

## Key Marketing Trends & Predictions

*Presented by*  
*Sebastian Thstrup*  
IBM Watson Marketing



“MARKETING  
IS A CONTEST FOR PEOPLES  
ATTENTION.”

**SETHGODIN**

\* If you wait until there's a case study in your industry you waited too long”.





THE  
OSCARS.

Try It:  
[www.thenorthface.com/xps](http://www.thenorthface.com/xps)



There has been a massive change in how people engage with brands.



# We need to embrace the data that helps us understand and serve our customers better.

Data you possess



Data outside your firewall



Data that's coming

---

Structured and active

Unstructured and dark





90% World's Data Created  
in Last 12 Months



# THE DIGITAL UNIVERSE WILL BE 40X **BIGGER** BY 2020

IBM RESEARCH



A satellite view of North America at night, showing city lights and a network of glowing yellow lines representing traffic. The image is overlaid with a grid of latitude and longitude lines. In the top right corner, there is a small icon of a car and the text "HERE Traffic".

HERE Traffic

4  
2  
2

Rush hour traffic

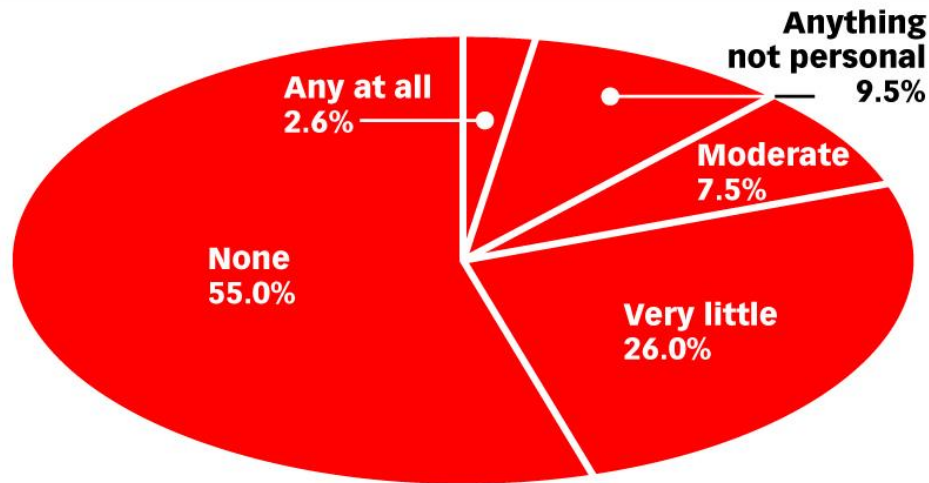




Most Consumers  
Believe Marketers  
Should Limit the  
Personal Data  
They Collect.

## Amount of Data that Advertisers Should Be Allowed to Collect According to UK/US Smartphone Owners, Jan 2016

% of respondents



Note: n=3,939; numbers may not add up to 100% due to rounding  
Source: Tune, "Mobile Ad Blocking 2016: Ad Blocking App Installs Just Spiked 3x (Here's What Marketers Need to Know)," March 8, 2016

206975

[www.eMarketer.com](http://www.eMarketer.com)



# Most Consumers Believe Marketers Should Limit the Personal Data They Collect.

## Primary Attitude Toward Advertising Among Internet Users in Sweden, by Media/Channel, Feb 2016

% of respondents

	Like a lot	Like	Neutral	Don't like	Don't like at all	Don't know
Fairs and events	9%	36%	40%	6%	5%	3%
In-store	5%	34%	44%	10%	5%	1%
Cinema	4%	29%	39%	17%	10%	2%
Free papers	4%	27%	52%	9%	6%	1%
Magazines	3%	29%	46%	14%	7%	1%
Client magazines, etc.	3%	29%	45%	12%	7%	3%
Sporting events (e.g., football match)	3%	21%	47%	13%	9%	8%
Direct mail at home	3%	21%	26%	23%	26%	1%
Outdoor signs or billboards	2%	23%	54%	11%	10%	1%
Internet (banners, search, etc.)	1%	5%	28%	38%	28%	1%
Web TV (e.g., on-demand devices)	1%	2%	17%	40%	34%	6%
TV	0%	6%	22%	38%	34%	1%
Radio	0%	4%	21%	44%	29%	1%
Email	0%	4%	13%	36%	45%	1%
Social media and blogs	0%	3%	25%	38%	24%	9%
Podcast	0%	2%	23%	24%	17%	34%
Before a YouTube clip	0%	2%	15%	40%	35%	8%
During a YouTube clip	0%	1%	16%	40%	35%	8%
Mobile apps	0%	1%	15%	42%	35%	7%
In a mobile/computer game	0%	1%	14%	35%	35%	14%

Note: n=1,038 ages 18-79; numbers may not add up to 100% due to rounding

Source: Association of Swedish Advertisers, "Allmänhetens inställning till reklam 2016" conducted by Novus, Aug 2016



# The Rise of Dark Social



# Marketing Technology Shifts 2017



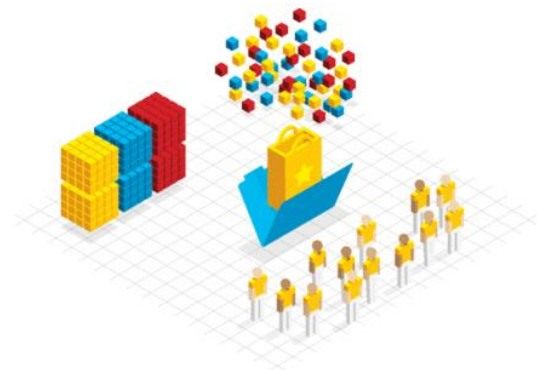
## DARK SOCIAL

<80% B2C  
CONVERSATIONS  
WILL BE PRIVATE



## DARK DATA

• 80% DATA  
WILL BE  
UNSTRUCTURED



## DARK MARTECH

• 53% BRANDS WILL  
INVEST IN THE  
“WRONG” TECHNOLOGY



**FB MESSENGER**  
1.5BN USERS



**WHATSAPP**  
1BN USERS



**SNAP**  
150M DAU



**SKYPE**  
300M USERS



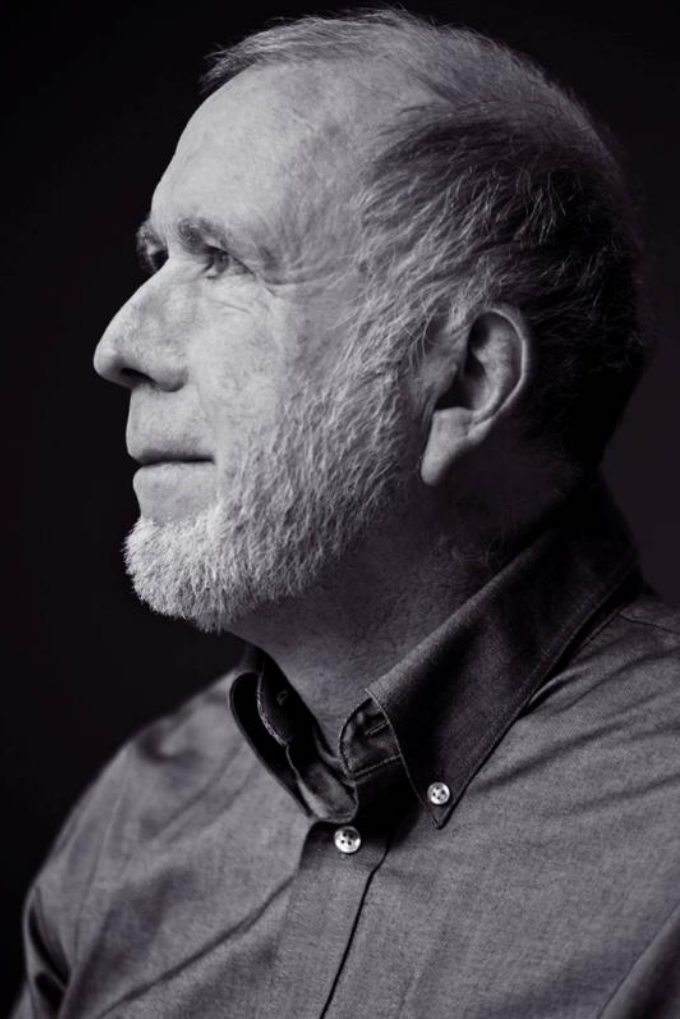
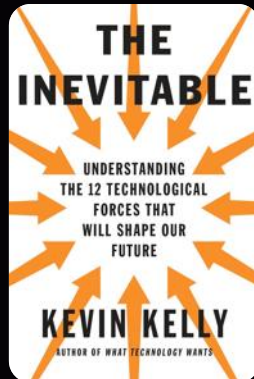
**LINE**  
218M USERS



**WECHAT**  
806M USERS

“ IT MAKES NO BUSINESS SENSE TO  
**INNOVATE.**  
THE PROPER THING TO DO IS TO  
**PERFECT**  
WHAT YOU KNOW. ”

KEVIN KELLY





2017 Trend #1

# COGNITIVE / AI



Cognitive insights revolutionize how marketers deepen customer connections and fuel strategic growth.

2017 Trend #1

# COGNITIVE

A quick definition of  
cognitive business...



# Gartner Hype Cycle for Emerging Technologies, 2016







Plateau will be reached in:

○ less than 2 years

● 2 to 5 years

● 5 to 10 years

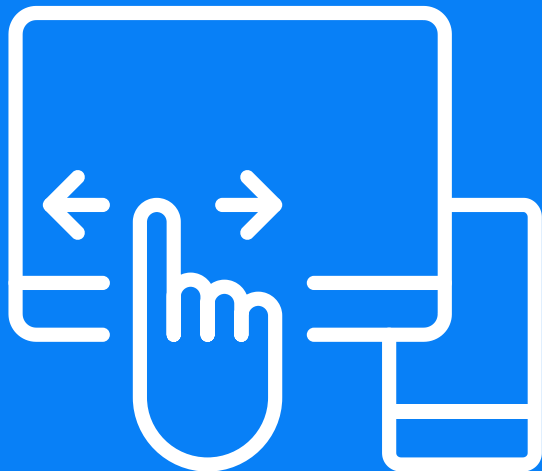
▲ more than 10 years

○ obsolete

⊗ before plateau

2017 Trend #2

## MOBILE STRATEGY



Companies shift from “mobile strategy” to creating an engagement strategy for their customers on mobile.

20% brands will  
abandon their  
mobile apps





2017 Trend #3

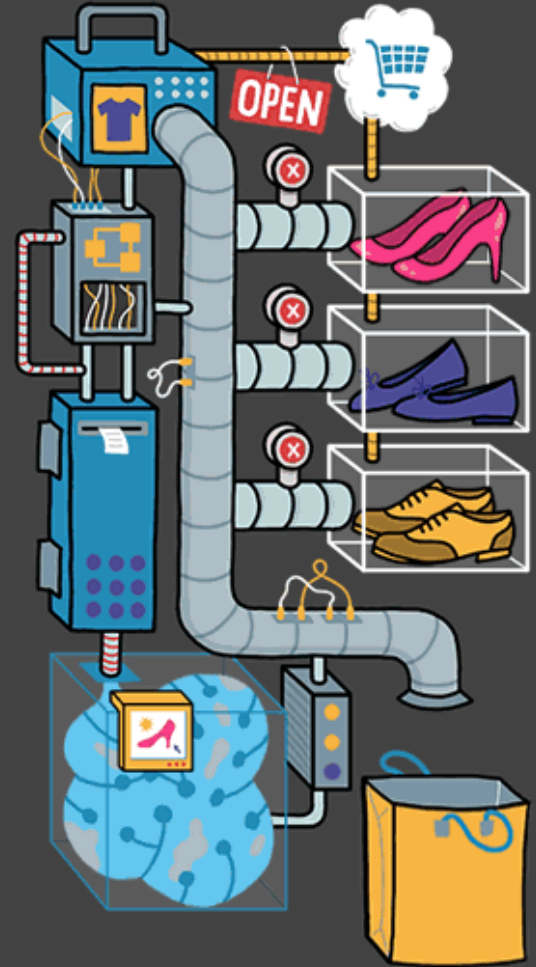
# LOYALTY



Customer success and retention strategies leap to the marketing forefront.

## Loyalty Trends for 2017

6X Cheaper to  
keep a customer  
than acquire a  
new one.



## Danish M list priorities 2017

Connected  
everything

Purpose  
Marketing

Insourcing/  
outsourcing

Nyesamarbejds-  
processer og -former  
for bureauer og  
annoncører

Integration af  
marketing-  
teknologier

01

PERSONALISERING

02

AUTOMATISERING

03

VIDEO CONTENT

# IBM WATSON MARKETING

Understand. Reason. Learn. Interact.





# Grow your brand with confidence

How would your marketing  
change if...

a cognitive system could help  
you rapidly crack into a new  
market segment?



# Producing More Popular Pro Athletes



## Red Bull

### Opportunity

Help Red Bull athletes understand and improve their brand expression

### Approach

Use Watson Personality Insights to analyze the athletes' social posts and video interviews

### Results

Watson was used in workshops to provide recommendations about style, attitude, and form that improved connecting fans with the brand



# Can Flavor Help You Find Love?



## Opportunity

Unilever updated it's biggest brand Knorr that is sold in 87 countries with a global campaign that asks whether flavor can help you find love

## Approach

Knorr created a Flavor Profiler in partnership with IBM that identifies your flavor profile and serves up recipes

## Results

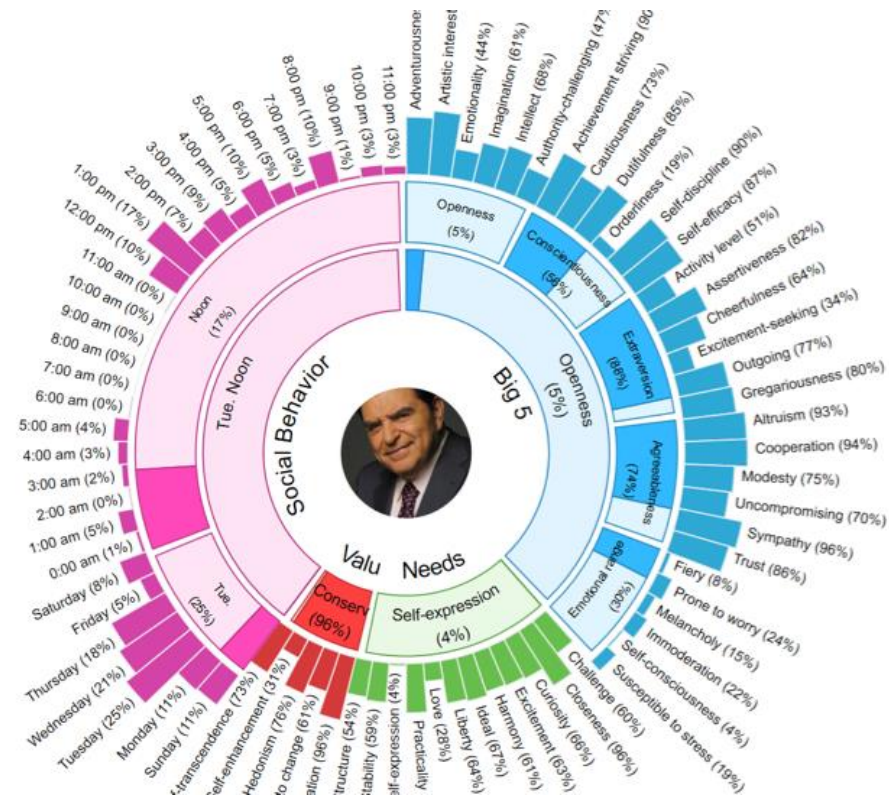
Research among 12,000 people in 12 countries, found that 78% of people are more likely to be attracted to someone who enjoys the same flavors.





# Try Watson Personality Insights

<http://www.ibm.com/cognitive/>





# Optimize Paid Media

---

How would your marketing  
change if...

a cognitive system could ingest  
structured and unstructured data to  
uncover the most meaningful  
purchase triggers and use them to  
execute targeted advertising?



# IBM Cognitive Bid Optimization



## Opportunity

\$27B: the estimated spend on programmatic display advertising globally in 2017.

IBM tested Watson on its own display ad purchasing to see if it would deliver results.

## Approach

The model, created in conjunction with IBM Research, ingests large amounts of data to identify optimization opportunities such as time of day, browser type, language

## Results

Watson reduced its cost per click on average by 35%. At its best, using Watson reduced the cost per click for IBM by 71% when compared to its previous buying methods.





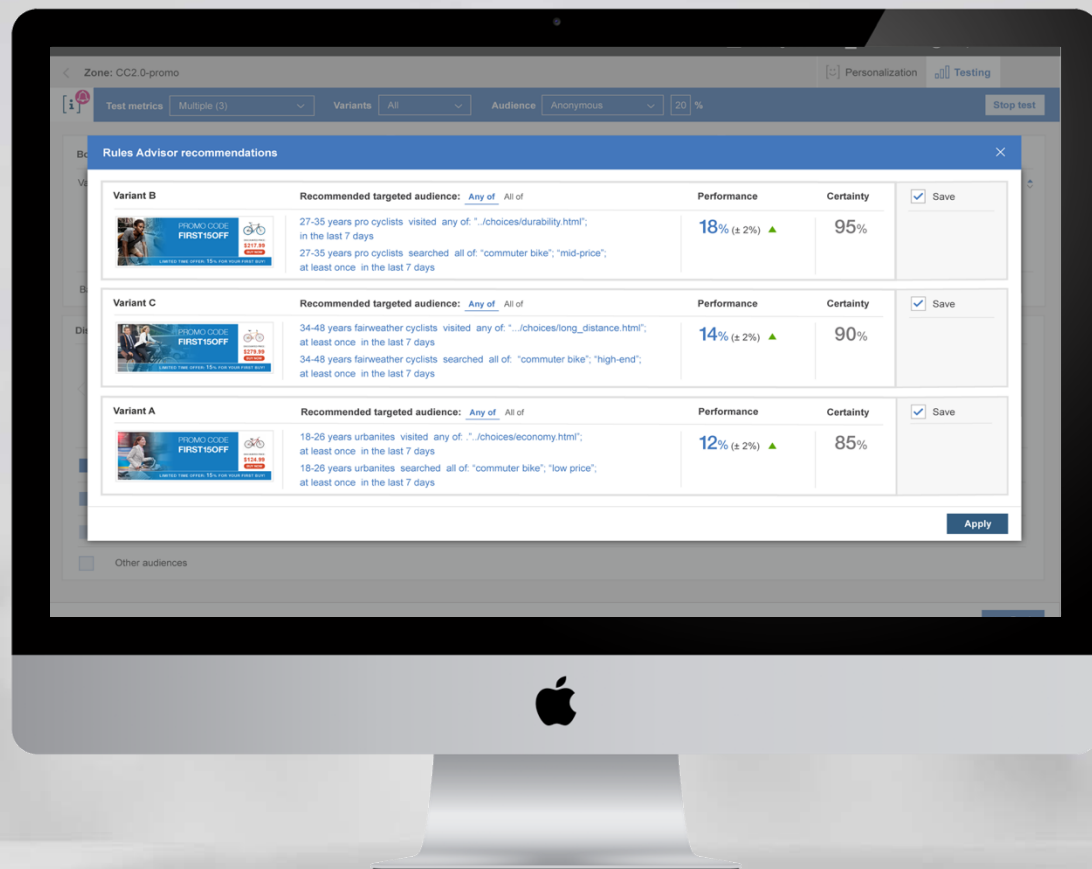
# Discover the Opportunity in All Data

How would your marketing change if...

a cognitive system could ingest structured and unstructured data to uncover the most meaningful purchase triggers and use them to develop unique insights into customer feelings, motivations and behaviors?



# IBM Watson Real-Time Personalization





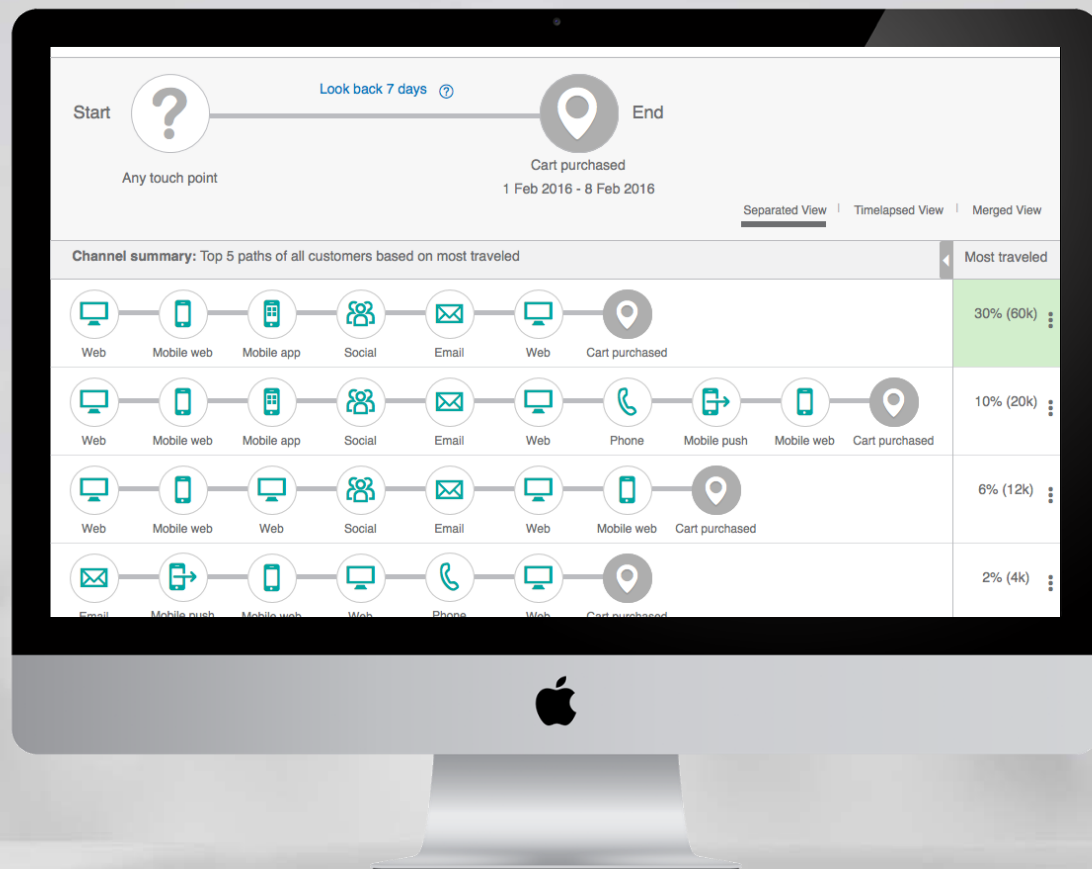
# Optimize Customer Journeys

How would your marketing  
change if...

you had a way to automatically  
identify the most important customer  
journeys for each the pattern of  
interactions?

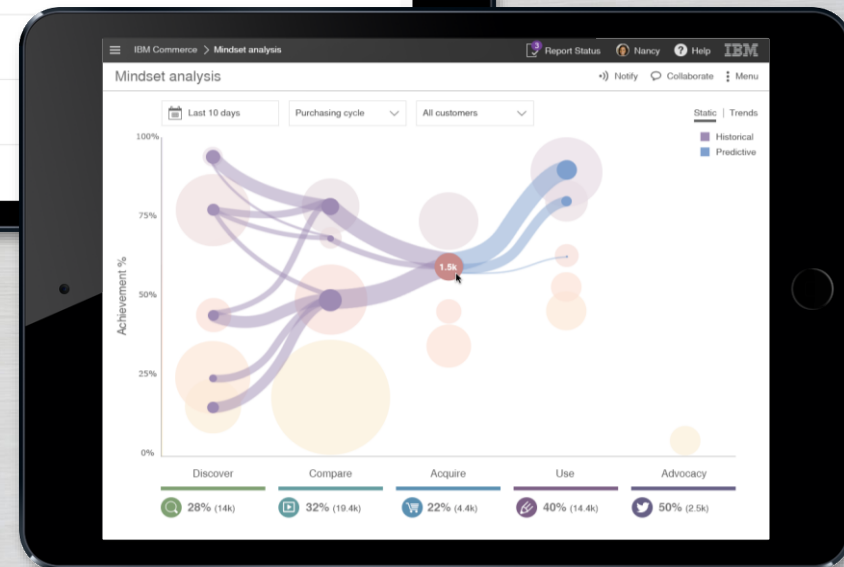
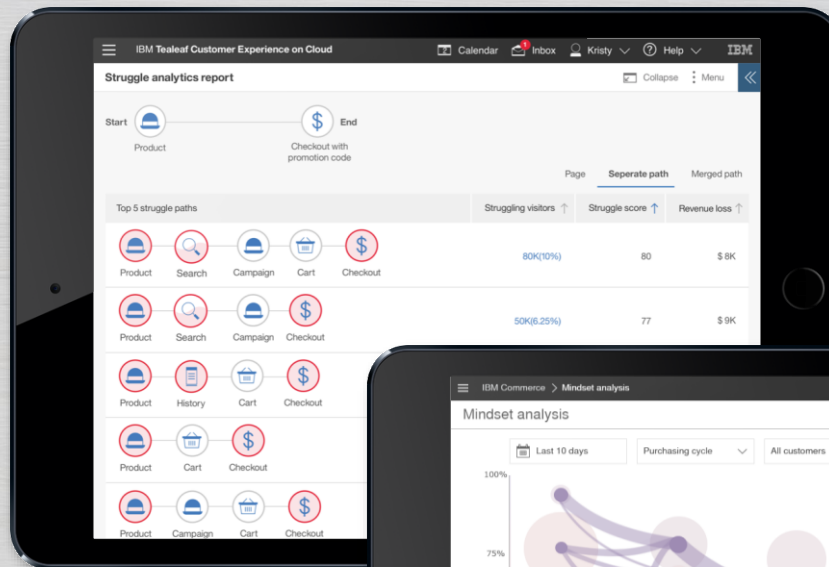


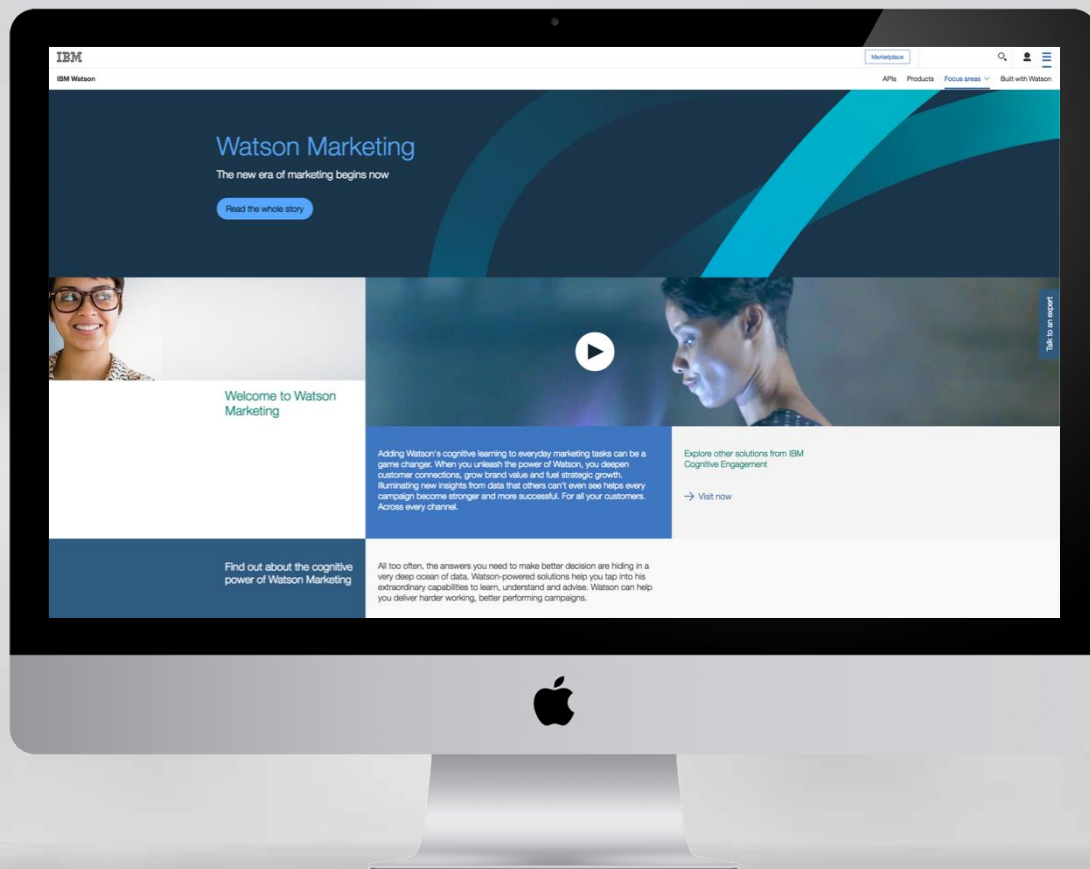
# IBM Watson Customer Experience Analytics





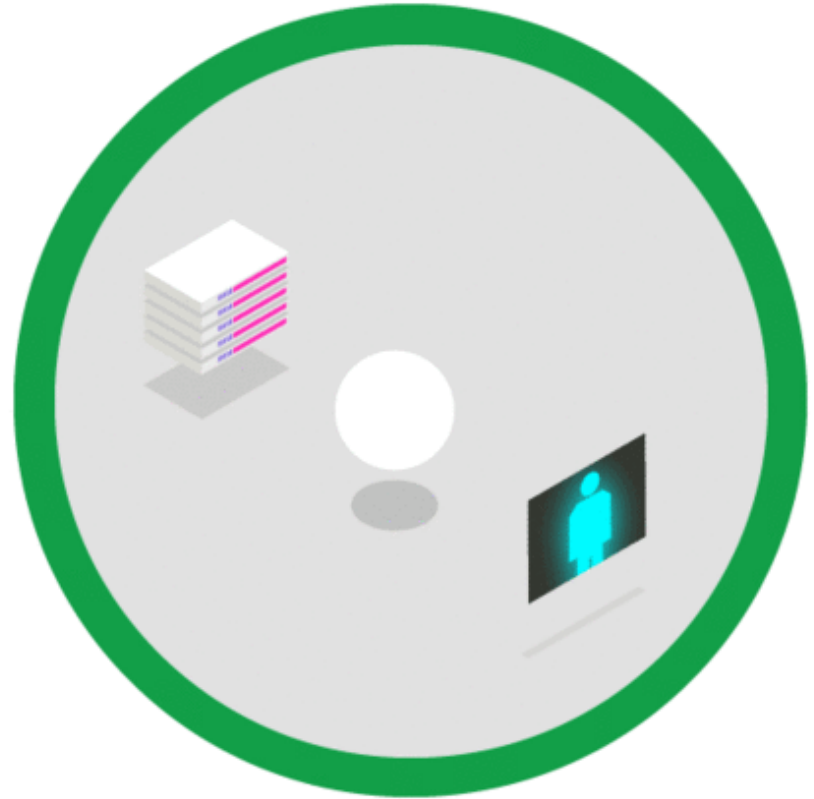
# Go deeper with behavior and pattern and struggle detection





## Predictions for 2020

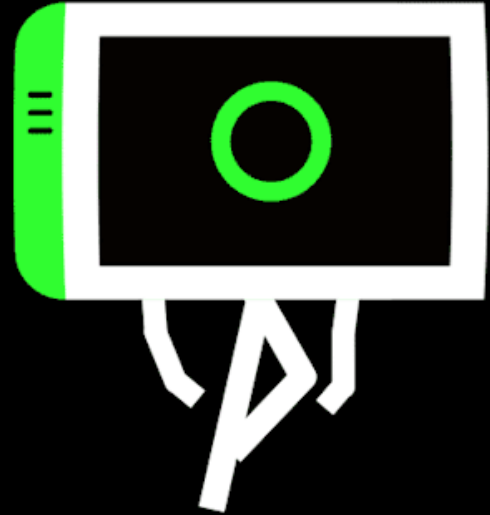
30% web  
browsing will not  
include a screen.



## Prediction for 2020



We will spend  
more time  
interacting with  
bots than with our  
partners.



## Prediction for 2020

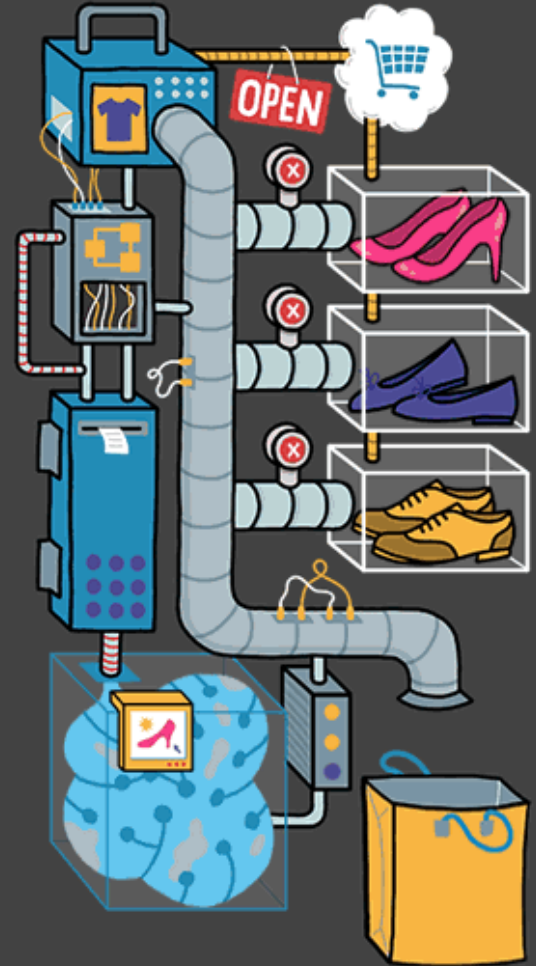
1M new devices  
will be connected  
to the internet  
every hour.





## Predictions for 2020

20% consumer shopping will be done via AR.



# Thank You.

| [S.Thostrup@se.ibm.com](mailto:S.Thostrup@se.ibm.com)