# Running on EXPERIENCE.

2017 Digital Marketing Study.

In today's digital world, it's no longer business as usual. Almost everything about how we interact with customers is changing—from the way marketing is delivered to the way it's consumed. But one thing is certain—your customers want great experiences.

Fortunately, we're seeing more and more marketers respond. The results are in from the 2017 Digital Marketing Study, and they show more companies are putting customers at the forefront. The primary digital marketing capability for all companies surveyed is whole customer view. Companies want to truly understand who their customers are, so they can deliver personalized and meaningful content.

This is the eighth year Adobe has conducted this large-scale survey of more than 1,165 digital marketers in enterprise companies across North America and Europe.

The goal is to see where companies are in terms of digital maturity, gauge how things have changed since the prior year, and look at priorities for the road headed. As an Adobe partner, we had an opportunity to review this year's data and offer our insights and perspectives on the retail and manufacturing industries.

Traditional retailers are being upended by the digital transformation of not just their competitors, but their customers. Customer digital maturity is evolving as fast as technology when it comes to when, where, and why they purchase. Retailers are now challenged to provide unique experiences beyond providing products and services; creating exceptional experiences is one of the only ways they will succeed. Manufacturers are also being tasked with creating B2C-like experiences with personalization, simpler interfaces, and customer intelligence.

For a more in-depth look at the data from the retail and manufacturing industries, be sure to read the interactive report, which allows you to view the most of the data by industry, compare industries against all responses, and see regional differences.

While the retail and manufacturing industries have their own unique strengths and challenges, any company that wants to attract and retain customers must change the way it does business. To get ahead, your organization needs to transform into an experience business—where creating great customer experiences becomes a company-wide goal.

We encourage you to start on the path to digital transformation—and go the distance. The road may be long, but it's worth it. And the information in this paper will you a great head start.

Jamie Anderson
Seniior Vice President, Experience
ICF Olson

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"**Don't be afraid to give up the good to go for the great.**"

**STEVE PREFONTAINE**
1972 Olympic runner

Serious runners are a breed apart. They get up at the crack of dawn, endure long hours, and struggle through challenging conditions. But when they achieve the legendary runner's high, none of that matters.

The race to capture the hearts and minds of your customers isn't all that different. Today's consumers are inundated with more content, more channels, and more digital experiences than ever before. If you want to earn their loyalty, you have to go a lot further than just offering products or services. You have to push for great customer experiences—the kinds that are personal, relevant, and compelling. You have to transform.

The road to becoming an experience business, one that can deliver the kind of experience your customers want, is hard. But when you commit to going the distance, when everyone in your company is on board and working together, you'll find your high—where the race gets easier and the effort more rewarding.

# The **RACE** is on.

"**To be a consistent winner means preparing not just one day, one month, or even one year—but for a lifetime.**"

**BILL RODGERS**
four-time Boston Marathon winner

An experience business puts its customers first and foremost and interacts with them in meaningful ways across all channels. Companies that successfully transform into an experience business will grow and thrive. Those that don't will struggle to catch up. But the effort goes far beyond how you do your digital marketing. It needs to be a business priority with a commitment across your entire organization—from your CEO on down. It requires a big-picture, strategic approach to increasing your digital maturity and rethinking most, if not all, of your internal processes.

But just as you'd never attempt 26 miles without training, you can't expect to transform into an experience business overnight. You need a plan that gradually increases your digital fitness over time.

And even when you feel like you're almost there, be prepared to dig deeper and find the endurance to push further. Because there really is no finish line. The digital landscape will continue to change and you'll need to change with it. If you adapt and keep going, you'll find that exhilarating high and you won't want to stop.

# FUEL for the long run.

> "I've always liked hills. I see a challenge, a goal, and I feel instantly galvanized to achieve that goal."

**AMBY BURFOOT**
winner of the 1968 Boston Marathon

It's no surprise that those furthest along in the experience transformation report the highest level of digital maturity. It's the fuel they need to succeed. The companies out front are taking steps to advance their maturity in a holistic way—not by adding disparate technologies here and there, but with a clearly defined strategy. They're using data as a foundation for all of their digital efforts, examining every aspect of the customer journey, and evaluating and transforming their internal structures where necessary.

When you look at the road ahead, it's important to be aware of what's happening around you. For the past eight years, Adobe has conducted an annual survey to explore trends and priorities in digital marketing and understand how companies are using it to gain a competitive edge. Last year, we saw that most organizations are expanding their digital capabilities across a broad spectrum of tactics

and technologies—and seeing results. This year, we looked at how they're progressing on the digital maturity path and explored what they're doing to transform into experience businesses.

Between March and April 2017, we reached out to 1,165 digital marketers in enterprise companies in the United States, Canada, the United Kingdom, France, and Germany, with an average company size of more than 7,000 employees. In this report, we reveal the key findings from the 2017 Digital Marketing Study and look at where digital maturity stands compared to last year. We explore what the most digitally advanced companies—the leaders of the leaders—are doing to achieve results. This includes their current and future investment strategies, what capabilities they're prioritizing, and what optimization strategies are working.

We also dig into some industry-specific data and share benchmarks and perspectives that will help you evaluate where you are on the maturity spectrum. Lastly, we use the insights from the survey to outline four milestones to hit on your own path to transformation.

## Digital maturity definitions:

- **Advanced:** Data mostly integrated, best practices generally followed, automation common, strong technical skills
- **Focused:** Data and processes somewhat integrated, automation common, solid and expanding technical skills
- **Emergent:** Basic data integration, some automation, growing technical capacity
- **Non-existent:** Limited data in silos, no automation, no technical capability

# Gaining GROUND.
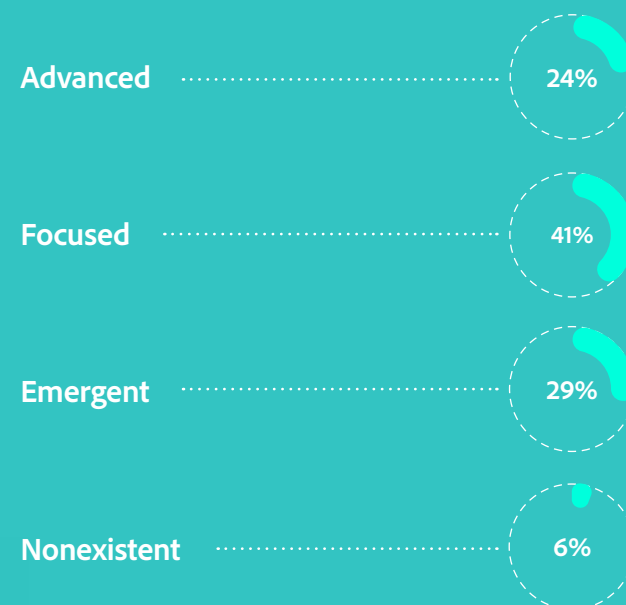
"Run for twenty minutes and you will feel better. Run another twenty and you might tire. Add on three hours and you'll hurt. But keep going, and you'll see and smell and hear and taste the world with a vividness that will make your former life pale."

**SCOTT JUREK**
American ultramarathoner

Over the past year, digital marketers made great strides in their quest for maturity. A quarter of all organizations surveyed self-report an advanced level of digital maturity, up 118 percent over 2016.

## 2017 maturity rating.

Advanced ........................... 24%

Focused ........................... 41%

Emergent ........................... 29%

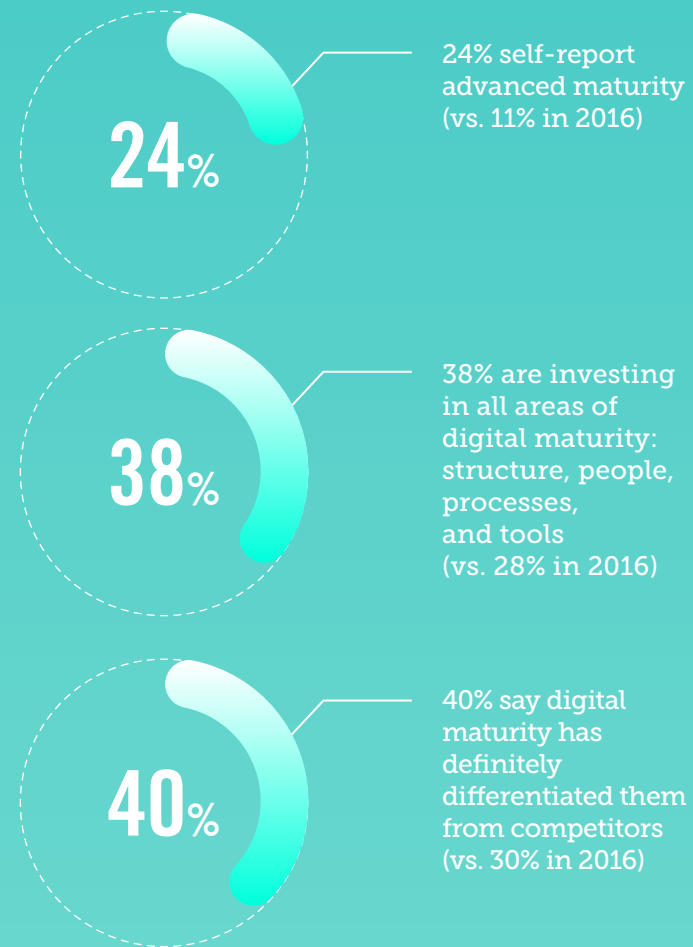Nonexistent ........................... 6%

This is likely due to the fact that 38 percent are investing in all areas of digital maturity—structure, people, processes, and tools—especially in North America, where 43 percent are making these broad investments.

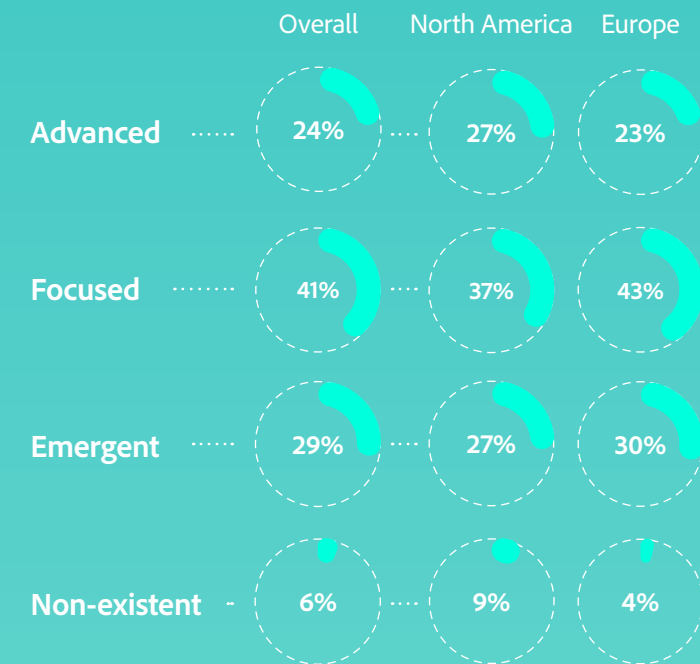A quarter of all organizations surveyed self-report an advanced level of digital maturity, up 118 percent over 2016.

## 2017 shows great strides in digital maturity.

**24%** self-report advanced maturity (vs. 11% in 2016)

**38%** are investing in all areas of digital maturity: structure, people, processes, and tools (vs. 28% in 2016)

**40%** say digital maturity has definitely differentiated them from competitors (vs. 30% in 2016)

And their investments are paying off. Forty percent say their growing maturity has definitely differentiated them from their competitors—a 33 percent increase over 2016. The only exception to this is the media and entertainment industry, where 25 percent of respondents say it had not differentiated them. This may be due to the fact that the industry as a whole is further down the path of delivering digital experiences, so it takes significantly more capabilities and tactics to jump out ahead.

While progress is slower in Europe, the overall numbers indicate that the maturity landscape is changing rapidly. The leaders are setting the pace and everyone else will have to keep up.

## Self-reported digital maturity.

| | Overall | North America | Europe |
|---|---|---|---|
| **Advanced** | 24% | 27% | 23% |
| **Focused** | 41% | 37% | 43% |
| **Emergent** | 29% | 27% | 30% |
| **Non-existent** | 6% | 9% | 4% |

# The lay of the **LAND.**

"If it doesn't challenge you, it won't change you."

**FRED DEVITO**
Executive Vice President of Mind Body Training
Exhale Enterprises

Psyching yourself up for what lies ahead can be hard. But seeing where the competition is headed can be just the motivation you need. Here's a quick view of the current landscape.

The survey showed that for most respondents, the most important digital marketing capability is still a whole customer view. Ninety-three percent of all companies cited the importance of a 360-degree perspective of their customers, which comes from integrating insights from analytics, customer relationship management (CRM), and other data sources. You have to understand your customers on an individual level if you want to create truly personalized experiences.

Appropriately then, 2017 saw significantly more organizations using automation to create personalized content. Mobile in particular saw significant gains, with a 115 percent increase.

## Increase in automated personalization from 2016.
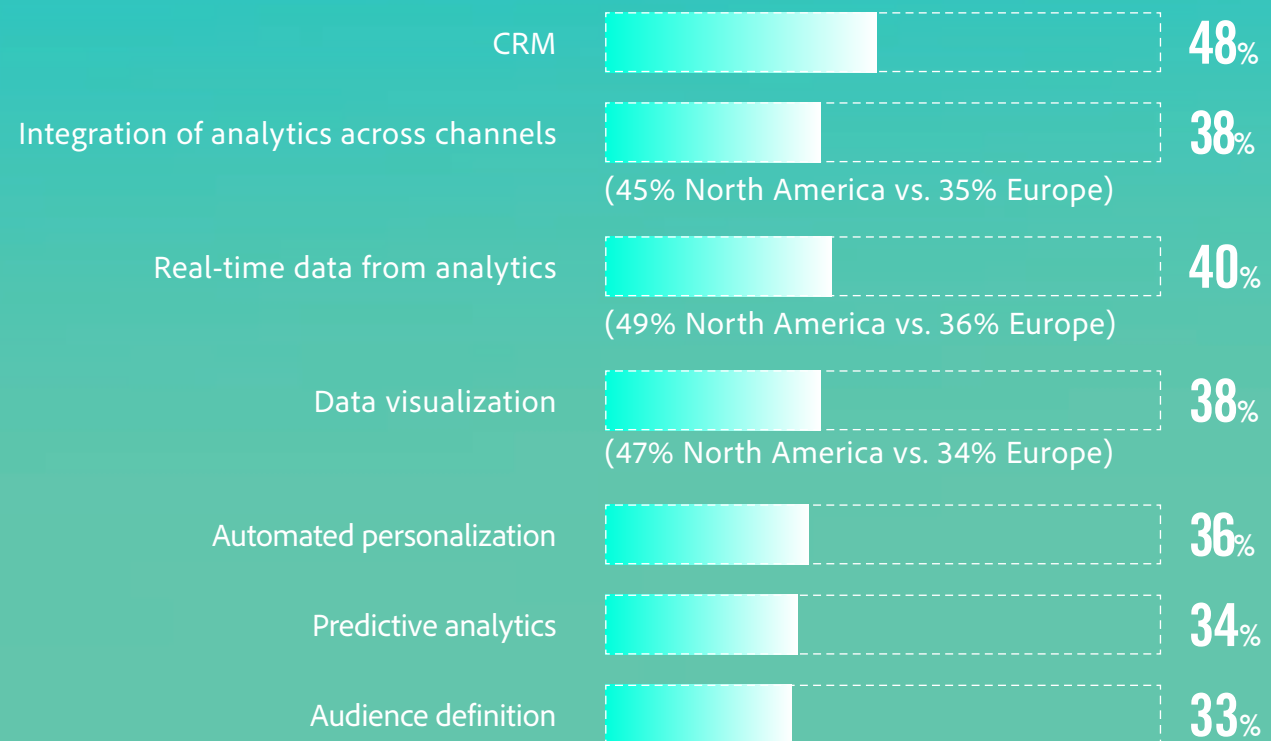
**51%**
Web

**115%**
Mobile

When it comes to enhancing their data-driven marketing efforts, CRM data is still the top approach, being used by 48 percent of companies. However, that represents a significant 30 percent decline from 2016. The use of audience definition was also down 31 percent. On the other hand, a third of companies are turning their focus to predictive analytics, which represents a 36 percent increase. North American organizations are ahead of those in Europe in several of the approaches.

Digital marketing budgets are expected to increase in all areas over the coming year, especially for optimization, social marketing, advertising, and enterprise marketing management. More North American companies claimed to be increasing budgets than in Europe.

But challenges remain, especially with testing. Nearly all areas of testing were reported as more challenging this year—especially in Europe.

## Approaches used to augment data-driven marketing.

**CRM** — **48**%

**Integration of analytics across channels** — **38**%
(45% North America vs. 35% Europe)

**Real-time data from analytics** — **40**%
(49% North America vs. 36% Europe)

**Data visualization** — **38**%
(47% North America vs. 34% Europe)

**Automated personalization** — **36**%

**Predictive analytics** — **34**%

**Audience definition** — **33**%

# Hit your **STRIDE.**

"It's not so much that I began to run, but that I continued."

**HAL HIGDON**
four-time World Masters Champion

Despite a few headwinds with testing challenges, the survey shows that transformation is definitely happening. Companies are gaining strength in their digital capabilities and focusing more attention on customer experiences. But it's not a simple sprint to the finish line. It's important to remember that achieving digital maturity is an ongoing process that requires a long-term strategy.

The survey identified several key areas that are essential to the transformation strategies of the most digitally advanced companies, which we've compiled into four milestones to transformation. Whether you're just starting out, or well on your way, they'll guide and coach you on your way to achieving digital maturity and becoming an experience business.

## Four milestones to transformation.

**1**    **Assess your digital fitness.** Evaluate your digital maturity and your progress toward becoming an experience business.

**2**    **Map out your route.** Build your plan and start aligning capabilities, strategy, people, and other resources.

**3**    **Draft off industry leaders.** Implement your plan, paying attention to trends in your industry and working in new strategies and processes.

**4**    **Lock in your lead.** Make organizational changes to become a robust and agile experience business.

4 COMPETE
3 TRAIN
2 PLAN
1 ASSESS

# MILESTONE 1
# ASSESS

"The ultimate is not to win, but to reach within the depths of your capabilities and to compete against yourself to the greatest extent possible."

**BILLY MILLS**
1964 Olympic champion

Before you'd ever lace up your running shoes and hit the road, you should first determine your fitness level. Likewise, your first step on the transformation path is to take a hard look at your strengths and weaknesses. Think of it as a checkup to see where you are right now and what shape you're in to move forward. Compare your organization to others in the survey and particularly to the most digitally mature.

# Physiology of digitally mature companies.

**34%**
Have a company-wide approach to testing

**63%**
Use dynamic content in emails

**78%**
Automate personalized content for web

**74%**
Automate personalized content for mobile

**52%**
Personalize email content

**52%**
Use analytic integration to augment data-driven marketing efforts
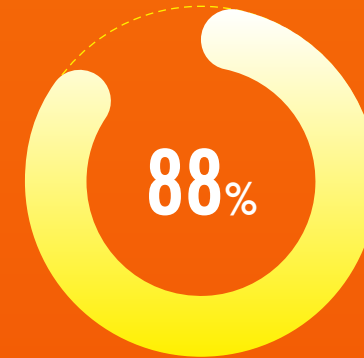
**88%**
Say automation has led to an improvement in KPIs on website

**51%**
Use CRM data to augment data-driven marketing efforts

**48%**
Use real-time data to augment data-driven marketing efforts
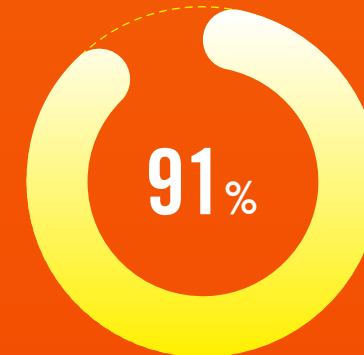
**91%**
Say automation has led to an improvement in KPIs on mobile

**54%**
Use responsive mobile emails

# Physiology of digitally mature companies.
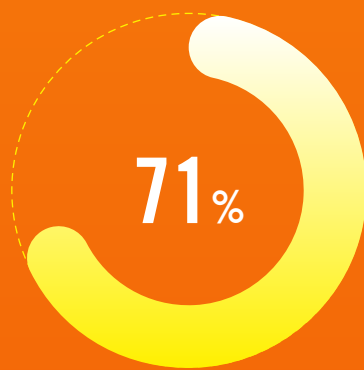
**71**% Plan to invest in *all* of structure, people, processes, and tools

**63**% Plan to increase their optimization budget

**61**% Plan to increase their personalization budget

**60**% Plan to increase their advertising budget

**9** Mean number of "very important" investments in the next three years

**6** Mean number of measurement and optimization tactics currently used

**11** Mean number of measurement and optimization tactics planned for use
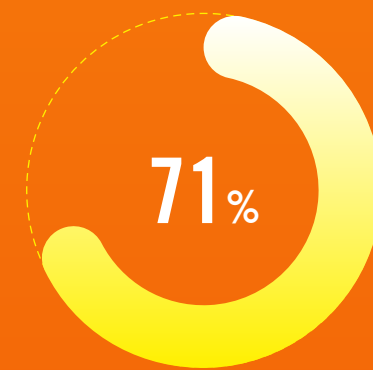
**71**% Say whole customer view is a "very important" investment in the next three years

**70**% Say connected experience is a "very important" investment in the next three years

**69**% Say predictive marketing is a "very important" investment in the next three years

# 95%

**Ninety-five percent of all organizations surveyed plan to grow their digital maturity by investing in some or all of its key pillars (structure, people, processes, and tools).**
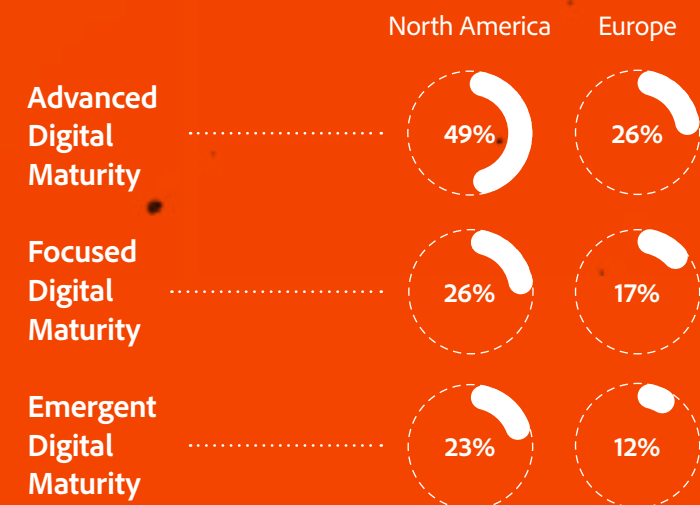
If you have a long way to go, you're not alone. Ninety-five percent of all organizations surveyed plan to grow their digital maturity by investing in some or all of the key pillars (structure, people, processes, and tools)—and 71 percent of digitally mature companies plan to invest in all areas.

Look at which strategies and capabilities mature companies have already put in place, where they're investing, and what significant changes they've made over the last year. Our study found seven key capabilities that were prioritized in 2017.

*A company-wide approach to testing.*
Digitally mature companies are more likely to have a company-wide approach to testing and not rely as heavily on their marketing department. This is especially true in North America, where 49 percent report a company-wide approach, compared to Europe's 26 percent. Only 19 percent of all focused companies use a company-wide approach.

## Company-wide approach to testing.

| | North America | Europe |
|---|---|---|
| **Advanced Digital Maturity** | 49% | 26% |
| **Focused Digital Maturity** | 26% | 17% |
| **Emergent Digital Maturity** | 23% | 12% |

Mature organizations gain valuable insights when everyone in the company is empowered to contribute to the testing process, not just those in marketing. Tap into the expertise from your executive staff, managers, researchers, and even your call-center staff and other customer-facing departments.

**Multiple measurement and optimization tactics.**
Mature and focused companies currently use an average of six tactics to measure and optimize their efforts, but they expect that number to grow to 11 in the next three years. North American organizations currently use two more tactics than their European counterparts. Half of all companies use website analytics, which topped the list of tactics.
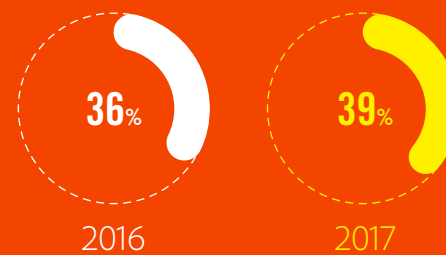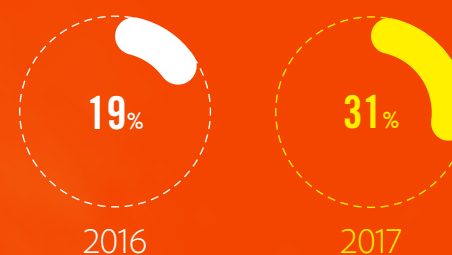
**Predictive analytics.**
Overall, we saw a 36 percent increase from last year in the use of predictive analytics to augment data-driven marketing efforts. More North American companies use this approach—including more than half of digitally mature organizations. But companies in Europe are coming up to speed. The survey shows a 63 percent increase there.

**Personalization.**
During 2017, significantly more organizations automatically created personalized content for web and mobile, and more visitors received it. Sixty-two percent of respondents use automated personalization for web—up 51 percent over last year. Fifty-six percent now use it for mobile—a 115 percent increase over 2016.

## Number of measurement and optimization tactics used.

Currently use:

# 6

Plan to use:

# 11

## Percentage of companies who use predictive analytics to augment data-driven marketing.

### North America

**36**% — 2016
**39**% — 2017

### Europe

**19**% — 2016
**31**% — 2017

It's interesting to note that the retail industry—with its huge surge in online sales—lags the furthest behind in the use of predictive analytics. Only 19 percent of retailers currently use predictive analytics. This is 25 percentage points behind financial services, which had the highest use.

**2016**  **2017**

**41%**  **62%**

Automatically created personalized web content to visitors

**33%**  **42%**

Of visitors received personalized web content

**26%**  **56%**

Automatically created personalized mobile content to visitors

**37%**  **44%**

Of visitors received personalized mobile content

### Mobile.

Most organizations report receiving 20 percent or more of their web traffic from mobile, and almost a third say it's 41 percent or more. People are tied to their mobile devices and expect great experiences—no matter how small the screen. It's no surprise that mobile continues to be a leading investment priority in 2017. We asked survey participants to select their three top mobile investment areas and the results clearly focus on the customer.
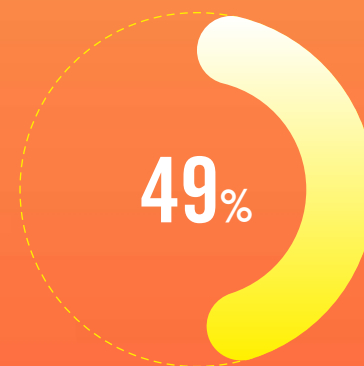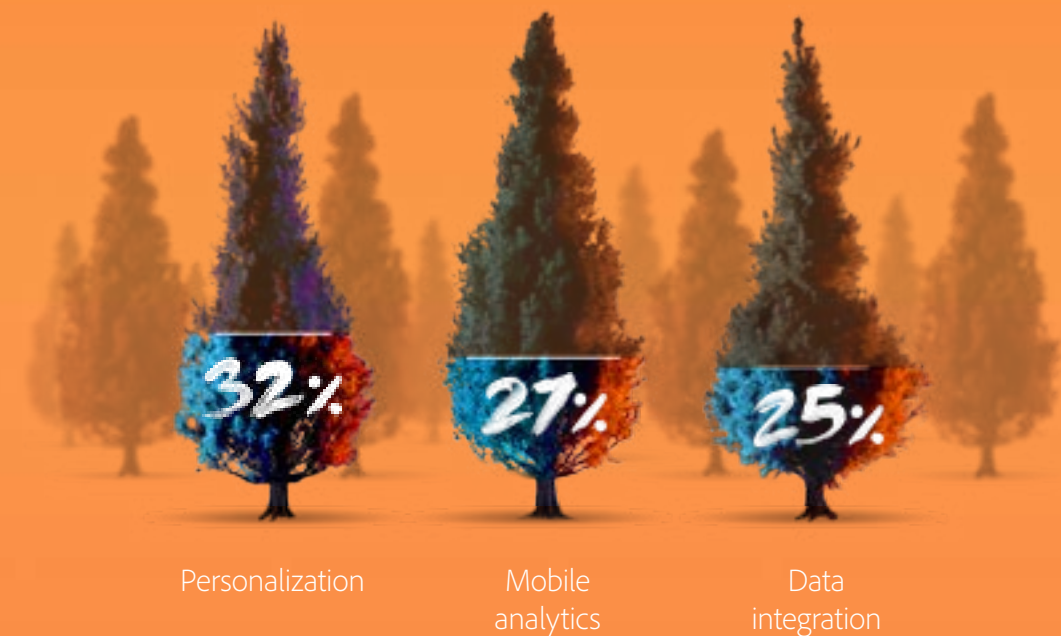
Marketers are working hard to create more compelling mobile experiences, prioritizing personalization, mobile analytics, and data integration. And they're using a median number of two mobile channels to reach their customers. Half of all organizations employ mobile apps and responsive design websites.
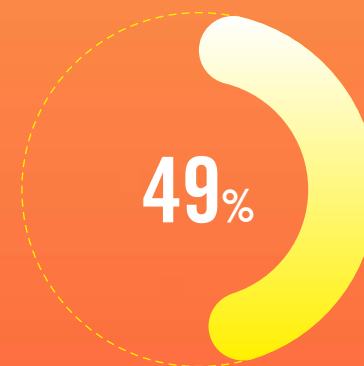
## Top mobile investments in 2017.

Percentage of companies that are making these changes a priority.

## Top three priorities for enhancing mobile capabilities.

**37%** Improved customer experience

**33%** Customer acquisition

**27%** Customer support

**32%** Personalization

**27%** Mobile analytics

**25%** Data integration

**49%** Use mobile application(s)

**49%** Use responsive design website (59% in North America)

Efforts to optimize mobile capabilities are similar between North American and European companies. Cross-channel analytics and campaign acquisition were the most important in 2017, followed by mobile app marketing attribution. We did not see a lot of differences between industries, except when it comes to measuring experiences through the Internet of Things. Eighty-two percent of respondents in the tech industry felt this was somewhat or very important, which is nine percentage points higher than the mean.

The survey also showed that the travel and hospitality industry gets more mobile traffic than any other industry. For a majority of respondents, 40 percent or more of their traffic comes from mobile. Overall, it has a higher percentage of companies using real-time analytics (50 percent) and automated personalization (47 percent) to deliver the right content at the right moment.

## Importance of mobile optimization efforts in 2017.

Cross-channel analytics

| 35% | 46% | 80% |

Campaign acquisition

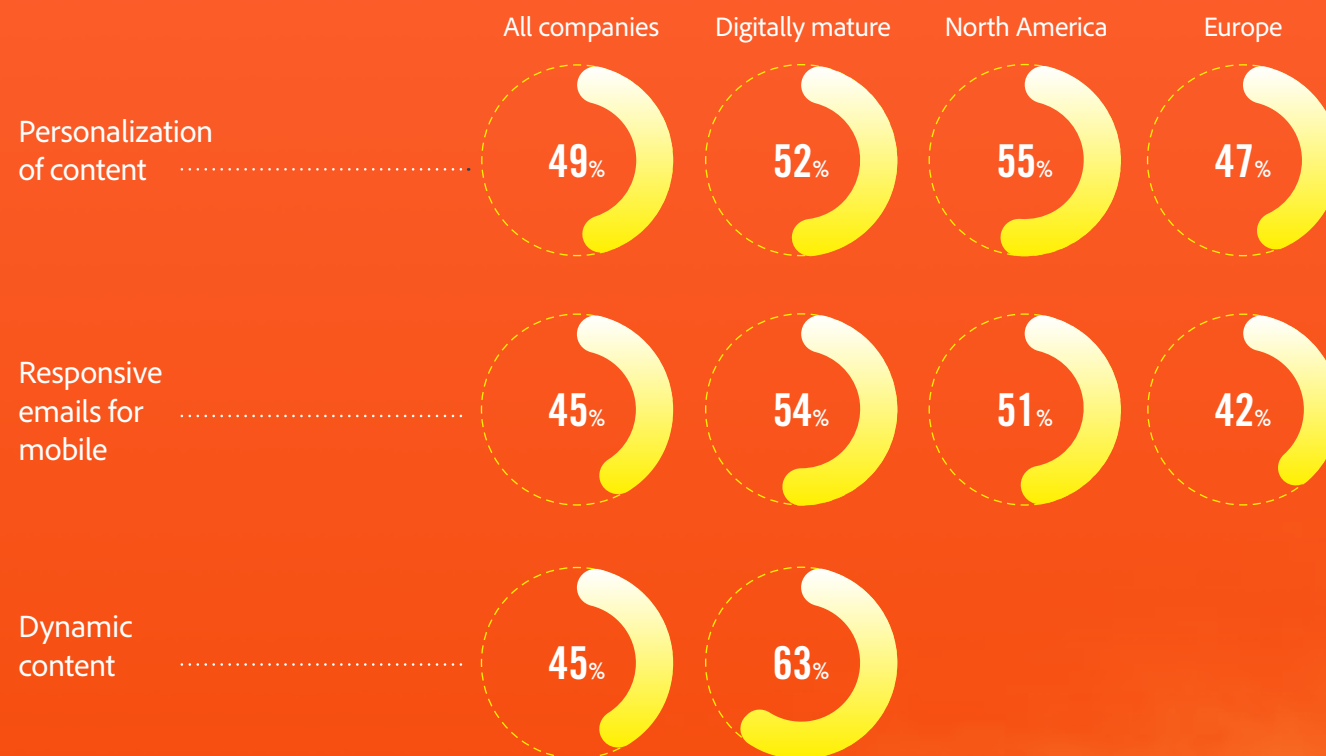| 34% | 45% | 79% |

Mobile app marketing attribution

| 41% | 35% | 76% |

■ Somewhat important    ■ Very important

*Enhanced emails.*
More companies invested in email capabilities during 2017 than in 2016—especially those with advanced digital maturity. While personalized content and responsive emails for mobile topped the list of email investments, there's been a significant increase in the number of companies using dynamic content.

## Email investments during the past year.

| | All companies | Digitally mature | North America | Europe |
|---|---|---|---|---|
| Personalization of content | 49% | 52% | 55% | 47% |
| Responsive emails for mobile | 45% | 54% | 51% | 42% |
| Dynamic content | 45% | 63% | | |

*Tracking customer experience.*
As more companies move toward becoming an experience business, they're using various channels for understanding the effectiveness of their efforts. This year, customer feedback surfaced at the front of the pack in North America, while loyalty-based measurement was the frontrunner in Europe.

## Preferred measurement criteria.

**North America**

46%

Direct customer feedback

**Europe**

43%

Loyalty-based measurement

Globally, several metrics are being used for actually measuring success, but almost half of respondents use conversion rate, followed by unique visitors (especially in North America) and customer churn rate, which was slightly higher in Europe.

## Specific metrics used to measure customer experience efforts.

**45**%

Conversion rate

**37**%

Unique visitors

**34**%

Customer churn rate

Use these findings about digitally mature companies to help you determine your strengths and weaknesses and to set your priorities for transformation. Consider an online tool, such as the Adobe Digital Marketing Maturity Self-Assessment Tool. It might also be valuable to get a formal assessment from a trusted partner or expert. These companies can do an in-depth assessment, offer valuable insights, and serve as your coach to develop a strategic plan for advancing your digital maturity.

# MILESTONE 2

# PLAN

"Concentrate on small segments of your race at a time. Rather than obsessing about the distance that remains, simply complete the next mile in good form—try another, then another, until the race is done."

**JERRY LYNCH**
runner and sports psychologist

Every organization is in a different place on the road to transformation. You may be fairly far down the road—or standing right at the starting line. Either way, your transformation plan requires having the structure, people, processes, and tools in place to create, deliver, and measure great customer experiences. You won't get very far without them.
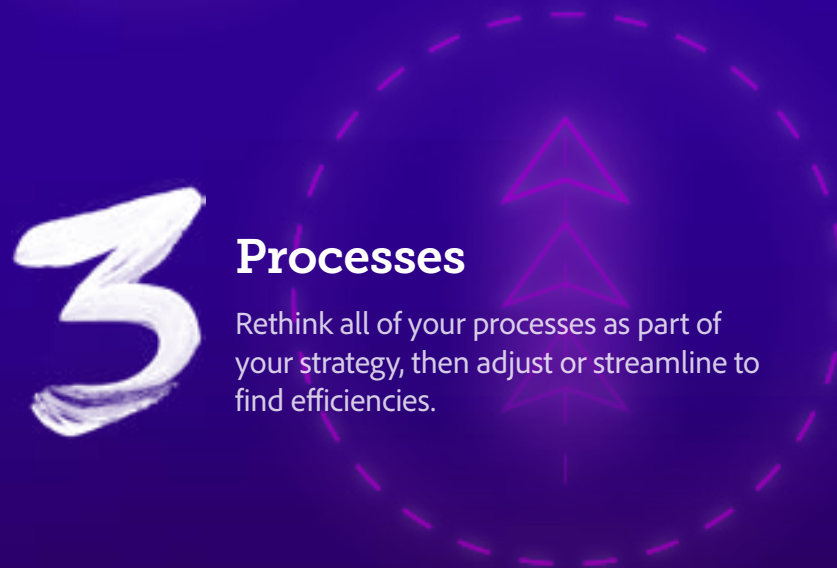
# Essential elements for
# **TRANSFORMATION**

## 1 Structure

Create an organizational infrastructure that eliminates silos and integrates all people, processes, and tools.
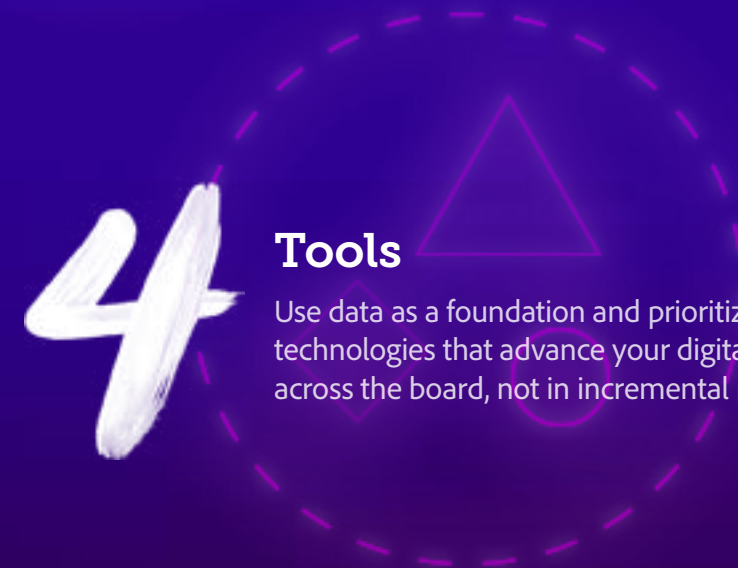
## 2 People

Make transformation a business goal by getting everyone on board—from your CEO on down—and tap into everyone's unique skills.

## 3 Processes

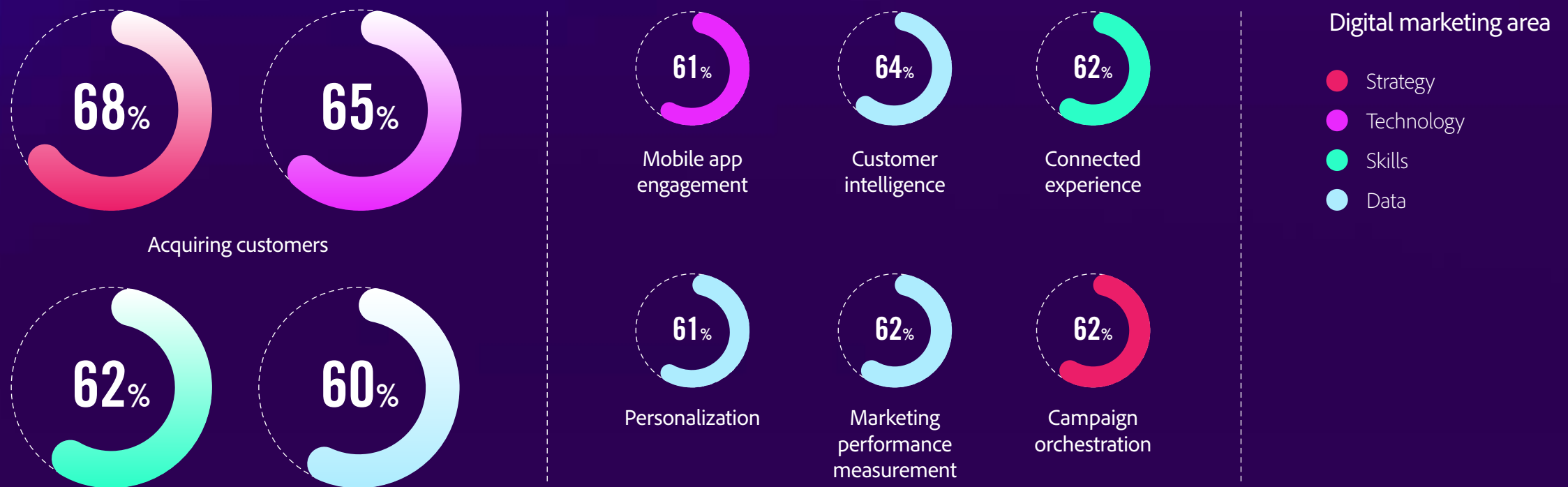Rethink all of your processes as part of your strategy, then adjust or streamline to find efficiencies.

## 4 Tools

Use data as a foundation and prioritize other technologies that advance your digital maturity across the board, not in incremental pieces.

Not coincidentally, at least two-thirds of respondents said strategy, technology, skills, and data were all very important to their strategic success over the next 18 months—especially for acquiring customers.

**Percentage of respondents who think these digital marketing areas are important to the success of their strategic capabilities.**

68%

65%

Acquiring customers

62%

60%

61%

Mobile app engagement

64%

Customer intelligence

62%

Connected experience

61%

Personalization

62%

Marketing performance measurement

62%

Campaign orchestration

**Digital marketing area**

- Strategy
- Technology
- Skills
- Data

## Identify short- and long-term goals and set priorities for growth.

Start by identifying what is working well in your digital efforts and what you have planned to support more progress. Think about what you can do in the short term—much like training first for a 5K—as well as what you can do for the marathon of full digital transformation. Set strategic milestones to reach along the way and look for quick wins to keep you going.

Next, identify your biggest challenges. In our survey, testing was front and center. Respondents, particularly in Europe, were more likely in 2017 to report that almost all areas of testing were challenging. Last year, the top three challenges were resource availability, budget, and staffing. This year, resource availability was still the biggest challenge, followed by knowing how to test effectively (which was up 106 percent this year) and determining the significance of test results (up 71 percent).
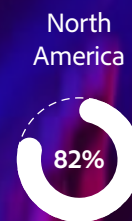
### Biggest testing challenges.

**85%**
Resource availability
(content, creative, and technical)

| Europe | North America |
|--------|---------------|
| 87% | 82% |

**84%**
Knowing how to test effectively

| Europe | North America |
|--------|---------------|
| 86% | 80% |

**83%**
Determining the
significance of results

| Europe | North America |
|--------|---------------|
| 85% | 78% |

## Top capabilities seen as somewhat or very important in the next three years.
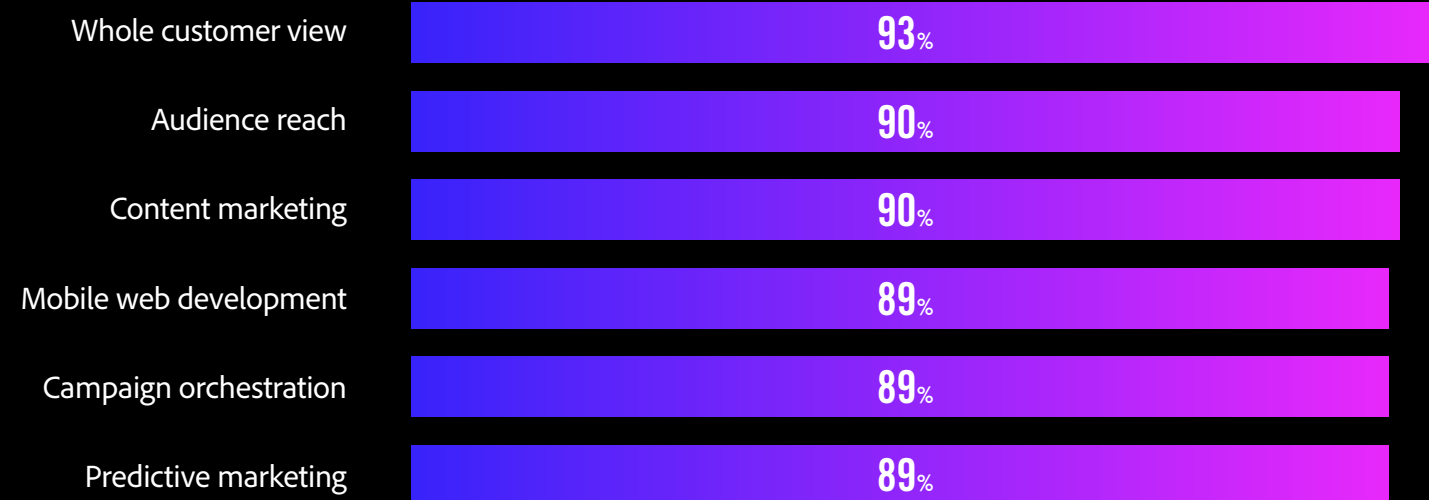
Almost all companies surveyed place a high priority on knowing who their customers are and reaching them wherever they are. Ninety-three percent ranked a whole customer view as a somewhat or very important investment in the next three years—putting it as the most important capability overall and maintaining the top spot it held in 2016.

| Capability | Percent |
|---|---|
| Whole customer view | 93% |
| Audience reach | 90% |
| Content marketing | 90% |
| Mobile web development | 89% |
| Campaign orchestration | 89% |
| Predictive marketing | 89% |

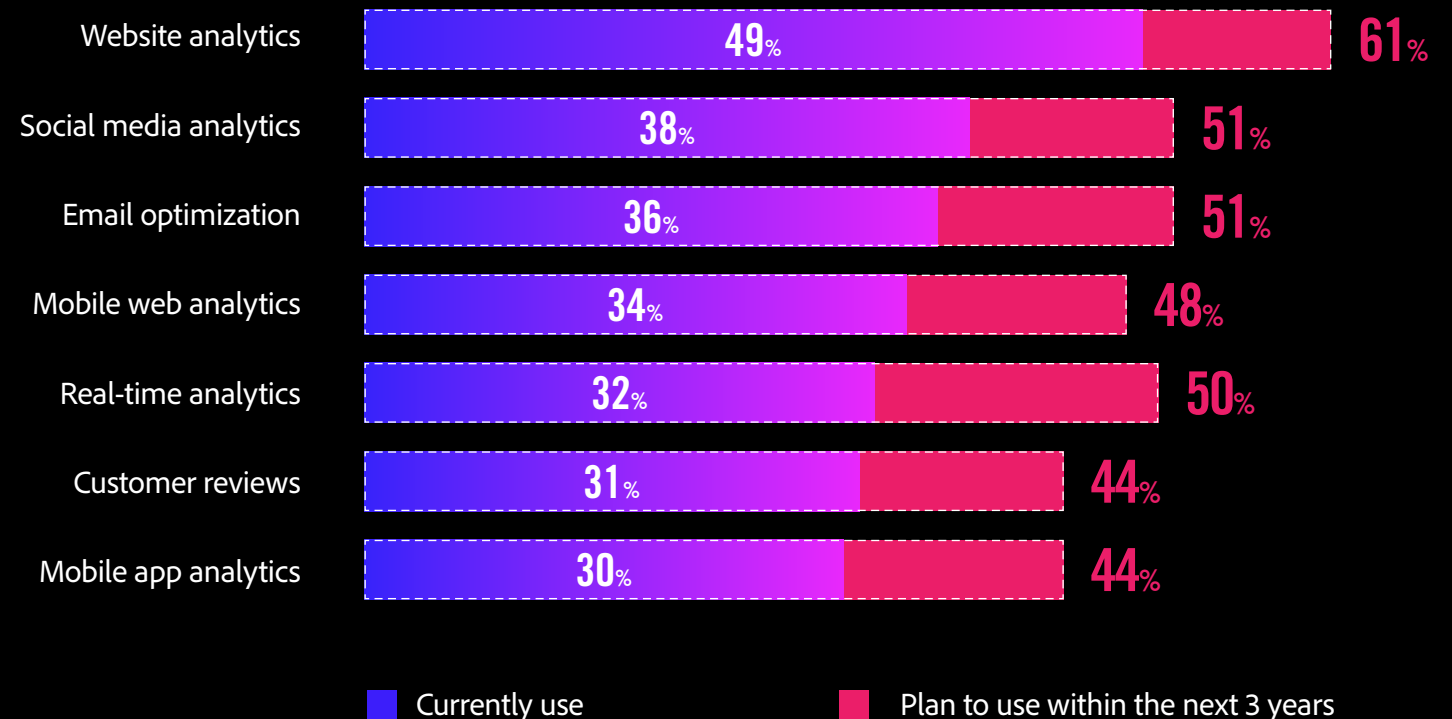## Top measurement and optimization tactics used.

Analytics is essential to becoming an experience business, and companies are making it a high priority. This year, several types of analytics are getting a significant share of the investment pie, especially in terms of measurement and optimization. The notable increase in "plan to use" for many of these tactics demonstrates their importance to companies' long-term strategies as well.

The media and entertainment industry appears to be the furthest along in the use of many measurement and optimization tactics, with two-thirds of those surveyed using mobile web analytics and website analytics, and more than half using social media analytics.

| Tactic | Currently use | Plan to use within the next 3 years |
|---|---|---|
| Website analytics | 49% | 61% |
| Social media analytics | 38% | 51% |
| Email optimization | 36% | 51% |
| Mobile web analytics | 34% | 48% |
| Real-time analytics | 32% | 50% |
| Customer reviews | 31% | 44% |
| Mobile app analytics | 30% | 44% |

■ Currently use      ■ Plan to use within the next 3 years

## Look at where companies are investing.

A commitment to digital maturity requires money. Look at where mature companies are putting their dollars, and identify areas to focus on in order to keep pace. Overall, budgets are expected to increase in several areas in 2017, with optimization, personalization, automation, analytics, and mobile leading the pack. More North American companies are prioritizing mobile, content management, and advertising than companies in Europe.

### Where most companies are increasing budget in next 12 months.

| | |
|---|---|
| Optimization | **51**% |
| Personalization | **51**% |
| Automation | **50**% |
| Analytics | **50**% |
| Mobile | **48**% |
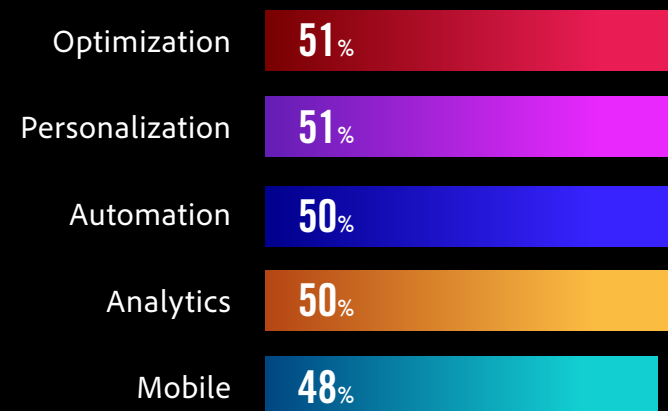
## Make transformation an enterprise goal.

While investing in and optimizing your capabilities are critical to your digital fitness, digital transformation needs to be a company-wide initiative. You won't get very far without giving all of your organizational processes a thorough examination.

Know where you want to go and how you're going to get there. Pace yourself. Begin with initiatives that can be done in phases and assign responsibilities. Start at the executive level, then begin to align your people, processes, and technology to achieve your goals. You might consider hiring a partner to help you design an enterprise-wide strategy. Those that specialize in helping companies create great customer experiences bring valuable knowledge gained from working with numerous other clients on the path to transformation.

## You won't get very far without giving all of your organizational processes a thorough examination.

# EQUIP YOUR TEAM

## TO PULL AHEAD

Make transformation a company-wide priority.

Be prepared to change how your organization thinks and acts.

Consider hiring a partner to coach and guide you as needed.

Promote cross-company groups that work together.

Encourage open environments with an agile process.

Assign responsibilities and work in phases.

# MILESTONE 3
# TRAIN

"I succeed on my own personal motivation, dedication and commitment. My mindset is, if I'm not out there training... someone else is."

**LYNN JENNINGS**
American long-distance runner

Transformation is a journey that takes commitment, flexibility, and vision. But good planning will help you keep your goal in sight. As you begin running with your strategy, pace yourself. Build as you go, and continue to assess your digital maturity—especially in terms of what's happening in your industry.

Stay on top of what the leaders are doing, especially the specific capabilities you should be implementing to be competitive. Ask yourself if there's a key element to success in your industry. And be sure to look at new technologies and business strategies that might be gaining traction—such as artificial intelligence, virtual reality, and other big bets coming online.

It's clear from the survey that some industries have been faster off the starting line than others in their efforts to increase digital maturity. Not surprisingly, the B2B high-tech industry had the highest percentage self-reporting advanced maturity, at 28 percent. But the risk-averse financial services industry has been the slowest to make the investment. Just 19 percent of those surveyed say they are advanced, lagging behind the 24 percent average of all industries.

The data also shows that different industries are focusing on different strategic priorities. For example, when we surveyed important capabilities or investments over the next three years, five different industries had five different top answers.
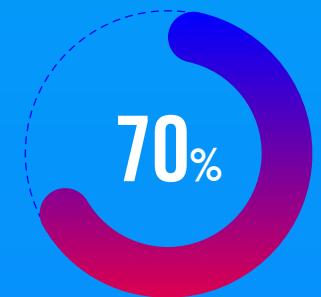
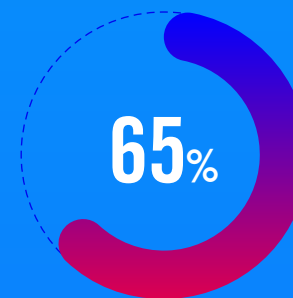## Capabilities or investments ranked very important over the next three years by the most respondents.

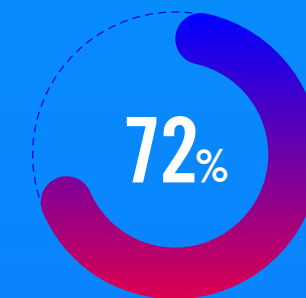**61%**
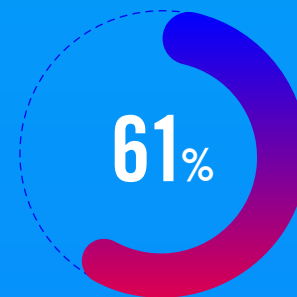
**B2B high tech:**
Audience reach and digital foundation

**69%**
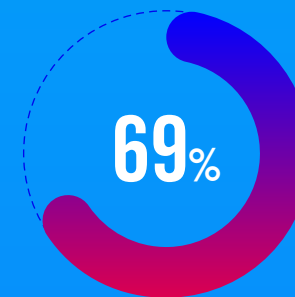
**Financial services:**
Campaign orchestration

**70%**

**Media and entertainment:**
Connected experience and content marketing

**65%**

**Retail:**
Relevant creative

**72%**

**Travel and hospitality:**
Digital foundation

But all industries are concerned about their customers, especially in the short term. When asked to pick their top three strategic capabilities in the next 18 months, respondents overall chose content personalization, customer journey management, and customer intelligence—all areas that will help them create better customer experiences.

Consider what you'll need to do to stay relevant in your industry—now and over the long run. Determine what is important for your organization and what needs to come first. Focus on the things that are foundational, prioritize those areas, and work them into your plan.

## Top three strategic capabilities in the next 18 months.



**CONTENT PERSONALIZATION**

**CUSTOMER JOURNEY MANAGEMENT**

**CUSTOMER INTELLIGENCE**

# MILESTONE 4
# COMPETE

"I like to make people stop and say, 'I've never seen anyone run like that before.' It's more than just a race, it's a style. It's doing something better than anyone else. It's being creative."

**STEVE PREFONTAINE**
1972 Olympic runner

If you want to become a true experience business, you must have advocacy at the executive level. That's because the experience transformation is much bigger than your marketing department. It should be a company-wide initiative with C-suite buy-in and executive sponsors, and be implemented all the way down through your company. That way, everyone plays a role in your success and looks for ways to continually improve.

It's likely that your company will need to rework some organizational processes, but doing so will streamline the delivery of great customer experiences. And by "rewiring" your organizational brain, you'll find that new and better paths to great experiences come more naturally. The result will be like an endorphin high that comes from running more efficiently. You'll strengthen connections to your brand, see faster innovation, and enjoy more growth.

## Equip your team to pull ahead.

It takes more than a good digital platform to be competitive. You need to structure your entire organization around being an experience business, where everyone—from your CEO to your HR director—is working for transformation. Begin by defining and prioritizing your key business objectives at the executive level. Next, set up steering committees and determine who is responsible for your digital marketing strategy, digital initiatives, technology needs, and implementation. This includes defining standards for the digital experience and assigning responsibilities and process ownership.

Be prepared to update many, if not all, of your processes, ensuring that all staff are on board with your plan and equipped to be part of the transformation. Eliminate silos and give everyone access to the data they need—not just in your marketing department but across your entire organization. Restructure your physical environment where necessary, bringing groups together for better communication. Basically, rethink everything about how your organization is set up, so you're in a better position to deliver personal, relevant, and compelling experiences.
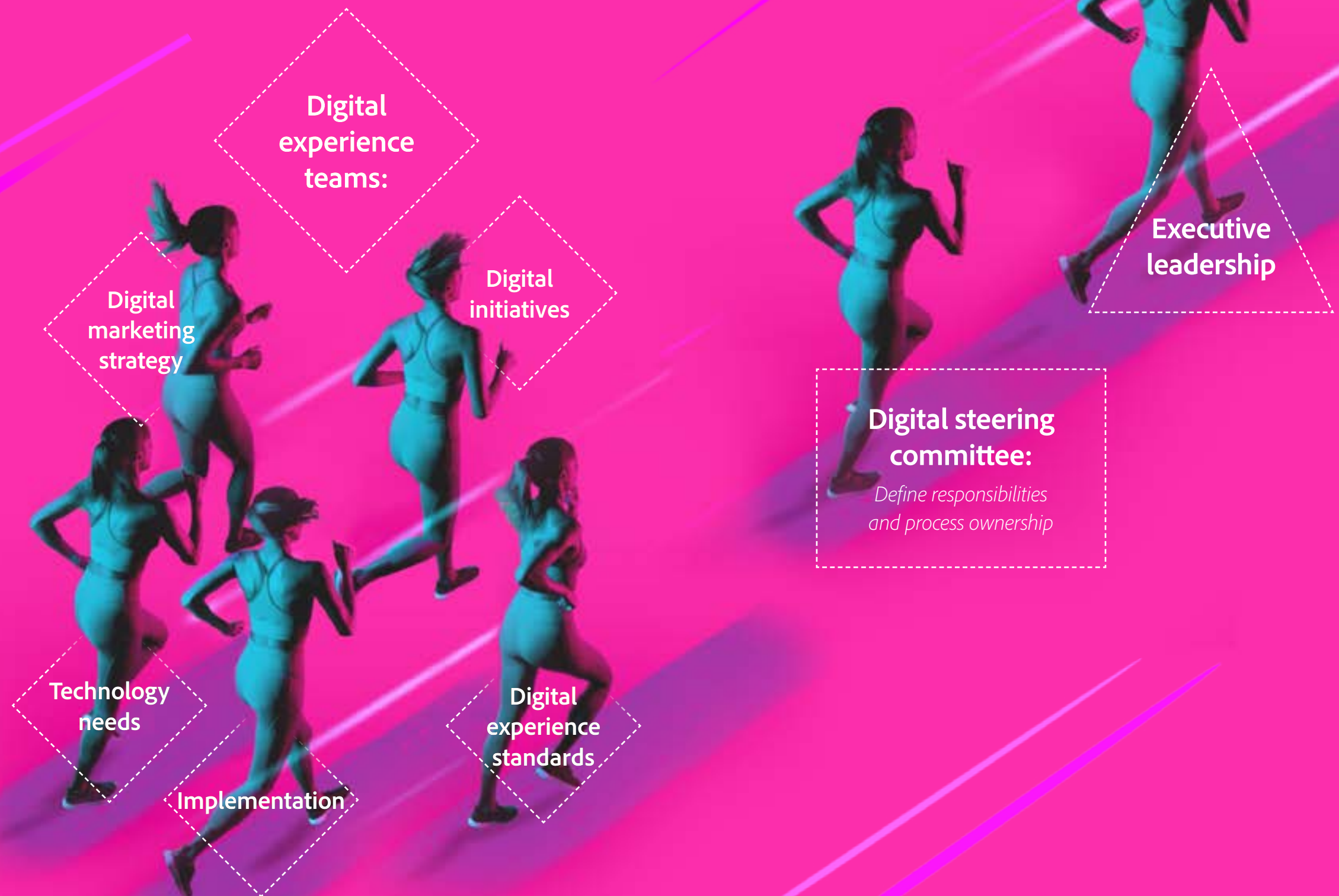
Another great way to lock in your competitive advantage is to implement centers of excellence and innovation labs that can guide and coach the rest of your team. Working from the steering committee's roadmap, they'll review and validate the projects, determine best practices, and push them out to the rest of your organization with training, support, and subject matter expertise.

Remember, it's important to start small, with one product line, geography, or audience, and then take what you've learned and spread it across your organization. Implement one or two centers of excellence at first, then use them more widely throughout your organization.

**Basically, rethink everything about how your organization is set up, so you're in a better position to deliver personal, relevant, and compelling experiences.**

# It's a
# TEAM EFFORT

**Digital experience teams:**

**Digital marketing strategy**

**Digital initiatives**

**Technology needs**

**Implementation**

**Digital experience standards**

**Digital steering committee:**

*Define responsibilities and process ownership*

**Executive leadership**

## Be prepared for changing conditions.

The market you play in today may not look the same a few years down the road. That's why you need a plan that allows you to stay relevant. Examine how you're using data, channels, personalization, content, reach, and design. Be willing to adapt your business model for changing conditions.

A great example is *National Geographic*. Once simply a magazine publisher, *National Geographic* is now also a travel company and an entertainment leader engaging more than 760 million consumers a month. These changes resulted from understanding what people are passionate about and adapting their data strategy into one focused on context. According to a CMO.com article, *National Geographic*'s data indicated climate change was very top-of-mind for their audience. They tapped into their existing assets to engage with people in real time about climate change and saw their engagement numbers take off. The company also collaborated with actor Leonardo DiCaprio on the film *Before the Flood,* which has become one of the most watched documentaries of all time. Audiences want context. Companies need to listen and adapt.

Companies that innovate in experience design, create unified customer journeys, and accelerate the delivery of high-impact content will see their experiences differentiated over the long term. They'll create loyal customers. And they'll become robust yet agile experience businesses.

# Go the DISTANCE.

"We all have dreams. But in order to make dreams come into reality, it takes an awful lot of determination, dedication, self-discipline, and effort."

**JESSE OWENS**
four-time Olympic gold medalist

The race to become an experience business is fueled by digital maturity. If you want to succeed, you need to ask yourself these questions:

· How do your digital marketing efforts compare to those of digitally mature companies?

· Do you have a strategy in place for digital maturity? And is it phased?

· Does your strategy allow you to be agile, enabling you to adapt and stay relevant?

· Do you have executive-level buy-in?

· Are all levels of your organization focusing on customer experience?

· Are you examining all of your business processes and making changes where you need to?

· Are you staying on top of what's happening in your industry and adapting where necessary?

Remember, this is a journey with an ever-changing destination. If you want to get ahead, you can't stop as soon as you feel the first sign of fatigue. Dedicated runners keep pushing. They continue to train and improve, and soon running gets into their blood— especially when they begin to see their first wins.

The great thing about your transformation journey is that you can start wherever you are right now. Look at the road ahead. Determine your goal and design a strategy to get you there. And keep pushing. You'll find the path gets more rewarding with every milestone you reach. And the high that comes from being an experience business makes the journey worthwhile.

# ADOBE can help.

Adobe Experience Cloud makes it easier than ever to gain momentum on your path to transformation. This integrated set of solutions has everything you need to create and deliver great customer experiences—with Adobe Analytics, Adobe Target, Adobe Experience Manager, Adobe Social, Adobe Media Optimizer, Adobe Primetime, Adobe Audience Manager, and Adobe Campaign. It's the only open platform that lets you centralize and standardize customer data and content from any system—allowing you to gain a 360-degree view of your customers, gather deeper intelligence, and better personalize your content and advertising. You'll be able to grow your digital maturity in a holistic way and create and deliver customer experiences that will help transform your business.

Learn more about the topics explored in this paper .

# ICF Olson

Today, creating an experience business means identifying your customer's needs with laser focus. It means integrating departments, creating content that enables customer goals, implementing platforms that give organizations insight into customer behaviors and solutions that react in real-time, and delivering those experiences when the customer wants them, in the channel they desire.

A Premier Adobe Solution Partner, ICF Olson is a collective of world-class agencies delivering across the spectrum of customer experience: creative expression, public engagement, customer relationships/loyalty and digital experiences. Though experts in different areas, we are united in our common point of view: Think like people®. This means everything we do is created from empathy - the key to brand success in a world of ever-shrinking attention and ever-growing choice.

Learn more about how ICF Olson can help accelerate your experience business.

# Methodology.

Between March and April 2017, Adobe surveyed 1,165 digital marketers in enterprise companies in the United States, Canada, the United Kingdom, France, and Germany to learn their current priorities and tactics, as well as their plans for the future. Companies surveyed had an average of 7,000 employees. Industries included business-to-business high tech, financial services, media and entertainment, professional services, retail and commerce, travel and hospitality, and others.

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**Adobe**