



## **Toronto Tech Week Panel September 25, 2008**

### **Future forward: The Digital Customer Experience in 2010...and...2015... and beyond...**

Moderated by Jen Evans, Founder/Chief Strategist of Sequentia Environics

#### Panel members

- Parth Shukla, Director Interactive & MultiChannel Marketing, Bell.ca
- Sulemaan Ahmed, Director of Digital Marketing at Harlequin Enterprises
- Jay Goldman, Vice President, Marketing, Zerofootprint
- Steve Mast, Vice President and Managing Director, Delvinia
- Brendan Kenalty, Loyalty and Retention Programs, RIM

### **What is the future of digital marketing? A group of expert panelists offered their opinions on the following statements.**

#### **Online behaviour tracking will be legislated against in 2010, unless consumers have given express consent to be tracked.**

The panelists agreed that 2010 would be too soon to start regulating online behaviour since many users do not realize they are being tracked. There's also the issue of how the government would begin to legislate consumer behaviour since many people are willingly putting personal information online, and Canadian regulations would not restrict the behaviour of users outside of our borders.

#### **Paper direct mail and flyers will be banned by the year 2012, requiring companies to convert mail recipients to email recipients.**

The consensus from our panel members was: no way! A direct mail piece offers a different kind of experience than an electronic piece, there's a tactile difference between the two. Regarding environmental concerns, data centres consume a lot of power and may be more harmful to the environment than producing tactile pieces which can be recycled and printed in recycled paper.

#### **Mobile gaming will consume more time, attention and marketing budget than social networking by 2012.**

Steve Mast agrees with this statement as it has already become a large part of the culture in some Asian countries. The problem in Canada lies with the telecommunication companies what they decide to make available. While Parth Shukla suggested that it will not consume more marketing budget as social networking is more popular in Canada than mobile gaming. Sulemaan Ahmed agreed



that the popularity of mobile gaming is increasing, but Social Networks are more popular and will likely remain that way. Jay Goldman raised an interesting point in perhaps they are becoming the same thing, many people are using social networking websites such as Facebook as platforms to play games and by 2012 the line between the two will become very thin. Brandon Kenalty agreed that socialized games and mobile are not very different, however multiplayer games are lagging in North America whereas they have really taken off in other parts of the world.

**Hypergeotargeted mobile ads will generate a billion in revenue by 2012.**

There was a unanimous consensus from the panel that the idea of this seemed creepy and like a scene out "Minority Report". The public would not accept it. QR codes are already popular in Europe, but the technology in Canada will not support it enough to be successful. The feedback from the audience was that if the relevancy of what the consumer gets back will be very important and people will likely accept it if it is.

**By 2015, consumers will be able to register a 'data passport' of information about their buying preferences and needs with corporations, allowing marketers to completely personalize marketing communications.**

Our panel agreed that the 2015 date was aggressive and that a lot of things that need to be worked out in order for this to happen. However, it is doable as long consumers have the ability to opt-in and there are customizable benefits for them. The trust factor will come into play as people will be more likely to give their information to a company or brand they trust. An example is Google whose marketing is a service and provides value to the user. The deterrent here is that people are inherently lazy and while they would prefer targeted advertising, they would be less likely to make the effort to sign-up.

**In 2012, governments enact corporate email postage and fund universal access after internet access is declared a utility.**

The panel members all disagree with this statement. One panel member even suggests that with messaging tools on many social media websites email is slowly dying.

**Social media will turn the world of marketing on its head and dominate all marketing by 2012. In fact, the revolution is already underway.**

The response from our panel to this statement was divided. Some members agreed that social media will dominate marketing, and that its influence is already underway. Others questioned whether it actually generates revenue and how it can be measured compared to traditional marketing tactics. Another point raised is that what we are seeing right now in terms of social media is just the tip of the iceberg. It's still a relatively new phenomenon and by 2012 it will change. A member of the audience brought up the point that for the younger millennial demographics this is already a reality and this type of marketing will appeal to them while the older generations who may not be as familiar with this type of media will be pushed into it by the younger generation.

**The Canadian Revenue Agency will bail out a string of ad and digital agencies that fail due to the dominance of user generated content campaigns.**



Although this statement is tongue in cheek, the panelists agree that this is already beginning to happen. There are examples of companies such as Apple who are discovering viral content and are using it in their campaigns. However, there will always be a need for someone to run these campaigns. Creativity will always be out there, but the better agencies will discover and leverage it.

**By 2015 80% products shipped from the retail store will be tracked via RFID**

Our panel members were equally split on this statement.

**By 2015, 50% of households will have some form of home robotics assisting people in their daily lives.**

Two of our panel members agreed with this statement, it's the way of the future, citing the Roomba as an example. The other members brought up issues such as space—is there sufficient room in smaller spaces such as condos for “robots”? as well as safety concerns with children and pets.

**Virtual worlds will experience a huge resurgence, refined by learning from failures to date, and become highly popular customer communications environments.**

The panelists agreed that virtual worlds will likely make a resurgence, however they will be more in line with the Facebook model rather than Second Life.

**50% of customer interactions will take place on mobile devices by the year 2015, including commerce**

This statement brought out the biggest consensus in our audience, more than half agreed with it. The panelists were unanimous in their agreement and even suggested that number will be higher than 50%.

**By 2015, 40% of all books and magazines will be delivered digitally or Kindle-like devices.**

Once again our panelists were divided in their views. Some agreed that yes, it seems to be the way of the future, but it will depend on the younger generation and whether they will adopt this method. The other panelists disagreed because books offer tactile value which cannot be emulated electronically.

**By 2012, ‘interruptive’ advertising will be almost entirely replaced by sponsored content**

Some interesting viewpoints brought up by our panelists. Brendan Kenalty says that there needs to be a structure change with the way content is being sponsored, citing American Idol as an example a television program that's integrating its sponsors successfully. Another point raised is that perhaps 2012 is too soon, but lines between sponsored and traditional advertising will become blurred. On the other hand, sponsored content may get worse before it gets better and that traditional advertising never go away and there will need to be a balance between the two.

**By 2010, B2B marketing will also be completely personalized.**



Our panelists agreed that this is definitely going to happen in the future, and is already starting, but 2010 will be too soon for it to become completely personalized.

### **Marketers will spend more online than on broadcast by 2012.**

There was some hesitancy with this statement but our panelists agree that in 10 years ads will be more interactive. A 30 second TV spot is limiting, while interactive ads can create more of an "experience" and provide more valuable information to the consumer. GM and Ford are examples of companies, who tend to spend big bucks on TV advertising, moving already forward in this direction and it will grow in 10 years.

### **95% of online marketing budgets will be search-oriented by 2012.**

Our panelist all agree that 95% is too high a percentage, but search will become a larger part of life as people will be searching for everything. Another panelist counters that search is not the best experience and that perhaps the number of searches being made will dwindle by 2012. The audience was split as half agreed with this statement.

### **The age of persuasion is giving way to the age of information**

The panelist agree that in the retail experience customers are becoming more informed than ever, they often know what they want before they enter the retail environment and the role of the salesperson is being less important. There is a change happening towards soft sell rather than hard sell, and marketing budgets will have to be spent on making products better since consumers are smarter and savvier than ever before. However, sales and marketing is persuasion so it will never disappear, but perhaps with the all the resources available to consumers we are giving away to the age of self-persuasion. It is important that while many consumers are informed, they have the right information. The majority of the audience agreed with the statement, some even suggesting that we are already there.

