



DIGITAL TRANSFORMATION CHALLENGES

and the marketing audit imperative

Dear marketer

The number of **marketing technology companies** grew from **100** in 2011 to **7,040** in 2019. (chiefmartec.com)

By 2030 there will be **500 billion things connected to the internet**. (Cisco)

4 of today's top **10 incumbents** in each industry will be **displaced by digital disruption** in the next 5 years. (IMD, Cisco)

You live in a new era.

Expect major changes

70% of European marketing executives believe the marketing function will play a significant role in shaping company strategy in the future.

(Economist Intelligence Unit)

But before we get there, we must meet some serious
challenges.



Globalisation

Nothing new, you might say? And yet, the global flows of goods, services, capital and people are increasing daily. **Industries are changing faster than ever and society struggles to keep pace.**

Think this has nothing to do with you because your business is local? Then take a closer look at Uber, the company that steals customers from the taxi drivers in your hometown. Or watch the next Starbucks – that's a coffee chain from Seattle, USA – settling in your neighbourhood.



Lack of Diversity

Companies and their brands touch the lives of various stakeholders every single day: employees, customers, business partners, media, passers-by. **They watch and feel every action done by every single person involved in building a brand. Every detail has an impact on how a brand is being perceived.** And yet sexism can still be found in advertising all over the world, a lot, while lesbian women seem to be non-existing. Same goes for people with disabilities – apparently they make others uncomfortable. Only 37 of the CEOs who lead the companies that make up the Fortune 500 list are women. Exactly one of them is openly gay. When you count the members of the boards of directors in all of Germany's publicly traded companies you will find 66 women and 641 men. The gender pay gap remains huge and ageism may now be even more pervasive than sexism and racism. **Let's be frank: there is still a lot of work to.**



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Choices

Marketers are confronted with an an unprecedented variety of choices. What **technology** suits our needs? How many **communication channels** must we use? What **data** should we collect, analyse and act upon? What **KPIs (Key Performance Indicators)** will help measuring our success? How do we define a **target group that reflects reality**? What **sales channels** do customers expect us to use?



Pace

It took the telephone **75 years** to reach 100 million users - Instagram needed only **2 years and 4 months**.

(BCG)

Technology speeds up **processes**. It allows collecting and analysing amounts of **data** just yesterday we thought impossible. **Markets can be entered** in days and newcomers **take over industries** within just a few years.



Customers

Customers want to be treated like the people who make sure you get your salary every month: with **respect** and **care**. They are self confident and ready to show it. Powerful communication tools **spread their word to masses in a second** (social media) and **an unprecedented level of choice** (access to suppliers around the world) **enables them to leave you at any time**.

Think this doesn't apply to B2B (Business to Business) companies? **New entrants and consolidations powered by the digital transformation offer your clients a variety of new perspectives.**



Silos

Change can only be successful if everyone follows the same goal. **But today it's still about "us" against "them"**. Sales beats Customer Service. Corporate Marketing versus Country Management. My budget is more important than yours. You are a cost driver and I deliver revenue.

Silos are very often the result of legacy wars. Their origin lies in **complicated structures, different cultures, systems or reporting rules and human nature**. That's why it's so hard to get rid of them.



Skills

Understanding of technology will be critical for senior marketing leaders. But the real challenge is in finding people who have the **technical skills** required for the job while also having the **soft skills** to be successful in the organisation: **adaptability, inquisitiveness and the ability to collaborate.** (Econsultancy)

The team members working for these marketing leaders will have to be **open minded experts** in their respective area. They must be **enabled to drive the desired changes.**



Mindset

Let's be honest with ourselves. Today **only very few companies treat marketing as a strategic discipline.** It's all about campaigns, short term results, the latest so called trends that allow playing buzzword bingo. **And since hardly any marketer steps up to suggest changes to this system, the C-Suite doesn't take the "marketing" topic seriously.**

Tired already?

Please stop focusing on tactics and an ego boost once in a while, just because it's easier that way.

The digital transformation is every marketer's chance to escape the "we've always done it this way" trap.



So where do we start?

By taking a moment to **stop**.



What?

It's time for a

marketing audit.

A marketing audit is a comprehensive review of your marketing approach.

It brings together (sometimes for the very first time) representatives from all business disciplines to help evaluate your environment, goals, strategies, and activities. As a result you recommend a plan of action.

A marketing audit asks
lots of questions...

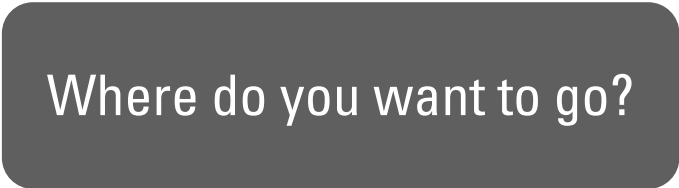


You
are
here

...What does “marketing” mean within your company? What customer problems do you solve? How much shall your products cost? Who are your customers? How do you communicate internally and externally? Why should customers buy from you? Who might become a competitor in the digital age?

How will you master the challenges posed by the digital transformation?

How do others perceive you? How do you get your customers’ attention? Where do you sell your products? What products make most revenue and profit? How will your market change within the next five years? What impact will the digital transformation have on your business model? ...



Where do you want to go?

A marketing audit will
have an impact on...

Culture

Mutual understanding

When discussing
“marketing” everyone will
speak the same language.

Closer bond

Will you be able to tear
down the silo walls?
Perhaps not immediately.
But you’ll certainly find
new friends.

Direction

Strategic direction

Everyone will know the long-term destination.

Essential components

You will be able to define what it takes to get there.

It will provide valuable
guidance...

Marketing Organisation

Everyone will know what their task is and how this task fits into the bigger picture.

Relationships

You'll know who will help reaching your goals.

Marketing Information

You'll be able to tell what you need to know and measure in order to succeed, how to store and withdraw relevant information.

Marketing Plan

You will prepare an outline that will help you get to the next stage.



How long will it take?

It really depends on...

...the goals you set

Do you want to start small by concentrating on a single topic or business area? Or will your marketing audit be extensive?

...the size of your organisation

Are you a startup or an international corporate?

A unique opportunity

Technology enables change. But it is **humans** who **must master the challenges** it poses.

Will you use it?



Food for thought

Digital Economy and Society Index

Relevant indicators on Europe's digital performance, tracks the evolution of EU member states in digital competitiveness.

<https://bit.ly/25jsRU1>

The Four-Dimensional Human

Ways of Being in the Digital World: As a constellation of everyday digital phenomena rewires our lives, we are increasingly coaxed into a fourth dimension.

<https://bit.ly/31NGb4e>

Embracing Complexity

Modern marketing starts with marketers who are not afraid to constantly work on keeping an open mind

http://bit.ly/embracing_complexity

2020 FTI Tech Trend Report

Emerging science and technology trends that will influence business, government, education, media and society.

<https://bit.ly/2zTgdTa>

Do you need help with the
**framework or picking the
right tools?**

How about a **facilitated
marketing audit workshop** to
get you ready for the future?

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