Paradox

Feeling Machines and the Rise of Post-Modern Marketing

Modern Marketing

November 2017 | Chapter 2

STEIN IAS

"Three technology trends – media fragmentation, addressability and interactivity – are converging on the world of marketing and advertising. In a new era of Left Brain Marketing, analytical strategies grounded in deep audience knowledge will rise to predominance. Creative will remain essential but will play a smaller … role."

"Left Brain Marketing," Forrester Research, 2004

Digital transformation means measurability, and Modern Marketing emerges. It was the end of the world as we knew it – and we knew it at first sight.

The advent of mainframe computing had begun the process of slowly diminishing marketers' focus on core human emotions in favor of Modern Marketing's quantified data, measurability, and return on investment (ROI) metrics. But the rise of the World Wide Web accelerated things the way a Tesla Model S (with Ludicrous+ update) slams your body into the seat when leaving a traffic light. In other words, faster than human brains could comprehend, the Web challenged and displaced existing business models, media, and marketing approaches. Even before there was much digital activity worth measuring, the promise of metrics to come captured marketers' imaginations with a vice-like hold.

In interview after interview for this chapter, people described "holy crap" moments when they realized monumental changes were coming. Initially, such moments occurred when they first saw the Web through a graphical browser; later, they came as marketers began to realize the enormous potential that digital marketing measurability made possible.

Those moments led to explosive demand from marketers for digital technology and the addictive marketing measurability it enabled. The result of that explosive demand? Digital ad revenue rose at a compound annual rate of 21.5% since 2000 and is projected by eMarketer to reach $223.74 billion worldwide in 2017, capturing a 38.3% share of all paid advertising. And in the U.S., digital slipped ahead of TV spending in 2016, $72.5 billion to $71.3 billion.

But the real shocker? In 2016, 27% of marketing budgets in companies with more than $250 million in revenue went to marketing technology (martech), second only to the 28% spent on labor – and quite a bit more than the 22% that went for paid media, according to Gartner's 2016-2017 CMO Spend Survey of 377 marketers in North America and the U.K. In addition, the report reiterates Gartner's famous prediction that 2017 is the year in which CMOs surpass CIOs in technology spend – saying they are poised to do so.

Where It All Began: The Birth of Pre-Modern Marketing

The first-ever Web advertisement was sold as a consequence of a "holy crap" moment. It appeared in the first online media property, Global Network Navigator, developed in 1993 by Dale Dougherty of technology publisher O'Reilly & Associates and later acquired by AOL in 1995. Tim O'Reilly, who sold that first ad to his lawyer, recalls: "At the time, we sold our books through direct mail and advertisements in magazines like Unix Review and Unix World, with 'bingo' cards. Readers would fill out and mail the card to express interest, and we'd have to physically send them a brochure ... I just have this memory of being there with Dale, and seeing one of these pubs on my desk ... and then a flash of, 'Oh my god, that's how we should monetize this.' People won't have to send around brochures anymore in the mail. They'll just click on a link in an ad."

Ironically, at around the same time, Bollington, UK-based IAS (one of Stein IAS' predecessor companies) was pioneering database-oriented marketing and fulfillment systems via the old-fashioned postal services that O'Reilly was about to obsolete. IAS would quickly morph its systems and approaches into some of the world's earliest marketing automation executions for its B2B clients in engineering, construction, and heavy manufacturing.

And in Manchester, England, Marc Keating, art director at the time of a handful of International Data Group (IDG) computer gaming publications (and chief innovation officer at Stein IAS today), had a moment similar to O'Reilly's. "I remember one of our editors coming in with a box and plugging it into the wall, then hearing that sort of bleeping noise of the modem. And then slowly, one by one, the teams from all the different magazines started congregating around his desk until there was a crowd of people looking at him navigate through Yahoo and doing searches." At the time, Yahoo was a simple directory of early websites – of which there were few (623 in December 1993, exploding to 10,022 one year later – and 1.26 billion by 2017). Keating helped IDG launch its first internet pub but, soon, with IDG's support, he spun off in a new company to help build the first wave of corporate websites.

Before marketers began having their "holy crap" moments, those early corporate "brochure-ware" websites had to get built. And then media sites had to rise, and did: for example, the world's three largest technology industry publishers (IDG, Ziff-Davis and CMP Media) raced each other to get online; CMP, the underdog, won.

CMP launched TechWeb.com, which aggregated content from all its print publications, at the Comdex trade show in November 1994 – the same day Bill Gates made his prescient "Information at your fingertips" keynote speech – mostly thanks to CMP exec Mitch York's "moment" with internet pioneer Brewster Kahle. York had been tasked to figure out a way to create an "electronic" business model around CMP's collective technology content. Like almost everyone's first time seeing the Web in those days, "I just assumed he was showing me something on CD-ROM," York says. "It was mind-blowing when he explained the Web."

But don't get the wrong idea; the Web did not blow everyone's mind at first sight. For example, York spent the next couple of years after launching TechWeb in internal and external education: "I would go to an agency, see if I could find an unused phone jack, dial into a Prodigy account, and maybe be able to access TechWeb and show them some pages, if it would load. Half the time it wouldn't work, half the time it would." Again, presciently, one internal TechWeb presentation kicked off to the tune of R.E.M.'s "It's The End Of The World As We Know It (And I Feel Fine)."

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Mitch York – Former CPM Technology Executive

Online advertising began to take off, but by the late 1990s practically all internet advertisers still were tech companies – at least 85%, says Sarah Fay who, as then-president of early digital agency Carat Interactive, was in a position to know. People of a certain age will be interested to note that Fay was one of the primary people responsible for putting all those millions of AOL free trial discs into and, eventually, glued to the covers of, most technology industry publications.

Once all the elements were in place, though, and people began exploring the Web in ever-growing waves, marketers' "holy crap" moments went way beyond tech – and came fast. What they all had in common: measurability. Every online action could be noted and logged, so anything and everything could be measured. There's a joke that the earliest Web analytics tools were the highlighter pens used on print outs of Web server logs. The joke is funny because it's true; but like everything about the Web, analytics improvements accelerated about as fast as that Ludicrous-equipped Tesla.

People's Relationships with Information, Media – and Brands – All Shift

Before getting to marketers' moments of epiphany, it's important to note the flipside of O'Reilly's insight about sending people information over the internet instead of physical mail: the "people," too, figured out that they didn't have to wait for information to show up in a magazine or on TV. This simple fact set in motion enormous shifts in customer-brand relationships, led to the decline of print media and enabled Web sites and online media to proliferate – and fragment.

With the internet came the ability to search for information whenever you wanted, whether about products, services, or (much later) LOLcats. Search engines turbocharged this ability – none more so, of course, than Google, which appeared relatively late (1998-ish) but whose superior "Page Rank" search algorithm decimated all predecessors. It transformed "searching" into "Googling." Google would repeat that "Midas' touch" trick often, borrowing (paid search ads), or buying (analytics) from predecessors and transforming them into gold with superior models and execution.

The change in people's relationship with information would quickly cause major shifts for marketers. As John Ellett, author of the CMO Manifesto and former head of Dell's North American marketing organization likes to explain, B2B buyers and consumers were suddenly empowered to learn on their own – without advertising messages, without contact from salespeople, and without even awareness by the potential provider(s) involved. That leads to the rise of inbound marketing and begins the shift away from the brand dominance of customer communications to increasing empowerment of individuals. The power shift in the customer-brand relationship would later accelerate to Ludicrous speed with the rise of social media.

Also by the late 1990s, email had become universal for both B2B buyers and consumers – and had emerged as the first bonafide digital channel, notes Stein IAS' Keating. Email created a very efficient way for marketers to connect with their customers, or prospects, without any costly and time-consuming printing or postal services. Email service providers emerged, and later migrated into integrated platforms for marketing automation. Email marketing became a very measurable, modern form of direct marketing.

Marketers' Early 'Moments' Kick Off Voracious Demand for Measurable 'MarTech'

Although much of the Modern Marketing story pivots around Google, marketers' earliest "moments" came from Google's rival and predecessor by seven months, Goto.com.

Founded in 1996 by serial entrepreneur Bill Gross of Idealab, Goto.com invented (but didn't patent) paid search ads, which were later co-opted and significantly improved by Google; and it built what was likely the earliest ad network by syndicating its search ads to the major portals of the day, including Alta Vista, Lycos and Yahoo. Later, it changed its name to Overture Systems, was acquired by Yahoo in 2003 for $1.63 billion, and today operates as Yahoo Search Marketing.

In the late 1990s and early 2000s, Ted Kohnen (now managing director of Stein IAS Americas and Asia) used Goto.com to market his own dotcom startup, MyiCoach.com, and the Fisher Center for Alzheimer's Research Foundation, where he was director of marketing up to 2005. "At a time when targeted advertising was not possible, and all digital marketers could do was 'spray and pray,' Overture created the ability to reach not just many people, but the right people – and with incredible efficiency, because you only paid for the people who clicked on your ad," Kohnen remembers.

But perhaps most importantly, according to Keating, Kohnen, and others, Goto.com created a new breed of marketer and laid the foundation for the modern marketing era. As Keating states: "It caused marketers to say to themselves, 'Hey! I can use this to reach a lot of people, I can do it efficiently, and I can do it in a very targeted fashion. I want that everywhere. It was like crack. Marketers wanted more of it – more of the measurability, more of the scalability, more of the instant gratification. That led to the martech explosion, because once marketers had a taste of what the technology could do, they wanted it more, they wanted it faster."

When Google introduced its own auction-based, pay-per-click AdWords Select in 2002, its timing could not have been better: it was in the deep end of the trough created by the dotcom bust. As the NASDAQ Composite Index fell 78% in the 30 months following its March 2000 peak, it seemed the internet's inexorable rise had been demolished. In reality, it had not been demolished at all; the dotcom bust was the forest fire that cleared the way for subsequent growth of real digital media and truly measurable marketing, along with the emergence of new digital business models and entirely new kinds of businesses.

If Goto.com/Overture induced the "I want that everywhere" epiphany in a handful of early online marketers, the dotcom bust in combination with Google AdWords exploded it. Between the need to justify every dollar of digital marketing spend, and the availability of AdWords to do so, the idea of extremely relevant, targeted, efficient and measurable marketing spread at, well, Ludicrous speed. That set the world on an inexorable path to today's highly measurable modern marketing, supported by a martech "stack" comprising some 5,000 companies by 2017. More specifically, based on analysis in the annual "supergraphic" published by Scott Brinker, editor of the Chief Marketing Technologist Blog and program chair of the MarTech conferences, the 2017 marketing technology landscape encompassed 4,891 individual companies providing 5,381 martech solutions.

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Marc Keating - Chief Innovation Officer, Stein IAS

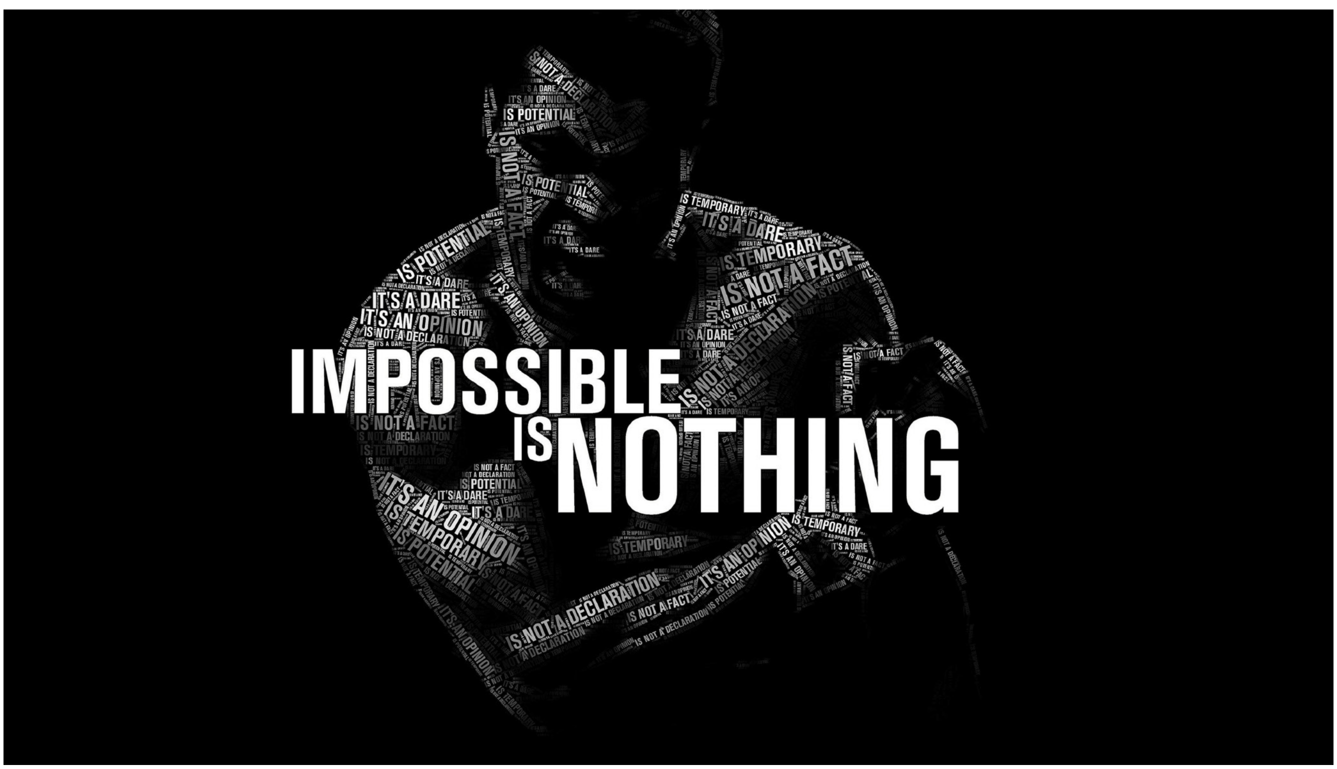
Sarah Fay wanted that digital efficiency and measurability for adidas way back in 2003, when planning for that client's famous 2004 "Impossible is nothing" campaign featuring Muhammad Ali and his daughter, Laila. In those days, however, many big brand advertisers still considered online strictly for direct marketing. "It took a really long time to get a lot of the major brand advertisers Carat had as clients to go with digital," Fay recalls.

But adidas was targeting teens, and Harris Interactive had just published Born to be Wired – a study sponsored jointly by Yahoo and Fay's agency, Carat Interactive – showing that U.S. teens' time spent on the internet (16.7 hours/week, on average) already exceeded any other medium (TV was second at 13 hours). "adidas was planning the biggest campaign in history for teens in the U.S., and we didn't have digital on the schedule – and it was our study." Fay lobbied Carat's global head of account in London, who forced a meeting in New York that ultimately ended with digital added to the media buy – over the initial and strenuous objections of adidas' head of media. "Looking back, it was maybe one of the funniest moments of my life. She said, 'alright, we'll do it' – and she's looking at me like 'you're dead if this doesn't work.'"

It worked; it was the most successful video program on Yahoo and MSN to that date, Fay says. "When it hit, everyone at adidas around the world knew it. They were hearing about it from everyone." The reluctant head of media won an internal corporate award for it. "That kind of opened up the floodgates," Fay recalls.

It also demonstrated the "crack" metaphor about digital measurability's addictiveness. Says Fay: "Today we forget, but then, they never had anything to measure before. They knew their reach in TV, but that was it. With this campaign, they could see how many people watched the video, how many watched all the way through, what they clicked on next. It was highly addictive once they got their hands on those numbers. And that was a thing that happened throughout the industry."

Source: Adidas – Impossible is nothing campaign



As John Ellett recalls, “Suddenly, in marketing organizations all over the world, digital marketers were bringing their CMOs reports on how many people they drove to their website, the cost per visitor, and – if they had any kind of transactional business – the cost per order. All with very precise data on the return on investment they’re getting. And it’s all directly attributable.” With traditional media, there were too many gaps in measurement processes to have such direct correlation. “That then led a big shift in the marketing mix to directly attributable programs,” Ellett notes.

Forrester Research put an exclamation point on that shift with its 2004 Left Brain Marketing report. According to the executive summary: “Three technology trends – media fragmentation, addressability and interactivity – are converging on the world of marketing and advertising. In a new era of Left Brain Marketing, analytical strategies grounded in deep audience knowledge will rise to predominance. Creative will remain essential but will play a smaller … role.”

The report’s author, Eric Schmitt, was prescient with regard to the skew away from creativity and marketing’s emotional and psychological roots that was about to take place in the wake of marketers’ insatiable demand for Modern Marketing’s measurability and attribution.

Analytics & Attribution: What Does All This Data Mean?

Marketers' left-brain demand for measurability in digital modern marketing soon had them drowning in hurricanes of data. That highlighter pen was overwhelmed.

> "Google Analytics was just a data analyst's or marketer's dream. When you saw those dashboards for the first time, you could start to slice the data in so many different ways. It opened up the opportunity to finally start to track campaigns for the first time."

Marc Keating – Chief Innovation Officer, Stein IAS

Urchin Software Corporation threw out the first life line. "It had the ugliest user interface possible, but it was so cool to see how many people were visiting your site, and how long they were staying on it – and watch the data change. Everything that has come since was in some way based off their ideas," says Kohnen. To his point, to this day marketers use UTM codes in measurement analytics, but mostly lost to history is what the acronym stands for: Urchin Tracking Module.

Of note, Marc Keating and IAS were among the earliest to exploit UTMs. Even before Eloqua introduced the world to email marketing automation, "We were pioneering personalized URLs, so that we could track what Oracle would later call people's digital body language," explains Keating. "How many times they visited a website, what pages they accessed, what content they downloaded. And we built our own databases to track it all. Of course, we switched all that right over to Eloqua once we discovered it a few years later."

Urchin was acquired by Google in April 2005, and formed the basis for the first Google Analytics, which came out later that year – with a noticeably improved look. Recalls Marc Keating: "Google Analytics was just a data analyst's or marketer's dream. When you saw those dashboards for the first time, you could start to slice the data in so many different ways. It opened up the opportunity to finally start to track campaigns for the first time." Google continued updating the standalone Urchin software until discontinuing it in 2012.

But as marketers who have waded through the available choices know, there are a virtually unlimited number of digital marketing analytics solutions today. A back-of-the-envelope calculation of the surface area taken up by data analytics companies on Brinker's martech supergraphic suggests that number is more than 1,100 analytics solutions for sale in 2017. They break down into categories such as Audience/Market Data & Data Enhancement; Marketing Analytics, Performance & Attribution; Mobile & Web Analytics; Dashboards & Data Visualization; Business/Customer Intelligence & Data Science; Predictive Analytics; and Data Management Platform (DMP).

Thus, analytics added momentum to Modern Marketers' left-brain skew.

The Rise of Marketing Automation Pours Gas on the Measurability Fire

Although digital channels have proliferated, that first digital B2B channel – email – remains as important today as it was in the beginning. Over the years, however, email's popularity among B2B marketers ebbed and – thanks largely to marketing automation – flowed. Still, the "ebb" parts may explain the odd coincidence that marketing automation's top two market makers both struggled for venture funding, Eloqua at the height of the dotcom bubble in 1999 and Marketo later, in 2006.

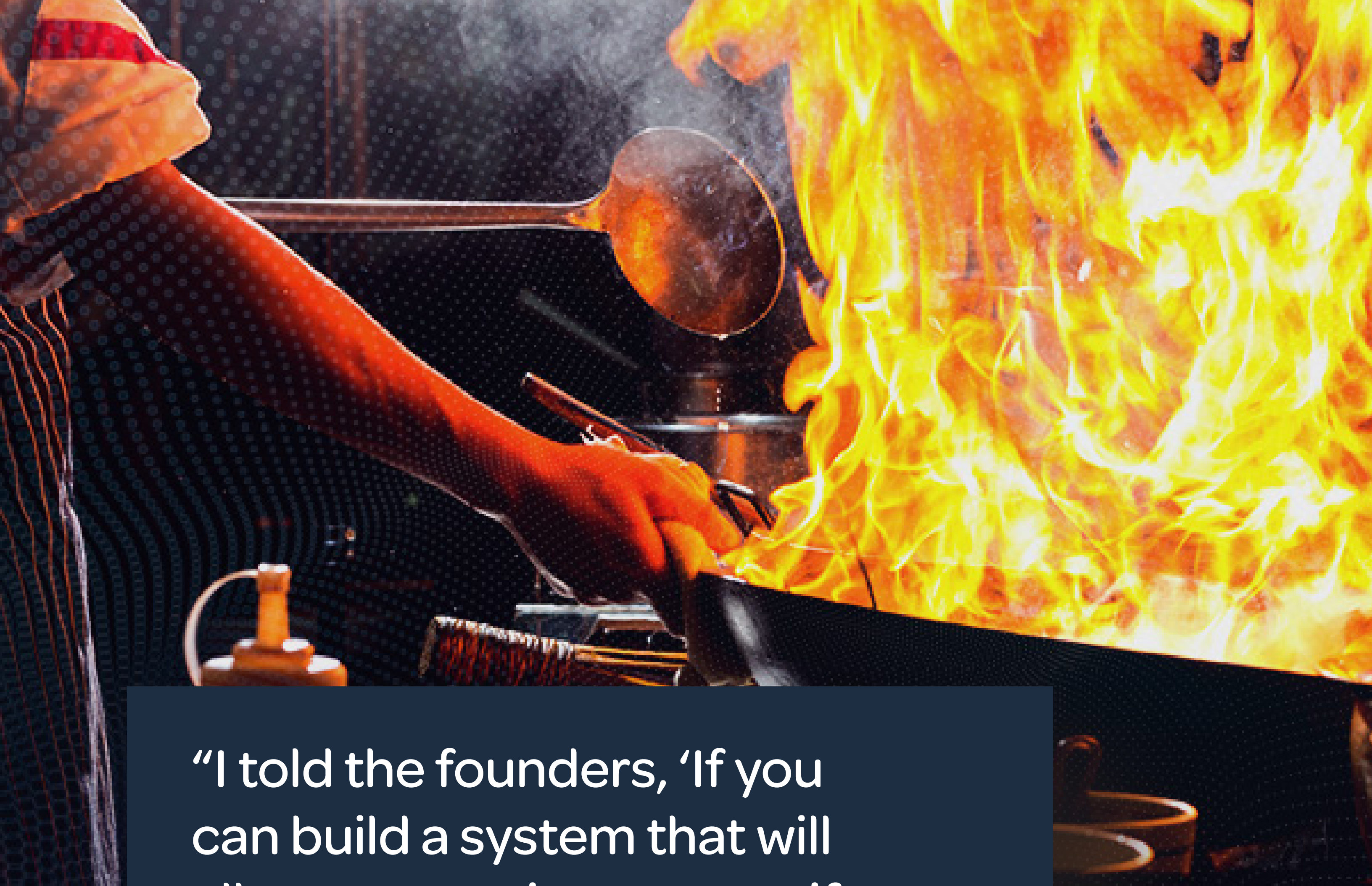
Eloqua founder Mark Organ describes his idea as, essentially, leveraging email to improve the quality and quantity of sales leads. It grew out of his prior experience as a management consultant, which taught him that sales reps with the best leads consistently outshone their peers. But he also tells how he and his two co-founders could initially raise only $166,000. They had to run profitably for five years before getting their first real round of VC money in 2005 – and then "we started to really take off from there." Eloqua, now part of Oracle, automates, monitors and measures complex "nurturing" programs that tailor interactions to individuals and scores their readiness for sales contact; and it is architected to enterprise scale, capable of delivering millions of emails per day without performance or delivery issues.

Unsurprisingly, IAS was among the first B2B integrated agencies to adopt Eloqua, whose other early partners were largely technical consultancies and email direct marketing companies. "We were early Eloqua adopters because we had already seen the power of aligning content against the buyer journey, and had begun to build some of those capabilities ourselves," notes Keating. "Other early partners looked at it as an email tool, but we were integrating Eloqua's capabilities with other channels and looking for it to let us deliver communications across the full buyer journey."

Eloqua's enterprise scale left room for Marketo, which brought similar capabilities but initially focused on smaller-scale businesses, with fewer bells and whistles, and delivered through a simpler-to-use interface. Bruce Cleveland, the venture capitalist who eventually funded the company, recalls founder John Miller telling him the team was close to disbanding after many months seeking funding to no avail. "We were the first investors, and I like to say we were also the second and third investors, because for two years no one would invest with us," Cleveland says.

But in his own experience heading up marketing for CRM software pioneer Siebel Systems, Cleveland had come to believe that eliminating marketing's "fluffiness" with quantifiable metrics tied to return on marketing investment (ROMI) was the key to raising marketing's stature within C-suites. He felt Marketo's approach to marketing automation could do exactly that. "I told the founders, 'If you can build a system that will allow companies to quantify the value of marketing, you will fundamentally transform the role of marketing globally, and you will become a billion-dollar-plus company.' The fact is, they became a $1.8 billion+ company." Marketo was sold to a private equity firm for that amount in 2016.

Marketers' demand for technology products to help them get measurability "everywhere" was sparked by the measurable targeting efficiency of paid search, but marketing automation's focus on measurability and demonstrable ROMI poured gasoline on their fire.



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Bruce Cleveland – Original investor in Marketo

From Endemic to Programmatic; Or, the Shift from Buying Media to Buying Audiences

In the beginning of the Web, publishers sold and media buyers bought as they always had: endemically. That meant selecting Web media properties where the probability was high that your audience would show up. For CIO targets, you might buy ads in InformationWeek.com or ComputerWorld.com; for auto enthusiasts, perhaps CarAndDriver.com.

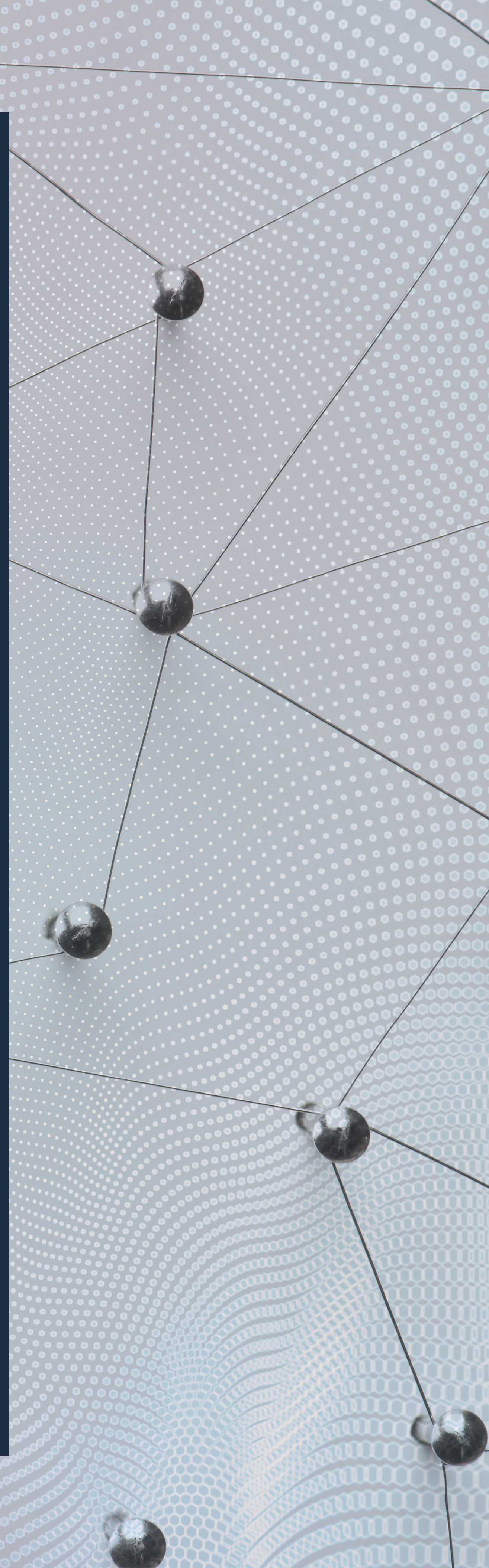
Even the early ad networks of the late 1990s and early 2000s (e.g., advertising.com, Real Media) organized their multitudes of partner sites in categories based on the context of their content, and the assumption that each context would attract a certain kind of audience.

But having had a taste of the measurable efficiency of search's intent-based targeting, marketers were demanding such hyper-targeting everywhere. Web media properties responded by creating networks among their own properties, deploying cookies and metadata strategies to help advertisers zero in on audiences first based on context, then adding things like job titles, functions, and historical interests. That enabled better targeting and greater scale.

At the same time, technology was evolving to automate real-time bidding for keywords in paid search advertising. Google enabled real-time optimization of campaigns to show more of the ads that performed well by generating conversions, and automated bidding strategies with pre-set pricing thresholds. Those, Keating says, were the first programmatic concepts.

Once again, Google was among the first to pull all these threads together, when it announced the Google Display Network in June 2010.

That's when the programmatic approach burst out, promising data-rich targeting of specific audiences, no matter where on the Web they showed up, because programmatic automates the process of bidding for and buying display ads across multiple ad networks. "But they took it one key step further," notes Kohnen, "because they built platforms that learn where your best customers are, where they go, and can allocate your advertising to the sites and the times and the days that are proving to work the best for your audience, however you defined it, in real-time."



Programmatic approaches reduce marketers' costs in several ways: they increase targeting efficiency and program reach; they lower cost because they aggregate ad impressions for virtually the entire Web, treating it as one big arbitrage engine; they yield precisely measured ROMI; and they automate what was once manual labor.

Thanks to its 2012 acquisition of Eloqua, Oracle was among the first of what would become a coterie of "marketing cloud" providers to recognize the value of programmatic advertising and third-party data connected to marketing automation, most visibly with its early 2014 acquisition of Blue Kai, the leading programmatic data company. Says Keating: "We viewed Oracle's acquisition of Blue Kai as a pivotal moment. It was one of the first fundamental steps in aligning 'adtech' with martech on a grand scale – something we'd been trying to do on our own for years. Suddenly, we saw a path to deliver individually personalized, unique, omni-channel customer experiences. The industry is still some way off from achieving that vision, but we're on the path and that deal was a first step."

In the meantime, the marketing investment and marketer brainpower it took to understand and deploy programmatic systems furthered the skew away from emotionally rooted creative.

Social & Mobile:
A Tale of Two Irresistible Forces

On September 26, 2006, Facebook, use of which had been restricted to college students, opened up to anyone with a valid email address 13 or older. Less than four months later, on January 9, 2007, Apple announced the iPhone.

Talk about Ludicrous speed.

> "Social and mobile were two separate phenomena that happened concurrently and had a significant psoitively compounding effect on the importance of each other."

John Ellet – Author and former marketing executive at Dell

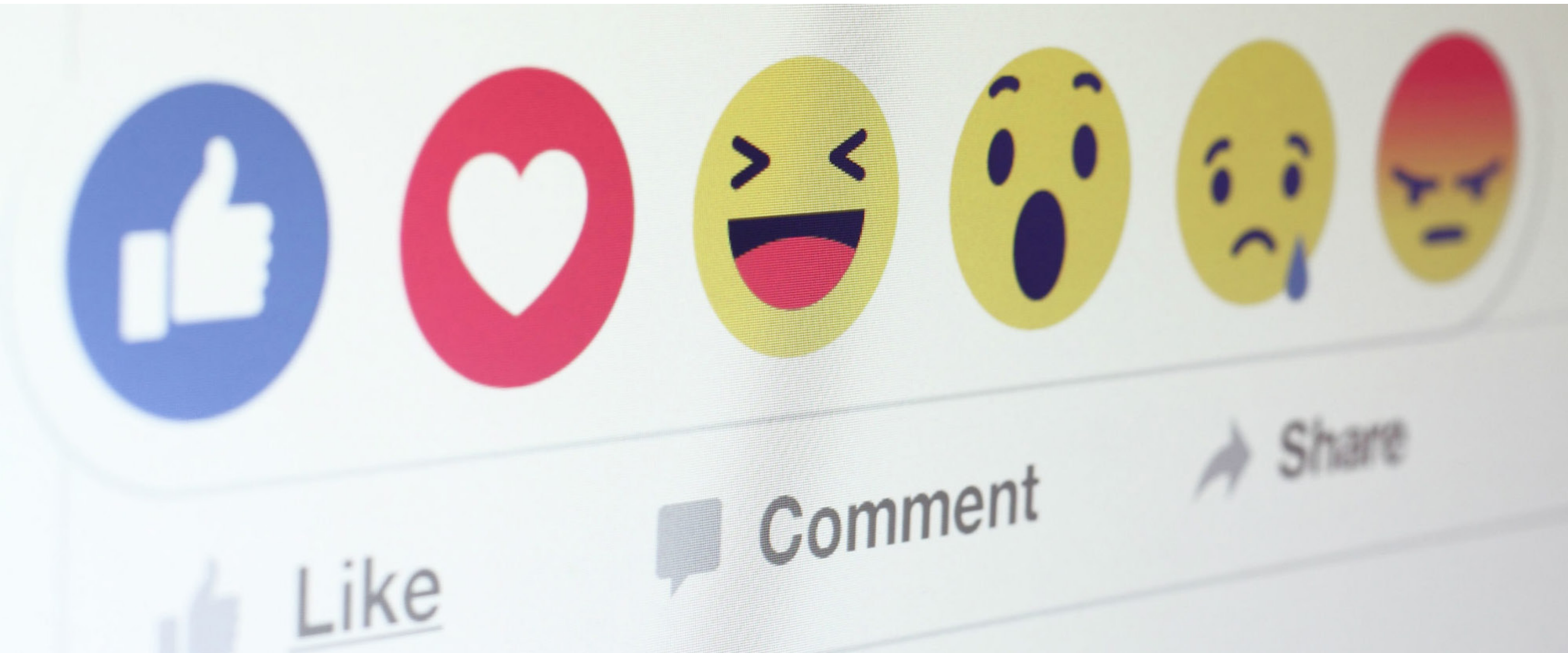
The iPhone, of course, was the moment when mobile really hit, following 10 years of "the year of mobile." It was the inflection point where people actually changed their relationship with information; instead of being tied to a PC at home or in the office, they began carrying their computer in their back pocket or purse.

Similarly, social media was around in one form or another from the earliest days of the internet; there were text-based usenet "newsgroups" (as the forums were then called) back in the 1980s. By the early 2000s, other more modern social platforms had evolved (MySpace, Friendster), but they were evolutionary dead ends. By homing in on the psychology of sharing, Facebook became the transformational platform. Despite the rise of LinkedIn, Twitter, and a multitude of followers and niche players, it was Facebook that put in the hands of everyday people simple tools that compelled them to capture and share the moments of their lives; to share their opinions and, perhaps most importantly, poll their networks for advice on any topic – including what to buy.

And their iPhones (and, later, Android phones) empowered them to do all those things on impulse, anywhere or any time. We all know what happened: fast forward to June 2017 and Facebook had 1.32 billion average daily users, and 2.01 billion average monthly users.

The social-mobile one-two punch showed that people are very happy to share their experiences, good or bad – and that turbocharged the evolution of customer-brand relationships. Importantly, says Ellett, "The emphasis on how brands are built in the wake of social media connectivity is dramatically different. Social puts much more emphasis on the experience, which is then shared within the network, and the impact that has on people's brand preferences. That's way different than the broadcast era, where a lot of brand preferences were built through mass media."

While most people still think of consumer brands first in social media, Europe's second-largest steel maker, Corus, made a very early and highly successful foray. When new construction experienced what economists call a "sudden stop" in the wake of 2008's "Great Recession," Corus pivoted its Colorcoat® pre-finished steel to the refurbishment market using an IAS-developed social campaign. In addition to a blog-centric social media campaign, IAS used social listening tools to identify high-value prospects and connect them with Corus sales and engineering in lengthy, and open, dialogue – back in 2009.



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Programs like Corus' drove a frenzied need for marketing technology to help marketers monitor, measure, make sense of, and message to customers and prospects throughout all the social media. Martech for social media grew fast: the 2017 martech supergraphic shows nearly 1,400 companies in its "Social & Relationships" column. Mobile marketing technology also experienced dramatic growth concurrently, with roughly 500 mobile-dedicated companies included in the supergraphic.

And while social and mobile have become critically important channels for customer-brand interaction, their emergence required extraordinary investment of money, time and energy that marketers therefore could not use for other pursuits, including emotionally packed creative.

Modern Marketing's Yin – and Yang

Digital transformation has enabled (and forced) marketing to become much more customer focused. It improved segmentation, raised automation, and enhanced the granularity of marketers' thinking. Now, marketers must be always optimizing – and always on, rather than campaign oriented. And, as Bruce Cleveland suggests, digital transformation has given marketers the tools to manage toward outcomes – read: revenue – and thus raise their stature in the c- suite.

But Modern Marketing comes with many challenges.

For example, the rise of marketing clouds in recent years from the likes of Oracle, IBM, Adobe and Salesforce.com are, in part, a reaction to the fragmented way in which marketing technologies arose in the past two decades. Even as digital channels proliferated, martech startups generally built tools by specific function, usually within a specific channel, whether email, ad serving, social media management or website personalization. That makes for highly disconnected customer experiences and big challenges to orchestrating those experiences across channels.

The four major marketing clouds are only just beginning to integrate the plethora of marketing functions they contain, typically added through acquisition. Keating calls the current level of integration woefully insufficient for the post-modern marketing era. But he's hopeful that will change rapidly, and expects Oracle to lead the integration charge. "Eloqua was the first vendor to build its own open source app cloud, so they should be in a good position to push ahead on the integration," Keating notes. But he's not waiting: as in the past, Stein IAS has been curating its own tech stack, integrating predictive analytics tools, automated content marketing tools, and personalization platforms.

But integration is not the only challenge remaining to be addressed from the torrid and at times haphazard growth of Modern Marketing. Others include multivariate attribution, lack of visibility in programmatic ad buys, click fraud, and brand safety, to name a few.

Perhaps most important to correct is the excessive lean toward measurability and away from creative that touches human souls, carried further and further by the relentless introduction and adoption of marketing technologies. The lure of measurable digital marketing is so immensely powerful, that to a significant extent it has become a crutch – a substitute for thinking hard about creating great experiences. After all, who needs brilliant creative when Modern Marketing delivers ROI regardless – and when marketing budgets are finite, as is senior marketers' attention. With so much management focus and budgets swinging around to train their sites on measurable modern marketing, creative got short shrift.

Not for everyone, but for some, the measurability of modern marketing became so powerful that they missed the idea that you also had to provide content-rich experiences to get people to want to engage with your brand. Perhaps that is why, today, the overall click-through rate for display ads (all formats and placements) is only 0.05%, or five clicks for every 10,000 impressions.

Stein IAS chief content and experience officer, Michael Ruby, likes to say there's yin and yang to modern marketing.

> "The good things about the modern marketing approach are the measurement, analytics, transparency, and accountability that help you to understand how things perform. Why wouldn't I want to know if my stuff works? And if it's not working, or if it's not working as well as it could, why wouldn't I want to improve it? There's definitely a lot of merit to being able to learn and do things better, to be able to continually improve. That's the thing about structure. Once you learn how to play scales, and once you learn how to play classical piano, then you can play jazz."

But on the downside, as Ruby declares "People have become so focused on their digital ROMI that they've lost sight of the fact that sometimes you just can't rise above the digital noise to compel an audience's attention without an extra spark of creativity. Sure, there are blueprints for how you generally do things, but there still are times when you have to ask, 'What are we going to do with it to make it unique and interesting?' Those are the times when you have to say, 'If I do this awesome creative thing, it will still work with the model – and will accelerate it.'"

In its next stage, martech should get really interesting. Keating sees artificial intelligence and machine learning causing martech to bifurcate along two slightly overlapping paths: intelligent and immersive experiences, and self-adapting buyer journeys that optimize themselves based on individual target customers.

Eventually, though, the floor will level out as wider marketing technology becomes universally deployed. Once everybody has equivalent martech, what's going to make your brand stand out?

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