5 Ways Marketing Will Change in the Next 5 Years

Predictions to Guide the Modern Marketer’s Strategy

A white paper brought to you by Gigya
In marketing, an innovative, forward-thinking spirit is crucial to staying ahead of the game.

Steve Jobs himself knew this best, infusing this theory into every aspect of Apple's strategy and product development and growing the once-forgotten tech outcast into the futuristic, global brand it is today.

As marketing becomes increasingly digitized, it's important for businesses to remain competitive by finding new, creative ways to acquire and retain customers by leveraging social media, social data, and unique web and mobile experiences.

“Innovation distinguishes between a leader and a follower”
- Steve Jobs

In this white paper, we'll take a look at five predictions that we believe will shape the digital marketing landscape in the years to come:

1. Massive data collection across multiple touch points becomes standard
2. Marketers get a firmer grip on data they manage
3. Social media grows into big data
4. Permission marketing becomes the norm
5. Programmatic marketing ends the age of generalizations
1. Massive Data Collection Across Multiple Touch Points Will Be Standard

As businesses continue to expand their digital presence and grow their user bases, the amount of data on these users will increase, allowing marketers to gain a more comprehensive view of their audiences. Research firm International Data Corp. estimated in 2012 that the big data market will grow at an annual rate of 31.7% until 2016 -- that’s seven times the growth rate for information and communication technology overall.

With that, however, the task of consolidating and sifting through such large, varied amounts of data will pose new challenges for businesses. For one, big data is really big: an estimated 2.2 million terabytes of new data are created each day, according to enterprise content management company Autonomy.

As technology continues to grow, consumers are interacting more and more with businesses across different digital platforms such as mobile, social, and web. As users engage with companies through a variety of vehicles, the ability to pull, sort, and make sense of all these diverse data points is the key to driving increased user engagement and loyalty.

Finally, big data fluctuates quickly. Think of it this way: how often do you and your Facebook friends update your statuses, upload new photos, and comment on one another’s profiles? Chances are, at least one of the previous actions has been performed within your social network in the past day alone. Businesses collecting these types of social data need to ensure that their user records are kept up-to-date at all times, which means investing in a database that adapts to frequent changes and data additions.

---

**Big Data Stats**

**90% of Big Data is Unstructured** - Big data is made up of both structured and unstructured data, however most of that data (90%) is unstructured, ‘human information’ such as Tweets, Facebook Posts, website clicks, etc.

**Data Collection Volume Increased by 400% in 2012** - According to data management platform, Krux, data collection volume increased by 400% in 2012, from an average of 10 collection events per page to 50.
Review: 3 Challenges of Big Data

1. It’s Really Big
An estimated 2.2 million terabytes of new data are created each day.

2. Its Origins are Varied
With the variety of platforms available today, data comes from multiple touchpoints.

3. It Changes Quickly
Users are constantly interacting with their social networks; and each of these interactions translates to a new, measurable data point.

2. Marketers Get a Firmer Grip on Their Data

Traditionally, marketers relied on IT to help store and access data and “data scientists,” or data analysts, to help mine, synthesize, and convert huge datasets into actionable insights. As more and more businesses recognize the need to tie this data into their marketing strategies, however, the need to swap traditional data warehouses for modern dynamic databases equipped to handle large, varied datasets proves more crucial than ever.

More and more marketers recognize the need to access and leverage user information to personalize their marketing campaigns. As user expectations shift to ultra-customized web experiences, data will become increasingly democratized and available to non-technical types.
3. Social Media Grows Into Big Data

Most marketers already figured out how to leverage social media for reputation management and brand promotion. In the next five years, marketers will explore ways to extract valuable data on their socially connected users to integrate into loyalty programs, analytics, web experiences, and more.

In other words, social will be used not only to boost customer acquisition and brand awareness, but to retain and reward loyal customers. With tools like social login and consumer management suites, marketers can gather, manage, and act on social media data in ways that add value to both the customer and the business.

Use Case: Pepsi SoundOff

**Pepsi Sound Off** personalizes and gamifies its online experience, incentivizing its users to earn “caps,” or badges, for performing desired site actions.

**Social Login** enables users to register and log in using their social networks, which automatically populates the profile photo and user profile fields.

**Gamification** boosts user loyalty while encouraging users to complete valuable actions.

Suppose a user registers for your website using his Facebook account and grants your business permission to access his profile information and friend networks. Your business can now surface content relevant to that user’s interests, background, and location and prompt him to share his site actions with his Facebook friends. In this way, social data leads to relevant, social web experiences that boost engagement, referral traffic, and conversions.
4. Permission Marketing Becomes the Norm

As big data continues growing in scope and size and marketing becomes increasingly targeted, the issue of user privacy looms bigger than ever. We sampled 2,600 consumers and discovered that 40 percent of users opted out of logging in to a website or app using their social network accounts because they didn't know what would happen with their personal information.

As permission marketing becomes more and more essential, businesses need to increase transparency with their users, stay informed about data management best practices, and abide by social network privacy policies.

Companies that make the effort to educate their users on how their data will be used, such as clearly stating the company's commitment to data privacy and outlining the business's data usage policy, will earn their users' trust more easily and be able to leverage these users' information to target them in valuable ways.
5. Programmatic Marketing Ends the Age of Generalizations

Marketers today are still exploring new ways to re-engage prospects and inactive users through targeted efforts. With that, the era of delivering generic marketing overtures has met its end. Modern marketing is all about personalization and relevance.

Programmatic marketing, which surfaces relevant content to users based on their web activity history and customer profiles, is still a relatively new concept; nonetheless, several businesses such as Zappos, J.Crew, and BMW, are already employing its techniques to surface their content to potential customers and encourage more user engagement across their web properties.

Consider the Following Scenario:

A user states in his Facebook profile that he’s a basketball fan from Los Angeles, CA. The same user has purchased premier tickets to previous Lakers games, is currently in New York, NY. To a business like the NBA, this user is an ideal customer: he clearly a fan and possesses the economic means and willingness to invest in his love for the game. Programmatic marketing enables the NBA to serve an impression to this user in a real-time bidding market based on the aggregate data from his profile and online behavior.

As users consume more content online, they demand the personalization that social data and programmatic marketing offer. Specifically, marketers that have collected enough data on their users to truly understand their demographic profiles, behaviors, interests, and more will be able to surface better, more relevant content to their audiences.
Conclusion

The future for even more data-driven, targeted marketing efforts is vast and still relatively uncharted.

We expect marketers to gain full control over their social data and for responsible, permission-based marketing practices to become the norm. Businesses will need to invent ways to leverage social media as a customer retention tool and deliver personalized web experiences in order to engage users in the long run.

As the marketing landscape continues to shift, we look forward to innovating in new, creative ways and helping more online businesses create genuine relationships with their customers.

About Gigya

Gigya’s Connected Consumer Management Suite enables the world’s largest brands, including Pepsi, Verizon and ABC to understand and connect more closely with today’s mobile and socially connected consumers.

Our technology helps marketers navigate the future of marketing. Here’s how:

1. We provide a cloud-based database equipped to handle large, varied amounts of big data.
2. We offer a user-friendly, web-based dashboard so marketers can easily access, manage, and take action on their user data.
3. We make it easy to understand and act on social media insights.
4. We help ensure that your business follows permission-based marketing best practices.
5. We enable you to personalize your marketing efforts so you can deliver relevant user experiences.

To learn more about how our Connected Consumer Management solutions help businesses stay ahead of the competition visit: www.gigya.com, or call us at (888) 660-1469.