

GROUP
daggerwing
A MEMBER OF OMNICOM GROUP INC.

The Next Digital Transformation— Executive-Level Readiness

Insights, tips and lessons
learned from Leaders
around the globe

KEY CHALLENGES COVERED:

1. Coping with the speed of change
2. Finding global versus local balance
3. Creating storytelling competencies
4. Being digital (even if you weren't born digital)
5. Injecting data into every decision

Act Fast.
[We do.]

Beyond surviving in the new digital world

THANK YOU

... to the leaders from these and other companies for your contribution to this report.



ABOUT THIS REPORT:


This Report started with a Daggerwing client request. A marketing leader wanted to understand how other global leaders were evolving their Marketing and external Communications practices to cope with the the ever-changing impact of all things digital. The request evolved into an outreach to global executives across different industries to find out how they were coping so far—and getting ready for whatever is coming next in digital.

We spoke to a diverse group of leaders from Marketing, Communications, Digital and Business Lines across 3 continents and 7 business categories—including hospitality, retail, technology, financial services, pharma, manufacturing, and utilities to answer the following question:

*“HOW HAVE YOU SURVIVED DIGITAL DISRUPTION SO FAR...
AND WHAT WILL IT TAKE TO SUCCEED FOR YOUR BUSINESS,
YOUR BRANDS, AND YOUR CUSTOMERS IN THE FUTURE?”*

While focusing on the 5 greatest challenges they faced in figuring out the right ‘digital formula’ for their organizations, leaders we engaged offered wise advice and first-hand experience on where they are now and where they need to be.

This report captures the perspective and lessons from leaders as well as tips from Daggerwing on how to transform your organization to survive in the digital world.



“DIGITAL TRANSFORMATION IS NOT THE PLAN—TRANSFORMATION SHOULD BE ABOUT ALIGNING YOUR WHOLE MARKETING TEAM AND SKILLSETS AROUND THE CUSTOMER.”

—Head of Mobile and eCommerce Marketing

The next digital transformation— Executive-level readiness

It's not about narrowly focusing on digital transformation, it's about making Marketing and Communications, and the broader business be more adaptable to survive in a great big digital world




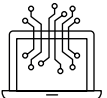

A decade ago, no one would be surprised if Marketing and Communications leaders said they were fighting to survive in the face of rising digital influence. But the fact that leaders are still talking 'survival' when it comes to digital in 2018 is a shock.

In interview after interview, leaders shared their struggles with embedding digital into their organizations. The struggle is real and getting more difficult by the day to keep up with the demands of digitally native customers in a changing marketplace, where every day marks the entrance of faster, more agile, digitally born companies and startups.

Despite choosing digital-fueled agencies and partners and investing in top notch infrastructure, the lack of dramatic change in approaches, and outcomes, is disappointing for most firms. We know why. It's the internal human and organizational factors that frequently undermine transformations, even when you have the world's best external partners. Customers lose patience. Teams are not skilled to take on the future. Processes don't reinforce use. New behaviours and habits are not created and mindsets remain entrenched in the past. Individuals fear for their jobs. Leaders underestimate the need to align on how digital adoption can change the business. And, there's a lack of clarity on how digital change will grow the business, improve marketability of employees, and deliver a better total experience to customers.

We spoke to leaders about how they are innovating marketing and communications functions around digital

This is what we heard about their top 'readiness for the future of digital' challenges, where they are, and where they need to be

	FROM	TO
 1. Coping with the speed of change	Marketing and communications are reactive	Marketing and communications are agile and equipped for constant change
 2. Finding the balance between globalization and localization when there is no 'right way'	Building highly centralized or decentralized models based on short-term goals	Balancing centralization and decentralization based on what's right for your business
 3. Advertising is now storytelling, but where are the storytellers?	Traditional content and asset developers	Omni-channel content creators and storytellers
 4. Being digital (even if you weren't born digital)	Digital is a standalone function, focused on technology advancements over business and customer impact	Digital is an enabler for all activities in Marketing, Communications and beyond
 5. Injecting data into every decision	Historic results driven decision making	Data driven and forward looking decision making

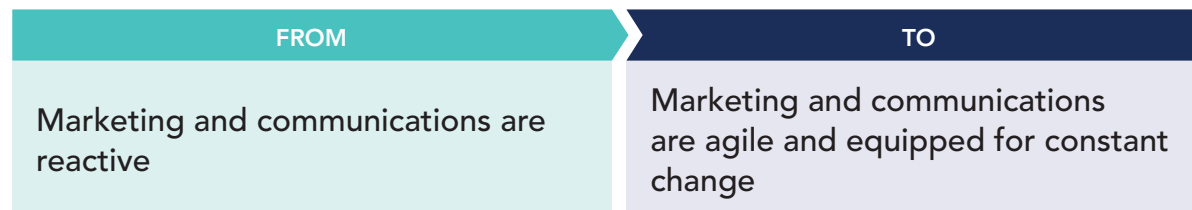


Coping with the speed of change

When we interviewed Marketing and Communications leaders, we learned that what was keeping them up at night was the fact that everything in the marketplace is changing; technology, digitization, the way we consume media, consumption habits, and the list goes on. The BIGGEST change, however, is the SPEED of change for all the above and more. Leaders spoke about being challenged in driving a shift from practicing reactive Marketing and Communications to being fast and agile in responding to customer needs and market nuances before customers moved on to the next thing, or worse, to the competition!

We heard a variety of challenges, with one company citing that short-sighted business goals to drive revenues or market share were getting in the way of building Marketing and Communications capabilities that would create a sustainable brand.

Others spoke about cultural resistance they faced from 'Mad Men' era employees to switch from traditional Marketing and Communications methods to innovation and purposeful strategies. On the next page you'll see the observations and tips our participants shared.



Coping with the speed of change



FROM

MARKETING AND COMMUNICATIONS ARE REACTIVE

Challenges in the current state that we heard from most leaders...

SHORT TERM BUSINESS DEMANDS GETS IN THE WAY OF MAKING THE RIGHT DECISIONS FOR THE LONG TERM

- Challenged to make fast decisions—which sometimes results in “frantic” changes to react rather than being well-positioned to adapt
- Struggling to stay ahead of change when you don’t know what change will look like
- Not understanding how to optimally trade off and balance the price + customer emotions + proximity/convenience equation to cope with the speed of change—need to find the right balance and understanding emotions is becoming even more important

“IF YOU DON’T RECOGNIZE THE CHANGING EXTERNAL FACTORS YOU CAN BE BEHIND THE 8 BALL VERY QUICKLY.”

—Director of Global Marketing and Innovation

ORGANIZATIONAL CONSTRAINTS GET IN THE WAY OF FAST DELIVERY

- Teams lacking the ability and agility to change direction fast—but this requires new skillsets, simplification of processes/systems and a large investment in insights and analytics to inform decisions

“AS YOU’RE LAYING THE TILES FOR YOUR HOUSE, YOU NEED TO ENSURE YOU ARE PUTTING IN THE SINK AS WELL, TO MAKE SURE YOU HAVE WATER IN THE SHORT TERM.”

—Head of Mobile Marketing

- Too many siloes hinder ability to integrate technology and marketing in a collaborative fashion
 - Humans can’t manage the speed of change alone—need to be closely integrated with technology such as digital/marketing automation

- There is massive B2B opportunity in this area, which the B2C environment has experienced for a while now

CULTURAL RESISTANCE CAN UNDERMINE THE BEST STRATEGY

- Dealing with change fatigue—aligning employees to change and setting expectations
- Speed of change and what that means to individual roles is seen as a threat rather than an opportunity

“NO MATTER HOW GOOD THE STRATEGY IS, YOU WON’T DELIVER ON IT IF THE CULTURE IS NOT IN PLACE.”

—Head of Marketing and Sales



Coping with the speed of change

TO

MARKETING AND COMMUNICATIONS ARE AGILE AND EQUIPPED FOR CONSTANT CHANGE

Here are some lessons that we heard from leaders...

- Create a future vision, then look at what skillsets/capabilities are needed to get there – address personnel needs after vision is created
- Invest time and money in analytics to learn more about your customer – agile and digitally born companies do this far better than incumbents
- Connect the business and technology – Important to have people understanding both business and IT
- Prioritize decisions that align to the business goals – take risks where it makes sense for the business and the overarching strategy over just saying 'yes' because others are doing it!
- Think beyond traditional approaches – look beyond waterfall methodologies to other processes that are more agile, iterative, flexible and allow for faster and more effective customer-centric thinking to Marketing and Communications teams but also to sales and service functions

“DON'T BUILD A LONG-TERM PLAN, HAVE A LONG-TERM VISION AND BUILD FOR TOMORROW.”

—Forrester

“11% OF ORGANIZATIONS FEEL THEY HAVE THE IN HOUSE TALENT NECESSARY FOR SUCCESS IN THE DIGITAL ECONOMY.”

—MIT Sloan

“PARTNERSHIPS AND ALLIANCES WILL CONTINUE TO BECOME MORE IMPORTANT IN ORDER TO BUILD A TWO-WAY VALUE STREAM.”

—Brand and Corporate Communications Director



Finding the balance between globalization and localization when there is no ‘right way’

Globalization versus hyper-localization is the biggest topic of conversation for most organizations when considering how to redesign or restructure their organizations to deliver the most value to customers. When is centralization better than localized structures and why?

We heard from one leader that the biggest mistake they made was swinging too far to one extreme and hyper-localizing the organization—marketing functions in every local geography were making their own decisions in order to meet local customer needs and trends and adopting their own digital practices. The result was chaos; inefficiencies in spend, varied digital capability building amongst Marketers and Communications practitioners, as well as Sales and Service functions, not to mention disparate communications and lack of unified brand identity and messaging to customers.

The focus here should not be to be completely centralized or localized, but figure out the right balance and what specific functions and activities need to be central versus decentralized.



Finding the balance between globalization and localization when there is no ‘right way’



FROM

BUILDING HIGHLY CENTRALIZED OR DECENTRALIZED MODELS BASED ON SHORT-TERM GOALS

Challenges in the current state that we heard from most leaders...

ONE-SIZE-FITS-ALL APPROACH TO ORGANIZATIONAL DESIGN DOESN'T ADDRESS REGIONAL MARKET NEEDS

- Pressure to pivot from one extreme (decentralization) to the other (centralization) to meet cost/growth pressures
- Lack of structure/systems/processes to drive synergies and collaboration with local markets

“GLOBAL MARKETERS IN THE TRADITIONAL SENSE ARE NO LONGER EFFECTIVE—MARKETERS NEED TO BE DEEPLY IN TOUCH WITH THE LANDSCAPE IN WHICH WE OPERATE.”

—Head of Marketing

“IN A PERFECT WORLD, YOU WOULD HAVE A 50-50 SPLIT OF CENTRALIZATION AND DECENTRALIZATION.”

—Marketing and Communications Director

LACK OF FOCUS IN DELIVERING MEANINGFUL EXPERIENCES

- Chaos, confusion, fear and fatigue amongst employees from extreme shifts in organization models
- Lack of global standard for culture and values for employees to live by
- Loss of customer intimacy/relevancy with central/HQ marketers creating global plans

- Keeping up with local trends and the speed of change that varies across markets—markets may vary in how advanced they are with adoption of digital/social
- Challenged in telling a holistic/global brand story that applies to all markets—in a time where digital, customer expectations, market demands are demanding a balance of consistency and relevancy

“CENTRALIZATION IS SIMPLY A METHOD OF SURVIVAL.”

—Head of Marketing and Sales

Finding the balance between globalization and localization when there is no ‘right way’



TO

BUILDING CENTRALIZATION AND DECENTRALIZATION BASED ON WHAT’S RIGHT FOR YOUR BUSINESS

Here are some lessons that we heard from leaders...

“ WE IDENTIFIED LOCAL COUNTRY LEADS AND A BIG PART OF THEIR ROLE IS TO IDENTIFY AND FULFILL TALENT GAPS IN COUNTRY.”

—Marketing and Customer Experience Manager

- Decide on a balance by assessing which business functions are better suited to centralization (e.g. training, analytics) vs. decentralization (e.g. marketing communications) – accounting for customer intimacy that is needed in local markets
- Establish Region/Country-level “CMOs” or leads to drive the connection from Global to the local area and act as core liaisons

- Be cognizant of implications that Marketing changes may have on Sales and Service Functions – centralizing or decentralizing aspects of Marketing and Communications can have a cascading affect on Sales and Service activities that need to be understood and accounted for before making any design changes
- Leverage digital to decentralize and localize in new ways – new technologies/platforms allow an increase in collaboration, sharing, speed, etc.
- Create one face for the brand and establish clear governance so local markets are clear on what can adapt/what can not

“ REGIONAL LEADS WERE ESTABLISHED AS THE CORE LIAISON BETWEEN GLOBAL AND LOCAL.”

—Director of Global Marketing and Innovation

- Avoid having Marketers operate in a silo – Leverage collaboration systems/technologies to connect and understand how to support planning and execution. These systems should enable Marketers from different regional markets to connect, but also create clear connections and collaboration points between Marketing and Sales and Service functions to ensure consistent consistency in what the customer experiences from a Marketing versus Sales or Service standpoint

“ COMPLETE CENTRALIZATION OR LOCALIZATION IS NOT THE ANSWER.”

—Head of Marketing

Finding the balance between globalization and localization when there is no ‘right way’



TO

BUILDING CENTRALIZATION AND DECENTRALIZATION BASED ON WHAT’S RIGHT FOR YOUR BUSINESS

HOW TO DECIDE WHEN TO CENTRALIZE VS. LOCALIZE?

Symptoms to identify when you may need to **centralize** certain functions:

- Inadequate talent availability in local markets to create and execute aspects of marketing
- Skillset/capability gaps across the organization that require significant resources/effort to upskill
- Duplication of activities and processes across markets creating inefficiencies and inconsistencies in brand delivery (e.g. brand management, digital/mobile app development)
- Lack of resources (financial/human/program)

Symptoms to identify when you may need to **de-centralize** certain functions:

- Extremely diverse markets and customers (e.g. customer needs, languages, customs, variance in products by market, etc.)
- Significant Region differentiation requiring customization to meet local needs
- Need for agility/speed to respond to local customers (e.g. via social media)
- Local regulatory requirements or government factors
- Desire to increase autonomy to make decisions at a local level (e.g. requires “trust” in marketers)



Advertising is now storytelling, but where are the storytellers?

Many of the Marketing and Communications leaders we spoke with acknowledged that many aspects of traditional/mass advertising are dying a slow death. They told us their brands are under pressure to think of new and better ways to tell their story and engage and retain customers through digital channels. And they talked about learning to change in an era where you can no longer push a message, so their teams need to know how to start a conversation with customers.

This is not to say that traditional methods are going away entirely. Communications practitioners said they need to think long and hard about what methods to use to successfully communicate and stay true to the company brand to customers as well as internally to employees. There is a need to shift from a product focus to understanding the empathetic/collaborative perspective on how consumers operate to then deliver meaningful messages. To break through to today's customer and connect with them in real and meaningful ways, one leader cited the challenges in finding and retaining the right talent—to think beyond traditional capabilities and methods and explore new roles in storytelling.



Advertising is now storytelling, but where are the storytellers?



FROM

TRADITIONAL CONTENT AND ASSET DEVELOPERS

Challenges in the current state that we heard from most leaders...

CONNECTING TO THE CUSTOMER IN REAL AND MEANINGFUL WAYS IS IMPOSSIBLE

- Struggling to gain a single view of customer's TRUE journey – media consumption habits are changing and the customer journey has gotten far more complex/fragmented to understand
- Challenged to deliver quick, nimble and superior customer experiences when processes and partnerships aren't in place to deliver on that promise
- Feeling pressure to think of new/better ways to tell a brand story and engage the customer—this requires a greater level of specialized expertise that marketers don't possess

- Traditional agency models and ways of briefing (e.g. where brand briefs agency, agency develops creative, brand oversees, are no longer effective)
- Balancing the value of brand and history with the “here and now” – a company may have a strong brand with a good history but its about relating it to the present day

“11% OF ORGANIZATIONS FEEL THEY HAVE THE IN-HOUSE TALENT NECESSARY FOR SUCCESS IN THE DIGITAL ECONOMY.”

—MIT Sloan

UTILIZING DIGITAL IN THE BEST WAYS FOR THE ORGANIZATION IS TOUGH TO FIGURE OUT

- Understanding how to integrate digital into marketing campaigns to connect with where customers are – while not having the skillsets, knowledge and experience to effectively accomplish this

Advertising is now storytelling, but where are the storytellers?



TO

OMNI-CHANNEL CONTENT CREATORS AND STORYTELLERS

Here are some lessons that we heard from leaders...

GETTING THE RIGHT TALENT IN PLACE

- Create a future vision then look at what skillsets/capabilities are needed to get there, from a Marketing and Communications standpoint (e.g. more storytellers) and even beyond Marketing (e.g. digital/inside sales roles) to complement the future Digital vision. Lastly, look at who (i.e. what specific individuals will fill those roles.
- Understand and begin to build the key capabilities of a future marketer:
 - Strategic partners
 - Customer strategists/demand generators
 - Storytellers/brand builders

“DIGITAL HAS NO MEANING AS A STAND-ALONE TERM OR PRACTICE. EVERYTHING IS DIGITAL, AND FOR THE MOST PART, PREDOMINANTLY DIGITAL.”

—Head of Marketing

EXPLORE NEW WAYS OF DEVELOPING TALENT

- Create specialized COEs (e.g. Digital, Insights and Analytics, Brand) as training grounds for upskilling employees and then deploying them back into product/business lines
 - This brings product, marketing, and IT teams together to both train and prioritize as one business function

“27% OF BRANDS CLAIM THEY ARE BYPASSING AGENCIES AND ORGANIZATIONS ARE INCREASINGLY WORKING DIRECTLY WITH PRODUCTION PARTNERS.”

—Society of Digital Agencies

“IT WILL BE MORE AND MORE IMPORTANT TO TELL A GOOD STORY ABOUT/WITH YOUR BRAND—TAKE A STANCE—HAVE A POINT OF VIEW.”

—Head of Marketing

“BRAND IS ABOUT WHAT YOU DO—SUCH AS BEING ENGAGED IN PROJECTS OUTSIDE OF THE BUSINESS LIKE TECH, SOCIAL RESPONSIBILITIES, ETC. WHAT MATTERS IS WHAT'S BEHIND THE BRAND, NOT THE HISTORY.”

—Brand and Corporate Communications Director

CREATE PARTNERSHIPS TO ENHANCE OFFERING

- Turn capability weaknesses into strengths through partnerships between organizations or with agencies and product partners
- Rethink the traditional approach to creative strategy and development—create experiences through movies or TV production as a way to build a POV

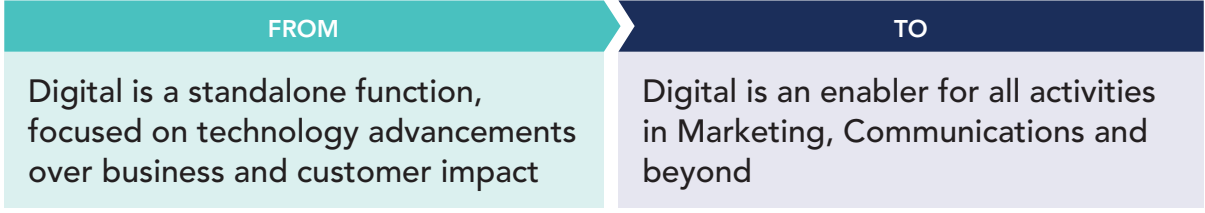


Being digital (even if you weren't born digital)

A number of Marketing and Communications leaders we spoke to shared their frustrations with the the two-steps-forward, one-step-back progress to shift from doing things in a digital way to living as a digital entity. How do you embed digital into the DNA of the company if you aren't born digital like Airbnb and Amazon? How do you keep up with the changing expectations and demands of digitally native customers and employees?

To state the obvious, digital is a critical part of how customers interact with a brand in todays environment. So the integration of digital has become an expectation in the total brand experience of customers.

One Marketing leader we spoke with shared that while it's important to integrate digital into your DNA, it's also important to keep sight of what your brand should stand for and not try and copy the pure play online players. Digital is a tool and channel to become more efficient in what you are doing—it cannot become everything you are doing.





CHALLENGE 4

Being digital (even if you weren't born digital)

FROM

DIGITAL IS A STANDALONE FUNCTION, FOCUSED ON TECHNOLOGY ADVANCEMENTS OVER BUSINESS AND CUSTOMER IMPACT

Challenges in the current state that we heard from most leaders...

DIGITAL ADOPTION DOES NOT JUST MEAN BUY THE TECHNOLOGY

- Different definitions of what being digital means and people aren't aligned
- Just looking at the technology is only half of the equation and will not result in the desired impact—need to find ways to break down siloes to integrate IT and Marketing
- Capability and skill gaps makes it overwhelming for employees to grasp and embrace new technologies and digital change
- Pressure to incorporate digital into product/service offering and overall ecosystem has intensified

“DIGITAL IS NO LONGER A STAND-ALONE FUNCTION, IT ACTS AS AN ENABLER FOR OTHER ACTIVITIES.”

—Head of Marketing

LACKING THE VOICE OF FRONT-LINE EMPLOYEES

- Front-line employees (from sales, service, customer support, etc.) are not involved in transformation initiatives resulting in a key voice being left out of the conversation—the customer
- Disconnect exists between how advanced leadership perceives the company's digital culture to be as opposed to the employee's perspective
- Missing emphasis on thinking through the employee lens to drive vision against targets to allow for the vision to be actionable
- Resistance to change stems from fear of unknown and mistrust from leaders

“TECHNOLOGY IS ALLOWING FOR BUSINESSES TO CROSS BORDERS CREATING VALUE ADDED OPPORTUNITIES OUTSIDE OF THE USUAL VALUE POOL.”

—IT Manager

“BEING DIGITAL MEANS DIFFERENT THINGS TO DIFFERENT PEOPLE.”

—EVP Global Communications



Being digital (even if you weren't born digital)

TO

DIGITAL IS AN ENABLER FOR ALL ACTIVITIES IN MARKETING, COMMUNICATIONS AND BEYOND

Here are some lessons that we heard from leaders...

- Establish a digital vision – need to have management/executives aligned and building the digital vision with you every step of the way – they need to understand the importance of digital
- Start with the customer journey, not the digital journey – understand the experience of the customer first, and how digital can fit into that to make it better
- Re-evaluate the go-to-market/business model, not just the media or marketing strategy – marketing is poised to drive the conversation on how business models need to change and how marketers need to do things differently for customers
- Bridge online and offline customer journey – customers don't think of their digital experience as separate from offline encounters, so businesses shouldn't either
- Integrating digital and IT with marketing
 - Upskill/ensure employees are equipped with business and IT skillsets – need a mix of both – but with a customer-oriented mindset
 - Consider holistic change by integrating digital into current processes (e.g. integrate into marketing planning processes, ways of working/collaborating) – not just digital transformation for the customer but also for the employees

“ A DIGITAL TRANSFORMATION PLAN NEEDS TO BE ALIGNED TO THE NEEDS OF THE DIGITAL CUSTOMER— WE NEED TO CONVINCЕ SOMEONE TO CARE BECAUSE WE WILL PROVIDE AN OVERALL BETTER EXPERIENCE.”

—Head of Mobile Marketing

“ WE ARE NOT TRYING TO BECOME A DIGITAL COMPANY AT OUR CORE—BUT RATHER FIND HOW WE CAN INTEGRATE IT INTO OUR EXISTING DNA.”

—Marketing and Customer Experience Manager



Injecting data into every decision

In our interviews, the Marketing and Communications leaders shared their desires—and challenges— with embedding data driven behaviour into how they structure and operate internal teams. Universally, there is a desire to know how every step of the end-to-end process—from strategic and investment decisions, to targeting and message development, to tactical implementation—can be made better with data.

One leader spoke about the critical need to diversify teams with analytics experts, because without automation and data scientists, the customer may never even see the “good creative” that you develop. It all comes down to the never ending goal of getting the right message, to the right audience, at the right time, through the right channel—now with greater levels of data-driven precision on a mass scale.

But just adding data scientists to the team is not enough; it also means a massive shift in structures and processes of Marketing and Communications functions, plus the need to upskill the workforce to apply data and insight into how they make decisions for the business. Will better efficiency and effectiveness pay for this organizational disruption?



Injecting data into every decision



FROM

HISTORIC RESULTS DRIVEN DECISION MAKING

Challenges in the current state that we heard from most leaders...

SKILLS/CAPABILITIES ARE MISSING

- Marketing teams are struggling to adapt to a data driven approach, as the skills and capabilities necessary for today's insight-fueled marketing are vastly different than those of yesterday's communication-focused marketers
- Lack of focus on having the right data people with the right skills can result in the collecting the wrong data or having the wrong focus (e.g. focusing on measuring activity not outcomes, being overly focused on benchmarking when the focus needs to be on improving the customer experience)

“WITH DATA BEING SUCH AN IMPORTANT PART OF A MORE DIGITAL APPROACH TO MARKETING, THE SKILLS WE LOOK FOR ARE VERY DIFFERENT THAN BEFORE.”

—Marketing and Customer Experience Manager

PROCESS/SYSTEMS DON'T ALIGN TO BEHAVIORS REQUIRED

- Internal processes don't reinforce the use of data, and thus new habits are not created
- Without identifying stage-gates within internal marketing workflows to inject supporting data or insights (e.g. within new product introduction planning), a data driven mindset is extremely difficult to engrain in marketer behavior
- Organizations focus on short sighted, one-off training techniques that do not equip marketers with the tools to appropriately identify and leverage high quality data and insights in the long-run
- Lack of emphasis on systems that can surface real time data means insight is out of date by the time it hits the executive's table

“IT IS BECOMING TABLE STAKES TO SHARE TECHNOLOGY AND INSIGHTS KNOWLEDGE IN NEW COLLABORATIVE WAYS OF WORKING SO THESE CAPABILITIES ARE NOT LIMITED TO A SINGLE DEPARTMENT.”

—IT Manager

EXECUTIVE ALIGNMENT DOES NOT EXIST

- Leaders underestimate the need to align their teams on the vision and mandate for data-fueled decision making
- Marketers are unable to see how data will grow business, improve performance or deliver a better customer experience, and are less likely to commit to a data-focused approach to marketing
- Lack of systems that can surface real time data means insight is out of date by the time it hits the executive's table



Injecting data into every decision

TO

DATA DRIVEN AND FORWARD LOOKING DECISION MAKING

Here are some lessons that we heard from leaders...

- Break down siloes to enable the organization to join data to tell a holistic story – evolve customer insights from product-focused data towards a holistic understanding of how human beings operate, focused on deeper insights about drivers of customer response and behavior
 - Evolve marketer hiring criteria to ensure your new hires are skilled in data and insight-driven strategy and decision making
 - In the short-term, borrow capabilities of partners and agencies to ensure the required data-drive lens
- Enable insight sharing across the organization
 - set a top down leadership focus on driving a collaborative, horizontal organizational structure and culture to promote insight sharing and ensure all functions have a unified language about the customer
 - Introduce insights-focused KPIs within performance plans to drive lasting data driven marketing behavior
 - Embed marketing and sales technologies and processes that provide the data, analytics and procedures to empower sales people with the right insights on customers, and allow them to input information from the field that gets back to marketers
- Embed a customer insight focus to company performance tracking – use data to look beyond traditional methods of measurement and create an “always on” end-to-end view of product performance (e.g. call centers collecting not only frustrations, but also tracking potential product improvements to leverage in new product introduction decisions)
- Create an insights and analytics COE – create defined, coordinated center of expertise to manage all central analytics and insights needs to ramp up insights driven decision making, facilitate easier sharing of insights and drive a culture of cross-functional data driven decision making

“ **INSTEAD OF COLLECTING INSIGHTS ON HOW TO USE A PRODUCT, IT’S NOW ABOUT GETTING A FUNDAMENTAL UNDERSTANDING OF HOW YOUR TARGET OPERATES.”**

—Head of Marketing

“ **INSIGHTS DON’T COME PURELY FROM AI BUT FROM UNDERSTANDING HOW PEOPLE LIVE. IT’S ABOUT FINDING THE RIGHT BALANCE AND CONNECTING THE DOTS.”**

—Marketing and Customer Experience Manager



**GET
READY**

Tips to transforming your marketing or communications organization to survive in a digital world

Leveraging the tips and experience of the leaders interviewed for this report—coupled with Daggerwing Group’s broad experience helping to transform the practices, structures, capabilities, cultures, and processes of marketing and comms functions—we offer the following 7 practical tips.

Tips to transforming your marketing or communications organization to survive in a digital world

GET
READY

1

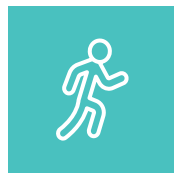


Look at your business through the eyes of your audiences to decide on your digital vision.

In a world where customer needs and expectations are changing faster than your business, the most obvious way to catch up is through digital engagement. Having a clear customer journey orientation to understand all the moments of truth (even those that are not directly owned by Marketing or Communications but extend to sales, service, support, etc.) should factor into digital strategy decision-making.

What do customers want, need and expect at each engagement point? How do we stop interrupting them when they don't want to hear from us, yet be exactly what they need when they do want to hear from us? Customers may want to manage their own journey to purchase without human interaction until the final sale—so let them. Engage all key employees in collectively understanding the world through the lens of the audience from end-to-end before making decisions to put all your budget into brand.com.

2



Don't be focused on doing everything at once—it's a marathon not a sprint.

Even though customers want exactly what they want now, you should consider phasing the changes you want to drive so as not to overwhelm the organization with trying to do too much, too soon. Employee change fatigue is real, and can undermine your progress—particularly if change requires employees to adopt new skills and habits such as data driven targeting, or creating social/mobile content. Having a clear plan to sequence

and order the activities and milestones you want to accomplish is critical, but be prepared to revisit and reorder plans on an iterative basis by building in regular feedback cycles and checkpoints in the process. It may be helpful to remember that employees can only change one habit at a time, so prioritize changes to get them to adopt digital and data-driven skills and behaviors based on the order of importance to business results.

3



Assess what skills and capabilities you have, what you can feasibly build, and what you need to buy or borrow.

The rise of digital and the demands for content generation are leading marketing and comms leaders to re-think what skills and capabilities they need in house versus what to outsource to agencies, freelancers and other partners. For instance, many leaders are increasing speed and savings by bringing video and storytelling content creation in-house. Meanwhile, the scarcity of available data scientists may mean leaders must rely on external partners to fuel predictive analytics in planning. The best advice is to not be constrained by history—and create the right flexible model that works for your organization. But be realistic about whether in-house teams—who may not be as digitally savvy as your customers—can drive the innovation you need at the speed you need it. If your optimal operating model means you are competing for top in-house talent in digital and data, it may mean you need to get HR involved in strengthening your Employer Value Proposition to showcase the career progression advantages you offer.

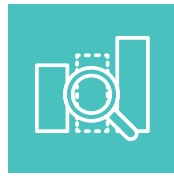
4



Don't try and benchmark your firm's tech capabilities against Google or Amazon.

Some companies audit their digital capabilities against unrealistic examples set by the digital powerhouse firms. The right level of digital maturity for you does not equate to adopting the best-in-class practices of companies that were born digital. It requires a change in the mindset of leaders and employees, supported by the right upgrades/investments in technology. If you are the influencer or decision-maker in martech and digital capabilities, it is best to assess what you need based on your customers, what drives value back to the business and what impacts brand equity and corporate reputation.

5



Do a comprehensive gap analysis and get alignment before your next digital transformation.

Where do you need to invest? What new operating structures do you need? Should you collapse your digital silos into other teams? Start with a clear view of what type of digital and data driven external communications, marketing and commerce you want to be doing over the next 2-3 years and use this desired state as the reference point for a gap analysis. Having all stakeholders onside to develop and align on

‘what great looks like’ as well as agree on the major gaps to be addressed will help you move quickly past the human barriers to making organizational change.

6

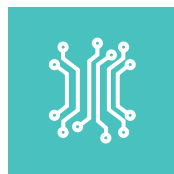


Don't design your transformation in a silo.

Actively engaging a stakeholder team with representation from every business unit is critical to any digital change mission. That will likely include sales, finance, IT, product development and operations—who should already be sharing ‘one truth’ in terms of consistent customer insights that are universally used inside the organization. The best success happens when you engage a taskforce, with different functional leaders and managers from the business to provide input into the design and

strategy to ensure you are considering the needs of YOUR customers and YOUR business practices to drive the most practical digital change. Further, engaging different layers and functions of stakeholders will enable the business to ensure adequate buy-in and adoption to drive successful change and activation.

7



Forcing a digital culture does more harm than good.

Corporate culture is a hot, but misunderstood, topic. Having a more digital culture doesn't mean setting up gaming stations in the lunch room and extending casual Friday to every day. At the same time, you can't ask employees to suddenly be more digital (video conferencing, for instance) than is natural. Your business strategy and purpose define what you want to achieve. Culture is how you get there—it is the set of behaviors and ways of work you need

to have in place across the enterprise. One way to manage digital culture is to match it to the digital life your people have outside the office. If your team is primarily millennials, drive digital culture through “anywhere in real time” mobile-based collaboration tools like Workplace by Facebook—you'll save your team from the dreaded productivity-killing email thread. At the same time, if your team includes front-line workers who are not comfortable with social media and behind in digital capabilities, focus on learning and development to get them up to speed at a personal and professional level.

So... now what?

We know that any change or transformation effort, digital or otherwise, is difficult. Its difficult to plan, implement and sustain. At Daggerwing we help address the human factors that causes these digital change efforts to fail. We act fast to get the C-Suite aligned on the right problems to solve. We act fast on busting through silos. We act fast to close the customer and employee experience gaps that have the greatest impact on growth. And we act fast to mix proven change science and creativity to motivate people to change, faster.

WE HELP OUR CLIENTS...



Realign the organization to be agile in the face of change



Better deliver on the brand promise to customers



Activate culture to improve business results



Engage and equip employees to deliver customer value

Learn more at daggerwinggroup.com or contact

Anika Latif • Principal
alatif@daggerwinggroup.com

Kieran Colville • Principal
kcolville@daggerwinggroup.com