

Brand building must become more about customer experience

By Godfrey Parkin

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CX is everything. Businesses boom because they offer awesome differentiated customer experience, online and offline. The big trends in 2019 will follow this rule.



Godfrey Parkin, CEO of Britefire and of Angaza.

The growth of messaging and decline of posting will lift platforms such as WhatsApp and Messenger into the prominence previously enjoyed by Facebook. Brands which are truly objective about their data are starting to accept that content marketing, earned media and organic engagement simply don't deliver a worthwhile ROI any more.

Fragmentation of social into niche media

Messaging, conversely, gets open and click-through rates that massively out-do the results from posting or in-stream ads. The major social platforms have become media, and their business model is unashamedly to deliver audiences to advertisers. In this they are great, and in 2019 we can expect ever more laser-focused targeting capabilities along with ever-increasing fees.

Fragmentation of social into niche media will allow for sharper tailoring of value-adding engagement, making the social media landscape of 2019 look a lot more like magazine media landscape of 1999.

Expect to see sudden upsurges of youth-oriented platforms like Snapchat or TikTok, as well as local and interest-oriented platforms, focused on conversations about passions such as cooking, parenting, sport, politics or investing. (This is possibly the only route to sustainable profitability open to traditional magazine media houses). Social media agencies which have built their engagement services on Facebook will have to diversify accordingly.

The arrival of AI in major analytics services will make for better understanding of the impact marketers are achieving in social media. Analytics will become less like a retroactive weather report and more like a proactive GPS for marketing. AI will take much of the manual work out of the analytics job, by automatically providing exception reporting or answering questions posed in natural language. This will free up time for interpretation, growth hacking and strategy formulation.



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Using social media listening for lead generation and social selling will be big this year. The kind of analytics-based things Cambridge Analytica was doing for voter influencing will be increasingly replicated by brands or agencies for consumer influencing. The tools for doing this will become more readily available – in fact, tools like Awario, Talkwalker or Brand24 already have great listening and lead-gen functionality. But defining the privacy lines a brand dare not risk crossing will be an ongoing conversation in 2019.

Video, micro-influencers and social commerce

Video will continue to boom, dominating text as a preferred medium for both consumption and production of content. Agencies who devise a business model which allows them to participate profitably in the quick-and-cool video production industry will do well. Others will lose that opportunity forever as brands set up their own in-house capabilities.

Using paid celebrity "influencers" is decreasingly effective. This year brands will start to prefer aligning with micro-influencers and nano-influencers who have unquestioned credibility within their niches. The challenge is to retain

authenticity and influence these influencers without turning them into commercial sell-outs.



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The solution is for brands to form real relationships rather than just paying a monthly retainer. But relationships take human connection and time, as well as personal communication talents, which most brands (and agencies) don't normally have available. So there's a business opportunity for a new spin on PR services.

We already have personalisation of promotions. The personalisation of brand propositions and CX will become more common this year as brands get better at data-mining, lead generation and conversational commerce. The field of real-time intent interpretation and response modelling will see some serious investment by major brands.

Social commerce may yet become a thing. 70% of China's Gen-Z population purchase directly via social platforms. In the US, sales through Alexa this year tripled. In South Africa, this number is microscopically small. But as social messaging services start allowing the deployment of voice-enabled bot-commerce, this could start taking off here.



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Big social has become privacy-invasive and manipulative

Trust is the biggest issue for 2019. The major social platforms have trust issues which I think will degrade usage through 2019. People are finally realising how privacy-invasive and manipulative Big Social has been. (Nobody is really worried about Google yet, which is a much bigger issue).

The end of Facebook as a one-size-fits-all platform will have a major impact on social media agencies who have built their business model on Facebook. And growing abandonment of major social platforms, especially by the youth, will force diversification within agencies.

Growth hacking will undermine traditional marketing models, and change the nature of advertising services. Squeezing every bit of ROI out of brand communication budgets through iterative testing and scaling will become the norm. Agency creatives and strategists will be called on increasingly to justify their recommendations with A/B data before committing the big budgets.



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In 2019 I see more human work, not less in the marketing and agency worlds, but this probably means shrinking margins even further. As the need for more granular niched communication grows, as well as the demand to gain more efficiency through growth hacking, brands are going to need more people to do the work – or they will need agencies which can handle it.

The commoditisation of creativity

The lazy crazy days of Facebook are over. Content marketing is on its way out, as is paid celebfluencer marketing. Automation through chatbots will cut customer service, lead generation and sales costs, but customer experience, outbound customer communication and relationship building will get more demanding of human time.

Disintermediation will be a worry for agencies. A big concern is the commoditisation of creativity. In paid media, the total domination of paid ad placement by Google and Facebook will leave agencies more vulnerable to replacement by in-house advertising departments.

So, while social media agencies have mushroomed alongside Facebook's growth, providing both content and advertising services, they are doubly vulnerable to the platform's decline. There is going to be a lot more soul-searching about missions, value-adds and business models within the agency world in 2019.

How do agencies get through the disruptive turmoil

Those who have not yet done so need to rethink the unique value they are able to add to their client's communication processes – and then consider where they might add useful unique competencies. Consider also which services you can let go. Jettisoning services which are slowing you down is never easy, but can be quite liberating – especially if you only offer them because all your competitors do.

Then look at the landscape ahead and decide which coming waves you want to own, which you want to offer via partnerships, which you will ignore – and which you will create. Agencies which have traditionally been creativity-led may need to invest in technical competencies, in the areas of automation, AI, chatbots, or voice. Partnering is often the smart move, as these technologies disrupt themselves so fast they become transient.



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Expect to see the notion of "the e-commerce website" challenged by voice-operated chat-enabled messaging commerce. The big advantage here is the ability to sell – in any local language – to those for whom literacy and technical ineptness was a handicap.

A Juniper study says that by the end of 2019, smart speakers like the Echo will be used in 9% of households worldwide, reaching over 40% in some developed markets. And smart speaker use is already dwarfed by intelligent voice agents on smartphones. Brands are going to need a lot of help with architecting persuasive customer experience for voice.

Brand building must become more about customer experience. Not the communication of the promise of a rewarding CX, but making it an actual core part of the brand. Agencies which help their clients to identify differentiating customer experiences (and build them into the acquisition or consumption of the brand) will add significantly more value than agencies which just communicate brand promises.



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This means moving beyond the traditional agency brief, and being able to provide more comprehensive CX architecture services. And since the delivery and ongoing management of CX is primarily a client responsibility, agencies should be doing more work to develop the necessary competencies within their clients.

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