



BoldOrange

Bold Predictions for 2018

After the holidays have come and gone, the most exciting thing for many in the New Year is the promise of a clean slate. You can reimagine yourself however you want as an individual and brands are no different. For consumers, the top resolutions year after year are often the same: lose weight, get in shape, and save more money. However, for businesses, each year often presents very unique challenges due to consumer expectations changing, resulting in behavioral changes, and the new or evolved technology innovations to meet those needs.

We're thrilled to be starting anew at Bold Orange as we move into 2018. We've collaborated with some industry leaders on predictions in modern loyalty, CRM and digital marketing. Check them out and get inspired...

1. Companies will demand more relevancy from their loyalty and CRM partners.

As companies look at their personalization and 1to1 budgets for 2018, they will realize too much of their spend is going toward things the customer doesn't see or feel. Consumer expectations have changed dramatically over the last few years, but this industry has stayed relatively traditional. When done right, flexible technologies, digital experiences and strategic communications will enable brands a much more loyal consumer connection, while also significantly reducing their costs. More budget dollars will shift to the consumer experience and consumers will repay the increased relevancy with more loyalty. Don't miss another year - bolder options for partners are out there.

2. Enterprise Loyalty will move to the center of growing sales and engagement.

- Bob Daly, Senior V.P. FlexPerks Rewards and Loyalty Operations, U.S. Bank

Enterprise-wide loyalty will become a strategic initiative versus a tactical program. Forward-looking companies will leverage loyalty and its currency to help incent new product trials, drive lower cost servicing models (i.e. electronic transfers vs. check writing), and deepen engagement with the brand (growing balances). Over time, the customer experience is enriched and more efficient, while also providing better economics for both parties. A win-win.

3. The B2B market will finally prioritize knowing its end consumer.

Many business-to-business companies have historically relied on reactive and singular approaches to selling and servicing their customers. Over the next few years, B2B firms will invest heavily in digital capabilities that rival consumer-oriented efforts, such as mobile apps, and proactive notifications of service needs and product upgrades. They will leverage the data they've collected on behalf of their customers – to help them understand higher performing outlets and those that need improvements or changes. They'll be able to provide this insight back as an additional revenue outlet or simply as a value-add, either of which will help them grow stronger relationships.

4. Artificial intelligence knows a lot but not everything.

Artificial intelligence enables marketers to calculate affinity scores, purchase probability and offer redemptions, as well as confidence estimates for every customer/product and customer/offer combination. It can also be highly personalized to each customer.

However, customers' lives are getting busier and busier resulting in purchases occurring at any time and relevancy changing in micro moments. AI has catapulted analytics but its insightfulness around humans is a journey. Don't expect a silver bullet but embrace its power.

5. Augmented reality becomes more mainstream.

Augmented reality isn't new, but it's about to have its biggest year yet. With tools of the trade openly available for the developer community (See ARKit launch by Apple and ARCore by Google), AR experiences will become more commonplace. Looking ahead, things will get even more interesting when AR experiences become social, whereby two people can share the same augmented reality and interact with it simultaneously. Reality is being reimaged – stay on top of it!

6. Brands will relate more and creep less.

- Eric Johnson, Global Digital Marketing Lead, 3M

Brands have been using data to drive personalized experiences for years. People are wise to the fact they are being tracked across the web, but they don't always want conspicuous reminders that they left something in a shopping cart or viewed a specific website.

Brands will take extra care that the data they are leveraging, the personalized experiences and media they are delivering, feel natural to the user and the overall experience. More effort will be given to creating authentic moments rather than jarring reminders that brands try to track every move.

7. Let's get personal. The world is watching.

- Rob Imig, International Director, Communications & Digital, Vichy Laboratories, L'Oréal

It's no longer one size fits all for e-retail. Global CPG brands can no longer create one set of content (i.e. product photos, how-to videos, texture shots) for all e-retailers. You need to understand each platform in your markets such as Amazon in the U.S. and T-Mall in China, and ensure your content speaks specifically to those audiences on those platforms. Ratings and reviews are one of the biggest elements of a "platform-specific" approach. It is imperative to populate each site and platform with specific consumer-generated ratings and reviews to ensure third-party authenticity and create your best opportunity to capture the customer's interest.

8. Triggered communications will reload and take new aim.

Brands who are sincere about making every interaction matter will put renewed focus around their triggered communications. Today's consumer is more likely to fall out of love with brands who use triggered communications in robotic ways vs. applying some common sense to them. For instance, the brand needs to realize that when the consumer makes a new category purchase in Q4, it most likely is a gift. Thus, do not ask them to review the product 5x before the holidays even happen. Spending time assessing, and evolving trigger strategies is worth millions in brand advocacy and sales.

9. The renaissance of the personal touch.

While technology developments have made it possible to check into your hotel room without visiting someone at the front desk and have groceries delivered without setting foot in a store, the next moves will be to add human interactions back into the mix. How can brands use sophisticated technology to connect their employees with their customers? Winners will figure this out. The personal note, the concierge who remembers you, and the mobile carrier who proactively texts you when there is a way to save money on your plan will make customers feel engaged in their products and services well beyond what technology can automate. The revival of the *human connection* is now.

10. Real-time earn and burn.

- Bob Daly, Senior V.P. FlexPerks Rewards and Loyalty Operations, U.S. Bank

Loyalty programs need to move at the speed of consumers' lives by making engagement and value instantaneous. U.S. Bank has done just that by tying credit card purchases to real-time loyalty program redemptions. If you are opted-in to Real-Time Mobile Redemptions, you will receive a text prompt immediately after a credit card purchase to ask if you want to use points to cover the transaction. If you do, you simply text back "redeem" and the purchase amount is credited and loyalty points are deducted. Now that's purchasing power!

11. Non-profit loyalty will take on new meaning.

With the changing of the tax laws for 2018 and the near doubling of standard deduction amounts, individuals will surely look at their giving strategies and determine where their loyalties reside. Will they stay consistent regardless of the tax changes? Will they lower their giving amounts to stay within the standard deduction and thus prioritize which charities they are most loyal to? As Simon Sinek says, it feels good to give so let's get out there and feel good. Stay loyal, these organizations need you!

12. Blockchain generates changes in the marketplace.

Rising interest and experimentation in this space will lead to interesting discoveries. While day-to-day consumer experiences have not yet been impacted, this technology will continue to be the top discussion topic for its potential beyond just cryptocurrencies, into new ventures and specialties. As a consumer in 2018, it's likely we will experience apps that use blockchain in the background without even knowing it.

The overwhelming theme is that 2018 is the year to #BeBold. We'd love to discuss how with you. Cheers to a new start, awesome opportunities, and an inspired life.