

# **MARKETING SUCCESS IN TODAY'S NEW NORMAL**

**STRATEGIC SHIFTS ALL  
MARKETERS SHOULD BE  
THINKING ABOUT**



**DIRECT  
AGENTS**

2022 AND BEYOND

# OUR GUIDE TO FUTURE-PROOFING YOUR MARKETING STRATEGY

The last 10 years were a golden age for growing digitally-native businesses, but the next class of breakout and established brands looking to scale further will need to deploy modern growth strategies that are distinct from those of the previous decade.

The growth playbook in the previous era was largely based on cost-efficient customer acquisition through savvy, targeted paid social advertising. For many, this approach became conflated with strategic branding and marketing, and the economic models of most DTC brands during this period have depended on this social media advertising engine.

Candidly, many businesses could get away with a mediocre product, generic creative, and unrefined messaging, to grow profitably under the halo of Facebook's almighty conversion algorithm. In the post-iOS 14 and ATT world we are now navigating, Facebook and Instagram are no longer the performance marketing golden tickets they were only a few years ago. This is largely due to increased user privacy controls introduced by Apple and the fact that people now spend their time across more devices, mediums, and platforms than ever.

The landscape has changed, and the businesses that urgently adapt their marketing practices to fit today's distinct challenges and opportunities will be best positioned to scale effectively.

## FEATURING INSIGHTS FROM:

**Mark Glauberson**  
EVP

**Jackson Richards**  
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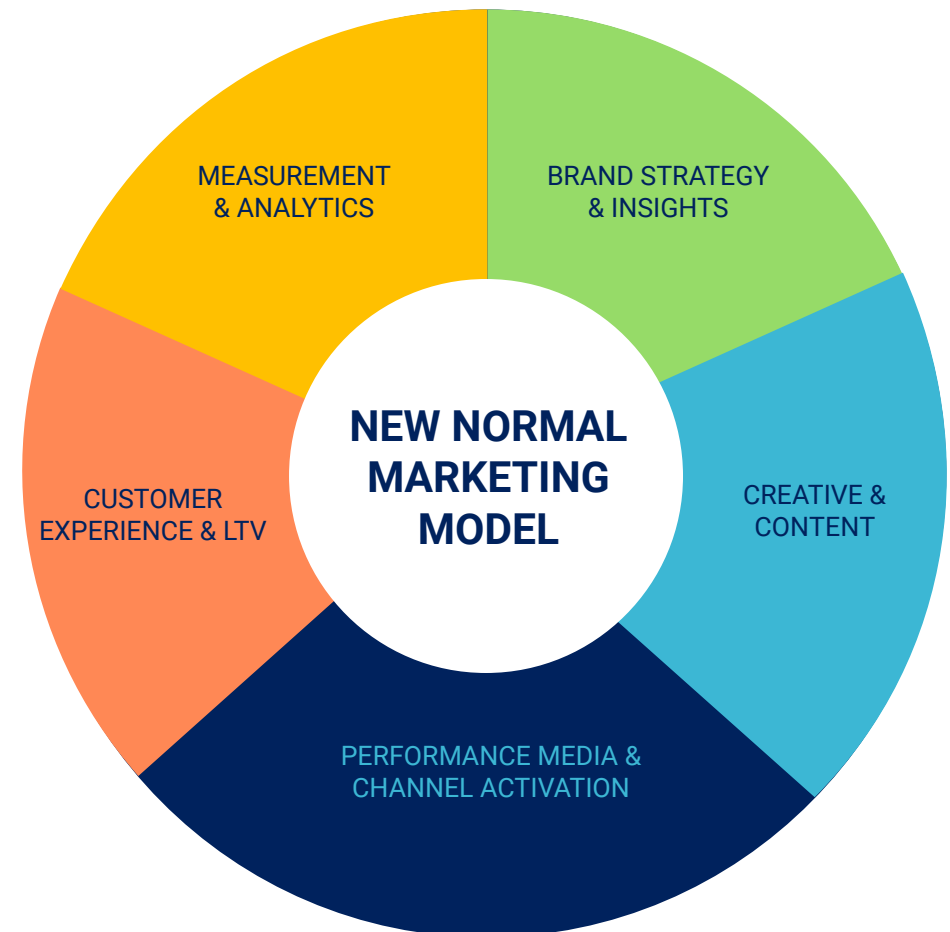
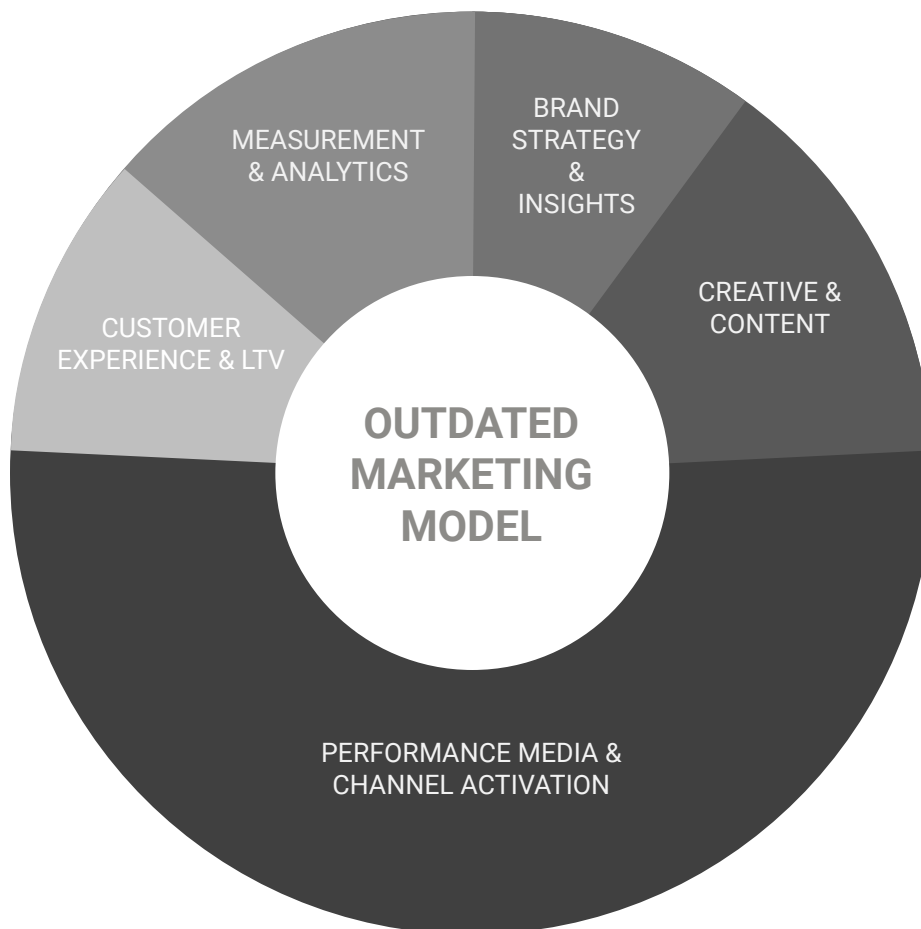
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# THE NEW NORMAL MARKETING MODEL

Direct Agents has identified three key areas that the successful marketers of tomorrow are, or should be, addressing today. We explore tactical changes across Brand Strategy, Paid Media, and Data that are going to be essential for brands to position themselves for sustained growth in the future.



# BRAND STRATEGY & POSITIONING

## CUSTOMER INSIGHTS & AUDIENCE SEGMENTATION

In the previous era, marketers became over-reliant on advertising platforms in determining target customer insights. The Meta and Google algorithms are less effective today than they were years ago in being able to use campaign learnings to algorithmically identify users that are most likely to cost-effectively purchase a product or service.

Today, it is necessary to perform deep market and audience research and leverage machine-learning tools to gain insights into audience behaviors, brand preferences, media consumption habits, and purchase motivators. This information should power your brand and media growth strategies.

## MAXIMIZING USER VALUE

We're in a time of economic uncertainty and diminishing consumer confidence. Meanwhile, marketers are facing rising customer acquisition costs in the post-ATT world. With discretionary spending expected to remain at lower than pre-pandemic levels, new customer acquisition is expected to slow across many categories.

To drive revenue growth in this environment, successful companies will need to invest more in retaining current customers, developing robust loyalty programs, and bundling products and services where possible.

Marketers must lean into creating experiences that deliver on customer expectations and values to drive community and create a generation of brand champions across key digital channels.

## CUSTOMER JOURNEY OPTIMIZATION

Today's media landscape is more fragmented than ever. Our attention is spread across a greater number of social media platforms, streaming services, messaging apps, and devices than ever. In the previous era of cheaply acquired conversions driven through Facebook and Google advertising, companies were able to focus their attention and investment in building customer experiences on a limited set of channels. Today, marketers must develop personalized experiences for distinct customer sets across many touchpoints, leveraging the distinct capabilities of each channel and platform to drive brand engagement and customer acquisition.



## PURPOSE AND BRAND STRATEGY

As consumers are increasingly putting their dollars and attention behind brands that support social and environmental causes, organizational perception has heightened in importance. Many consumers now expect companies to focus on both profits as well as broader values. Recent studies have determined that 71% of consumers prefer buying from brands that align with their values and, according to Forrester, 41% of US consumers are actively seeking to shop with companies associated with social, environmental, and political ideals.

It is critical for organizations to identify what is important to their target customer sets and develop strategies that provide more depth to the brand identity. While making a connection between brand and relevant causes might be a natural fit for some brands, such opportunities will not exist for all companies. This is why investing in further development of brand strategy is essential for sustained growth in today's competitive landscape.

There are two primary factors that illuminate the need for more effective brand strategy in today's landscape. First, the competitive set is saturated with minimally-differentiated options in many product categories - and especially so in digital Direct to Consumer companies and B2B services. Second, looming economic certainty means potential customers will become more selective with their purchase decisions.

It's not enough today to simply conceive of a great brand. Winning brands in this new era will need to gain a deeper understanding of the intersection between their key differentiators and customer expectations to develop content and messaging strategies that amplify brand promise across the entire customer flywheel, both online and off.



" Direct Agents has made significant investments in staff, intelligence tools, and methodology that allow us to identify and implement these strategic initiatives. We've been working with our clients to find their specific areas of need, and to activate solutions that will make the greatest impact on their business objectives. "

**Jackson Richards**  
VP, Strategy

## PAID MEDIA STRATEGY

# THE ERA OF SINGLE-CHANNEL MARKETING HAS COME TO AN END

Marketers have never had so many different opportunities to engage with both current and future customers. The saying, “Brands need to break through the clutter” has never been more true. With people seeing roughly 10,000 ads and consuming about 174 newspapers worth of content daily, brands need to shift their Marketing Strategy to build relationships with their customers across a multitude of touchpoints. As consumers are shifting their priorities and focusing on privacy, marketers need to adapt and leverage the growing

list of places to spend their advertising budget. The brands that succeed in the future will have embraced some level of multi-channel strategy and shifted their mindset to the role Digital Marketing plays in their business.

The following are 5 actionable takeaways every brand can start to implement in 2022 to navigate these new waters.





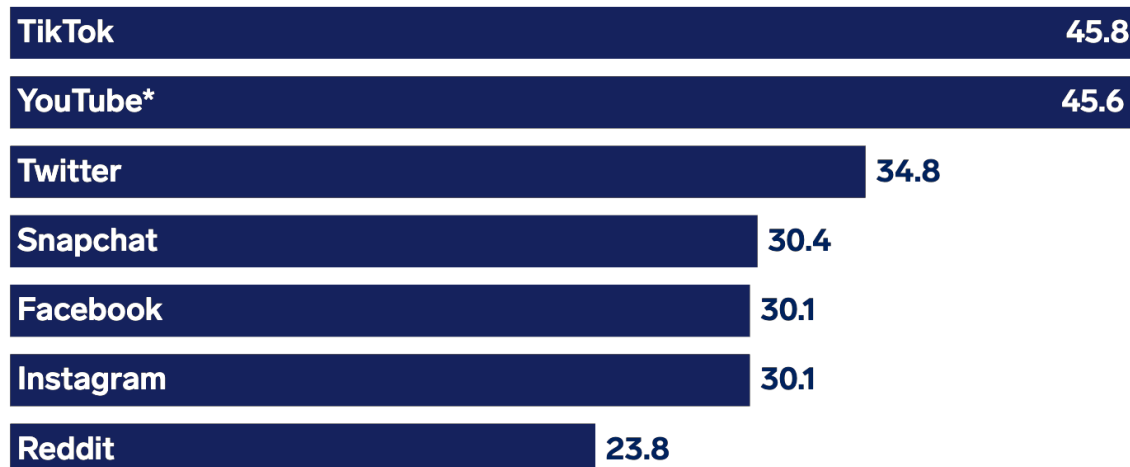
## TAKEAWAY #1: SOCIAL MEDIA MIX DIVERSIFICATION

Meta has had a rough run over the last few years and this year marks the first time Facebook users will decline. While Instagram's growth will continue to stabilize Meta's user base, Apple's hit to the algorithm with ATT, coupled with rising inventory costs has forced many marketers to look elsewhere. While every social platform is navigating the same ATT landscape, users' time spent on both Instagram and Facebook is plateauing and these eyeballs are going to TikTok, YouTube, and Twitter.

Instead of completely abandoning your Facebook/Instagram strategy, marketers should start to test new platforms like TikTok, following the eyeballs and reaching users in different environments.

## Average Time Spent per Day by US Adult Users on Select Social Media Platforms, 2022

*minutes*



*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; \*YouTube includes all time spent watching video on YouTube via any device; includes YouTube TV*  
Source: eMarketer, April 2022

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eMarketer | InsiderIntelligence.com

## TAKEAWAY #2: BUILD A DSP FRAMEWORK GROUNDED IN CONSOLIDATION

While many companies have historically focused on Social Media Marketing to drive their growth, stopping there would only reach users in 10% of their daily media usage. Programmatic Display and Video inventory reach users as they consume content across many different properties online. With 3rd party cookies slated to go away and the fragmentation of the ID landscape, a consolidated-first DSP framework will allow for greater efficiency, control, transparency, and centralized reporting.



## TAKEAWAY #3: EMBRACE A/B TESTING

While digital marketing campaigns are only as good as the data they're being activated against, none of the data matters if the messaging doesn't break through the clutter and the landing page doesn't promote a frictionless experience. Too often marketers that aren't happy with performance look to CPA-chase with another platform, go after cheaper inventory, or turn the campaign off altogether. Instead, they should lean into testing landing pages to increase CVR within current platforms as well as messaging to increase site traffic.

## TAKEAWAY #5: TEST DIFFERENT TARGETING SOLUTIONS

Even though there are a lot of unknowns with 3P cookies going away, privacy and data collection limitations are here to stay. Two big targeting options worth testing while brands still have cookies are contextual and cookieless targeting.

By testing these options now, marketers can feel better prepared for when Google finally removes 3P cookies and take back control of the data and targeting that powers their Marketing Campaigns.

## TAKEAWAY #4: SHIFT YOUR MINDSET ON THE ROLE THAT DIGITAL MARKETING PLAYS

Advertising is not a magic machine where the algorithm can spit out instant YoY growth. Eventually, everything hits a point of diminishing returns. While inventory costs are rising, measurement is getting harder, and consumers are less prone to promotions, marketers should be rethinking what makes Digital Marketing Successful.

For many, paid ads are the first interaction with a company. We've all heard first impressions matter and that is not different for brands. Marketers should start thinking not only about how they can use Paid Ads to convert consumers, but how they can use Paid Ads to build relationships with potential customers through a value exchange in return for their data.



"The Direct Agents' media approach and strategic recommendations now incorporate these elements across all our engagements. Our goal is to ensure that our clients will be ready and comfortable with the upcoming realities of paid media. We believe that the companies that embrace this strategy today are sure to have an advantage in the near future."

**Corey Levine**  
VP, Integrated Media





1ST PARTY

# DATA COLLECTION & MODELING

Rapidly increasing and evolving data privacy regulations are disrupting the data and marketing industry in a way it never has been before.

While this disruption may become a challenge and negatively impact some brands, it will conversely present an

area of unprecedented opportunity and growth for others. To be part of the latter group, brands must act now and plan for more robust 1st party data collection and modeling strategies that will reduce their reliance on the incomplete cookie-based measurement that the industry has become accustomed to.



# DATA COLLECTION

The sentiment that a brand's owned 1st party data is its most valuable asset has never rung truer than it does today. By understanding this, brands must begin to more heavily invest in these assets that will provide them with the insights and capabilities to embrace the cookieless future.

## Technology

The Customer Data Platform (CDP) market is expected to see a compounded Annual Growth Rate of 34.6% leading into 2026. This growth would bring the market up to \$15.3B. This level of growth is not without cause, CDP's are powerful 1st party data collection and activation machines.

At its core, a CDP collects first-party user-level data from all properties. It is then able to stitch cross-platform/device data together to build deterministic user-level profiles that may be used to power advanced data analytics (propensity, LTV, churn), while also directly sharing data with media platforms and tools for real-time activation.

One of these CDP-connected tools can be a Multi-Channel Campaign Manager (MCCM). MCCMs, are unique as they provide brands with low-cost, high-value touchpoints that can be used to drive increased retention and LTV per user. They allow brands to leverage their robust 1st party data sets to deliver 1-to-1 personalized and orchestrated experiences to users across email, push notifications, in-app notifications, and SMS.

With the rising cost of media, exploiting new strategies that utilize your 1st party data to drive a positive return with a low-cost investment will be paramount.

## Data Collection Strategy

Just as important as technology is having a well-defined data collection strategy that ensures your brand is collecting the data it needs for the well-informed decisions that drive accelerated and sustainable growth.

Traditional data regarding browsing behaviors, micro-conversions, and transactions are great, but taking this a step further to collect additional contextual data about each user in a way that seems organic is going to provide a whole new level of data to power meaningful and engaging touchpoints with users.

Simply think about what a streaming service could do if they asked what types of shows and actors you like, or an e-commerce brand that asks what your favorite color is or if you are shopping for yourself or someone else? Your experiences with those brands would immediately become more relevant and enjoyable because they would know, rather than infer, what interests you.



# DATA MODELING

Data volume and complexity have rapidly increased as data storage and processing costs have decreased. A byproduct of this is that the data brands have access to is beyond what a human can make sense of, and are therefore left with less impactful surface-level insights. However, by leveraging advanced data models that use combinations of machine learning (ML) and artificial intelligence (AI) brands can better uncover the hidden correlations within their data to drive highly impactful strategic decisions.

Although there are multiple entry points for Data Models, Direct Agents recommends prioritizing the following two (2) models, due to their strategic impacts and future-proof builds that are not reliant on cookies.

## Media Mix Modeling

MMM delivers statistically backed media budget allocations that maximize the return potential of every dollar spent while providing “what-if” scenario planning with performance projections based on changes in budgets by specified amounts.

Powered by 1st party data, this is a differentiating budget planning and strategy solution. By developing model algorithms to process and understand your dataset, brands are rewarded with knowing where to push for the greatest return when scaling budgets or how they should pull back to minimize any negative impacts when budgets decrease.

## Forecast Modeling

Forecast Modeling takes the guesswork out of budget pacing and planning. Using ML models, marketers can gain a competitive advantage by looking beyond trending WoW, MoM, and YoY comparisons and truly elevate their marketing sophistication by knowing what performance to expect when planning for the future.

With this level of insights, brands can proactively strategize where they want to ramp up or pull back weeks in advance, allowing them to enact strategies to maximize performance peaks while minimizing the valleys. These predictions also provide performance benchmarks and answers to the commonly asked question “Is this initiative driving business outcomes, or is this just a normal fluctuation?”



“ The Analytics team at Direct Agents predicted the shift away from the third-party cookie early on. We’ve been working on our strategy to combat this change for years and are able to provide that advantage to our clients today. Our data solutions are tested and have a proven track record of making a big impact on our clients’ business goals. ”

**Joe Belafonte**  
VP, Data Science & Experience





## POV ON SUCCESS IN 2022

# FINAL THOUGHTS

Growth can no longer be bought cost-effectively. Today, winning companies must update marketing capabilities to reflect the present challenge of delivering on brand promise and differentiators across the entire flywheel to meet customer expectations. It is essential now to reduce reliance on digital performance marketing and invest more heavily in a wide range of marketing functions, including Brand Strategy & Insights, Creative & Content, Measurement & Analytics, and Customer Experience & LTV.

The teams at Direct Agents are actively working with our clients to ensure that they stay ahead, and are prepared to thrive in the volatility ahead.



# GET STARTED TODAY

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## CONNECT WITH US

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We are powered by a culture deep in **diversity, passion, & innovation**, minority owned & led **since 2003**.

We're **creators** and **trailblazers**. **Problem solvers** and **analytical thinkers**. We continue to innovate & outpace the competition. We have a **vision to excel**, in all aspects of our marketing strategies.

We build business solutions as an extension of your team by combining data-driven decision making with media expertise, strategic thinking, and a deep understanding of the landscape.

