



SEVEN TRENDS THAT WILL AFFECT THE FUTURE OF MARKETING

LESSONS FROM A MEETING OF GREAT MARKETING MINDS

By IMD President Dominique Turpin

IMD
Chemin de Bellerive 23
PO Box 915,
CH-1001 Lausanne
Switzerland

Tel: +41 21 618 01 11
Fax: +41 21 618 07 07
info@imd.org
www.imd.org

At the recent Chief Marketing Officer Roundtable at IMD, I was asked what I think will define the future of marketing. Trying to predict the future is always a risky thing to do; most of us are terrible at it. But if I had to bet on what the near term will hold, I would put my money on the following 7 trends.

1] There will be increasing complexity in consumer purchasing decisions

Consumers use all kinds of media to make shopping decisions – from YouTube to Facebook – and it's becoming increasingly harder to put the people that buy certain products into a box than it used to be. Consumer categories like mainstream, or high and low end, are starting to disappear. Segmentation is getting more and more complex. The same customer can buy one high end product and one low end product at the same time. These days you could easily find someone who could take an EasyJet flight from London to Milan to buy a Gucci bag. People select which consumer products they want to buy with an unbalanced mix of emotions and rationale. They might not have any emotional connection to aviation and thus the cheapest product will do. But when it comes to a luxury bag they might value tradition and craftsmanship.

2] Personalization in product design and communications will be more prevalent

Thanks to big data, social media and flexible manufacturing, more companies are learning to offer customized products and designs. This trend is reaching a growing number of industries including the health sector. While pharma companies continue to treat all patients in more or less the same way, they will soon be moving towards personalized medication based on our differences such as age, sex, weight, and medical history. Watch out for many other industries to start following suit.

3] Mobile communications are becoming the center of marketing

There have been rumblings in the press recently about WhatsApp giving Facebook its users' phone numbers to deliver targeted ads. Although getting a text message about one of your favorite products may seem intrusive, so is telemarketing and that hasn't gone away. Look out for companies to communicate with consumers more and more via their mobile devices.

4] Transparency will dictate brand-customer relationships

From Wells Fargo to Volkswagen, the list of disgraced companies keeps getting longer. Businesses are realizing that they cannot escape the transparency offered by social media. More companies are learning the lesson that if they aren't truthful, they will pay the price: Not only hefty fines from the authorities, but also in lost loyalty and business from their customers.

5] Personalized data-driven marketing will become more friendly

Thanks to big data, companies are learning an awful lot about who you are and what you like. They will get keep getting better at targeting you and communicating with you in the most effective way depending on who you are and what your habits say about you. Don't say goodbye to spam just yet, but the companies that figure out how to stop casting their one-size-fits all messages less widely, and start targeting people in a more meaningful way, will win.

6] More accurate metrics will continue to emerge

Until recently, justifying and measuring the impact of their decisions has often been a major challenge for marketers. Today, there are many ways to measure online activity – likes on Facebook, clicks on articles, and so on – but many of them are not fully meaningful yet. Facebook was recently caught amplifying data about how much videos were viewed on its platform. Think about the ramifications for advertisers who thought they were getting more bang for their buck! But this should change soon. Remember when people used to talk about not knowing which half of their advertising budget was wasted? Well this should be approaching somewhere closer to 20% soon. Measurement will probably never be perfect, but digital technology is improving it. Will we ever know the exact trajectory of who views an ad and then opens their wallet to buy a particular product? I'm not so sure. But that is what marketers dream of.

7] The marketing organization will increasingly move from digital silos to integrated teams

A few years ago you would have the digital team on one side and the marketing team on the other. It can no longer be that way. Digital has to be part of everything now so the two have to be fully integrated. As one marketer recently suggested: Companies do not necessarily need a digital strategy, what they really need to know is how to plug the digital component into the complex process of how consumers make purchasing decisions!

These are just some of the main trends I see happening in marketing over the next few years but there will certainly be others. That's what's great about my job; we got to discuss these and other ideas with some brilliant marketers over two days at IMD at the Chief Marketing Officer Roundtable.

[Dominique Turpin](#) is the President of IMD and the Nestlé Professor.

The Chief Marketing Officers Roundtable was organized by IMD's [Corporate Learning Network \(CLN\)](#).

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