

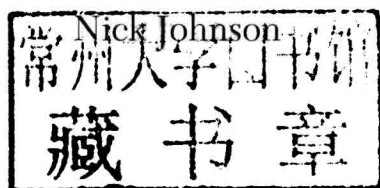
THE FUTURE OF MARKETING

Strategies from 15 Leading Brands
on How Authenticity, Relevance, and
Transparency Will Help You Survive the
Age of the Customer

NICK JOHNSON

The Future of Marketing

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The Future of Marketing

*To my parents, who taught me that what you do
is more important than what you say.*

About the Author

Nick Johnson is founder and CEO of the Incite Group, a leading business intelligence firm that provides highly relevant, research-based insights on customer experience for the marketing, communications, and advertising communities. He has worked closely with chief marketing officers and other senior executives from major brands since founding his first company, Useful Social Media, in 2009.

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Introduction

I'll let you in on a secret. I'm a bit of a skeptic. I've worked in marketing for close to ten years now and founded two companies focused closely on the business of marketing for large corporations.

And gosh, there are a whole lot of snake oil salesmen, aren't there?

It's the names that give it away. Who, apart from 8-year-old boys and highly trained martial artists, calls himself a ninja? Why are there so many "gurus" nowadays? Why so many "rock stars" and so few guitar solos?"

My day job is to run a business intelligence company called the Incite Group. I founded it based on the observation that I wasn't the only one getting a bit tired of the big promises and buzzwords spouted all across the marketing "community." The gurus, the ninjas, and the rock stars talked a big game, but weren't giving much in the way of real-world, stress-tested, practical advice.

Marketers kept telling me that what they wanted, really, was to talk to each other. To people "at the coalface," people with real-world experience—not people with a couple big ideas and a slick PowerPoint deck.

So that's what we facilitate with Incite—bringing together executives to have a robust, skeptical debate about the future of marketing. And that's how I've written this book: Ask the right people the right questions, and then get out of the way.

The book in your hands isn't my "manifesto," nor am I attempting to foist a "Big Idea" on you. I do, however, introduce a new acronym (I know. Sorry): *ART* stands for Authenticity, Relevance, and Transparency. It has become increasingly clear to me that these three words should be the pillars of any marketing strategy moving forward.

The decision as to whether to use the three-letter acronym that arose as a result of my research was not one taken lightly (marketing is blessed with hundreds of these things), but I felt it would have been obtuse to ignore it.

Fundamentally though? I'm a delivery mechanism. This book is the result of years of conversations with senior marketers from major brands around the world. My job has been to listen and learn—spot common threads, identify trends, and turn their wisdom into eleven chapters of marketing analysis and best practice.

Who Is It For?

This book is designed for marketers who want to understand why their role is changing so quickly and how that evolution will continue.

As you can probably tell from the title, it is a pretty broad work. I've attempted to give you not only a clear look into the future of marketing (as anticipated by the people leading the charge into that future), but a grounding in the past—and how we've come to find ourselves in this situation in the first place.

Don't worry—there's depth too, and the book contains numerous practical guidelines and ideas, as well as case studies (from brand building in a multi-channel world to driving internal alignment), charts, and statistics you can use to benchmark your own activities and map your own path into our somewhat turbulent future.

The book is split into four parts:

1. Part I, "What's Changed?" investigates how we've gotten to where we are right now. It looks at the history of marketing (briefly) and the influences on the changing relationship between corporations and their customers. It also delves into why authenticity, relevance, and transparency should be the three pillars of any forward-looking marketing approach.
2. Part II, "How Are Companies Coping?" lays out where companies are right now. Filled with statistics, charts, and benchmarks, this part gives marketing executives clarity on the current corporate response to changing customer expectations. Armed

with this information, you can create benchmarks to ascertain whether you're ahead or behind.

3. Part III, "Building for the Future," highlights some of the core elements in a future-proof approach to marketing and investigates the following areas in depth:
 - **Brand building and storytelling:** Rising customer power has changed what "brand" means and how it is defined. Chapter 4, "Brand Management and Storytelling," looks at why storytelling is so popular and how it can help companies build an authentic brand. You'll find examples of how companies at the cutting edge have made storytelling the crux of their marketing strategy and find guidance on how you can do so as well.
 - **Internal buy-in and structure:** Delivering authenticity, relevance, and transparency requires not only a pretty fundamental restructuring of corporate organizational models, but strong buy-in from both the C-suite and the employee base. Chapter 5, "Getting Your House in Order: Internal Buy-In Impacts External Marketing," and Chapter 6, "How an Evolved Internal Structure Drives Authentic, Relevant, and Transparent Marketing," highlight how leading companies are getting their own houses in order to match up to new customer expectations, with case studies from Molson Coors on encouraging employee buy-in and Randstad on eradicating silos.
 - **Data for relevance and personalization:** Marketing has always been a mix of art and science. Chapter 7, "Data for Relevance and Agility," investigates the extent to which it should be dominated by science, given the flood of data available nowadays. You'll find examples of how successful companies have incorporated data-driven approaches into their marketing organization and see why relevance matters—and how data can help you achieve it. Two case studies spotlight One Medical Group, on using social listening to inform future strategy, and KidZania, on crafting a loyalty scheme to deliver exceptional customer experience through enhanced relevance.

- **Multichannel campaign management:** Chapter 8, “Why Multichannel Matters,” looks at how successful marketers are able to deliver success on a rapidly fragmenting marketing landscape. It includes a case study on a multichannel brand launch from insurance company Hiscox.
 - **Content:** Look here for examples of exceptional content marketing, currently a popular term in the marketing community. Chapter 9, “Content Marketing to Drive Engagement,” explores why relevance is so critical to engaging content, looks at how to disseminate content in the right way, and covers ways to measure impact and track success.
 - **Conversations and social media:** Part III also investigates the conversational approach to marketing in a world of social media—particularly in Chapter 10, “The Imperative—and Opportunity—of Conversation.” It looks at how brands can build authenticity through conversation and examines the six core elements of conversational marketing taken from brands that have done it well.
4. Finally, Part IV, “A Proposed New Department,” lays out one vision for what the future of marketing could look like. This part attempts to provide a framework for success in the years ahead, based on feedback from chief marketing officers (CMOs) from around the world.

Research and Development

The fundamental basis of this book is the primary research I conduct daily in my role as founder of the Incite Group. I am lucky enough to spend my time working with senior marketers from major brands around the world. Those conversations began to coalesce around a few key ideas back in early 2014.

I spent the latter part of 2014 deep in research, talking in particular with 18 CMOs from major global brands. You’ll see detailed submissions, opinions, and predictions from them littered throughout the book, and I owe them a major debt of thanks.

I also conducted a major survey with 426 global marketers, based in-house at large corporations, not at agencies or consultancies. These experts contributed to four in-depth surveys on all elements of marketing's evolution. Charts based on their insight appear throughout the book to provide guidance on where the marketing world is right now, and where they expect to be moving forward. The results of that survey are also interspersed into the text and referred to as "Future of Marketing Survey" in the footnotes.

The full survey results can be accessed at www.nickjohnson.co. Given that responses from our 426 corporate marketers were spread over several surveys, the numbers make a somewhat small foundation on which to build a persuasive argument—so, they have been augmented by research, charts, and statistics from other sources wherever possible.

The result is a book based not on impressions, gut feeling, or guesswork, but, appropriately in an ever more data-focused marketing world, on research, numbers, and insight from those "at the coalface."

A Note on Contributors

I am particularly indebted to several executives whose insight and opinion I reference throughout the book. These senior marketers gave me several hours of their time as part of my research. Although several asked to remain anonymous, the 16 chief marketing and communications officers you'll hear from directly in this work are listed here, in alphabetical order:

1. Victoria Burwell, CMO of educational publisher McGraw-Hill Education. Burwell previously held marketing positions with JP Morgan Chase, Nextel, Gallo Winery, and Headsprout.
2. Dominic Collins, CMO of British multinational financial services company Legal & General. Collins was previously the director of digital for British telecommunications firm EE and also held roles with Orange, Unanimis, Sky, and Autotrader.
3. Frans Cornelis, CMO of Dutch multinational human resources consulting firm Randstad. In addition to serving as vice chairman