The Age of Integrated Optimization Marketing

Mark Schmukler Sagefrog Marketing Group B2B Marketers Conference June 13, 2016



Integrated Optimization Marketing (IOM)

The practice of continuously integrating and optimizing marketing communications and customer experience across <u>all</u> channels to maximize business performance.



Integrated Optimization Marketing: Requirements for IOM Success

Integrated Marketing Communications
Customer Experience Optimization

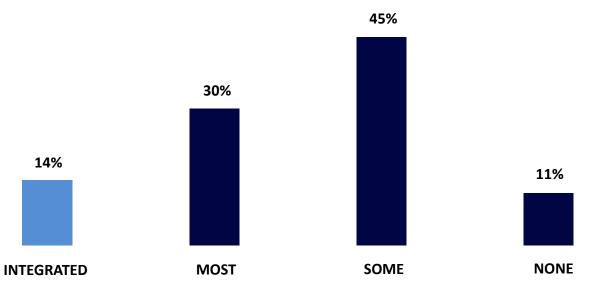


Part 1: Integrated Marketing Communications Situation





Marketing Communications is no longer integrated



86% don't have an Integrated Marketing Platforms

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Source: Econsultancy and Adobe Digital Intelligence Briefing



1990 INTEGRATED MARKETING COMMUNICATIONS

(IMC; traditional outbound integration)



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1998 SEARCH ENGINE OPTIMIZATION (digital inbound optimization)





2006 INBOUND MARKETING (digital inbound integration)

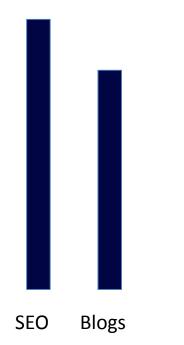
HubSpot







INBOUND DIGITAL

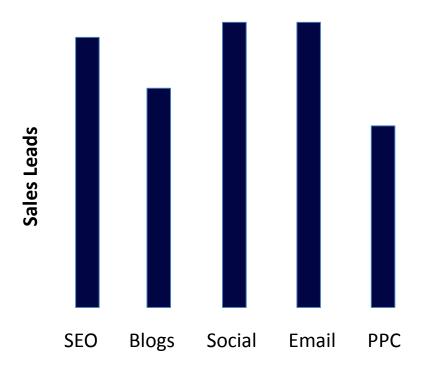








+ NON-INBOUND DIGITAL



Pivot #1: Non-Inbound Digital

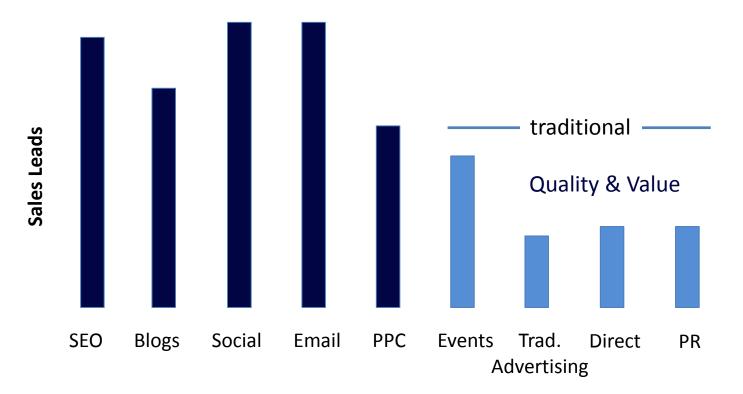
Pivot #2: Agency Channel Partners

Source: HubSpot





FULLY INTEGRATED **DIGITAL+TRADITIONAL**



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Sources: HubSpot and the Sagefrog B2B Marketing Mix Survey



MARKETING CLOUDS = **MORE DIGITAL INTEGRATION**



Adobe[®] Marketing Cloud



Omniture (2009) – Analytics Neolane (2013) – Campaign Management

Radian6 (2011) – Social Exact Target-Pardot (2013) – Email & Automation

Eloqua (2012) – Automation Responsys (2013) – Email & Automation

IBM Marketing Cloud

ORACLE

MARKETING

CLOUD

Silverpop (2014) – Automation





Digital Marketing Platforms are good for:

- 1. Reducing customer acquisition costs
- 2. Yielding high Return-On-Investment
- 3. Increasing quantity of leads
- 4. Providing highly trackable metrics
- 5. Personalizing the customer experience



Focus on Customer Acquisition and ROMI...

■Rank 1	Rank	2	-	Rank 3	Unranked
New customer acquisition	21%	24%		17%	38%
Return on marketing investment (ROMI) Contribution to business revenue		Ď	13%	13%	39%
	18%	18%	11%		53%
Existing customers retained	9% 11%	14%			66%
Traffic to our site	3% 9% 8%			79%	%
Campaign metrics like opens click-through's, etc.				799	%
Cross-channel attribution	6% <mark>4%</mark> 7%	6%4%7% 83%			
Number of customers in our email lists	1708% 7%				
	2 <mark>28</mark> 5%	285% 91%			
		%% 94%			

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Source: Forrester commissioned by Google (2016)



2020 – ROI important, but Revenue Rules

How is marketing impact measured in your organisation today? How will it be measured in 2020?



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Source: Economist Intelligence sponsored by Marketo



MARKETING OPPORTUNITY #1

Focus has been on digital marketing, but we must optimize <u>all</u> marketing including traditional channels to maximize business performance



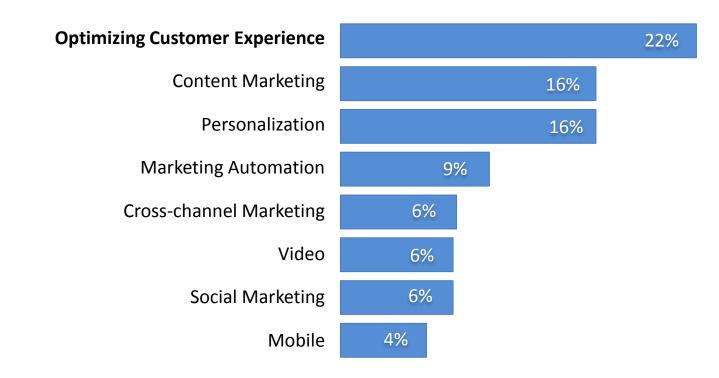


Part 2: Customer Experience Optimization





Optimizing Customer Experience is a Priority



Source: Econsultancy and Adobe Digital Trends (2015 and 2016)

Company respondents: 3,013 Agency respondents: 2,653





Customer Experience (CX) Optimization

CX Journey Optimization CX Leadership





Buyer and Customer Journey







Customer Experience Leadership

Customer Focus Vision Tech Savvy Cross-function Results-oriented





"You've got to start with the customer experience and work back toward the technology – not the other way around."

- Steve Jobs (1997)





"I'd rather spend money on things that improve customer experience than on marketing."

- Tony Hsieh (Zappos)



"It's very important to have a feedback loop, where you're constantly thinking about what you've done and how you could be doing it better."

Elon Musk (Tesla, SpaceX)

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"We're not competitor obsessed, we're customer obsessed. We start with what the customer needs and we work backwards."

- Jeff Bezos (Amazon)





"It's the Age of Integrated Optimization Marketing, so we need fully integrated marketing, and strong cross-function leadership to optimize the customer experience."

- future CMO-CXO (you?)





MARKETING OPPORTUNITY #2

Customer Experience Optimization is in-process, but it will require next generation CX leadership for success





IOM TAKEAWAY

To realize Integrated Optimization Marketing, we need fully integrated marketing platforms and next generation leaders (Marketers) to optimize the customer experience and business performance.



Thank You



