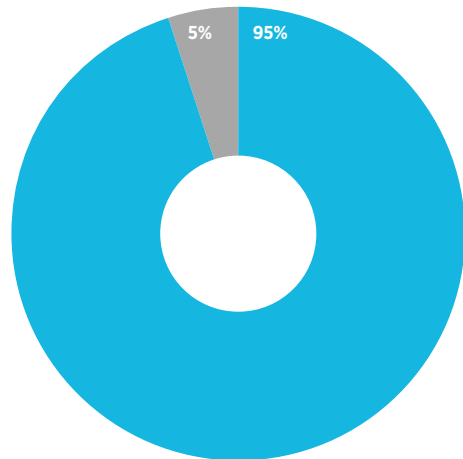


2

Is a multichannel strategy that allows you to target customers important to your organisation?

KEY

- Yes
- No

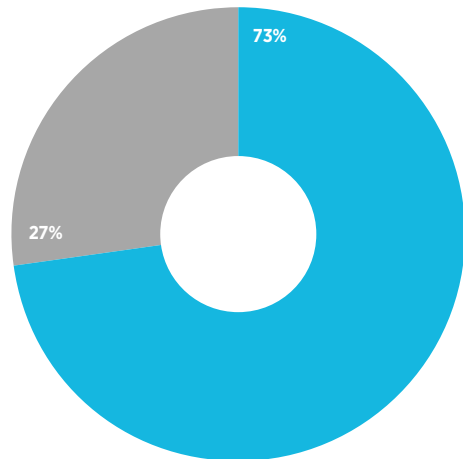


3

Do you have a strategy or plan in place to get there?

KEY

- Yes
- No

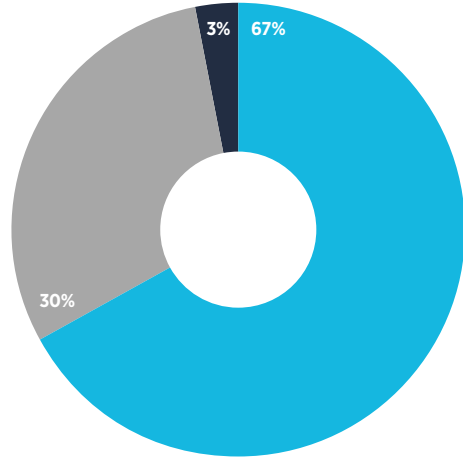


4

How confident are you in being able to deliver against your multichannel marketing strategy?

KEY

- Somewhat confident
- Highly confident
- Not confident

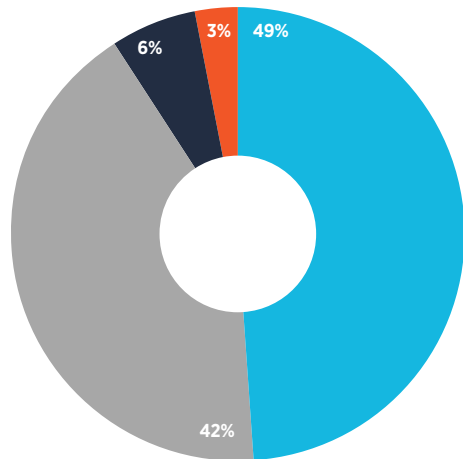


5

Who makes the marketing driven technology decisions within your business?

KEY

- Marketing
- Joint responsibility
- Other
- IT

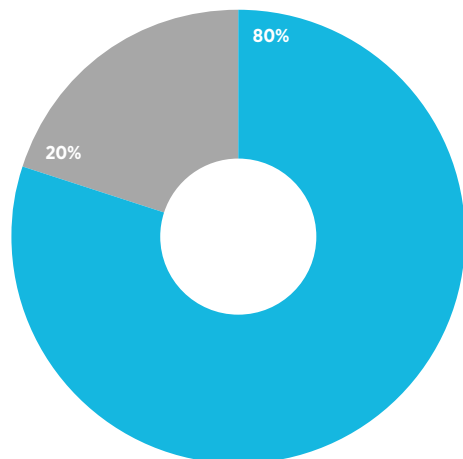


6

Once purchased who takes ownership of marketing technology in the business?

KEY

- Marketing
- IT

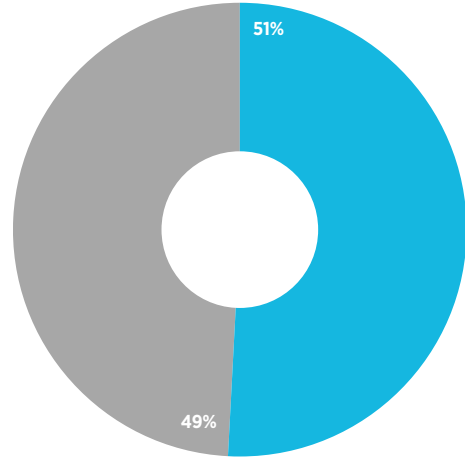


7

KEY

Do you need to go to IT, development (or another department) when you need to add, manage or edit content on your websites?

- No
- Yes



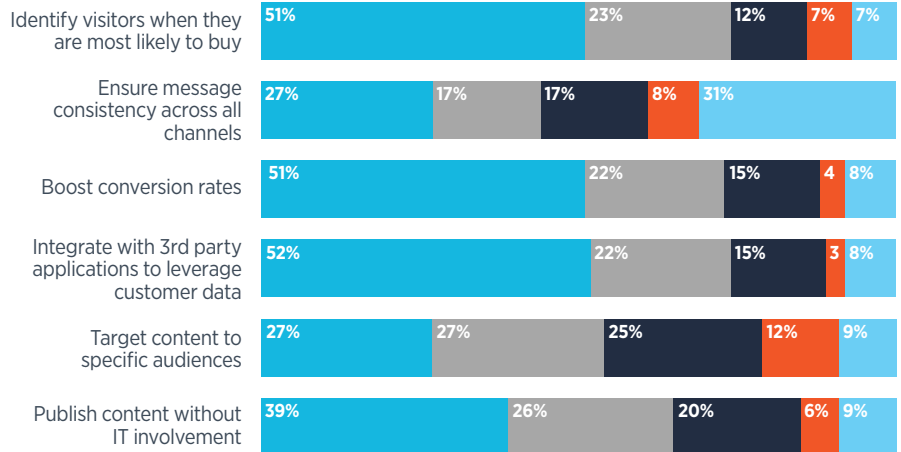
8

KEY

What would you like to do with your website that you can't do today?

- 5
- 4
- 3
- 2
- 1

Rate 1 – 5 with 5 having the most severe affect and 1 having the least affect.



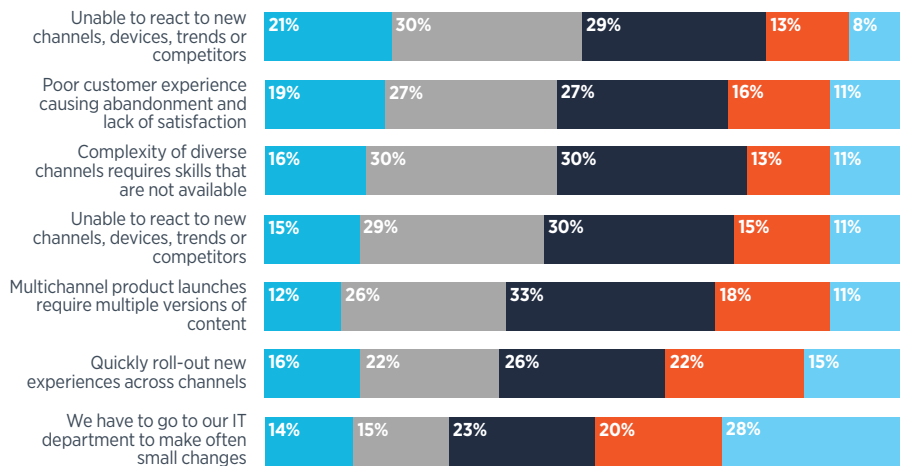
9

KEY

How have the following challenges affected your ability to deliver a seamless and unified customer experience?

- 5
- 4
- 3
- 2
- 1

Rate 1 – 5 with 5 having the most severe affect and 1 having the least affect.

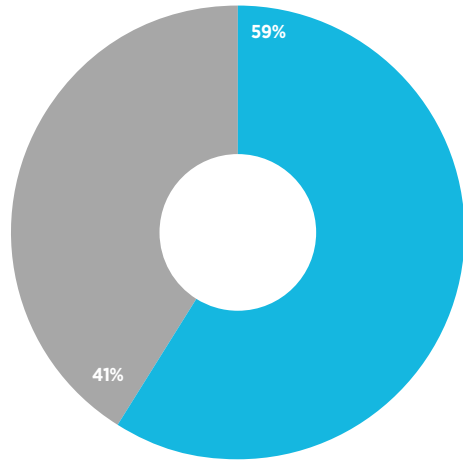


10

KEY

Can you recognise where a customer is on their journey and then know where to take them next?

- No
- Yes



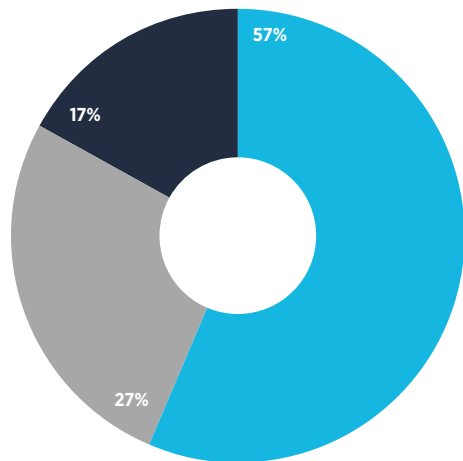
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11

KEY

How confident are you in your ability to deliver the right message at the right time to the right prospect or customer in the right way?

- Lack confidence
- Somewhat confident
- Highly confident



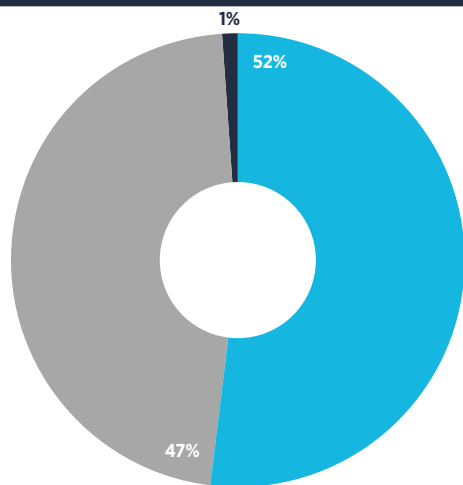
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12

KEY

To what degree do you believe not getting multichannel communications right will affect your brand?

- Not at all
- Somewhat
- Strongly affected

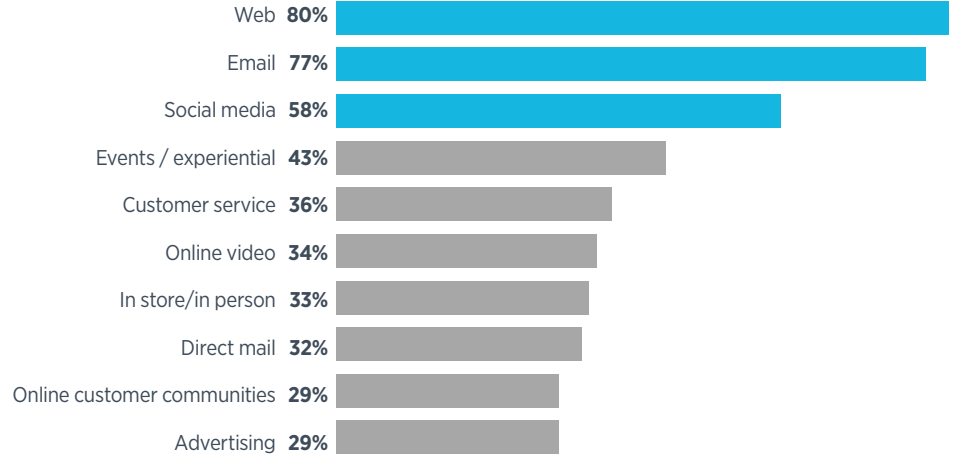


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13

Which of the following channels do your customers prefer when it comes to getting information about your business or services?



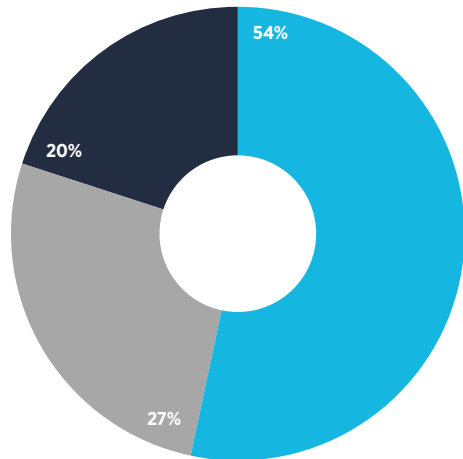
14

How confident are you in being able to track which channels customers come from?



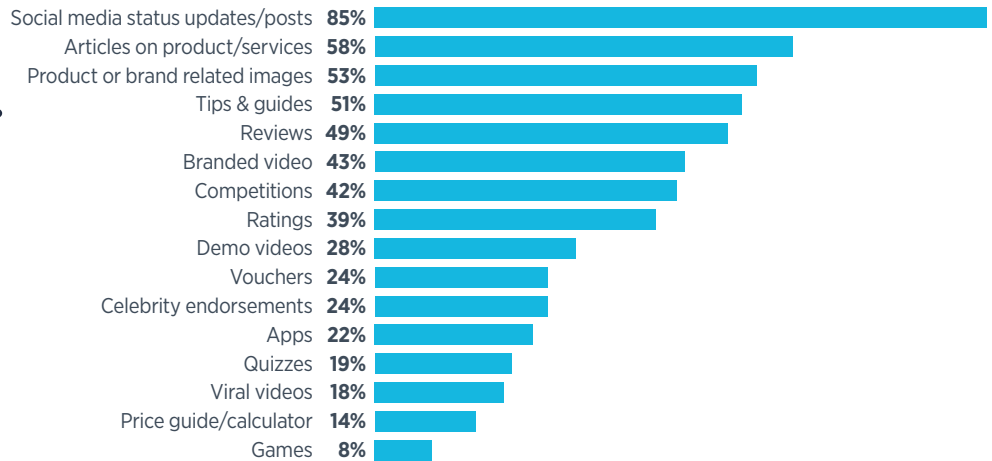
KEY

- Somewhat confident
- Highly confident
- Lack confidence



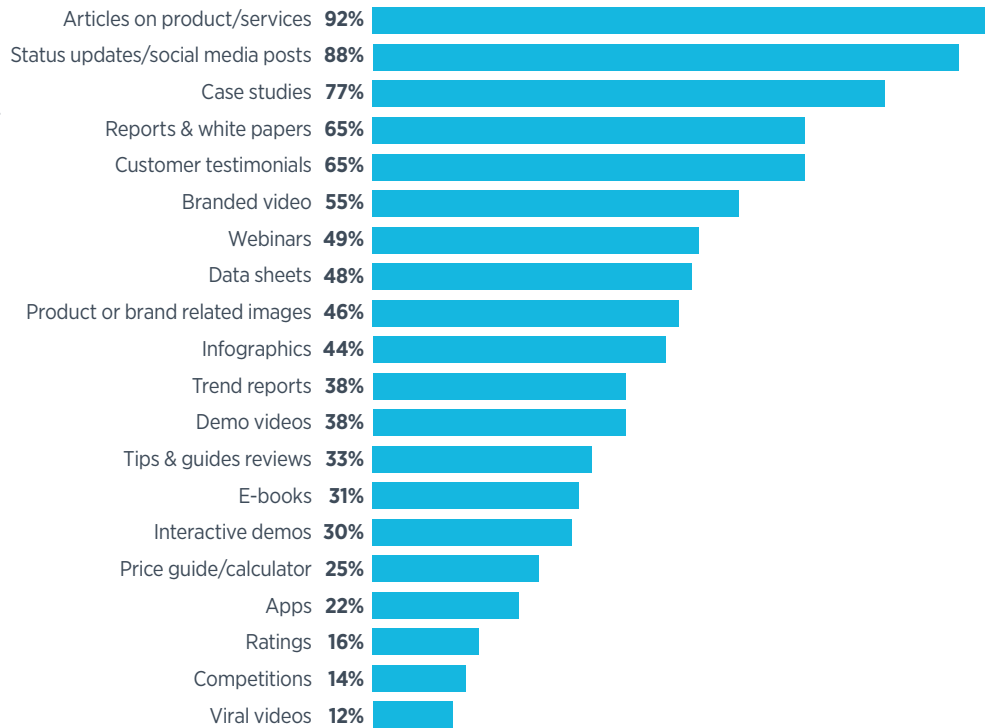
15a

B2C - Which of the following types of content do you use to market your products and/or services



15b

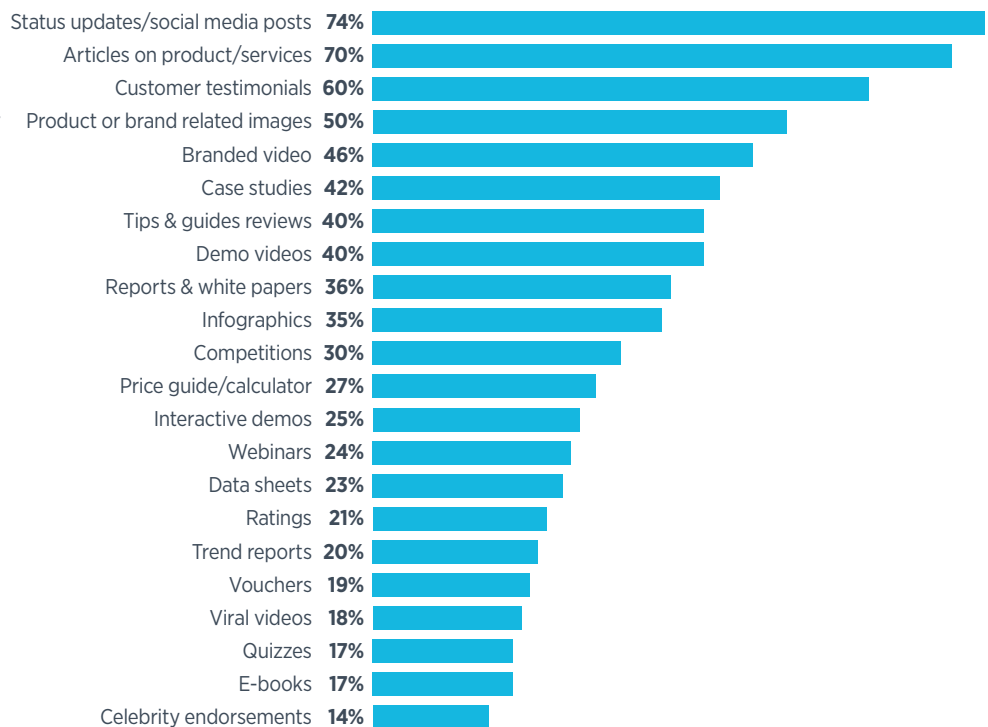
B2B - Which of the following types of content do you use to market your products and/or services



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15c

B2B & B2C - Which of the following types of content do you use to market your products and/or services



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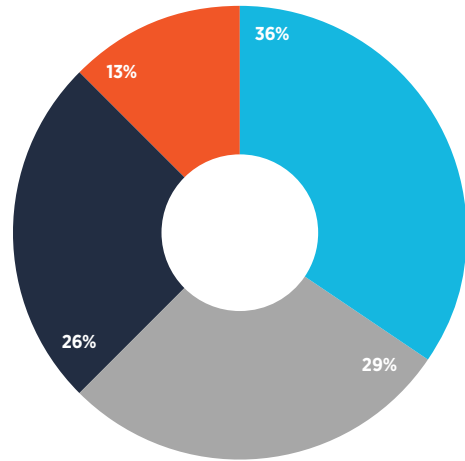


16

Do you utilise any of the following CRM technologies within your business?

KEY

- None
- Other
- Salesforce CRM
- Microsoft Dynamics

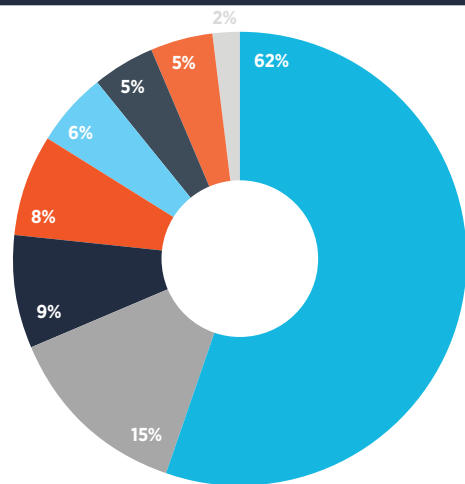


17

Do you utilise any of the following marketing Automation technologies within your business?

KEY

- None
- Other
- Hubspot
- Salesforce Pardot
- Marketo
- Eloqua
- Exact Target
- Marketo

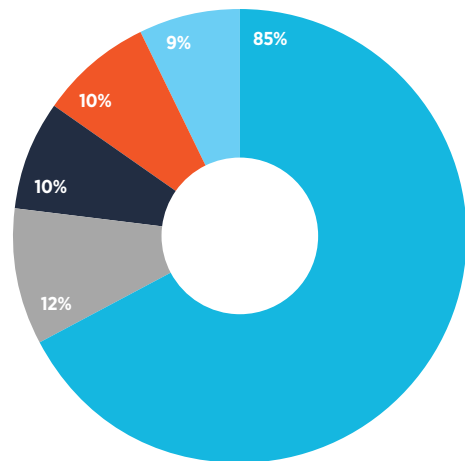


18

Do you utilise any of the following Analytics technologies within your business?

KEY

- Google Analytics
- Webtrends
- Adobe SiteCatalyst
- Other
- None

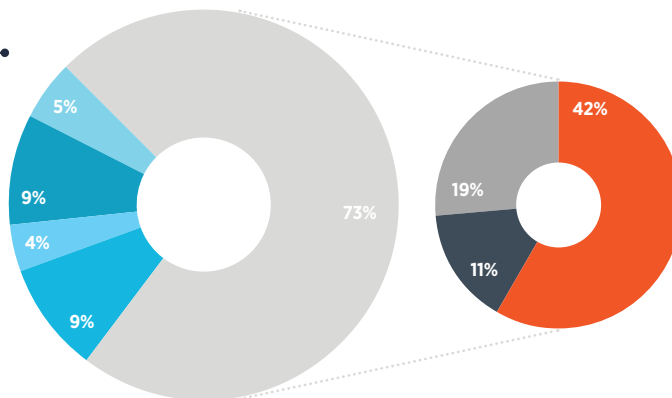


19

Annual Turnover

KEY

- Large (\$1bn +)
- Large (\$500 m - \$1bn)
- Large (\$100 m - \$500m)
- Large (\$50 m - \$99m)
- Medium (\$2m - \$9m)
- Small (\$2m - \$9m)
- Micro (less than \$2m)

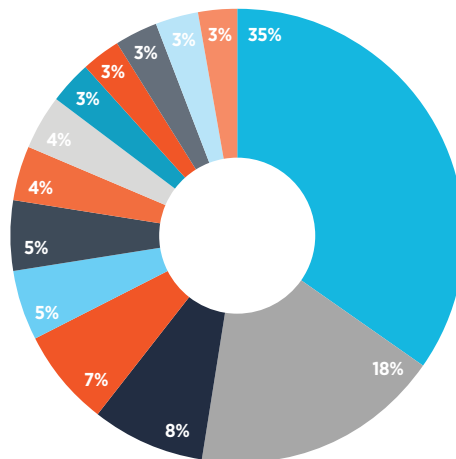


20

Industry

KEY

- Other
- Advertising & Marketing
- Consulting
- Technology
- Software
- Retail & Wholesale
- Services
- Manufacturing
- Financial Services
- Healthcare
- Pharmaceuticals
- Telecommunications
- Entertainment & Leisure

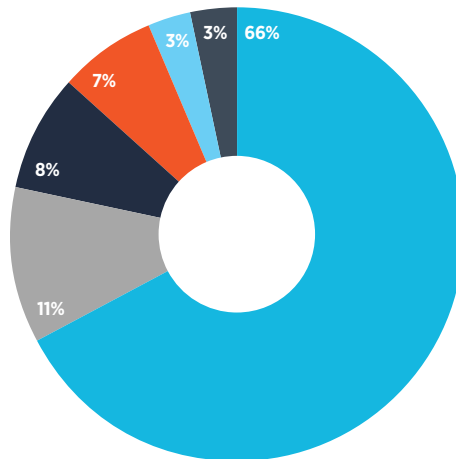


21

Job Function

KEY

- Marketing & Advertising
- Sales
- Operations
- Administration
- IT
- Others

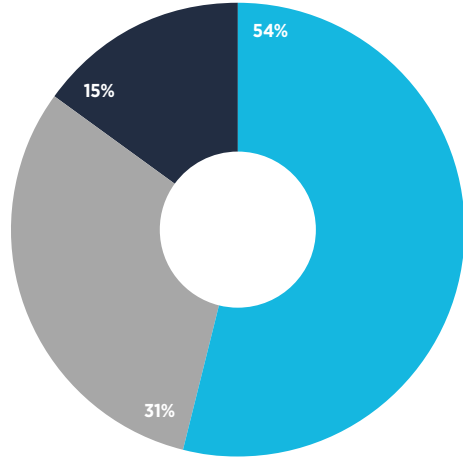


22

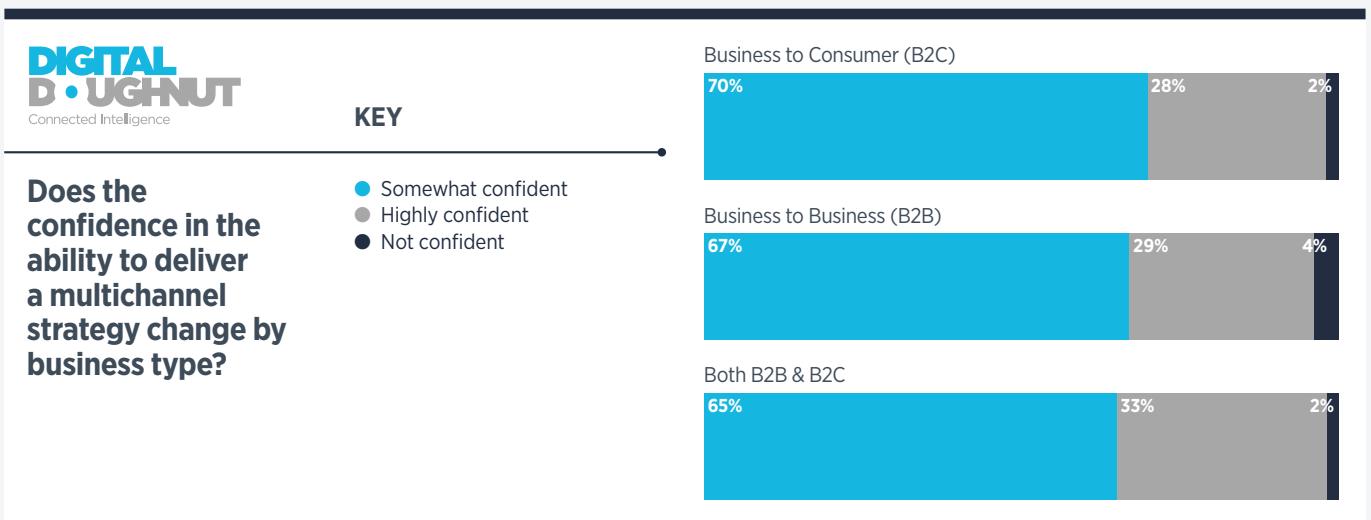
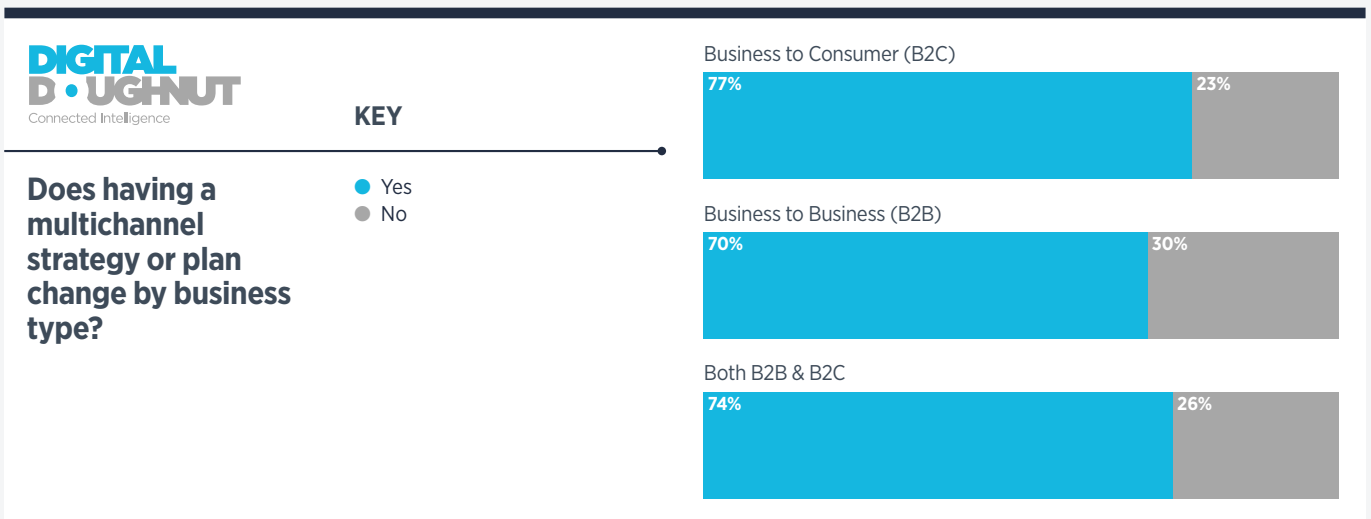
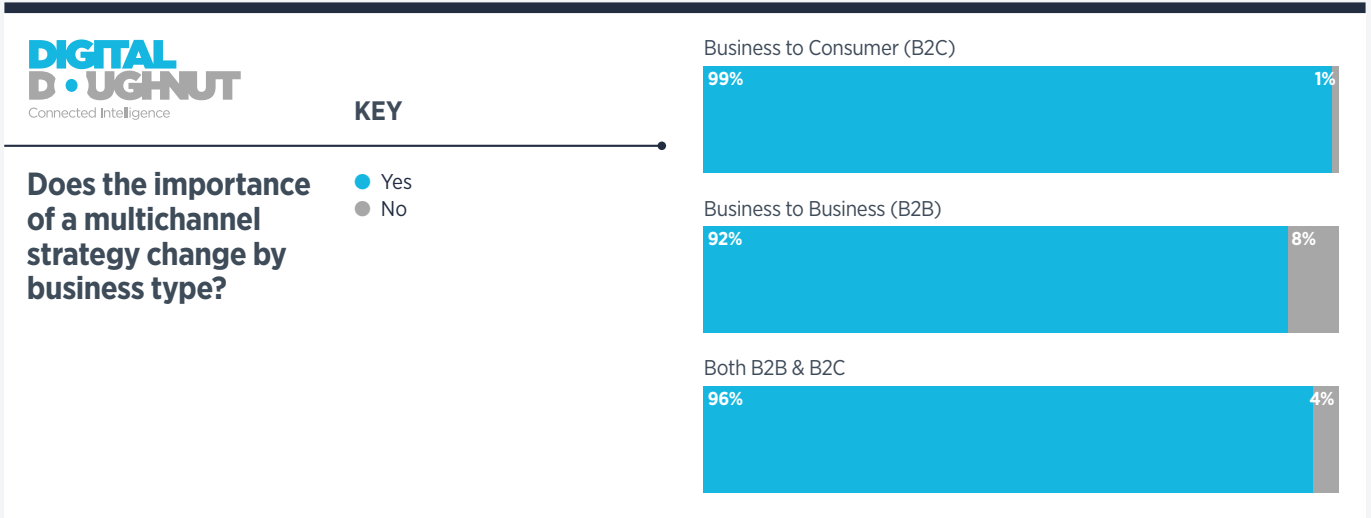
Seniority

KEY

- Senior Management
- Middle Management
- Executives & operations



Results by Business Sector



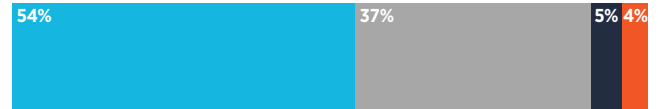


KEY

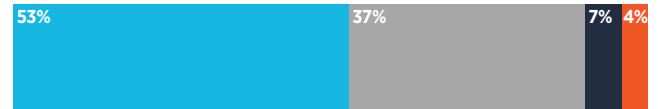
- Marketing
- Joint responsibility
- Other
- IT

Does who makes the decision on marketing technology change by business type?

Business to Consumer (B2C)



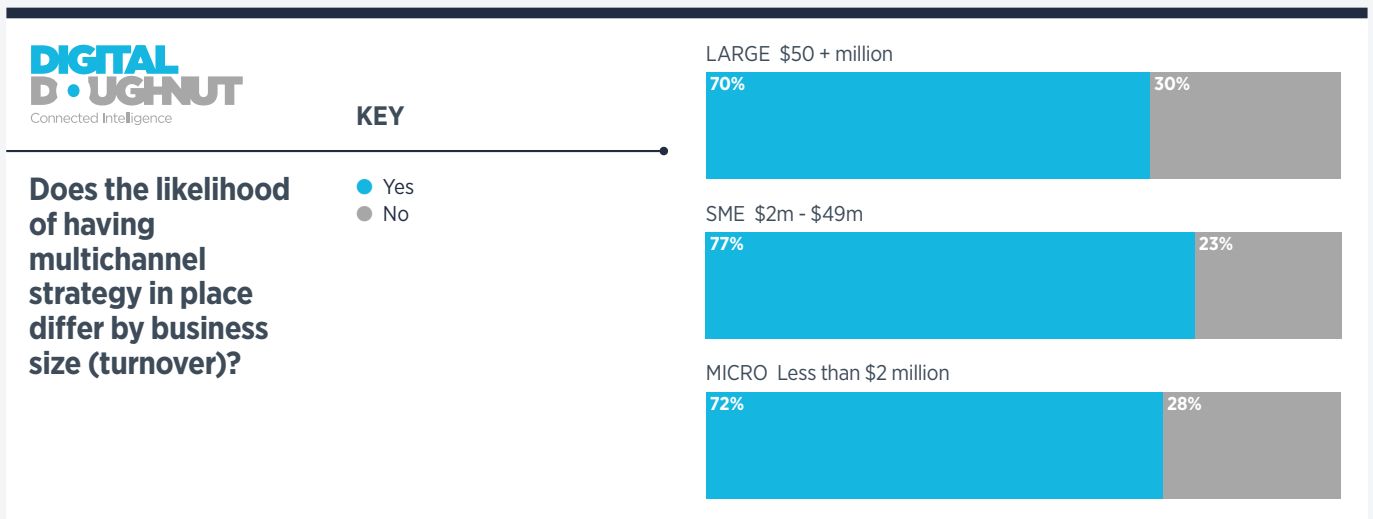
Business to Business (B2B)



Both B2B & B2C



Results by Revenue



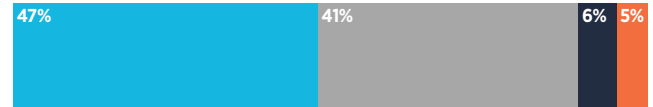


KEY

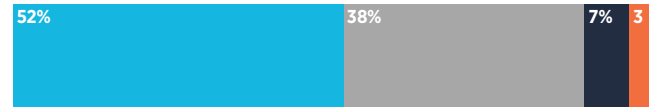
Does who makes the marketing technology decisions within your business differ by business size?

- Marketing
- Joint responsibility
- Other
- IT

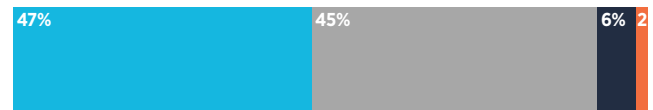
LARGE \$50 + million



SME \$2m - \$49m



MICRO Less than \$2 million



KEY

Does the ability to recognise where a customer is on their journey and then know where to take them next differ by business size (revenue)?

- No
- Yes

LARGE \$50 + million



SME \$2m - \$49m



MICRO Less than \$2 million

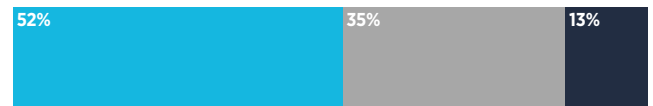


KEY

Does the level of confidence in the businesses ability to deliver the right message at the right time to the right prospect or customer in the right way differ by company size (turnover)?

- Somewhat confident
- Lack confidence
- Highly confident

LARGE \$50 + million



SME \$2m - \$49m



MICRO Less than \$2 million



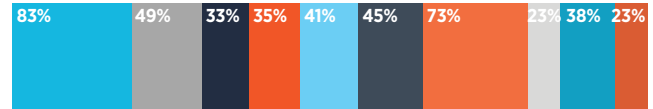


KEY

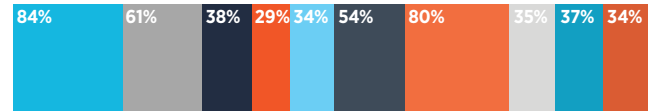
Does the channels your customers prefer when it comes to getting information about your business or services change with business size?

- Web
- Online video
- Instore/in person
- Email
- Customer service
- Social media
- Online customer communities
- Events/experiential
- Direct mail
- Advertising

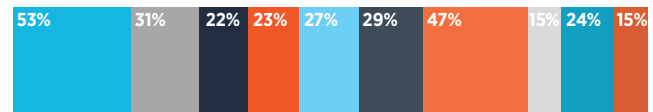
LARGE \$50 + million



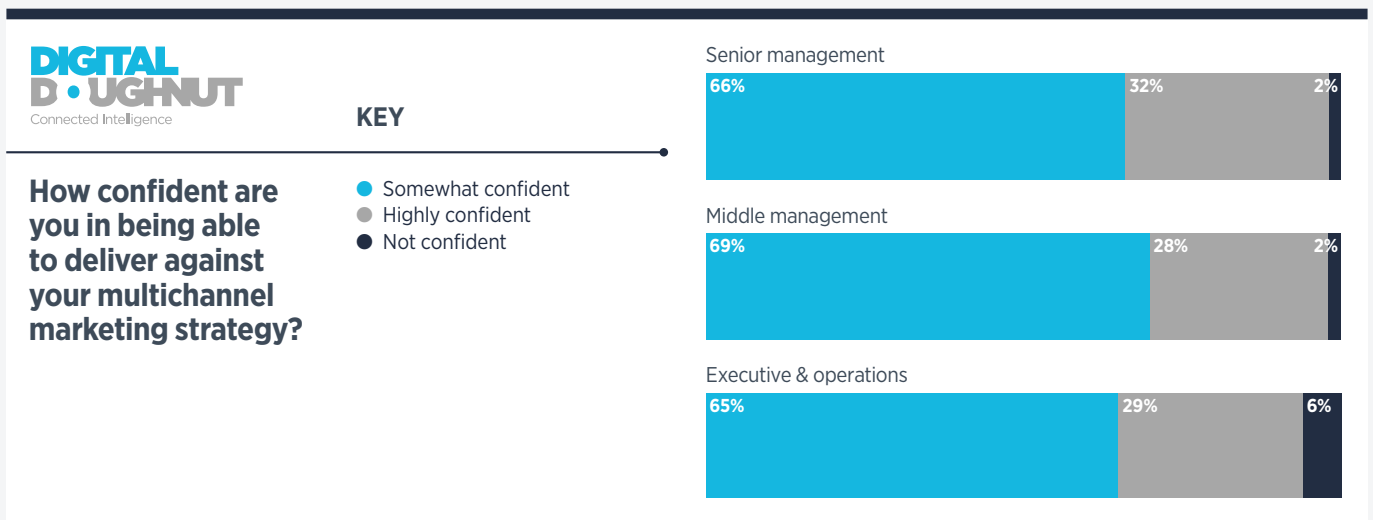
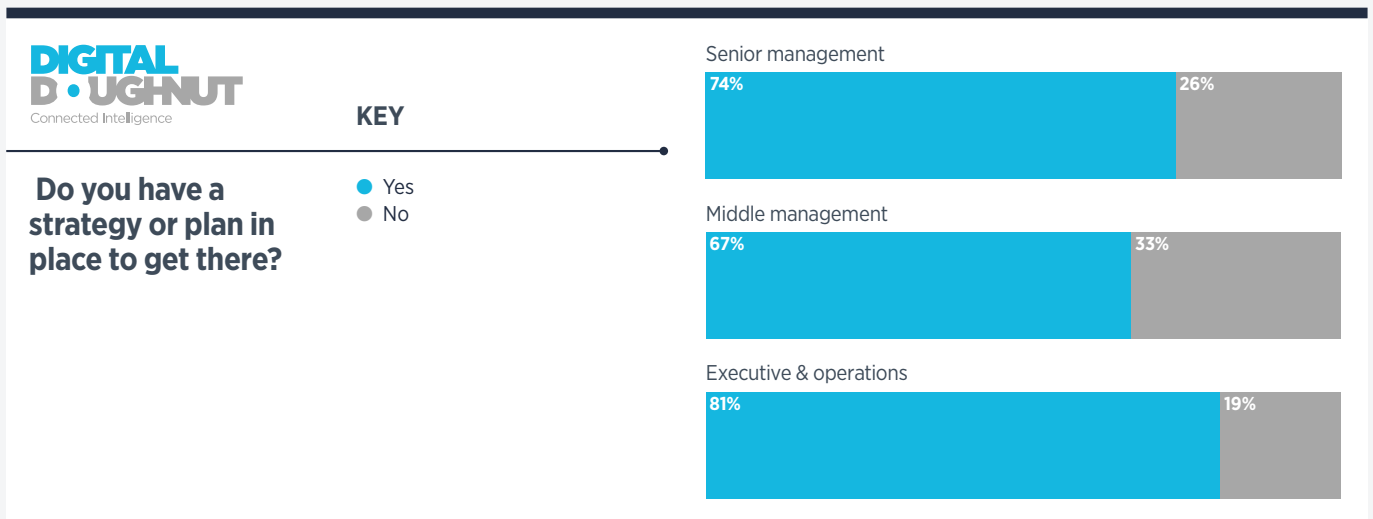
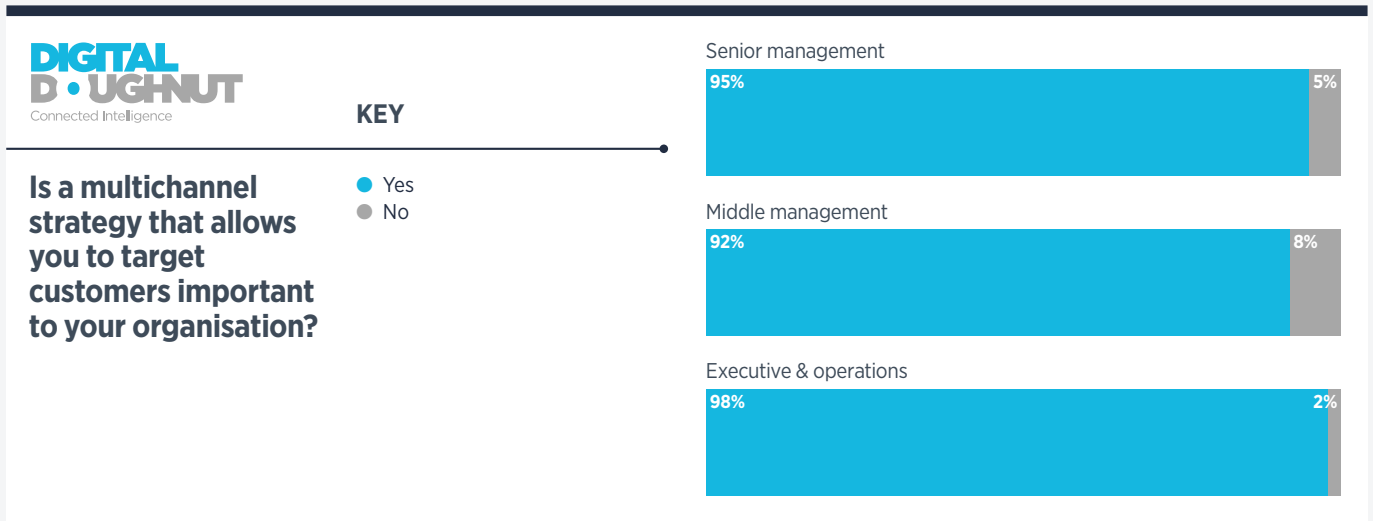
SME \$2m - \$49m



MICRO Less than \$2 million



Results by Seniority





KEY

Can you recognise where a customer is on their journey and then know where to take them next?

- No
- Yes

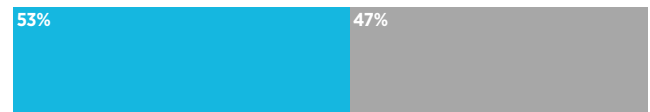
Senior management



Middle management



Executive & operations



KEY

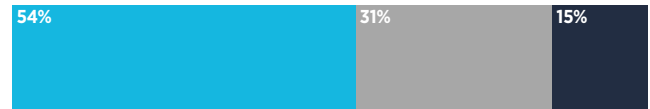
How confident are you in your ability to deliver the right message at the right time to the right prospect or customer in the right way?

- Somewhat confident
- Not confident
- Highly confident

Senior management



Middle management



Executive & operations





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