7 KEY MARKETING TRENDS FOR 2014 AND TACTICS FOR THRIVING IN THE NEW YEAR
Last year, Silverpop declared 2013 the year of the customer. Well, consider the customer revolution under way. With buyers privy to more information, more access and more choice than ever, lower prices and better products have become little more than minimum requirements.

Given that landscape, how can businesses distinguish themselves from the pack? Consider that visionary companies like Apple, Lexus and Amazon.com have transcended prices and features to create compelling and fulfilling customer experiences. These companies have rewritten the rules of customer relationships by leveraging every touch point and every interaction to create an experience that is convenient, fun and even meaningful. They've embraced the customer revolution and are raising customer expectations for every other business.

It's an approach than can lead to greater loyalty and revenue. One recent study reported that 83 percent of consumers are willing to spend more on a product or service if they feel a personal connection to the company — and one fifth said they would pay 50 percent more if they felt the company put the customer first¹.

The good news is that in 2014, you don’t have to be a multibillion-dollar company with global brand recognition to deliver a super-personalized, one-to-one customer experience. In this white paper, our experts outline seven key trends for 2014, plus tactics you can implement to make sure you’re shifting your technology and strategies to address the customer revolution. In addition, several third-party experts weigh in with their predictions for 2014.

You’ll find a common theme running through these trends — an emphasis on building a connected, unique customer experience for every person with whom you do business. It starts with listening to the ways customers and prospects are interacting with you — whether it’s on your website, in your mobile app, via email or SMS, or in your store — and then using these behaviors to fuel real-time communications and content unique to each individual.

2014 is here, and the customer is more in control than ever. Are you ready?
In 2013, cart abandonment remarketing crossed the chasm and became a mainstream tactic for retailers and ecommerce companies. So, assuming you've started to realize some success with a cart abandonment program, where can you go in 2014?

Perhaps you've noticed that while cart abandonment campaigns typically yield off-the-chart conversion rates since the contacts are so close to purchasing, the downside is that the number of people who fill up your carts comprises a relatively small percentage of the total people visiting your site.

With that in mind, one possibility is to move up the funnel to browse remarketing. For most companies, there's a huge number of people browsing on your site every day who have previously established an email relationship with you, whether it be by subscribing to your promotional emails, registering an account or making a previous purchase. These people have already established that they have some affinity for your brand, yet most companies don't remarket to them.

In 2014, the best marketers will be taking advantage of this revenue-generating opportunity and initiating browse abandonment campaigns aimed at nurturing select Web visitors toward a purchase. From a technical perspective, this requires that you insert Web tracking code on your pages that's integrated with your ecommerce and email platforms. Your tracking code — such as Silverpop's Web Tracking, which matches cookieed browsers with email addresses — then triggers a message whenever a known visitor’s behavior matches your criteria.

The bottom line is that you can reach out to many times more browse abandoners than cart abandoners. True, you'll typically see a much lower conversion rate because these browsers aren't as close to completing a conversion, but even if you can get a small percentage to convert off a large number of browsers, that could still have a huge impact on the bottom line.

Key tactics for initiating browse abandonment efforts in 2014:

- **Concentrate on a few key Web pages or categories.** Rather than having dozens of pages on your site trigger a browse-related email, begin with a few key categories or “fulcrum pages” that are suggestive of an engaged prospect that's looking to go to the next level.

- **Start simple.** Don't worry about sending a multipart series, incorporating behavior-driven dynamic content and using technology integrations to pull in relevant ratings and recommendations — yet. The goal is to get your program up and running, and then fine-tune down the line.

- **Deliver educational content.** Since these contacts are typically in the research phase, leverage existing content — such as calculators and wizards, buying guides, how-to videos and tips from other customers — that will help them in their decision-making process rather than just sending an incentive or discount.
If you’re like most marketers, you’ve been focused on online acquisitions and database building: optimizing Web forms and landing pages, employing popovers and progressive profiling, using search and social to drive opt-ins, and more.

While efforts to fine-tune online acquisition efforts will continue, in 2014 many marketers will be turning their attention to the next untapped opportunity for database growth: physical locations. Although physical store opt-in opportunities have always been there – take the classic “drop your name in the fishbowl and get a birthday discount,” for example – mobile and POS technologies have evolved to the point that it’s become much easier for company employees or consumers themselves to opt in to your email program.

From a strategic perspective, the opportunity is one of mass – with so much foot traffic in your stores, capturing a few opt-ins can make a huge difference. A company with 1,000 retail outlets that captures five opt-ins per day per store would be looking at nearly 2 million new subscribers over the course of a year. Even with 50 stores, you’re talking tens if not hundreds of thousands of new subscribers annually.

More importantly, you’re capitalizing on the opportunity to build relationships with people who are showing some level of interest and engagement by coming into your store – whether they buy or not. You can use digital channels to strengthen and deepen these offline relationships.

Naturally, you’ll want to send these customers communications encouraging them to purchase online when convenient, but you can also use the digital relationship to drive them back to the local store and keep your company top of mind in between visits.

With integrations between POS and mobile channels and central marketing databases becoming easier to implement, 2014 will be the year that more sophisticated marketers will be using in-store location to drive email opt-ins, and then using the email channel to make these new subscribers more valuable customers.

**Key tactics to drive in-store opt-ins in 2014:**

- **Have employees ask for the opt-in.** Instruct cashiers to invite customers to subscribe and get a special offer, or ask if they want their receipt via email – or both. Even more cutting-edge: have a roving employee with a tablet invite customers to opt in.

- **Take steps to avoid process abuse.** Educate employees about how to ask for opt-ins and why it’s an important part of their role. If you offer incentives, base them on deliverable email addresses only. And leverage third-party email validation services to limit bounce issues.

- **Use SMS and QR codes.** Put flyers throughout your store inviting customers to text you to opt in to your email program. Or, include signage with a QR code that takes shoppers to a mobile-optimized page where they can opt in.

- **Go beyond email:** The above tactics could also be expanded to capture mobile numbers for SMS alerts and promotions, as well as physical addresses for direct mail offers, coupons and catalogs.
Today’s mobile, social and Web-savvy buyers favor a personalized experience. But if the data you have on a contact is lacking, you’ll be limited in the tools you can use to connect on an individual level. In short, your marketing is only as powerful as the data at your fingertips.

Think of it this way: If you put two competing companies side by side, the one that has the best actionable data is going to win in 2014. Yet rather than investing in building an agile marketing platform that can capture and respond to customer behaviors in real time on an individual level, some companies have been heavily investing in data warehouse initiatives. These warehouses can be helpful in identifying trends and key market segments you might not be able to spot otherwise. But they also have limitations – the number-crunching process can be expensive and slow, the data anonymous and aggregate, and the systems ill-equipped to use individual customer data to immediately trigger an email, initiate a new campaign or send an SMS message.

At the end of the day, it’s all about being able to “listen” to customer and prospect behaviors so you can respond at the right time and place with the right message. And in order to accomplish that, you’ve got to have fabulous data stored in a database in your marketing platform — not just sitting in a data warehouse in aggregated, siloed form.

So, how can you begin strategizing about an actionable database? Start by thinking about the five or 10 data elements you need to personalize your marketing and target contacts on an increasingly one-to-one level.

Remember the old adage, “How do you eat an elephant? One bite at a time,” and begin by capturing your top data elements for your most important database records. Sure, it’s probably going to take a while to get all those data fields on your wish list perfectly populated, but the key is to put a plan in place for capturing these data elements over time.

Key tactics for building an actionable database in 2014:

- **Try some new techniques for gathering “explicit” data** — surveys, progressive forms, popovers or modal windows. Test and see what drives the best results.
- **Consider reaching out to a third-party data service provider** for data append tools that can help you get more information into your platform and boost your data intelligence.
- **Set up Web tracking and system integrations** that enable you to capture the behaviors of your customers across the various channels they use to interact with you — mobile, social and offline.
- **Design some business rules that leverage this data.** You might, for example, set up a triggered email that’s sent if certain behavioral criteria are met, or build a larger-scale nurture program that continuously takes into account what contacts tell you about their interests.
PERSONALIZED WEBSITES MOVE BEYOND AMAZON AND NETFLIX
Ellen Valentine, Product Strategist, Silverpop

If you’re among the millions of people who visit Amazon and Netflix’s websites, you know they’ve set the bar high for providing a personalized customer experience. Visitors to these sites see customized content based on their unique viewing history, ratings and purchases. In other words, the website content gets better the more you engage.

Today, technological advances have made the personalized website available for all marketers to deploy. No longer are you stuck serving up generic content for every person – now you can filter out the noise and make the experience more relevant to the visitor as an individual. By providing a more personalized experience, you’ll find people stay on your website longer, download more offers and purchase more products.

The key to accomplishing this is marrying your content management system with your marketing platform to make the management and presentation of dynamic Web content much easier and seamless. Once you’ve got the systems tied together, you can think about how you want to tailor the user experience and what data you can use to personalize your Web content.

For example, if a site visitor’s trial offer is within a week of expiring, you might have a content block on your site that shows the date and time the trial expires. Or, for customers who have left items in their shopping carts, you could display a reminder with a link back to the cart.

Regardless of how you leverage this functionality, the bottom line is that the days of the static corporate website are numbered. In 2014, savvy marketers will be tapping the latest technology to understand who website visitors are, how they’ve interacted with you and where they are in the buying cycle. Then, they’ll use this data to improve the Web experience for their customers and prospects.

Key tactics for personalizing your website in 2014:

- **Figure out how you want to connect your digital marketing platform with a CMS.** Different integration and plug-and-play options should be available that enable you to tap the marketing richness of your platform’s database and use it to customize your website.
- **Start small.** You don’t have to customize every area of your website right off the bat. Pick one key area and start there. Just personalizing a single section of your site can make a big difference, and it will make it easier to get the ball rolling.
- **Choose a place to start that will really move the needle.** If you’re a B2C marketer, offering product recommendations based on past purchases or pages viewed can be a powerful starter tactic. On the B2B side, persona-based content recommendations and offers that match the prospect’s position in the buying cycle can make an immediate impact.
Knowing where your customers are is an immensely powerful part of delivering the right message at the right time. In recent years, forward-thinking marketers have communicated with customers based on whether they crossed a geofence or checked in via Foursquare or Facebook. Powerful stuff, but it’s about to get even cooler: Apple’s announcement of the iBeacon functionality as part of its iOS7 technology is a game-changer for how businesses will conduct location-based marketing in the future. Think of iBeacon as a form of micro-location geofencing that makes it much easier for retailers to use a person’s exact location within a store to deliver targeted, relevant content.

Here’s how it works: A customer with an iPhone 4S or later model who’s downloaded your app walks into your store. The iBeacon in the customer’s phone – powered by Bluetooth Low Energy so it only consumes a small amount of battery power – exchanges data with beacons in your store. Your system has been configured to send push notifications to customers who meet certain criteria, so at the moment the customer strolls into Aisle 12, they receive a push notification on their phone with offers or content related to where they’re standing. The possibilities are endless for marketers. You could use iBeacon to serve up customized coupons, send sales alerts based on real-time external data (such as weather changes), display personalized product information and videos, curate shopping lists based on past purchases, and drive email opt-ins. Moving beyond mobile, you could use iBeacon activity to trigger communications in other channels.

Bottom line? As we move into 2014 and 2015, the most successful marketers will be those who develop smart ways to take this new iBeacon technology and use it to make the in-store shopping experience more rewarding.

**Key tactics to implement location marketing 2.0 in 2014:**

- **Plan which segments of customers you want to send location-related content.**
  Develop a plan for what content will enhance their in-store experience and how you’ll introduce the program to them.
- **Work with in-store personnel to put the correct technology in place and train retail salespeople.** As with any in-store technology, the reps in the store needs to understand what’s going on if you’re going to deliver on the technology’s promise.
- **Complement your iBeacon-driven push messaging with email communications.** Depending on the person, exiting your store might trigger an email promoting products in the areas they browsed, upsell offers for items related to what they purchased, or a summary of their rewards benefits based on their latest store visit.
BUYER INTELLIGENCE IS NO LONGER LIMITED TO THE ELITE

Dave Walters, Product Strategist, Silverpop

Does a lack of email clicks for two, four or six months signal trouble? If a customer abandons a product on your page and you send a follow-up message, what’s the best offer strategy – a discount or free shipping? And how does the impact of customer interactions decay over time?

Marketers have wondered about these and similar questions for some time, but unless you worked at a big corporation with huge marketing budgets, the answers eluded you. But in 2014, savvy marketers at companies of all sizes will be using buyer intelligence to build really smart programs that engage customers more strongly.

Starting to tap into deep data-driven intelligence might involve simply changing the way you collect information, gathering “implicit” customer preferences to complement and inform the “explicit” data contacts have given you. Or it might mean tapping a predictive analytics or business intelligence partner, such as AgilOne or Windsor Circle, to gain insights about propensity-to-buy and lifetime customer value based on the data you already have.

Either way, the goal is to use your data to start modeling behaviors, and then use these models to help you reach your goal of delivering the right message at the right time – taking this intelligence as it boils to the surface and making it customer-facing via really smart programs. For instance, if you learn that customers who buy Product A often go on to purchase either low-margin Product B or high-margin Product C, you may want to give them a “10 percent off” offer to incent them to go with Product C.

Of course, you could also add Web tracking, page level visits, SKU considerations and more into the mix, with the combination pushing select customers into an automated program. Maybe only 10 people a day meet the criteria, but they get this phenomenal offer that pushes the revenue needle for you.

So if you’ve been focused on big, high-volume blast messaging, make it a goal in 2014 to take one or two really intelligent campaigns and layer them into your messaging mix, gradually making your content more relevant.

Key tactics for using buyer intelligence to your benefit in 2014:

- Look at aggregate data for new insights about your customers’ and prospects’ needs throughout their lifecycles. Then, think about what content you could provide that would deepen their engagement at different stages.
- Mine your purchase history data to identify customers most likely to generate long-term value. Brainstorm new retention programs you might implement to build stronger relationships with these high-value customers.
- Look at the marketing/sales relationship in new ways. How might the order, combination and frequency of marketing touches impact sales? Does interaction with certain pieces of content designate a stronger engagement level? Questions like these can help you optimize your initiatives.
Marketing has always been the bridge that connects businesses and customers, but in the past the emphasis was on communicating brand offers. The problem? Marketers didn’t know which customer needed which offer, what channel to provide it in, or where the customer was when they were delivering it.

In 2014, successful businesses will need to engage with each customer when and where that customer prefers with content that is perfectly tuned and individualized.

Of course, this has always been the case to some extent, but now the technology has caught up. With the right technology in place, you can capture a range of customer behaviors — in your emails, on your website, in your mobile app, at your physical locations, even on your customers’ morning runs — and attribute them to individuals.

Once technology helps you capture these cross-channel, cross-device customer behaviors, it’s up to marketers to weave an engaging story. Imagine, for example, that a customer walks into your physical store, and within a few moments his phone vibrates. Voila, there’s a text message thanking him for being a loyal rewards member and reminding him he has 6,000 reward points he might want to use today. A few minutes later, a customer enters that store for the first time and receives a text thanking her for visiting and highlighting a few unique aspects of that location.

Think of marketing as a travel company and customers as tourists. Most marketing today does little more than herd a large crowd of tourists toward a small set of the most popular destinations. More advanced marketing is like a tour bus — more destinations and smaller crowds, but with a fixed sequence and generic experience. The future of marketing is like having your own private concierge who knows your interests, budget and pace. This guide walks alongside you, delivering a completely unique and personal experience perfectly tailored to you.

Once you’re laser-focused on the customer experience, you can start thinking about ways you can become a personal concierge for your customers, using the behaviors you’ve harnessed to deliver individualized content, across channels and in real time, that guides them through their unique buyer journeys.

Key tactics to enhance the customer experience in 2014:

- **Pick a channel you’ve never individualized before and add an element of personalization.** Or, add more customized content to an existing channel to make it more helpful, fun and/or engaging.

- **Look for creative ways to use customer behaviors to drive cross-channel interactions.** Maybe a mobile app interaction is reflected on the website. Or an in-store exchange drives an SMS. Or a retweet leads to an email.

- **Make real time your mantra.** Whether it’s a contact who just abandoned a shopping cart, exited your store after a test drive or posted a product review, the timeliness of your response can make a difference. Configure your business rules and automated programs to make it happen.
Marketers Take Testing to New Levels

Andrew Kordek, Co-founder, Trendline Interactive

As most savvy email marketers know, testing takes commitment, passion, patience, resources and, most of all, a willingness for things to dramatically change and impact their program. While split and simple multivariate testing have been around for years, the truth is these tests limit the amount of factors that companies test and learn for dramatic impact to the programs.

In 2014, some marketers will take the words “test it” to a whole new level by conducting Taguchi-based tests. Taguchi is a testing methodology that allows for accelerated testing without having to build and validate every possible combination of test factors. By systematically choosing certain combinations of test factors, it’s possible to isolate their individual contributions to an email’s success. Taguchi allows for testing of six to 15 factors, with total possible testing combinations between 2,000 and 32,000. Testing in 2014 can and should reach a whole new level when conversions and ROI become more difficult to attain.

Being Relevant Won’t Be Enough

Steve Kellogg, Marketing Automation Consultant, Astadia

As more and more businesses adopt marketing automation in 2014, the Age of Relevance will become more predominant. In the past, while everyone else was batching and blasting, early adopters of marketing automation were quietly achieving dramatically improved conversions, because their content was so much more relevant.

But as marketing automation heads towards the tipping point, being relevant will no longer be enough. Even now, we’re starting to see more and more customer inboxes dominated by relevant marketing content. Now what? How do you get through all the noise, when most of it becomes relevant? Well, you have to get good at creating seducible moments.

A seducible moment is that point at which a potential customer gains enough trust, AND is feeling a positive emotional connection toward you and/or your offers. This is at the heart of every conversion. This can happen on any device using any channel. Big data, marketing automation tools and new processes allow you to enter the Age of Relevance. And while finally being able to target the right person at the right time is a huge win for most companies, the big winners in 2014 will also focus on ensuring the right content includes seducible moments.

In addition to tapping our in-house experts for their 2014 predictions and tips, we asked a handful of third-party experts to weigh in on what they saw as the key trends for 2014. Here’s what they had to say.
In 2014, email will continue to play a critical role in the multichannel marketing landscape. Other free email tools will likely follow Gmail’s lead, changing the way users manage their inboxes. These kinds of changes will continue to make marketers change the way they do things, needing to deliver more targeted and relevant messages than ever before.

In mid-2013 Gmail started its rollout of the new tabbed inbox, separating personal and promotional emails automatically in consumers’ inboxes. While this led to a short moment of panic for many email marketers, it was just a confirmation of what many of us already knew – in order to get noticed in the inbox, messages need to be personalized and relevant to each individual’s needs. Some time in the next year, I expect other email tools like Yahoo! Mail and AOL to follow Google’s lead and create some kind of tabbed inbox. I also think Google will expand its marketing offerings, perhaps opening its own ad platform for Google+ and working to increase the use of Google+, eating into the big social players’ market share.

Social media as a whole will continue to be important. Buyers today are in more control than ever before, doing a large part of research (often on social networks) before ever interacting with a brand to make a purchase. As this trend matures, the connection between these channels and email will increase in importance. Social activity will need to play a role in the personalization of emails and, as a result, will help marketers better understand their customer bases.

Whether it’s capturing a tweet mentioning your brand, or using social sign-in to capture a user’s information, this multichannel way of life will need to tie in the email component seamlessly. Marketing silos (or what’s left of them) will continue to dissolve, making predictive marketing a critical part of 2014.
CONCLUSION

In 2014, marketers will have two choices: they can keep running marketing for marketers, delivering generic promotional messages when the company has an offer it wants to push out, and focusing solely on driving customer transactions. Or, they can start running marketing for customers, delivering content uniquely tailored to each individual's needs and expectations, and focusing more on discovering why their most engaged customers love them – and then doing more of that.

In 2014, choosing the latter path will be critical to achieving success. True, audiences, segments and targets are not going away, but the future of marketing relationships is personal and will reflect the individuality of each customer.

There has been a revolution ... a revolution of ONE! Buyers are in control. They are no longer willing to be treated as segments. They want to be treated as individuals, with content, offers and communications that are highly relevant, timely and personal. Successful marketing is now about interactions, not transactions.

By attending to the trends outlined in this white paper, and implementing the related tactics, you’ll help ensure your organization is creating amazing customer experiences – experiences that build lifelong relationships, vocal advocacy and, ultimately, revenue for your business.

Footnotes
1-rbb, “The Breakout Brand Strategy”

Silverpop, an IBM company, is a digital marketing software company focused on helping marketers transform the customer experience — increasing engagement and driving revenue. Silverpop makes this possible by using customer data and each individual's behaviors to inform and drive every interaction in real time. Watch our demo to see our product in action, and contact Silverpop to see how we can help you accomplish your marketing goals for 2014.