

Smart digital marketing trends for 2017

By Bradley Elliot 2 Feb 2017

As growing companies build their brands using digital channels, they need to use data to help shape their reach while communicating and increasing brand advocacy with consumers through technology. The two functions need to be more closely integrated than they currently are.



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The South African market seems to be grappling with a major gap between the work of digital marketing agencies and digital business analysts. The concern is that while agencies are highly focused on creativity to solve brand issues, business analysts focus on business processes with little connection to customers. Here are the key smart digital marketing trends in 2017 that may bridge this gap:

1. Machine Learning and Artificial Intelligence (AI)

This is probably the most underutilised technology at the moment, simply because of the costs involved, and the fact that few companies have the right tools to analyse and find value out of their data.

While this will grow, companies should start focusing on understanding people, before finding ways to engage with them.

Machine learning and AI can analyse streams of data, from social media to purchasing behaviour, to create in-depth understanding of consumers.

However, even though ChatBot technology is emerging, automating the engagement process once data is to hand, is often where the wheels fall off. Automation is an important function, but we need to use a combination of human intervention and communication alongside AI and automation. The idea is for humans to moderate some messages before AI sends them out.

2. Existing channels are underutilised

More well-known, but perhaps less "sexy" technologies are still drastically underutilised. For example, there is still a relatively low rate of smartphone penetration in South Africa, in spite of more affordable devices being available, and we have yet to overcome the barrier of extortionate data costs.

Some channels that are still underutilised, or that could be far more effective if they were used in more than just in a "spray and pray" approach include SMS, USSD, targeted personalised mailers, WhatsApp and Snapchat.

Most importantly, the greatest success factor for any campaign is not so much what technologies brands will be adopting, but rather how they will be adopted, and what content will be shared.

3. Focus on the customer

Brands need to use data to find, reach and engage with customers, but also understand that they will be working with a rich mix of data-driven insights that inform real customer-centric strategies.

4. Develop creative campaigns based on customer data

Brands such as Under Armour and Nike have changed their creative processes and now start with consumer insights, from which they develop unique experiences. For instance, Under Armour's "Rule Yourself" campaign didn't contain any Olympic intellectual property or branding, but was the second-most-shared Olympics ad in 2016.

5. Marketing automation

Caution has to be exercised in line with a holistic CRM Strategy when adopting marketing automation. The automation should be limited only to certain tasks, like email and newsletter marketing. The key here is to still drive personalisation alongside automation.

6. Drive personalisation

Brands have to use data to drive personalisation of content and product offerings. This is extremely important in a world that

is becoming increasingly cluttered and difficult to break through barriers. According to a <u>Forrester/PwC study</u>, 94% of executives believe that delivering personalisation as critical to reaching customers.

7. Using organic brand advocates as influencers

Paid influencers belong to the old days of paying bloggers in exchange for exposure. Brands need to go back to authenticity and identify natural brand advocates to create word-of-mouth marketing strategies. For example, paid influencers generally charge 20c per follower. This amounts to R50 000 for 250 000 followers. The problem with this is that brands would only be paying for reach, not resonance and relevance. A much better approach is to rather focus on getting 50 organic brand advocates with 4000 followers each and spread the risk.

8. Holistic approaches

Integrate, integrate, integrate! From CRM, to digital, to ATL, if these elements aren't seamlessly connected the brand will get lost very quickly.

Brands need to focus on what they have to maximise their impact. Trends are trends for a reason; and until they reach mass adoption or penetration, there may not be a need to invest in them. There is still plenty of opportunity to achieve growth within existing channels and the strategies available. In 2017, we'll see big brands investing in virtual reality and ChatBots, because "it's the thing to do". However, the clever brands will focus on data, forming insights and stronger relationships.

ABOUT THE AUTHOR

Bradley Bliot is the Founder and Managing Director of digital innovation company, Ratinum Seed. The company designs digital products, services and experiences that aim to connect consumers and brands in new ways. Bliot founded one of South Africa's first mobile payment solutions, CheqOut, which won Mobile Monday's App of the Year. He also founded the social media and CRM analysis tool Continuon that was launched in 2014. Most recently he was a founding partner in getTOD, the world's first on-demand tradesperson app.

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