ADVERTISING PRIMER FOR 2018

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SUMMARY

A focus on customer analytics and multichannel execution compels marketing leaders to expand their role in advertising strategy and execution. Improve the relevance and impact of your campaigns by refining the media mix and innovating with ad tech, new digital channels, and formats.

Scope

Advertising encompasses the creation, delivery and orchestration of paid marketing messages and content across channels.

Gartner's 2018 advertising agenda focuses on:

- Developing an advertising strategy that uses a mix of formats and tactics

- Balancing brand and performance advertising objectives

- Using data to create advertising programs that support a profitable customer journey

- Evaluating ad tech tools and service providers

- Measuring and optimizing advertising performance to achieve business goals

Refine the media mix and innovate with ad tech and new digital channels and formats.

ANALYSIS

Figure 1. Advertising Overview

Performance

Branding

Media Mix

Formats

Source: Gartner (January 2018)

Marketing leaders accountable for advertising face new opportunities and challenges. Emerging formats and channels create new avenues of persuasion, using algorithms to optimize for greater efficiency. But digital innovation can be a double-edged sword. The popularity of ad-blocking software, coupled with fraud and viewability challenges, casts doubt on advertising's effectiveness, not to mention its role in delivering positive customer experiences. But ad tech tools are also becoming more sophisticated and better integrated with marketing technology as internal and external troves of data expand. Meanwhile, improvements in dynamic creative, video and native formats present new possibilities.

Maximizing ad program value — without squandering resources — takes precision and creativity. Identify new and better forms of engagement that meet customer expectations to achieve seamless, personalized interactions. Embrace a smarter process and stronger capabilities to create awareness, desire and trust among their most profitable segments. Use the research from Gartner's advertising agenda to guide you.

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Top Challenges and How Gartner Can Help

As a marketing leader, you are accountable for advertising results. Use our upcoming research to evaluate advertising technology, techniques and service providers. Leverage Gartner's tools and models to ensure your team invests resources with confidence and achieves demonstrable results. Overcome complex advertising challenges, seize opportunities across emerging formats and align your initiatives to larger business goals.

The advertising agenda will help you answer the following questions.

How do you develop an advertising strategy that meets performance goals?

Whether you lean heavily on agency support or drive most of your media planning and execution internally, creating an effective advertising strategy means using insights and opportunities from your ad tech data and customer analytics. Use research from this agenda to support the creation of a balanced media mix that delivers on business goals. Discover which media channels are worth the investment, and which bidding, retargeting and optimization strategies work best. Learn how to harness the power of advertising alongside machine learning, marketing automation and contextual data to deliver personalized engagements closer to real time. Improve your balance of brand and performance ad programs. Strengthen your ability to measure the effectiveness of ad programs.

Planned Research

- **Grow and retain customers:** Advertising is a powerful tool for retaining and growing existing customers, yet is often considered only an awareness and acquisition medium. Understand how linking customer data with advertising planning builds marketing effectiveness.

- **Balance traditional and digital:** Spending in digital advertising now outpaces TV ad spending. Deep dive into the data using our outlook for different channels and advertising techniques to understand how to allocate budget across old and new formats.

- **Assess brand impact:** Marketers know that brand advertising is essential for building affinity and delivering on long-term strategy. But compared with performance advertising, its value can be difficult to ascertain. Explore old and new methods for understanding the brand impact of your advertising campaigns including surveys, behavioral analysis and emerging tools such as biometrics and AI.

- **Measure your media:** You can't improve and manage what you can't measure. The selection of currency metrics for ad campaigns can have extreme consequences on budgets and incentives, so it's crucial to understand the contractual terms of measurement.

Which advertising technologies and service providers will achieve the best results?

Hundreds of ad tech vendors and service providers offer tools and consulting services for everything from audience analysis and data visualization to workflow and budgeting. Use this research to understand best practices in selecting ad tech and services investments. Confidently evaluate platforms that use advanced methods to power real-time bidding and optimize ad strategies, message timing and audience targeting. Build an ad tech roadmap and a provider engagement plan that support your strategic planning and budgeting process. Source and manage creative resources, marketplaces, media partners, data providers and agencies best suited to your needs and goals.

Planned Research

- **Improve ad performance:** Digital ads and other content can be assembled on the fly using real-time data to improve their relevance. Learn how you can use new dynamic content optimization technology to create highly personalized ad experiences.

- **Stay on top of programmatic advertising:** Few industries are as pervasive, complex and bewildering as advertising technology. This research explores what's new and what's next in programmatic media. Examine the state of programmatic and its evolution into an even more powerful ecosystem as TV comes online and identity resolution develops more ethical standards for consumer control.

- **Select the right ad tech:** Understand the state of this complex market and which capabilities are critical for success. Learn how to choose the right ad tech provider to meet your needs and work with your existing technology.

Creating an effective advertising strategy means using insights and opportunities from your ad tech data and customer analytics.

How do you identify, evaluate and deploy profitable new advertising channels and formats?

From in-feed native and in-stream video to social advertising and virtual reality, new advertising channels and formats are emerging at a rapid clip. Meanwhile, more mature formats such as desktop and mobile display, search and video continue to evolve. Use research from this agenda to help your team explore and exploit the right opportunities. Build and measure profitable advertising channel strategies that link social, mobile, search, display, out-of-home and emerging formats for maximum results. See how algorithms can help you learn and assess in real time which targets and ad channels to pursue. Leverage best practices for addressing fraud, viewability, ad blocking, privacy, security and other challenges.

Planned Research

- **Get results from social advertising:** Understand the differences among the different social networks in terms of audience and creative options. Learn how to use each network for optimum results.

- **Evolve your search advertising:** Voice is changing search advertising, but are marketers ready? Assess the impacts of voice on search including the change in search language, change in devices and change in consumer expectations.

- **Advertise on Amazon:** This guide explores how marketers can use the power of Amazon's reach and scale — and its ad products — for brand and response campaigns.

- **Learn the latest trends in ad testing:** Demand for both speed and impact in advertising continues to rise, requiring new approaches to ad content and copy testing to support decisions. Expand your toolkit to increase ad impact.

Related Priorities

Priority	Focus
Multichannel Marketing and Communications	Multichannel marketing constitutes purposeful, mutually orchestrated engagements, across digital and traditional customer touchpoints.
Mobile Marketing	Successful mobile marketing uses valuable data emitted by mobile devices while balancing effective microtargeting of audiences with overwhelming prospects and customers with interruptions.
Marketing Technology and Emerging Trends	How brands engage with people and their devices is transforming the customer journey.
Marketing Data and Analytics	Data and analytics have become the foundation of marketing, driving efficiency and effectiveness through better data collection, modeling, optimization and greater relevance to the consumer.
Social Marketing	Social marketing involves listening to and engaging customers, distributing content and cultivating brand advocates. It can increase awareness, consideration, conversion and advocacy.
Leading and Managing Marketing	Leading and managing marketing involves setting strategy, structuring teams, sourcing and developing talent, and aligning people, processes, partners, data and technology to achieve corporate goals.

Source: Gartner

GARTNER RECOMMENDED READING

Suggested First Steps

"The State of U.S. Advertising, 2017–2018"

"Maturity Model for Advertising"

"How to Unite Advertising With Multichannel Marketing"

"Understanding Ad Tech"

Essential Reading

"How to Build an Advertising Plan"

"Assess Your Advertising Mix Based on Reach, Cost and Quality"

"Survey Analysis: Marketers Maintain Strong Appetite for Digital Advertising, but Must Improve Effectiveness"

"Hype Cycle for Digital Marketing and Advertising, 2017"

"Survey Analysis: How Companies Stack Up in Prioritizing Digital Advertising Investment"

Evidence

For this research, we gathered information on trends using analysis of Gartner's client interactions, primary research conducted by the authors, and direct conversations with Gartner clients and other individuals.

ABOUT GARTNER FOR MARKETERS

Digital has redefined the role of marketing, adding new players and creating bigger complexities

Gartner for Marketers helps you get up to speed on and stay smarter in the eight marketing areas that matter most: social, mobile, multichannel and data-driven marketing, digital commerce, customer experience, marketing management, and emerging marketing technology and trends. Our clients say that they use our real-time, expert advice and objective research, data and tools to:

• Target the right audiences

• Choose the right channels

• Quickly shortlist marketing and technology providers

• Stay informed on market and competitors

• Save time and avoid costly mistakes

Gartner helps companies improve their business results through the use of technology. Our independent research and advice is trusted by business and technology leaders in more than 10,000 distinct enterprises around the world.

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