

# The shift to performance

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The biggest trend in digital marketing gaining momentum in the local market is the shift to performance, says Stijn Smolders, CEO of <u>Sprout Performance Media Partners</u> and a sponsor of Bizcommunity.com's Focus on Digital Marketing 2017.



Stijn Smolders

## What is your prediction for the biggest trend in digital marketing, currently?

Programmatic media buying\* has changed digital marketing for good. Globally, programmatic spend has doubled in three years and already in the US, display is outdoing search. I believe that the biggest trend in digital marketing gaining momentum in the local market is the shift to performance. Marketers are increasingly obsessed with return on investment, and programmatic is the obvious approach to meeting business objectives online, while affording marketers greater transparency with regards to fees and cost structures.

Furthermore, programmatic allows marketers to access data immediately, and the real time reporting ensures that current campaigns can be optimised, reducing any potential wastage (of spend).

\*Programmatic is display media bought through an automated process that allows marketers to target online browsers, early on in the customer journey, in order to drive awareness in an effort to optimise the campaign towards a digital conversion (sale/lead). It allows marketers to buy an impression while targeting the right audience, at the right time, with the right message at the right cost.

#### **## What are the key attributes for a successful digital marketing strategy?**

As a media buying agency, Sprout's services only come in after the digital marketing strategy has been developed. That said, context is a key attribute. Marketers need to start by understanding the different roles that digital media channels play. For instance, is the campaign objective to drive brand awareness or convert a lead into a sale? By understanding the customer journey, and tracking consumer intent moments, marketers are able to deliver relevant and personalised messages.

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Historically, online marketing campaigns were only either used as a brand building exercise or to drive leads/sales. These days, more and more marketers are becoming aware of the potential of digital and its ability, when integrated, to deliver measureable and effective campaigns across both objectives.

# **##** What is the cornerstone of your digital marketing success?

There are three cornerstones that we build successful digital marketing campaigns on; people, data and technology. By employing smart people/talent to mine and interpret data correctly, through the understanding of technology, we can target consumers at any given time, optimising towards the most cost-efficient placement, with the right message, at the right time, for the right price.

#### ## Please provide any additional relevant stats or facts to show current trends...

According to Popimedia, which just released the 2017 Digital Influence in SA Report, "65% of people shop online and 40% use their mobile to do so". In that same report, it reveals the following internet trends:

- 26% of Facebook users who click on ads make a purchase.
- 60% of people say that "easier access to online support channels" would improve customer service.
- There has been a 23% rise in Google Product Listing Ads driving clicks to websites.

Furthermore, brands only have about three seconds to engage and this is why context and relevance are so important. The campaign creative should surprise and delight. The process for Lead generation on social media should be seamless. Internationally, according to: <a href="https://www.emarketer.com/Article/More-Than-Two-Thirds-of-US-Digital-Display-Ad-Spending-Programmatic/1013789">https://www.emarketer.com/Article/More-Than-Two-Thirds-of-US-Digital-Display-Ad-Spending-Programmatic/1013789</a>: "Mobile is driving programmatic growth. In 2017, programmatic mobile video ad spending will reach \$3.89 billion, representing 51.0% of total programmatic ad spending in the US. By comparison, programmatic desktop-based video ad spending will reach \$3.73 billion, dropping to 49.0% of total programmatic digital display ad spending in the US."

