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Quarterly Digital Intelligence Briefing (US)

In association with Adobe

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1. Foreword by Adobe

This is the second Quarterly Digital Intelligence Briefing, brought to you by Adobe in association with Econsultancy.

While the first report[1] in this series looked at a range of digital-related trends and challenges, this second installment addresses more directly the impact of marketing technology on business.

Here at Adobe we are helping a vast range of customers to deliver engaging experiences, covering multiple touch points. We are also delivering business intelligence, analysis and optimization tools that allow them to deliver interactive and compelling experiences to their customers. And, our goal remains the same; to make sure that technology used by organizations becomes an enabler for improving business effectiveness and customer experience, rather than a barrier to progress.

But we also understand that technology alone is not a silver bullet. We note the findings of this research which show that many companies feel that technology can be prohibitively resource intensive, without a demonstrable impact on business performance.

However, it is heartening to see that the vast majority of responding companies believe that technology makes marketing easier, and helps them make better marketing decisions. The research exposes the huge opportunity that exists to optimize digital marketing spend. For instance, only a quarter of those surveyed use conversion and optimization tools, yet almost half of those using them report a significant impact on their bottom line.

We are constantly working with our clients and agency partners to ensure that users of our technology are getting as much value from our tools as possible. We also recognize the need to get feedback on our technology to make sure that marketers, IT teams and user experience professionals can focus on the things that matter.

We hope you find some useful data and insights within this report, which can help you to move your businesses forward in these exciting times.

Kevin Cochrane
VP of Enterprise Marketing
Adobe

[1] *http://econsultancy.com/reports/first-quarterly-digital-intelligence-briefing*

2. Introduction

This is the second Quarterly Digital Intelligence Briefing, published by Econsultancy in association with Adobe.

This follows our first installment published in July 2011 which looked at some of the most important trends facing digital marketers today.

This second briefing is based on the same survey of around 900 companies and agencies located in the US, Europe and beyond. This is the US version of the report, based on a sample of 247 respondents. For more detailed profiling of respondents, see the *appendix* to this report.

To set the scene, the chart below shows the level of uptake for a range of digital-related technologies, and the proportion of responding companies using a particular technology who say it has a 'significant impact on the bottom line'.

3. Overloaded by Tech?

We asked respondents to give us three points of reference about their technologies; what they are using, the impact of those technologies on the bottom line and their cost in time and other resources. Clearly, it's one thing to deploy marketing technology, but another to take full advantage. Interviews with marketers and vendors alike reveal a gap between what's possible and the reality at most organizations.

4. Web Analytics Isn't Just Tech

While there are newer kids on the digital technology block, for example attribution modelling and reputation monitoring software, web analytics still make up the bedrock for companies who want to make sound business decisions grounded in data.

According to this research,

<Sample> Agree or disagree? 'Our most senior executives understand importance of marketing technology'

"The problem with senior level execs' knowledge of tech is that they are not involved with it. It's more voodoo and gizmos that they don't understand and more importantly, don't have the time to understand."

5. The Privacy Problem

It’s in the nature of digital interactions that our movements are traceable, our actions are measurable and our intentions are predictable (although the degree to which those predictions are true is a matter of heated debate).

<Sample> Agree or disagree? Privacy concerns will impact effectiveness of targeting technology

“The cost of compliance with privacy laws often means that many marketing operations have to be scrapped or dramatically curtailed.”

6. Uninformed Robots Aren't Useful

A growing appetite for sophisticated technology has led to a proliferation of marketing automation solutions, with a wide range of vendors claiming a share of the market. Without any doubt, marketing automation represents one of the major innovations to occur in the last decade of digital evolution, but companies aren't using it at anything approaching high efficiency.

One common misconception is that…

7. Robots, Talk Amongst Yourselves

All of the technologies that are becoming standard for marketing run on data. Every day marketers and the technologists that work with them have to contend with a rising tide of raw numbers produced by disparate tools and residing in disparate databases. If the self-evaluations in the chart below are going to improve, it's going to be because…

8. Companies Need Left and Right Brains

While delivering the prestigious McTaggart Lecture in Edinburgh in August this year, Google Chairman Eric Schmidt complained about a failure of the British education system to cultivate people with all-round expertise.

"Over the past century the UK has stopped nurturing its polymaths", he told the Media Guardian Edinburgh International Television Festival. "You need to...

<Sample> Agree or disagree? Marketing is more of an art than a science

"Marketing is becoming more of a science. Sure, the art is in the Creative and always will be, but the measuring and analysis is a (still-imperfect) science..."

9. Your Gut is Smarter than a Bad Algorithm

Marketing attribution management has been a fast-developing sector in 2011, with marketers more eager than ever to understand the role each type of marketing plays in bringing about desired outcomes, and then to attribute the right amount of credit accordingly.

With more data than ever at their disposal, marketers are able to...

10. Appendix: Respondent Profiles

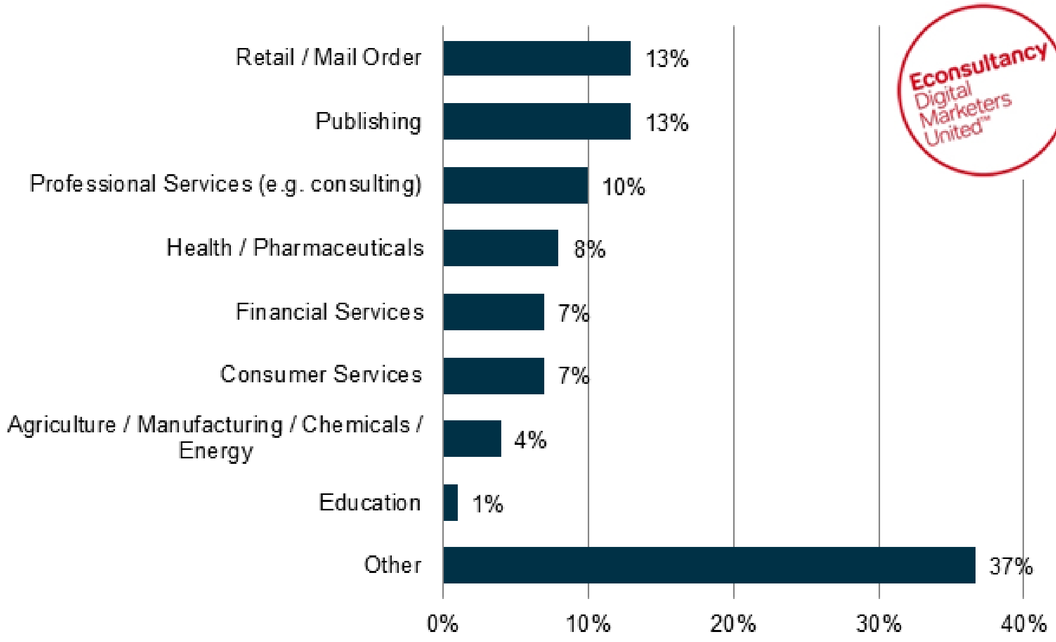
This Quarterly Digital Intelligence Briefing is based on an online survey of more than 900 client-side and agency respondents. Adobe and Econsultancy promoted the survey to their respective user bases.

The sample included 247 respondents based in North America, out of which 108 were client-side (in-company) and 139 were supply-side (mainly agencies).

10.1. Business sector

Respondents work across a wide range of different industry sectors. The best represented sectors are *retail and mail order* (13%), *publishing* (13%), and *professional services* (10%). Just over a third of respondents (37%) specify 'other' as their sector. Other sectors included *public sector/not-for profit* and *IT*.

Company respondents
Figure 1: In which business sector is your organization?



Adobe Quarterly Digital Intelligence Briefing

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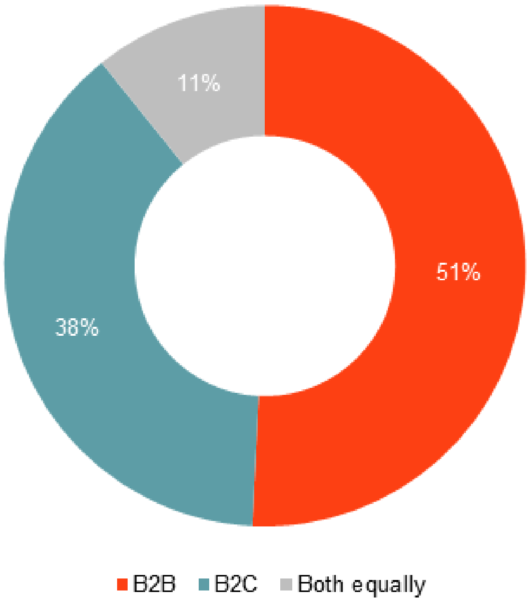
http://econsultancy.com/reports/quarterly-digital-intelligence-briefing

10.2. Business focus

The chart below shows to what extent businesses are focused on B2B, B2C, or both. Around half of respondents (51%) are exclusively focused on B2B, while 38% are B2B-focused. Some 11% are focused on both B2B and B2C.

Company respondents

Figure 2: Is your business focused more on B2B or B2C?



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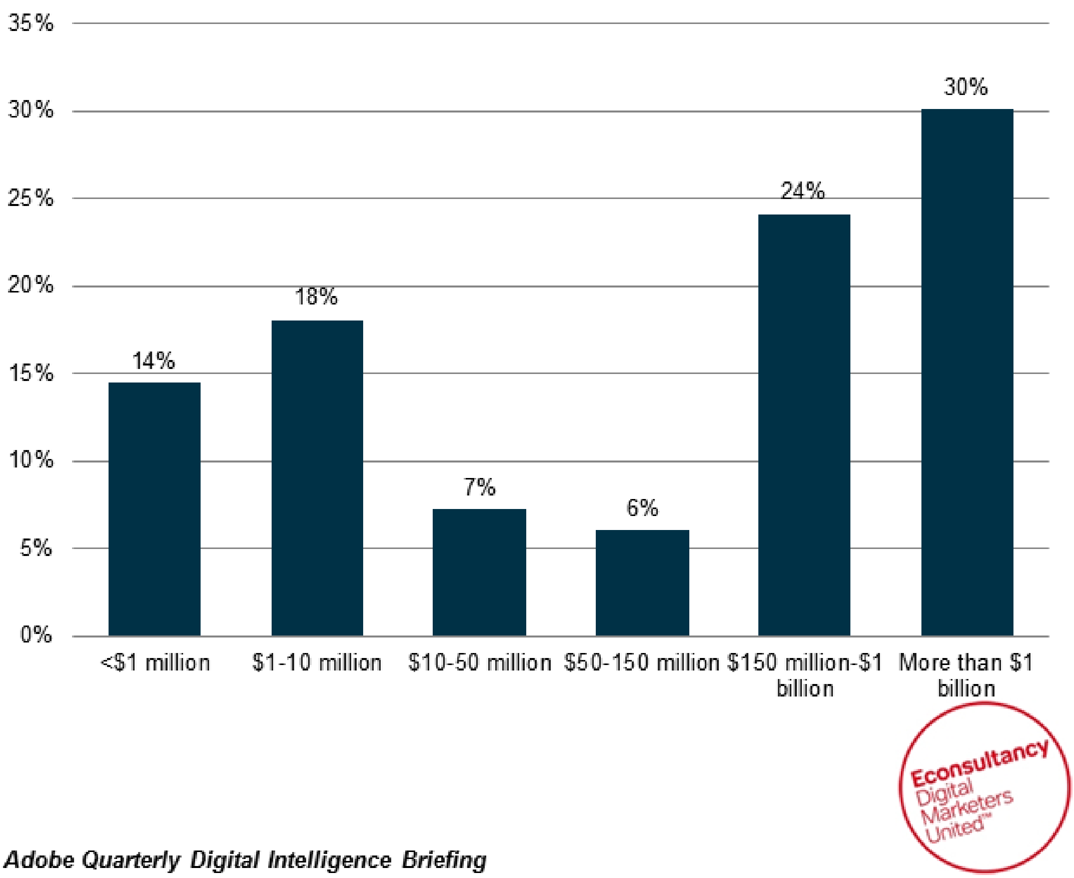
10.3. Size of company by revenue

The chart below shows the annual revenue of survey respondents. At the upper end of the scale, just under a third of client-side respondents (30%) [*Figure 15*] work for companies with revenues of more than $1B.

The majority of respondents based in the US (85%) work for companies with annual revenues of more than $1M.

Company respondents
Figure 3: What is your annual company turnover?



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