Inspire Customers With Emotionally Engaging Content

Contextual Relevance Sparks An Emotional Connection

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Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

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Executive Summary

In the age of the customer, it is critical for digital marketers to develop and deliver content that is tailored to individuals. This content needs to be contextually relevant and dynamically adapt to changes in the customer life cycle to resonate with the customer's purchase intent.

In December 2015, Persado commissioned Forrester Consulting to evaluate the extent to which marketers apply intelligence from analyzing behavioral and attitudinal data to develop content that is more closely aligned with a customer's emotional decision-making. Forrester further developed a hypothesis to test the assertion that marketers need to go beyond "surface-level personalization" and use content generation technologies to develop a deeper emotional connection with customers.

> **There is now an opportunity for marketers to develop content that is more closely aligned with a customer's emotional decision-making.**

In conducting in-depth surveys with 100 global marketing professionals in charge of the digital practice and 300 US consumers who go online at least weekly, Forrester found that marketers aren't as good as they think they are. While these companies are capturing behavioral and attitudinal data, they face many challenges with implementing this type of data to create content. Consumers confirm the disparity. Forrester found that consumers rate brands poorly when it comes to understanding their emotions and sending them targeted messaging or offerings.

KEY FINDINGS

Forrester's study yielded three key findings:

› **There is a discrepancy in the way marketers see themselves and their actual abilities.** Marketers claim they are very satisfied with their ability to leverage behavioral and attitudinal data to glean insights for developing more relevant content. However, they admit to facing numerous challenges with creating, updating, and measuring the effectiveness of this content. They also fail to understand the emotional triggers that will inspire their customers to interact with them. To top it off, consumers are dissatisfied with brands' ability to understand the emotions that will inspire them to interact, transact, and communicate with brands.

› **Marketers plan to implement a variety of analytics technologies and automated content creation tools.** Many marketers plan to invest in an automatic content generation solution that allows them to improve messaging based on a deeper understanding of customer emotions through behavioral and attitudinal data.

› **Marketers realize the value of automating content creation.** Marketers would like to automate many parts of content creation, and they expect to realize a variety of benefits as a result of automating this process, including easier content creation and maintenance, boosted agility through ease of scale and real-time adjustments, and improved customer metrics as a result of more impactful content.

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Marketers Are Missing The Mark With Personalization

What is personalization? For some marketers, it means greeting returning customers by name or creating website versions for different segments of visitors. But in a world where customers have access to your products — and those of your competitors — at the tips of their fingers, you need to step away from surface-level personalization and practice contextually relevant marketing to get individual customers' attention. Forrester defines personalization as:
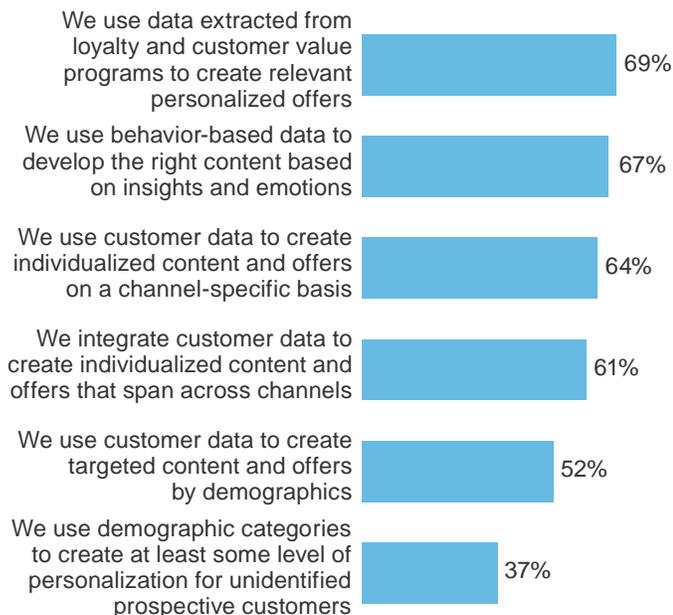
The ability to present customers with relevant products and offers that accurately reflect their stated and unstated needs.[1]

Contextual relevance should be a goal for every marketer. To accomplish this, your brand needs to understand the emotions that will inspire your customers to interact and transact with you.

FIGURE 1
Personalization Techniques

"Which of the following best describes your organization's approach to personalized marketing?"
(Select all that apply)

We use data extracted from loyalty and customer value programs to create relevant personalized offers	69%
We use behavior-based data to develop the right content based on insights and emotions	67%
We use customer data to create individualized content and offers on a channel-specific basis	64%
We integrate customer data to create individualized content and offers that span across channels	61%
We use customer data to create targeted content and offers by demographics	52%
We use demographic categories to create at least some level of personalization for unidentified prospective customers	37%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

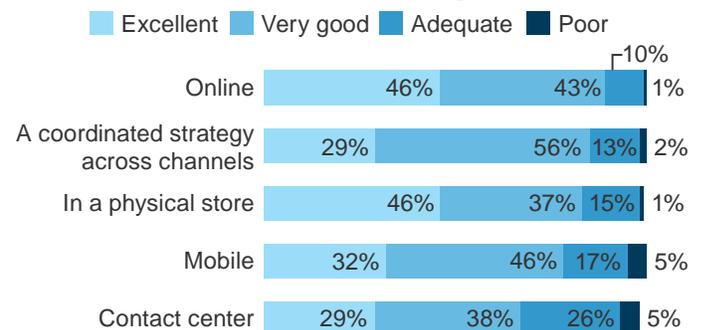Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

To be successful in the age of the customer, improving customer experience should be at the top of marketers' priority list. Instead, only 28% of marketers surveyed are placing a high priority on improving the customer experience through personalization in the next 12 months. In fact, most marketing professionals claim they have established a variety of techniques to help with personalization (see Figure 1), such as extracting data from loyalty programs, leveraging customer data, and creating individualized content on specific channels or across channels. Although marketers have the perception that they are succeeding, consumers disagree. Only 18% are very satisfied with brands' ability to send them personalized offers or content on different channels.

Up to 89% of marketers surveyed also believe they are excellent or very good at using behavioral and attitudinal customer data to create the right content (e.g., offers) based on insights and emotions across channels (see Figure 2). But consumers disagree. Only 15% of consumers surveyed are very satisfied with brands' ability to understand the emotions that will inspire them to interact, transact, and communicate with brands. In fact, up to 58% of consumers rated brands' ability to make their offering resonate on an emotional level as poor, regardless of the channel brands use to reach them.

FIGURE 2
Personalization Across Channels

"How would you rate your organization's ability to use behavioral and attitudinal customer data to create the right content (e.g., offers, etc.) based on insights and emotions across the following channels?"

Excellent ▪ Very good ▪ Adequate ▪ Poor

	Excellent	Very good	Adequate	Poor
Online	46%	43%	10%	1%
A coordinated strategy across channels	29%	56%	13%	2%
In a physical store	46%	37%	15%	1%
Mobile	32%	46%	17%	5%
Contact center	29%	38%	26%	5%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

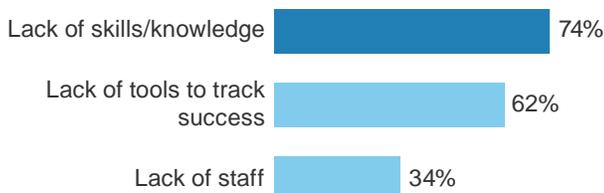(percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

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In reality, marketers face many challenges with content creation today (see Figure 3):

› **Keeping up with demand for content across channels.** As new channels emerge, brands must create fresh, channel-specific content that appeals to consumers wherever they are. But keeping up with content creation across channels is challenging, and it tops the list of issues for 60% of marketers. And for 81% of marketers, it's a struggle to scale this content across channels.

› **Having low speed-to-market.** As a result of the volume of content brands need to generate, delivering relevant messaging and offers quickly is a challenge for 57% of marketers. Another 73% are unable to create content optimized for audiences in real time.

› **Understanding the relevance of content to specific campaigns.** Half of the marketers surveyed struggle to understand whether the content they've created is relevant to their marketing campaigns. This means they lack the tools they need to ensure they are creating the right content.

› **Measuring the impact of content creation.** While content creation itself can be difficult, assessing the success of the content is also a hurdle for 43% of marketers surveyed. Additionally, 79% of marketers face challenges when they try to measure the effectiveness of discrete elements of marketing creative prior to deployment. Marketers admit that they lack the skills, tools, and staff required to measure the success of their messaging and content creation (see Figure 4).

FIGURE 4
Challenge With Content Metrics

"What challenges do you face with measuring the success of your messaging and content creation?"
(Select all that apply)

Lack of skills/knowledge	74%
Lack of tools to track success	62%
Lack of staff	34%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

› **Producing engaging content that moves people to act.** Thirty-nine percent of marketers have difficulty creating content that moves customers to interact, transact, and communicate with them. As a result, 59% of marketers have difficulty producing data-driven marketing messages. Part of the issue is that marketers are relying on human input to create content. In fact, 77% of marketers have trouble utilizing machine learning to reliably inform future campaigns. One marketer from this study said:

> "We don't do a good job at understanding customers' intent to buy and then using this data to improve the relationship between them and us."
> — *Marketer, US*

› **Leveraging behavioral and attitudinal data to create emotionally engaging content.** Despite their claims, almost 40% of marketers struggle to make sense of behavioral and attitudinal data and use it to create emotionally intelligent content that resonates with consumers. When we take a closer look at the data, we find that 65% of marketers struggle to employ emotional marketing effectively. As one marketer put it:

> "We need to better use behavioral and attitudinal data to understand the customer's mood and then construct messages based on these insights and emotions."
> — *Marketer, UK*

› **Identifying behavioral drivers of consumers.** Over 30% of marketers face challenges with understanding what will inspire consumers to interact with their messaging and what sort of content will inspire them to purchase.

› **Using emotionally engaging content.** For about 30% of marketers, creating content that is emotionally engaging is yet another issue. While most consumers are willing to share personal data to receive more personalized messaging, over half of them (53%) agree that brands do not use emotionally engaging language that resonates with them.

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FIGURE 3

Marketers Face Many Challenges With Content Creation

"What challenges do you face with content creation today?"
(Select all that apply)

Challenge	%
Keeping up with demand for more content across more channels	60%
Low speed-to-market	57%
Understanding whether the content we created is relevant to our marketing campaigns	50%
Measuring the impact of content creation	43%
Producing engaging content that moves people to act	39%
Leveraging behavioral and attitudinal data to create emotionally engaging content	37%
Using emotionally engaging content	31%
Ineffective targeting and optimization of content	31%
Applying learnings to future campaigns	29%
Identifying behavioral drivers of customers	28%
Lack of data to understand which language elements drive engagement	17%
Limited scope of message exploration	14%

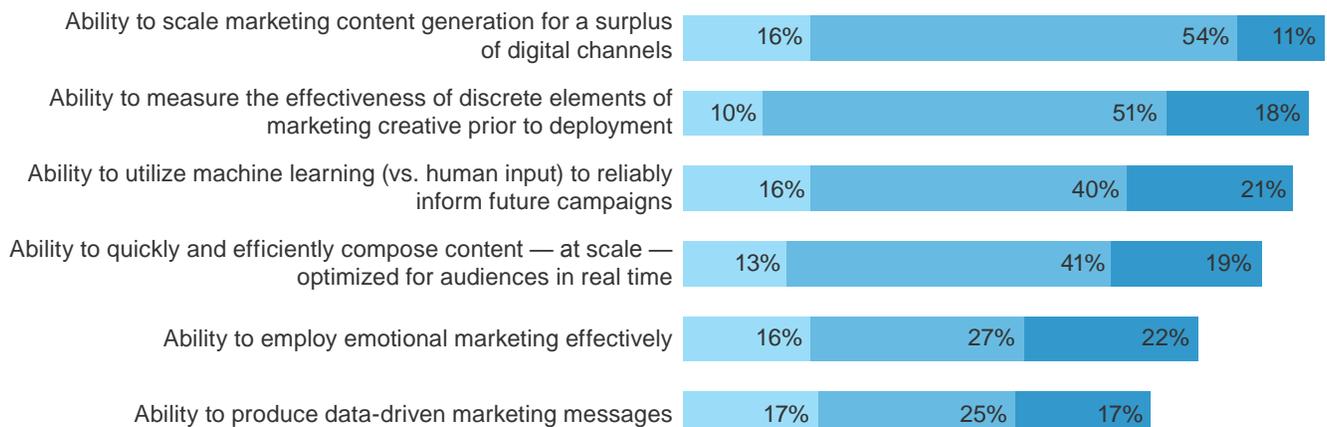**"How challenging are the following for your organization?"**
(Please rate on a scale of 1 to 5, where 1 = not challenging and 5 = very challenging)

Legend: Somewhat challenging | Challenging | Very challenging

	Somewhat challenging	Challenging	Very challenging
Ability to scale marketing content generation for a surplus of digital channels	16%	54%	11%
Ability to measure the effectiveness of discrete elements of marketing creative prior to deployment	10%	51%	18%
Ability to utilize machine learning (vs. human input) to reliably inform future campaigns	16%	40%	21%
Ability to quickly and efficiently compose content — at scale — optimized for audiences in real time	13%	41%	19%
Ability to employ emotional marketing effectively	16%	27%	22%
Ability to produce data-driven marketing messages	17%	25%	17%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016
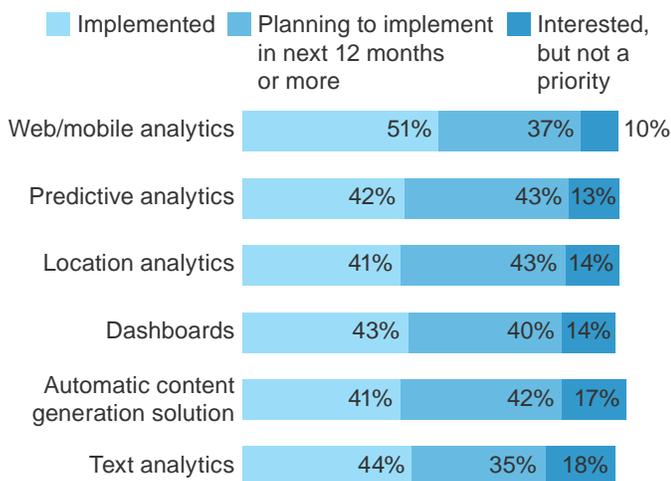
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Marketers Must Step Up Their Content Game

Marketers claim they are satisfied with all aspects of their content creation. But they contradict themselves with the numerous challenges they face when creating content that inspires customers to interact and transact with them. Marketers now have an opportunity to apply intelligence on behavioral and attitudinal data that is more closely linked with a customer's emotional decision-making to develop the right content based on insights and emotions. Data from this study suggests that marketers plan to implement a variety of technologies and techniques to better understand customer data (see Figure 5). About 40% of marketers plan to implement analytics technologies to better understand and anticipate customer behavior. These technologies include digital intelligence tools like web and mobile analytics, as well as analytical techniques such as predictive modeling.

> **FIGURE 5**
>
> **Marketers Plan On Using A Variety Of Technologies To Improve Understanding Of Customer Data**

"What are your organization's plan to use the following technologies/techniques to understand customer data?"

Legend: Implemented | Planning to implement in next 12 months or more | Interested, but not a priority

	Implemented	Planning to implement	Interested, but not a priority
Web/mobile analytics	51%	37%	10%
Predictive analytics	42%	43%	13%
Location analytics	41%	43%	14%
Dashboards	43%	40%	14%
Automatic content generation solution	41%	42%	17%
Text analytics	44%	35%	18%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

(not all responses shown)

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

Marketers further plan to use more advanced location and text analytics in order to gain deeper insights into the context driving customer interactions.

Forty-two percent of marketers also plan to invest in a content generation solution that allows them to improve messaging based on a deeper understanding of customer emotions through behavioral and attitudinal data. In fact, marketers would like to automate many parts of the content creation process, including:

> **Text creation and image selection.** Creating and updating content for each channel can be very time-consuming for marketers. Unsurprisingly, 65% of marketers primarily want to automate text creation and image selection.

> **A/B and multivariate testing.** Testing content can help marketers improve conversion goals. But executing these tests requires significant visitor traffic, which can take a while. To accelerate speed-to-market, 57% of marketers in this study would like to automate this part of the content creation process.

> **Production workflows.** Content creation is a collaborative exercise that could involve multiple brand marketers, channel owners, and external agency resources. The right technology enables these people to focus on creativity, not the underlying processes, and 54% of marketers are counting on such solutions to support creative production work streams.

> **Approvals.** Collaborative production workflows miss a step if they do not include approvers as collaborators. Forty-nine percent of the marketers in this study recognize that approvals are an integral part of content automation.

> **Templating.** Dynamic, real-time content assembly requires marketers to rethink content creation. They must now develop branded templates and modular content elements, and 31% are looking for technology to automate the myriad permutations of content combinations required to meet individual customer requirements. It's apparent that marketers can use all the help they can get. As one marketer put it:

> "We do not have skilled employees across all departments, so any feature that can be automated is good for us."
> — *Marketer, US*

MARKETERS BENEFIT FROM AUTOMATING CONTENT CREATION

Marketers expect to realize a variety of benefits as a result of automating content creation (see Figure 6). They anticipate:
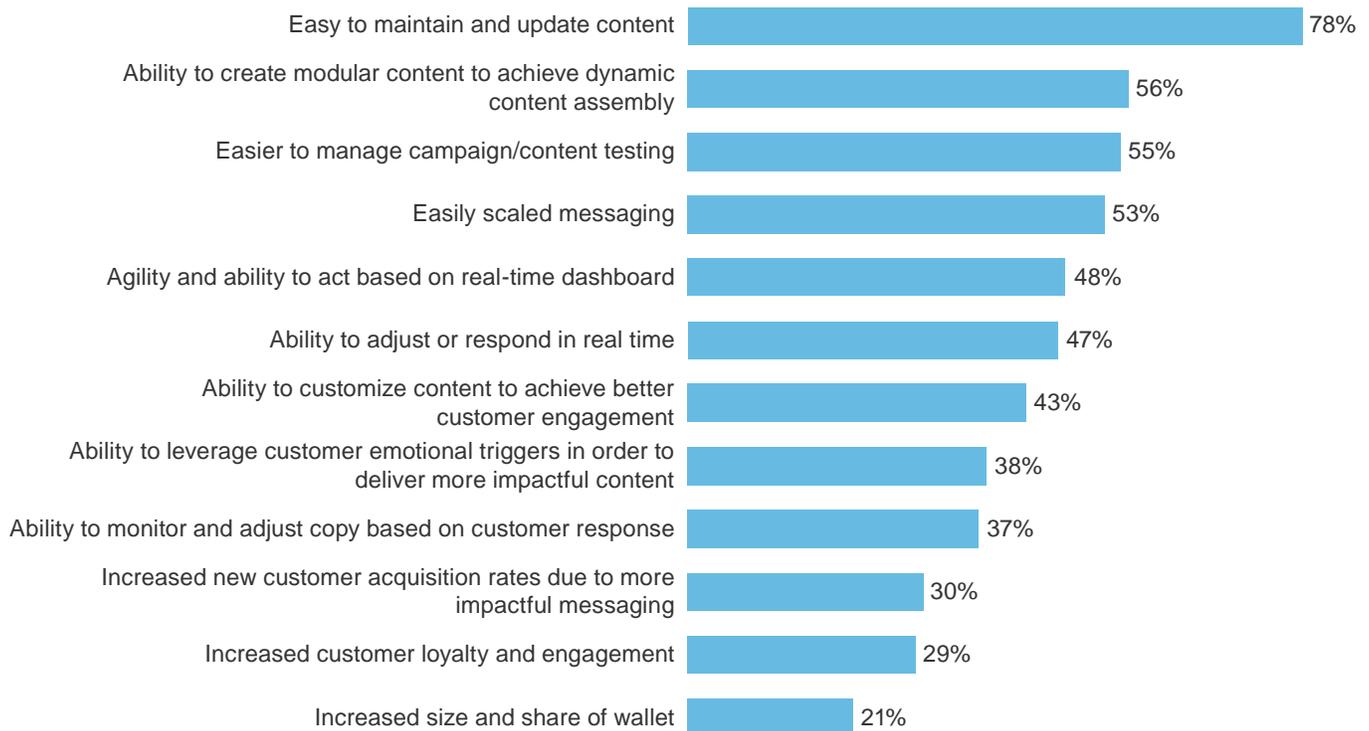
› **Easier content creation and updating.** The primary benefit that 78% of marketers expect to realize is content that's easier to maintain and update. They also believe they'll be able to understand their customers' emotional triggers and thus deliver more impactful offers and information. Fifty-six percent anticipate being able to create content that's modular and allows them to assemble content dynamically.

› **Boosted business agility.** Marketers expect to benefit from automated content creation by being more nimble with scaling content, responding in real time, adjusting copy based on customer response, and managing campaigns.

› **Improved customer engagement.** As a result of automating the content creation process, marketers anticipate better customer engagement through more customized content, increased customer acquisition rates due to more impactful content, increased loyalty and engagement of existing customers, and increased size and share of wallet.

FIGURE 6

Marketers Expect Many Benefits As A Result Of Automating Content Creation

"What benefits do you expect to realize as a result of automating the creation of content?"
(Select all that apply)

Benefit	%
Easy to maintain and update content	78%
Ability to create modular content to achieve dynamic content assembly	56%
Easier to manage campaign/content testing	55%
Easily scaled messaging	53%
Agility and ability to act based on real-time dashboard	48%
Ability to adjust or respond in real time	47%
Ability to customize content to achieve better customer engagement	43%
Ability to leverage customer emotional triggers in order to deliver more impactful content	38%
Ability to monitor and adjust copy based on customer response	37%
Increased new customer acquisition rates due to more impactful messaging	30%
Increased customer loyalty and engagement	29%
Increased size and share of wallet	21%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

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Key Recommendations

Becoming a customer-obsessed organization is an evolutionary process. Marketers can kick-start their journey by adding data and analytics capabilities to better understand customer behavior and attitudes. They can then apply these insights to automate the production of contextually relevant and emotionally engaging content. To succeed in creating sustainable content-driven marketing programs, marketers must:

› **Forge long-term customer relationships.** Competitive differentiation and revenue growth in the age of the customer depend less on upselling customers and more on creating lasting relationships. Marketers must realign their priorities to adapt to this fundamental change and focus on creating content that resonates on an emotional level with their customers.

› **Capture the right customer data to reveal actionable insights.** Data itself is not the problem, as most companies have mountains of it. Translating data into insights to create contextually relevant content is where marketers continue to fail. It is necessary to capture behavioral and attitudinal data, as opposed to logging transactions and interactions. Marketers must then assess potential technologies that will help them not only ingest the right data but turn it into actionable insights to automate marketing processes like content production.

› **Build on core capabilities for more agile customer engagement.** Successful marketing programs aligned with customers' behavior across their individual life cycles do not happen overnight. Marketers need to review their strategies, processes, and resources to ensure they are ready to automate critical orchestration components. Address areas of weakness within these dimensions, and then apply the appropriate technologies for data collection, analytics, and insights-driven content production. This holistic approach will bring you closer to achieving your customer engagement goals.

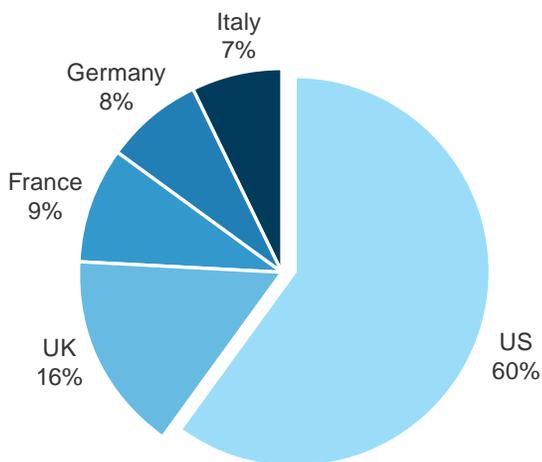**FORRESTER**®

Appendix A: Methodology

In this study, Forrester conducted an online survey of 100 cross-industry organizations in the US, the UK, France, Germany, and Italy to evaluate marketers' content generation challenges. Survey participants included decision-makers at the director level or above in marketing departments involved in digital marketing. Questions provided to the participants asked about their approach to personalization and content generation. Respondents were offered incentives as a thank you for time spent on the survey. The study began and was completed in January 2016.
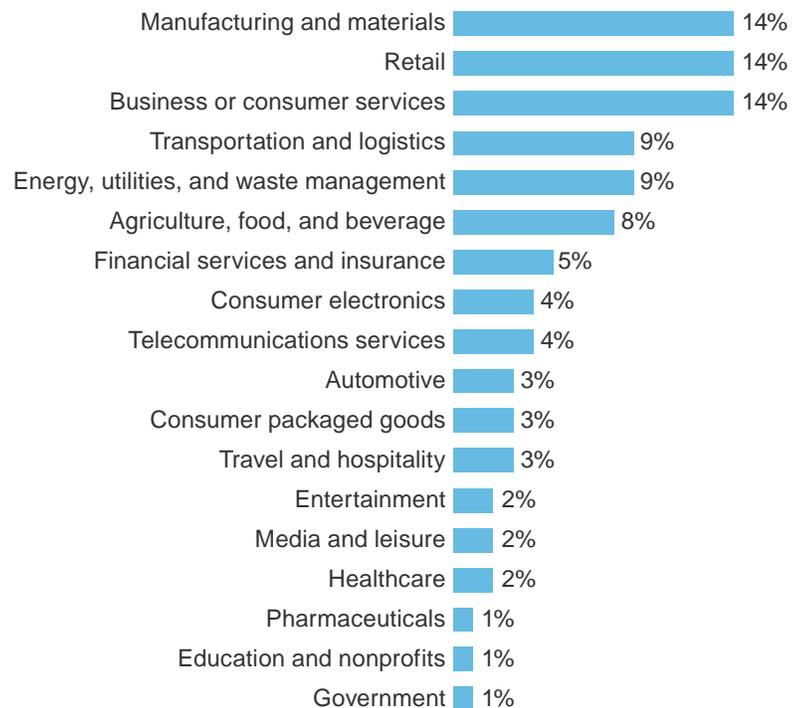
Appendix B: Demographics

FIGURE 7

Demographics: Country And Industry

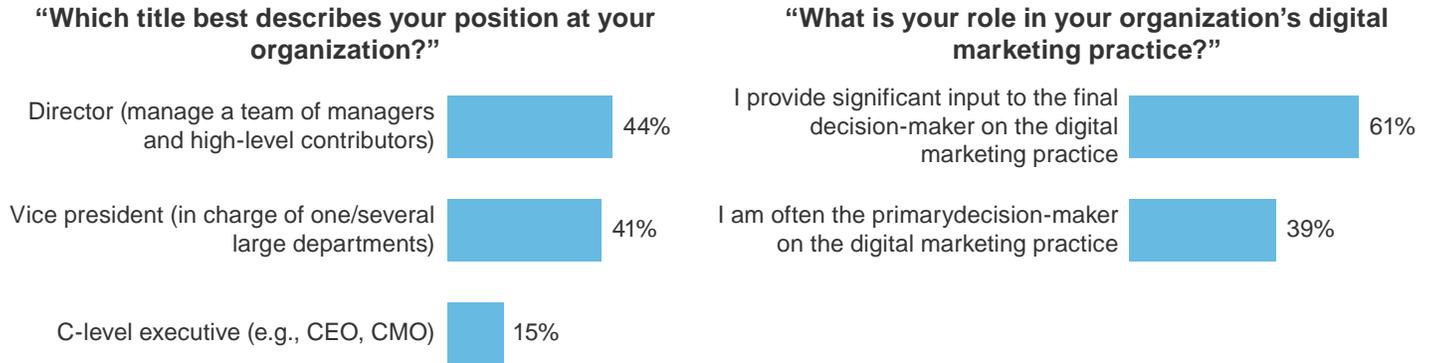**"What types of direct response marketing assets does your company use to reach or communicate with customers?"**

Italy 7%
Germany 8%
France 9%
UK 16%
US 60%

"Which of the following best describes the industry to which your company belongs?"

Industry	%
Manufacturing and materials	14%
Retail	14%
Business or consumer services	14%
Transportation and logistics	9%
Energy, utilities, and waste management	9%
Agriculture, food, and beverage	8%
Financial services and insurance	5%
Consumer electronics	4%
Telecommunications services	4%
Automotive	3%
Consumer packaged goods	3%
Travel and hospitality	3%
Entertainment	2%
Media and leisure	2%
Healthcare	2%
Pharmaceuticals	1%
Education and nonprofits	1%
Government	1%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy (percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

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FIGURE 8

Demographics: Title And Responsibilities

"Which title best describes your position at your organization?"

Director (manage a team of managers and high-level contributors)	44%
Vice president (in charge of one/several large departments)	41%
C-level executive (e.g., CEO, CMO)	15%

"What is your role in your organization's digital marketing practice?"

I provide significant input to the final decision-maker on the digital marketing practice	61%
I am often the primarydecision-maker on the digital marketing practice	39%

Base: 100 marketing directors or above who are responsible for digital practices within their organization in the US, the UK, France, Germany, and Italy

Source: A commissioned study conducted by Forrester Consulting on behalf of Persado, January 2016

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Appendix C: Endnotes

[1] Source: "Use Customer Analytics To Get Personal," Forrester Research, Inc., February 17, 2012.