

MARKETING

Digital marketing needs to evolve customer experience: Forrester

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Forrester's CX North America brings the conference experience online. Image credit: Forrester

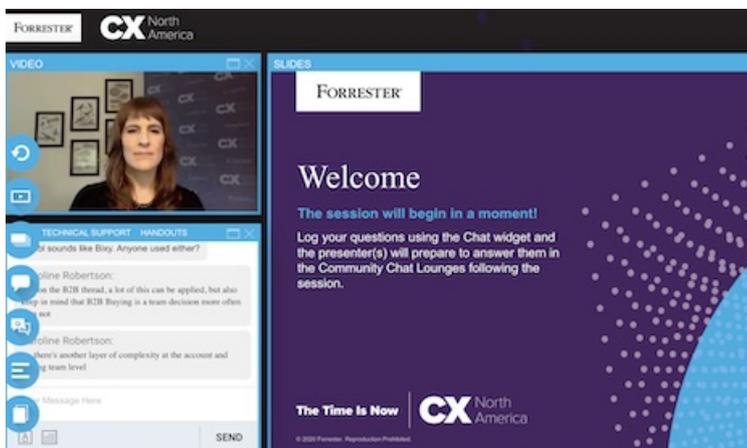
By DIANNA DILWORTH

The digital advertising business has lost sight of the customer experience by being too focused on data and technology and not on the end-user experience.

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As advertisers look for ways to connect with customers, relationships and nuance will be core to building meaningful connections and avoiding creepy stalking, according to a keynote at Forrester's CX North America virtual conference.

"The balance has been lost in the age of the customer," said Joanna O'Connell, New York-based vice president and principal analyst at Forrester. "We have turned consumers off. We have creeped them out. We have overwhelmed them."



Joanna O'Connell, vp, principal analyst at Forrester's keynote at Forrester's CX North America. Image credit: Forrester

Outmoded advertising

Many modes of traditional advertising have become outmoded and brands that want to connect to today's customer

need to update their approach.

For instance, advertisers still buy media based on gender. Yet, 52 percent of millennials think gender is on a spectrum and 12 percent identify as gender non-conforming.

As consumers transcend barriers and move more fluidly across devices, using more than one at a time, advertisers often treat them as separate individuals and give them different brand experiences depending on the channel. This is not a good customer experience.

"Traditional notions of successful advertising messaging and even the process themselves don't work between consumers and brands," Ms. O'Connell said. "The industry has prioritized the selling of data and technology services over the customer experience."

Forrester found that 60 percent of U.S. adults say they are not comfortable with personalized data used for advertising and they express this desire not to be tracked by clearing cookies and using ad blockers.

Brands have become too reliant on data and technology and should instead be looking for ways to be less annoying and intrusive.

But things are changing.

Major forces including privacy regulations such as GDPR and California's CCPA, as well as the death of the third-party cookie, will change and leave brands less reliant on third-party data and automation providers.

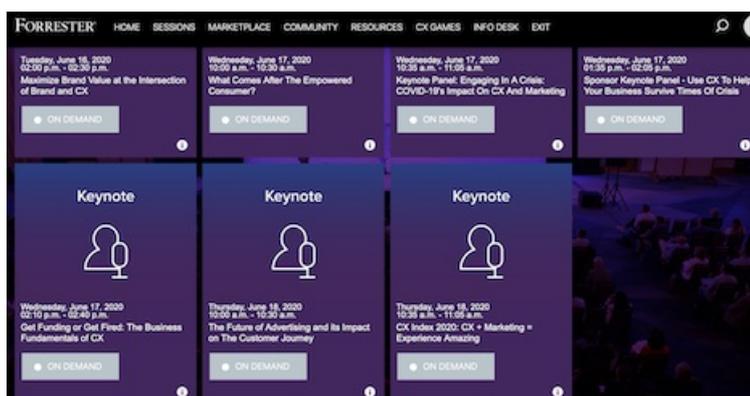
Instead, walled gardens such as Facebook, Google and Amazon, which have a very restrictive set of policies when it comes to the data that enters their walls, will have a greater impact on the future of advertising.

In this new privacy-oriented and more restricted world, the digital advertising model is transforming.

"We are moving from the Wild West of digital advertising over the last 25 years that was pretty open, unfettered, audience based and heavily automated in the absence of humans to one that is significantly more of a gated community in style where the world is more closed, more curated and more controlled," Ms. O'Connell said.

In this new scenario, advertisers will become more reliant on their own first- and second-party data, than simply first-party data.

"They will go looking for other sources of good valued data with provenance," Ms. O'Connell said. "Publishers are a great source of data. We imagine a world when brands and publishers get closer."



Forrester's CX North America explores the evolving role of marketing and customer experience. Image credit: Forrester

Respect relationship intimacy

Technology has allowed brands to learn a lot about consumers they do not know and create messaging to support this data. The problem is that brands should respect the boundaries of a relationship and market appropriately.

"Too much too soon is definitely a thing," Ms. O'Connell said.

If you live in a neighborhood, and a neighbor who you do not know starts following you around, that would be creepy. But this is exactly what brands do when they follow prospects around the Internet with personalized ads.

"You don't have the kind of relationship with all consumers that gives you the right to follow them around," Ms. O'Connell said. "If you go on a blind date with someone and show up with a dossier all about them, that would be the last date. It's too much too soon."

"Why would you personalize an ad because you were collecting on signals about someone who does not want that from you?" she said. "How do we use data and technology thoughtfully and appropriately with the lens of consumer experience itself?"

Advertising is customer experience and brands should focus on delivering good experiences based on the level of connection that a customer has with the brand.

But brands can also offer "too little, too late."

No loyal customer who has the app and subscribes to the email wants to get an email reminding them to service their car a week after having already done so.

Brands should invest in first- and second-party data to get to know customers and message appropriately. A loyal customer should be treated like a close friend, a prospect should be treated like a stranger.

Additionally, marketers should adapt their ethos to focus on long-term thinking to build a customer relationships for life, not simply for one sale.

"People don't inherently hate advertising," Ms. O'Connell said. "They have been taught that advertising does not always do what they want it to do, which is to entertain and connect."

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