Hype Cycle for Digital Marketing, 2023

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Generative AI lights up the 2023 Hype Cycle like a rocket, putting marketers' roadmaps on a new trajectory even as rising costs and privacy concerns threaten to scramble its launch. Digital marketing leaders can use this research to identify technologies to help manage evolving market conditions.

More on This Topic

This is part of an in-depth collection of research. See the collection:

- 2023 Hype Cycles: Deglobalization, AI at the Cusp and Operational Sustainability

Analysis

What You Need to Know

Marketing leaders continue to grapple with budget constraints for the third year in a row, according to the 2023 Gartner CMO Spend and Strategy Survey. [1] In the same survey, 75% of chief marketing officers (CMOs) reported facing pressures to cut technology spending as inflationary pressures and fears of a looming recession threaten growth and experimentation. Yet, in the 2023 Gartner Board of Directors Survey on Business Strategy in an Uncertain World, 64% of board members shared that they are willing to accept greater risk in the pursuit of corporate objectives in 2023-2024. [2]

This dichotomy reverts marketing leaders to seek safety in tried-and-true marketing — but they have the room to experiment. They must be strategic about where to start. This year's Hype Cycle shows the following trends:

■ Innovation in generative AI and the use of large language models (LLMs) has propelled digital marketing's AI innovations forward, especially conversational marketing and emotion AI for marketing.

■ Customer profile management and enrichment capabilities are essential to emerging technologies, like customer data platforms, as well as mature multichannel marketing hubs, but privacy-enhancing technologies such as digital twins of a customer offer a potential offramp from the accretion of first-party data.

■ Activity between the Trough of Disillusionment and the Slope of Enlightenment have more transformative solutions, such as personalization engines, which are progressing to established solution status. Mainstay solutions such as conversational marketing, identity resolution and multitouch attribution are still evolving, but also headed up the slope.

The Hype Cycle

Marketing leaders are pressured to do more with less, which is at odds with their own desire for a comprehensive view of the customer. Investment in customer data management and integration grows as the number of channels that marketers use to acquire and engage customers increase. Emerging technologies — such as generative AI — continue to disrupt marketing strategies.

To stay current in an accelerating world, digital marketing leaders must be aware of the following impeding technology shifts:

- **AI adoption is accelerating** and most industries are aggressively experimenting with AI, supported by rapid adoption from martech, enterprise applications and tools. Although AI powers well-established analytic, predictive, and recommendation or decisioning components that have become entrenched in today's martech landscape, the biggest advancements in this year's Hype Cycle are attributed to the disruptive entrance of generative AI. Generative AI for marketing supports the creation of new ideas and automates the production of content and creative materials. Special cases of generative AI such as conversational marketing use generative models to humanize customer interaction.

- **Privacy considerations** add additional obstacles for digital marketing leaders with uncertainty in the regulatory environment, which is clouding innovation in some solutions. For example, customer data ethics is poised to exit the Innovation Trigger and identity resolution is on the cusp of entering the Slope of Enlightenment; both remain stagnant due to the uncertainty of privacy changes. Despite regulatory ambiguity, digital marketing leaders' heavy reliance on first-party data continues unabated, even as rising data management costs threaten to push budgets. To increase customer opt-in rates and customer data sharing, marketers need to meet their customers at the right time in their journey and continue to nurture trust.

- This year, **superapps** entered the Hype Cycle near the Peak of Inflated Expectations. Users demand mobile-first experiences that are powerful and easy to use. Superapps have seen expanding use across the globe, especially in Asia and Latin America, as they provide a single gateway for multiple customer interactions across social media, e-commerce and advertising, with customer data across each facet.

Figure 1: Hype Cycle for Digital Marketing, 2023

Hype Cycle for Digital Marketing, 2023
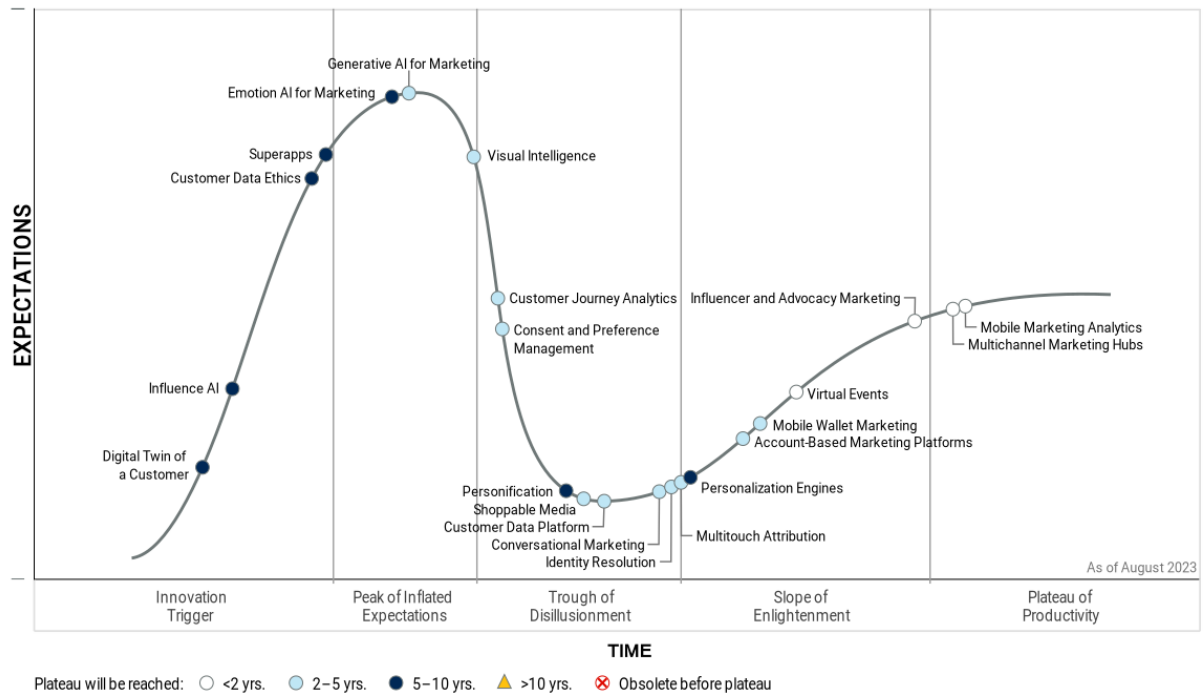
The Priority Matrix

The Priority Matrix arranges each innovation profile by its projected level of benefit versus its predicted time to maturity.

We see several AI innovations as transformational. Generative AI, for example, has profound business impacts for digital marketing, including on content discovery, creation, authenticity and regulations. Its rapid ascent will continue to impact the future of marketing technologies, and is two to five years out from maturity. Influence AI replaces the previous innovation called "influence engineering." Influence AI, emotion AI and visual intelligence are powering new approaches to promotion, pricing, customer experience and product design with positive and negative implications. Due to the need for advanced applications of AI, maturity for influence AI and emotion AI are slated for five to 10 years out, while visual intelligence is projected to mature more quickly, in two to five years.

Mobile marketing analytics and journey analytics are high-benefit and essential components to the analytics toolkit for any organization undertaking digital transformation, although advanced teams should consider the privacy-enhancing benefits of a digital twin of a customer. Virtual events, consent and preference management, and conversational marketing are examples of moderate benefit innovations that, while significant, are more tactical than strategic for digital marketing.

Table 1: Priority Matrix for Digital Marketing, 2023

(Enlarged table in Appendix)

Benefit	Years to Mainstream Adoption			
↓	Less Than 2 Years ↓	2 - 5 Years ↓	5 - 10 Years ↓	More Than 10 Years ↓
Transformational		Generative AI for Marketing	Customer Data Ethics Emotion AI for Marketing Influence AI	
High	Mobile Marketing Analytics Multichannel Marketing Hubs	Account-Based Marketing Platforms Customer Journey Analytics Identity Resolution	Digital Twin of a Customer Personalization Engines Personification Superapps	
Moderate	Influencer and Advocacy Marketing Virtual Events	Consent and Preference Management Conversational Marketing Customer Data Platform Mobile Wallet Marketing Multitouch Attribution Shoppable Media Visual Intelligence		
Low				

Source: Gartner (August 2023)

Off the Hype Cycle

The rapid acceleration of AI's generative capabilities has led to its widespread inclusion in a broad range of marketing applications of varying maturity and impact. Therefore we no longer consider it realistic to track **AI for marketing** as a single innovation.

On the Rise

Digital Twin of a Customer

Analysis By: Lizzy Foo Kune

Benefit Rating: High

Market Penetration: 1% to 5% of target audience

Maturity: Embryonic

Definition:

A digital twin of a customer (DToC) is a dynamic virtual representation of a customer that simulates and learns to emulate and anticipate behavior. Customers can be individuals, personas, groups of people or machines. DToC gives marketers a flexible approach to anticipating a customer's state of mind.

Why This Is Important

DToCs help data-rich organizations better understand their customers and anticipate their behavior. They increase operational efficiency and provide a personalized, curated service to customers, many of whose buying habits have changed during a period of upheaval. A DToC can be used to modify and enhance the customer experience (CX) and support new digitization efforts, products, services and opportunities. It can be an engine of transformation and disruption.

Business Impact

DToCs simulate how a customer will respond, given a specific set of ecosystem parameters, conditions and control or input signals. They're similar to digital twins of a *product,* which enable organizations to anticipate how a physical product will perform or will need to be maintained in different conditions. DToCs help organizations selling products or services provide customers with better experiences, which results in increased revenue and lasting customer relationships.

Drivers

- Journey orchestration — New methods engage and anticipate a customer's journey more effectively. DToCs can help by simulating and optimizing how specific cohorts will respond before the journey is built in a campaign workflow.

- Emerging AI techniques — Organizations can define and observe new journey use cases, limiting the need for active customer data collection or live testing. The rapid acceleration of interest in generative AI solutions brings more complex solutions incrementally closer to realization.

- Operational efficiency — Slow-growing marketing budgets force marketers to do more with the same, or a smaller, budget. DToCs could limit waste, reducing the costs of imprecise marketing or misaligned products, and reducing time that would be spent on testing underperforming journey interventions.

- Product and experience development — New data-driven business models could emerge as marketers find new ways to serve and capture customers in a privacy-constrained environment.

Obstacles

- Privacy and cyber-risk concerns may lengthen the time it takes DToCs to mature, and may increase legal and regulatory risk.

- It's challenging for organizations to embark on customer data ethics initiatives, which are essential to the success of DToC projects. Sixty percent of respondents to Gartner's 2021 Customer Data Survey found it difficult to work "cross-functionally to comply with privacy and security standards around customer data."

- Organizations need competency in machine learning algorithms and will likely need additional staff with data science skills to build or manage DToCs.

- Consumer perceptions and attitudes may form a backlash against brands if terminology, data and use cases aren't handled with care. Some consumer segments, already concerned about algorithmic bias, may come to believe that data or AI used in DToCs increases discriminatory practices or marginalization. Unless paired with data ethics, DToC tools and techniques may increase risks to brand reputation and performance.

User Recommendations

- Start by running a pilot and comparing results with and without a DToC over an adequate period using statistically significant data, whether you choose to build or buy a DToC. Establish benchmarks for your pilot to better develop and scale DToC.

- Define the benefits to customers and establish trust. Explain how they can control or cancel data usage.

- Integrate DToCs with marketing technology systems for maximum utility. The technology behind digital twins has focused on organizations and products. A customer focus is only just emerging, and the lack of clear KPIs and other measures of success limits the potential use of DToCs.

- Identify use cases for which DToCs could help deliver a better CX, and for which suitable data is available, by examining customer journeys and failure points.

- Establish a trust center to house privacy and security documentation, as well as documented expectations. Incorporate suggestions from a customer advisory panel to avoid risk.

Sample Vendors

Absolutdata; Arrayworks; Fetch.ai; Salesforce; Tanjo

Gartner Recommended Reading

Quick Answer: Is a Digital Twin of a Customer the Future of a 360-Degree View of the Customer?

Video: How Digital Twins of Customers Improve CX

A Digital Twin of a Customer Predicts the Best Customer Experience

CRM Strategists: Use a Digital Twin to Model Customer Behaviors and Evolve From Simple ML Modeling

Maverick Research: The Disappearing Business Case for Customer Data

Influence AI

Analysis By: Andrew Frank

Benefit Rating: Transformational

Market Penetration: Less than 1% of target audience

Maturity: Embryonic

Definition:

Influence AI is the production of models designed to automate elements of digital experience that guide user choices at scale by learning and applying techniques of behavioral science. Influence AI replaces the previous innovation profile called "Influence Engineering."

Why This Is Important

Generative AI (GenAI) has shattered preconceptions about the communication limits of AI in general. Marketers are moving beyond efficiency and savings toward more effective uses of content to influence behavior, which we refer to as Influence AI. Mastering these techniques offers disproportionate control over market-shaping consumer choices but carries substantial risks and needs for ethical governance.

Business Impact

Organizations are adapting the foundational models of genAI to marketing's commercial goals by adding data and analytics to nudge customer choices with relevant content and experiences that guide decisions. Emotion AI, content intelligence and federated learning models are powering new approaches to promotion, pricing, customer experience and product design with positive and negative implications.

Drivers

- **Proof of AI's persuasive abilities.** Independent research has clearly demonstrated that AI can learn and model persuasive techniques that exploit cognitive biases in human decision making.

- **Acceleration of general AI development.** Although many have called for a pause, there's no sign that AI developers will slow down as competition and investment build behind the latest technology bonanza.

- **Marketing's lead.** Marketing, with its dependence on communication and content to influence behavior, is the first target and adopter of GenAI products in most organizations.

- **Evolving consumer expectations.** Chatbots and digital people are trending, replacing legacy search prompts in search engines and advancing personalization techniques with more empathic inferences.

- **Adoption pressures.** The public deployment of ChatGPT and other GenAI applications has brought awareness of AI's uncanny abilities to millions globally, putting adoption pressure on organizations.

- **Awareness of risks.** Misuse of AI to produce deepfakes and other toxic content that attacks organizational reputations has become a boardroom concern.

- **ESG pressure.** As corporations face increasing demands to address environmental and societal impacts, success often depends on nudging consumers toward more sustainable and ethically sourced product choices and away from misinformation. The success of investments in more sustainable, healthier products and more equitable business practices is highly dependent on modifications in consumer behavior which can be reinforced with effective nudges by Influence AI.

- **Reactions to data loss.** Pressure is mounting on marketing organizations to deliver better results while losing key data sources such as browser cookies and device IDs. This is driving greater dependence on advanced analytics and content strategy to make up for loss of data.

Obstacles

- **Immaturity and danger.** Approaches to leveraging GenAI with other technologies like emotion AI are still experimental and high-risk. The potential for AI to exploit people's vulnerabilities to encourage bad choices or reinforce destructive behaviors or biases — even if this was not the intention of designers — creates poorly understood moral risks.

- **Popular backlash.** Developers and the press have raised alarms about the many dangers of AI development moving too fast, leading many organizations to take a cautious approach. High-profile blunders, such as accidental leaks of proprietary information, also signal caution. Reactions to perceived manipulative technology have been especially harsh.

- **Legal ambiguities.** Proposed regulations with nebulous scope create new legal hazards for companies contemplating use of AI for influence. The impact of new regulations on providers is also unknown.

- **Lack of skills.** Sourcing expertise needed for advanced applications of AI in marketing remains challenging.

User Recommendations

- Identify an ethicist role in the organization that reports directly to the board before experimenting with Influence AI. Work with them on articulation of guidelines and principles.

- Establish or locate a governance structure within your organization where opportunities for influence AI are best investigated. Discover use cases and debate the goals and extent of potential commitments. Solicit cross-functional representation.

- Recruit user test groups from within and outside your organization for research and experimental projects, or seek providers for such projects. Be transparent about goals and technologies. Assume such research requires informed consent and privacy controls.

- Motivate staff to learn the basics of prompt engineering and other skills needed to build and test GenAI applications. Develop a sense of scope as projects costs and complexity vary widely.

- Build a knowledge center and include assessment of competitors' and platform providers' activities. Play defense as well as offense.

Gartner Recommended Reading

Predicts 2023: AI, Social Toxicity and Disappearing Customers Forge the Future of Marketing

Use Generative AI to Enhance Content and Customer Experience

Board Brief on Generative AI

Beyond the Hype: The Impact of Generative AI on Marketing

Customer Data Ethics

Analysis By: Andrew Frank

Benefit Rating: Transformational

Market Penetration: 1% to 5% of target audience

Maturity: Emerging

Definition:

Customer data ethics aligns business practices with moral and ethical policies that reflect a company's avowed values. The need for a customer data ethics platform arises from the often unintended social and environmental consequences of using customer data with the singular goal of maximizing profits.

Why This Is Important

Marketers are racing to adopt generative AI for content generation, customer experience and personalization. The hazards of moving ahead without a foundation for ethical governance include amplification of biases in customer datasets, threats to privacy, manipulative content and lack of transparency. As organizations grapple with the impact of new technologies on environmental, social and governance (ESG) issues, addressing the ethical data use challenges is imperative to aligning practices with stated values.

Business Impact

Ethical concerns over customer data use will force companies to reevaluate metrics and processes used to train models and measure success. Codifying noncommercial goals and adding layers of testing and approval to address social and privacy consequences may diminish short-term ROI and cede market share to less scrupulous competitors. Longer-term, it will minimize the risks of allegations of discrimination, deception or hypocrisy and yield benefits in customer, employee and investor relations.

Drivers

- **Awareness of AI dangers**. The explosion of generative AI has elevated awareness of its dangers as organizations like Future of Life and individuals like Sundar Pichai and Geoffrey Hinton sound alarms. Unintended bias and disparate impact are high on the list of concerns.

- **Customer data drives AI personalization projects**. Personalization is among the most popular applications of emerging AI capabilities, and such use cases are frequently dependent on access to large quantities of customer data.

- **Business transformation imperatives**. The startling abilities of AI platforms to accelerate production and deliver powerful new capabilities to customers, partners and employees makes rapid adoption hard to resist.

- **Consumer values and corporate ESG commitments**. The 2023 Gartner Consumer Community Survey (15-23 May 2023, n = 305) shows that 62% of U.S. consumers are concerned about issues related to bias in generative AI, including that AI-generated content would be biased, that AI would discriminate based on user data, or both.

- **New laws and restrictions**. Privacy laws are raising legal impediments to customer data collection and use. Newer laws targeting AI are also causing broad corporate reassessment of customer data practices with growing sensitivity to ethical concerns and expectations.

- **Availability and adoption of toolsets and technologies**. Responding to demand, major AI platform providers — including Adobe, Amazon, Google and Microsoft — have been refining tools and datasets to assist analysts and data scientists with the detection and correction of bias in algorithms. Privacy-preserving technologies such as federated learning are also creating new ways to address concerns.

Obstacles

- **Market pressures.** Pressure to maximize profit by boosting efficiency with opaque AI models circumvents ethical oversight.

- **Lack of systemic accountability.** Hazards arise from data's collective use among partners and providers. Lines of responsibility in collaborative arrangements are blurry, and collective effects are opaque.

- **Problem scope and scale.** Business leaders acknowledge the importance of ethical governance without understanding the resources required. Benchmarks are lacking, and business units are motivated to keep such costs off their balance sheets.

- **Discord on fairness.** Laws and norms of fairness vary among communities and within organizations, hampering attempts to encode principles in algorithms and practices.

- **Suppression of data.** Masking data hampers efforts to combat algorithmic bias. As privacy makes customer data more scarce, reliance on AI and external providers makes hazards harder to detect.

- **Lack of skills.** The data science skills required for this work are specific and scarce.

User Recommendations

- **Make customer data ethics a core piece of your AI adoption process.** Ensure that all AI projects have ethical governance and workstreams attached.

- **Go beyond compliance.** Treat customer data ethics as an ethos your company shares with customers, employees and other stakeholders in its outbound communications. The public must know your priorities. A senior ethics executive should report directly to the board.

- **Be mindful of local mores.** Operationalize ethical evaluation of all automated decision making and tailor frameworks to specific geographies and societies.

- **Search for unequal results.** Hunt for evidence of disparate impact in targeted promotions and advertising and apply calculated constraints to compensate.

- **Take the long view.** Establish and monitor long-term metrics that tie customer data ethics to economic factors like ESG ratings and brand equity measures.

- **Search for allies.** Seek like-minded change agents throughout your organization and find opportunities to promote ethical initiatives.

Sample Vendors

Accenture; Adobe; IBM; KPMG; PwC; Salesforce

Gartner Recommended Reading

Predicts 2023: AI, Social Toxicity and Disappearing Customers Forge the Future of Marketing

How Successful Digital Marketing Teams Approach Customer Data Management

Superapps

Analysis By: Suzanne Schwartz

Benefit Rating: High

Market Penetration: 5% to 20% of target audience

Maturity: Emerging

Definition:

A superapp is a mobile app that provides end users (customers, partners or employees) with a set of core features, as well as access to independently created miniapps. The superapp is an open platform to deliver a miniapps ecosystem. Users can choose miniapps from this ecosystem to activate for consistent and personalized app experiences. There is no separate app store or marketplace for miniapps; instead, superapp users discover, activate and deactivate miniapps in the superapp.

Why This Is Important

Users demand mobile-first experiences that are powerful and easy to use. Superapps have expanded from China to India (MyJio, Paytm, Tata Neu), Latin America (Mercado Libre, PicPay, Rappi) and the Middle East/Africa (Careem, M-PESA, YASSIR). For digital marketing leaders, superapps can provide a single gateway for multiple customer interactions across social media, e-commerce and advertising, with customer data across each facet.

Business Impact

Organizations can create superapps to consolidate multiple mobile apps or related services to reduce UX friction. On the technology side, superapps can achieve economies of scale and leverage the network effect of a larger user base. Since they are their own app ecosystems, superapps can bypass marketing channels like search, promote direct engagement and drive customer loyalty across miniapps that are themselves social media networks, e-commerce sites and payment services, etc.

Drivers

- Superapps are gaining interest from organizations that embrace composable application and architecture strategies (i.e., splitting processes into modular pieces) to power new simplified digital experiences in their industries or adjacent markets. Superapps are an opportunity to simplify or streamline digital experience or multiple apps into a cohesive experience.

- Superapps enable multiple internal development teams and external partners to provide discrete services to users by building and deploying modular miniapps to or within the superapp. App users can configure their superapp experience by selecting the miniapps they want to use.

- As superapp use grows, marketers will need to build more miniapps for third-party superapps. For example, to compete in China, digital marketing leaders need to build miniapps for existing superapps (e.g., WeChat) to drive customer engagement with their brands.

- As marketers work collaboratively across martech, marketing operations and adtech ecosystems, the superapp concept has value as it expands across customer-facing use cases and into employee internal-facing use cases, to improve employee communications and engagement. This includes Walmart's Me@Walmart app.

Obstacles

- There are numerous technical ways to build a superapp, but creating the business ecosystem can be a bigger challenge than technology implementation. A superapp serves as a platform for internally developed miniapps and for third-party, externally developed miniapps. Business partners are required to create an extended ecosystem for monetization by deploying miniapps to the user base.

- Another obstacle is getting the user experience design of a superapp right for the brand and audience, while maintaining consistency of the miniapps published to the superapp. Inconsistency in the design of the superapp could negatively impact adoption and retention.

- Superapps could face regulatory obstacles in certain locations due to their broad nature and oligopolistic or monopolistic tendencies (e.g., conflicts of interest or self-dealing).

- Data sharing could be complex, including simple user authentication such as single sign-on (SSO) and tracking user preferences or app usage history.

User Recommendations

- Determine if developing a superapp, or a miniapp within a supperapp, is viable for your business.

- Educate partners on the potential innovation and business value of a superapp strategy as a way to drive loyalty and engagement.

- If building a superapp, identify the core features (i.e., commerce, communications, advertising or collaboration) that will drive a critical mass of adopters and interest in developers to serve those users.

- Work with engineering counterparts to offer an easy developer experience within your superapp (i.e., APIs, design guidelines, software development kits) for partners to build, test and submit miniapps for potential monetization.

- If building a miniapp, work with engineering counterparts to understand the superapps developer experience.

- In all cases, clearly define security and data protection requirements to satisfy security and data protection constraints. Be transparent with users about how their data is tracked and used.

Sample Vendors

Alipay; DingTalk; GeneXus; Ionic; KOBIL; Microsoft; PayPay; Paytm; Slack; WeChat

Gartner Recommended Reading

Quick Answer: What Is a Superapp?

Top Strategic Technology Trends for 2023: Superapps

How to Develop Your Mobile Marketing Maturity

At the Peak

Emotion AI for Marketing

Analysis By: Nicole Greene

Benefit Rating: Transformational

Market Penetration: 1% to 5% of target audience

Maturity: Emerging

Definition:

Emotion artificial intelligence (AI) technologies analyze the emotional state of a user (via computer vision, audio/voice input, sensors and/or software logic) to tailor creative messaging and engagement with digital people and chatbots. Emotion AI can initiate responses by performing specific, personalized actions to fit the mood of the customer based on body language, tone and other inputs.

Why This Is Important

Emotion AI is considered transformational because it turns human behavioral attributes into data that impacts how humans react to marketing. Machines can detect sentiment in many different contexts. Insights from deep learning, computer vision (CV) and audio-based systems are driving new use cases that enhance the customer experience. This includes testing and refining content, tailoring digital experiences and guiding customer choices when combined with broader influence AI techniques.

Business Impact

Emotion AI tailors engagement with digital people and chatbots based on body language, voice analysis and natural language processing. CV and signal analysis have been used for years to support neuromarketing research to test reactions to products and ads. This is moving out of labs and into commercial availability. Combined with content operations and automation, marketers can make fewer versions of creative, then segment and assemble content experiences to generate a desired response.

Drivers

- Emotion AI is experiencing a renewed focus due to its impact when combined with other AI techniques. Marketing is driving enterprise AI use cases where these insights can support better customer experiences and drive consumer decisions, across purchase, ownership and loyalty.

- Emotions are key drivers across the customer journey. Emotion AI provides an essential tool for optimizing experiences at each stage by grouping target audiences and eliciting desired responses.

- Technology that optimizes customer experience based on emotions will have a major commercial impact on a brand, especially in service and D2C scenarios.

- Market research and neuromarketing tools leverage emotion detection in various user scenarios, including focus groups and product testing. These capabilities are now being leveraged in consumer-facing applications, where mobile phones and wearable devices can supply inputs from consenting panelists to broaden the impact of emotion AI.

- The rapid adoption of digital people, virtual assistants and chatbots is propelling the impact of emotion AI on consumers. Personalized and tailored experience requires emotion detection and empathic responses to build credibility and trust. This "emotional capability" is an important element in enhancing the communication and interaction between users and personal assistant robots (PAR).

- Emotion AI requires explicit consent, and then predicts the responses of target audiences, supporting model-based methods of targeting and measuring media investment. As privacy restrictions tighten and consumers opt-out of brand messages, this approach to predicting response will become more important for creative development and distribution.

Obstacles

- Privacy concerns are the main obstacle to rapid adoption in the enterprise. This is especially a concern in real-live situations (vs. lab/research environments) for both consumer-facing (e.g., monitoring emotions in a retail environment via cameras) and employee-facing situations. Research environments like product testing have the advantage that the emotion AI is used for this specific purpose and the user (product tester) is fully aware that their emotions are being captured to improve usability or other features.

- Bias may be present. When using facial expression analysis, models are likely to be retrained in different geographies to get the system to detect the different nuances present due to different cultural backgrounds.

- There is variation across modalities. Certain emotions can be better detected with one technology mode than with another. For instance, "irony" can be detected using voice-based analysis while this is close to impossible to detect with facial expression analysis.

User Recommendations

- Focus on proven use cases within your industry. As the market rapidly matures, most vendors have experience in customer insights or testing and fine-tuning, rather than applying this technology to the entire customer experience. Many vendors focus on two or three use cases in specific industries and are working to develop APIs with larger vendors.

- Technology is moving faster than regulations and governance. Expect legal scrutiny for emotion AI. Tracking and processing human emotion, even with consent, remains a gray area. Work with legal to measure this risk.

- Appoint a chief data privacy or ethics officer to oversee data collection and use. The outputs from emotion AI have the potential to transform your business operations and cross-functional applications should be scrutinized.

- Use proofs of concept (POCs) to apply emotion AI to your customer analytics and behavioral profiling efforts, and work with vendors on change management in order to avoid user backlash due to sensitive data being collected.

Sample Vendors

Behavioral Signals; BRANDthro; Cogito; DAVI; Intelligent Voice; kama.ai; MorphCast; Soul Machines; Superceed; Uniphore

Gartner Recommended Reading

Elevate Your Influence Goals With Emotion AI

Emerging Tech: Computer Vision, Voice Analysis and CGI Evolve Into Emotionally Intelligent Virtual Beings

Competitive Landscape: Emotion AI Technologies

How to Responsibly Use ChatGPT (and Other LLM Applications) in Your Business Interactions

Generative AI for Marketing

Analysis By: Nicole Greene

Benefit Rating: Transformational

Market Penetration: 5% to 20% of target audience

Maturity: Emerging

Definition:

Generative AI technologies can generate new derived versions of content, strategies, designs and methods by learning from large repositories of original source content. Generative AI has profound business impacts, including on content discovery, creation, authenticity and regulations; automation of human work; and customer and employee experiences.

Why This Is Important

Generative AI (GenAI) adoption is accelerating. Proven marketing use cases include creative development, customer experience enhancement and the generation of synthetic data. Persona-specific content fuels personalization. Most industries are aggressively experimenting with GenAI, supported by rapid adoption from martech, enterprise applications and tools. Governments are evaluating the impact and preparing to introduce regulations.

Business Impact

GenAI will support the creation of new things, automating the development and assembly of digital experience to influence user choices at scale. Most technology products and services will incorporate GenAI capabilities in the next 12 months, leading to their democratization. When used for nefarious purposes, it will also become a security and societal threat with unforeseen consequences. Responsible AI, trust and security will be necessary for safe exploitation of GenAI.

Drivers

■ Currently, ChatGPT is the most hyped application. It relies on generative AI foundation models.

■ New foundation models and their new versions, sizes and capabilities are rapidly coming to market. Generative AI models keep making an impact on language, images, molecular design and computer code generation. They can combine concepts, attributes and styles, creating original images, video and art from a text description or translating audio to different voices and languages.

■ GenAI reaches creative work in marketing, design, and content. Content creation and improvement in text, images, video, language translation, sound enabled copywriting, highlight reels and visual effects. GenAI can generate within the same modality (picture to picture) or across modalities (text to picture).

■ Ads can be autonomously optimized by assembling content artifacts into combinations to support personalization based on response triggers. Chatbots are impacting SEO and SEM behaviors.

■ Industry applications include digital commerce where human likenesses can be generated for modeling. Images can be altered for different poses, aging and other features, and customers can virtually try on makeup and outfits. GenAI helps innovate product development and experiences through digital twins.

■ Interest in digital people, avatars and virtual influencers to engage customers on social media and in the metaverse, and to provide customer support. Computer vision (CV) can be used to capture, process and analyze real-world images and videos to allow machines to extract meaningful and contextual information from the physical world.

■ Synthetic data draws enterprises' attention by helping to augment scarce data, mitigate bias or preserve data privacy.

■ GenAI will disrupt software coding. Combined with other techniques it can automate up to 70% of the programmers' work, freeing scarce IT resources for digital experience optimizations requested by business teams.

Obstacles

- Democratization of GenAI thrusts new ethical and societal concerns into the spotlight. Government regulations may hinder GenAI research rather than encouraging development of risk mitigation technologies and guardrails.

- Regrettably, GenAI can be used for deepfakes, fraud, malware, disinformation and instigation of social unrest. Full and accurate detection of generated content will remain challenging for years and may not be completely reliable.

- Current implementations can be found in fragmented and specialized technology offerings that increase the marketing team's overhead to assemble and adopt a combination of tools rather than a single solution.

- Computer resources needed for training large data models are high and not affordable to most enterprises. It is possible to exploit them, but not develop their own models, which will lead to more powerful models and productization.

- Potential to occasionally generate unintended, biased, defective or even accidentally offensive artifacts require human oversight for deployments.

User Recommendations

- Identify initial use cases that enhance your martech capabilities or improve customer experience with GenAI by relying on purchased capabilities or partnering with specialists. Consult vendor roadmaps to avoid developing similar solutions in-house.

- Examine and quantify the advantages and limitations of GenAI and use it to improve existing processes. GenAI breakthroughs require skills, funds and caution, and a balancing of technical capabilities with ethical factors. Beware of subpar offerings that exploit the current hype.

- Use synthetic data to accelerate the development cycle and lessen regulatory concerns.

- Prepare to mitigate the impact of deepfakes. Algorithmic detection and authenticating content provenance are evolving to meet this need. Work with legal, security and fraud experts.

- Budget and plan for people resources to sample and review GenAI output to detect and prevent dissemination of inevitable mishaps. Employ composite AI approaches to combine GenAI with other AI techniques.

Sample Vendors

Adobe; Amazon; Anthropic; Google; Grammarly; Hugging Face; Huma.AI; Microsoft; OpenAI; Schrödinger

Gartner Recommended Reading

Use Generative AI to Enhance Content and Customer Experience

Podcast: Who's Afraid of Generative AI? — With Nicole Greene

Quick Answer: How Can Influence AI Improve My Customer's Digital Experience?

Predicts 2023: AI, Social Toxicity and Disappearing Customers Forge the Future of Marketing

Infographic: Impact Map of Generative AI

Visual Intelligence

Analysis By: Greg Carlucci

Benefit Rating: Moderate

Market Penetration: 5% to 20% of target audience

Maturity: Adolescent

Definition:

Visual intelligence helps customers find products with relevant visual attributes using real-world images, video and text. Expanding on visual search capabilities, this helps customers identify a specific product, provides related content or detailed information, or otherwise triggers engagement. Solutions analyze catalogs to understand taxonomy and product attributes in addition to visual features using technologies like computer vision, natural language processing and machine learning.

Why This Is Important

Visual intelligence helps ease the path to purchase, driving consumers from awareness to conversion in an instant by presenting products with relevant visual attributes. Visual intelligence also unites elements of real time (such as livestreaming, synchronous or simultaneous experiences) and real place (curbside, drive-by, location tracking or location monitoring) into a seamless customer experience by reinforcing the connection between digital and physical engagement.

Business Impact

Consumers expect personalized search tools to help find relevant products and information faster. Visual intelligence empowers consumers to take control of their hybrid shopping experiences through VR and AR tailored recommendations via "try-on" and "shop the look" online. Personalized search results drive conversion by catering to tailored individual needs instead of generic results. Search data collected provides opportunities to learn more about your consumers and identify postsale support.

Drivers

- Visual search generates detailed visual feature analysis for products to provide more relevant results than text-only product descriptions. This is important in verticals such as fashion, beauty and home improvement, where presenting the right results of visually similar and complementary products greatly improves conversion.

- Volatility within the privacy landscape fosters an environment where user-initiated visual intelligence can thrive. Apple's focus on consumer privacy protection combined with Google's planned deprecation of third-party cookies in 2024 leads to an uncertain digital media landscape.

- Images integrated into the website search function allow consumers to find products or related information faster and recommend search results based on most frequently visited pages.

- Consumer shift to hybrid shopping experiences increases the importance of mobile optimized sites and seamless navigation between product display pages, ratings and reviews, discounts and other pertinent product information to drive conversion.

- Understanding where and when consumers are starting their searches with pictures can enhance journey analytics and customer profiles. This requires users to opt-in to share their location. For example, Instagram uses location tags to enable visual intelligence efforts that support business location discovery and travel.

- The growing availability of search alternatives through AI like ChatGPT will advance visual intelligence functionality on platforms such as Google, Bing, Pinterest and Snapchat, requiring organizations to implement reactive strategies to cater search strategy to newly adopted consumer preferences.

Obstacles

- Platforms vary in features and adoption. Marketers face a steep learning curve to understand how the technology works on owned channels with vendors and on platforms like Meta to develop the right use cases for each channel.

- Vendors have different capabilities for tag management, search, merchandising and configuration tools, and have different expertise for verticals.

- Investment in extensive product imagery and text-based product descriptions is necessary to inform visual intelligence.

- The machine learning underlying the technology must be trained on a specific product domain to support digital commerce and to reflect results based on customer search queries and relevant location to improve accuracy and avoid negative search experiences.

- Walled gardens like Meta provide lower-cost visual search aids and advertising placements but lack the data collection capabilities owned channel tools like VR can provide.

User Recommendations

- Investigate vendor capabilities across metadata management, search relevance, visual product finders and configuration options. Assess personalization, product recommendations, and integration features with product information management (PIM) technology.

- Make the necessary investments in structured data for products and services, and build advanced metadata tagging processes into workflows.

- Ensure privacy statements and disclosures for apps and websites are updated with clear descriptions of how visual intelligence data is used to leverage personal data.

- Align investment in visual search with voice, image and text to support a long-term merchandising and digital experience vision. Ensure that customer experience features are in place for faster relevant outcomes.

- Quantify visual search opportunities by channel. If applicable seek out partnerships with major aggregator platforms to increase visibility in searches supported by product imagery and text-based product descriptions

Sample Vendors

Amazon Web Services; Clarifai; Google; Kibo; Microsoft; Open.Ai; Pinterest; Snapchat; Syte; Yext

Gartner Recommended Reading

Toolkit: Develop a Winning Digital Commerce Strategy

Keep Pace With Consumers' Evolving Digital and Hybrid Shopping Habits

Optimize Website Content for SEO

Data Interactive Tool: Digital IQ Channel Benchmarks, Mobile Marketing

Drive Agility and Scale for the Future With Content Operations

Sliding into the Trough

Customer Journey Analytics

Analysis By: Matt Wakeman

Benefit Rating: High

Market Penetration: 5% to 20% of target audience

Maturity: Adolescent

Definition:

Customer journey analytics (CJA) tracks and analyzes customers' and prospects' interactions with an organization across multiple channels. It aims to provide a holistic view of customer experience by covering all the channels used by customers. CJA includes channels with human interaction (e.g., a call center) and those that are fully automated (a website). It also includes physical channels (a retail store), and those that provide customer assistance (live chat and co-browsing).

Why This Is Important

Consumers expect personalized, customer-centric engagement and marketers need to deliver it — challenging marketing strategies that take a business-centric approach to the customer experience. Moreover, customer activity across channels is increasing, so tools that integrate cross-channel customer behavior using CJA enable companies to identify opportunities to improve customer experience.

Business Impact

CJA is a strategic priority for a variety of internal roles in several different industries, as leaders strive to gain a better understanding of the customer journey across all phases — buying, ownership and advocacy. In many cases, marketers will be able to leverage CJA features in their existing martech stack rather than add a stand-alone vendor.

Drivers

- CJA is a strategic priority for multiple roles, as marketing, sales and service leaders strive to gain a better understanding of customers' complete journeys and touchpoints across channels and functions.

- CJA can improve marketers' personalization tactics by measuring each phase of a journey to optimize the entire journey for the customer (or customer segment) context and intent.

- CJA access is accelerating as more applications begin to add elements of journey analysis into existing tools, such as customer data platforms, personalization engines, customer analytics applications and multichannel marketing hubs.

Obstacles

- Marketers are challenged to access, analyze and activate their companies' customer data — from web activity to call center engagement. Gartner surveys show that on average, companies use nine channels for marketing, 2.9 for digital commerce and 5.4 for customer service. The greater the number of siloed customer channels or data sources, the more challenging to deliver comprehensive CJA.

- Digital data deprecation has accelerated, with changes to platforms (Apple) and regulations (across North America and Western Europe). While marketers must address regulatory and consumer concerns, this trend creates a journey analytics gap for anonymous audiences, due to the increasing challenge of linking anonymous digital activity across sessions and devices. Those challenges are larger for certain go-to-market models (primarily indirect sales models, e.g., B2B2C).

User Recommendations

- Acknowledge that valuable insights come from understanding the combination of channels used by customers, not by understanding customer (or segment) behavior within a single channel.

- Evaluate your existing technology stack to see if you're already paying for an application with journey analysis capabilities — because journey analysis functionality is often embedded into other systems.

- Avoid measuring outcomes with channel-specific key performance indicators (KPIs) (that ignore customer activities in other channels, such as single-channel conversion rates or cost per acquisition. Channel-specific KPIs can be useful diagnostic indicators for prioritizing optimizations.

- Start with customer identification and journey mapping across only two to three channels, where the journey benefits the customer and organization (high impact) and the data are both available and valuable (high feasibility).

Sample Vendors

Adobe; Cerebri AI; Splunk; Teradata

Gartner Recommended Reading

Market Guide for Web, Product and Digital Experience Analytics

What Marketers Need to Know About Customer Journey Analytics

Consent and Preference Management

Analysis By: Tia Smart

Benefit Rating: Moderate

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Consent and preference management platforms consolidate end-user choices regarding how their personal data should be handled. Choices are synchronized across legacy, active and incoming repositories, both on-premises and in the cloud. The intent is to extend visibility and control to digital visitors, allowing them to determine and change how much of their data to expose, to whom and for what purpose. This also empowers marketers to respect customers' choices with a minimum of manual overhead.

Why This Is Important

Protections for personal data collected digitally continue to expand across the globe as more countries and U.S. states consider legislation similar to or stronger than GDPR, CCPA, CPRA and CPA. Technologies and organizations must quickly adapt to the global transformation. Consent and preference management platforms (CPMPs) empower organizations to comply with new laws, preserve and extend essential capabilities, and demonstrate to customers and stakeholders that they care about privacy.

Business Impact

- As new legislation is introduced worldwide, organizations must use CPMPs to demonstrate to consumers that they value their privacy and are in compliance to avoid costly violations and consumer mistrust.

- Protecting your organization from compliance violations while maintaining the ability to utilize customer data for business purposes can be technically and operationally challenging. CPMPs help to address these issues.

Drivers

- **New laws and variations in legislation.** With additional countries and regions seeking to implement their own consumer privacy laws, tracking laws in each country and region is a tedious but integral task to ensure compliance. CPMPs address specific requirements, such as auditing websites, enforcing consent choices and making data available for subject rights requests.

- **Reliance on first-party data.** The shift to an increased dependence on first-party data instead of third-party cookies forces organizations to reevaluate the enterprise's data structure. Managing consent and preference choices throughout the ever-convoluted enterprisewide structures takes time, and some CPMPs try to solve this. CPMPs' importance is ever more apparent in countries like the U.S., where implicit consent is still allowed in most states. Organizations need to take a state-by-state approach or risk messing up direct marketing opportunities available to them.

- **Societal norms and consumer expectations.** Consumers now expect to have control over their personal data as well as transparency from organizations on how it is used. However, consent flow banners and dialogues can significantly downgrade user experience, driving the need for better design solutions enabled by certain CPMPs.

Obstacles

- **Ever-changing global laws and best practices.** With regions and countries implementing their own data privacy legislations, organizations must adapt to each one to remain in compliance. CPMPs tend to oversell their ability to make managing consent options simple, often downplaying the complexity of managing an organization's internal and external databases.

- **Lack of UX design support.** Forcing too many privacy choices on consumers degrades UX and leads to high opt-out and abandonment rates. Yet, having too few choices limits the ability to tailor experiences. To strike the right balance requires cross-functional, collaborative activities across the organization.

- **Complex technology architectures.** Digital transformation acceleration efforts propelled organizations to rethink how technology solutions work together and how data flows throughout the ecosystem. Adopters need to factor in the number of connections — both native and customized (e.g., APIs, ETL) — that are needed to effectively use a CPMP.

User Recommendations

- Prioritize consent management policies and initiatives as a critical priority for all functions. Establish a cross-functional customer data and privacy council to review and update policies and processes for the enterprise to follow.

- Avoid "dark patterns" or deceptive language for consent dialogues that attempt to influence users' choices (see the FTC's Press Release).

- Use a "telescoping" approach to disclosures and preference dialogues that allow users to go as deep as they choose into specific details. Offer consistent, easy access to preference settings that can be viewed and changed on demand to ensure that you are undertaking a privacy-by-default approach.

- Compare and assess CPMP offerings against your organization's highest-priority data privacy protection and integration requirements and internal costs.

- Develop a CPMP where the market cannot effectively connect and integrate with legacy internal tools.

- Take a modular approach to adoption and avoid excessively broad project scopes. Anticipate sufficient time to resolve unforeseen complications in these projects.

Sample Vendors

BigID; Didomi; Ketch; OneTrust; PossibleNOW; Syrenis; TrustArc

Gartner Recommended Reading

Market Guide for Consent and Preference Management

Market Guide for Consent and Preference Management for Marketers

Personification

Analysis By: Andrew Frank

Benefit Rating: High

Market Penetration: 5% to 20% of target audience

Maturity: Emerging

Definition:

Personification allows marketers to deliver targeted digital experiences to individuals based on their inferred membership in a characteristic customer segment without collection or processing of personal data.

Why This Is Important

Digital advertisers' and publishers' continuing struggle with privacy-related compromises in efficiency and accountability is eroding the economic foundations of open web content. Personification techniques are needed to resolve long-standing tensions between privacy and relevance in advertising, and restore diversity and transparency to the media market.

Business Impact

Ad targeting and measurement approaches based on coarse topic-level interest and demographic segmentation have not caught on with marketers. More sophisticated approaches based on persona modeling aim to restore balance and competition among publishers and tech providers. This will lead to a healthier media economy, greater choice, control and accountability for marketers, and better experiences for consumers.

Drivers

- The expansion of privacy laws and platform restrictions has led to a crisis of confidence among marketers in their ability to measure and optimize outbound communications.

- The cost of compliance with an expanding patchwork of varying privacy laws escalates the urgency for a global privacy-safe solution to targeting and measurement.

- Cookie alternatives from Google, the Interactive Advertising Bureau (IAB), and others are adopting variations on the personification theme to balance privacy with effectiveness.

- Technical advances such as federated learning, data clean-room collaboration and privacy-enhancing computation hold promise for personification improvements.

- Businesses with extensive first-party data such as retail, travel and telecommunications are under pressure to find ways to monetize their data without running afoul of privacy regulations or consumer expectations.

- Privacy regulators would like to rein in big tech providers without causing economic damage.

- Platforms and tech providers are actively pursuing personification solutions they hope will take regulatory pressure off their martech and advertising businesses and improve their privacy reputations.

- Productivity gains from generative AI are driving vendors and marketers toward visions of personalized content that require effective targeting to optimize.

Obstacles

- The technical challenges of personification are significant. Profiling and segment inferencing can compromise privacy and consensus is lacking on how much protection or precision is "good enough."

- Inertia in the current media ecosystem impedes deep shifts in technology.

- Regional fragmentation besets topics in privacy law. Issues of consent and legitimate interest draw conflicting interpretations of legal and ethical boundaries.

- Concerns beyond privacy include bias and exploitation that may emerge as unintended side-effects of opaque segmentation schemes.

- Transparency and control are hard to reconcile with personification techniques. Black box machine learning algorithms conflict with laws requiring explainability.

- Alternatives to personification, such as contextual targeting and consent-based identifiers, have gained followings. More far-reaching concepts, such as decentralized ledger-based identity schemes, could make current approaches obsolete before they reach maturity.

User Recommendations

- Focus data and analytic resources on customer segmentation strategies using experimental design and machine learning to refine persona definitions emphasizing consented, nonpersonal and synthetic data.

- Study or appoint someone to study, report on and engage with Google's Privacy Sandbox and similar privacy-preserving persona targeting initiatives.

- Reevaluate personalization strategies and designs to minimize personal data requirements while maximizing opportunities for needs discovery, contextual relevance and persona-based creative impact.

- Engage IT and partners in investigating data collaboration innovations enabled by federated learning and other collaborative modeling technologies.

- Deploy segment recognition and decisioning algorithms in client applications and ad units where their inferences can remain private and reported anonymously.

Sample Vendors

Adobe; Analytic Partners; Epsilon; Google; LiveRamp; TransUnion

Gartner Recommended Reading

3 Scenarios for Privacy's Impact on Targeted Advertising

Emerging Technologies: When and How to Use Synthetic Data

Shoppable Media

Analysis By: Matt Moorut

Benefit Rating: Moderate

Market Penetration: 5% to 20% of target audience

Maturity: Adolescent

Definition:

Shoppable media refers to prerecorded interactive images, videos and other media formats, which enable an online path to purchase when a user clicks an object that is showcasing merchandise. Object examples include a "shop" button overlaid on an image or video displaying products. Various digital shoppable media formats are available and viewable via both mobile and desktop, with notable momentum visible in social media apps.

Why This Is Important

Customers expect to shop and buy when and how they want, seeking a seamless purchase experience. Shoppable media is a merchandising technique that empowers brands to close the gap between product inspiration and direct purchases, reducing friction in a customer's current context. For example, if consumers are interested in purchasing a dress featured in a streamed TV show, they could click or tap on it directly through the video rather than switching to a retailer app or website.

Business Impact

Shoppable media provides a bridge between promotional content and commerce, often reducing the number of steps required for customers to make a purchase. By streamlining purchase journeys, shoppable media can increase direct-to-customer engagements, provide near-real-time insight on campaign performance, reduce drop-outs, and increase revenue. It can also provide further impact on business operations and technology, as these require change to support the commerce channel.

Drivers

■ Consumer preference for online shopping continues to grow. According to the 2022 Gartner Consumer Values and Lifestyle Surveys, 24% of U.S. consumers said they prefer making all clothing, shoes and accessory purchases they can online.

■ Major retailers and media companies are investing in shoppable media to expand customer reach and monetize the traffic. For instance, in mid-2022, Walmart partnered with Roku to enable TV streamers to purchase featured products fulfilled by the retailer directly on their streaming platform. An example of shoppable media innovation can be seen from NBCUniversal, which is partnering with KERV Interactive to leverage AI to surface relevant products within its "Must ShopTV" product. This is being used on its streaming service, Peacock.

■ The shoppable media market is maturing, as multiple digital commerce technology providers fill different use cases. For instance, PriceSpider and Shoppable offer where-to-buy and universal check-out technology, respectively, while Amplience and Bazaarvoice (Curalate) help brands manage shoppable content in social media.

■ Sales in the U.S. still lag behind China. This encourages analysts to forecast strong growth in shoppable media, as best practices from Taobao Live flow through to large, international players.

Obstacles

■ **Low consumer adoption:** Social commerce is still nascent in North America and Europe relative to China. Low consumer adoption of social commerce means that marketers prioritize other investments.

■ **Margin erosion:** Seller fees or commissions paid to platforms providing direct check-out experiences can pressure profit margins. Brands that sell high-margin products are in a better position to offset those fees. Those with low margins may find more profit by using media to drive traffic to brand-owned product landing pages and check-out experiences.

■ **Lack of control of surroundings:** The placement of media on third-party platforms, such as TikTok, exposes brands to more risk from surrounding assets, such as objectionable or inflammatory content.

■ **Limited use cases:** Shoppable media is better suited for impulse purchases than high-consideration goods. As such, beauty, fashion, housewares and consumer packaged goods brands can benefit more than other industries.

User Recommendations

- Pilot content formats and platforms that provide a more engaging view of products than traditional digital storefronts. Options include shoppable ads, social media posts, video streaming platforms and enriched content assets.

- Partner with customer experience leaders to assess the impact of broadening the range of commerce channels to the brand experience. Work with finance and sales teams to assess the potential impact to margin performance, given the rising costs of execution.

- Establish what execution resources are necessary for a seamless commerce execution, using shoppable media formats.

- Assess the overlap of your target audience with captive audiences on streaming services to ascertain campaign objectives and sales targets.

Sample Vendors

Bazaarvoice; ChannelSight; Firework; KERV Interactive; NBCUniversal; PriceSpider; Roku; SmartCommerce; talkshoplive

Gartner Recommended Reading

Design Social Commerce Features That Convince Consumers to Buy

Decode the Social Commerce Ecosystem to Execute Effectively

Infographic: 7 Key Trends in Digital Commerce

Digital Commerce Maturity Model for Marketing

Understand How Shoppers Use Digital Tools to Combat Higher Prices

Customer Data Platform

Analysis By: Rachel Smith

Benefit Rating: Moderate

Market Penetration: 20% to 50% of target audience

Maturity: Adolescent

Definition:

A customer data platform (CDP) is a software application that supports marketing and customer experience use cases by unifying a company's customer data from marketing and other channels. CDPs optimize the timing and targeting of messages, offers and customer engagement activities, and enable the analysis of individual-level customer behavior over time.

Why This Is Important

Making use of customer data is hard — respondents to the 2023 Gartner CMO Spend and Strategy Survey identified customer experience (CX) management and customer analytics as their top two capability gaps in meeting 2023 business goals. However, getting it right results in improved customer experiences, marketing performance, scale and efficiency. Marketers turn to CDPs to gain control of data management and orchestration as multichannel journey orchestration, data privacy and first-party data grow more complex.

Business Impact

CDPs address marketing use cases like segmentation, profile unification and predictive modeling. Use cases have grown into other functions like CX and enterprise data and analytics (D&A). CDPs first served retail, travel and hospitality industries, but have expanded into regulated industries like healthcare and financial services. Interest from B2B organizations grows, though features specific to B2B (for example, proprietary intent or firmographic data and predictive lead scoring) remain on the back burner for vendors.

Drivers

- More roles in marketing and adjacent functions need unified, real-time data to operate efficiently and deliver value. Since CDPs developed as a "hub," routing data through the martech stack, they enable marketers to coordinate a growing number of data-driven use cases, from identity resolution to messaging. CDPs' utility makes them a strategic purchase for many brands, anchoring initiatives from 360-degree customer views to personalization.

- Hype related to first-party data fuels interest in CDPs as organizations face impacts from ID deprecation and privacy regulations. CDPs are often positioned as a transition option to evolve marketing's data strategy away from third-party cookies and toward first-party data. However, this is only a piece of the martech puzzle. Organizations expecting a fluid connection between first-party identifiers and the adtech world will find CDPs an incomplete solution to prospecting use cases.

- High demand for CDPs to support personalization and orchestration pushed vendors to introduce workflows beyond integration and segmentation. Popular use cases beyond data collection and integration vary, including prediction, activation and identity resolution.

- The past year saw continued market diversification. The 2022 Gartner Marketing and Communications Technology Survey saw a slight increase in the use of marketing cloud CDPs and a decline in smart hub CDPs. As such, market focus has shifted away from the smart hub style of building orchestration capabilities within the CDP, and toward managing profiles that can be leveraged by other technology in a marketing cloud suite.

- The emerging trend of building a "composable" CDP architecture is inspiring new vendors to compete. They bring a vision of activating an organization's existing enterprise data warehouse (EDW) as a CDP instead of buying an out-of-the-box CDP. This allows prospective buyers to purchase components of CDP functionality from different vendors (for example, a vendor for data collection vs. storage vs. activation).

Obstacles

- **Complex process to select a CDP.** Prospective buyers' lack of detailed use cases and clarity on technology dependencies exacerbate the problem. Use cases positioned by vendors can be far-reaching, such as compensating for the loss of third-party cookies through IDR and clean rooms.

- **Overlapping martech**: CDP capabilities remain variable due to an expanding feature set and overlap with other technology. For example, it's hard to differentiate between a smart hub CDP vs. an MMH offering CDP features. There's also confusion around CDP vs. MDM.

- **Technical skills**: Successful CDP utilization is correlated with having the technical skills to operate and integrate the technology. IT is increasingly involved, and upskilling marketers is paramount.

- **Concerns of CDP bloat**: Common data overages sneak up to increase CDP cost. Further, the potential for CDPs to become another data silo has complicated the CDP business case and conversations between marketing and IT regarding deployment strategy.

User Recommendations

- Collaborate with stakeholders to develop use cases for unified customer data in the context of your marketing, sales, service and digital commerce outcomes. Identify points of friction and opportunities in first-party data collection, customer analytics, personalization and CX.

- Clarify points of integration and potential redundancy in your technology stack. Audit your technology landscape to identify adjacencies where capabilities overlap (for example, personalization engines, multichannel marketing hubs and marketing automation platforms).

- Use proof-of-concept pilots to validate delivery on promised capabilities, as well as the usability and effectiveness of the offering.

- Scrutinize your existing multichannel marketing hub and personalization vendors' roadmaps to see if any existing features achieve the capabilities of a CDP, or if they plan to introduce such features.

- Work across business and IT functions in selecting and deploying a new CDP, or maximizing the use of existing technology.

Sample Vendors

ActionIQ; Adobe; BlueConic; Dun & Bradstreet; Redpoint Global; Salesforce; Tealium; Zeotap

Gartner Recommended Reading

Market Guide for Customer Data Platforms

A Guide to What Is — and Isn't — a Customer Data Platform

Power Up Your Customer Data Technology Stack

Toolkit: Use Case Library — Customer Data Platform, Personalization Engine and Multichannel Marketing Hub

Maverick Research: The Disappearing Business Case for Customer Data

Conversational Marketing

Analysis By: Lacretia Marsh

Benefit Rating: Moderate

Market Penetration: 5% to 20% of target audience

Maturity: Adolescent

Definition:

Conversational marketing tech enables companies to host digital, human-like engagements with customers at scale. The tech employs AI bots and automation to design session-based interactions in the form of natural dialogue. Conversations occur across various channels; primarily chat, SMS, email and voice. Integrations across the revenue tech stack facilitate personalized interactions. Digital marketing leaders can improve performance across the customer journey by humanizing audience interaction with conversational marketing tech.

Why This Is Important

Conversational marketing technologies enable interactions between companies and customers that mimic human dialogue for the vendor at scale. They employ session-based, cross-channel exchanges in the form of natural language dialogue, using a blend of text and audio. Digital marketing leaders use conversational marketing tools to improve performance across the customer journey by humanizing their digital interactions with audiences.

Business Impact

Digital marketing leaders use conversational marketing to improve engagement, increase conversion and increase seller capacity. The technology reduces friction for customers in key moments and provides companies with buyer-preferred digital methods of engaging in dialogue with customers at scale (e.g., chat, SMS, email). Configurable AI and automation flows enable marketers to scale two-way dialogues in historically human-based channels for both B2C and B2B companies.

Drivers

- As growth in digital buying accelerates, conversational marketing creates a faster method for companies to have natural, nongeneric conversations with buyers.

- Conversational marketing tech lowers reliance on sales for scaled lead follow-up and relieves seller capacity for pipeline management.

- As marketers rely on digital marketing channels to reach buyers, they need to leverage a multimodal mix of channels to improve key interactions by engaging buyers in two-way dialogues that are contextually relevant. Examples include bots to catch routine queries or proactively suggest new options, and intelligent routing across channels to escalate more nuanced dialogues to human agents. Interactions can include links, images, offers of appointment times and other choices that would be impractical with voice-only options.

- Use of conversational marketing continues to play an important role in the digital marketing mix with AI used to further drive growth. Within Gartner's 2023 Multichannel Marketing Survey, respondents using 11 or more channels (31% of respondents) were able to drive more growth through new experiences such as AI to manage complexity and achieve greater operational efficiency. Twenty-four percent of these respondents leveraged AI to deliver seamless customer engagement.

- Customer demand for personalized service is rising. According to the 2022 Gartner Customer Service and Support State of the Customer Survey, 71% of B2C customers and 86% of B2B customers expect companies to be well-informed about their personal information during a service interaction.

- The much-anticipated phaseout of third-party cookies is forcing more brands to innovate in order to develop direct relationships with customers.

- Conversational approaches eliminate the time and effort spent on creating personalization in multichannel marketing workflows, enabling brands to improve immediacy and channel integration.

Obstacles

- The buying landscape is continuing to move from a more controlled point of interaction to one with multiple uncontrolled variables as buyers place higher value on third-party interactions.

- Training AI bots and designing conversation flows requires marketing-led cross-functional collaboration (i.e., sales, customer service, product, support, etc.). The absence of partnership can inhibit marketers from realizing the full value of conversational marketing, especially in B2B environments.

- As data assets grow, ethical adoption demands compliance, privacy, and trust functions at the enterprise level, to align with customer preferences and comply with nascent regulations.

- Conversational marketing opportunities are accompanied by risks just like any AI tools. Underlying AI should be reviewed and monitored regularly to avoid harmful side effects, such as bias or messaging that is misleading or objectionable.

User Recommendations

- Strengthen the potential for improved sales through testing to determine incremental impact on acquisition, conversion and retention. Start by using conversational marketing to scale interactive customer experiences for scheduling appointments or delivering concierge services with a human touch.

- Use customer experience teams to focus on session replays and user experience to determine whether conversational marketing can resolve customer frustrations.

- Categorize interactions to create datasets that can be leveraged alongside generative AI. Work with legal, risk management, IT and ethics leaders to control how information is used and assess future risks.

- Increase the scalability of efforts by leveraging agile processes and proofs of concept which build empathy into user stories and embed ethical principles into the AI design. Frequently test before and during implementation to uncover any potential for unintended and harmful side effects.

Sample Vendors

Attentive; Conversica; Drift; Exceed.ai; Intercom; Podium; Qualified; Salesforce; Sembly AI

Gartner Recommended Reading

Quick Answer: How to Use AI-Powered Virtual Assistants to Save Sellers Time on Administrative Tasks

Improve Customer Experience With Intent Analytics

Navigate Your Path to Journey Orchestration With Martech Usage Insights

Digital Commerce Maturity Model for Marketing

How to Develop Your Mobile Marketing Maturity

Identity Resolution

Analysis By: Tia Smart

Benefit Rating: High

Market Penetration: More than 50% of target audience

Maturity: Mature mainstream

Definition:

Identity resolution (IDR) is the process of locating and matching customer identity records across multiple datasets derived from customer interactions with the brand across multiple touchpoints. IDR providers use match keys — deterministic or probabilistic — to identify when two records refer to the same individual or household. Marketers use IDR to analyze and deduplicate multisource datasets and to target, run and measure direct marketing and advertising campaigns.

Why This Is Important

Privacy obstacles are forcing more marketers to reevaluate their data collection and management strategies. Linking fragmented records of individual customer interactions across channels and devices remains a significant challenge to resolve. This, in turn, results in disconnected customer experiences and communications across marketing, sales and service touchpoints. Marketers' dependence on IDR solutions continues to rise for effective targeting and personalized messaging use cases.

Business Impact

IDR is present across both martech and adtech solutions, and impacts critical customer-facing operations. Marketing, sales and service need to consolidate and connect customer identities across touchpoints to meet key goals such as revenue growth, personalization and retention. IDR applications provide external confirmation of the accuracy of data values or relationships, without which critical data management, customer insight, ad targeting, campaign execution and measurement use cases would fail.

Drivers

■ Consumers are increasingly using multiple devices to engage with brands, from mobile devices and computers to connected TVs and smart speakers. This cements the importance of customer identity resolution across devices despite the end of third-party cookies. Device graph datasets that help companies link individuals and households across devices remain important to marketers seeking to deliver connected and personalized customer interactions.

■ Organizations acknowledge that customer data privacy protection is important and costly — both in terms of reputation and legal damages — if found out of compliance. For some large advertisers, privacy risk has increased the appeal of data clean rooms that provide a secure way to exchange first-party datasets without exposing personal data. Many IDR providers offer data clean room environments as part of their identity solutions.

■ Cookie and mobile ad ID deprecation has induced and inspired entrepreneurs and investors to develop new approaches to IDR that attempt to balance privacy and customer intelligence in innovative ways.

■ Many CDP and marketing cloud providers are partnering with IDR providers to provide a coordinated offering for companies, advancing the overall presence of IDR solutions in the market.

Obstacles

- In Europe, GDPR puts strong restrictions on personal data processing. In California, CCPA restricts the sale of personal data. New legislation continues to be introduced across countries and regions (e.g., CPA) that scrutinizes IDR practices because consumers never had the choice to opt-in. The variance and updates to legislation are often interpreted as covering a broad class of IDR practices.

- Tech giants continue to erect barriers to certain IDR use cases and have joined privacy advocates in taking a public stance against multisite identity tracking. Limitations that these companies have placed include restricting data usage across their owned solutions and via their browsers and operating systems. Third-party cookie deprecation plans and the adoption of Apple's App Tracking Transparency frameworks are eliminating marketers' accustomed method of tracking users' activities.

- Emerging segment-based alternatives, such as contextual targeting and Google Topics, provide targetable segments while keeping customer data anonymized.

User Recommendations

- Think about IDR in first-, second- and third-party data sources. Create marketing data flow architectures for each use case. Build the foundation that allows marketers to effectively request necessary customer data found across the organization.

- Collaborate closely with your IT, data analytics and legal counterparts when investing in customer IDR technologies. View these functions as partners in accomplishing marketing's objectives while complying with customer data privacy expectations and relevant regulations.

- Conduct scenario-planning exercises to determine the technology and data investments needed to limit reliance on third-party cookies for digital advertising and customer engagement. Anticipate increases in marketing and advertising spend on data clean rooms, walled gardens and retailer media networks due to third-party cookie deprecation.

- Assess your enterprise's plans to invest in new martech and adtech purchases. As vendors add IDR capabilities to existing solutions, identify how your current investments (e.g., CDPs, EDWs) currently link customer data to build a roadmap that matches your IDR plans.

Sample Vendors

Acxiom; Epsilon; Experian; LiveRamp; Merkle; The Trade Desk; TransUnion

Gartner Recommended Reading

Power Up Your Customer Data Technology Stack

Google to Drop Cookies, but Still Hold the Cards

3 Scenarios for Privacy's Impact on Targeted Advertising

Maverick Research: Weaponizing Privacy

Multitouch Attribution

Analysis By: Jason McNellis

Benefit Rating: Moderate

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Multitouch attribution (MTA) refers to software and services that help marketers evaluate how much credit to assign to each trackable element of a multichannel marketing campaign or each touchpoint leading to a conversion. Models use business rules, algorithms or experimental controls to isolate events on the conversion path and determine their influence on a desired outcome, such as a sale or registration.

Why This Is Important

Measuring customers across touchpoints is a foundational need in data-driven marketing. Given the investment in digital marketing solutions and attribution's role as scorekeeper, expect large advertisers to continue to spend big to minimize data tracking challenges. As the sequential user-level data that undermines MTA is fraying, the use cases MTA can accurately support are narrowing. Most marketers will supplement, but not eliminate, MTA with other methods to meet their measurement needs.

Business Impact

- MTA benefits from the combination of up-to-date reporting with granular insights (ad version or keyword level). This allows marketers to make frequent optimization decisions within a given channel to improve conversions.

- For large advertisers spending over $100M USD in media per year, MTA will continue to provide an important optimization tool for adjusting spend level during campaigns. These advertisers will invest in identity graphs and probabilistic solutions to improve measurement quality.

Drivers

- MTA defends marketing budgets by associating marketing activities with conversion events. The most advanced models show the incremental impact — the portion of conversions that only occurred because of marketing.

- Many solutions update results nightly, supporting experimentation and more agile marketing delivery.

- The capability to measure across digital touchpoints enables the most advanced MTA solution to clarify optimum resource levels across channels.

- More granular results, such as ad copy or keyword level, provide guidance for how to manage spend within a channel.

- MTA results can generally be looked at separately for different audiences, helping marketers understand which content best resonates with certain segments.

- Insights around consumers' digital journeys, including identifying common conversion paths, help marketers identify underperforming touchpoints, sequence content or develop business rules to support next best actions.

- MTA solutions vary in analytic sophistication, providing a path toward higher maturity. A brand can start with simple business rules (last-touch) and move to more sophisticated business rules (opener, closer, assist) before finally reaching algorithmic attribution.

Obstacles

- There is an inherent difficulty in resolving the behavior of individuals across different devices and offline contexts. Changes to identifiers for advertisers (IDFAs) and third-party cookie depreciation are increasing those difficulties, and Gartner expects data-tracking challenges to continue to increase over the coming years.

- Regulatory restrictions, consumer privacy concerns and several large advertisers' refusal to share data have weakened the identity graph that MTA classically relied on. Marketers looking to understand the ROI of digital advertising may find the data too sparse to be useful.

- Workarounds such as data cleanrooms or unified measurement approaches that use top-down modeling to soften the impact of missing data also increase costs.

- All rule-based forms of MTA fail to measure the true unique impact of marketing. They measure marketing's associated revenue. While this number is larger, it is less important, especially to skeptics of marketing.

User Recommendations

- Set realistic expectations of where — and how much — MTA will improve decision accuracy. Rightsize your MTA investment to the expected benefit.

- In addition to marketing accountability and optimization (which can be limited), examine use cases like evaluating new marketing tactics and understanding customer conversion paths.

- Enhance your first-party data, which is often considered independent from data deprecation concerns, to improve MTA reporting accuracy. For example, standardize your campaign and creative asset metadata and tracking URLs.

- Align insight needs with MTA's capabilities. Consider other methods such as holdout tests, forecasting and marketing mix modeling to deliver additional insights.

- Large advertisers should explore identity graphs and methods that predict user level impression loads as a way to improve MTA accuracy and usefulness across channels. Leveraging audience analytics using data clean rooms is another way to supplement MTA models.

Sample Vendors

Adobe; Google; Neustar; Rockerbox; Salesforce

Gartner Recommended Reading

Broaden Your Marketing Measurement Toolkit to Address Both Tactics and Strategy

The B2C CMO's Guide to Marketing Attribution, Measurement and Testing

Google to Drop Cookies, but Still Hold the Cards

Apple Upsets the Digital Advertising Cart

Incrementality Measurement: A Marketer's Best Friend

Climbing the Slope

Personalization Engines

Analysis By: Alex De Fursac Gash

Benefit Rating: High

Market Penetration: 20% to 50% of target audience

Maturity: Adolescent

Definition:

Personalization engines apply data and context on individual users to select, tailor and deliver recommendations and messaging such as content, offers and other interactions primarily through digital channels. Personalization engines are most commonly used to improve conversion, customer satisfaction, campaign performance or revenue in support of three use cases: marketing, digital commerce and customer service.

Why This Is Important

As brands increasingly rely on digital interactions, the importance of personalization — and the need to effectively manage and acquire customer data to deliver it — has surged. However, getting personalization right is tough and getting tougher, as concerns of data availability and customer privacy rise. The 2023 Gartner Multichannel Marketing Survey revealed that only 26% of organizations have achieved growth through new personalized experiences.

Business Impact

Personalization engines improve outcomes for marketing, digital commerce, merchandising and customer service experience efforts. They offer the ability to accelerate data collection, segmentation, experience testing, finding and recommending products and content, message targeting, as well as real-time triggering across channels and use cases.

Drivers

As per the 2023 Gartner Multichannel Marketing Survey, more than 80% of organizations say that they rely on personalization to build deeper customer relationships and deliver immediate value to customers. Personalization engines make both easier by:

- Improving data ingestion beyond customer behavioral data to support more diverse use cases. Data sources include customer context (location, local weather), brand context (inventory level, presence of local store), and predicted affinities. These data sources will grow in importance as they can facilitate personalization, even as regulatory, browser and device restrictions diminish the utility of cookie-based identifiers as sources for personalization data.

- Accelerating ROI through industry specificity. More vendors are offering industry-specific templates, AI models and reporting to help accelerate time to value and increase ease of use for marketers, thereby lifting ROI.

- Accelerating the deployment of new personalized experiences through templates. Many personalization engines offer channel- and use-case-based templates so users can set up new experiences without code and alleviate potential developer bottlenecks.

- Providing sophisticated AI out of the box. While there is often an additional fee, many providers offer built-in, customer-level predictions that can be used for triggering, segmentation or offer assignment.

Obstacles

- **Increased focus on first-party data**: Seventy-five percent of organizations say that third-party cookie deprecation (and the expected impact this will have on individual tracking and measurement) is increasing their focus on first-party data collection. This focus is also driven by the growing wave of customer concerns about data privacy and security.

- **Confusing technology landscape**: Personalization engines compete against marketing point solutions, multichannel marketing hubs, digital experience platforms and customer data platforms. This makes for a confusing set of options and difficult proof-of-concept (POC) comparisons when disparate vendors participate.

- **Low utilization of capabilities**: There is a legacy of underinvestment in training or process development in this market. Marketing technology leaders estimate they're only using 51% of the capabilities made available by their personalization engine solution.

User Recommendations

- Pilot personalization using existing resources (data, talent, technology, content) to prove results and justify budget. Use experimentation, including holdout testing, as an efficient and robust evaluation tool for these pilots.

- Audit your martech stack for gaps in analytics, segmentation, testing, real-time triggering and AI capabilities, to set personalization engine requirements. Develop use cases to clarify the vision for how personalization will improve customer, business and marketing outcomes.

- Identify and map sources of customer data, behavioral and contextual data, and business intelligence data (for example, inventory levels) to understand data integration needs.

- Allocate staff to personalization project management, testing, content creation, channel management, campaign planning and execution.

- Invest in training to increase personalization engine adoption and utilization. Evaluate vendor training resources and customer success teams to speed up instruction.

Sample Vendors

Adobe; Algonomy; Dynamic Yield; Insider; Salesforce; SAP (Emarsys)

Gartner Recommended Reading

What Digital Marketing Leaders Need to Know About Personalization

Use Tailored Help to Personalize Digital Commerce

Use Personalization to Maximize Digital Performance

Magic Quadrant for Personalization Engines

Critical Capabilities for Personalization Engines

Account-Based Marketing Platforms

Analysis By: Ray Pun, Julian Poulter, Christy Ferguson, Jenifer Silverstein, Jeff Goldberg

Benefit Rating: High

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Account-based marketing (ABM) platforms are software that enables B2B marketing and sales teams to run ABM programs at scale, including account selection, planning, engagement and reporting. Platforms enable the creation of target account lists by unifying first- and third-party data. In addition, platforms may engage audiences by activating channels such as display advertising, social advertising, email and sales engagement, using a mix of native capabilities and integrations.

Why This Is Important

As B2B companies scale and optimize their ABM programs, ABM platforms become increasingly necessary. The data and predictive modeling capabilities improve account selection, while campaign orchestration and activation across channels can broaden reach and engagement. Account-level reporting saves time and improves visibility, and sales alerts/intelligence increase sales alignment. Although ABM capabilities exist elsewhere, few ABM programs operate at scale without an ABM platform.

Business Impact

ABM has quickly become a key go-to-market model for many B2B companies, starting with the tech sector, and expanding to other industries, including business services, manufacturing and financial services. The adoption of ABM to reach net new and existing customers at scale has continued to grow rapidly. This is partly because ABM platforms can provide account insights that enable better decision making, improve engagement across accounts and demonstrate ABM ROI more easily.

Drivers

- Gartner client interest for ABM programs and technology to scale these efforts remains high. According to the 2023 Gartner Technology Marketing Benchmarks Survey, 63% of all technology marketers with $100 million or more in annual revenue have a marketing budget dedicated to ABM technologies. When successful, ABM programs deliver significant lift across key marketing and sales metrics including pipeline value.

- In 2021 and into 2022, ABM vendors invested (and continue to invest) heavily in capabilities for integrations, intent data, campaign orchestration and activation across channels, improved reporting and sales insights, AI-driven modeling, visualization, and user experience. The new functionality (through both acquisition and organic development) has improved customer success and increased buy-in and adoption from users outside of marketing, such as SDRs and account executives. As a result, Gartner estimates the ABM software market grew at 30% during 2022 due to strong growth from existing vendors and the entrance of new platforms. In addition, Gartner forecasts a CAGR of 24.5% until 2026.

- The entrance of new vendors and the increased functionality from many platforms have provided more viable choices in the ABM platform market. Marketers can use platforms with a comprehensive set of capabilities for native engagement channels, or vendors that support a "best of breed" approach by integrating with adjacent tools in the martech stack.

- The average ABM platform customer retention rate reported by vendors in this category is below the technology industry target of 90%. Gartner observes a fair amount of switching from vendor to vendor during subscription renewal periods. This is expected for a market category that is on the Slope of Enlightenment and the growing maturity of buyers who make purchase decisions based on past experience with ABM platform providers. But the market continues to remain on track for a steady progression through the Hype Cycle.

Obstacles

- Geographic adoption remains heavily tilted toward companies headquartered in North America and Western Europe. ABM platform vendors continue to invest in GTM programs that are tailored for specific regions and countries. However, most platforms only offer a user experience in English.

- The top vertical industry for ABM platform adoption is technology providers. To boost adoption outside of this market segment, some vendors have tailored GTM programs for specific industries such as financial services and manufacturing.

- Poor alignment between sales and marketing teams such as the lack of account plans and shared KPIs can hinder adoption.

- The ultimate size of the market and the time to plateau remain dependent on adoption across more geographies and vertical industries beyond high tech. In addition, the expected convergence between ABM platforms and B2B marketing automation is dependent on the pace of product innovation and merger and acquisition activity in 2023 and beyond.

User Recommendations

- Ensure that business leaders are aligned and fully committed to the ABM program including use cases, program objectives and metrics. This helps in preparing an operating model to implement and use the ABM platform and increases the odds of success.

- Use proofs of concept to evaluate and validate the vendor's intent data quality, and how the capability addresses the specific markets and buying teams that you target across vertical and geographic segments.

- Request product roadmaps and martech stack integration details from vendors during the selection process, as the platforms are rapidly evolving.

- Ask vendors to explain how their audience targeting is or will be affected by the deprecation of third-party cookies in web browsers as well as regional and local privacy regulations.

Sample Vendors

6sense; Demandbase; Dun & Bradstreet; Madison Logic; RollWorks; Terminus; Triblio; ZoomInfo

Gartner Recommended Reading

Magic Quadrant for Account-Based Marketing Platforms

Critical Capabilities for Account-Based Marketing Platforms

Tech Marketing Benchmarks Survey 2022: Account-Based Marketing Insights

Use ABM Platforms to Improve Program Performance

Research Roundup: Account-Based Marketing

Mobile Wallet Marketing

Analysis By: Suzanne Schwartz

Benefit Rating: Moderate

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Mobile wallet marketing makes use of native mobile wallet applications built into smartphone operating systems, primarily Apple Wallet in iOS and Google Wallet in Android OS, to deposit a brand's wallet card or mobile coupon. Mobile wallet marketing can drive customer engagement through coupons or offers, ongoing loyalty memberships, and exclusive access, such as tickets.

Why This Is Important

The adoption of mobile wallet marketing is accelerating, spurred by the ubiquity of smartphones, consumer banking changes, demand for contactless payment options, and expanded loyalty and events marketing use cases. According to the 2022 Gartner Consumer Values and Lifestyle Survey, 31% of U.S. consumers used a mobile wallet on their smartphone in the past two years. This is higher for younger generations: 40% of Gen Z and 44% of millennial consumers used a mobile wallet in the past two years.

Business Impact

To drive frictionless purchases and loyalty, mobile wallet cards can be promoted within retail, quick-service restaurants, entertainment and travel settings. They can be used to drive acquisition by enabling easy loyalty sign-up in-store. For continued engagement, customers can be notified of their loyalty points or discounts when paying with their mobile wallet credit card.

Drivers

- Mobile wallets can deliver seamless purchase experiences that integrate loyalty rewards, redemption, and receipts in a single deliverable. For younger generations, customers are coming to expect the option at check-out.

- Mobile wallet cards and mobile coupons contained within a mobile wallet are ways for marketers to link online and offline customer experiences, which connects an otherwise fragmented customer journey.

- Mobile wallet cards — because of their ability to be distributed via a website, an SMS message with a link or via email — can be effective tools for driving customers and prospects into stores and offices.

- Increasing deployments of near-field communications (NFC) point-of-sale (POS) systems and QR-code payment systems can spur greater awareness and usage of mobile wallets and the loyalty memberships contained within.

- Mobile wallet cards can receive updated offers when designed appropriately using tools from the major platform providers (Apple and Google).

Obstacles

- A value proposition of mobile wallets is that customers will not need to carry a physical wallet. Unfortunately, for many mobile wallet use cases, this is inaccurate as customers are often required to present a physical ID when using a mobile wallet for concert tickets, plane tickets, and within restaurants or bars. Also, Wi-Fi and cell service disruption can interrupt the use of mobile wallets at crowded venues.

- To enable use, venues (stores, offices, sporting stadiums or performance halls) need to have integrated scanner and POS systems updated to support QR code, NFC tag or bar code scanning.

- Marketers must obtain an opt-in from customers to use a given channel to deliver a wallet coupon or card via a channel such as SMS or email. This can cause friction within the customer journey.

- Awareness among customers is divided generationally. Younger generations are more likely to adopt mobile wallets. For older generations, education and incentives are needed to drive usage.

User Recommendations

- Evaluate if mobile wallet technology solves a customer need or marketing use case within your organization.

- Acquire mobile marketing technology that facilitates the creation of mobile wallet elements, e.g., a mobile marketing platform.

- When deploying, ensure there is support for mobile wallets across all physical and digital sales processes for a cohesive customer experience.

- Utilize mobile wallet passes or cards as a means of authentication, for example, as a conference ticket or as order confirmations to authenticate buyers at product pickup locations. Employ wallet passes as event registration confirmations, to provide notifications during the event and enable postevent engagement.

- Use mobile wallet cards or coupons to deliver offers to retail, travel, and hospitality customers who are not enrolled in your loyalty program, promoting membership by illustrating its benefits. Because mobile wallet cards support dynamic URLs, they can serve to activate enrollment.

Sample Vendors

Airship; Apple; Google; Vibes Media

Gartner Recommended Reading

How to Develop Your Mobile Marketing Maturity

Adopt Mobile and Digital Payment Tech Selectively to Address U.S. Consumer Preferences

Quick Answer: What Payment Acceptance Strategies Can Improve Digital Commerce Profitability?

Market Guide for Mobile Marketing Platforms

Virtual Events

Analysis By: Christy Ferguson

Benefit Rating: Moderate

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Virtual events bring large groups of people together online for short time periods and defined purposes. Organizers use technology to mix content and format types to engage audiences in varying experiences, ranging from large general sessions to interactive activities. Audiences may be internal and/or external to an organization. Planning, operations and production workstreams typically operate in parallel to execute complex events.

Why This Is Important

Enterprises rely on virtual events to achieve demand generation goals, accelerate deals in the pipeline and strengthen customer and employee relationships. A variety of event types are required to support engagement objectives with customers, buyers and in the case of internal events, team members. Virtual events enable teams to execute dynamic content delivery, manage event logistics and integrate with other technologies in order to deliver world-class experiences for participants.

Business Impact

The recovery of in-person events combined with the economic environment has led to enterprises evaluating the need for virtual events. However, business travel and lower-than-prepandemic in-person event attendance have forced enterprises to continue to offer virtual events. As enterprises look to balance their engagement models, virtual events will become a lesser focus than in the recent past.

Drivers

- The move from webinars and in-person events to highly engaging, multisession, multitrack virtual events during the pandemic is evolving. This evolution is now shifting to develop a single strategy that includes events spanning virtual and in-person delivery models. However, these are not "hybrid" events that incorporate both models into a single event.

- Virtual events to support marketing require extensive promotion and campaign development and are resource intensive. Smaller organizations with lesser resources are more likely to focus on in-person events, decreasing their use of virtual events in the marketing mix.

- Large enterprises are still able to reach audiences through virtual events that haven't or won't attend in-person events for a multitude of reasons. While the need for virtual events still exists, moving forward, the focus will be on balancing virtual and in-person event needs across these enterprises.

- Virtual events provide hosts with deep visibility into attendee behavior, beyond registration data. This data was often leveraged to not only plan future events but also to support nonevent engagement. To help marketers deliver engaging, relevant experiences, data such as session participation, length of time in a session, engagement rates, areas of interest, and networking data are all in demand even after the return of in-person events.

Obstacles

- As travel budgets for in-person event attendance are impacted by the economy, enterprises will need to determine the most appropriate way to reach virtual audiences. As the market evolves, enterprises should expect to see the growth of all-in-one solutions that can deliver both in-person and virtual events.

- The expansion from adjacent markets and primarily in-person event providers is likely to include well-established meeting solutions that will broaden their offering and/or partner with providers to meet the needs in this market over time.

- Integrations and ecosystems are lacking in this market, impacting the ability of enterprises to leverage attendee engagement data to move attendees along the buyer journey and measure return on investment.

User Recommendations

- Develop integrated marketing strategies that include events, and determine whether an existing meeting solution or webinar tools will meet the needs of one, some or all of your virtual events. Use virtual event vendors when you have multiple tracks, require a high level of engagement, plan various session types or seek to integrate data into a martech stack.

- Develop the skills necessary to consolidate managing both virtual and in-person events into a single function. Seek professional services to close gaps in existing internal capabilities.

- Define expectations for integration to the existing technology stack, including in-person event tools with a focus on attendee tracking. For example, session attendance, view time, survey results, meeting engagement and target account engagement are all metrics to track to inform buyer qualification, predict pipeline health and drive account penetration or upsell/cross-sell efforts.

Sample Vendors

Airmeet; Notified; ON24; Kaltura

Gartner Recommended Reading

Market Guide for Event Technology Platforms

Market Guide for Meeting Solutions

Influencer and Advocacy Marketing

Analysis By: Jay Wilson

Benefit Rating: Moderate

Market Penetration: More than 50% of target audience

Maturity: Mature mainstream

Definition:

Influencer and advocacy marketing tools help activate word-of-mouth marketing at scale. Influencers include celebrities, industry thought leaders, bloggers and other content creators with desirable audiences. Advocates include a brand's most loyal customers, engaged employees and partners. Influencers and advocates create content, carrying a brand's message on its behalf and coming to its defense. Marketers look to influencers and advocates to leverage word-of-mouth marketing in a digital world.

Why This Is Important

Marketers invest in influencer marketing and customer and employee advocacy programs to leverage the power of word of mouth marketing with digital scale. With the proper strategy and technology, these programs can deliver positive ROI. Influencer marketing can drive customer awareness, consideration and purchase, and customer advocacy programs can improve loyalty and share of wallet. Employee advocacy programs can bolster the employer brand, improve employee engagement and build customer trust.

Business Impact

Word-of-mouth marketing is recognized as one of the most effective ways to drive acquisition and improve brand trust. Studies show that consumers trust their peers, friends and family more than any other source. Executed organically or with paid social advertising support, influencer and advocacy marketing enables companies to extend reach, build awareness and drive consideration and conversion.

Drivers

- Influencer and advocate content can extend organic social marketing reach and engagement and add authenticity, trust and credibility to the brand.

- Loyal customers who advocate don't just buy more — they also bring other buyers with them. Engaged employees are more satisfied and productive, and customers trust them more than advertising.

- Influencers and advocates can fill agency and internal content production gaps. Influencers can help brands gain and maintain cultural relevancy — which is increasingly important as customers look to brands to make a positive societal impact

- Meanwhile, influencers create and deliver unique brand content, including shoppable content, with credibility to their followers.

- The growing popularity of social networks like TikTok, which actively encourages influencer marketing, present brands with new opportunities to leverage influencers.

- The growing capability of influencer marketing software solutions, particularly their paid amplification functionality, allows brands and agencies to include influencer marketing as part of their overall media mix.

- The rapidly advancing social commerce capabilities of social networks like Instagram, TikTok and Pinterest bring new measurability to influencer marketing, especially on conversion and revenue generation.

- A renewed focus on employee health, well-being and engagement has brought renewed interest in employee communications and advocacy tools.

- Interest in generative-AI-created "virtual" influencers is growing, although consumer reaction is mixed.

Obstacles

- Measurement remains challenging, even with mature influencer programs. Influencer strategies may be designed to bring brand messages into less measurable channels, such as emerging social platforms and private groups on social platforms.

- A trust and transparency issue remains with agencies and influencer marketing platforms, particularly related to the wide range of rates charged by influencers. Benchmarking and standardization of compensation are still lacking.

- Some consumers are becoming skeptical of the pay for play nature of some influencer marketing.

- Oversight and regulation of influencer marketing, particularly around rules of disclosure, makes these programs more complex to manage and introduces additional risk, as do AI-generated "virtual" influencers, or "real" influencers cloning themselves via AI.

- A lack of cohesive strategies and key performance indicators across distributed teams can impede efficacy and cost-efficiency.

- Marketers struggle to maintain employee engagement in employee advocacy programs.

User Recommendations

- Determine the role that influencer and advocacy marketing will make in delivering your goals and supporting the customer journey.

- Use social monitoring and analytics tools or influencer marketing solutions to identify and engage influencers who have reach, relevance and resonance.

- Recognize that, ultimately, there is an art to identifying the right influencers — trust your gut instinct and brand values in addition to metrics.

- Follow rules around disclosure of any material relationship between your brand and an influencer, and prepare for the possibility of an influencer's behavior impacting your brand negatively.

- Disclosure of AI-generated "virtual" influencers is important in maintaining customer trust.

- Account fully for advocacy marketing costs. These include technology, staffing and paid amplification, in addition to influencer compensation.

- Bear in mind the long-term value exchange between brand and advocate, and brand and influencer, to forge successful relationships.

Sample Vendors

Aspire; Captiv8; CreatorIQ; ExpertVoice; Firstup; GaggleAMP; IZEA; Mavrck; Sprout Social

Gartner Recommended Reading

Expand Influencer Strategy to Include Streaming Audio

Elevate Your Brand by Partnering With a New Type of Influencer: The Expert

Infographic: How to Design Messages That Drive Action and Advocacy

Entering the Plateau

Mobile Marketing Analytics

Analysis By: Joseph Enever

Benefit Rating: High

Market Penetration: 20% to 50% of target audience

Maturity: Early mainstream

Definition:

Mobile marketing analytics measure the interactions and behaviors of mobile website and application users, enabling digital marketing leaders focused on mobile marketing to optimize mobile experiences. Solutions must be able to identify device attributes (e.g., OS and screen size), use demographics and behaviors to build customer and prospect segments, automate operations such as segmentation, and offer the ability to predict activities that increase effectiveness of mobile marketing activity.

Why This Is Important

The time spent on mobile devices continues at an all-time high, and the wealth of data that this creates to analyze and act on is unsurpassed. The lines between web and mobile analytics are blurring as customer journey orchestration efforts grow, underscoring the importance to invest in the right analytics technology. Mobile marketing analytics is an essential component to the analytics toolkit for any organization undertaking digital transformation.

Business Impact

Digital marketing leaders need to understand mobile marketing channel (e.g., mobile web, app, SMS) performance to optimize investments and curate seamless journeys:

- Mobile marketing analytics spans industries in which organizations manage mobile touchpoints.

- Marketing analytics, product development, digital commerce, app development, IT and marketing are key beneficiaries of the insights mobile marketing analytics can deliver.

Drivers

- Digital marketing leaders continue to prioritize mobile marketing initiatives amid a shifting regulatory and technological landscape to drive multichannel orchestration. Mobile analytics forms a critical component to understanding and optimizing the multichannel behavior between digital and physical touchpoints throughout the entire customer life cycle.

- With consumers' use of mobile showing no signs of abating, digital marketing leaders' need to quantify, optimize and predict behaviors via mobile analytics remains high.

- The evolution of mobile marketing platforms, and their broadening scope of capabilities, drives additional use cases which underpin the need for digital marketing leaders to prioritize mobile analytics (see Market Guide For Mobile Marketing Platforms).

Obstacles

- Apple IDFA deprecation via IOS 14 eroded what has been a primary ID by which marketers recognize an individual. Most leading providers of mobile marketing analytics have diversified approaches to solving this such as first-party data capture, probabilistic identity resolution and the use of data clean rooms (see Apple Upsets the Digital Advertising Cart).

- Mobile marketing analytics as a category is evolving since the capabilities are being further embedded into existing analytics platforms such as Google Analytics. This is being accelerated with the timeline Google set for the end of Universal Analytics data collection: 1 July 2023 for the free version and 1 July 2024 for paid, enterprise instances (UA 360). An upgrade to GA4 will incorporate both web and app behaviors in one interface (see Choose Your Google Analytics 4 Path Now).

- Marketing analytics teams are still struggling to drive decisions, with the proportion of decisions influenced remaining static when compared to 2020 (see Better Data Won't Increase Marketing Analytics' Decision Influence, but CMOs Can).

User Recommendations

- Scrutinize vendors against your business's unique requirements to avoid disappointment. Vendors have specialties — some are focused on mobile games, while others are strong for retail or financial services markets.

- ■ Ensure that data collection practices conform to data-privacy regulations. Privacy can be a barrier to mobile marketing initiatives from the perspective of consumer confidence as well as the marketers' risk appetite versus compliance.

- ■ Address the depth and continuity of insight between your mobile properties. Companies without an app can leverage web analytics tools, and those with an app will need to integrate broader areas of data including app marketing, in-app behavioral trends, in-app purchases and crash analytics.

- ■ Comprehend vendors' approach to the availability of person-level data. Ensure that they provide clarity on their ability to drive confident decisions among changing methodologies built to cope with the loss of cookies and mobile IDs.

Sample Vendors

Adobe; AppsFlyer; Branch.io, Google; Kochava; Localytics; Swrve

Gartner Recommended Reading

Market Guide For Mobile Marketing Platforms

Apple Upsets the Digital Advertising Cart

Better Data Won't Increase Marketing Analytics' Decision Influence, but CMOs Can

Multichannel Marketing Hubs

Analysis By: Rob Brosnan

Benefit Rating: High

Market Penetration: More than 50% of target audience

Maturity: Mature mainstream

Definition:

The multichannel marketing hub (MMH) orchestrates a company's communications and offers to customers using data to determine timing and eligibility. MMHs execute batch campaigns and individual journeys across email, mobile messaging, social, direct mail, paid media and websites. Marketers use MMHs to segment audiences, deploy predictive models, run experiments, personalize messages and measure results. MMH vendors focus on B2C marketing use cases but can function as B2B marketing automation.

Why This Is Important

MMH solutions enable marketers to execute campaigns or orchestrate journeys across communications channels to deepen customer relationships and deliver strategic results. They help marketers unify customer data, extract insights and use predictive models for audience segmentation. MMHs orchestrate marketing interactions, either through native channel execution or through integrations. MMHs provide native performance reporting and integrate with a broad range of enterprise technologies.

Business Impact

Multichannel marketing hubs are a critical technology for B2C marketers, targeting and personalizing interactions in a broad range of channels. Multiple teams, from analytics to operations, use MMHs for segmentation, campaigns and one-to-one journeys. MMHs often serve as marketing's CRM system, responsible for tracking, coordinating and governing customer relationships. MMHs improve customer engagement, increase conversion or loyalty rates, and boost revenue, profit and customer lifetime value.

Drivers

- **Foundational marketing technology.** In an era of economic and social instability, MMHs help marketers attain revenue and build relationships through campaigns and journeys. These hubs wrangle an ever-growing number of channels, deliver personalized media, and attain revenue goals by guiding customers on the path to purchase.

- **Data-driven marketing.** MMHs help marketers unify disparate customer data into profiles, performing audience segmentation and using predictive models to improve campaign, channel and content performance. MMHs apply analytics and optimize performance of assets from audiences to triggers to dashboards.

- **Collaboration.** Marketers need to link multiple workstreams to produce campaigns or journeys, blending planning, analytics, content, coding and real-time decisioning to reliably connect the right customer with the right offer in the right channel. MMHs help by supporting multiple end-user workflows and by automating tasks. MMH solutions also commonly offer work management capabilities, such as marketing planning calendars, to help multidisciplinary teams respond to market changes.

- **Predictive analytics.** Analytics infuses every MMH use case, from campaign creation to measurement. AI helps surface valuable audiences, detect preferences, score offer eligibility and prioritize next best actions. Providers use analytics to differentiate from each other. Some serve nontechnical marketers with packaged algorithms, while others aim at buyers who want to leverage in-house data scientists. All aim to help marketers improve effectiveness and efficiency.

- **Generative messaging and personalization.** GenAI promises to both accelerate campaign production and extend marketers' reach through the full customer life cycle. MMHs provide a convenient place to create, deploy and measure the nascent use of GenAI.

Obstacles

- **Aging architectures.** Customer data platforms supplement MMHs, processing data for campaigns executed by MMHs. Yet CDPs overlap MMHs, duplicating features and adding costs. Channel execution differentiates MMH, but profile and real-time data are critical to journey orchestration, limiting older MMH solutions.

- **Incompleteness.** MMHs manage only some channels. For paid media, social and messaging, like WhatsApp, marketers often must turn to other tools. MMHs also commonly lack commerce and CX channels, like call centers, constraining MMHs support for customer journey orchestration across the full life cycle.

- **Personalization challenges.** MMHs are key to targeting and tailoring media, but marketers, facing skill deficits, busy calendars and complex processes, skip personalization to get campaigns to market.

- **Trust in AI.** Generative AI promises to remake campaign production, yet marketers may be slow to trust emerging generative capabilities, especially when automating message production.

User Recommendations

- Buyers, facing a mix of emerging and aging MMHs, should purchase or replace MMHs based on use cases and usability. Assess architectures, resourcing assumptions and industry expertise to find MMH solutions that marketing teams can use to master customer engagement.

- Prioritize use cases, channel support and integration capabilities to help your team meet business objectives. Focus on vendors that can enable competitive differentiation across the customer experience, via robust customer data and profile management, and by prescribing profitable next best actions.

- Develop a vendor shortlist based on technical and business fit and usability. Weigh the need to drive adoption and utilization with deployment options, partner ecosystems, geographic presence, licensing models and integrations with other martech.

- Leverage your IT team's knowledge of current software capabilities and integration requirements. Collaborate on scoping the effort required to integrate the MMH with other systems.

Sample Vendors

Adobe; Braze; Iterable; Optimove; Redpoint Global; Salesforce

Gartner Recommended Reading

Magic Quadrant for Multichannel Marketing Hubs

Critical Capabilities for Multichannel Marketing Hubs

Toolkit: Use Case Library — Customer Data Platform, Personalization Engine and Multichannel Marketing Hub

Navigate Your Path to Journey Orchestration With Martech Usage Insights

Toolkit: RFP for Multichannel Marketing Hubs

Appendixes

See the previous Hype Cycle: Hype Cycle for Digital Marketing, 2022

Table 2: Hype Cycle Phases

(Enlarged table in Appendix)

Phase ↓	Definition ↓
Innovation Trigger	A breakthrough, public demonstration, product launch or other event generates significant media and industry interest.
Peak of Inflated Expectations	During this phase of overenthusiasm and unrealistic projections, a flurry of well-publicized activity by technology leaders results in some successes, but more failures, as the innovation is pushed to its limits. The only enterprises making money are conference organizers and content publishers.
Trough of Disillusionment	Because the innovation does not live up to its overinflated expectations, it rapidly becomes unfashionable. Media interest wanes, except for a few cautionary tales.
Slope of Enlightenment	Focused experimentation and solid hard work by an increasingly diverse range of organizations lead to a true understanding of the innovation's applicability, risks and benefits. Commercial off-the-shelf methodologies and tools ease the development process.
Plateau of Productivity	The real-world benefits of the innovation are demonstrated and accepted. Tools and methodologies are increasingly stable as they enter their second and third generations. Growing numbers of organizations feel comfortable with the reduced level of risk; the rapid growth phase of adoption begins. Approximately 20% of the technology's target audience has adopted or is adopting the technology as it enters this phase.
Years to Mainstream Adoption	The time required for the innovation to reach the Plateau of Productivity.

Source: Gartner (August 2023)

Table 3: Benefit Ratings

Benefit Rating ↓	Definition ↓
Transformational	Enables new ways of doing business across industries that will result in major shifts in industry dynamics
High	Enables new ways of performing horizontal or vertical processes that will result in significantly increased revenue or cost savings for an enterprise
Moderate	Provides incremental improvements to established processes that will result in increased revenue or cost savings for an enterprise
Low	Slightly improves processes (for example, improved user experience) that will be difficult to translate into increased revenue or cost savings

Source: Gartner (August 2023)

Table 4: Maturity Levels

(Enlarged table in Appendix)

Maturity Levels ↓	Status ↓	Products/Vendors ↓
Embryonic	In labs	None
Emerging	Commercialization by vendors Pilots and deployments by industry leaders	First generation High price Much customization
Adolescent	Maturing technology capabilities and process understanding Uptake beyond early adopters	Second generation Less customization
Early mainstream	Proven technology Vendors, technology and adoption rapidly evolving	Third generation More out-of-box methodologies
Mature mainstream	Robust technology Not much evolution in vendors or technology	Several dominant vendors
Legacy	Not appropriate for new developments Cost of migration constraints replacement	Maintenance revenue focus
Obsolete	Rarely used	Used/resale market only

Source: Gartner (August 2023)

Evidence

[1] **Gartner CMO Spend and Strategy Survey.** The purpose of this survey was to look at top-line marketing budgets and identify how evolving customer journeys, C-suite pressures and cost challenges impact marketing's strategies and spending priorities. The research was conducted online from March through April 2023 among 410 respondents in North America (n = 205) and Western/Northern Europe (n = 205). Respondents were required to be involved in decisions pertaining to setting or influencing marketing strategy and planning, as well as have involvement in aligning marketing budget/resources and/or lead cross-functional programs and strategies with marketing. Eighty percent of the respondents came from organizations with $1 billion or more in annual revenue. The respondents came from a variety of industries: financial services (n = 44), tech products (n = 39), manufacturing (n = 55), consumer products (n = 43), media (n = 41), retail (n = 45), healthcare (n = 34), pharma (n = 38), IT and business services (n = 34), and travel and hospitality (n = 37). *Disclaimer: The results of this study do not represent global findings or the market as a whole, but reflect the sentiment of the respondents and companies surveyed.*

[2] **2023 Gartner Board of Directors Survey on Business Strategy in an Uncertain World:** This survey was conducted to understand the new approaches adopted by nonexecutive boards of directors (BoDs) to drive growth in a rapidly changing business environment. The survey also sought to understand the BoDs' focus on investments in digital acceleration; sustainability; and diversity, equity and inclusion.The survey was conducted online from June through July 2022 among 281 respondents from North America, Latin America, Europe and Asia/Pacific. Respondents came from all industries, except governments, nonprofits, charities and NGOs, and from organizations with $50 million or more in annual revenue. Respondents were required to be a board director or a member of a corporate board of directors. If respondents served on multiple boards, they answered for the largest company, defined by its annual revenue, for which they are a board member. *Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.*

Document Revision History

Hype Cycle for Digital Marketing, 2022 - 28 July 2022

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Hype Cycle for Digital Marketing and Advertising, 2017 - 19 July 2017

Hype Cycle for Digital Marketing and Advertising, 2016 - 15 July 2016

Hype Cycle for Digital Marketing, 2015 - 17 July 2015

Hype Cycle for Digital Marketing, 2014 - 2 July 2014

Hype Cycle for Digital Marketing, 2013 - 23 July 2013

Hype Cycle for Digital Marketing - 19 October 2012

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

Understanding Gartner's Hype Cycles

Tool: Create Your Own Hype Cycle With Gartner's Hype Cycle Builder

Table 1: Priority Matrix for Digital Marketing, 2023

Benefit	Years to Mainstream Adoption			
↓	**Less Than 2 Years** ↓	**2 - 5 Years** ↓	**5 - 10 Years** ↓	**More Than 10 Years** ↓
Transformational		Generative AI for Marketing	Customer Data Ethics Emotion AI for Marketing Influence AI	
High	Mobile Marketing Analytics Multichannel Marketing Hubs	Account-Based Marketing Platforms Customer Journey Analytics Identity Resolution	Digital Twin of a Customer Personalization Engines Personification Superapps	
Moderate	Influencer and Advocacy Marketing Virtual Events	Consent and Preference Management Conversational Marketing Customer Data Platform Mobile Wallet Marketing Multitouch Attribution Shoppable Media Visual Intelligence		
Low				

Source: Gartner (August 2023)

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