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The Four Types of Digital Marketer

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BY MATTHEW EGOL, CHRISTOPHER VOLLMER,
AND KLAUS HOELBLING

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If you are the chief marketing officer (CMO) of a consumer-oriented business — for example, a food manufacturer or a retail bank with a credit card offering — your long-established efforts to reach customers may have come into question over the past few years. Digital media have changed the advertising and marketing ecosystem; social networks, broadband infrastructure, and new forms of online and offline data collection have transformed the relationships among companies and their customers. But only a few CMOs have fully caught up with these trends. Most companies do not yet have the kinds of capabilities in digital marketing that they need in order to fully engage with customers today.

The term *customer centricity* is coming into broad use as a way to describe the new marketing orientation made possible by digital media (including, but not limited to, social networks). Under this new orientation, the primary unit of market engagement is no longer the product, the launch, the trade promotion, or the advertising campaign, but the end-to-end consumer experience. Consumers are engaged with the company and each other before, during, and after their purchase.

This requires a high level of integration, the ability to bring together multiple sources of content, data sources, capabilities, and product lines, and to continually refine segmentation approaches, platforms, and

online content. This integration needs to cut across the consumer experience, creating a seamless digital marketing link between sales in physical stores and sales through e-commerce.

Nike Inc., for example, has invested heavily in both the media it creates and the media it shares with its consumers. On Nike.com, consumers can find a continually evolving set of software and services generated by the apparel and footwear manufacturer (including training programs for use with interactive game machines such as Microsoft's Kinect), as well as the new "FuelBand," worn on the wrist to track and analyze daily movements. Consumers can also access a growing body of links to Facebook pages and Instagram pictures put up by others in the Nike community. Everything on the website is designed in harmony, so that the brand reinforces the idea that the company has the back of the amateur athletes who make up its core audience, and they in turn are regularly drawn back to the experience of not just wearing the products, but using them together. In the process of developing its digital media strategy, Nike has dramatically lowered its spend on paid media. And by focusing its spending on its own media and socially shared media, the company has broadened and deepened the impact of its brand.

How far along this road is your company — and what capabilities does it need to compete successfully?

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The Digital Customer

Centricity Profiler is free, private (results are aggregated without identifying the individuals), brief (it takes only about 15 minutes), and designed to let you know your company's standing as a leader, scholar, pioneer, or novice. To complete the profiler, go to: booz.com/global/home/what_we_think/digitization/toolkit/digital-customer-centricity-profiler.

Answering that question is the purpose of a self-guided, Web-based survey called the Digital Customer Centricity Profiler, recently launched by Booz & Company. The profiler focuses on relationships with consumers and potential consumers, and on companies' facility (or lack of facility) in engaging them online along their full path to purchase. The profiler (available at booz.com/global/home/what_we_think/digitization/toolkit/digital-customer-centricity-profiler) takes only about 10 to 15 minutes to complete. It asks about your company's current practices in social media, data analytics, and e-commerce, and helps you gauge the potential of other practices, of which you may not have been aware. Then, on the basis of your answers and those of your peers (the answers themselves remain private), it classifies your company into one of four categories:

- **Leaders** are a small but growing group of companies, including Nike, Burberry, 3M, Apple, L.L. Bean, and Coca-Cola, that have mastered the two main capabilities involved in maintaining an online presence: insights and analysis on the one hand, and platforms and activation on the other.

- **Scholars** are skilled at consumer insights and analytics; some of them, for example, have developed sophisticated forms of market segmentation based on deep insights about the way people make purchases. But they have not yet converted these insights and analyses into profitable action.

- **Pioneers** have established a robust presence in digital media, with viable forms of electronic commerce, their own media platforms, or other kinds of Web-, mobile-phone, or app-based services. But these activation platforms are not sufficiently customer centric; they are not grounded in insights about their customer base,

and therefore they do not engage consumers as well as they might.

- **Novices** are still coming up to speed in the practices of digital marketing, and (in many cases) discovering which facets benefit them and which may not.

During its first month online, the profiler results have affirmed our preliminary view that although there is no single path to leadership, those that are digital leaders are investing in similar capabilities. They are focused on building stronger direct-to-consumer relationships, developing content solutions to better engage consumers in their categories, leveraging social media as a valuable platform for insights, and building out a stronger multichannel experience. Depending on your company's situation, your own digital marketing capabilities might include a distinctive way of changing your portfolio of products to address social media responses; a highly effective form of segmentation based on the way consumers behave in the real world (for example, tracking how much time elapses between visits to your retail store); or an ability to create a compelling e-commerce platform that draws people to your products.

A digital marketing plan aligned with your company's strategy can be a game changer for your business. It can allow you to build stronger relationships with consumers that are based on offering them better value in real time: more appropriate deals, more authentic offers, and more simplicity and clarity. But not on its own. You will need the right capabilities and the appropriate investment of time and attention. Through experience, and through the kind of self-assessment that the profiler brings forward, your company can gain a better understanding of where you are now — and how to move forward. +

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