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Confidence in Digital Grows, But Metrics Remain A Challenge for Asia Pacific Marketers

New Adobe research shows that even as digital marketing budgets in APAC increase, skills gap remains a major obstacle

SINGAPORE — May 6, 2015 — New research released by Adobe with CMO Council, shows confidence in the value of digital marketing continues to grow even as the region's marketers struggle to validate performance and build a business case for higher investment. At a time when marketing is fast becoming the catalyst for business transformation and customer engagement optimization, APAC's marketers are still largely focused on single vector metrics that measure past success or single points of campaign performance, and are typically not measuring impact on harder business metrics, such as sales pipeline measurement or customer lifetime value.

The APAC Digital Directions report, a deep-dive into strategies, mandates and challenges and a companion piece to the CMO Council and Adobe's ongoing Digital Marketing Performance Dashboard, reveals findings based on data collected from 648 respondents in Australia, South Korea, China, Hong Kong, Singapore and India. More than half of the companies surveyed were head-quartered in Asia Pacific (56%), and 57% of respondents worked in organisations with turnover of \$1.1b or greater. Respondents came from industry sectors including IT, retail, banking and travel and hospitality sectors among others.

62% of respondents said they measure click-through rates and campaign ROI, and 65% said they measured response rates, compared to just 17% measuring revenue per customer, 12% measuring customer lifetime value and 14% measuring market share movements. However, this minority that is measuring business value metrics are reaping the rewards, as 78% indicate they will be increasing budgets dedicated to digital. This group are taking a more transformational approach, and have a substantially different viewpoint on the impact of digital to their business.

Marketers who measure business value metrics spend a higher proportion of their marketing budget on digital, and are almost twice as likely to allocate more than 50% of their budget to digital than marketers who don't measure the same metrics (19% vs 10%). Similarly, marketers who track business value metrics have higher levels of confidence in digital than their non-measuring peers (75% vs 59%), are more likely to say that digital can grow a profitable business faster (45% vs 33%) and are less likely to say they struggles to make a business case for digital spend (31% vs 40%).

"Adobe and CMO Council have been tracking the ongoing digital journey of APAC's marketers since 2011, and we have seen and worked with many companies to successfully transform their operations, teams, technologies and strategies as they consolidate digital channels to deliver a unified, exceptional customer experience," said Paul Robson, President, Adobe Asia Pacific. "It's a complex and challenging task, but the rewards are great. Early adopters have now consolidated their position as leaders and are able to prove value to their organisations and industries, creating a virtuous cycle of funding and resources. Those companies use customer intelligence in an insightful way, are leading with data; measuring, predicting and using insights across multiple channels to raise the bar by creating new experiences to satisfy customers."

Liz Miller, Senior Vice President of Marketing at CMO Council, agrees. "Digital has truly come of age. Respondents are confirming that digital enables additional touchpoints with customers (66%), delivers more cost-effective customer acquisition (47%), improves customer loyalty (41%) and improves the overall customer experience and responsiveness (33%). The challenge now is to turn our attention to extracting greater value and insights from data to provide ideas and knowledge that improve product, services and customer engagement and provide the foundations for a stronger internal pitch to boost investment and resourcing."

The report recommends 3 digital imperatives for APAC marketers to adopt to accelerate their digital journey.

- Optimise strategies for engagement and enablement by diving deeper into intelligence, insights and customer analytics. Best practice leaders in the region are demonstrating this by integrating tools that help streamline operations, and rolling out new strategies that leverage online and offline data to create smarter experiences.
- Boost team performance and skills. The talent gap consistently manifests as a major obstacle to digital advancement. In 2013, 37% of marketers said their agency's capabilities and experience were holding them back. In this latest survey, that number has jumped to 47% of respondents, which is especially problematic when you consider that 74% of respondents said they were working with one or more digital agencies across APAC.

"Digital Directions clearly underlines the growth and importance of digital marketing not only within our clients, but across the broader range of APAC companies that are serious about their future marketing needs," said Doug Chapman, Managing Director, Razorfish. "Increased investment in skills development will ensure the APAC marketing community can better leverage the data they are collecting and drive business transformation."

- Allocate around a customer-centric business case. Digital budgets are slowly increasing in Asia Pacific, with 79% of respondents say they have increased budgets over the last 12 months. Marketers who leverage metrics tied to the bottom line, profitability and growth, are having greater success persuading internal stakeholders to increase their investment in digital.

"The data is there; now it's up to the marketers of Asia Pacific to apply it to drive business growth, and demonstrate the value of their function," said Mr Robson.

Helpful Links and References

- [HYPERLINK TO 2015 April report](#)
- APAC Digital Marketing Performance Dashboard Infographics:
 - Dashboard Infographic
- [Adobe Digital Marketing Blog - CMO.com?](#)
- [Join the Adobe Digital Dialogue LinkedIn group for news and views from APAC Marketers](#)
- Follow the conversation around the APAC Digital Marketing Performance Dashboard via #APDash
- For all the news on Adobe Digital Marketing, follow @Adobemktgcloud
- Read about [Adobe Marketing Cloud](#).

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About the CMO Council

The CMO Council is dedicated to high-level knowledge exchange, thought leadership and personal relationship building among senior corporate marketing leaders and brand decision-makers across a wide-range of global industries. The CMO Council's 6,000 members control more than \$300 billion in aggregated annual marketing expenditures and run complex, distributed marketing and sales operations worldwide. In total, the CMO Council and its strategic interest communities include more than 20,000 global executives in more than 110 countries covering multiple industries, segments and markets. Regional chapters and advisory boards are active in the Americas, Europe, Asia-Pacific, Middle East, India and Africa. The Council's strategic interest groups include the Coalition to Leverage and Optimize Sales Effectiveness (CLOSE), LoyaltyLeaders.org, Marketing Supply Chain Institute, Customer Experience Board, Market Sense-Ability Center, Digital Marketing Performance Institute, GeoBranding Center, and the Forum to Advance the Mobile Experience (FAME). More information on the CMO Council is available at www.cmocouncil.org.

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