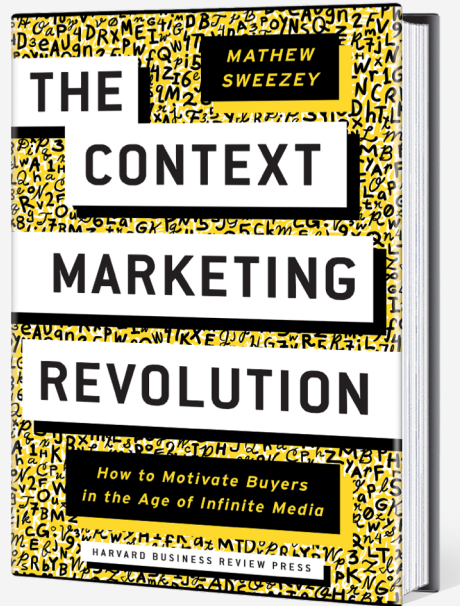


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CONTEXT

The next marketing frontier
right in front of us



Mathew Sweezy

Director of Market Strategy
Salesforce

Author:

Marketing Automation for Dummies (Wiley 2013)

Context Marketing Revolution (HBR 2020)



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A NEW IDEA OF MARKETING

#1 Key Trait of High Performing
Marketing Organizations



4 YEARS OF RESEARCH

- Salesforce *State of Marketing* report
- 16,600 global brands surveyed
- Goal to identify the key traits of high performing marketing organizations
- Both B2B and B2C brands
- New insights unlocking the key secrets of the high performers

10X

High performers are ten times more likely to be significantly beating their direct competition.

#1 Key trait of High Performing Marketing Organizations:

A New Idea of Marketing

- Marketing creates experiences not messages
- Experiences are connected across the entire customer life cycle
- Growth is driven by more than just net new business
- Holds true for both both B2B and B2C brands
- Only 16% of all brands are High Performers.

High Performers Operate from A Transcended Idea of Marketing



RENOVATE

Adopt new marketing tactics



EVOLVE

A shifted focus to **connected experiences**



TRANSCEND

A new **role/scope/function** of marketing

Product-centricity	Role	Customer-centricity
Greater Reach	Creative Focus	Contextual journey
Silo Department	Operation	Decentralized Marketing
Disjointed Tech/Data	Technology	Streamlined Platform
CMO	Leadership	CXO/CGO

New Era = New Idea of Marketing



Mercedes-Benz



TESLA

Age	94	17
Market Cap	\$49.9B	\$144.20B
Ad Cost Per Car	\$926	\$6
Total Cars Sold	86,000	276,000
Business Model	Build > Market > Sell	Market > Sell > Build > Market

Tesla spent $1/150^{th}$ on advertising as Merced's, sold **3X as many cars, had never made an economy car before, and ***the car didn't' even exist when it was sold!*** Tesla is now the number one luxury car manufacturer.

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REVOLUTION NOT EVOLUTION

Let's start with the why!

“

Marketing is a game, and
the rules change based
on the environment.

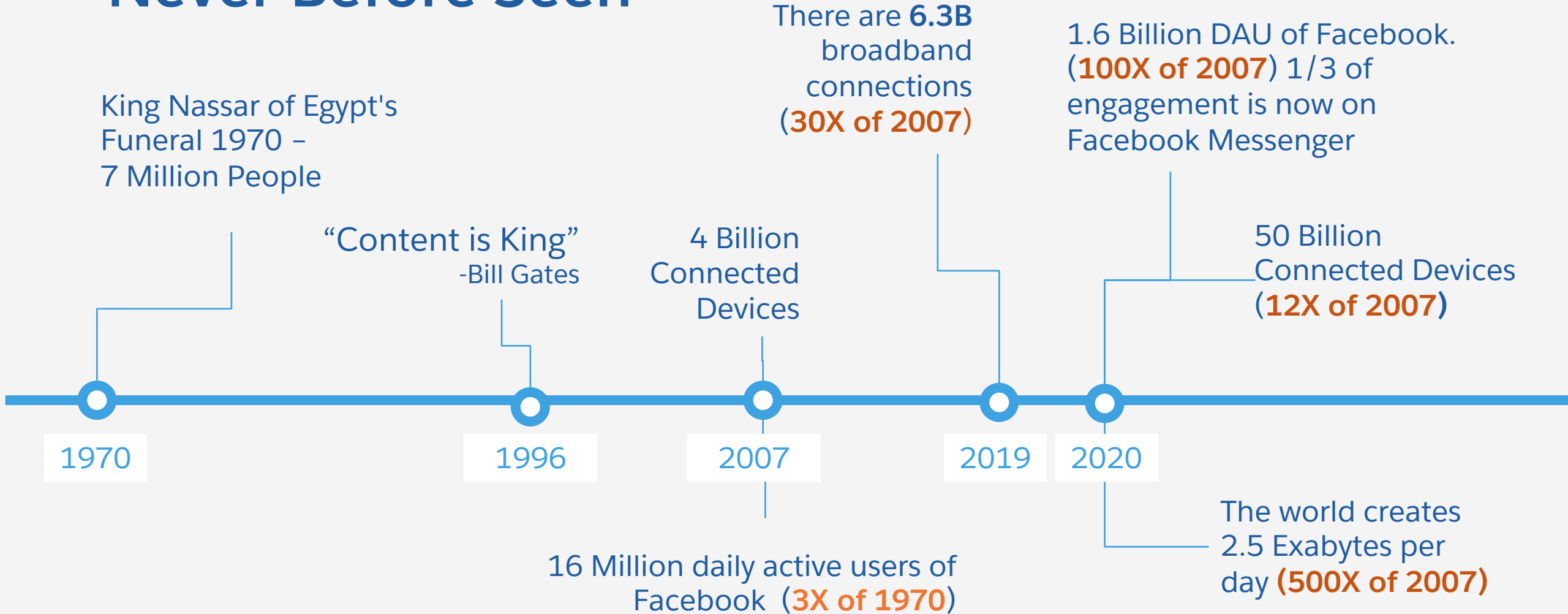
”

- Mathew Sweezey





Current RAC Is At Scales Never Before Seen



King Nasser of Egypt's Funeral 1970 - 7 Million People

"Content is King" - Bill Gates

4 Billion Connected Devices

There are 6.3B broadband connections (30X of 2007)

1.6 Billion DAU of Facebook. (100X of 2007) 1/3 of engagement is now on Facebook Messenger

50 Billion Connected Devices (12X of 2007)

16 Million daily active users of Facebook (3X of 1970)

The world creates 2.5 Exabytes per day (500X of 2007)

This isn't more, it's a New Era



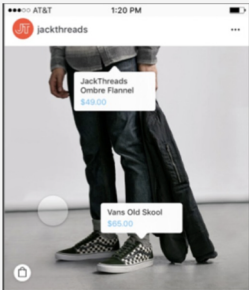
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Speed	Hours	Seconds	Real Time
Connected Devices	0	4B	50B (12x)
Mobile Connections	0	268M	6380M (30X)
Largest Human Gathering	5 Million	16 Million DAU Facebook	1.6 Billion DAU Facebook (100x)
Data Created Per day	Megabytes	.005 Exabytes per day	2.5 Exabytes per day (500x)
Largest Creator of Noise	Brands	Brands	Consumers/Devices
Media Foundation	Mass	Mass Customization	Personal Context

New Media New Rules

This isn't about more media, it is about a totally new world of media. We are just now exploring what is possible in a world of infinite connection, content, and speed.



- Fortnite is creating the FOMO TV used to among Gen Z.
- 10 million logged on for a live concert by Marshmello



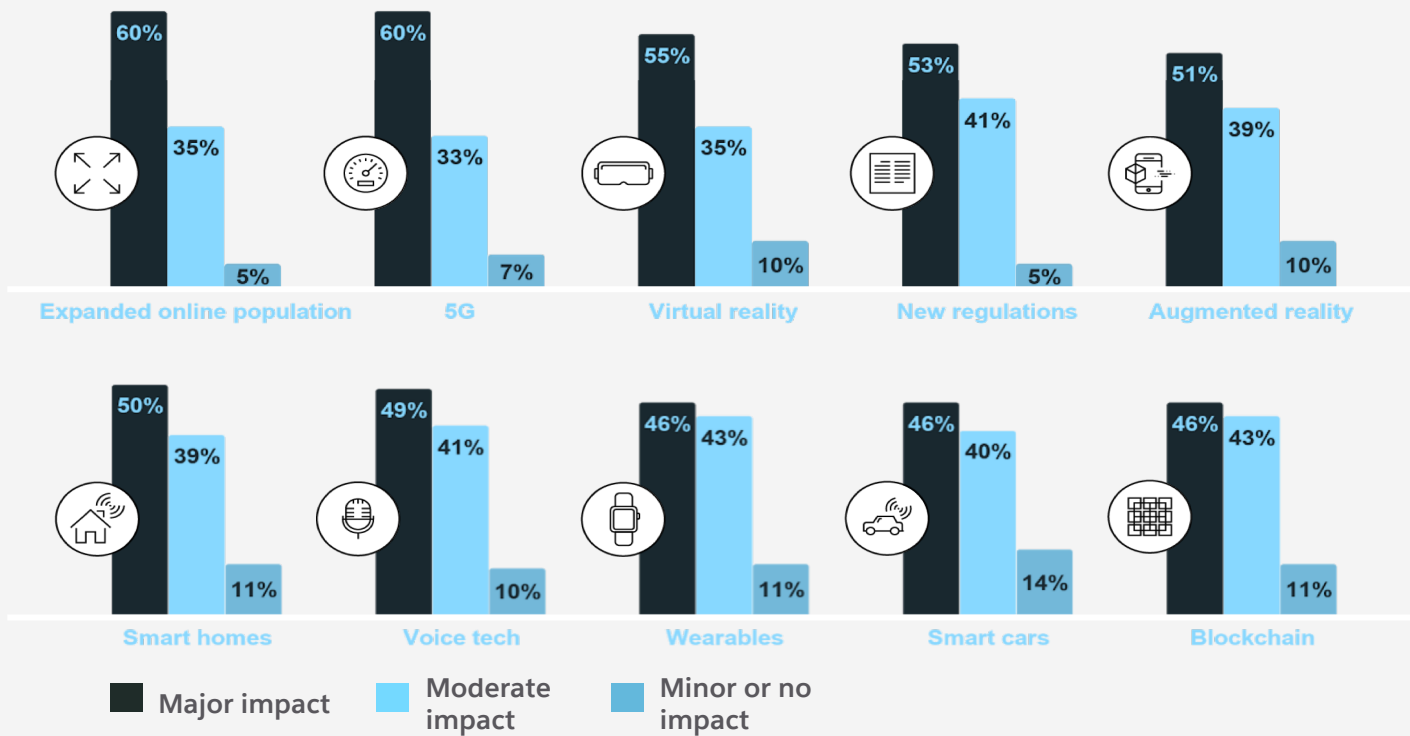
- Social commerce opens up the doors for media to become the new retailers



- TikTok has not time stamp on posts. This allows them to use them in a contextual order.



- New subscription video service designed only for mobile, with all videos under 10 min in length.



Consumers See The Infinite Era as A Revolution!

All buyers see the changes taking place in media, technology, and the world around them as revolutionary.

“The context marketing revolution isn’t about content, social media, ad blocking, or mobility. *It’s about what people derive from instant access, connectivity, and openness.*”

- Mathew Sweezey

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The Post-AI Consumer

A new world has create a new consumer, complete
with new demands

We Are Now Marketing To The Post-AI Consumer

84% of consumers agree the experience is just as important as your product/service.



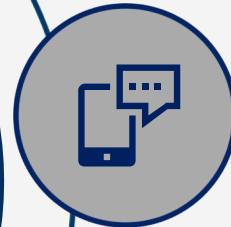
Search

Google search is the largest application of AI in the consumers life. It only shows contextual answers.



Bots

There are expected to be 8 billion digital voice assistants by 2023. That is more than one per person.



Email

All inboxes now use AI to only show you the conversations which matter.



Social

All social feeds are contextual feeds only showing you a tiny fraction of the content created by your network.



Web

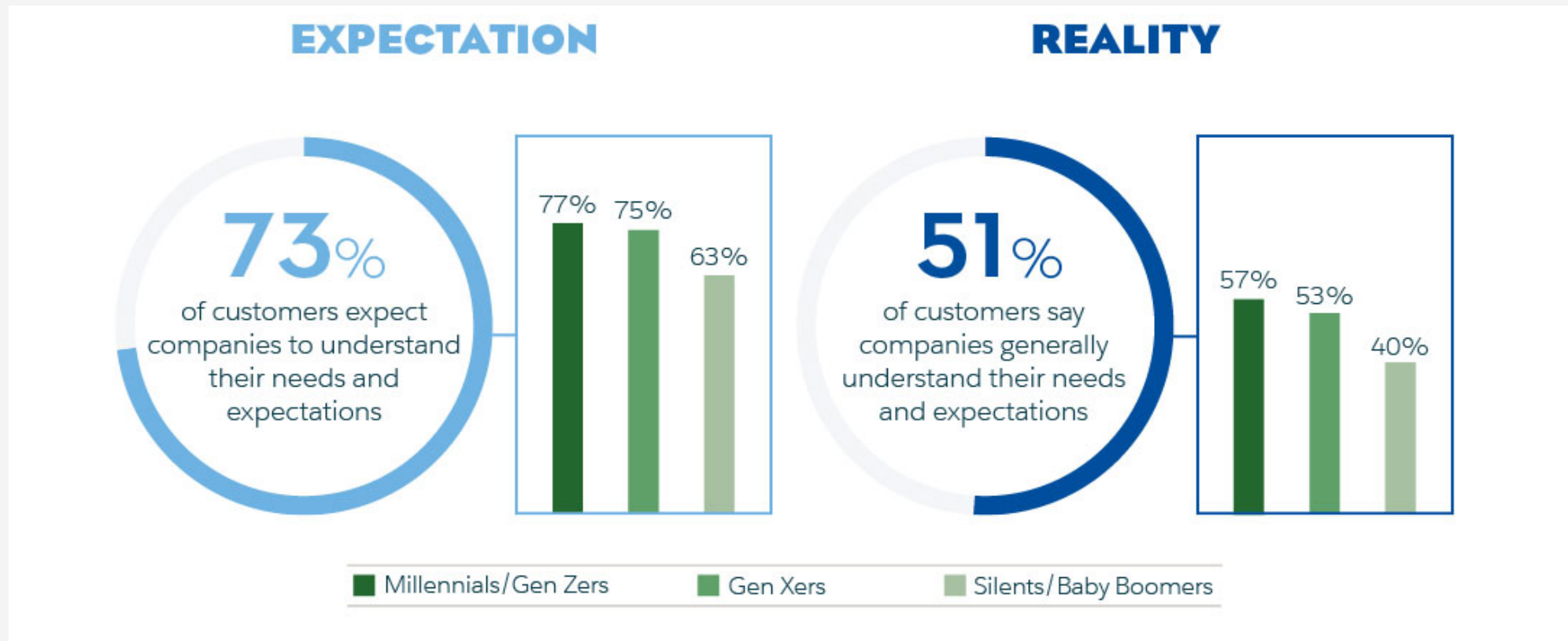
AI already powers the worlds biggest sites. Soon all sites will be headless.



All Ages of Consumers Demand Experiences

The difference between boomers and millennials expectation of experience is only 14%. When we expand that to include specific aspects across 100 questions the delta drops to 12%.

They are also equally disappointed in how businesses are performing.





Business buyers are more affected

	B2B	B2C
The Experience is just as important as the product or service	89%	79%
Technology has made it easier than ever to take my business elsewhere	82%	70%
Technology is redefining my behavior as a consumer	76%	61%
Technology has significantly changed my expectations of how companies should interact with me	77%	58%
Expect the brands they purchase from to respond and interact with them in real time	80%	64%
Will pay more for a great experience	82%	59%



NEW ITEM!

NEW ITEM!

NEW ITEM!

SAVE

SAVE

SAVE 1.00

SAVE 1.00

SAVE 80

SAVE 80

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Searches for:
“Best Toothbrush”
are up 100% YoY

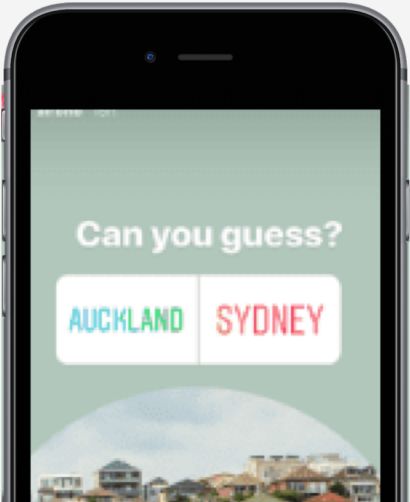
- Google Think



This is Only The Beginning

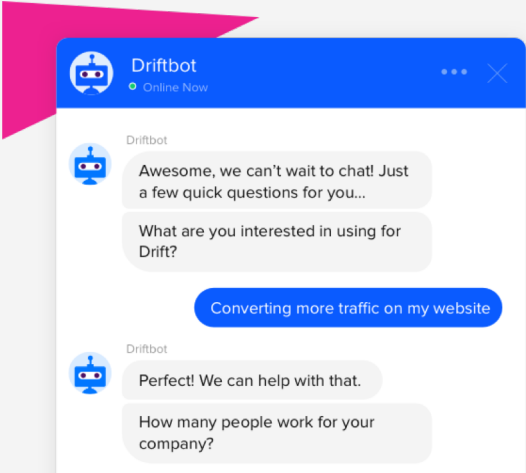
Ephemeral Content

“The Stories format is on a path to surpass feeds as the primary way people share things with their friends sometime next year (2020).”



Voice, Bots, & Messaging

20 billion monthly messages were sent between people and businesses as of 2019, which is **2.5 times more** YoY (as compared to Q2 2018)



Mixed Reality

32 % of consumers use augmented reality, and 73% of mobile AR users reported either high or very high satisfaction with mobile AR experiences



A New Baseline of Experience Has Been Set For All Consumers

We are creatures of habits, and these are the days where new habits are formed.



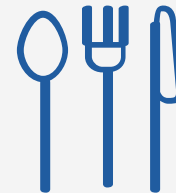
Online Grocery Ordering:

20% more groceries were bought online, than in store for the first time in history.



Ecommerce

eCommerce doubled from 13 percent to 30 percent. It wasn't projected to be that high until 2025.



Online Food Delivery:

Tripled from 6 percent to 20 percent in March 2020.



Video Calls:

MS Team is 2.7 billion meeting minutes per day. That is up from 900 million only two weeks before.



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BREAKING THROUGH

How we break through the infinite
noise is altered by the new media
environment

3 Marketing Myths We Must Give Up

Attention seeking marketing are the games we played in a Limited Media era. Now we are in a new era and these games no longer work.

- 1** The need to be top of mind.
Now it is more important to focus on share of journey.
- 2** No such things as bad press.
Now all reviews and ratings are contextual and served up.
- 3** Right message, Right person, Right time.
Messages are superseded by connected experiences.

Context Becomes The Creative Lens of Marketing

Context is to a moment. When brands are able to understand the goal of the moment, they can then meet the individual in context. Not only breaking through but motivating action. **Give up attention, embrace context.**

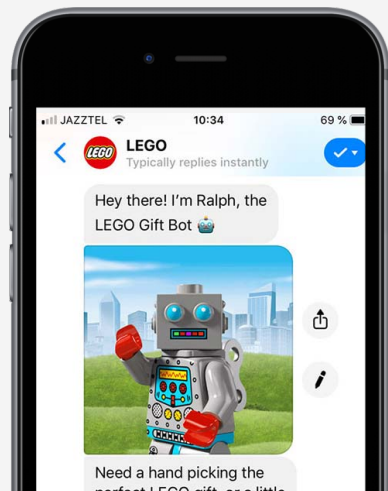
Awareness

99.5% of the posts featuring DW Watches are created by their market.



Consideration

Ralph helped shoppers find the best gift. Average order size 2X of website.



Purchase

IKEA buys Task Rabbit to ease set-up and delivery. Created Place to make it easier to see what fits.



Advocacy

A community of 1.8 Million learners, 1/4 of those using Trailhead have found a new job



TRAILHEAD

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WITH NOT ON

The highest form of value of the
infinite era is direct personal
connection.

“

There are over 600 million
devices with Ad Blocking on
them. That is the largest
consumer boycott in human
history.

”

- Doc Searls, Harvard



SUBMIT YOUR IDEA



FOR THE NEXT OREO CREATION

#MYOREOCREATION #CONTEST



Oreo: Selling out of New Flavors

The 100 year old cookie brand was trying to stay relevant in the new time so they decided to add some new flavors to the mix. Rather than creating them on their own, and pushing ads to tell the world about them, they worked with their market to create the new flavors, creating build in demand for them.

- Created #myoreocreation contest
- Received hundreds of thousands of *OREO* flavor ideas
- Created three new flavors – Pina Colada, Kettle Corn, Cherry Cola
- There was built in demand for the products the moment they hit the shelves



#MYOREO
CREATION
IS GLAZED
DONUT

DEAR, SETH MOFFITT
THANKS FOR SENDING US YOUR IDEA. WE
THOUGHT IT WAS SO DELICIOUS. WE
TURNED IT INTO THIS ONE-OF-A-KIND
CREATION JUST FOR YOU. STRAIGHT FROM
THE WONDER VAULT. ENJOY!

In no way is receiving a sample indicative of receiving a Finalist Prize, nor does it indicate that you will not be considered a Finalist Prize. The distributed samples are for fun and have no outcome on the Finalist decisions/selection.

GP# - KM3651-01 - M3651-18

GLAZED DONUT
OREO COOKIES
ARTIFICIALLY FLAVORED

#MYOREO
CREATION
CONTEST



TRAILHEAD

B2B Case: Salesforce Trailhead

We created Trailhead, a hub for anyone to up skill, join a community, and improve both their business and their career.

- 1.8 Million learners
- 125,000 MAU
- 14,000,000 badges earned
- Customers spend 2X as much
- Customers stay 3X as long
- 1/4 of those using Trailhead have found a new job

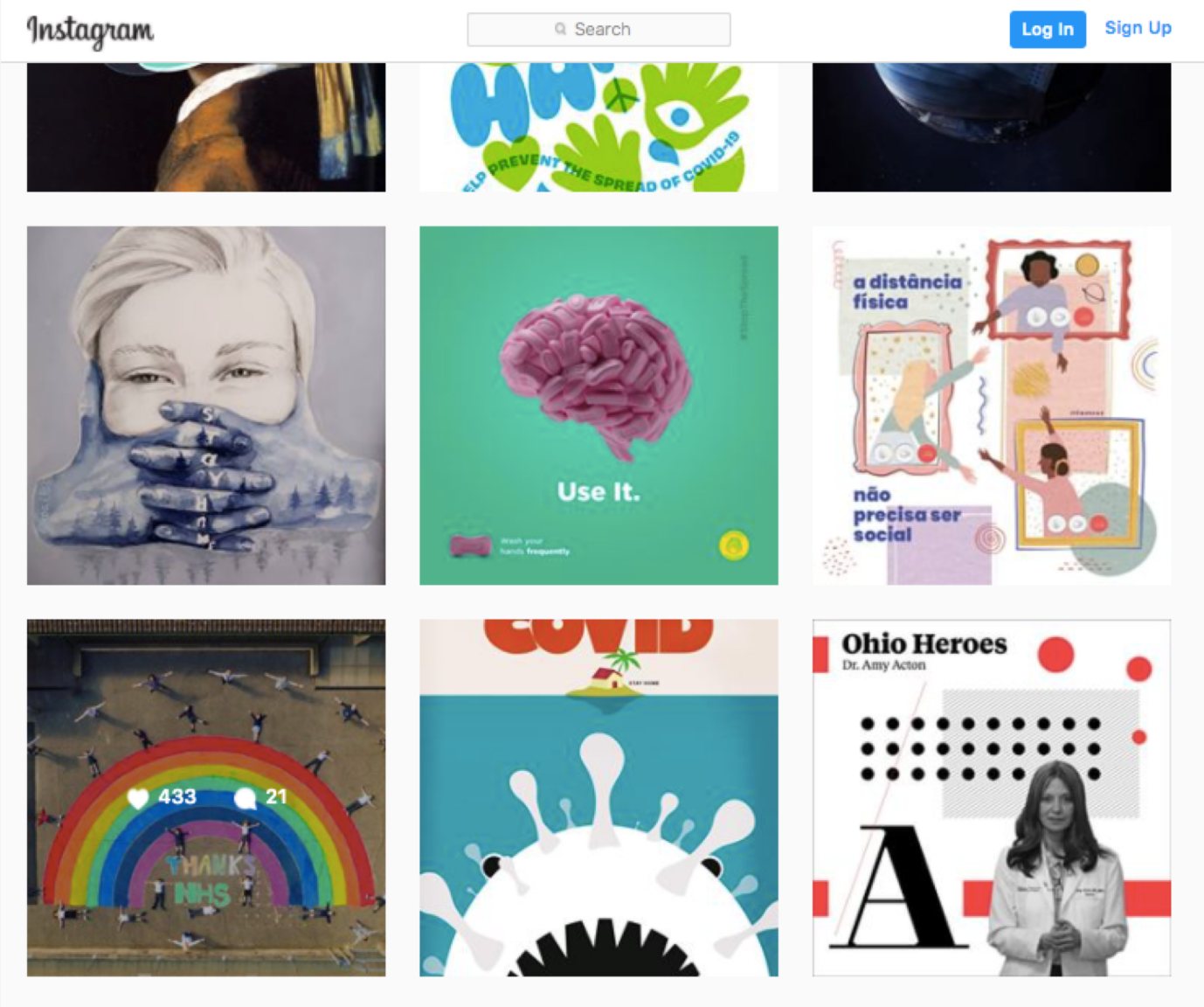


Support Key Stakeholders

Budweiser In Britain Example

Pubs are taking a massive hit as they are not allowed to be open. So Bud has created a program where they have created gift cards asking patrons to pre-purchase drinks ahead of their eventual post-coronavirus reopening..

Bud will match all purchases up to \$1M pounds.

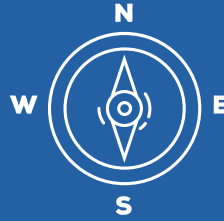


UN Works With Creators to Make 13k Pieces of Content

COVID created a unique situation for the UN. They needed to get a lot of messages out and needed a more efficient way to do it. So they asked their artists for a hand. They got back 13k pieces of content.

Their goal: 'We want to flood media channels'

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A NEW APEX OF DIRECT MARKETING

The infinite era brings along new possibilities and a new apex of direct marketing



Apex of Direct Marketing Over Time

Analog Era	Digital Era	Infinite Era
<p data-bbox="129 651 733 739">One-to-Many:</p> <p data-bbox="129 761 733 891">One brand message to all.</p> <p data-bbox="206 986 657 1033">EX – Print, Radio, TV</p>	<p data-bbox="899 651 1437 739">One-to-One:</p> <p data-bbox="927 761 1409 891">One message to one person.</p> <p data-bbox="907 986 1429 1106">EX - Personalized email, Programmatic ads.</p>	<p data-bbox="1640 651 2456 739">Human-to-Human:</p> <p data-bbox="1640 761 2410 891">One person to another on the brands behalf.</p> <p data-bbox="1640 968 2354 1076">EX – Influencer, Personal Brand, Advocate marketing.</p>



RELIABLE SOCIAL REACH

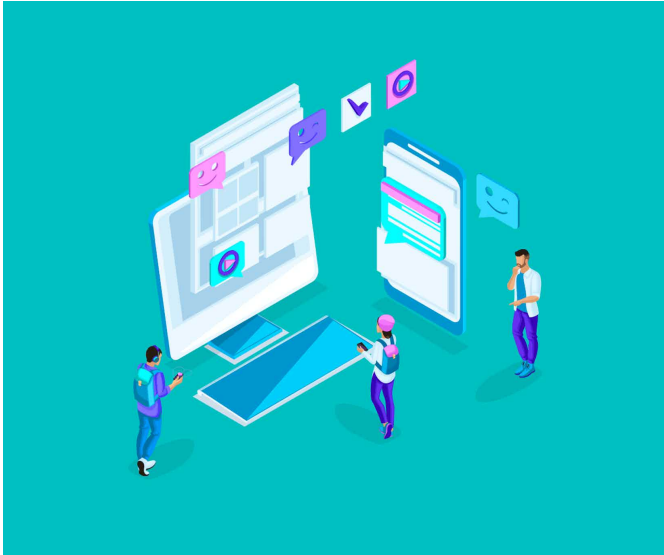
Organic reach on social media is now less than 1%. Meaning that only 1% of your audience will ever see your social posts, and you can't control which ones.

- Now 135 employees have the same social power as a brand with 1,000,000 social followers.
- The average B2B brand has an audience of 50k, which would be surpassed with 5 people sharing content.



Selling 3X More Beer Through Peer to Peer networks

Tsingtao recruited more than 40,000 employees and consumers as “Tsingtao social distributors,” who promote products on their own social networks. The goal is to ask people to buy a case of beer, and the seller is given commission on the sale. Tsingtao’s WeChat store sales subsequently surged by a factor of three.



Social Selling: B2B Use Case

AT&T is number 11 on the Fortune 500 list, and the worlds largest telecommunications company. Their sales team began engaging in Human To Human ways to engage their target customers via the comment sections on blogs.

- Used their corporate blog to bring customers into the conversation
- **Drove \$47 million in sales in under 18 months from the effort**
- Were told the approach was “refreshing” because they were building relationships without bombarding them with phone calls, emails and meetings (like the competition).



Creating Enough Content

The demand for content will never decrease, and it will only rise as time moves forward. Brands are unable to create enough content on their own. Additionally content created by others carries a higher context.

- Only 15% of brands have more than 5 people in their content marketing department.
- Only 5% have more than 10.



Daniel Wellington: How a Start Up Sold \$100 Million of Watches

Daniel Wellington was a start up watch manufacturer who had to break through. They began by leveraging Instagram to meet their buyer directly. Rather than create all of the content, they went contextual. Working with their market to create the content, and spread the word about their products.

- They use Nano-Influencers (<5,000 total audience)
- Trade them a watch for a post
- Create weekly contest for their fans to promote their images on social media
- 99.9% of the millions of posts featuring the #danielwellington were created by their audience and influencers.

DW

Daniel Wellington

Find Ways To Connect People Together

Look for ways you can connect your market together to solve common goals. This is how brands can work with their market to build brand equity in new ways.



Bud Light looked to create a site to connect local people to their establishments who were open for take out. They created a micro site called “Open for Takeout” and asked the community to list businesses in support.



Technology Scales Humans

With a 360 degree view of each customer, and a robust layer of automations the correct person can now be connected to the correct customer in real time. AI can even go as far as to guide the conversation ensuring human capital is optimally deployed.

- Low consideration purchases say a knowledge sales person is 15.5x more helpful than not
- A person can identify objections, and overcome them in a way content can't on its own.

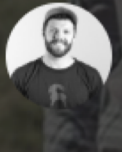
Backcountry: Gearhead Program

Gearheads are Backcountry's outdoor experts, gear enthusiasts, and customer service team. Whether it's narrowing down the right ski jacket for your local mountain, recommending the gear you need to start climbing, or just making changes to an existing order.

- Expect to drive \$100 million in sales via this program
- One gearhead can manage 10,000 relationship with customers with the correct technology
- Increased the lifetime value of those customers 40% over those not engaged with the program, and it has increased ordering behavior by 105%.
- My gearhead is Welsey!



"Working one-on-one with customers is great. As time goes on, I get to know each customer and their specific gear needs."



Jared Downs
Gearhead



backcountry

salesforce



ORGANIZATIONAL CHANGES

What it takes for brands to make the
change to contextual marketing



They Put A New Executive In Charge of the Experience



When asked who leads customer experience the 72% of the C-Suite overwhelmingly believes that is the role of the CEO.



Nearly 60% of brand leaders surveyed said their company's unique value proposition is based on product quality or uniqueness

High Performers in every category have put a new executive in place, the CXO/CGO.



“

Marketing must become the bridge builder between departments ensuring a cohesive customer experience.

”

Diane Magers, CEO at Customer Experience Professionals Association

High Performers Are 2X More Likely To Use Agile Methods

Agile is a very large concept including new goals, work flows, and organizational structure.

Agile is required due to the number of moving parts in creating an omnichannel experience.

*“We’ve burned the boat’s.
There is no turning back...with
agile **we now produce the
highest value of work per unit
of time.**”*

A quote from one of the worlds largest banks who has moved their entire marketing department to an agile structure, and work flow.



HIGH PERFORMERS HAVE A SINGLE AND SHARED OF VIEW AT ALL TIMES

The key traits are their ability to have a shared, single view, and engage both know and unknown audiences in real time. Those high performers are also 10X more likely to be significantly beating their direct competition.

9.9X

MORE LIKELY TO
CREATE A SHARED
SINGLE VIEW OF THE
CUSTOMER

17X

BETTER AT
COLLABORATING
ACROSS THE
CUSTOMER JOURNEY

9.7X

MORE LIKELY TO
CREATE OMNICHANNEL
EXPERIENCES

How to Build Trust Via Personal Data

Explain: Explaining how you plan to use personal data, showcase experiences you can create with it, and explain how you plan to protect it. This is the foundation of trust to gain consumer data.

Value and Transparency: To gain their explicit permission you must ask, and to make that exchange provide them with value. Brands able to show over time how they have used personal data are able to build more trust and gain more access.

Ownership: It is the consumers data. Brands who easily allow their customers to access their data, and control it are able to reach the peak of consumer trust with their data.





CONCLUSIONS

What it takes for brands to make the
change to contextual marketing

“

Marketing is a game, and
the rules change based
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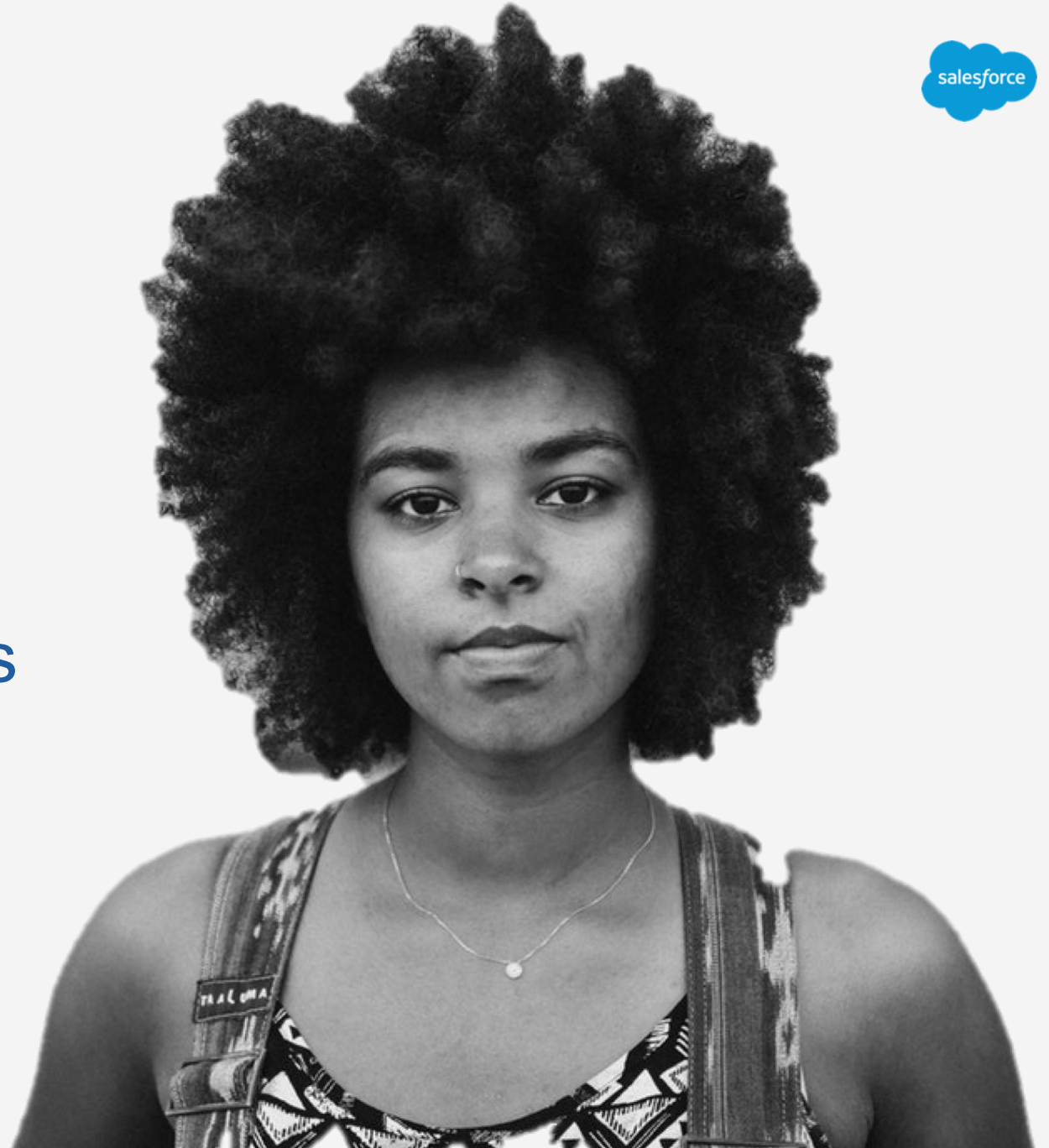


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Largest Creator of Noise	Brands	Brands	Consumers/Devices
Media Foundation	Mass	Mass Customization	Personal Context

84%

Of customers say the experience a company provides is as important as its products and services.

Source: State of the Connected Customer 2018



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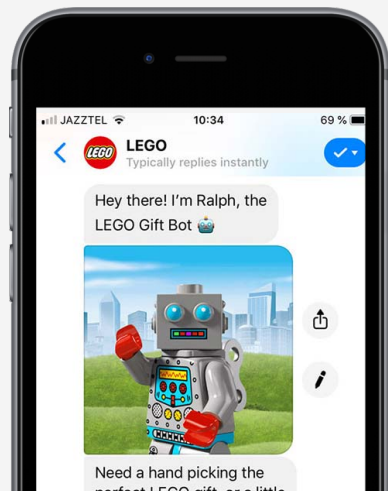
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THANK YOU

What it takes for brands to make the
change to contextual marketing