The Talent Revolution Survey
Advertisers

March 2017

THE BOSTON CONSULTING GROUP

Executive summary

Customer engagement via digital continues to increase, diversify and get personal

- Global smartphone usage and digital advertising spend are at an all-time high (and growing)
- Digital marketing is moving towards 'hyper-active' targeting via mobile and video, shaped by always-on connectivity and customer feedback

Given the above trends, performance of advertisers remains unsatisfactory (57)

- Some progress made to connect with customers across digital channels – driven by adoption of new content types (e.g. native advertising, seconds-long videos, etc.)
- Biggest shortfalls remain mobile (e.g. using location and tailoring the role of the content to match customer journeys), and video (e.g. using new tools in old-fashioned ways)
- Testing and data-driven capabilities also lacking behind, with advertisers struggling to target appropriate customer segments due to disparate views of customers in their data

Senior leaders are facing a major challenge, where they must understand their organisations better and clearly decide which skills to build internally and which to outsource

- Else, advertisers risk becoming over-reliant on agencies to cover basic digital marketing needs
- But also... will find it increasingly hard to attract digital talent, as L&D scores have deteriorated

Context

This document is prepared as an aggregate report on findings from the Talent Revolution Survey – a digital marketing skills benchmarking study.

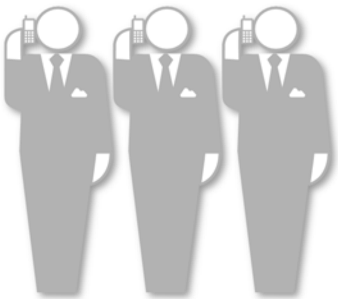
All assessments presented in this report are based on the following digital marketing skills framework.

Plan	Build Strategy & Plans	Partner Management	Enablers
Act	Digital Content	Digital Targeting	Digital Channels
Measure	Metrics & Measurement	Marketing Analytics	Testing

Responses to an online survey form the basis of all the assessments provided in this report. With the online survey, Marketing employees worldwide are asked to assess their organization's capabilities on a 7-points scale vs. best practices across the skills areas highlighted in the framework above. Survey responses are turned into assessment scores (out of 100) that are presented in this report.

Source: BCG Talent Revolution survey

Over the last year, the importance of digital marketing has continued to increase



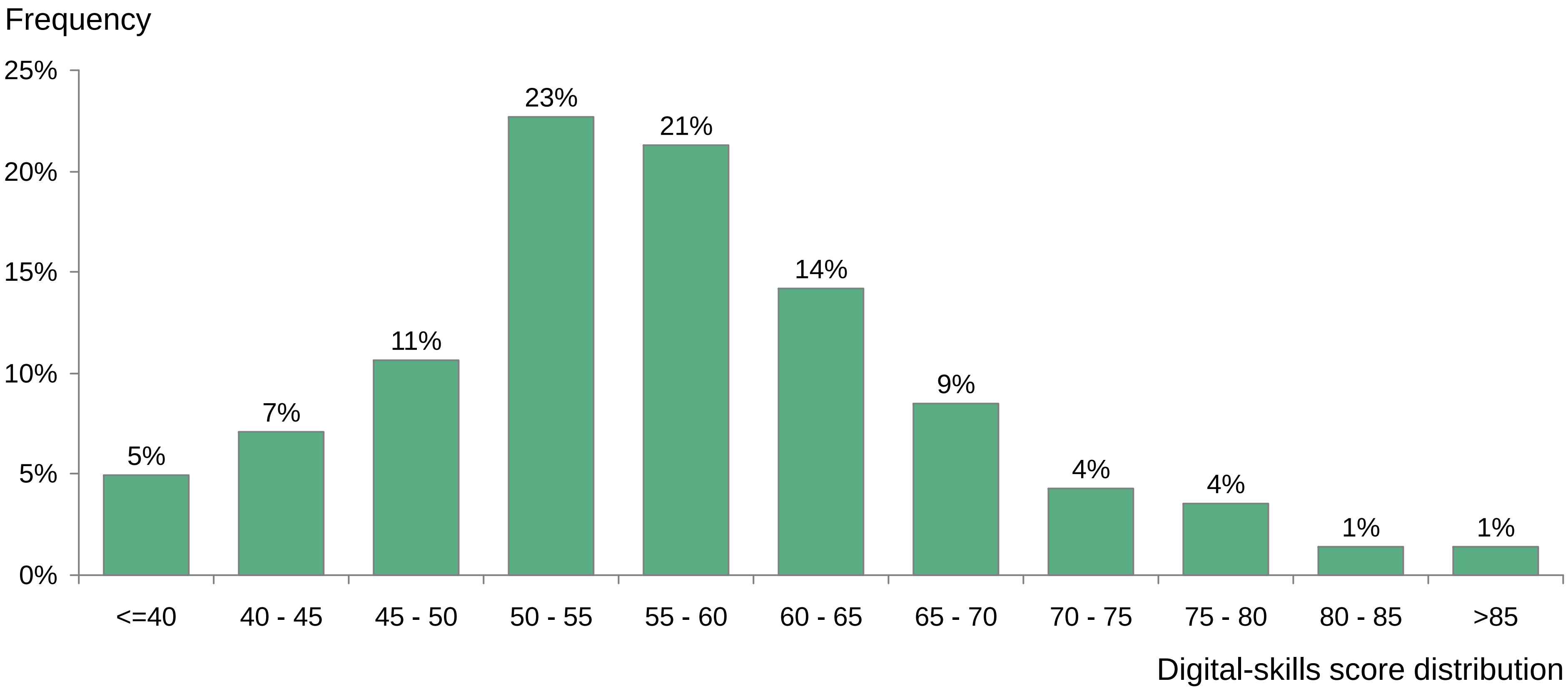
Mobile users spend 4 hours / day
on their smartphone devices

Hyper-active targeting, always-on connectivity
are re-shaping digital marketing

Digital ad spend now 1/3 of global total
estimated at $182bn in 2016

Source: Magna Global, Forrester; BCG analysis

The average digital-skills score for all advertisers is 57, with most packed together in the 50-65 range

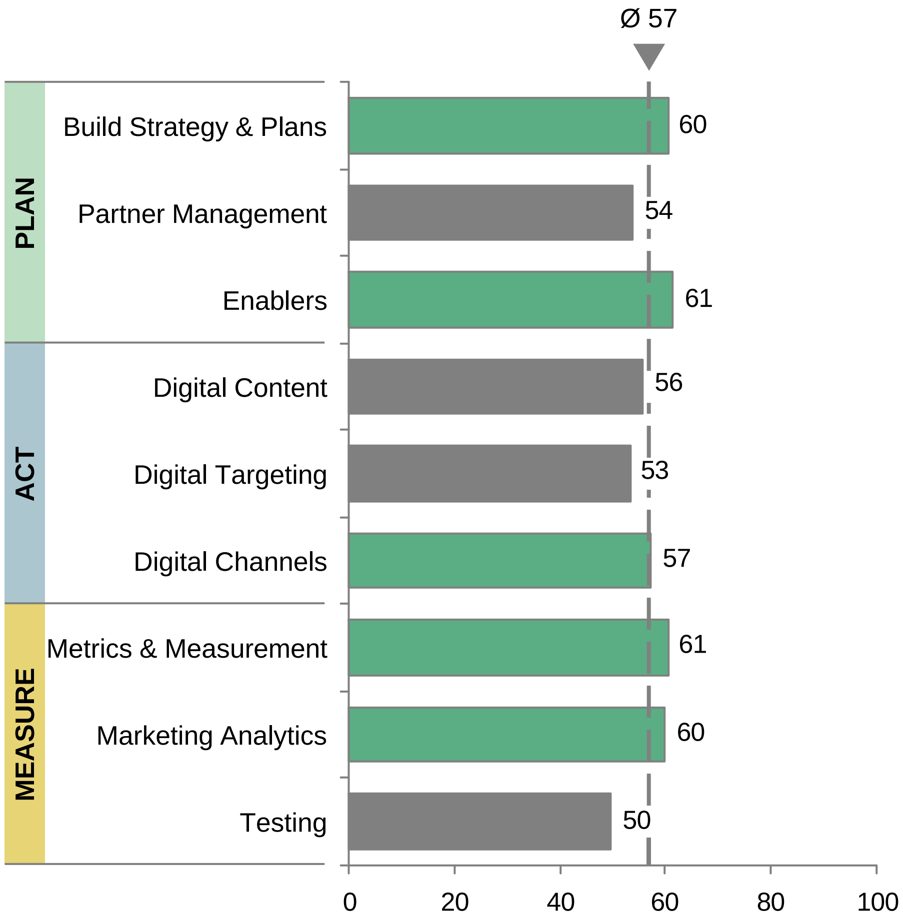


On an apples-to-apples comparison with the scope from last year, there is only a slight increase – see appendix

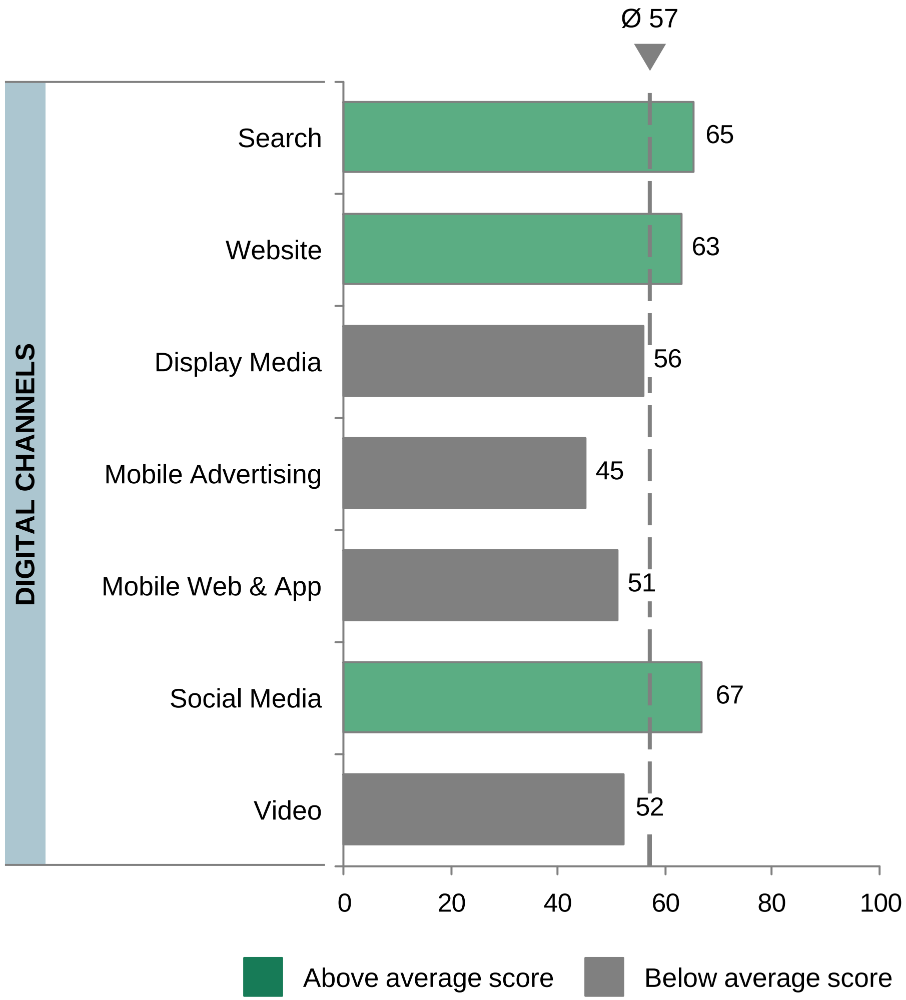
Source: BCG Talent Revolution survey (N=141)

Advertisers continue to face biggest shortfalls across key capabilities – testing, mobile and video

Digital marketing skills scores

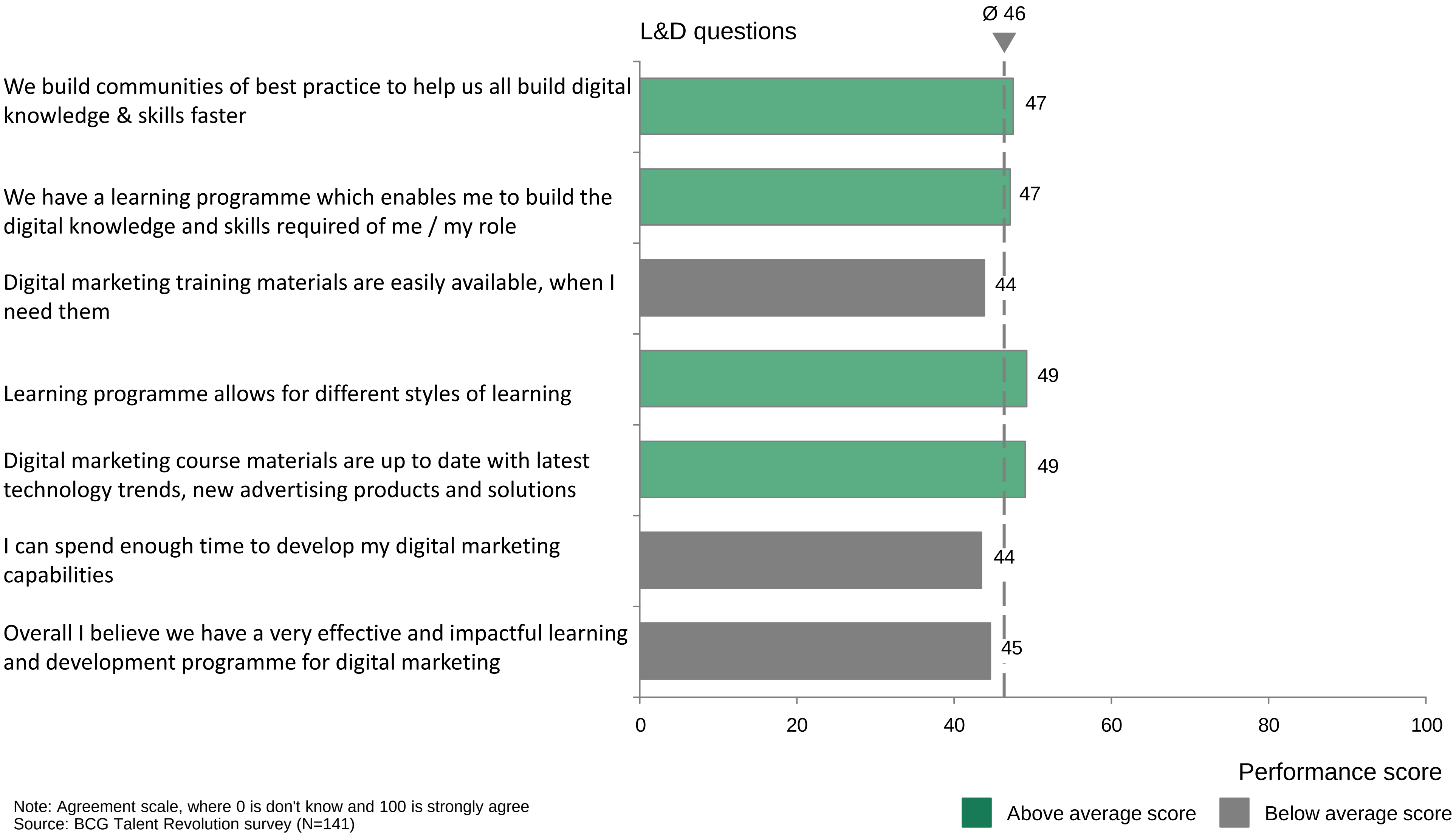


Digital channels drill-down



Note: Agreement scale, where 0 is don't know and 100 is strongly agree
Source: BCG Talent Revolution survey (N=141)

Thee level and quality of training programmes remains highly insufficient

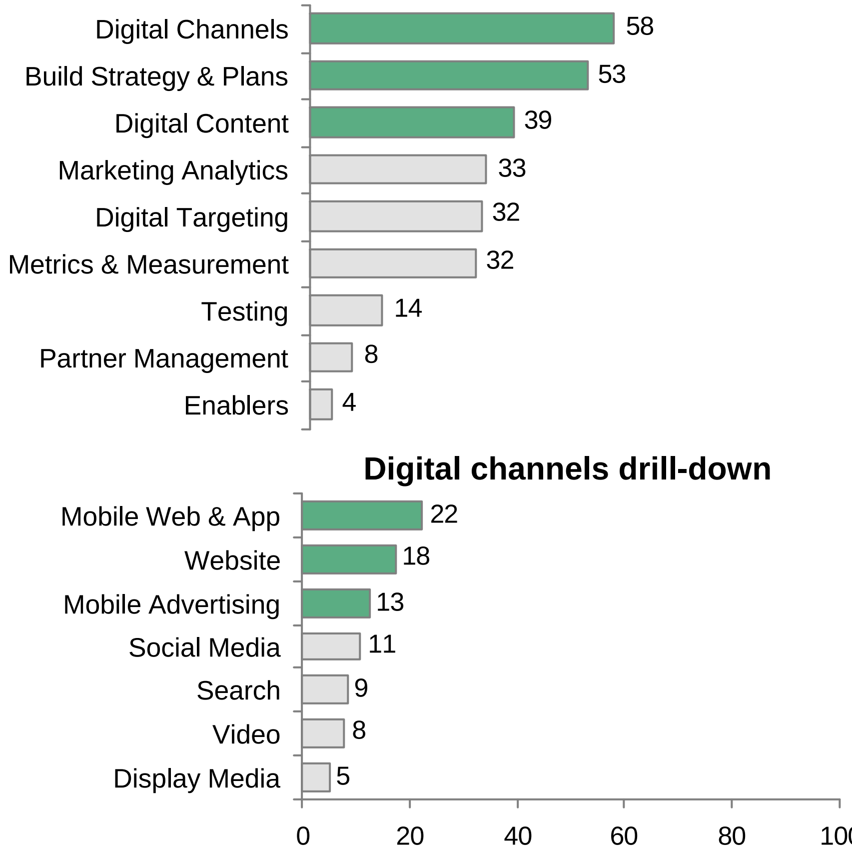


Note: Agreement scale, where 0 is don't know and 100 is strongly agree
Source: BCG Talent Revolution survey (N=141)

Digital channels, planning and strategy execution seen as critical in short and mid-term

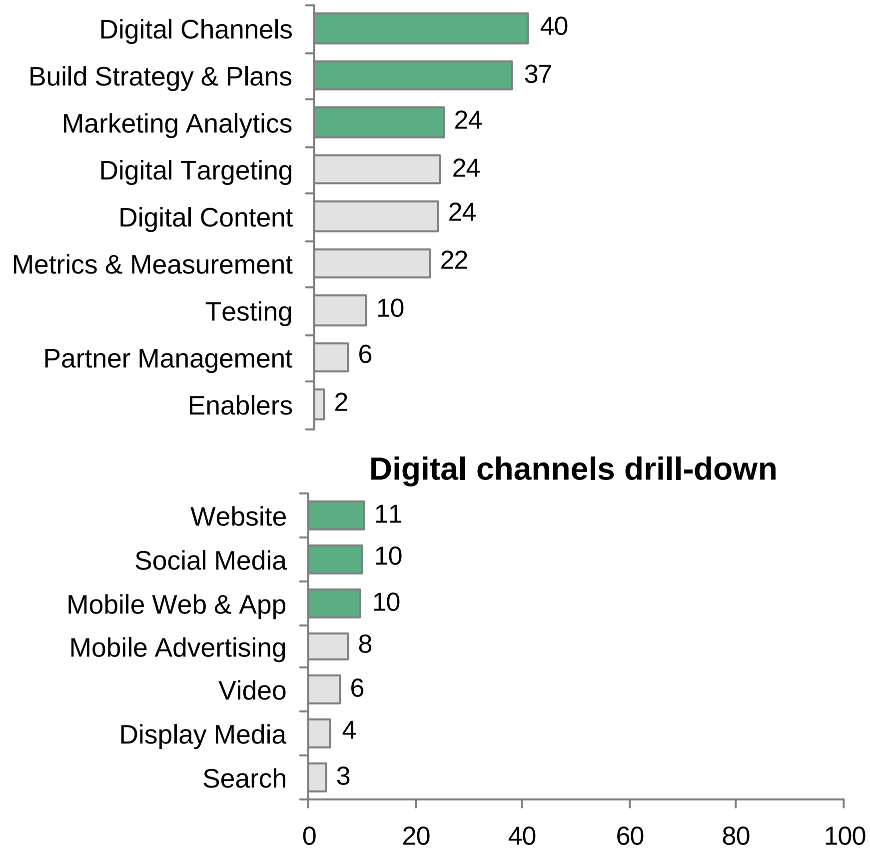
The most important capabilities to success over the next 3 years[1]

Digital marketing skills framework



Top capabilities teams need to develop this year[2]

Digital marketing skills framework



1. When thinking about your organisation over the next 3 years, which of the following digital marketing capabilities will be most important for your success? (Please pick top 5); 2. Thinking about your immediate team, what are the most important 3 capabilities you need to develop this year?; Source: BCG Talent Revolution survey (N=141)

Top 3 capabilities | Other capabilities

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Senior leadership remain overly optimistic of the performance of their respective organisations

		Performance scores by organisation level				
		Executive VP / Group Director	Senior VP / Director	Senior Brand / Marketing Mngr	Assistant Marketing Mngr	Total
PLAN	Build Strategy & Plans	66	62	60	58	60
PLAN	Partner Management	59	57	52	52	54
PLAN	Enablers	70	62	59	60	61
ACT	Digital Content	63	57	55	55	67
ACT	Digital Targeting	58	54	53	51	52
ACT	Digital Channels	61	58	56	55	56
ACT	*Search*	*70*	*66*	*67*	*59*	*53*
ACT	*Website*	*66*	*62*	*61*	*63*	*57*
ACT	*Display Media*	*63*	*57*	*56*	*54*	*65*
ACT	*Mobile Advertising*	*50*	*48*	*44*	*42*	*63*
ACT	*Mobile Web & App*	*51*	*52*	*50*	*49*	*56*
ACT	*Social Media*	*69*	*65*	*66*	*67*	*45*
ACT	*Video*	*56*	*53*	*51*	*51*	*51*
MEASURE	Metrics & Measurement	70	61	61	57	61
MEASURE	Marketing Analytics	62	56	60	58	60
MEASURE	Testing	53	51	49	46	50
	Total	**63**	**58**	**56**	**55**	**57**

Note: Agreement scale, where 0 is don't know and 100 is strongly agree; The number of respondents from the public sector was deemed unsatisfactory this year to draw robust conclusions
Source: BCG Talent Revolution survey (N=141)

Cross-industry: Fin. services companies think they perform relatively better, followed by TMT, retail and finally consumer

		Performance scores by industry				
		Consumer	Financial Services	Retail	Technology, Media & Telcos	Total
PLAN	Build Strategy & Plans	61	61	62	61	60
	Partner Management	56	58	55	51	54
	Enablers	59	66	63	64	61
ACT	Digital Content	58	58	54	57	56
	Digital Targeting	53	57	55	57	53
	Digital Channels	58	62	58	57	57
	Search	*61*	*74*	*69*	*65*	*65*
	Website	*63*	*69*	*63*	*60*	*63*
	Display Media	*58*	*58*	*57*	*58*	*56*
	Mobile Advertising	*49*	*49*	*47*	*44*	*45*
	Mobile Web & App	*49*	*67*	*51*	*49*	*51*
	Social Media	*70*	*65*	*68*	*69*	*67*
	Video	*58*	*51*	*53*	*52*	*52*
MEASURE	Metrics & Measurement	62	66	61	66	61
	Marketing Analytics	59	64	62	63	60
	Testing	47	54	52	53	50
	Total	**57**	**61**	**58**	**59**	**57**

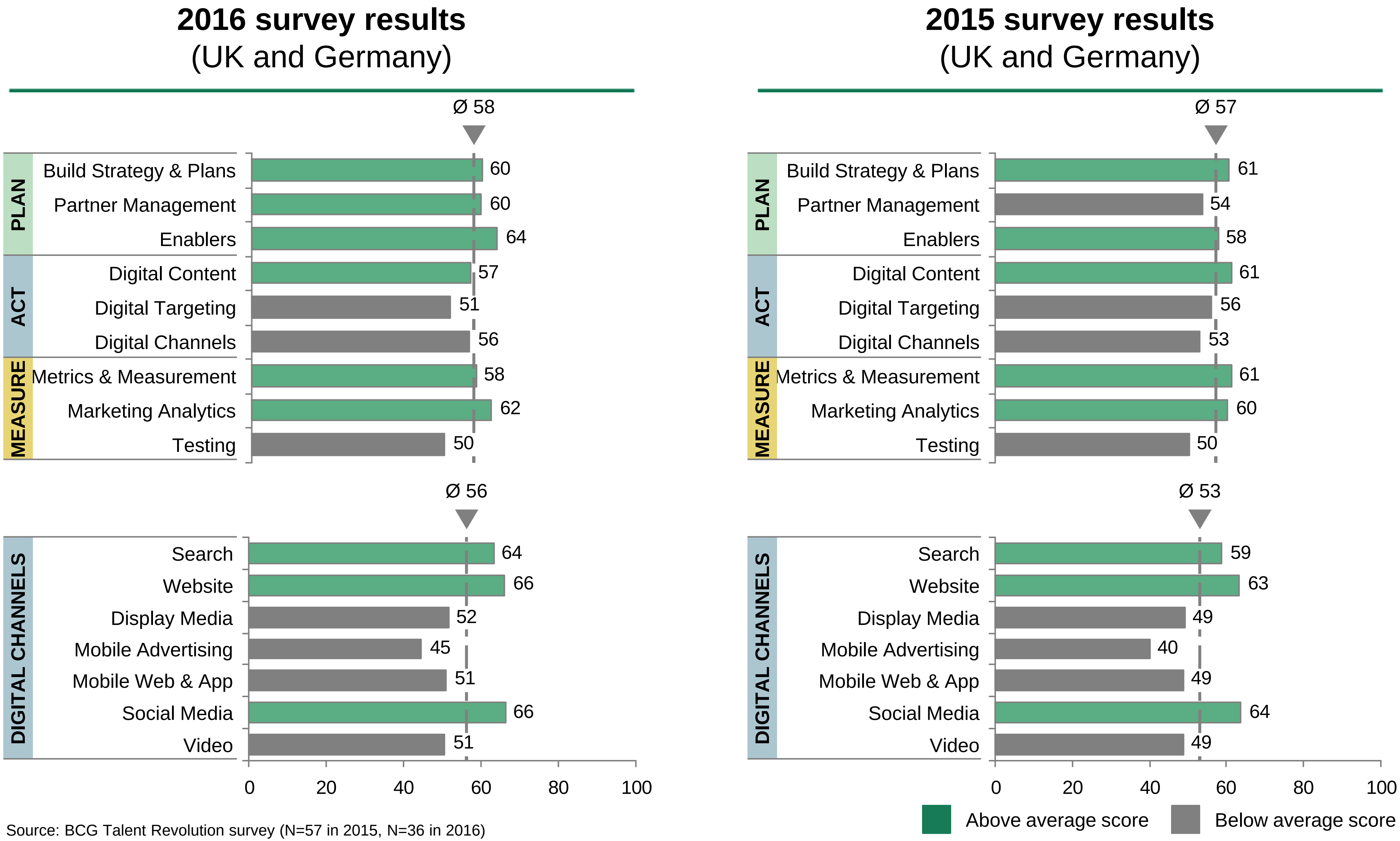
Note: Agreement scale, where 0 is don't know and 100 is strongly agree; The number of respondents from the public sector was deemed unsatisfactory this year to draw robust conclusions
Source: BCG Talent Revolution survey (N=141)

Agenda

Appendix: Comparison with last year

Appendix: Methodology

Overall, UK and German advertisers have made slight progress since 2015, however skills are a mixed bag



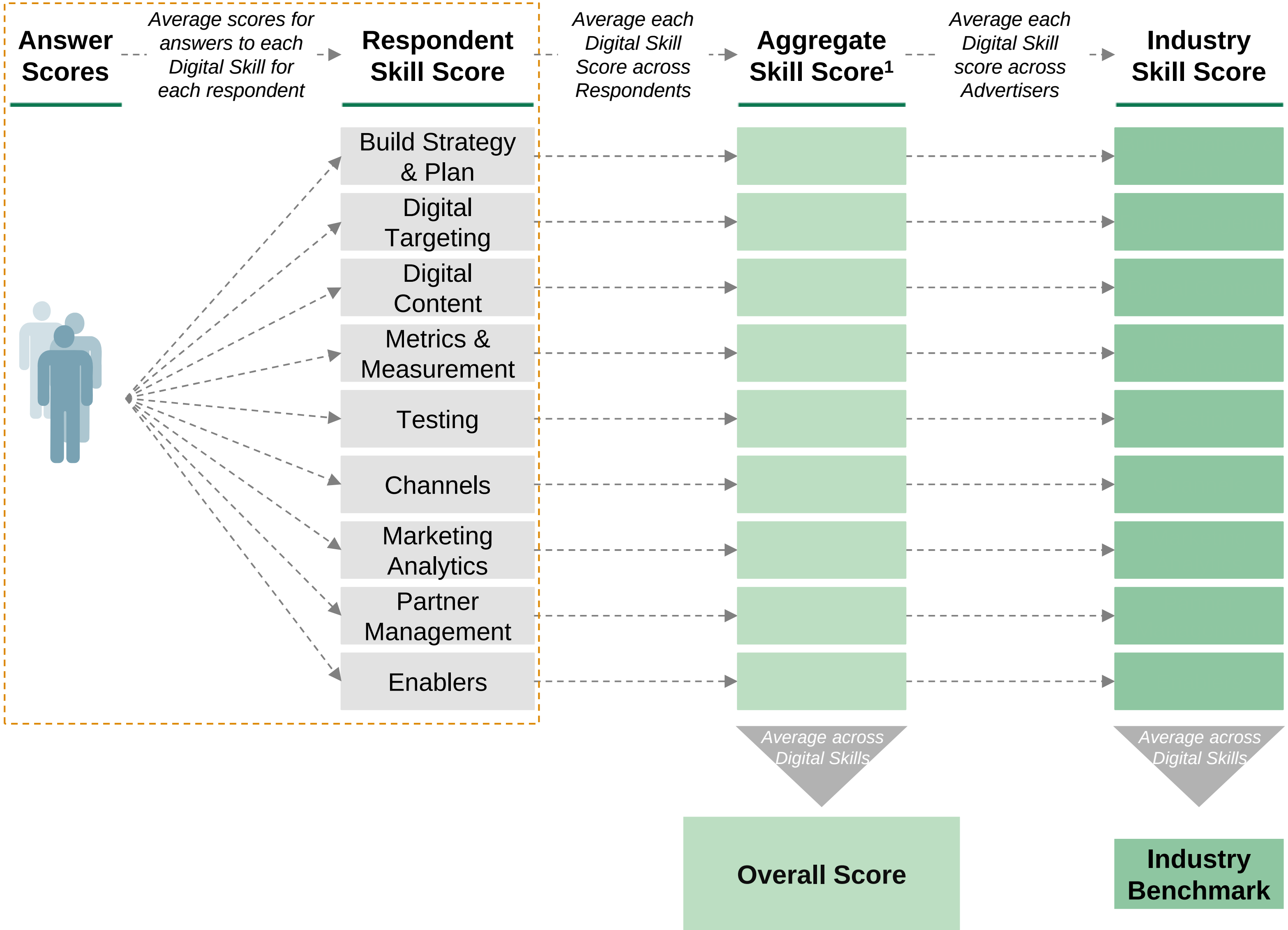
Source: BCG Talent Revolution survey (N=57 in 2015, N=36 in 2016)

Agenda

Appendix: Comparison with last year

Appendix: Methodology

Scores are calculated by taking the average across the 9 Digital Skill scores



1. Scores are aggregated on the basis of different participant profiles

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Thank you