

Marketing Trends 2006 and Beyond

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Think about it ...

Right now, your customers are *thin-slicing* your offerings, your Web site, and your marketing communications...

Where is marketing at ...

Most multi-channel marketers today have clung to product- and campaign-centric methods to measure success.

But, product - and campaign-centric models may be on their last legs based on two key trends Forrester Research sees:

Increased consumer resistance to intrusive marketing:

- 68 percent of consumers agree there are too many ads today
- 63 percent of U.S. households wish they got less direct mail
- 66 percent of emails received are unwanted

Consumers are actively taking control away from marketers:

- 75 percent of consumers have or intend to sign up for Do-Not-Call lists
- 74 percent have or intend to install pop-up and spam blockers

...

What do most marketers do?



Figure 1: The majority of marketers still fail to use email as a relevant direct marketing tool

Top Trend – A more meaningful shift to CUSTOMER CENTRIC MARKETING

Why customer-centric marketing?

"Because it will increase profits." This will happen for two main reasons:

- Customer-focused communications
- Marketing investment will be better aligned with customer profit potential so marketing will become more cost-efficient



Source: HBS

Promising Interactive Tactics for Customer Centric Marketing

- Behavioral Targeting
- Web and email analytics
- Dynamic content
- Video Streaming
- RSS feeds for marketing
- Community building
- Personalized emails
- Podcasts
- Blogs
- Web 2.0
- ...

Aligning business objectives with tactics

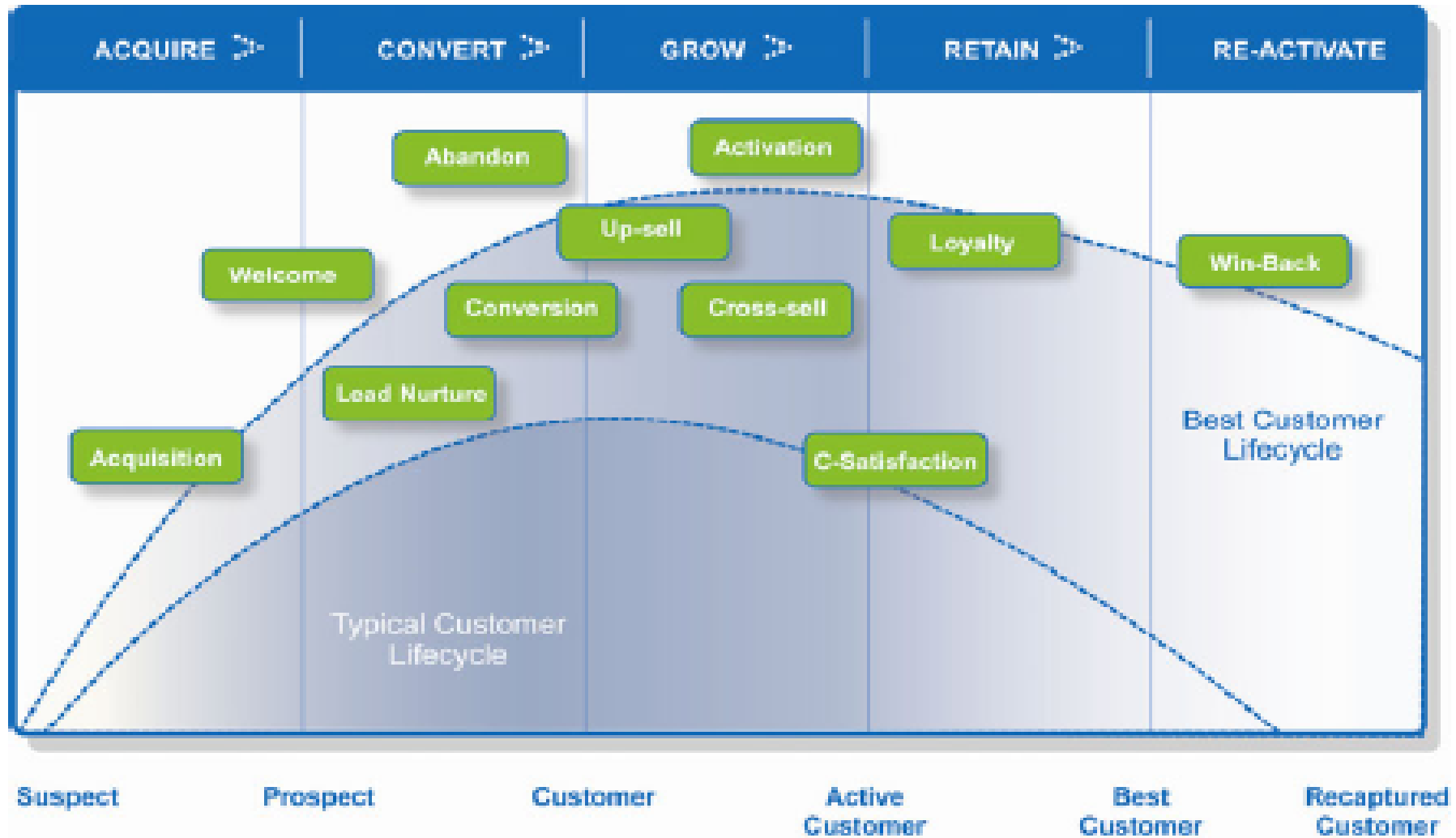


Figure 4: Mapping out a customer contact strategy

Behavioral Targeting

What is behavioral targeting?

Marketing tailored to an individual's specific interests.

Why does it make sense?

Behavioral targeting has the unique ability to build a more personalized experience through a series of interactions, creating a relationship between the user and marketer/advertiser in the decision making process.

BT can also be used as a content planning tactic

Behavioral Targeting

Bear in mind these guidelines when planning BT:

- Start with Who Matters Most:
- Less is More:
- Find the Magic Intersections:
- Raise Staff Consciousness:
- Close the Gaps:

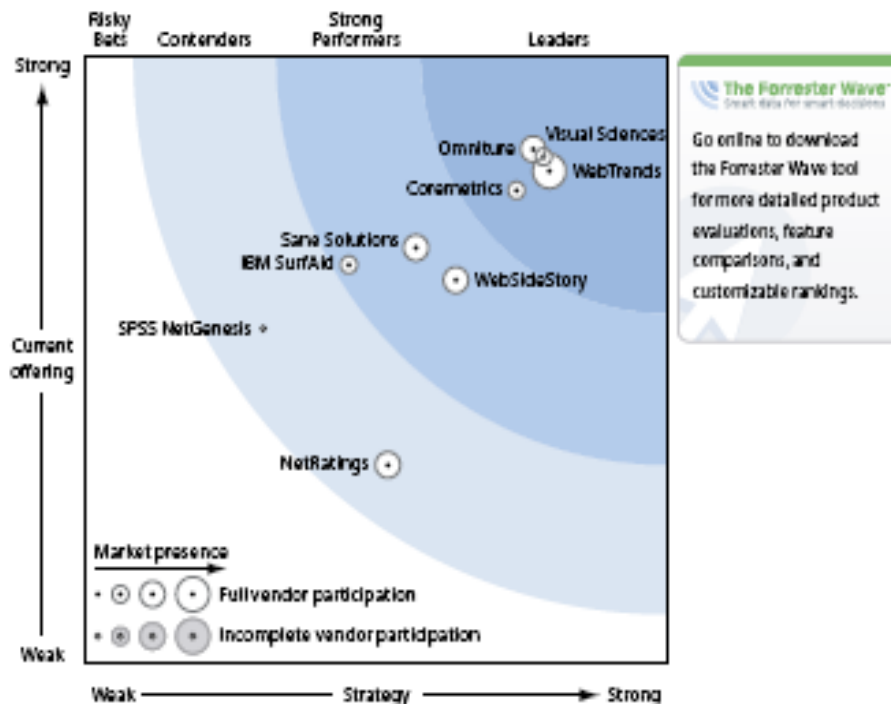
Vendors: Omniture, Responsys etc.

EMAIL and WEB ANALYTICS

E-mail and web analytics metrics should be integrated for a complete view of the purchasing experience.

Tech Choices | The Forrester Wave™: Web Analytics, Q1 2006

Figure 4 Forrester Wave™: Web Analytics, Q1 '06

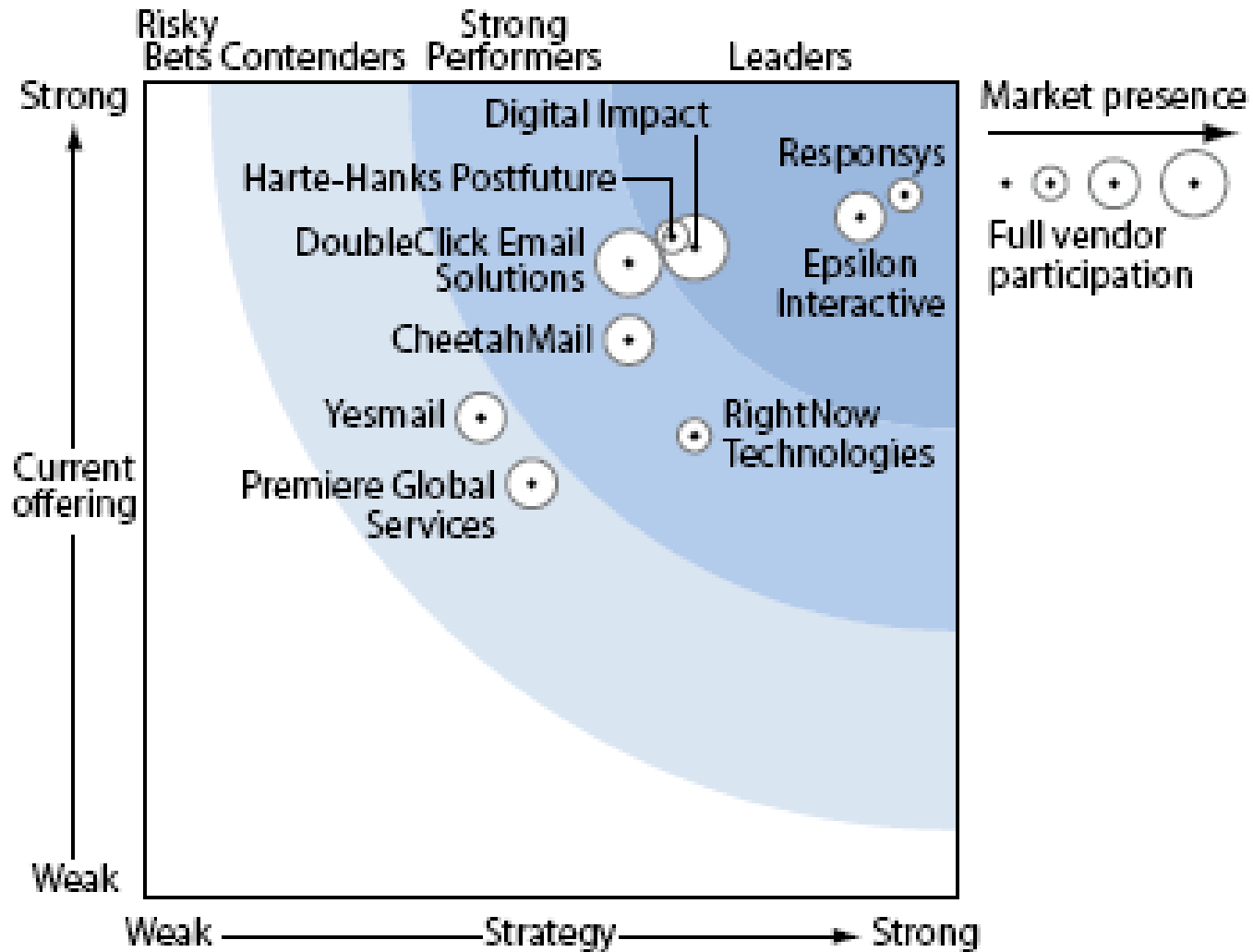


Source: Forrester Research, Inc.

- Example
Information transfer from a web analytics tool to the email delivery system

- Best vendors

Figure 3 Forrester Wave™: Email Marketing Service Providers, Q4 '05



DYNAMIC CONTENT

The days of simple emails are gone.

Think about creating detailed customer profiles.

Example

Ice Miller Law Firm Establishing Credibility with Relevancy

- Founded in 1910, Ice Miller is the largest law firm in Indianapolis, with a nationally recognized reputation in many of its practice areas.

- Customized newsletters driven by individual attributes such as location and industry. For example, when the state of Indiana makes modifications to articles and laws, the only subscribers receiving such information are those who reside in Indiana.

In this issue...

SARBANES-OXLEY AND PRIVATE COMPANIES: Why Private Companies Should Consider Compliance With Sarbanes-Oxley and What To Do About It

Small Business Tools to Retirement

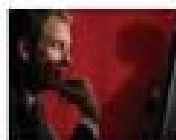
Emergency, Emergency... Where Should the Patient Go?

SSBIs: Enter the Field to do Small Business

ARTICLES

JUNE 04

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SARBANES-OXLEY AND PRIVATE COMPANIES: Why Private Companies Should Consider Complying With Sarbanes-Oxley and What To Do About It

Over the past two years, the media has made us painfully aware of the Sarbanes-Oxley Act (the "Act") and its effects on public companies. While Congress enacted Sarbanes-Oxley in response to accounting and corporate governance scandals at some of the largest public companies, its ramifications have begun to trickle down to private companies as well. In this third installment of a four-part series on the Act, we explore why forward-looking private companies need to understand the requirements of the Act and why they should consider voluntarily adopting the key reforms and compliance procedures in the Act. [Learn more.](#)

Small Business Tools to Retirement

Like any organization, small businesses face a myriad of tax requirements upon formation and during operation. Recently, the Internal Revenue Service (IRS) introduced several helpful tools on its website to assist small businesses with general compliance issues, particularly with respect to retirement plans. [Learn more.](#)



911

Emergency, Emergency... Where Should the Patient Go?

Example:

Subscribers coded as "private companies" and "small businesses" received this targeted version containing legal updates pertinent to them.

Other businesses received a version with different content.

VIDEO STREAMING

- 2006 will see more rich media embedded in an email
- Like images, most email clients will not automatically open audio and video files.
- Example: The Economist
- <http://decisionhealth.com/conferences/summit/>

WEB 2.0

Web 2.0 is defined by a list of attributes that make it different from Web 1.0.

- User centered
- Open
- Simple and lightweight
- Decentralized, distributed and participatory

WHAT YOU NEED TO KNOW

Business leaders and technology strategists should exploit the intrinsic value of Web 2.0, but also invest in building on its foundation for a more-profound wave of innovation starting circa 2012.

WEB 2.0

Web 1.0

DoubleClick -->
Ofoto -->
Akamai -->
mp3.com -->
Britannica Online -->
personal websites -->
Evite -->
domain name speculation -->
page views -->
screen scraping -->
Publishing -->
content management systems-->
directories (taxonomy) -->
Stickiness -->

Web 2.0

Google AdSense
Flickr
BitTorrent
Napster
Wikipedia
blogging
upcoming.org and EVDB
search engine optimization
cost per click
web services
participation
wikis
tagging ("folksonomy")
syndication

Figure 1. What's Old, What's New and What Will Last

| | | Prevalent | Essential | New | Will Last |
|----------------------|---------------------|-----------|-----------|-----|-----------|
| User | User Content | *** | *** | x | *** |
| | User Metadata | ** | *** | ** | *** |
| | Usability | x | *** | x | x |
| Open | Open SRC Platform | ** | ** | o | x |
| | Open SRC Product | x | ** | ** | x |
| | Public APIs | ** | ** | x | ** |
| | Open Process | ** | ** | ** | ** |
| Lightweight | Ajax | *** | x | x | *** |
| | REST | ** | x | x | ** |
| | Microformat | o | x | *** | x |
| | Scripting Languages | *** | ** | x | ** |
| | Process | *** | ** | x | x |
| | Narrow Focus | *** | ** | x | x |
| | | | | | |
| Decentralized | RSS/Content | *** | ** | ** | ** |
| | Code | x | ** | *** | ** |
| | Development | ** | ** | x | x |
| Still Missing | Security | oo | *** | x | ** |
| | Transactions | oo | x | o | ** |
| | Durability | ooo | *** | x | ** |
| | Global Audience | x | ** | x | ** |
| | Mobile | x | ** | x | ** |

Key

Positive Ratings: x (slight) to *** (strong positive)

Negative Ratings: o (slight) to ooo (strong negative)

Conclusion

Greater profits are driven by customer-level profitability.

You can use any of the tactics I mentioned or the many other tactics that have been around for a long time.

Web 2.0 will come and go the same way Web 1.0 came and went.

What does this mean for you:

- Focus on finding the most profitable customer segments (subscribers that spend the most with you and that will stay longer)

We can learn, test, improve, test and improve again and again ...

Thank you