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5 DIGITAL EXPERIENCE TRENDS THAT ARE TRANSFORMING EMERGING TECH MARKETING

The innovations that will revolutionize how emerging tech companies engage audiences



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DIGITAL EXPERIENCES: THE UPCOMING EXPONENTIAL EVOLUTION

Before we look forward? Let's look back, and re-visit ourselves in the mid-1990s. Let's forget about the mood rings, manpris and boldly patterned rayon shirts, though.

Twenty years ago, did you ever guess that **these** would become everyday facts of life in just two decades?

- That over 88% of U.S. users of what we then called the "World Wide Web" wouldn't go online using just a desktop PC, but also with a device they'd carry around in their pocket?₁
- Or that 29% of Americans would say that same gadget is the first and last device they look at every day?₂
- That 93% of marketers would use social media for business (at which point your 1990s self would ask, "what's a 'social media?')".₃
- That there would be over 2,500,000 emails sent every second of the day?₄
- That the company on the verge of becoming the world's biggest retailer didn't have brick-and-mortar stores?₅
- That two of the five most-highly valued companies in the world didn't exist yet, one of them called "Alphabet" with a subsidiary named "Google," and the other being something called "Facebook"? And that the most valuable enterprise on the planet would be...Apple?₆

If you thought the last twenty years – mobile computing, the internet, digital imaging, Big Data, 3D printing and a thousand other innovations – was disruptive, then **you'd better brace yourself.**

Progress lies not in enhancing what is, but in advancing toward what will be.
Khalil Gibran

The next wave of innovation acceleration

Technological innovation is **highly organic and serendipitous**. An idea in one area spurs invention in another, often in ways nobody could have predicted. And as technologies prove themselves, there's an influx of capital, talent and other factors that drive a second round of exponential growth.

As noted futurist, author and computer scientist Ray Kurzweil explained, "Evolution applies positive feedback. The more capable methods resulting from one stage of evolutionary progress are used to create the next stage."

Kurzweil said, "We won't experience 100 years of progress in the 21st century—it will be more like 20,000 years of progress."

The digital experience trends we'll examine in this document are only part of a near-term scenario. What comes beyond the next five or ten years? To judge by everything we didn't foresee back in the 1990s, we can't begin to guess.

We're still in the first minutes of the first day of the Internet revolution.
Scott Cook

The impact of new digital experiences on tech marketing?

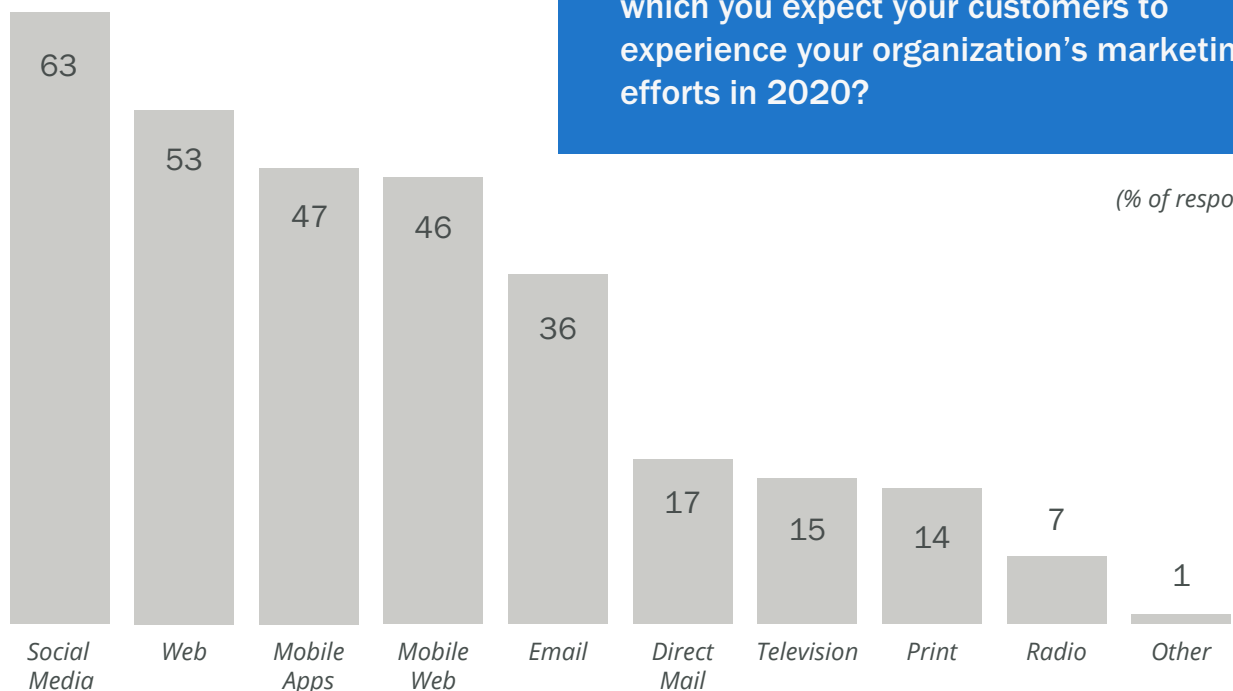
For tech marketers, the opportunities – and challenges – presented by the evolution of digital experience platforms are potentially **massive**.

With the onset of faster and more agile design, production and distribution platforms, and interconnectivity between increasingly-intelligent devices permeating every aspect of our lives, **tech marketers will have to manage huge shifts in how they create and deliver digital experiences** that will impact every facet of their business.

Just some of those challenges:

- Which digital experience platforms or channels will my institution, my existing customers and potential prospects embrace? Where should we be investing our time and money?
- How will I integrate these new advances with my existing infrastructure?
- If there are more channels and touchpoints than ever, how will I manage them all?
- How can I be sure to be compliant with emerging tech marketing standards, local customs and legal guidelines?
- How do I both globalize and localize all these experiences?

What new technology does is create new opportunities to do a job that customers want done.
Tim O'Reilly



#1 TREND: IMMERSIVE MARKETING EXPERIENCES

Famous science fiction writer William Gibson, who foresaw many of the technology trends taking shape today, once said “Virtual Reality is like mainlining television.” But virtual reality and augmented reality, among other immersive marketing tools, have the potential to go far beyond aping TV.

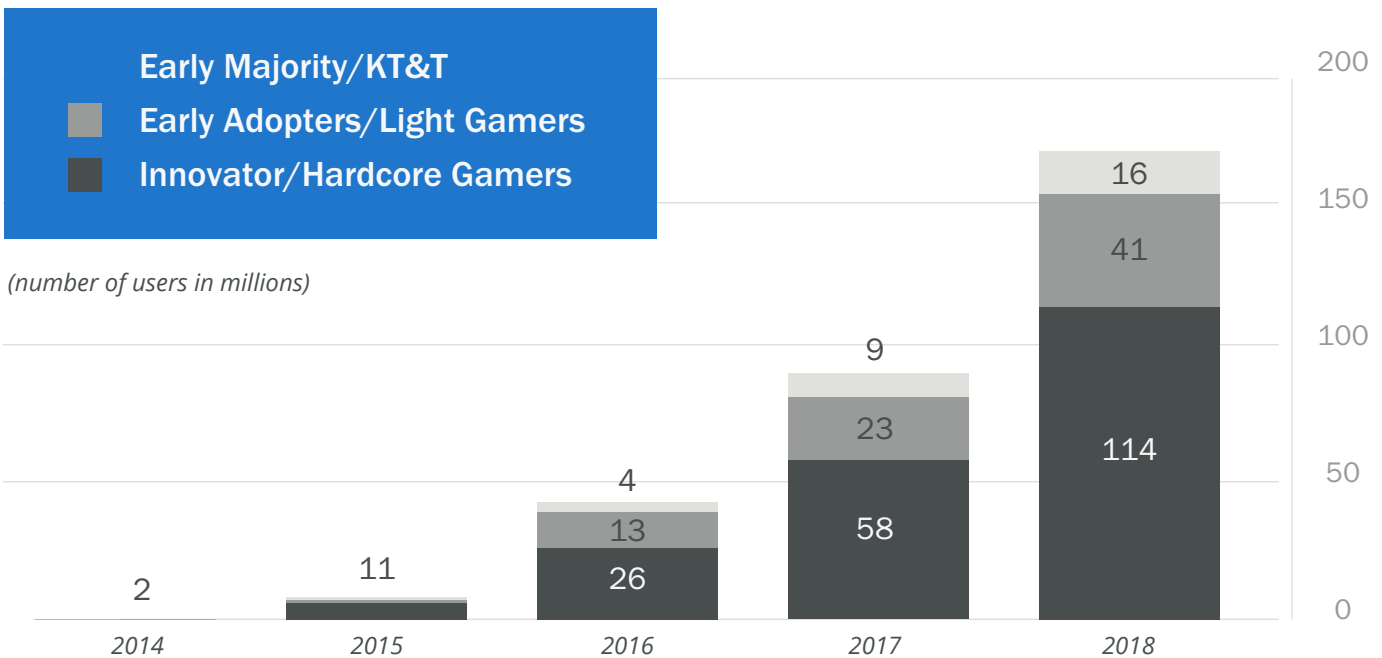
In 2016, three highly anticipated Virtual Reality headsets – the Oculus Rift, Sony’s PlayStation 4 headset, and HTC Vive – debuted. There’ll be more devices coming down the pike moving forward, along with loads of content that will give them a foothold in the marketplace.

- Statista estimates the VR hardware market will be worth **\$5.2 billion in 2020**, and the VR software market will **\$24.5 billion**.
- **26% of people have already used a VR headset** “at the convention or somewhere else,” according to Statista.

- **500 million VR/AR headsets** will be sold per year, predicts CC Insights.
- Companies have invested **\$3.5 billion** in venture capital in virtual and augmented reality in the last two years, according to Goldman Sachs.
- There are already **685 VR start-ups** worth an average **\$4.5 million apiece**, according to start-up tracking site AngelList.

Digital immersion as a breakout marketing tool

Marketers are already developing new types of content that VR, Augmented Reality (AR) and other immersion platforms can deliver with unrivaled impact.



- **Movie studios and video game publishers** have jumped on the bandwagon, for obvious reasons. **200,000** developers have already registered to build games for the Oculus Rift, according to the startup – which Facebook bought for \$2 billion.

- **Healthcare providers** have also embraced VR and immersive reality technology as a way to pioneer new market segments. VR has a unique ability to affect people’s perceptions and behaviors. In just one example, burn victims using VR visualizations that put them in cold, icy environments find they’re better able to manage the pain of their injuries.

- **At brick-and-mortar retail**, VR and AR have let headset or mobile users engage with in-store virtual environments, gamified 3D displays, promotions and more. But that experience may go even further: one concept by **Deloitte** combines the infinite selection of ecommerce sites with physical retail, as shoppers entering a retail space would view it through VR while the “store” reconfigures itself and its virtual product mix to accommodate their individual tastes.

- **Immersive demos** of products and services are growing in popularity, particularly for trade shows and conventions. But consumer-facing companies are taking note: online used car dealer **Vroom** will feature 300 models available to armchair test drivers, and they’ll also deploy **popups at malls** to reach consumers who don’t have home VR gear. And **Audi** has led the way among manufacturers in making VR a part of the in-dealership sales experience.

- **Consumer brands** have gotten in on the action, too, by incorporating cardboard headsets into their packaging: **McDonald’s** did it with a Happy Meals box, **Coca-Cola** used a similar tactic with their packaging, and **Budweiser** turned their in-stadium packaging into VR headsets fans could use at Cleveland Cavalier NBA games.

- As a **live event tool**, marketers can take one cue from what **Microsoft** and **NASA** have done. They teamed up to offer the public a guided tour of Mars with astronaut Buzz Aldrin in “Destination: Mars,” an interactive exhibit using the Microsoft HoloLens mixed reality headset.

Eyes wide open about VR

Even with all the excitement around VR, how fast it becomes commonplace is still an open question.

A recent survey by Valve saw that **less than 20% of gamers** wanted to add VR upgrades to their systems, and a Horizon Media study found **55% of respondents** weren’t yet interested in owning a VR device.

As prices decline and content grows, more widespread adoption is likely, as with most new platforms.

But the sheer potential of immersive digital experiences is undeniable. As Ben Hordell, partner at DXAgency, a digital marketing firm, told SocialTimes.com:

“I think the most exciting aspect of VR use is that the use of the technology is seemingly limitless. VR creates 360-degree worlds that previously did not exist. When you marry the technology with the creativity of marketers, the possibilities are endless.”

#2 TREND: WEARABLE SMART DEVICES

Wearables have been a kind of pathfinder for the Internet of Things, as networked digital intelligence spreads among commonplace devices, from lightbulbs to thermostats to our automobiles, wristwatches and even our clothing.

It's a trend that's already taken on the proportions of a tidal wave, with brands like Fitbit, Fuelband, the Jawbone Up, and now Apple and Samsung using fitness as the wedge for consumer adoption of smart devices capable of capturing personal data. Within five years, according to Gartner, those wearables will become far more sophisticated, and increasingly pervasive.

How does that ladder back to digital experiences? Because wearables (and the IoT) are already allowing marketers to deliver innovative experiences that **merge the digital and physical worlds.**

*Wearables shipments are projected to reach 213.6 million units worldwide by 2020.
Source: IDC*

Merging two (marketing) worlds

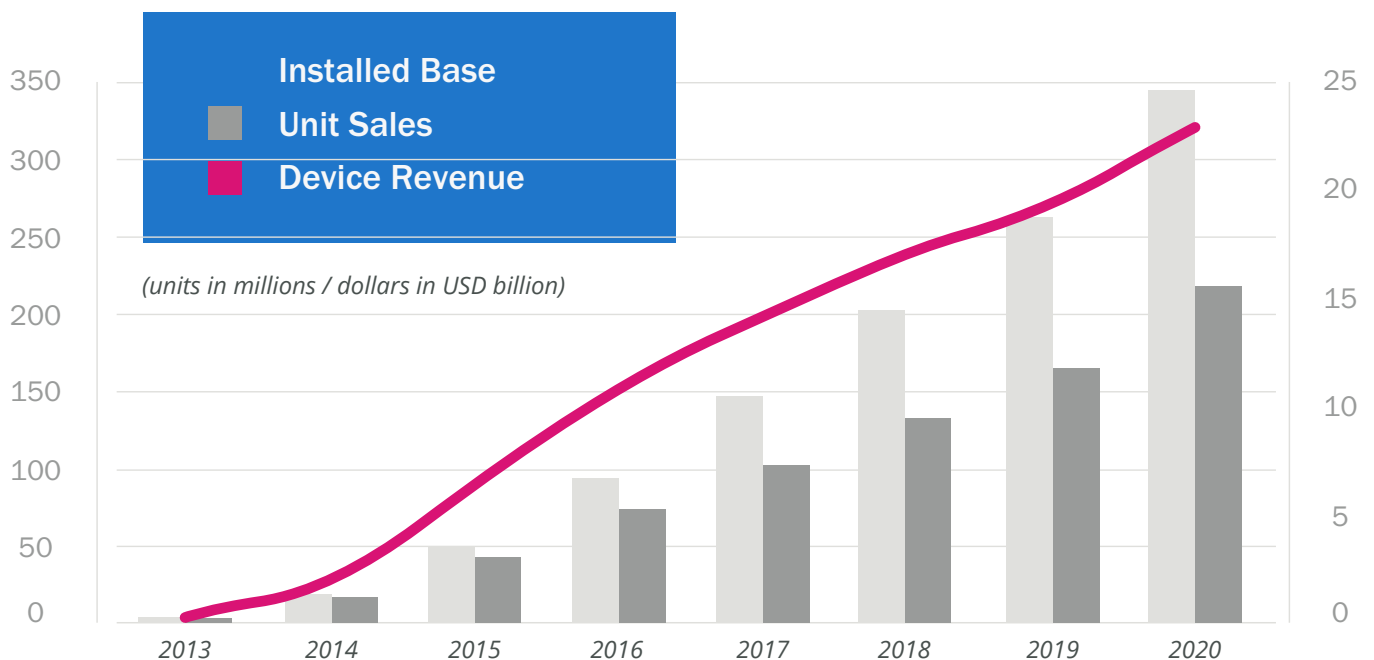
One early instance of how this works? Digital fitness platform **LEAP4LIFE** encourages users to share their fitness wearables data to earn brand-sponsored rewards.

But not only can users be rewarded for engaging in healthy lifestyle activities like exercise and dieting, they can use their data to compete against other users in virtual online events -- that are also sponsored by partner brands, from Adidas to Kellogg's.

The benefits to marketers who sponsor these events go beyond awareness and goodwill. By capturing rich lifestyle data about participants, they're able to generate predictive analytics that power hyper-targeted marketing and promotions.

Pursuing personal data

Anyone who saw *Minority Report* or other depictions of future dystopias where "personalization" becomes "intrusion" knows the dangers of marketers going overboard with platforms that track your everyday activities.



But capturing personal data from customers is the new coin of the realm. Gartner estimates that by 2020, consumer data collected from wearable devices will **drive 5% of sales** from the Global 1000.

It's a tradeoff most consumers and B2B prospects seem willing to make, because they understand it's how they receive the **conveniences of personalization**.

Soon enough, your Apple Watch or Ticwatch will interact with nearly every item in your environment, from your refrigerator to that car you summoned from Lyft or Uber...or the corner ATM. Or if Google and Levi's have their way, their Project Jacquard partnership will embed that functionality in your jeans jacket. So where and when you receive a "digital experience" may broaden **amazingly** in years to come.

*The number of smartphone apps asking people to share their personal data **doubled** between 2013 and 2015.
Source: Gartner*

Merging two (marketing) worlds

How can a marketer who's not a wearables manufacturer take advantage of the wearables revolution to enhance their own branded digital experiences?

- One option: follow the LEAP4LIFE example of brands **leveraging the best wearables data collection platforms** already out there to capture valuable insights about prospects and customers.
- Or, if it fits your customer and business model, **create your own digital experience apps** capable of running on these devices, whether aimed at B2C or B2B audiences.
- Re-strategize your **content marketing** to work across popular wearables platforms. Many of these devices are capable of receiving messages, even images and video. So it's possible you may someday be displaying a new product demo on a user's own skin, thanks to flexible organic electronics.

- **Prepare policies** on how you'll **manage and protect the personal data** you'll gather, whether it's from opted-in customers, prospects, third parties or even employees. Wearables are **personal** devices, in the eyes of users, and they'll be sensitive about what you learn and how you use it.

Gartner says there will be 26 billion connected devices by 2020; Cisco claims it will 50 billion, Intel says 200 billion, and the IDC says 212 billion.

*Individual B2B customer stakeholders who perceived supplier content to be tailored to their specific needs were 40% more willing to buy from that supplier than stakeholders who didn't.
Source: Harvard Business Review*

#3 TREND: ARTIFICIAL INTELLIGENCE & AUTONOMOUS AGENTS

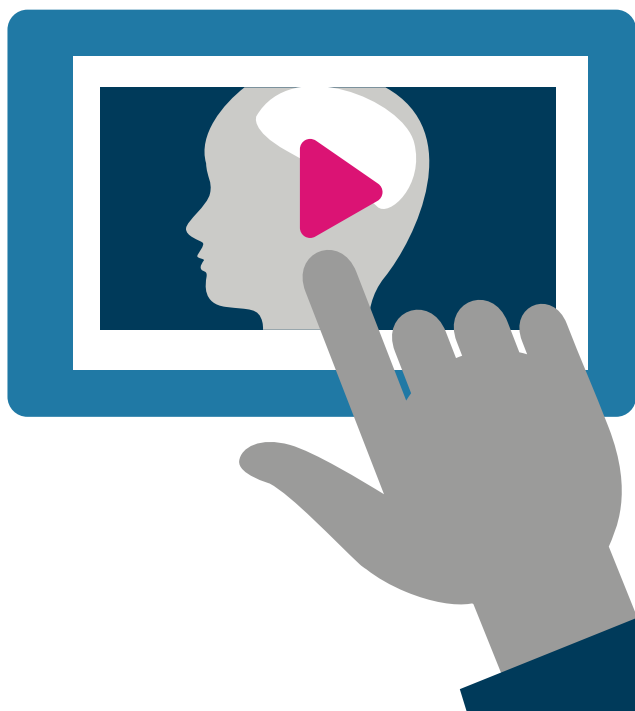
There are any number of definitions of “artificial intelligence” floating around, though A.I. has become an omnipresent meme among digital marketers. When it comes to how A.I. applies to digital experiences, there’s no set template: the application of “machine learning” or “cognitive” technology depends on the specifics of the experience a marketer is trying to deliver.

So it’s no wonder the A.I. provider segment is seeing literally thousands of competing vendors springing up, each focusing on a different vertical or slice of the funnel.

If we need a definition, let’s use what Wikipedia suggests for artificial intelligence marketing (AIM):

“A form of direct marketing leveraging database marketing techniques as well as AI concepts and models such as machine learning and Bayesian Network.”

What it represents for marketers is a sea-change in how they’re able to engage with target audiences.



The baby steps of A.I. adoption

Here’s a short list of current examples of how A.I. and machine learning are transforming digital marketing and user experiences:

- **Google** is using RankBrain, an A.I. platform, to interpret voice searches to deliver a more accurate and effective experience for users.

- **The Grid** is an A.I.-driven web design platform that recognizes images, user behaviors and context, and adjusts design elements accordingly. In short, it powers websites that design themselves.

- Financial services provider **USAA** is using an A.I. platform to better predict how customers will contact them, and what they’ll be looking for. It’s let USAA improve its “guess rate” from 50% to 88%, resulting in a higher-quality customer service experience.

- **WayBlazer**, a “cognitive travel platform,” is a B2B platform using **IBM’s Watson A.I.** to process consumer applications from hotel chains and airlines.

- **Under Armour** is another Watson user, combining in-house and third-party data to offer personalized training and lifecycle advice to consumers using its Record fitness app.

- Developers such as **Mariana I.Q.** are offering SaaS A.I. platforms where “deep learning” allows inbound marketing campaigns to improve the quality of their lead generation, so marketers can deliver engagement that’s highly personalized.

The path to total A.I.-to-user engagement

The examples we've listed are only baby steps on the road to pervasive A.I. integration into digital experiences. Soon enough, many of the interactions between a brand and its target audience won't require human intervention. Because, let's face it, we human beings are relatively costly and inefficient.

Customers may **claim** they want a real person on the other side of a sales or customer service contact, yet they also demand immediacy, speed and accuracy.

In fact, Gartner estimates that **85% of all interactions** between an enterprise and its customers will be entirely automated by 2020, with autonomous sales and customer service agents taking over much of those operations.

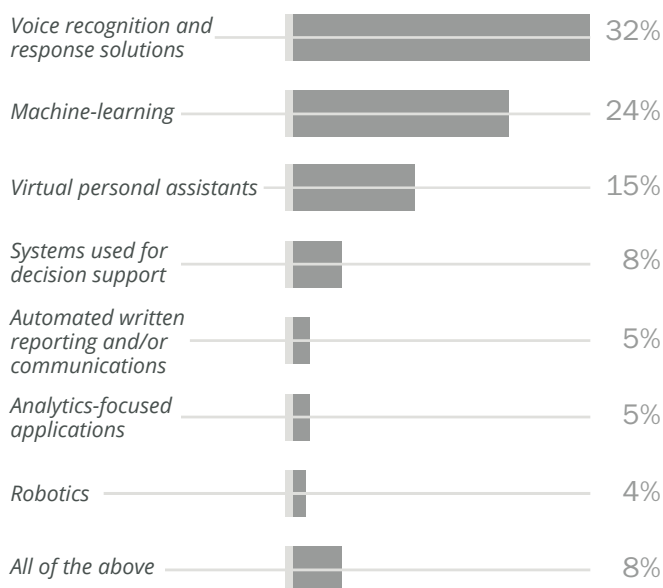
A.I.'s one-to-one advantage

Beyond cost savings, artificial intelligence allows marketers to reach the goal that's always eluded anyone who markets at scale: **actual one-to-one engagement** with prospects and customers.

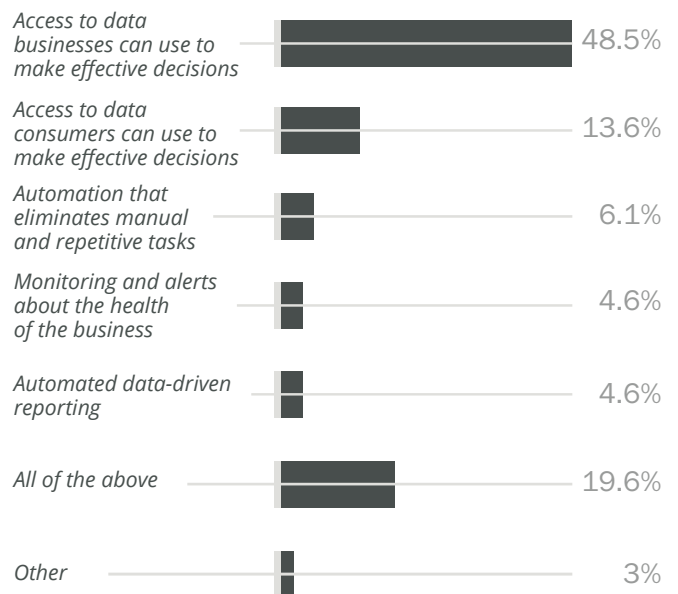
Present-day marketing automation platforms **don't provide true 1:1 personalization**, and certainly not in real time. Plus, there's still a high degree of human intervention involved -- in creating personas, for example, not to mention the decision trees and content bucketed for each of those models.

An autonomous A.I. agent will be able to assess and adjust to a user's behavior instantly, and **won't necessarily require Big Data integration** to do it. How? Many of the platforms being marketed by A.I.

Most Widely Used Artificial Intelligence Solutions By Enterprises



Main Reason Why Enterprises Currently Use Artificial Intelligence



developers learn on the fly about a target's behaviors and preferences in real time, even as that target is engaging with a digital touchpoint. So the A.I. can supply digital experiences precisely tailored to that user's need state and mindset at that exact moment, rather than depending on data that may not be current or accurate.

But producing those digital experience possibilities will still require creative thinking and a strong digital experience management platform to deliver them.

Sales of cognitive platforms will exceed \$10 billion a year by 2020.
Source: IDC

A.I. remains a market of startups, with 2,600 companies currently occupying the segment.
Source: IDC



#4 TREND: OMNI-CHANNEL INTEGRATION

Marketing has, for decades, looked at customer engagement the same way the ancients saw the solar system: the sun and stars (a.k.a. customers) revolved around the brand.

Let's say a marketer has hitched their wagon to content/inbound marketing. They've hit up every possible channel to promote or syndicate the shiny content they've created, whether it's a blogpost, or a video, or an eBook. They've also merchandised it across social media, hyped it in email, PPC ads, paid search, influencer blogs, et al.

The problem? This approach is still built around a silo-based contact model, and has a deterministic model – the “sales funnel” – where the assumption is that the prospect seeks information in a predefined order.

Whereas the reality of customer digital experience today is an **omnichannel** model, where people want the ability to switch seamlessly between touchpoints, at any given time during the buyer's journey.

That's especially true of millennials, who are pressuring brands to deliver more coherent customer experiences, from the first touchpoint to every product and service interaction thereafter, on every channel.

By 2020, the demand for an omnichannel customer experience will be amplified by the need for nearly perfect execution.

Source: PricewaterhouseCoopers

Revolve around the customer, not vice-versa

Picture this example: Imagine a potential customer who's looking through reviews of your product on G2

Crowd, while comparing the product specs on your website against a competitor's on their website, and then checking your Twitter feed. That's an omnichannel experience.

In a world where customers are dictating the terms of engagement, jumping between channels at any given moment, and where mobile, word-of-mouth and social media loom huge, **omnichannel marketing will rule the day.**

Your prospect needs to be at the center of your marketing universe, and every aspect of your business -- messaging, fulfillment, customer service CRM and more -- has to coordinate in a consistent, seamless experience that's channel-agnostic.

“Customer engagement is the Holy Grail of marketing today, and an effective omni-channel strategy is the key to consistent and compelling engagement.”

- Bob Barr, global B2B commerce lead, Accenture Interactive

87% of customers think brands need to put more effort into providing a seamless experience.

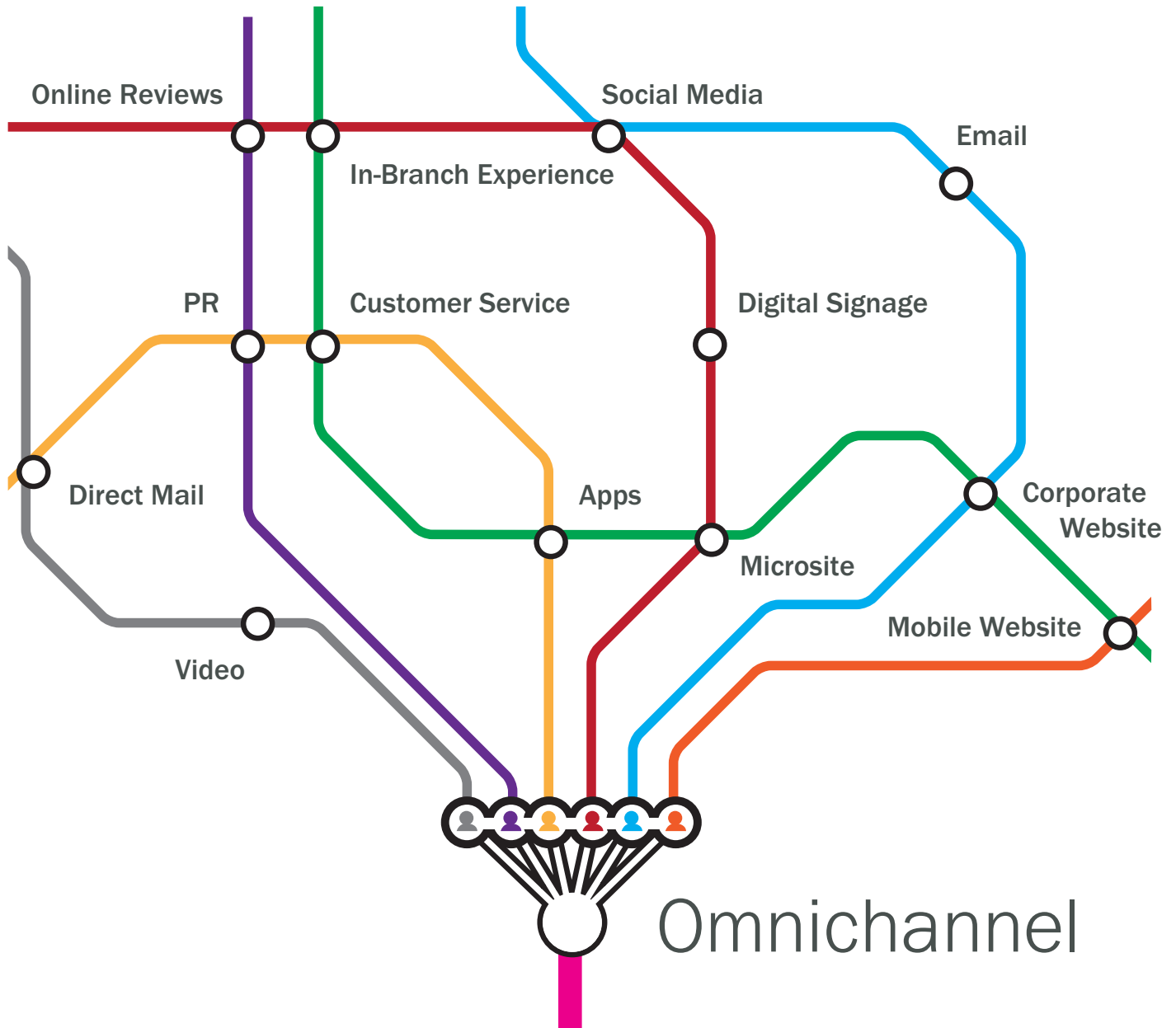
Source: Zendesk

Companies with extremely strong omnichannel customer engagement retain on average 89% of their customers, compared to 33% for companies with weak omnichannel customer engagement.

Source: Aberdeen Group

64% of customers expect to receive real-time assistance regardless of the customer service channel they use.

Source: Zendesk



How do you go omnichannel?

To compete in an omnichannel world, there are key steps an enterprise needs to take if they want to provide a unified and distinctive digital experience to customers:

- **Break down silos** so data isn't hoarded or isolated within the enterprise, but shared, delivering a holistic picture of the customer.
- **Collect quality data** from online/offline sources so there's better understanding of relevant touchpoints.
- **Develop buyer personas** to better understand behavior and preferences.
- **Map the buyer's journey at a detailed level** so your profile of each customer or prospect is as individualized as possible.

-
- **Create seamless relevance** by developing and delivering the right messages at the right time, place or device, including coordinating a company's brick-and-mortar/on-the-ground presence, too.
 - **Provide practically perfect customer service and fulfillment**, with speed, accuracy and responsiveness, because it's an important link in the omnichannel experience chain.
 - **Invest in a technology platform** that's capable of managing all your digital touchpoints from a single interface and can scale to meet future demand.



#5 TREND: A SHIFT FROM WCM TO DXM

As technology marketers reach across borders to open up new markets, or venture into using new touchpoints to target prospects, they find themselves contending with a multiplying host of complex issues:

- Maintaining a **consistent digital experience**, including branding and messaging, across a diverse set of markets and channels.
- Quickly **scaling up digital experiences** as new market opportunities arise without bottlenecks created by limited dev resources.
- At the same time, **localizing their digital experiences** so they resonate with customers in those markets.
- **Reducing risk** by ensuring their many digital touchpoints are in **compliance with regulations and legalities** in each market, including specific local codes about accessibility, messaging, types of content, copyright and more.
- Promoting **efficient and collaborative publishing (and approval) processes** to deliver increasing amounts of content.
- Installing cost-effective **digital quality control (DQM)** to automate detection and correction of compliance issues, content errors, technical issues and more.
- Coping with the **future proliferation of digital experience platforms**, such as wearables and the Internet of Things.
- Empowering teams to set up **audience segments and deliver personalized content** to them without relying on IT.

Recognizing the complexity of managing multiple channels, across tens or hundreds of markets, tech marketers are realizing they can't rely on internal tech resources to support their needs. They need

tools that give them control over the management of their digital presence, rather than fighting internal resource battles.

This is driving tech marketers to abandon CMS and WCM systems and **increasingly turn to Cloud-based Digital Experience Management (DXM) platforms** as all-in-one solutions to these knotty challenges.

DXM platforms empower digital marketers with a single, centralized interface with the ability to unify underlying technology components (including legacy business applications) while providing tools for **personalization, A/B testing, localization and digital asset management (DAM)** in the same platform.

The most-evolved DXM platforms include native, top-down, centralized **Digital Quality Management (DQM)** across a marketer's entire digital footprint. Through automated site crawls, errors like broken links, misspellings, accessibility and SEO issues are monitored and flagged for easy fixing.

How does DXM help technology marketers?

By delivering **seamless consistency of branding and content** across every facet of digital experience, no matter what channel, DXM platforms deliver the kind of cohesive experience customers and buyers demand -- and which they'd **logically expect from a technology marketer**.

Beyond protecting brand reputation, top-tier DXM platforms allow **extensive integration** with third-party software and even homegrown systems across its network. This permits centralized command and control of the whole enterprise's digital marketing, but without being excessively disruptive.

The numbers behind DXM adoption

Some of the compelling metrics propelling this shift forward?

83% of mobile users say that a seamless experience across all devices is very important

Source: Salesforce

51% of CFOs said digital governance is a high or very high priority; of that group, over half reported EBITDA growth of over 10% over the past three years.

Source: Ernst & Young

81% of buyers will pay for a better customer experience – but only 1% of them feel vendors consistently meet their expectations.

Source: CEI

Companies that take a “top-down” approach to Digital Transformation with strong Corporate Digital Governance are more successful than those that allow things to simply evolve in a more individualistic or “grass roots” manner.

Source: MIT Center for Digital Business/Capgemini

Smartphones and tablets together account for 70% of a brand’s digital engagement time with consumers.

Source: Comscore

A photograph of two athletes in starting blocks on a track, with a blue semi-transparent overlay containing the title text.

TAKING ACTION TO TAKE ON TRENDS

Not one of these trends can be characterized as a blue-sky fantasy. There's not a Segway or personal jetpack in the bunch. Each of them are **already causing tidal shifts** in how marketers will create, deliver, analyze and evolve digital experiences. In a few years, they'll be de facto components of digital marketing.

They're also arriving **concurrently**. So in the next few years, many marketers will have to work out a strategy for assessing and capitalizing on these changes.

So how can an emerging tech marketer lay groundwork today for making the most of these trends tomorrow?

Always be looking ahead

At a lot of companies, even in the tech segment, taking long-view looks up the road isn't S.O.P., especially since there's so much that needs to be done in the here-and-now.

But with the pace of change and innovation that's become the driving truth of modern business, no enterprise can afford to ignore trends that are initiating disruption **right now**.

It's the CTO/CIO's job in many organizations to play the role of technology auditor in evaluating the "next big thing." But that shouldn't exempt the marketing department from building bridges to IT and offering their informed POV on the subject.

Good marketers keep a watchful eye on competitors, so they'll know if they're ahead of the curve or behind the eight ball when it comes to martech adoption.

Honestly assess your needs & requirements

Just acknowledging oncoming trends **doesn't mandate** adoption; some companies don't have the resources -- or the need.

Set sensible criteria for identifying and evaluating which trends are going to get the most traction in your category and hold the most promise for your bottom line. There are too many examples of companies that made significant technology investments that didn't align with their real needs, goals, or cash flow.

At the same time, **avoid making quick judgments, pro or con**, about the value of a particular innovation. A B2B marketer might scoff at the value of incorporating wearable or IoT functionalities into their martech mix. Yet if conventions and trade shows are big dates on their calendar, they'll find they're being lapped by competitors using VR goggles, wifi beacons and smartphone apps as elements of their attendees' brand experiences. They're not only showcasing how forward-thinking they are -- they're capturing leads data by doing it.

Enlist Stakeholders

Reach out to strategic partners, existing customers, third-party technology providers and others outside

your marketing and IT departments to get their opinions and input. It's best to do this right from the start of your planning process, too, because whatever solution you put in place has to integrate with their requirements, too.

Hardwire an Adoption Process

Not every company is an **Innovator** or **Early Adopter** when it comes to new martech, even if they themselves are tech marketers. But any marketer should have a methodical process in place for onboarding a platform or tool that's going to be integral to how they deliver digital experiences.

One key is to work out **stringent requirements and defined KPIs** to guide deployment. One notorious 2009 report by IAG pointed out how success was "improbable" for 68% of company technology projects, owing to poor requirements and needs analyses, which also drove up implementation costs.

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Founded in January 2001, Crownpeak was the first company to offer web content management through a SaaS solution. Today, leading brands trust Crownpeak's cloud-first Digital Experience Management (DXM) platform to quickly and easily create, deploy and optimize customer experiences across digital touchpoints at scale.

Crownpeak provides a complete solution for DXM featuring content management, personalization, search and hosting, in addition to fully integrated Digital Quality Management (DQM) to ensure brand integrity and meet compliance requirements. More than 180 customers including Unilever, BNY Mellon, Thomson Reuters, Eli Lilly, and Aflac rely on Crownpeak to deliver engaging experiences that delight customers, promote loyalty and deliver results.