



Understanding the path to digital marketing maturity

Digital Marketing Maturity study - Asia Pacific region



Executive summary

The Boston Consulting Group (BCG) and Google have collaborated to conduct a study on digital marketing across the Asia Pacific region to find the best practices of digital marketing, identify the roadmap to achieve these best practices, and discover the value of improving such capabilities. Over 180 brands across Asia Pacific took part in a quantitative survey and over 30 interviews were conducted with digital leaders within the region.

Digital marketing maturity can unlock significant benefit for brands across Asia Pacific

- Top quartile of mature brands have achieved 11% annual incremental revenue and 18% cost efficiency on average, 2x impact compared to bottom quartile of mature brands
- These top quartile brands also expect their revenue to grow 17pp in the future, compared to 11pp for bottom quartile brands

Maturity level of digital marketing in Asia Pacific is at parity with Europe and features best-in-class brands

- 65% of Asia Pacific brands are in the 'Multi-moment' and 'Connected' stages, with 35% in the lower 'Emerging' and 'Nascent' stages
- India is a step ahead of both Asia Pacific and Europe in digital maturity, with an average maturity score of 1.87 and 39% of brands sitting in the 'Multi-moment' and 'Connected stages

Several key enablers are critical towards unlocking the potential of digital marketing such as leveraging first party data, CEO sponsorship and agile ways of working

- All 'Multi-moment' brands use first party data in most marketing campaigns consistently or frequently, compared to only 30% of 'Nascent' brands
- Brands with CEO sponsorship show 1.5x higher maturity than brands with limited sponsorship
- Brands that adopt agile ways are often 1.4x more mature than brands without



Brands today need to respond to rising consumer expectations while addressing privacy concerns



Shift to digital



Demand for individualization



Focus on data privacy



Global study to help brands on the path to digital marketing maturity

Participation from over 180 leading brands in Asia Pacific region that are highly active in digital marketing, across 10 industries



Automotive



Retail



Financial Services



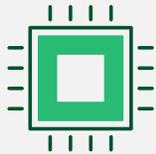
Travel & Leisure



Education & Training



Consumer Products



Technology



Telco & Media



Healthcare & Pharmaceuticals



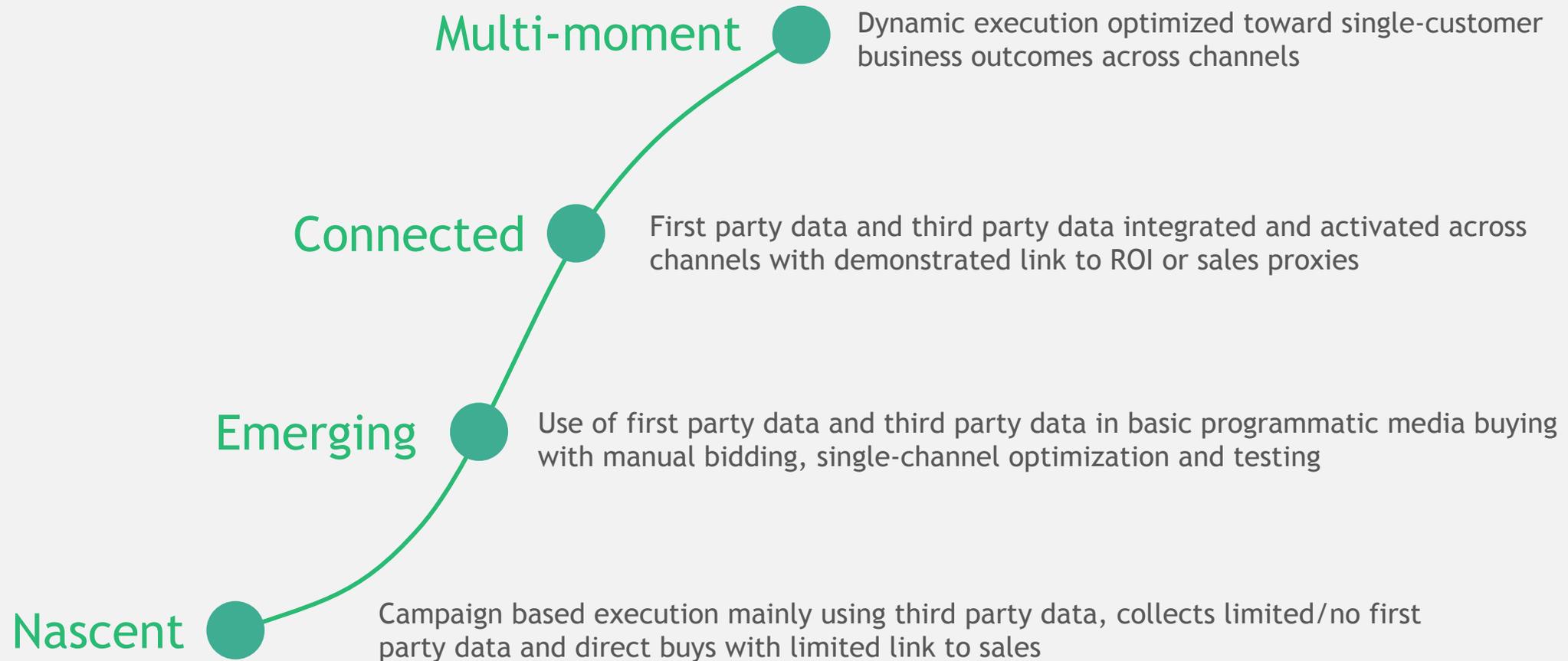
Real Estate



Countries include Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam
Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



Brands were assessed based on their level of digital marketing maturity



Note: First party data refers to data that a company directly collects from customers and thus owns
Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



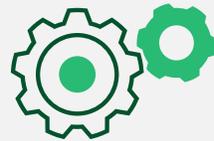
Digital marketing maturity considered across key activities

Data-driven targeting



- 1 Data strategy
- 2 Audience definition
- 3 Targeting techniques

Automated activation



- 4 Audience maintenance
- 5 Content development and delivery
- 6 Media buying

Measurement & attribution



- 7 Measurement ecosystem
- 8 KPI setting and optimization
- 9 Testing and feedback mechanisms

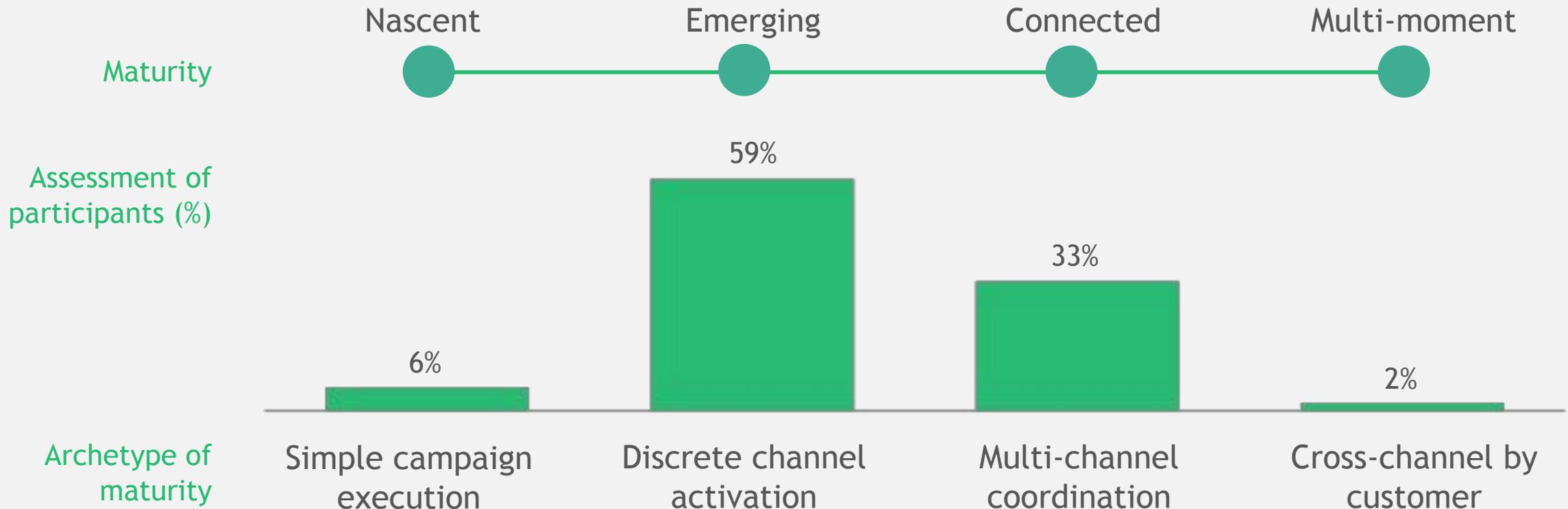
Organizational collaboration



- 10 Objective alignment
- 11 Internal ways of working
- 12 Partnership ecosystem



2% of Asia Pacific brands are realizing the full potential of digital marketing





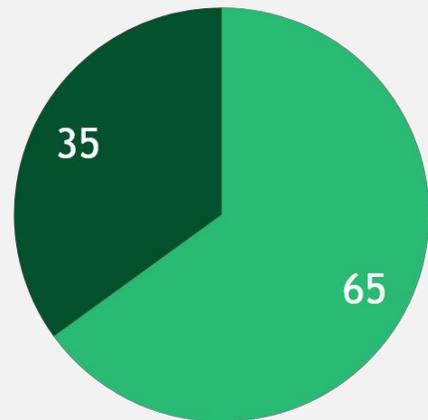
Asia Pacific is at parity with Europe in digital marketing and features best-in-class brands

Average maturity score

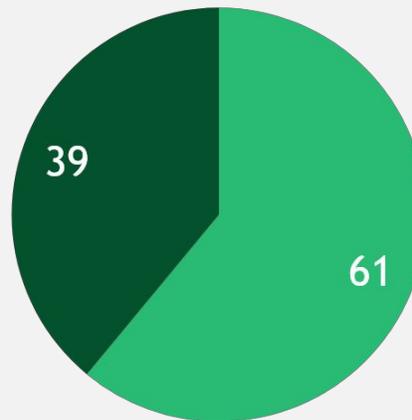
1.80

1.87

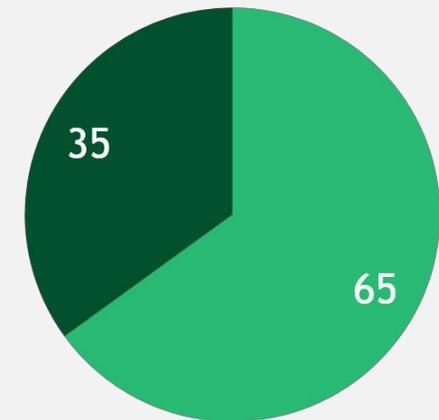
1.85



APAC



India



Europe

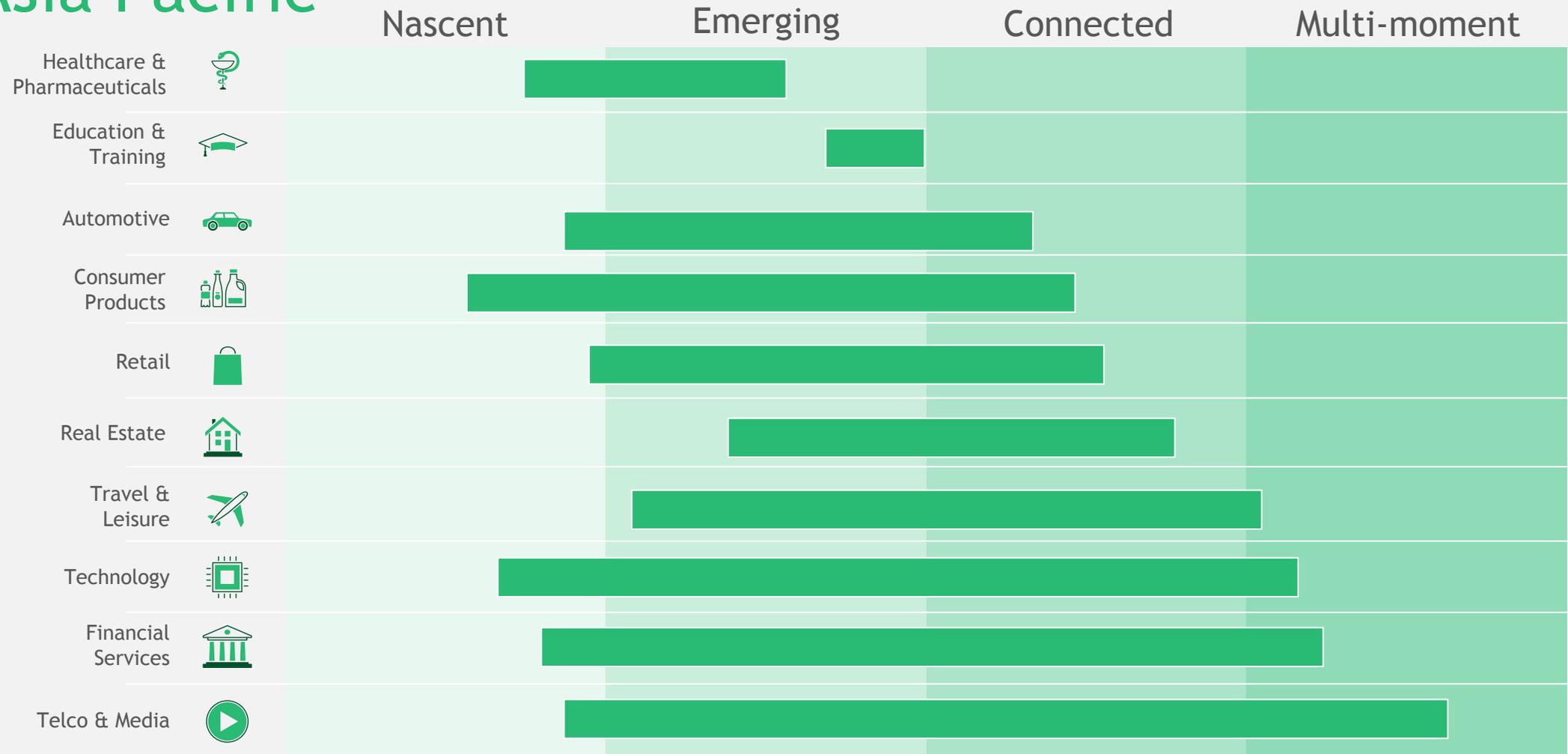
■ Nascent/Emerging
 ■ Connected/Multi-moment

APAC N = 185, India N = 36, Europe N = 63; LATAM includes Argentina, Brazil, Mexico; Europe includes Czech Republic, France, Germany, Italy, Netherlands, Poland, Portugal, Spain, United Kingdom

Source: BCG Digital Marketing Maturity study 2018 and 2019



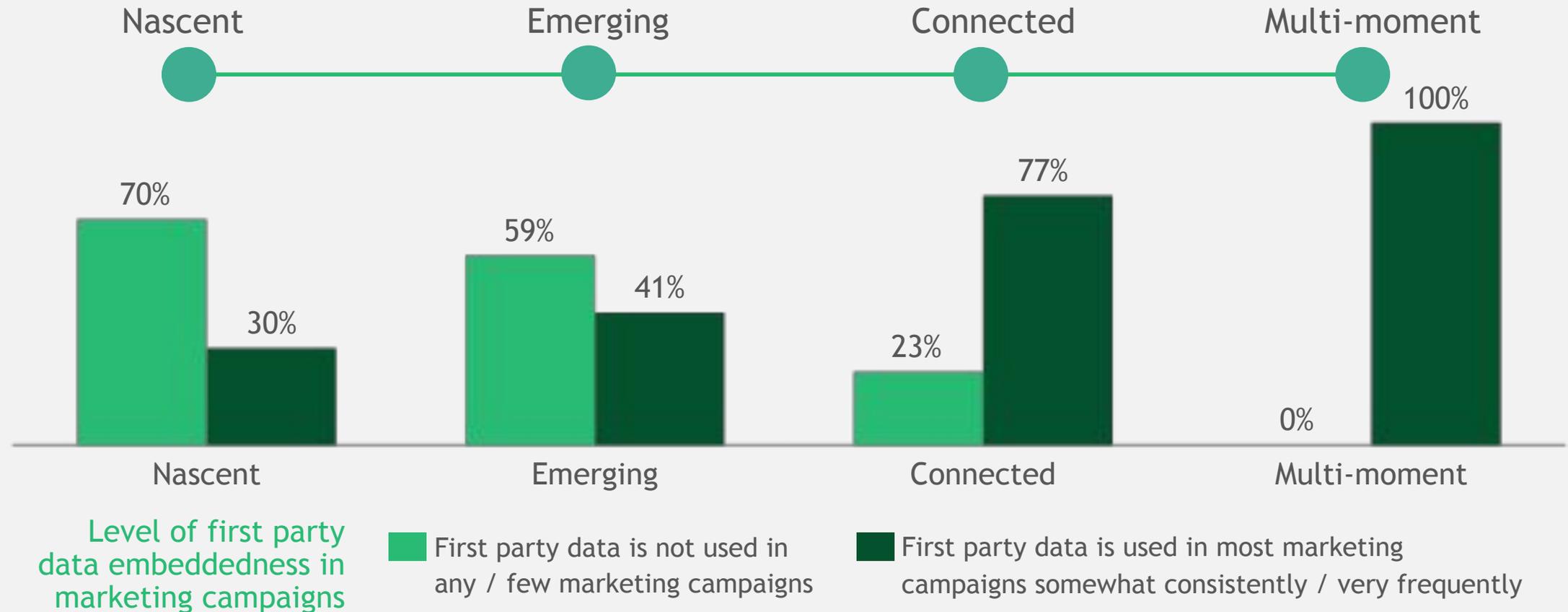
There is a significant range of maturity within industries in Asia Pacific



Industries with two or more companies are shown
 Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



Ability to leverage first party data in marketing campaigns is a key trait of mature brands



Note: First party data refers to data that a company directly collects from customers and thus owns; Taken from responses to "Which of the following best describes how embedded your first party data is in your marketing efforts currently?"

Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



The most mature brands in Asia Pacific report significant benefits from digital marketing



Expanded customer audiences

More precise and timely targeting



Lower cost per acquisition

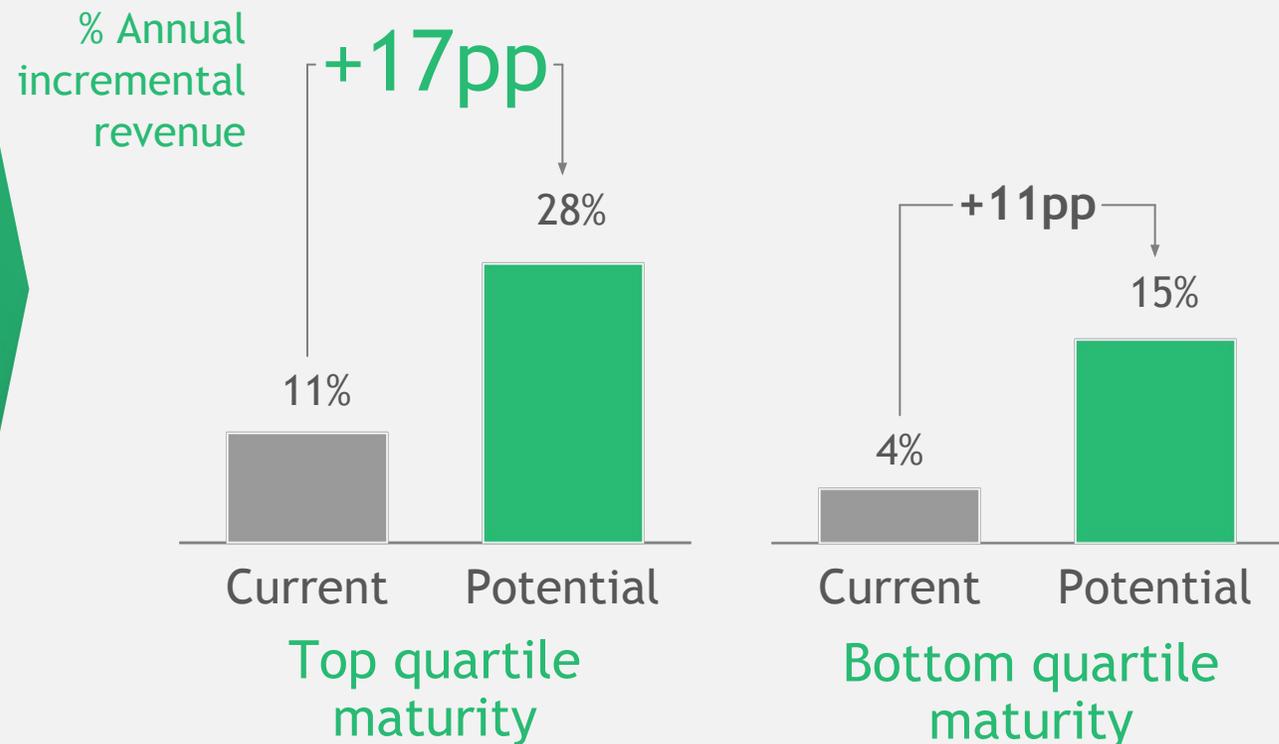
Reduced wastage on ineffective channels

Note: Average reported by surveyed brands in top quartile of maturity; Taken from responses to "What level of annual incremental revenue impact has your company achieved from data driven marketing?" and "What cost efficiencies has your company seen from data driven marketing?"
Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



The most mature brands also expect higher future revenue increase from digital marketing

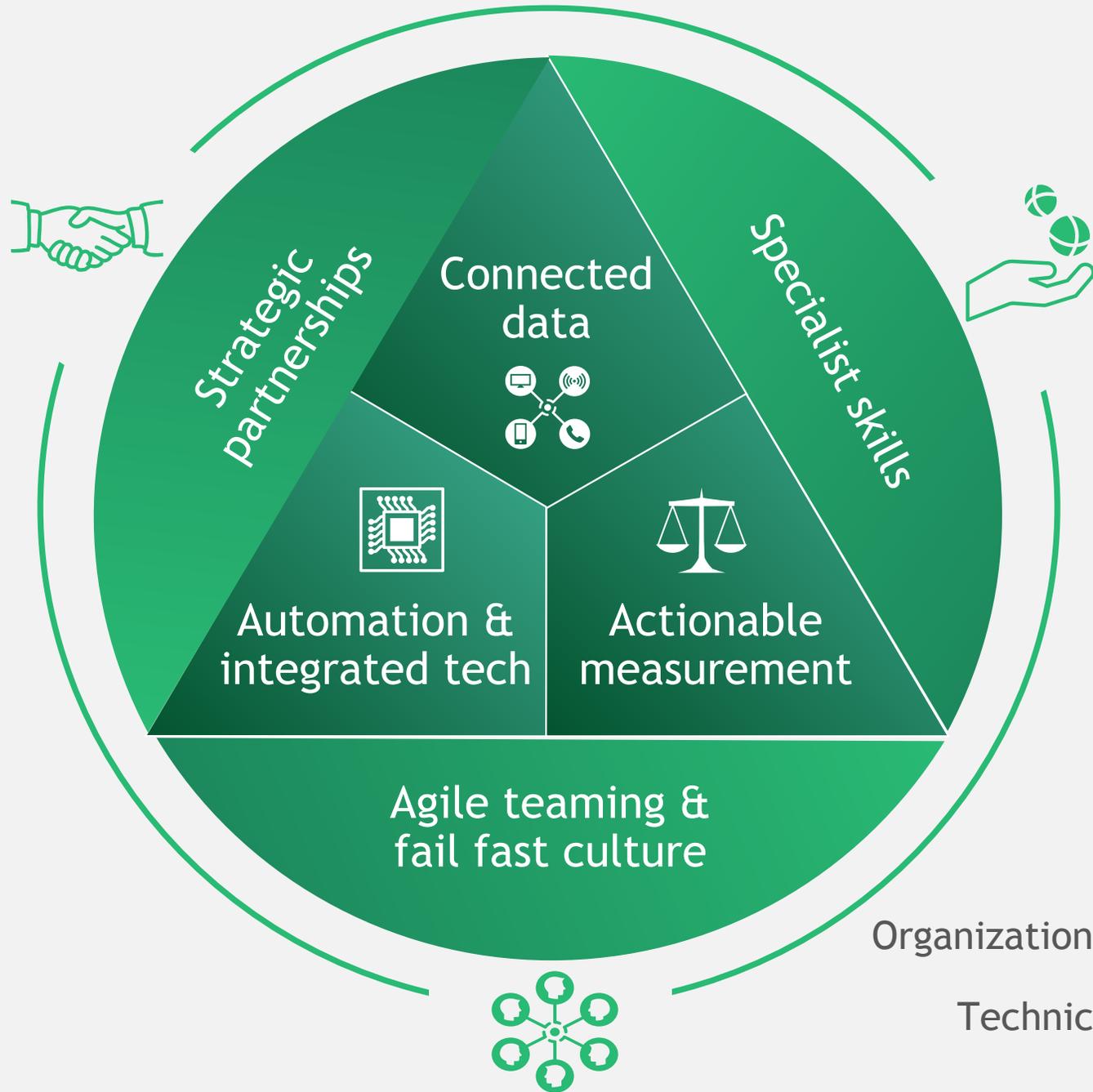
Expected future revenue increase from digital marketing



Note: Average reported by surveyed brands in top and bottom quartile of maturity; Taken from responses to "What level of annual incremental revenue impact has your company achieved from data driven marketing?", "What annual incremental revenue do you believe it is possible to achieve in your company at full potential?"
Source: BCG Digital Marketing Maturity study 2019, Asia Pacific brands



Six technical and organizational factors remain key enablers to digital marketing maturity





Brands with C-Suite sponsorship tend to show higher maturity



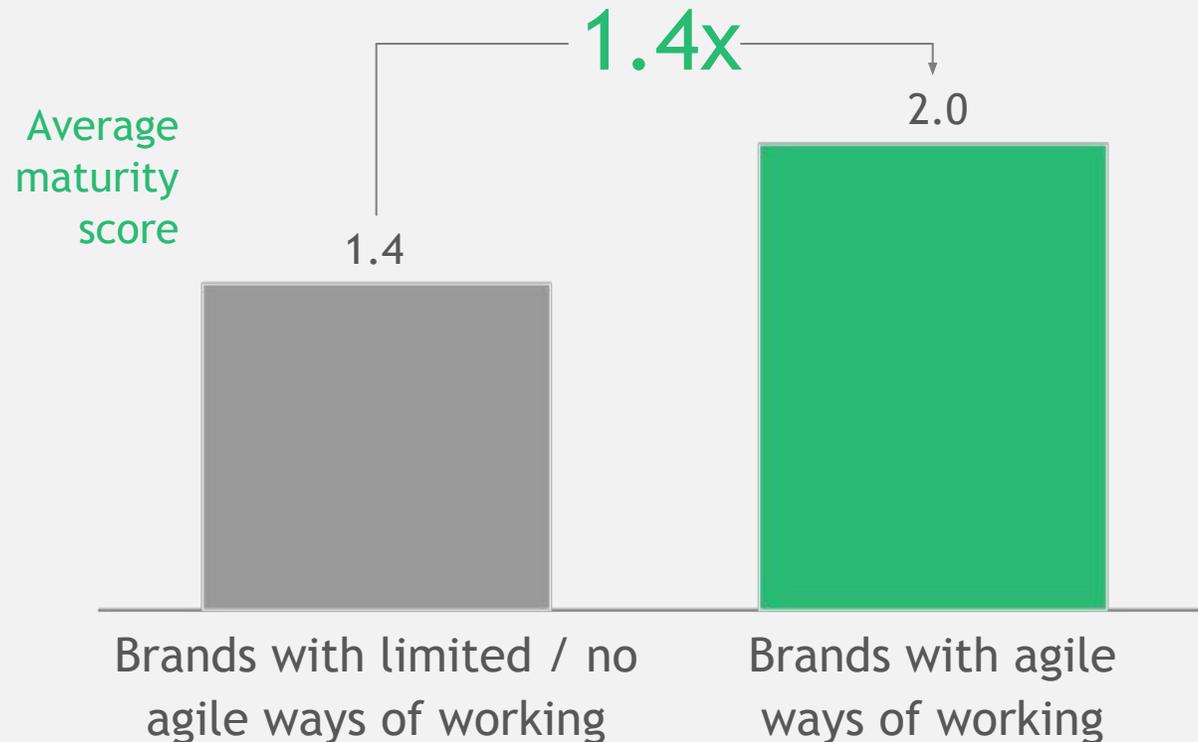
“Biggest driver? Our Chairman - he is really keen to see development in our digital marketing. It's hard, but at least when you dream, you can do it

Travel & Leisure company (Thailand)





Brands that adopt agile ways are often also more mature



“ Our agile structure fosters a culture of strong collaboration between marketing and product teams, resulting in unified objectives across teams

Quincy Chen, Head of Digital
Cathay Financial Holdings (Taiwan)





The journey to maturity begins with assessing where you are and where you want to go

1

Start with an honest assessment of your maturity

2

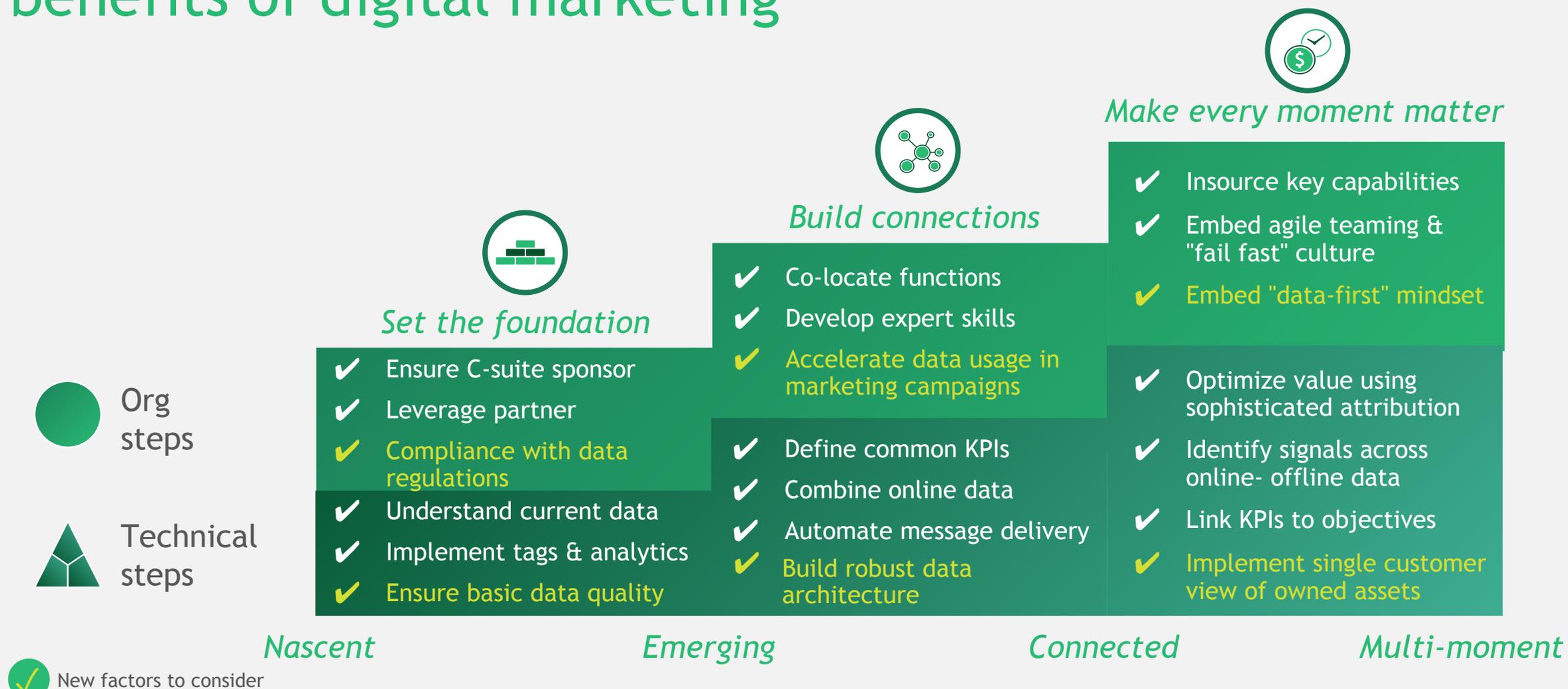
Set an ambitious yet realistic goal aligned with changing consumer expectations

3

Plan the roadmap to reach your goal in accordance with regulations



There is a clear path brands can follow to achieve full benefits of digital marketing



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