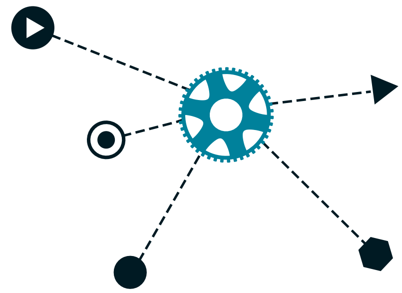
Forbes INSIGHTS

THE AGE OF BRAND, AGENCY & CUSTOMER COLLABORATION

4 KEYS TO SUCCESS IN TRANSLATING MARKETING VISIONS INTO MORE ENGAGED CUSTOMERS

IN ASSOCIATION WITH: ORACLE MARKETING CLOUD



CONTENTS

COMFORT IS SO YESTERDAY

Brand professionals and their agency partners are pushing themselves out of their comfort zones for one good reason—they have little choice if they want to succeed in the months ahead.

In a new study by Forbes Insights and sponsored by Oracle Marketing Cloud, 60% of brand and agency executives say their roles and responsibilities have changed significantly over the past two years. As a result, both groups are reengineering their internal organizations and forging new ways of working with their respective agency or brand counterparts. At the same time, the research found that technology is ingrained in marketing operations and, perhaps most significantly of all, agency and brand stakeholders are challenging themselves to analyze and apply consumer data in more sophisticated ways. Some are even hiring data scientists and others outside of the traditional marketing discipline to help in these efforts.

But that's just the start. As the changing nature of marketing impacts product development, sales and company culture, closer collaboration between brands and agencies is becoming more important than ever. The result: forward-thinking agencies are ready to serve a higher purpose than just being "idea factories" for individual campaigns, in the words of one executive in Asia. "The opportunity is to re-craft the traditional model to be able to say to a brand, 'Maybe the solution to this problem is not an ad, maybe it's new packaging or a shift in distribution, or a shift in how you sell the product,'" says Jeff Cheong, president of Tribal Worldwide Asia, a digital agency based in Seoul, South Korea. "We've moved from an era when products could be sold based on what made them different, but now, creativity has become a differentiator."

For their part, progressive marketing leaders within brands are embracing new and closer working relationships. Agency and brand teams have become so fully integrated at PayPal that they're often seen as a single, fully integrated resource for the business. "Whether it's the digital agency that's helping us drive our acquisitions or the creative team, each is immersed with our internal marketing team," says Patrick Adams, head of consumer marketing, PayPal, North America. "I often don't delineate between my full-time employees and my agency people. They're all seen as one and the same as the relationships become tighter and more significant."

At the heart of these efforts is a drive to effectively gather and mine rich sources of customer data. "The ability to communicate with our customers and prospects on an individual, personalized basis seemed like a luxury not so long ago—it's now table stakes," says Tony Weisman, CEO of DigitasLBi North America, a digital marketing agency. "Consumers are becoming highly attuned to how personally relevant all messaging is to their individual tastes and buying patterns."

"THE OPPORTUNITY IS TO RE-CRAFT THE TRADITIONAL MODEL TO BE ABLE TO SAY TO A BRAND, 'MAYBE THE SOLUTION TO THIS PROBLEM IS NOT AN AD, MAYBE IT'S NEW PACKAGING OR A SHIFT IN DISTRIBUTION, OR A SHIFT IN HOW YOU SELL THE PRODUCT.'"

—Jeff Cheong
President,
Tribal Worldwide Asia

But change isn't easy, and the drive to stay ahead in a dynamic market and forge new professional relationships can hit potholes. Nearly half of the survey respondents said that evolving brand and agency roles are making successful collaboration more difficult.

Figure 1. To what extent do you agree that evolving brand/agency roles make it harder to collaborate with counterparts at agencies or in branding?

	Total	N. America	Europe	APAC	L. America
1 – Completely Disagree	5%	6%	5%	4%	4%
2	12%	12%	11%	9%	17%
3	35%	38%	36%	28%	30%
4	34%	27%	34%	50%	39%
5 – Completely Agree	14%	18%	13%	9%	9%

Forbes INSIGHTS

Figure 2. On a scale of 1 to 5, where 1 is "completely disagree" and 5 is "completely agree," to what extent do you agree your organization is highly effective when it comes to collaborating with brand/agency counterparts to translate a marketing vision into a targeted, cross-channel program?

	Total	N. America	Europe	APAC	L. America
1 – Completely Disagree	4%	5%	3%	4%	0%
2	7%	9%	8%	2%	0%
3	25%	30%	28%	17%	13%
Disagree/Neutral (Sum of 1-3)	36%	43%	39%	24%	13%
4	42%	37%	43%	50%	48%
5 – Completely Agree	22%	20%	18%	26%	39%

Figure 3. What are the top two roadblocks to better brand/agency collaboration?

	Total	N. America	Europe	APAC	L. America
Not enough reporting of results to help us gauge effectiveness of programs	28%	30%	26%	33%	17%
Lack of training and skill development for fully utilizing marketing technologies	26%	29%	18%	24%	39%
Addressing different requirements in each of our global markets	25%	22%	25%	22%	52%
Organizational silos that inhibit communications and information sharing	22%	22%	20%	30%	13%
Ineffective or outdated technology	21%	20%	26%	15%	26%
Cultural differences	21%	18%	33%	13%	17%
Overly protective attitudes about intellectual property	21%	22%	25%	17%	13%
Lack of commitment among all team members	18%	18%	15%	26%	13%
No direct access to marketing systems, such as CRM & marketing automation applications	16%	18%	13%	20%	9%
Other	1%	2%	0%	0%	0%

"I OFTEN DON'T DELINEATE BETWEEN MY FULL-TIME EMPLOYEES AND MY AGENCY PEOPLE. THEY'RE ALL SEEN AS ONE AND THE SAME AS THE RELATIONSHIPS BECOME TIGHTER AND MORE SIGNIFICANT."

—**Patrick Adams**
Head of Consumer Marketing
PayPal, North America

For example, more than a third of the stakeholders said their organizations aren't highly effective when it comes to collaborating with brand/agency counterparts to translate a marketing vision into a targeted, cross-channel program.

Top roadblocks include not enough reporting of results to gauge effectiveness of programs, lack of training and skill development for fully utilizing marketing technology, and problems addressing different requirements in each global market.

Emerging from this drive for innovation in marketing and the upheaval in how stakeholders make it happen is the need for a formal commitment to foster greater communications and information sharing with brand and agency counterparts. How pervasive is this desire? It's an imperative for 71% of marketing professionals worldwide, representing a resounding majority and offering a glimpse of what the industry can expect in the months ahead.

KEY TAKEAWAYS

60% **of brand and agency executives say their roles and responsibilities have changed significantly over the past two years**

48% **of marketing executives say evolving brand and agency roles are making successful collaboration more difficult**

36% **of the stakeholders say their organizations aren't highly effective when it comes to collaborating with brand/agency counterparts to translate a marketing vision into a targeted, cross-channel program**

38% **of respondents don't effectively create and deliver timely content tailored to specific customer personas**

62% **of brand and agency representatives are satisfied or very satisfied with their digital marketing systems**

57% **of respondents will make new technology investments in the coming year**

PROGRESS AND PROFITS: A BALANCING ACT

These changes aren't rare or confined to certain areas—they're happening throughout industry sectors, countries and global regions. However, upheaval is especially apparent in certain locations, such as in Asia-Pacific and Latin America, where more than three-quarters of the respondents acknowledge significant changes in their roles and responsibilities.

Change comes against the backdrop of the most fundamental need of all: increasing sales and attracting new customers, goals that 80% of respondents across all geographic regions rank at the top of the list of strategic goals for marketing programs in the year ahead.

Also important will be efforts for enhancing customer loyalty and expanding brand awareness.

Working in new, more collaborative ways is one way to reach these goals. Closer brand and agency collaboration will become even more important in the coming year, according to 60% of the respondents.

Executives expect to see the impact of these efforts across several key functions, including creating and updating marketing strategies, implementing successful cross-channel marketing programs and formulating effective marketing strategies across global markets.

To help in these efforts, brands are partnering with a diverse lineup of agencies. For example, Dow Corning coordinates a mix of large, multi-service agencies plus a number of smaller specialists to augment its internal marketing department. "We rely on external agency partners to assist in keeping our marketing cutting edge," says Randall Rozin, global director, brand management and digital marketing, at Dow Corning. "But we handle the tracking and measurement on our end to ensure solid execution."

Figure 4. As a member of the brand/agency team, to what extent do you agree that your role and responsibilities have changed significantly over the last one to two years?

	Total	N. America	Europe	APAC	L. America
1 – Completely Disagree	7%	9%	5%	4%	4%
2	7%	6%	11%	7%	0%
3	27%	30%	34%	13%	17%
4	35%	26%	30%	54%	57%
5 – Completely Agree	25%	30%	20%	22%	22%

Figure 5. On a scale of 1 to 5, where 1 is "not important" and 5 is "critical," please rate each of the following strategic goals for marketing programs in the next 12 months.

	Enhancing customer loyalty	Improving customer retention	Increasing customer satisfaction	Expanding brand awareness	Increasing sales	Attracting new customers	Supporting launches of new products or services	Promoting brands in international markets
1	5%	4%	2%	4%	2%	3%	4%	10%
2	4%	6%	4%	5%	4%	4%	6%	11%
3	11%	16%	18%	14%	8%	11%	23%	19%
4	35%	35%	28%	37%	34%	35%	33%	32%
5	45%	40%	48%	41%	52%	48%	35%	27%

"IT'S ALL ABOUT SURPRISING AND DELIGHTING CUSTOMERS AND MAKING THEIR LIVES EASIER. THAT MINDSET COUPLED WITH THE ENORMOUS ACCESS WE HAVE TO DATA TODAY, CAN MAKE A MEANINGFUL DIFFERENCE FOR CONSUMERS."

—Patrick Adams
Head of Consumer Marketing, PayPal, North America

The result is a finely tuned orchestration of marketing activities. For example, a new Dow Corning website design may start with an overall strategy and design concept created by an outside agency. The plans would then go to the internal group, which would construct the site, build web pages, write underlying code and link reporting tools to the company's CRM system. "It's a seamless interaction between external and internal resources that see each other as members of the same team, not as competitors," Rozin says. "Each has a distinct role and responsibility to play."

Of course, simply working together more smoothly doesn't guarantee that increased sales and other overriding business goals will be achieved. To do that, marketing teams must create deeper relationships with customers and find new ways of influencing shopping experiences as consumers roam physical stores, tap into mobile phones, browse entertainment or news websites, and interact with social-media friends. Brands and agencies must communicate with consumers in ways that are relevant to each individual to understand their needs, keep the brand top of mind, possibly prompt someone to learn more about a product and eventually make a purchase. "It's all about surprising and delighting customers and making their lives easier," Adams says. "That mindset, coupled with leveraging relevant consumer data, can make a meaningful difference for consumers."

This is pushing agencies and brands alike to become more adept at using and sharing data and applying advanced analytics to uncover emerging business opportunities. For example, marketing teams are capitalizing on the significantly more detailed consumer personas they can create today, a leap forward from the time when they could segment audiences into only broadly defined demographic groups—adults age 18 to 49 years old, for example.

"At the push of a button, we have a wealth of consumer data at our fingertips," says Ray Owens, president of DX Marketing, an agency that specializes in predictive analytics. "We can move a new digital campaign from conception to launch within about two weeks and base it on relevant consumer triggers and behavior."

These triggers consist of real-time insights about in-market activity, which help the agency and its clients adjust quickly to new business opportunities. For example, during what had been a successful campaign last fall to promote smartphones, new data showed a sudden change in spending patterns. “The influence of holiday shopping was starting to emerge,” Owens says. “We saw this change very early and were able to shift midstream in the campaign to capture this business.”

Higher volumes of data also enable marketing pros to delve beyond demographics into greater depth about the behavioral and attitudinal characteristics of each consumer, such as one individual’s particular barrier to entry. “We have a richer understanding of the consumer and a richer understanding of how and when we need to talk to him or her to change behavior in a way that’s positive for a brand,” says Lisa Donohue, CEO of Starcom USA.

Today’s richer data reserves are doing more than informing marketing campaigns—they’re creating a generation of risk takers. “One of the beauties of the data-driven world is that you very quickly understand how well something is working, so you can adjust much more quickly than in the old days,” Donohue explains. “There is less emphasis on waiting to make the perfect decision and more focus on being agile and nimble enough to make adjustments as you get more information. This approach gives us more confidence to take a risk, because we know we can quickly change course if necessary. That’s far different from the past, when we couldn’t adjust a decision once we made it for perhaps nine months.”

“ONE OF THE BEAUTIES OF THE DATA DRIVEN WORLD IS THAT YOU VERY QUICKLY UNDERSTAND HOW WELL SOMETHING IS WORKING SO YOU CAN ADJUST MUCH MORE QUICKLY THAN IN THE OLD DAYS.”

—Lisa Donohue
CEO,
Starcom USA

Figure 6. What area will see the greatest impact from more effective collaboration between brand and agency peers?

	Total	N. America	Europe	APAC	L. America
Capitalizing on customer data/analytics	20%	19%	26%	20%	9%
Creating/updated marketing strategies	18%	22%	10%	20%	17%
Implementing successful cross-channel marketing programs	18%	16%	18%	24%	17%
Formulating effective marketing strategies across all our global markets	15%	11%	16%	11%	35%
Improved ROI through more effective targeting	11%	10%	8%	15%	13%
Performing customer journey mapping	10%	9%	15%	7%	9%
New and more extensive use of marketing technologies	8%	12%	7%	4%	0%

"IN ORDER FOR THERE TO BE BETTER BRAND/AGENCY COLLABORATION, WE NEED TO BE SHARING OUR DATA WITH EACH OTHER…AND CREATE CAMPAIGNS AND STRATEGIES THAT WILL CREATE LONG-LASTING IMPACT WITH CONSUMERS."

—**Kevin Koh**
CEO,
DDB Group Korea

Unfortunately, the goals of greater consumer understanding and engagement don't always match the reality of what agencies and brands achieve. For one thing, gathering large volumes of data doesn't necessarily mean marketing teams are fully capitalizing on what the information has to offer. In fact, 40% of the respondents say their organizations don't effectively use customer data to create new marketing programs. Almost as many—38%—don't effectively create and deliver timely content tailored to specific customer personas.

Analysis paralysis is one explanation. "Companies make the mistake of gathering every little tidbit of information, and then they just don't know what to do with all of it," Adams says. "The guiding rule at PayPal is data should be used to create outstanding products and features and drive a stellar customer experience—if it doesn't do that, or if it doesn't enhance the consumer journey, then we don't need it. Because that's our sole reason for being—to be consumer champions that help them make their management of money much simpler and easier."

Benefits arise when agencies and brands forge closer ties. But not all collaborations go this smoothly. "In order for there to be better brand/agency collaboration, we need to be sharing our data with each other," says Kevin Koh, CEO of DDB Group Korea. "We are aware that a client will have their own data and their own opinions on what they believe will be best for their brand. But we will also have our own data. We need to collaborate together so that we can share the data and create campaigns and strategies that will create long-lasting impact with consumers."

Figure 7. On a scale of 1 to 5, where 1 is "ineffective" and 5 is "highly effective," please rate your organization's ability to do the following:

	Effectively Use Customer Data to Create New Marketing Programs	Create and Deliver Timely Content Tailored to Specific Customer Needs
1 – Ineffective	5%	3%
2	8%	8%
3	27%	27%
Ineffective/Neutral (Sum of 1-3)	40%	38%
4	41%	38%
5 – Highly Effective	19%	24%

Starcom's Donohue agrees. "In an ideal world, clients would create one single data management platform for all of their data, as well as data obtained from the media and anywhere else," she says. "This single data platform would then enable any of us as partners to access and use that data. But often there are walled gardens where data sits in places where only one group can access it, which doesn't benefit the brand."

Starcom puts data activation into practice in different ways, depending on the goals of the clients. For example, Donohue describes the Kraft Heinz Co. as among the most sophisticated users of data. Starcom collaborated with that client on a data-driven marketing initiative that uses streams of information from digital media to continuously refine the profiles of all the audiences for the Kraft Heinz product portfolio. "Many consumers buy multiple Kraft Heinz brands, and we're able to look at the behavior of a woman who buys Crystal Light and Kraft Macaroni & Cheese, for example," she explains. "Using those insights, we decide how to talk to this person. The more detailed data that we have today drives how we plan every brand campaign for the Kraft Heinz portfolio."

Another client, Bank of America (BoA), uses real-time analysis to market a wide variety of products and services. In particular, information updates help keep BoA's content strategy impactful. One campaign centers around a series of short digital commercials that tell a complete story in multiple installments rather than in one longer message. "We feel that when we tell a story sequentially, it helps build a relationship with consumers rather than sending out one-way messaging," Donohue says.

Between each installment, Starcom and BoA collect and analyze how consumers are responding to the latest messaging and make decisions accordingly. For example, consumers who watched a complete episode are targeted as the most engaged audience members and are thus candidates for being served more content. "We can also determine how many people watched a video and then clicked on the website for more information, which is the action we had wanted them to take," Donohue says.

How will brands and agencies determine the success of their marketing efforts? The answer comes full circle with a list of metrics that are closely aligned with the top strategic goals: profitability, customer satisfaction and customer retention. "We're in constant dialogue with our consumer base," Adams says. "Ultimately, we're always looking at engagement, satisfaction and overall value. Are we able to keep this customer longer? Are we able to service this customer with a wider range of services or products? And at the same time, does this customer feel as passionate about us as we do about them?"

CHANGING DYNAMICS CREATE NEW CHALLENGES

Successfully sharing and extracting value from data aren't the only areas agencies and brands are focusing on in a more collaborative world. Digital disruption continues to challenge prevailing thinking when creating content and choosing distribution channels.

The rise of Snapchat as a communications platform for younger consumers is causing agencies and brands to retool video production efforts, thanks to the vertical format required for smartphone content. "The question is, how are we going to reconcile shooting video this way when every other channel is horizontal?" Weisman explains. "Snapchat is going to win this war because there are more mobile phones on this planet than devices with horizontal screens, and scale wins in the end. If you want your message to reach 16-year-old girls today, you've got to be on Snapchat, and in that case, we'll be shooting video vertically. A couple years ago we wouldn't even be having that conversation."

Another challenge: in some geographical areas, agencies struggle to form long-term bonds with brands because of outdated traditions. "We find that in Korea we have a few old-fashioned processes and culturally imposed hierarchies that are still holding back brand and agency collaborations," Koh says. "Not to mention the fast-paced lifestyle of Korea, which can be a hindrance to brand/agency collaboration because we are working to meet deadlines rather than on the quality of the campaigns."

Another problem for agencies: they're frequently being asked to pitch for each creative campaign and all with a shorter turnaround, rather than for a yearly contract. "This affects brand relations because agencies can't delve deeply into the client's brand and history to tell a story that resonates with the consumers' hearts to create loyalty," Koh says.

For example, a Korean brand recently organized an agency pool with several agencies and invited all of them to a pitch for each campaign project. "As clients look for campaign ideas, they are now inviting all-sized agencies to pitch, especially the small agencies," Koh says. "The campaigns are now easily manageable to smaller agencies, and thus our competition has increased. No longer are we collaborating with smaller agencies—they are now our direct competition."

4 STEPS FOR EFFECTIVE CHANGE

How can executives forge close relationships with brand or agency peers, while achieving all the other imperatives that define marketing success today? Industry veterans advise focusing on four key areas.

Focal Point 1
Successfully mine all of today's rich sources of data

Focal Point 2
Capitalize on the latest technologies for understanding customers and managing marketing programs

Focal Point 3
Enhance professional and personal skills

Focal Point 4
Balance local and global imperatives

FOCAL POINT #1

Successfully mine all of today's rich sources of data

Attribution is essential for understanding the effectiveness of marketing campaigns and knowing which investments will deliver the best results. Starcom tags all the digital media used in each campaign, whether the channel is the Internet, mobile devices or television. "This helps us understand who is clicking on the ads and what do they as a result," Donohue says. "Ultimately, we can then tell if they have made a purchase, which puts us in a better position to track the efficacy of the strategy that we implemented."

To perform these analyses, Starcom created an application that helps the agency define audiences for each client and then perform scenario planning to determine the right mix of TV, social, search and radio. "We capture a wide range of information on the cost of those channels and do additional scenario planning based on if a budget is $10 million or $25 million," Donohue says. "We run plans to see how to best optimize the spend given who the audience is and what we want to accomplish. This helps us see tradeoffs rather quickly."

Koh cautions marketing organizations to not lose sight of the art and science of the profession. For example, he sees great value in information that can help convince clients of the efficacy of a new campaign. But while important, the wider use of data analysis shouldn't be allowed to quash creativity. The goal is to connect with human beings on an emotional level to influence their behavior, he points out. "The numbers help us to push an idea, but they also restrict us in our proposals," he says. "We begin to see the same creative ideas being repeated, becoming our biggest pain point."

FOCAL POINT #2

Capitalize on the latest technologies for understanding customers and managing marketing programs

Marketing executives express a widespread understanding that the latest digital technologies are powering marketing efforts for agencies and marketing organizations alike. "Technology must be the heart of any agency," says Tribal Worldwide Asia's Cheong. "We've embedded that as a core competency and built a complementary talent pool around it. It has taken us five years to get the engine going, and the cross-pollination has created a new DNA of experimentation to test concepts and technologies."

The Forbes Insights/Oracle Marketing Cloud survey found that brands and agencies are relying on a range of technologies to further their customer-engagement efforts. Among the most widely deployed applications are social networking tools, web analytics, digital advertising platforms, marketing automation systems and multichannel campaign management programs.

"TECHNOLOGY MUST BE THE HEART OF ANY AGENCY."

—Jeff Cheong
President,
Tribal Worldwide Asia

Figure 8. What types of digital technologies currently support customer acquisition and engagement programs?

	Total	N. America	Europe	APAC	L. America
Social	52%	62%	43%	52%	22%
Web/web analytics	49%	54%	44%	52%	35%
Digital advertising	43%	45%	28%	52%	52%
Marketing automation systems	37%	33%	34%	43%	57%
Multichannel campaign management	35%	36%	30%	33%	43%
Digital content management for sales software	32%	30%	23%	41%	48%
CRM lead management solutions	31%	30%	34%	28%	35%
We don't use these types of technologies	3%	3%	3%	2%	4%

More than half of the brand and agency representatives give high marks to their digital marketing systems.

Stakeholders plan to build on their existing foundation with new investments for encouraging greater communication and information sharing with brand/agency counterparts.

While 57% of overall respondents will make new technology investments, 69% in Asia-Pacific and 70% in Latin America plan spending boosts.

The most sought-after features will include social marketing capabilities, collaboration tools, analytics, the ability to create and publish content tailored for specific customer personas, and integration with existing resources or platforms.

Figure 9. On a scale of 1 to 5, where 1 is "not satisfied" and 5 is "very satisfied," please rate how well your current marketing technology is meeting your expectations.

1 – Not Satisfied	3%
2	7%
3	28%
4	43%
5 – Very Satisfied	19%

Figure 10. What are/will be some of the ways you're encouraging greater communications and information sharing with brand/agency counterparts?

	Total	N. America	Europe	APAC	L. America
New training and professional development	71%	68%	69%	78%	78%
Implement new technology and services to facilitate collaboration	57%	52%	51%	69%	70%
Realign existing incentives and update existing ones	44%	47%	35%	44%	52%
Revise contracts and SLAs to include expanded collaboration requirements	24%	28%	20%	22%	13%
Other	0%	1%	0%	0%	0%

Figure 11. On a scale of 1 to 5, where 1 is "not at all important" and 5 is "critical," please rate the following capabilities of digital marketing technology solutions.

	Integration with existing resources or platforms	Multiple delivery models, including cloud	Ease of use	Collaboration tools	Social marketing capabilities	An integrated suite of capabilities	Journey mapping tools	Analytics	The ability to create and publish content tailored for specific customer needs
1	7%	2%	3%	2%	3%	2%	3%	2%	6%
2	3%	13%	4%	4%	5%	8%	8%	9%	4%
3	20%	20%	16%	19%	15%	17%	19%	17%	18%
4	42%	37%	35%	39%	34%	39%	44%	29%	40%
5	29%	28%	41%	35%	43%	35%	26%	43%	32%
Total 4-5	71%	65%	76%	74%	77%	73%	70%	72%	72%

FOCAL POINT #3

Enhance professional and personal skills

New demands mean agencies and brands require new skill-sets to be successful. This includes finding people with a broad understanding of businesses, not just the marketing function. "As corporations rethink the role of marketing, we're seeing deeper integration not only between marketers and their agencies but between marketers and peers in the operations, technology, product and finance departments," PayPal's Adams says. "What makes a stellar head of marketing today is someone who not only has the marketing skill-set, but who can also flex across technology and product/merchandising. That skill-set makes for a great marketing leader and will ensure success in the future."

Flexibility is a quality that should permeate all levels of a marketing organization. "A flexible mindset, along with an interpersonal skill-set that really meshes with the team you're building, is extremely important," he adds. "Besides best-in-class talent, that is a gating factor for us when we look at agency partners and potential employees."

Survey respondents recognize this reality. Seventy-one percent will provide new training and professional development to encourage greater communication and information sharing with brand/agency counterparts.

Some agencies are even going further with their staff makeup, hiring talent from outside of traditional marketing. This includes people with backgrounds in data science, consulting and finance. "As we continue to transform, we need to ensure we have the skill-sets in-house to not only do all the right tagging so we buy the right digital media, but also to have resources for robust analytics to interpret and understand what the data is telling us," Donohue says. "We've built out a huge data analytics practice. It's staffed with data scientists and software engineers—the expertise you'd find at today's ad tech firms or at Google or Facebook."

FOCAL POINT #4

Balance local and global imperatives

Mindful that brands have a global reach, marketing executives must pay attention to regional differences across various international markets. Top local considerations, according to the survey, are what existing technology foundations are prevalent in a target country and the cultural characteristics that must be addressed.

Executives say brands can't effectively connect with local customers without a strong regional presence in important markets. "I've been at other organizations where a U.S. marketing team tried to drive interaction between customers internationally—there were many missteps as a result," Adams says.

Instead, PayPal relies on marketing teams dedicated to overseeing consumer experience in local markets. These teams interact frequently to discuss performance results, new product launches and other initiatives. "There are overarching goals in each region that we want to focus on from a brand perspective. However, everything we do within the regions must reflect the needs of that regional consumer by being nuanced and customized for each market," Adams explains. "This makes a huge difference in how products get launched in one marketplace or another. Or how one product's set of features and benefits are developed in one area of the world versus another. In short, customer driven. Unless you have people living in and part of the regional culture, I don't know you can do a great job with customer engagement."

These teams also provide a cross-fertilization of ideas, so a best practice uncovered in Latin America, for example, can be adopted elsewhere. "When you hire the best people in every region, you end up with smart folks who drive smart thinking and who can inspire and challenge each other," Adams says.

Some organizations are using their digital marketing prowess and knowledge of local culture to create new business opportunities. For example, K-pop, a musical genre born in South Korea, is now trending throughout the world. "With that in mind, many Korean companies now want to target the Asian market," Koh says. "We at DDB Korea are in the process of working with various Asian portal sites and IPTV [television delivered via the Internet and other Internet Protocol networks] to give Korean companies the exposure to the new market in Asia."

At the same time, marketing organizations also seek consistency in some aspects of their campaigns. For example, Starcom makes the program it uses for scenario planning and attribution available to all of its stakeholders. "Anywhere in the world, our teams can access the same system for global consistency in how we drive the business," Donohue says.

"WE'RE CONSTANTLY THINKING INTERNATIONALLY IN TERMS OF EXECUTIONS AND PLANNING...THAT SAID, WE ALSO MAKE SURE THE CONTENT IS RELEVANT AND MEANINGFUL TO A LOCAL CUSTOMER."

—Randall Rozin
Global Director,
Brand Management and
Digital Marketing,
Dow Corning

The ability to market to an international audience is also essential for Dow Corning, which logs more than half of its sales from outside the U.S. "We're constantly thinking internationally in terms of executions and planning," Rozin says.

International campaigns begin with a master brand strategy designed to create a consistent brand identity around the globe. "That said, we also make sure the content is relevant and meaningful to a local customer," Rozin says. "To do that, we think well beyond simple translation to what we call trans-creation. It's not always a direct translation; it's creating content that's specifically tailored for the customer in each market."

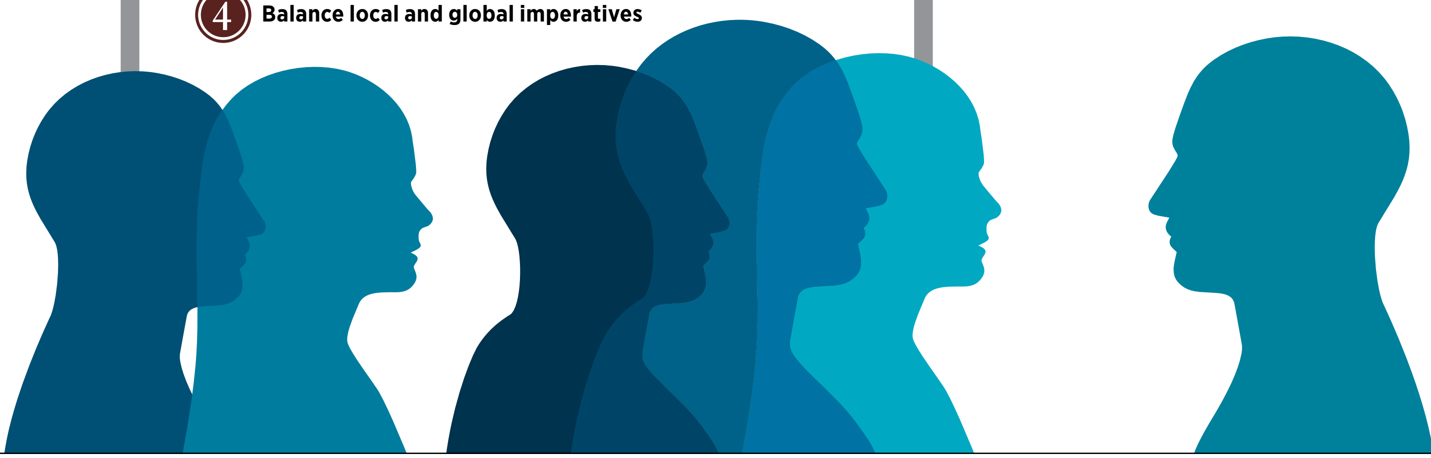
THE ULTIMATE GOAL: SURPRISE AND DELIGHT CONSUMERS

As executives at brands and agencies encounter fundamental changes in the marketing industry, they must find ways around the barriers that block the closer collaboration both groups need to succeed. The survey by Forbes Insights and Oracle Marketing Cloud, along with best practices offered by marketing pros, points to how organizations can navigate this dynamic environment and achieve the ultimate goal—surprising, delighting and more closely engaging with customers.

RECOMMENDATIONS

Industry veterans advise focusing on four key areas to help forge closer relationships between brand and agency peers and achieve close customer engagement.

1. **Effectively mine all of today's rich sources of data**
2. **Capitalize on the latest technologies for understanding customers and managing marketing programs**
3. **Enhance professional and personal skills**
4. **Balance local and global imperatives**



METHODOLOGY

The data in this report is derived from a global survey of 255 executives across a range of industries and functions, conducted by Forbes Insights in the fourth quarter of 2015. Seventy-five percent of respondents were involved in providing internal brand support for their companies; 12% were from agencies; 13% were from technology vendors that support marketing programs. Sixty-five percent had C-level titles; the rest were VP/Director or above. Forty-nine percent of respondents were based in North America; 24% in Europe; 18% in Asia-Pacific; and 9% in Latin America.

ACKNOWLEDGMENTS

Forbes Insights and Oracle Marketing Cloud would like to thank the following individuals for their time and expertise:

- **Patrick Adams,** Head of Consumer Marketing, PayPal, North America
- **Jeff Cheong,** President, Tribal Worldwide Asia
- **Lisa Donohue,** CEO, Starcom USA
- **Kevin Koh,** CEO, DDB Group Korea
- **Ray Owens,** President, DX Marketing
- **Randall Rozin,** Global Director, Brand Management and Digital Marketing, Dow Corning
- **Tony Weisman,** CEO, DigitasLBi North America

ABOUT FORBES INSIGHTS

Forbes Insights is the strategic research and thought leadership practice of Forbes Media, publisher of *Forbes* magazine and Forbes.com, whose combined media properties reach nearly 75 million business decision makers worldwide on a monthly basis. Taking advantage of a proprietary database of senior-level executives in the Forbes community, Forbes Insights conducts research on a host of topics of interest to C-level executives, senior marketing professionals, small business owners and those who aspire to positions of leadership, as well as providing deep insights into issues and trends surrounding wealth creation and wealth management.

FORBES INSIGHTS

Bruce Rogers
Chief Insights Officer

Erika Maguire
Director of Programs

EDITORIAL

Kasia Wandycz Moreno, Director
Hugo S. Moreno, Director
Alan Joch, Report Author
Kari Pagnano, Designer

RESEARCH

Ross Gagnon, Director
Kimberly Kurata, Research Analyst

SALES

North America
Brian McLeod, Commercial Director
bmcleod@forbes.com
Matthew Muszala, Manager
William Thompson, Manager

EMEA
Tibor Fuchsel, Manager

APAC
Serene Lee, Executive Director

MIX
Paper from responsible sources
FSC® C018101
FSC www.fsc.org

499 Washington Blvd., Jersey City, NJ 07310 | 212.366.8890 | www.forbes.com/forbesinsights