

Moments That Matter

Intent-Rich Moments Are Critical To
Winning Today's Consumer Journey

Table Of Contents

Executive Summary	1
Mobile Urges Organizations To Adopt A Moments Mindset	2
Confidence Outpaces Capabilities On The Path Of Transformation	3
Few Companies Are Set Up To Identify, Deliver On, And Measure Moments	5
Companies Further Down The Path Of Transformation Are Already Reaping The Benefits.....	6
Key Recommendations	9
Appendix A: Methodology	10
Appendix B: Supplemental Material	10

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

© 2015, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to www.forrester.com. [1-TSAKDO]

Executive Summary

Mobile has fundamentally transformed consumer behavior and expectations. We don't "go online" anymore — we live online. Instant connectivity to people, objects, and ideas fosters the expectation that everything can and should be immediately available on a mobile screen. Due to this new expectation, we abandon paths that cannot or will not deliver instant gratification — we now gravitate toward the online sources that provide the easiest-to-find answer, the payment app that sends money to friends within seconds, and the brand that is able to offer its wares in context and at our precise moment of need. Firms that fail to respond to this expectation will rapidly fall behind firms that do respond.

In June 2015, Google commissioned Forrester Consulting to evaluate how prepared mobile marketers are to deliver to consumers in these "moments"— instances when they reflexively turn to their devices to act on a need to learn, discover, find, or buy something. To further explore this trend, Forrester tested the assertion that marketers in these organizations must focus on three key areas — identifying key moments of intent, delivering on needs in the moment, and measuring all moments — in order to create a customer experience that's relevant and useful at every touchpoint in this new path to purchase.

Marketers must focus on three key areas — identifying key moments of intent, delivering on needs in the moment, and measuring all moments — in order to create a customer experience that's relevant and useful at every touchpoint in this new path to purchase.

In conducting 234 online surveys and four in-depth interviews with mobile marketers in the US, Forrester found that while most organizations understand the impact of mobile on customer expectations and the need to respond, few actually have the necessary capabilities to identify, deliver, and measure moments of intent.

KEY FINDINGS

Forrester's study yielded four key findings:

- › **Firms recognize the sense of urgency that mobile imparts on the new path to purchase, and they are turning to data to help solve for the challenge.** Seventy percent of marketers reported that their firms are

either changing their way of doing business, altering their approach to customer experience, or transforming their overall digital experience due to the rise of mobile. Additionally, 84% or more have adopted specific data-driven approaches to uncover moments-centric insights.

- › **Although they acknowledge the necessity of delivering to customers in moments, marketers overestimate their abilities.** While 54% of marketers stated they deliver the seamless brand experience necessary to reach customers in these moments, only 16% stated their firms have the actual capability of merging contextual data with customer data for this purpose.
- › **Almost no organizations have the necessary capabilities to effectively identify, deliver on, and measure moments.** Only 26% of marketers reported that their firms conduct the ethnographic studies and customer journey mapping necessary to identify customers' moments of need. Furthermore, only 27% stated that their firms have the necessary infrastructure in place to effectively deliver on customers' moments, and less than 9% of firms are able to measure these moments. Therefore, a mere 2% have all necessary elements of a "moments-ready" organization.
- › **Companies that make steps toward becoming "moments-ready" reap tangible benefits.** Firms that have at least some pieces of the puzzle together are more likely to report a highly profitable mobile and overall marketing ROI than firms that do not: Those that identify moments with ethnographic studies and journey mapping are 65% more likely to report very profitable mobile ROI. Those that invest in the necessary infrastructure and integrate back-end systems to deliver on moments of intent are 33% more likely to report very profitable overall marketing ROI. Companies leveraging mobile analytics to measure all moments are 43% more likely to report very profitable mobile ROI.

Mobile Urges Organizations To Adopt A Moments Mindset

Consumers can now interact with brands and products at any moment, from any device. This shift in behavior has fractured the customer journey and path to purchase into a collection of user-initiated, intent-driven actions. In this study, we refer to these “moments of intent” or “moments of need” as “moments.” These are instances when we reflexively turn to a device to act on a need we have in that moment, to learn, discover, find, or buy something. They are intent-rich moments where decisions are being made or preferences are being shaped. The proliferation of smartphones fueled this shift, but the concept of “moments” is not isolated to the mobile experience. Customers expect relevant and useful content across devices.

Our study of 234 eBusiness and marketing professionals with budget and decision-making authority over mobile and digital initiatives revealed that organizations recognize mobile’s impact on consumer behaviors and expectations. Organizations are beginning to transform their businesses and experiences to deliver relevant content to consumers in moments of intent. They lean heavily on data insights to guide their strategies for reaching consumers in these moments. Results indicated that:

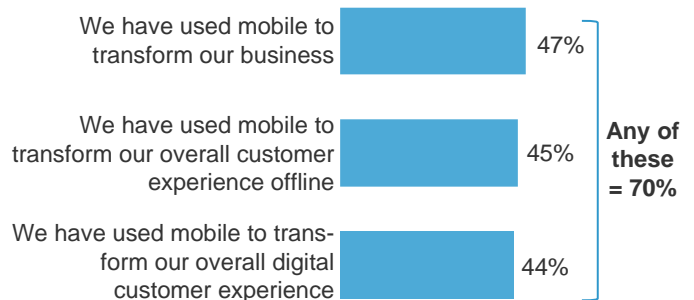
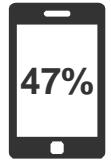
- › **Mobile pressures companies to deliver relevant, in-the-moment experiences to consumers.** We asked respondents to indicate the extent to which a series of mobile-focused statements described their company. About half of our survey respondents (47%) strongly identified with the concept of moments — that mobile has created an urgent need to deliver relevant messages in these moments. Another 38% somewhat identified with this concept, which means that overall, 85% of companies are experiencing some level of mobile disruption. But how are companies addressing this new challenge? What actions can guide them on the path toward transformation?
- › **Most have started down the path of transformation.** Businesses are still in the process of transforming and maturing to meet changing consumer needs on the new path to purchase, with 70% reporting that they have used mobile to transform their business, digital experience, or offline experience as a result of mobile. However, just under half (44% to 47%) have transformed each of these elements individually (see Figure 1).

FIGURE 1

Mobile Has Urged 70% Of Companies To Begin Transforming Their Businesses And Experiences

“How well does each statement below describe your company, in terms of its digital marketing strategies and practices?” (Percentage who said it describes their company very/extremely well)

Mobile has created an **urgent need** for our company to deliver **relevant, in-the-moment messages** to consumers **actively seeking** products/services/experiences that we offer.



Base: 234 US mobile and digital decision-makers

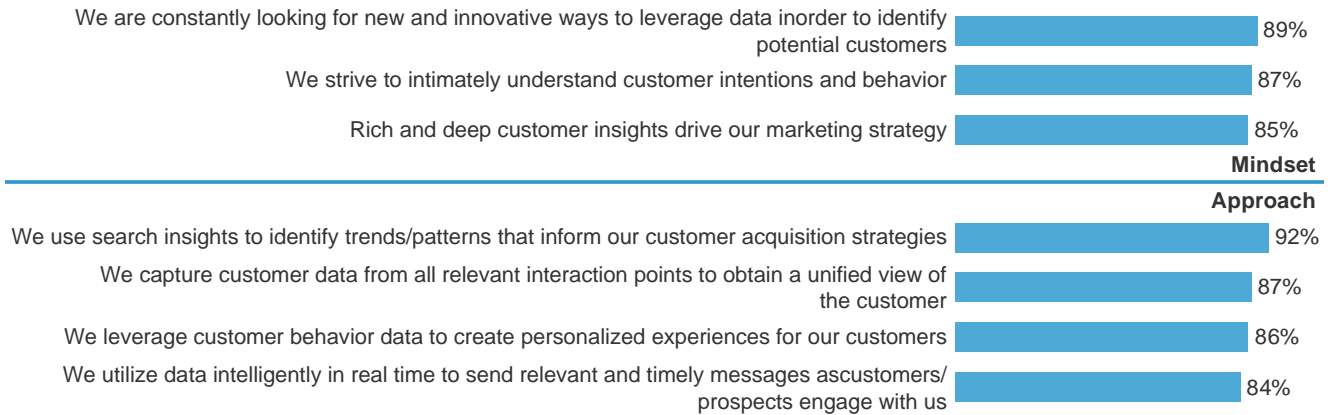
Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

- › **Data insights fuel strategies for reaching customers in moments of intent.** More than nine in 10 respondents (92%) indicated their companies use search insights to identify patterns that inform customer acquisition strategies. Similarly high proportions reported using behavior, cross-channel, and real-time data to acquire and engage customers. Additionally, 85%-plus have adopted insights-driven, moments-centric mindsets. Companies look for innovative ways to use data to understand customer behaviors, and they use these insights to guide marketing strategies (see Figure 2). This data- and customer-centric shift reflects the urgency to understand the new consumer path to purchase.

FIGURE 2

The Vast Majority Of Companies Use Data Insights To Reach Customers In The Moment

“How well does each statement below describe your company, in terms of its digital marketing strategies and practices?” (Percentage who said it describes their company well or very/extremely well)



Base: 234 US mobile and digital decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

Confidence Outpaces Capabilities On The Path Of Transformation

Many companies are still in the process of transforming their businesses and experiences. However, most are also confident they can seamlessly deliver experiences in the moment and successfully influence customer behaviors. Companies that have embraced the new consumer path to purchase and adopted a moments mindset may not realize how hard it is to deliver in the moment. Big gaps between perceived success and actual capabilities reveal themselves, as respondents indicated that:

› Only one-third of companies prioritize moments.

About half or more of our survey respondents either strive to reach customers in moments of intent or feel they have the capabilities to deliver in these moments. However, the intersection of these two statements comprised only 34% (see Figure 3). The remaining are either still building capabilities, not actively prioritizing moments, or are not yet on the path of transformation.

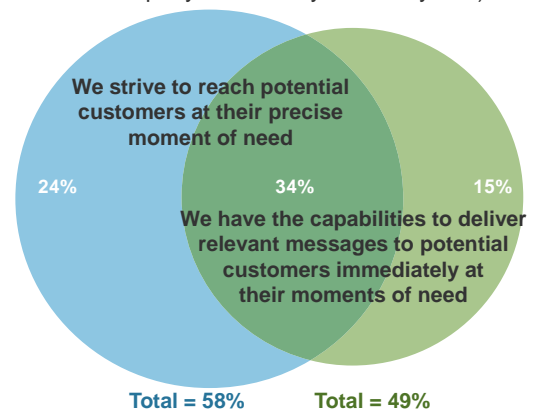
› Few deliver seamless experiences.

The majority of our survey respondents gave their organizations the highest rating on delivering seamless brand experiences (i.e., real-time integration across channels from order placement to fulfillment). However, we then asked them

FIGURE 3

One-Third Have Adopted A Moments Mindset And Believe They Have The Capabilities To Deliver

“How well does each statement below describe your company, in terms of its digital marketing strategies and practices?” (Percentage who said it describes their company well or very/extremely well)



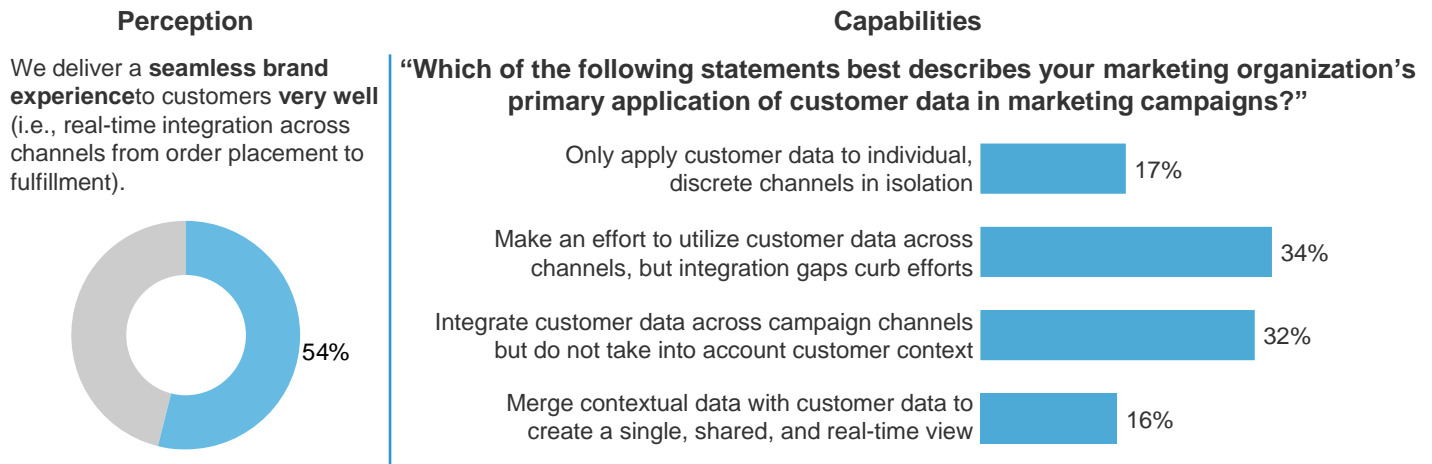
Base: 234 US mobile and digital decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

more tactically about their applications of customer data in marketing campaigns, and only 16% said they merge contextual data with customer data to create a single, shared, real-time view of the customer across channels (see Figure 4).

FIGURE 4

Most Claim To Deliver Seamless Experiences, But Few Have The Capabilities To Do So Effectively



Base: 234 US mobile and digital decision-makers
(percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

› **Executive sponsorship is fragmented across moments initiatives.** The majority of our survey respondents indicated they have complete leadership support on at least one area that will help them deliver on moments that matter. However, only 29% have complete support in their efforts to reach customers in the moment, enhance digital and mobile capabilities to deliver in the moment, and create consistent experiences across channels. A major consumer packaged goods (CPG) company we interviewed sees its competitors thriving in the new path to purchase while it struggles to keep up. Its executive team chooses to focus on traditional methods like TV advertising rather than prioritizing mobile. These missed opportunities create frustration among its marketing teams and keep the company out of the consumer spotlight.

“The No. 1 thing inhibiting us from doing more with mobile is our own strategy. . . . It’s frustrating because we’re not taking a whole look at the whole ecosystem, and our strategy is not customer-driven.”

— eCommerce manager at a global CPG company

Few Companies Are Set Up To Identify, Deliver On, And Measure Moments

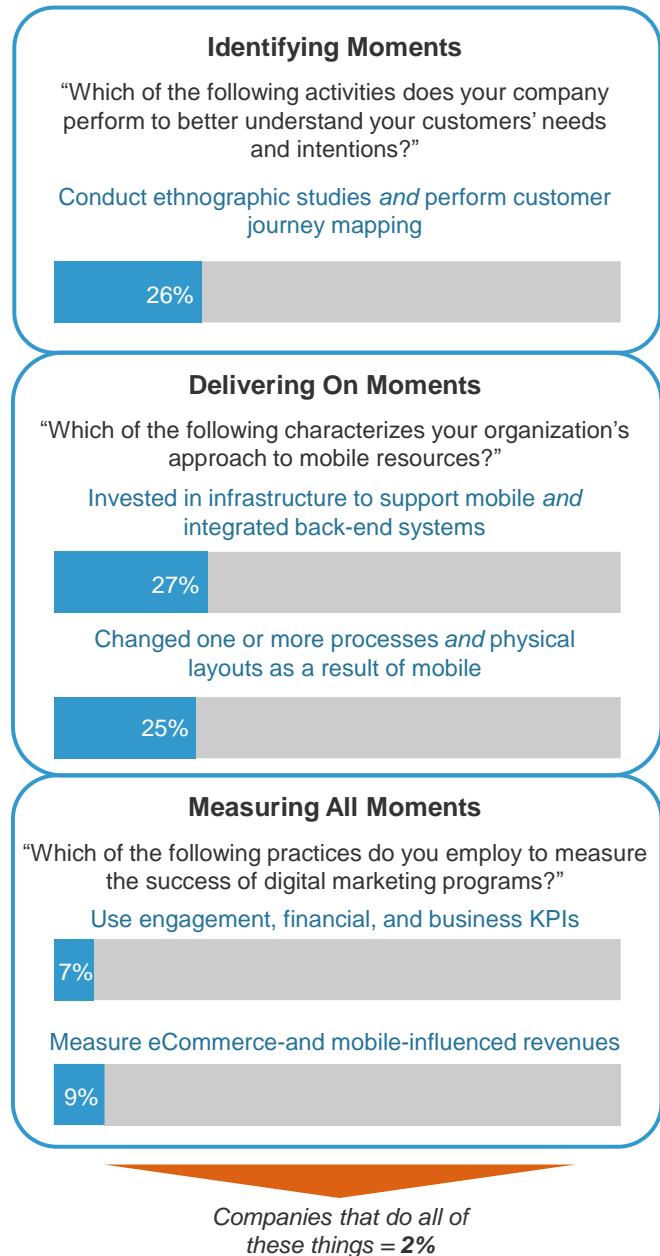
Convincing the organization to adopt a moments mindset is a crucial first step, but to be truly moments-ready, companies must build capabilities and transform practices. We evaluated companies based on best practices that Forrester has identified in its research.

Many companies are doing some important things that help them deliver on moments, but virtually all lack comprehensive capabilities and processes (see Figure 5). Our survey results showed:

- › **Few can truly identify moments.** Businesses employ a variety of methodologies to better understand their customers, but some methods are more sophisticated than others. In our survey, we found that companies favor personas and voice of the customer (VoC) studies such as focus groups and survey research over more rigorous methods. While personas can help marketers visualize their target audience, they are illustrative at best. VoC studies are similarly limited in that they only capture insights from actively engaged customers at specific points in time. Deep insight comes from understanding the entire customer experience (e.g., customer journey mapping) and applying context (e.g., ethnographic studies). Our survey showed that while many companies are doing one or the other, only one in four (26%) employ both journey mapping and ethnographies together in order to shape insights about the contextual customer experience.
- › **Few have built the capabilities to transform processes and experiences.** Delivering on moments requires transforming business processes and experiences — not just in the digital environment, but in the physical environment as well. This requires investing in new technologies and updating old systems. Most companies we surveyed have begun this transformation, but few have fully followed through. Fifty-five percent of businesses have invested significantly in infrastructure to support mobile capabilities, and another 50% have integrated back-end systems of record into their mobile experiences. However, the intersection of these two — companies that have both invested in front-end capabilities and integrated back-end systems — is only 27%. On the process side, businesses are also still on the journey toward delivering moments. Nine out of 10

FIGURE 5

Only 2% Of Companies Are Set Up To Identify, Deliver On, And Measure Moments



Base: 234 US mobile and digital decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

companies we surveyed have, as a result of mobile, changed one or more of their processes, including commerce, customer service, and employee processes. However, few have applied their moments mindsets to the physical world. Only 25% have changed one or more processes and physical layouts as a result of mobile.

A major US retailer told us that it has begun to envision richer in-store experiences that mirror the benefits of shopping online, but it struggles with execution.

“We struggle with linking content and information to the in-store experience, but we believe we can use data to create a guided or decision tree type of experience at the store, similar to the experience you get when searching online.”

— Category marketing director at a leading US retailer

- › **Only a minority have the comprehensive metrics to measure and attribute success to all experiences.** In today’s constantly changing environment, success depends on maintaining awareness of current performance across all experiences. Delivering relevant and useful messaging in the moment requires companies to test, learn, and optimize. Which messages are relevant and which are useful? What drives revenue? Are efforts to reach consumers profitable? The vast majority of companies lack the full picture. We asked survey respondents to indicate the programs they have in place to measure success, and while the majority (63%) use at least one key performance indicator (KPI), only 7% have a comprehensive performance program to measure engagement, financial, and business KPIs. In addition, companies have limited visibility into revenue attribution. Only 9% have the capabilities in place to measure eCommerce- and mobile-influenced revenues.
- › **Almost no companies have a full set of capabilities.** The combination of capabilities required to truly deliver on moments is no small undertaking. Though companies believe they are delivering seamless experiences in the moment and successfully influencing behaviors, virtually

none are set up to deliver. We looked at the intersection of those that effectively identify, deliver on, and measure all moments, and found that only 2% of companies do all that’s required to get there.

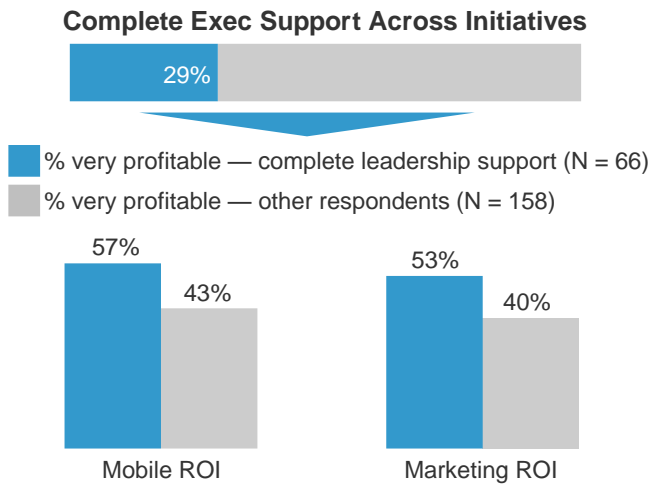
Companies Further Down The Path Of Transformation Are Already Reaping The Benefits

Companies that have built capabilities around identifying, delivering on, and measuring moments of intent are more profitable than those that are still in the early stages of transformation. As we’ve seen, creating a customer experience that is relevant and useful across touchpoints requires significant commitment and investment to reach this ultimate goal. However, benefits are up for grabs along the path of transformation — not just at the finish line:

- › **The first step on the path to being moments-ready is gaining buy-in from the top.** Companies with strong leadership support for mobile initiatives are much more likely to succeed than others. In our survey, 57% of those with complete leadership support across mobile initiatives reported very profitable mobile ROIs, compared with 43% of others. Fifty-three percent of those with leadership support said the same about overall marketing ROIs, compared with 40% of others (see Figure 6).

FIGURE 6

Businesses With Complete Leadership Support Outperform Others By More Than 10%

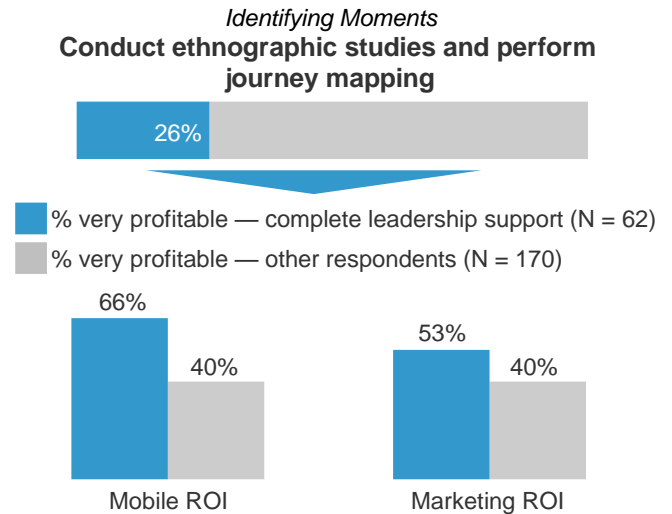


Base: 66 to 234 US mobile and digital decision-makers
("don't know" responses not included)

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

FIGURE 7

Companies That Effectively Identify Moments Deliver Strong Returns, Particularly For Mobile



Base: 62 to 234 US mobile and digital decision-makers
("don't know" responses not included)

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

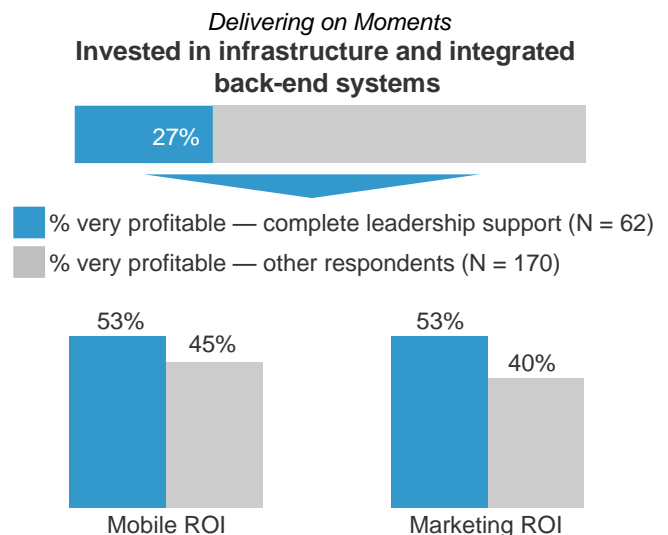
› Companies that effectively identify moments harvest strong returns, particularly on mobile investments.

These companies have committed to deeply understanding needs and intentions across the customer experience, in specific consumer contexts. This in-depth understanding guides a customer-driven approach to product, marketing, and overall business decisions. Two-thirds of companies that conduct ethnographic studies and perform journey mapping reported very profitable mobile ROIs, compared with 40% of others. Marketing ROIs are also stronger — 53% reported high profitability versus 40% of others (see Figure 7).

› Those that invest in capabilities to deliver on moments garner business impact. Technology investments and upgrades are integral to building new processes and capabilities in a more mobile-focused world. Companies that have not only invested in infrastructure to support mobile, but have also integrated mobile experiences into back-end systems, outperform others. Over half of these leaders reported very profitable marketing ROI (53%), compared with 40% of others (see Figure 8).

FIGURE 8

Those That Have Invested In Mobile Capabilities And Integrated Experiences Into Back-End Systems Garner Stronger Returns Than Others



Base: 62 to 234 US mobile and digital decision-makers
("don't know" responses not included)

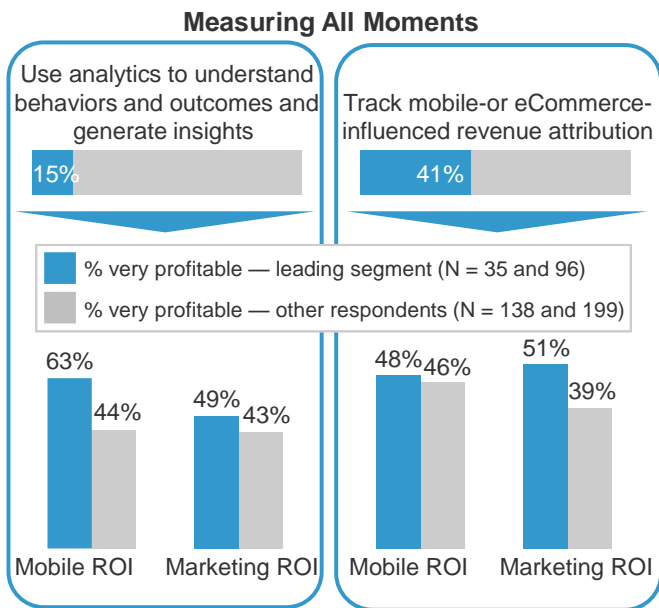
Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

› **Businesses that leverage analytics to measure all moments reap returns.** These companies live the mantra “test, learn, optimize.” They have instrumented their apps with analytics to understand customer behaviors and business outcomes and implemented mobile analytics solutions to generate insights. The segment of companies that do both of these things represents only 15% of the market, but 63% of that segment reported very profitable mobile ROIs, versus 44% of others. Meanwhile, companies that have mastered revenue attribution, for either mobile- or eCommerce-influenced revenues, see strong returns on overall marketing investments. Over half of them (51%) reported marketing ROI as very profitable, compared with 39% of others (see Figure 9).

PARTNER EXPERTS HELP BUSINESSES MATURE

Businesses are in the middle stages of maturity when it comes to reaching consumers at their precise moments of need. As they continue down the path of transformation, they lean on partners to help fill gaps. At this stage, companies are primarily looking for partners that can help

FIGURE 9
Mobile Analytics Users And Those Using Revenue Attribution Models Generate Strong ROIs



Base: 234 US mobile and digital decision-makers (“don’t know” responses not included)

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

them refine their technology capabilities to generate meaningful insights. Technology expertise is the most important partner attribute, with one-third of businesses ranking it among their top three desired capabilities. As businesses strive to better understand customer needs and behaviors, they seek partners with expertise in unique data insights and customer behavior. Further down the list are capabilities that most companies have not yet begun to tackle, such as business process reengineering and change management (see Figure 10). These may become more important as companies progress through later stages of maturity.

FIGURE 10
Businesses Lean On Partners To Refine Technology And Insights Capabilities During Transformation

“When thinking of a potential partner for improving your ability to reach potential customers at their precise moment of need, which partner capabilities are most important?” (Percentage ranked in top three)



Base: 234 US mobile and digital decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Google, June 2015

Key Recommendations

Our study revealed that nearly all organizations are still maturing when it comes to reaching consumers in their precise moments. Committing to reaching consumers in these moments means transforming your business. Forrester outlines a path forward with the following recommendations:

- › **Gain executive buy-in and organize for success.** Transforming into a truly “moments ready” organization requires resources, commitment, and a clear vision. Create a cross-functional steering committee to allocate and influence budgets and resources to support the transformation toward delivering on moments. Align IT, marketing, product, and finance teams to create capabilities that enrich customer experiences. CIOs own the systems that power experiences and insights, and they should organize their teams for Agile development techniques to build new capabilities quickly and continuously, keeping pace with changing customer needs. CMOs own the customer experience and increasingly need to own customer data, analytics, and insights. Therefore, close CIO and CMO alignment is critical for creating richer and more relevant experiences grounded in moments.
- › **Identify important moments by understanding your customers’ experiences and contexts.** Start with customer journey mapping — understand how customers interact with your brand at each touchpoint, and identify experiences to optimize. Leverage ethnographic studies to understand the world of your customers outside of your brand, and put your brand in that context. However, these practices are only a first step — how you *apply* these insights determines success. Focus efforts on the touchpoints where you are uniquely equipped to deliver relevant and useful experiences. Use search insights to identify intent-rich moments. Collect data from all interactions to continuously learn from your customers, and merge it with contextual, real-time data to serve up relevant, useful experiences at consumers’ precise moments of intent.
- › **Invest in capabilities that enable new business processes and experiences.** Delivering on moments requires a whole new set of capabilities. Consider using real-time, contextual data such as time, location, and weather to create purchase incentives and foster engagement. Brands can push coupons or ads to mobile devices based on consumers’ location and context, e.g., ads for a taxi service to someone looking up public transit directions, or a coupon for tissues to someone researching cold medicine in a pharmacy. Front-end capabilities and back-end systems work together to enable and optimize these interactions. Invest in a robust infrastructure, API management strategy and strong web services to enable access to information and services. Integrate mobile experiences, including your apps, mobile website, and third-party mobile data, into your back-end systems in order to track, measure, and continually optimize these moments.
- › **Create metrics to keep you on track.** Measuring all moments means that analytics, metrics, and KPIs cannot exist in silos. Moments span contexts, channels, and devices, and delivering on these moments meets a broad set of business objectives. Take a holistic approach to metrics that reflects the broad set of physical and digital experiences where consumers interact with your brand. Use real-time feedback to continuously optimize effectiveness in these moments, whether that means app performance or relevancy to the consumer. Choose KPIs to tie these experiences back to their impact on your business. As you progress down the road of transformation, evolve your metrics and KPIs to reflect your maturity level.
- › **Lean on partners for expertise in areas where you are still refining capabilities.** The stakes could not be higher when firms live and die by their ability to live up to customer expectations. As such, it would be incredibly unwise for marketers to attempt to spearhead mobile initiatives by themselves in an attempt to effectively deliver on all of your customers’ moments. The data in this study clearly indicates that a vast majority of firms are not yet prepared to call themselves “moments-ready”; they will need to consult trusted partners as they progress past the middle stages of maturity in their mobile capabilities. When selecting a partner, marketers will want to specifically look for those that have expertise in developing analytic capabilities for learning about their customers’ behaviors as well as provide tools and solutions to deliver powerful and seamless cross-channel experiences.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 234 eBusiness and/or marketing professionals in organizations of 1,000 or more employees in the US. These individuals were managers or higher with budget influence and decision-making authority over mobile and digital experience, marketing, and/or advertising. Automotive, consumer packaged goods, education (for-profit), technology (consumer electronics and software), financial services, retail, telecommunications, and travel/hospitality industries were specifically targeted. Questions provided to the participants asked about efforts and support for mobile marketing initiatives, the extent and success of cross-channel marketing efforts, and the ability and success of reaching customers in their moment of intent. Forrester also conducted four in-depth phone interviews with the same audience. The study began in April 2015 and was completed in June 2015.

Appendix B: Supplemental Material

RELATED FORRESTER RESEARCH

“Mobile Mind Shift Maturity Framework,” Forrester Research, Inc., January 28, 2015

“Mobile Is Not A Channel,” Forrester Research, Inc., December 15, 2014

“CMOs: Own Mobile To Own Your Customers,” Forrester Research, Inc., March 18, 2015

“CIOs: Organize For Mobile Success,” Forrester Research, Inc., October 16, 2014