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4 trends shaping the future of marketing automation

EBOOK

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Challenges, opportunities, and trends in marketing automation

The ever-evolving world of marketing automation continues to present new challenges and opportunities for marketers. The technology at your fingertips is changing at a rapid pace. Tools and tactics that were once considered forward-thinking are commonplace and customer expectations are soaring.

Modern marketers must be prepared to adapt and innovate to stay ahead of the game.

Why is marketing automation important?

As marketers, you are only too aware that time is precious. Marketing automation frees up your time by automating repetitive tasks. This can range from email marketing to social media posting and retargeting ads.

But that’s not where the benefits end. Marketing automation also enables you to deliver a more personalized experience to your customers. Marketing automation tools like those available on the Dotdigital platform analyze hundreds of thousands of data points to ensure customers receive the right message at the right time.

Using behavioral triggers, you can streamline your workflows and target customers where they are in their individual journeys rather than driving them through a stale sales funnel with irrelevant content. Ultimately, this will lead to a richer pool of prospects and healthy, long-term relationships with your customers.

> To understand and navigate the future of marketing automation, you must learn about the trends set to shape the industry

The future of marketing automation

To understand and navigate the future of marketing automation, you must learn about the trends set to shape the industry in the years to come. This guide is designed to help you redefine your marketing automation strategies.

We will outline our top four trends and show you how preparing for them now, will empower you to create more personalized experiences and make data-driven decisions to enhance engagement, sales, and conversions.

Trend 1

Understanding AI and machine learning

Understanding AI and machine learning

The role of AI and ML in marketing automation

Artificial intelligence (AI) and machine learning (ML) helps computers learn from past experiences and patterns to enhance their capabilities and automate complex decision-making processes. Marketing automation uses AI and ML to streamline, optimize, and scale marketing tasks while empowering marketers to adopt personalized, data-driven strategies.

What's the difference between AI and ML?

AI (artificial intelligence) is computer systems that can do tasks that usually need human-like thinking. These tasks include understanding human language, solving problems, and learning from information.

ML (machine learning) is a part of AI that lets computers learn and make choices based on information it gathers from various sources. ML can be divided into three categories:

1 Supervised learning

The computer is taught using data that has input-output pairs. It then uses that knowledge to make predictions for new data.

2 Unsupervised learning

The computer learns from data that doesn't have labels. It figures out patterns and relationships in the data to make choices.

3 Reinforcement learning

The computer learns from doing things in an environment, getting feedback like rewards and punishments, and then adjusting its actions.

Using AI and ML in marketing

AI and ML are already starting to enhance marketers' day-to-day lives but over the coming years, we'll see further developments in many key areas. Ultimately, these will improve overall productivity, achieve personalization at scale, generate valuable insights, enhance customer satisfaction, and drive growth.

Predictive analytics

Dotdigital's ML models can predict customer behaviors such as the next purchase date, customer lifetime value (CLV), and churn rate. This enables you to be more proactive in your marketing. You can identify customers at risk and deliver personalized win-back campaigns, or hit your goals faster by targeting customers close to conversion.

Customer segmentation

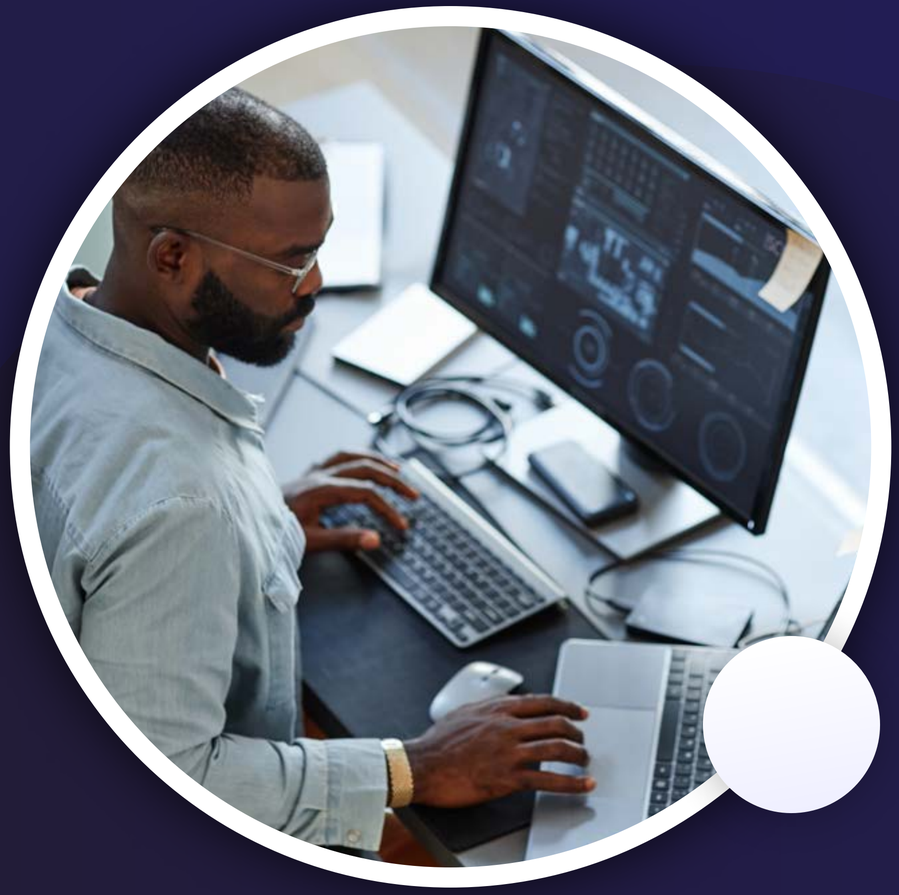
Rather than spending hours of your days building audience segments, AI identifies patterns and groups customers based on similarities, behaviors, and preferences. Dotdigital's eRFM customer segments update in real-time, so you can rest easy that customers are receiving marketing messages that appeal to their personal journey.

Content personalization

ML helps you discover patterns in customer behavior and turn them into personalized content. From product recommendations to dynamic content blocks, ML and AI guarantees you're delivering relevant and conversion-driving content, without having to lift a finger or analyze tons of data.

Trend 2

Leveraging big data



Leveraging big data

Unlocking your potential

Big data enables you to analyze large volumes of data to gain valuable insights into customer behavior, preferences, and trends. It is collected from various sources across your business and is often stored in different locations. To truly tap into the value of big data and leverage it accurately in your marketing automation, you need to be collecting the right information and storing it in a single location that enables seamless marketing.

Collecting the correct data

With big data comes big responsibilities. You need data to deliver personalized and engaging marketing, but you need to gain customers' trust to collect it. And customers today are more switched on than ever about their data privacy rights.

To gain access to the data you need, you must practice responsible marketing at all times. Luckily, Dotdigital is an expert in responsible marketing. Here are our top tips.

> Building trust with customers through responsible marketing is central to retention, life-time value, and optimizing investment in sales and marketing.

Rise of the responsible marketer,
Dotdigital

Responsible data collection practices

1. Transparent data collection policies

Communicate openly and honestly about how customer data will be collected, used, and stored, and provide an accessible privacy policy.

2. Double opt-in

Whether it's email or SMS, double opt-in is essential. It enables you to gain clear customer consent before you begin collecting personal information. As an extra bonus, it ensures new subscribers have provided accurate contact information, keeping your data clean.

3. Data mapping

Mapping your data will help you understand what data you need to collect to achieve your goals and objectives. This can help ensure you're only collecting the data necessary for marketing purposes.

Using big data in your marketing automation

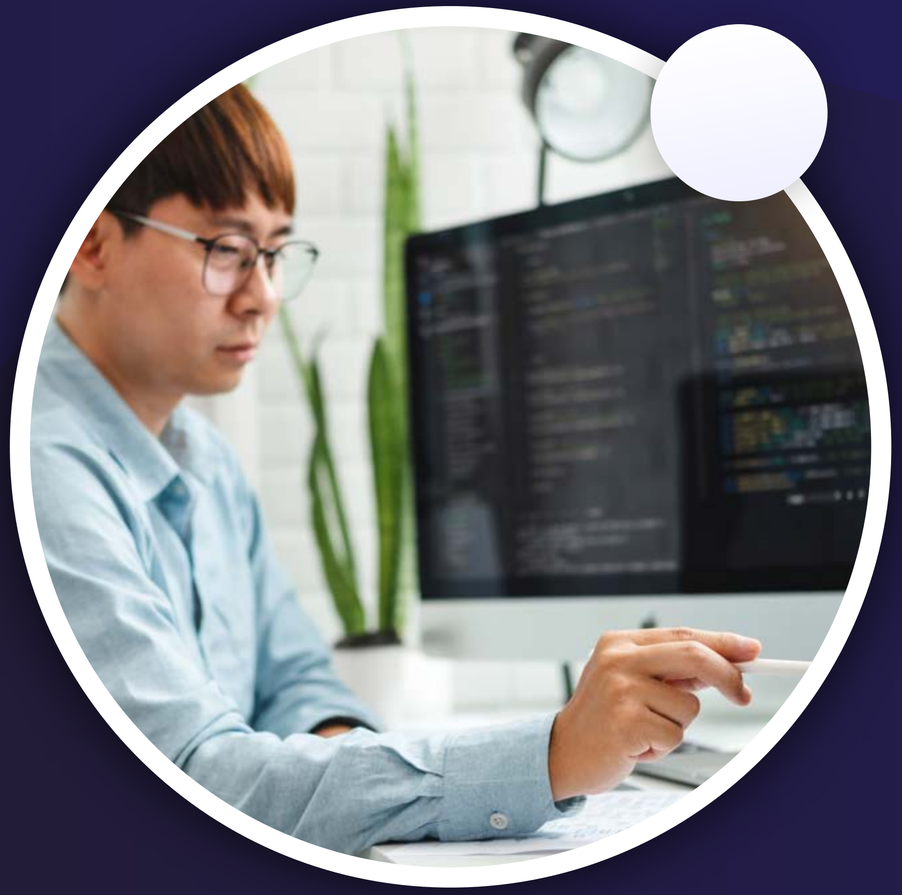
Before you can use big data to optimize your marketing automations, you need to take a look at your tech. Big data is disparate in its nature. Depending on your size and sector, you may have 10 data sources or 50. To get accurate and actionable insights, you need a single source of truth.

For us, that's Dotdigital. Armed with an open API and an extensive network of partners, the Dotdigital platform integrates with tech across the ecosystem to connect and centralize your data. With unified data, you will be able to:

- Identify trends and opportunities
- Optimize automation program performance
- Deliver personalized messaging and content
- Target audience segments more effectively
- Communicate on preferred marketing channels
- Align sales and marketing goals efficiently

Trend 3

Employing advanced analytics



Employing advanced analytics

Advanced analytics provide you with even deeper insights into customer behavior, preferences, and trends to help you optimize your marketing automations. By leveraging advanced analytics, you will be able to make more informed, data-driven decisions, improving customer engagement and driving a better return on investment (ROI).

Why are advanced analytics tools important for marketing automation?

Advanced analytics tools empower you to optimize your marketing campaigns. They crunch the data, surface trends, and deliver actionable insight to ensure you're marketing is always performing at the highest possible levels.

You'll be able to stay agile, be responsive, and outpace your competitors by making data-driven decisions with ease. What's more, as AI and ML get more intelligent, the capabilities of advanced analytics tools will develop at a rapid pace, presenting more opportunities and insights to outclass your competition.

Benefits of employing advanced analytics

1. Data-driven decisions

Advanced analytics tools like Dotdigital's program reports collect and analyze large volumes of data, allowing you to make more informed and accurate decisions. For example, you can quickly discover how many sends were deployed, how many clicks were driven, and how much revenue a program generated. This will enable you to design more targeted and effective automation programs.

2. Cost efficiency

By getting your tech to carry out continuous data analysis, you can achieve significantly higher ROI. How? Because program reports identify trends such as the highest converting program, biggest revenue generator, and most popular channel. You can then focus your attention on the most effective channels or tactics, reducing costs, maximizing profits, and saving time.

3. Personalization

Advanced analytics tools make it easier for you to deliver the personalized experiences that customers demand. They make it easier to segment customers based on their behaviors, preferences, and demographics. This in turn ensures you're delivering better targeted campaigns that truly resonate with your audience.

4. Reporting and visualization

Advanced analytics tools provide easy-to-understand reports and visualizations that make it simple for you to analyze performance, spot trends, and identify optimization opportunities.

5. Real-time tracking

As advanced analytics tools continue to grow in ability, you can monitor campaign performance in real-time. This gives you more opportunities to adjust your tactics or messaging to improve program performance instantly.

Trend 4

Integrating marketing channels

Integrating marketing channels

Meeting customer demands

Like marketing automation, marketing channels are ever-evolving. Social media channels are only growing in strength, especially as Gen Z begins to enter the workforce. Soon we'll see a new generation of influencers, decision-makers, and buyers changing the way B2B brands employ marketing tactics, as we have already seen in B2C and D2C sectors.

Brands across every industry must adapt how and where they talk to customers. Customers' demands for personalized experiences will continue to grow, and your ability to deliver them in real-time will define your success in the future.

Marketing channels ready for the future

Uniting all your marketing channels under one roof will unlock a wide range of benefits for your future marketing strategy.

1. Agility and scalability

You need a system that can grow with your business. Having an integrated marketing automation system enables you to respond quickly to changing market conditions, customer needs, and new opportunities. Whether it's adding a new social channel to your marketing matrix, or removing roadblocks on the path to purchase with a live chat widget, automating your marketing channels will drive growth you never thought possible.

2. Improved customer retention

Personalized, data-driven campaigns are only truly possible if all your marketing channels are united in a single CXDP like Dotdigital. Personalized campaigns create more meaningful customer experiences that build loyalty and ultimately deliver higher retention rates over time.

3. Predictive analytics

We've already discussed the importance of predictive and advanced analytics in your future marketing campaigns, but none of it would be possible without integrated marketing channels. Using historical data from channels across your business, predictive analytics allows you to forecast trends and make informed decisions.

4. Seamless customer experiences

Integrated marketing channels ensure you can create a seamless automated customer journey for every important customer touchpoint. Not only does this leave a positive impression on the customer, but it also allows for easier monitoring and reporting so you know exactly where your customers are. In turn, this will help you evaluate the effectiveness of your marketing strategy and will help you drive ROI by refining your channel usage.

Real-time optimization

Connect with customers anywhere and everywhere

Real-time optimization (RTO) is only set to grow in importance over the coming years. In essence, RTO enables you to make informed decisions and optimize your marketing strategy instantly. It also allows you to deliver instantaneous personalized experiences.

Integrated marketing channels provide you with even more real-time data to help reveal customers' changing preferences and behavior patterns. This allows you to dynamically adjust your campaigns to deliver personalized content to your audiences.

And, the more channels you have integrated, the more opportunities to personalize you will have. Every channel, from your website, to email, SMS, and live chat will be an opportunity to connect with customers and drive conversions.

Future-proofing your marketing automation strategy

Navigating the evolving world of marketing automation demands embracing new technological advancements. Four key trends—AI and machine learning, big data, advanced analytics, and integrated marketing channels—will increasingly shape this landscape.

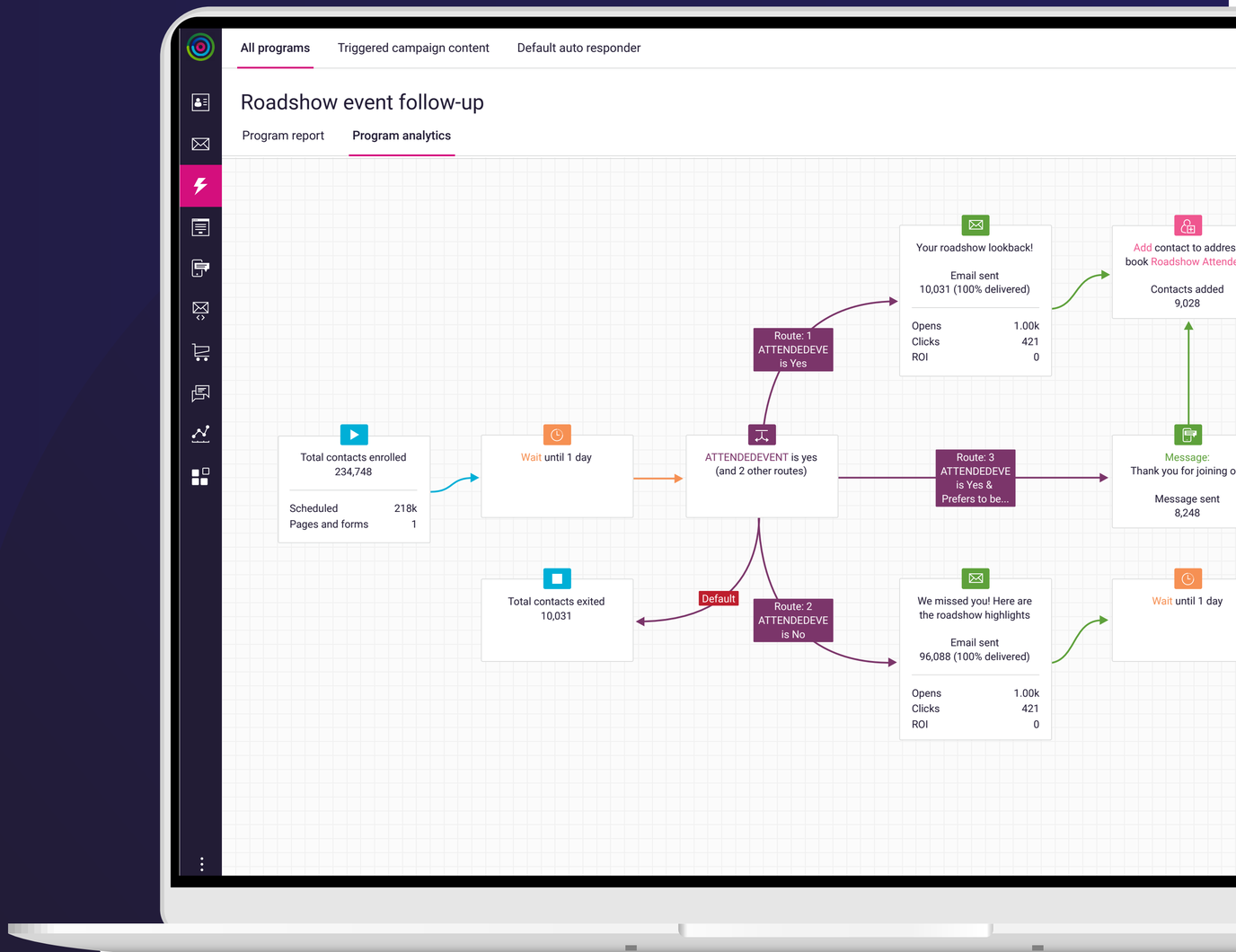
Marketers must stay informed and integrate these trends to deliver personalized experiences that exceed customer expectations. Emerging technologies such as AR, VR, and voice assistants will further change the way customers interact with brands. Maintaining a competitive edge will be vital. Future-proofing your automation strategy today will ensure you're ready to integrate such advancements into marketing strategies when they're ready.

By staying ahead, your brand can ensure a bright, adaptable, and innovative marketing automation future, driving business growth and fostering meaningful customer relationships.

Expand your marketing horizons with Dotdigital

Dotdigital's intuitive and expansive marketing automation capabilities ensure that your marketing remains agile and future-proofed in the ever-evolving marketing landscape. Our CXDP offers an extensive range of channels, a powerful network of partners and integrations, and an open API, so you can connect all your systems under one reliable roof. We're here to help you grow.

Watch a quick demo



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