



2019 Marketing Trends – The Rise of Individualization

By David Daniels with Nicholas Einstein, The Relevancy Group

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Key Questions:

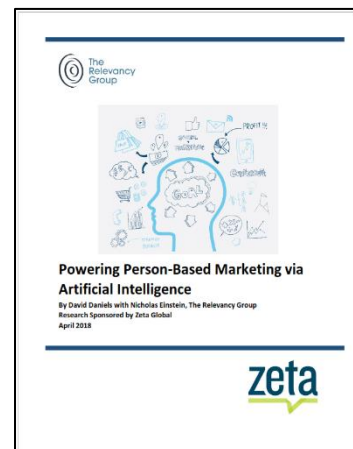
- Will email continue to dominate in 2019?
- What to expect from martech in 2019?
- Which technologies will most directly impact marketers in 2019?
- How will the adoption of key marketing tactics impact the customer experience in 2019?

Marketers Will be Laser Focused on Driving Positive Customer Experiences

Marketers will focus on improving the quality of the customer experience by adopting individualized marketing. In 2019, marketers will begin to truly capitalize on the significant opportunities presented by the increased velocity of marketing data. In 2019, we expect meaningful AI/ML advancements for marketers that will create efficiency and reduce the need for production staff to execute repetitive tasks. Brands will continue their digital transformation journey, but more will rely on outside experts. They will also embrace certification such as SOC 2. Identity matching will reach critical mass, propelling advancements in relevancy, individualization, and revenue optimization.

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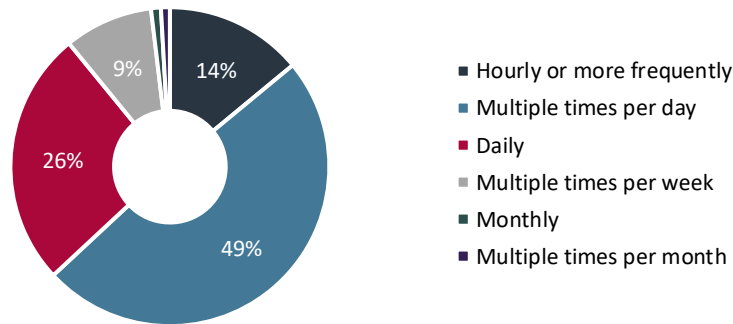
2019 Marketing Trends

The following takes on what the industry can expect in 2019 are based on data and analysis we generated in 2018. We are extremely excited about the year ahead and believe that the following forces will drive improved efficacy and efficiency for marketers, while enabling more valuable and positive customer experiences.

Email is The Primary Online Communication Tool and Will Continue to Dominate in 2019

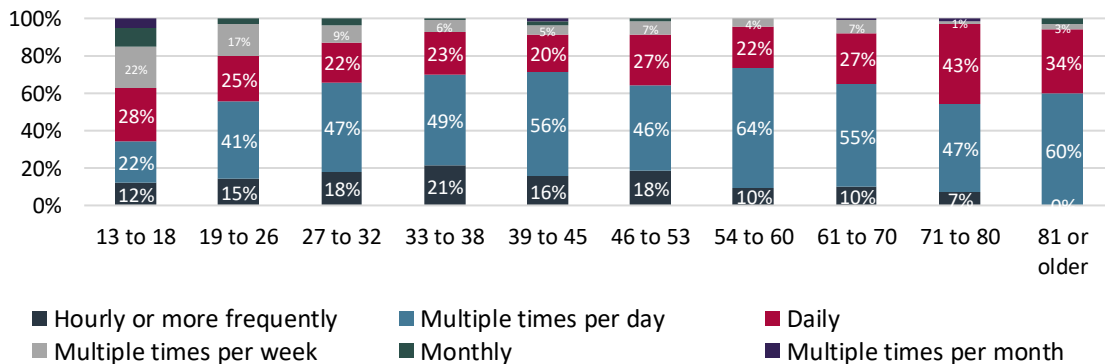
The Relevancy Group surveyed 1,010 consumers in November 2018 and found that 89 percent of U.S. consumers check their email daily, with most accessing it multiple times a day (Figure 1). Frequency of checking email is down slightly year-over-year. Fourteen percent of consumers are engaged with their email hourly or more frequently, down from 21 percent in 2016. There is little to no difference in email usage by gender or by age: everyone uses email (Figure 2). The notion that millennials (ages 18-34) do not utilize email is patently false. Data clearly indicate that email is not dying or being replaced by other online communication channels, i.e. Facebook, Twitter, Snapchat (Figure3). While SMS, person-to-person communication via texting, is massive, for many it is frowned upon to use as a commercial communication channel. Only 10 percent of consumers state that they have opted in to receive SMS offers on their mobile phone. We are certain, email is, and will remain, the dominant online communication channel to drive efficient commerce and customer experiences. Email remains our digital fingerprint and is necessary to communicate, transact, bank and join any online community. It is doubtful that Bank of America will ever allow people to authenticate their account with a Snapchat handle. Email is here to stay. Email marketers should celebrate the fervent use of email, while approaching the channel with individualized relevance to stand out among the mass adoption message overload.

Figure 1 – Consumer Frequency of Checking Personal Email Accounts



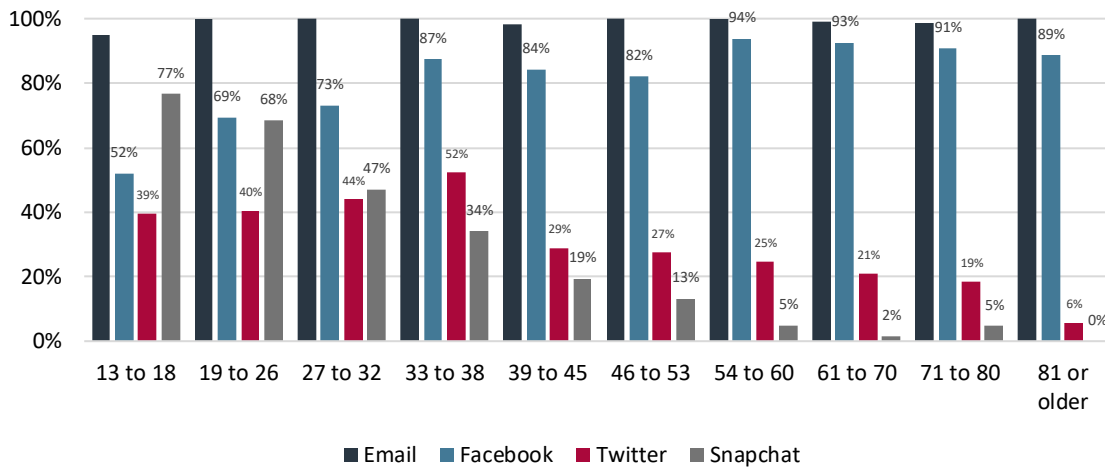
Question: How often do you check your primary personal email account? (Select One)
 Source: The Relevancy Group Consumer Survey 11/18 n=1010, U.S. Only

Figure 2 – Consumer Frequency of Checking Personal Email Account – By Age



Question: How often do you check your primary personal email account? (Select One)
 Intersected by Question: What is your age? (Select One)

Source: The Relevancy Group Consumer Survey 11/18 n=1010, U.S. Only
 Figure 3 – Online Communication Channels Used Monthly by Age - 2018

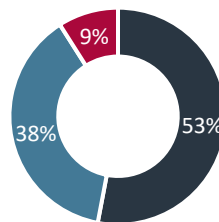


Question(s) Asked: How often do you check your primary personal email account? (Select One) [Sum of those answering within last 30 days or more frequently]. Which of the following social networks have you actively (in the last 30 days) participated in, in the last 30 days? (Select One) Intersected by Question: What is your age? (Select One)

Source: The Relevancy Group Consumer Survey 11/18 n=1010, U.S. Only

The Individualization Imperative. Smart brands and marketers have long been focused on the customer experience, but in 2019 they will increasingly address consumers at the individual level. The mantra will shift from personalization to individualization. The notion that smaller is more and less is best will prevail. Marketers will move from mass segmentation to micro segmentation and effectively shift towards marketing to individuals. We have seen tremendous advancements in martech vendor capabilities to efficiently deliver individual experiences at scale. In 2018, 53 percent of marketers were personalizing email marketing content with most of them doing basic first name personalization (59 percent) and half utilizing human curated dynamic content (Figure 4). In 2019, we will see more marketers move from segment-based personalization to individualization, which will be driven by increased adoption of real-time data and AI/ML personalization technologies.

Figure 4 – Use of Personalization in Email Marketing, 2018



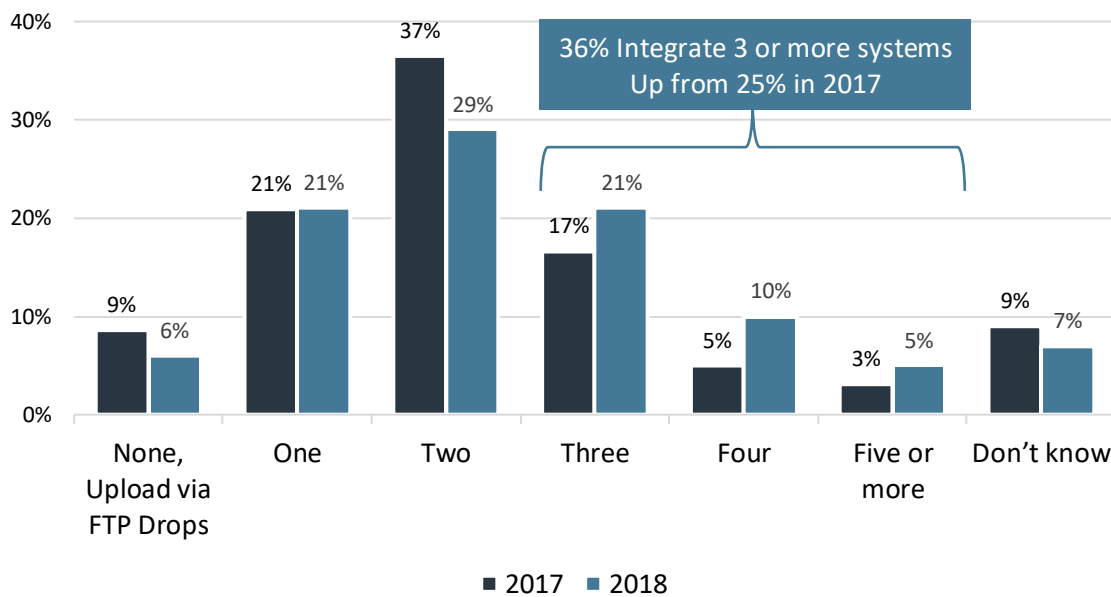
■ Currently use ■ Plan to within 12 months ■ No plans

Question asked: Do you regularly optimize email marketing content by utilizing some type of personalization or dynamic content to display different content assets to different subscribers?

Source: The Relevancy Group Executive Marketer Survey n=401, 2/18 U.S. Only

Opportunities Enabled by Velocity. Twenty-eight percent of marketers made real-time data a top priority in 2018, 39 percent utilize real-time data currently, and we believe that even more will be focused on harnessing new real-time data opportunities in 2019. The number of data sources that marketers are utilizing increased in 2018, as well. Thirty-six percent of marketers integrate three or more data sources up from 25 percent in 2017 (Figure 5). In 2019, marketers will be getting more sophisticated with real-time data too. Rather than specific one-off wins, organizations will look at real time holistically to review how specific data can help enable more positive customer experiences, as well as more efficient marketing operations. These include utilizing real-time anomaly detection and alerts while those campaigns and data routines are in flight. Marketers who can leverage the speed of data will be well-positioned to capitalize on the opportunities it presents.

Figure 5 – Number of Systems/Data Sources Integrated with an Email Marketing Platform, 2017 - 2018



Question: How many systems or data sources do you integrate with your email marketing system?
Source: The Relevancy Group Executive Survey n=301, 8/17, U.S. Only, n=406, 6/18 U.S. Only.

AI and ML Automation for The Marketer. In 2019, we foresee meaningful AI and ML advancements that will create efficiencies, drive efficacy, and allow marketers to be more strategic, and in some cases, reduce their need for production staff. The industry will benefit from new offerings that will automate email creative, audience segmentation, and entire email campaign production at scale. While personalization improvements will continue, much of the real impact of AI and ML will be on marketer tasks such as creative, analytics, and opportunities detection. Such production efficiencies will accelerate the adoption of real-time data usage and individualized marketing.

Responsible Digital Transformation. Marketers will continue their digital transformation journey in 2019, but in the face of data scandals, bad sharing principles, and ongoing GDPR compliance hurdles, businesses will increasingly embrace data responsibility. Marketers will turn more to outside experts and embrace certification to ensure data availability and security. We believe more providers and agencies will adopt data audit certifications such as SOC 2 (The Service and Organization Controls 2), ISACA and IAPP in 2019.

Identity Matching Reaches Critical Mass. In 2019, upwards of 60 percent of organizations will be practicing identity matching of their consumer data (anonymous + Known, email and devices). This customer identification will continue to fuel marketing revenue optimization and the increased adoption of the 2019 trends of individualization, real time and responsibility. This will fuel CDP adoption and its adjacent ecosystem, as well as revenue optimization. Fifty-three percent of enterprise marketers and 35 percent of enterprise marketers cite integration/matching/mapping as top consideration in CDP selection. Larger organizations generally rely on more data sources and therefore should be more focused on the ability to match and map these disparate data sources. Smaller organizations generally rely on fewer sources, which most CDPs can easily accommodate.

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Zeta Global is a data-driven technology company that acquires and retains customers through the power of people-based, precision marketing. We create optimized customer experiences by leveraging data science, strategy, analytics, and award-winning creative to create a perpetual dialogue between brands and their customers, through out the day, every day. Founded by David A. Steinberg and John Sculley (former CEO of Apple Computer and Pepsi-Cola) in 2007, Zeta's a data-driven marketing technology pioneer. Zeta Global's SaaS-based Zeta hub helps 500+ Fortune 1000 and Middle Market brands acquire, retain and grow customer relationships through actionable data, advanced analytics, and machine learning. Operating in four continents with over 1,300 employees, they're headquartered in New York City, with Centers of Excellence in Silicon Valley, Boston, London, and Hyderabad, India, and 25 additional offices around the globe.

About The Author | David Daniels | @EmailDaniels | David@RelevancyGroup.com

As CEO of The Relevancy Group, David directs market research and advisory services essential to digital marketing. Direct Magazine said David is "one of the most influential experts in email marketing, if not the most influential." In 2017 David was named Email Marketing Thought Leader of The Year by the DMA's email experience council. Co-author of the book '*Email Marketing An Hour A Day*', David has held senior level positions at Forrester, JupiterResearch, Apple, Anthropologie and other top brands. David is also the President and Publisher of [The Marketer Quarterly](#) a digital magazine and app for marketers by marketers available for free with registration online and via the Apple, Google, Amazon [app stores](#).

About The Author | Nicholas Einstein | @OtherEinstein | Nick@RelevancyGroup.com

Nick is VP of Research and Principal Analyst at The Relevancy Group. He managed worldwide email marketing operations and customer relationship management for RealNetworks and subsequently served for five years as VP of Deliverability & Strategic Services for a prominent Email Service Provider (ESP). Nick received his BA in Anthropology & Sociology from Kenyon College and MBA from the University of Washington.

About The Relevancy Group | www.RelevancyGroup.com | @RelevancyGroup | 877.972.6886

Measuring consumer and executive behaviors, The Relevancy Group (TRG) provides market research and advisory services that deliver strategies to optimize a return on marketing investments. In addition to working with some of the top brands and vendors in the digital marketing economy, TRG produces dozens of surveys, research reports and webinars each year. TRG offers a research subscription service that includes access to original research reports. TRG also publishes the digital magazine for marketers by marketers, [The Marketer Quarterly](#), a digital magazine and app; download it for free [app stores](#).

About The Research | The Methodology

In August 2017 The Relevancy Group conducted a survey that resulted in 301 completed and qualified advertising and marketing executives. We qualified respondents based on the size of their customer database, email sending volume, familiarity of their company's marketing efforts, and other attributes such as the individuals' role/title. Respondents self-identified their company size and market sector category. We collected descriptive information about these organizations including revenue, email



marketing, tactics and performance data. The survey utilized skip ordering and randomization and screener questions. The survey design and final analysis was developed by a team TRG of analysts.

For more information on The Relevancy Group's services, visit www.therelevancygroup.com, call (877) 972-6886, email info@therelevancygroup.com or on twitter [@EmailDaniels](https://twitter.com/EmailDaniels) or [@RelevancyGroup](https://twitter.com/RelevancyGroup)

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