Embrace Cross-Device Solutions In The Age Of The Customer

Cross-Device Advertising Is A Priority
For Advertising Success

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Executive Summary

Consumers today live their lives from screen to screen, leaving digital footprints wherever they go. Yet even the savviest marketers struggle to reach them at the right moment, with the right message, on the right device. As business-to-consumer (B2C) marketers face this new reality, they are racing to find the right technologies to target, serve, and measure the effectiveness of advertising campaigns across devices, browsers, and publishers — across everything.

In February 2016, Atlas by Facebook commissioned Forrester Consulting to evaluate trends and adoption of cross-device advertising technologies. To further explore the topic, Forrester developed a hypothesis asserting that the proliferation of devices makes it difficult for advertisers to reach their audiences across everything without adopting new technologies. Marketing and advertising professionals need solutions that will allow for improved targeting of consumers and measuring of ad effectiveness, regardless of where the consumers are or the device they are using.

> **Cross-device solutions are gaining significant traction, and early adopters have reaped many benefits. However, lack of clarity around what success looks like prevents marketers from capturing greater value from their solutions.**

In conducting an online survey with 252 marketing and advertising professionals in the US and the UK, Forrester found that while companies that currently use cross-device technologies have realized tangible business benefits, there is an opportunity for them to further optimize their cross-device strategies. By better understanding how to evaluate the success of cross-device solutions, they can over time become more confident in their capabilities and execute campaigns seamlessly across devices and browsers.

KEY FINDINGS

Forrester's study yielded four key findings:

> › **Most marketers lack the capabilities and tools to reach cross-everything consumers.** Though 84% of the marketers we surveyed agreed that developing a comprehensive cross-device strategy is critical for success, few have confidence in their cross-device capabilities today. Only 20% are very confident in their

company's ability to serve the right message on the right device, and only 14% are very confident that they can measure cross-device conversions. With these challenges in mind, 82% said that they are constantly searching for new tools to help optimize their cross-device advertising strategies.

> › **Cross-device technology solutions are a fast-emerging investment priority.** While about a third (35%) of respondents reported that their companies have already implemented a cross-device solution, adoption is set to rise to 81% in the next year, with 46% planning to implement a new solution in the next 12 months. These marketers see targeting and measurement as the primary use cases for cross-device solutions.

> › **In their eagerness to invest in cross-device solutions, marketers lose sight of the big picture.** As marketers jump on the cross-device technology bandwagon, some lack a clear strategy for prioritizing the most important features and functions they are looking for, which could lead to selecting the wrong solution for their company. And once the solution has been implemented, there is no clear consensus for evaluating its success. While first-mover advantage has its value, it is also critical for companies to establish a clear strategy to ensure the success and ROI of cross-device solution deployments.

> › **Though early adopters have already captured business value, they face a long road to optimization.** Among companies that are already using a cross-device solution — we call them "Cross-Device Leaders" in this study — 77% reported considerable or very high business impact from their cross-device advertising campaigns. However, despite this initial success, only 19% of these marketers describe their current campaigns as "fully optimized" across devices and browsers. This gap further illustrates the need for marketers to understand and define what success looks like for their organization and measure cross-device campaigns against those criteria.

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Marketers Must Transform Their Strategies To Reach Cross-Everything Consumers

The mobile mind shift has upended the traditional consumer path to purchase. Engaging with brands across devices, browsers, and publishers — across everything — is the new normal. Forrester's data reveals that over half of US online consumers say they often carry out a single activity, such as an online purchase, across multiple devices.[1]

Marketers see challenges and opportunities in embracing the mobile mind shift. On one hand, they have an unprecedented opportunity to interact with consumers as individual people at scale, understanding what consumers like, where they've been, what they've done, and what specific product, service, or experience will best meet their needs at any given moment. On the other hand, executing on this ideal can be a complex undertaking, with marketers piecing together a breadth of data to drive cross-device insights. However, there are ways to simplify the process, such as using a unified source of data for a customer's digital identity, and then selecting the right technologies to serve, target, and measure campaigns in a dynamic

fashion. In exploring marketers' perspectives in this cross-everything age, we found that:

› **Cross-everything consumers require a cross-device strategy, with tools to support it.** The vast majority of survey respondents (79%) agreed that customers interact with their brands across multiple devices and browsers. More than 80% believe that creating a comprehensive cross-device strategy and adopting new tools to support execution are critical steps for success (see Figure 1).

› **Few have fully optimized their strategies for reaching consumers "across everything."** Only 9% of survey respondents describe their digital advertising campaigns as "fully optimized" across devices. Further, only 20% believe that they execute cohesive, cross-device campaigns "fairly well," in that they have tools to help match customers across devices but still have significant gaps in capabilities. The remaining 71% of respondents execute digital campaigns somewhat or not at all cohesively across devices.

› **Many are not confident in their cross-device capabilities.** While 63% of those we surveyed claimed they are somewhat or very confident in targeting the right person with the right message, this confidence starts to

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FIGURE 1

Cross-Everything Consumers Compel Marketers To Explore New Advertising Strategies And Tools

"Please indicate the extent to which you agree with each of the following statements about the dynamics of reaching customers with personalized advertising content and messages today."

"The vast majority of our customers and prospects **interact with our brand(s) across multiple devices** and browsers."

79% agree
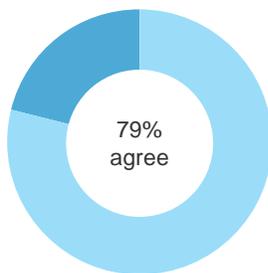
"To succeed, it is essential for us to develop a **comprehensive cross-device strategy**."

84% agree
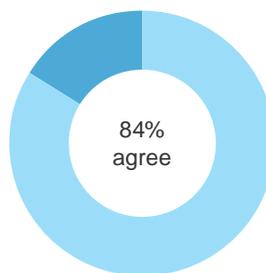
"We are **constantly searching for tools** to help us optimize our advertising strategy across devices and browsers."
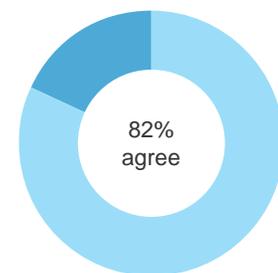
82% agree

Base: 252 marketing and advertising decision-makers at US and UK enterprises

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

break down when fragmenting these messages across multiple devices. Only 46% reported confidence in their companies' abilities to serve the right message on the right device, and only 20% said they were very confident. Even fewer (39%, including only 14% very confident) have confidence in their measurement of cross-device conversions (see Figure 2). Given that 84% of these marketers feel it is essential for their companies to create a comprehensive cross-device strategy, it is clear that current approaches fall flat.

FIGURE 2
Few Marketers Are Fully Confident In Their Cross-Device Advertising Capabilities

"How confident are you in your company's ability to do the following?"

Base: 252 marketing and advertising decision-makers at US and UK enterprises

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

As Marketers Rush To Adopt Cross-Device Solutions, Their Evaluation Criteria Are Unclear
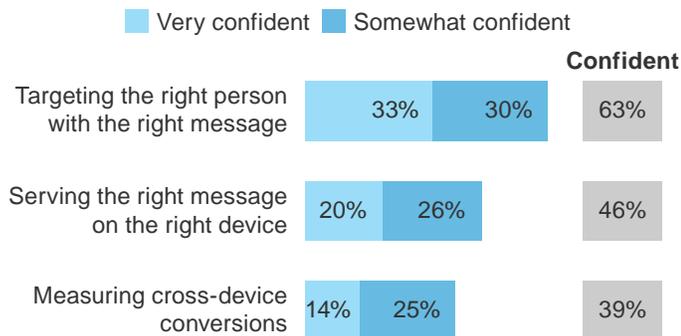
We saw that 82% of marketers we surveyed are constantly searching for new tools to address the challenge of reaching consumers across devices and browsers, so it comes as no surprise that cross-device advertising solutions are gaining popularity. Cross-device solutions provide the technology for advertising targeting, serving, and measurement that connect multiple devices, browsers, and publishers to enable a single view of a consumer. While still nascent, these solutions are gaining traction with marketing and advertising executives. Our study revealed that:

> **Cross-device technology solutions garner significant interest and investment.** Just over a third of survey respondents (35%) reported using a cross-device solution today. We named this group "Cross-Device Leaders." In addition to these early adopters, there are many "Cross-Device Followers" that have already allocated their budgets: 46% are planning to implement a cross-device solution within the next 12 months. The last group, "Cross-Device Laggards," comprises the 19% that have interest but no immediate plans to adopt a solution, or are not interested (see Figure 3). When we asked these Laggards why cross-device solutions are not on their road maps, we found that their top barriers were lack of budget and competing business priorities. However, they may soon realize that it is difficult to effectively reach today's consumers without a cross-device solution.

> **Marketers see targeting and measurement as the key use cases for cross-device solutions.** We asked respondents to rank the most important use cases for cross-device technologies at their organization, and we found that targeting was the top use case for 52% of them. Measurement is also important and is the top use case for 30% of companies, while creative consistency is less of a focus (16% ranked it their No. 1 use case) (see Figure 4). Though targeting may prevail as the primary objective, marketers see cross-device solutions serving multiple targeting and measurement use cases. About half plan to use their solution for people reach measurement (50%), audience extension (50%), audience retargeting (49%), and cross-device conversion measurement (46%).

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FIGURE 3

Cross-Device Technologies Garner Significant Interest And Investment From Marketers

"Which of the following statements best describes your company's plans to adopt a technology solution for cross-device advertising targeting, serving, and/or measurement?"
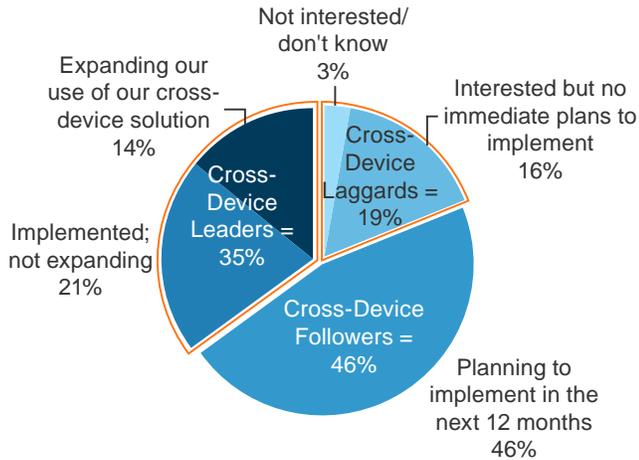
Not interested/ don't know 3%

Expanding our use of our cross-device solution 14%

Cross-Device Leaders = 35%

Cross-Device Laggards = 19%

Interested but no immediate plans to implement 16%

Implemented; not expanding 21%

Cross-Device Followers = 46%

Planning to implement in the next 12 months 46%

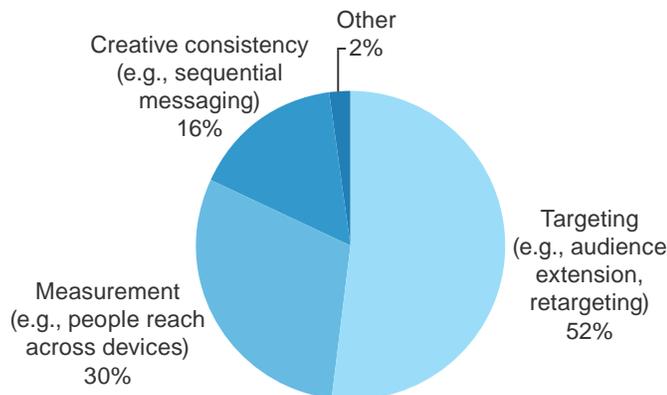Base: 252 marketing and advertising decision-makers at US and UK enterprises

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

FIGURE 4

Targeting And Measurement Are Key Objectives For Cross-Device Solutions

"Which use cases for cross-device technology solutions are most important for your organization?"
(Chart shows percentage that ranked use case as their No. 1)

Creative consistency (e.g., sequential messaging) 16%

Other 2%

Measurement (e.g., people reach across devices) 30%

Targeting (e.g., audience extension, retargeting) 52%

Base: 207 marketing and advertising decision-makers at US and UK enterprises currently using or planning to implement a cross-device solution

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

MANY ARE UNSURE HOW TO MEASURE THE SUCCESS OF THEIR SOLUTION

Marketers are eager to invest in cross-device solutions and see many targeting, measurement, and creative decision-making use cases for the technology. But do they know how to evaluate the solutions available on the market and ensure they select the one that best fits their needs? Once they have implemented a solution, how will they measure its success? Our survey suggests that investments in cross-device solutions are outpacing thought processes for evaluating the technologies. We found that:

› **Accuracy, cost, and scale lead the list of requirements for cross-device solutions.** We asked marketers which qualities they consider important in a cross-device technology platform. Accuracy, cost, and scale led the list of requirements, with 39% to 46% rating these as critical (see Figure 5). So above all, marketers seek the ability to reach the right person in a cost-effective way, across a wide range of target audiences. However, the list of requirements goes on and on. We found that a wide range of features and functions are considered to be important or critical requirements by at least 72% of respondents. This suggests that marketers either seek a robust cross-device solution to meet a variety of evolving needs or are unsure what they really want from a cross-device solution.

› **Though accuracy tops the priority list for marketers, few respondents find matching type critical.** Marketers use two types of matching techniques: 1) deterministic, which is the use of authenticated customer data to match devices and 2) probabilistic, which is the use of anonymous variables to infer device relationships. We found that only 28% believe that this is critically important when considering technology solutions (see Figure 5). This suggests that marketers need further education about how accuracy measurements are calculated to get a deeper understanding of the impact that matching types have on accuracy.

› **There is no clear consensus for evaluating the success of cross-device solutions.** Marketers are split on how to evaluate the quality of their current or future cross-device solution and know that it's working. While improvement in business outcomes (i.e., ROI) is the top evaluation approach, with 84% ranking it in their top three metrics, its importance is by no means unanimous. The percent of respondents who ranked each approach as their No. 1 is nearly a three-way tie between accuracy and

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FIGURE 5
Accuracy And Cost Top The List Of Many Important Cross-Device Solution Requirements

"In considering a technology platform for cross-device targeting, serving, and measurement, how important are the following qualities?"

▨ Critical requirement ▨ Important requirement

Accuracy —the reliability of cross-device associations	46%	39%
Cost	42%	44%
Scale —the ability to reach more consumers	39%	40%
Ease of integration with other marketing technologies and back-end systems	38%	43%
Ability to combine cross-device with other targeting data	34%	46%
The vendor's reputation in the industry	30%	47%
Matching technique — deterministic or probabilistic	28%	47%
Media-agnostic solution	26%	46%

Base: 247 marketing and advertising decision-makers at US and UK enterprises

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

scale results from third parties, improved brand engagement, and improved business outcomes (see Figure 6). Third-party evaluation takes a slight edge, with 27% ranking it as their top metric, indicating that marketers are turning to third parties to define success without adequate standardization. These results offer another example of how marketers' eagerness to adopt cross-device technologies may rush decision-making without much regard for long-term strategy and goals.

FIGURE 6
There Is No Clear Consensus On How To Measure The Success Of Cross-Device Solutions

"How do you currently or plan to evaluate the quality of a cross-device solution and know that it is working?"
(Rank your top three)

▨ Rank 1 ▨ Rank 2 ▨ Rank 3

	Rank 1	Rank 2	Rank 3	Total Ranked In Top 3
Improvement in business outcomes like revenue	25%	30%	29%	84%
Improved engagement with our brand	26%	26%	23%	75%
Accuracy and scale results from third-party evaluation	27%	24%	21%	72%
Lifts in brand affinity from cross-device campaigns	21%	20%	27%	68%

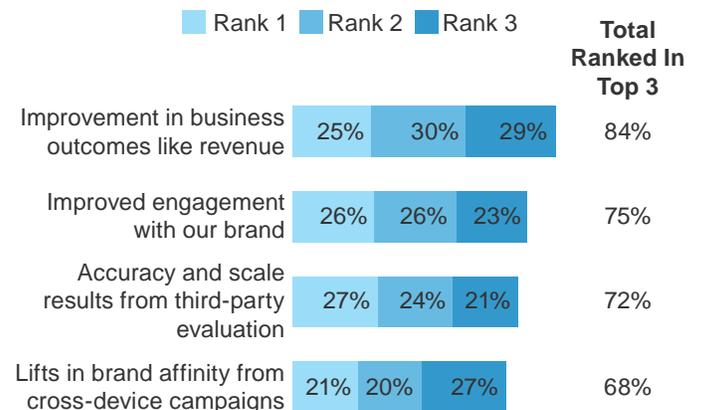Base: 207 marketing and advertising decision-makers at US and UK enterprises currently using or planning to implement a cross-device solution

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

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Cross-Device Leaders Reap Many Benefits As They Work To Address Unsolved Challenges

Cross-device measurement and targeting are critical objectives for marketers, but without a clear industry consensus on how to properly evaluate a cross-device solution, marketers may not be able to capture the full value of their solutions.

Cross-Device Leaders reported that their cross-device technology has a considerable impact on business results, and they also reported more tangible benefits from cross-device campaigns when compared with Followers and Laggards. However, many still lack confidence in their ability to reach consumers and measure real value. This signals a need for better tools for evaluating and executing effective solutions and understanding the quality of cross-device technologies. Our survey showed that:

› **Three out of four Leaders (77%) reported a considerable or very high impact from their cross-device solutions.** Meanwhile, marketers who do not yet have a solution in place (Followers and Laggards) — who must find other workarounds for advertising across devices and browsers — reported a much lower impact from these approaches (45% and 35%, respectively) (see
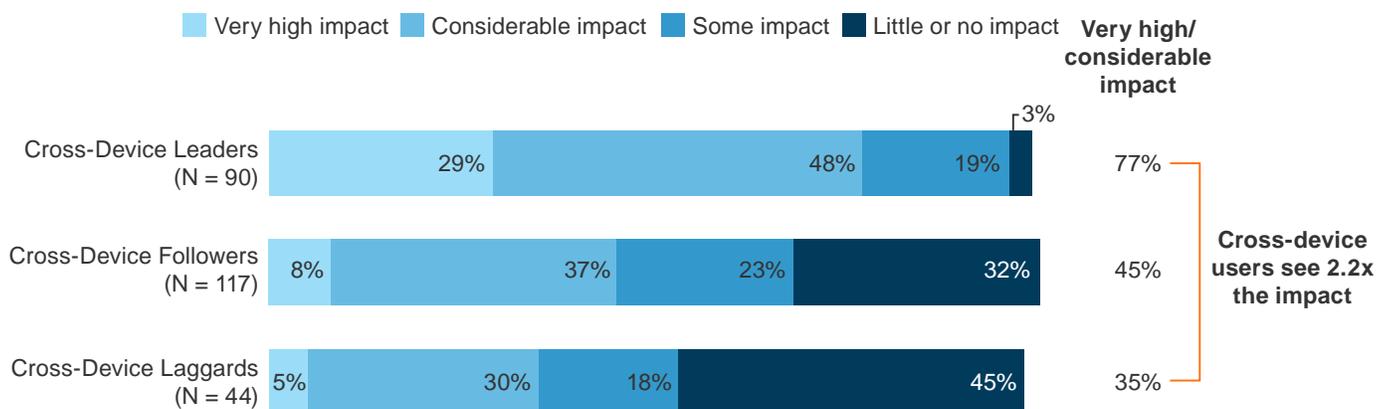
Figure 7). While Leaders clearly have the edge with their cross-device solutions, 48% are just shy of delivering a very high impact to the business, claiming considerable impact instead. As they further refine how they use and evaluate the effectiveness of their cross-device solutions, these marketers have the opportunity to increase the impact they deliver to the business.

› **Cross-Device Leaders also capture greater business value benefits from their advertising campaigns.** Compared with Cross-Device Laggards and Followers, Leaders are more likely to report tangible business benefits, including increased conversion rates (44% versus 32%), improved marketing ROI (43% versus 32%), and increased bottom-line sales revenue (40% versus 28%) (see Figure 8). Meanwhile, 42% of Laggards and Followers reported increased brand reach among target audiences, compared with 33% of Leaders. Increased brand reach is important, but reaching a target consumer is still a few steps away from closing a sale. It's not surprising that marketers equipped with the tools to serve, target, and measure cross-device advertising campaigns are more focused on ROI, while others with less visibility into their cross-device presence reported less-tangible benefits.

FIGURE 7

Leaders That Currently Use A Cross-Device Solution Have Seen A Much Greater Impact Than Others

"Overall, to what extent has your organization's approach to advertising across devices and browsers had an impact on business results?"

Very high impact   Considerable impact   Some impact   Little or no impact

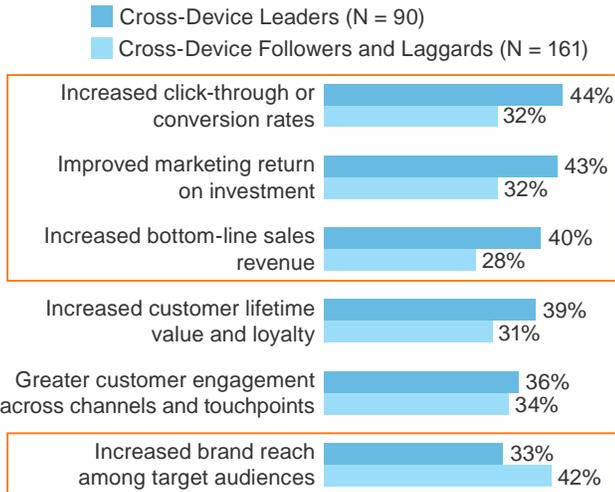|	Very high/ considerable impact
Cross-Device Leaders (N = 90): 29% / 48% / 19% / 3%	77%
Cross-Device Followers (N = 117): 8% / 37% / 23% / 32%	45%
Cross-Device Laggards (N = 44): 5% / 30% / 18% / 45%	35%

Cross-device users see 2.2x the impact

Base: variable marketing and advertising decision-makers at US and UK enterprises currently using a cross-device solution for advertising ("don't know/NA" answers not shown)

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

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FIGURE 8

Cross-Device Leaders Reap Greater Business Value Benefits From Their Campaigns

"Which of the following benefits has your approach to advertising across devices and browsers delivered to your company?"
(Select all that apply)

- ▇ Cross-Device Leaders (N = 90)
- ▇ Cross-Device Followers and Laggards (N = 161)

Benefit	Leaders	Followers/Laggards
Increased click-through or conversion rates	44%	32%
Improved marketing return on investment	43%	32%
Increased bottom-line sales revenue	40%	28%
Increased customer lifetime value and loyalty	39%	31%
Greater customer engagement across channels and touchpoints	36%	34%
Increased brand reach among target audiences	33%	42%

Base: variable marketing and advertising decision-makers at US and UK enterprises
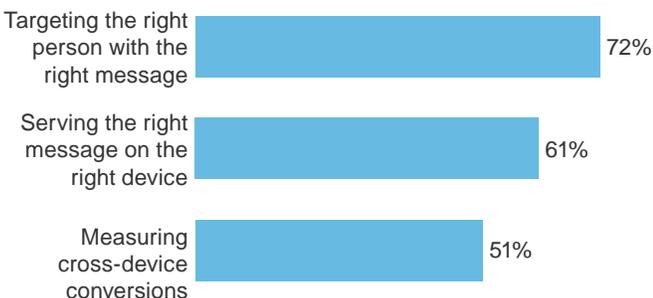
Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

› **Despite these positive results, the cross-everything dilemma remains an unsolved challenge.** Cross-Device Leaders are ahead of the game compared with marketers who do not yet have a cross-device solution in place, but they still have work to do to fully optimize their cross-device campaigns. In fact, only 52% describe their advertising campaigns as fairly well or fully optimized across devices. In addition, only 51% are somewhat or very confident in their company's ability to measure cross-device conversions (see Figure 9). Customers today demand that marketers provide relevant, consistent, and valuable experiences across multiple touchpoints. Doing this effectively today provides marketers with a competitive advantage, but tomorrow, cross-everything advertising will be table stakes.
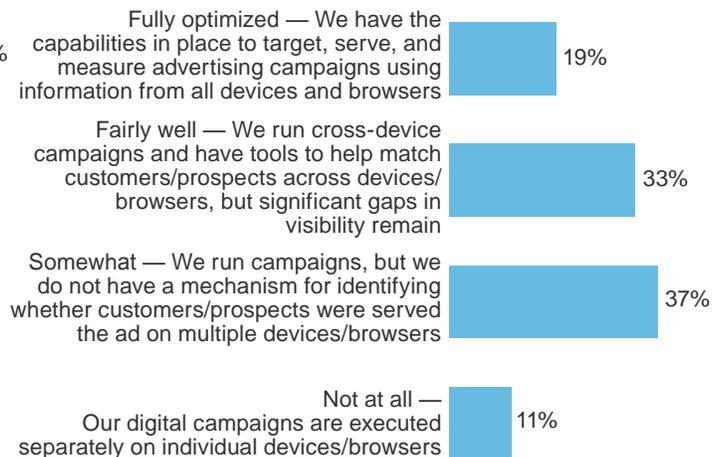
FIGURE 9

Cross-Device Leaders Are On The Right Path But Have Not Yet Fully Optimized Their Strategies

"How confident are you in your company's ability to do the following?"
(% somewhat or very confident)

Ability	%
Targeting the right person with the right message	72%
Serving the right message on the right device	61%
Measuring cross-device conversions	51%

"To what extent does your organization execute its digital advertising campaigns cohesively across devices and browsers?"

Extent	%
Fully optimized — We have the capabilities in place to target, serve, and measure advertising campaigns using information from all devices and browsers	19%
Fairly well — We run cross-device campaigns and have tools to help match customers/prospects across devices/browsers, but significant gaps in visibility remain	33%
Somewhat — We run campaigns, but we do not have a mechanism for identifying whether customers/prospects were served the ad on multiple devices/browsers	37%
Not at all — Our digital campaigns are executed separately on individual devices/browsers	11%

Base: 90 marketing and advertising decision-makers at US and UK enterprises currently using a cross-device solution for advertising

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

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Key Recommendations

Customer expectations demand that marketers create and deliver a consistent and relevant brand message across channels. Understanding their customers gives marketers the means to make smarter buying decisions based on how the brand experience across channels influences real business outcomes. But marketers shouldn't expect to develop this new approach to media buying overnight. To be successful, they will need the right tools and a process, which evolve with customer behavior. While the process still focuses on using what marketers know about their customers, having the right tools affects how well marketers recognize customers, deliver relevant messaging, and measure impact. Forrester's in-depth survey with marketing and advertising decision-makers yielded several important recommendations:

> **Evolve measurement to match the customer journey.** Customers and their devices have made it even more difficult to measure success today. Marketers can no longer evaluate the success of their digital advertising with legacy technology that identifies devices rather than people. If they rely on this legacy technology, they will risk missing opportunities to reach their customers effectively. By understanding their customers instead of their customers' devices, marketers can make meaningful optimizations to their strategy to drive better outcomes that are based on the true value of digital touchpoints.

> **Make using the strength of your own data a strategic priority.** In an ideal world, all the data that you use to connect devices would be authenticated by real people. Knowing that you are targeting a real person and how that person's experience will affect business outcomes, versus guessing, is the difference between advertising success and failure. To start, marketers should tap into internal data sources such as direct marketing lists, CRM databases, and sweepstakes participants. Then, work with partners that can extend the value of those audiences at scale.

> **Create a measurement plan to determine cross-device success that is aligned with business outcomes.** The customer journey highlights key brand experience interactions that influence business outcomes. Marketers must measure business outcomes to determine whether a solution is effective, or they risk abandoning tools that help them succeed. Marketers must determine how cross-device experiences can drive high-value interactions with the brand. By doing this, marketers will set the foundation for all of the data-driven decisions they must make in executing cross-device digital strategies.

> **Focus on using tech that can create consistency across paid channels and devices.** As marketers have told us, creating cross-device consistency is impossible without technology. Marketers must embrace the right tools in order to deliver their brand promise to the right customer, at the right time, on the right device, and in the right context. By clinging to traditional digital media buying practices, marketers risk falling behind their competitors in developing the people and processes necessary to survive in a channel-agnostic world.

> **Put real people at the center of your planning, targeting, and measurement to ensure long-term success.** Customers demand a lot from brands today, and they will continue to demand more from you tomorrow. Linking advertising investments to business outcomes is critical, and marketing leaders who are too focused on short-term results won't be able to meet customer expectations. In today's digital ecosystem, it is imperative to know who your target customers are and what they expect from you as a brand. Without technology or partners that help you plan, target, and measure real people, you won't be able to truly understand whether you are meeting customer expectations and improving real business outcomes.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 252 marketing and advertising decision-makers to evaluate goals and approaches for cross-device advertising technologies. Survey participants included decision-makers in manager-level or higher marketing, advertising, and customer intelligence positions at US and UK enterprises with 1,000 or more employees. Questions provided to the participants asked about their adoption of cross-device solutions, goals for and evaluation of such solutions, and the challenges and benefits associated with running cross-device advertising campaigns. Respondents were offered a small incentive as a thank you for their time spent on the survey. The study began in February 2016 and was completed in March 2016.
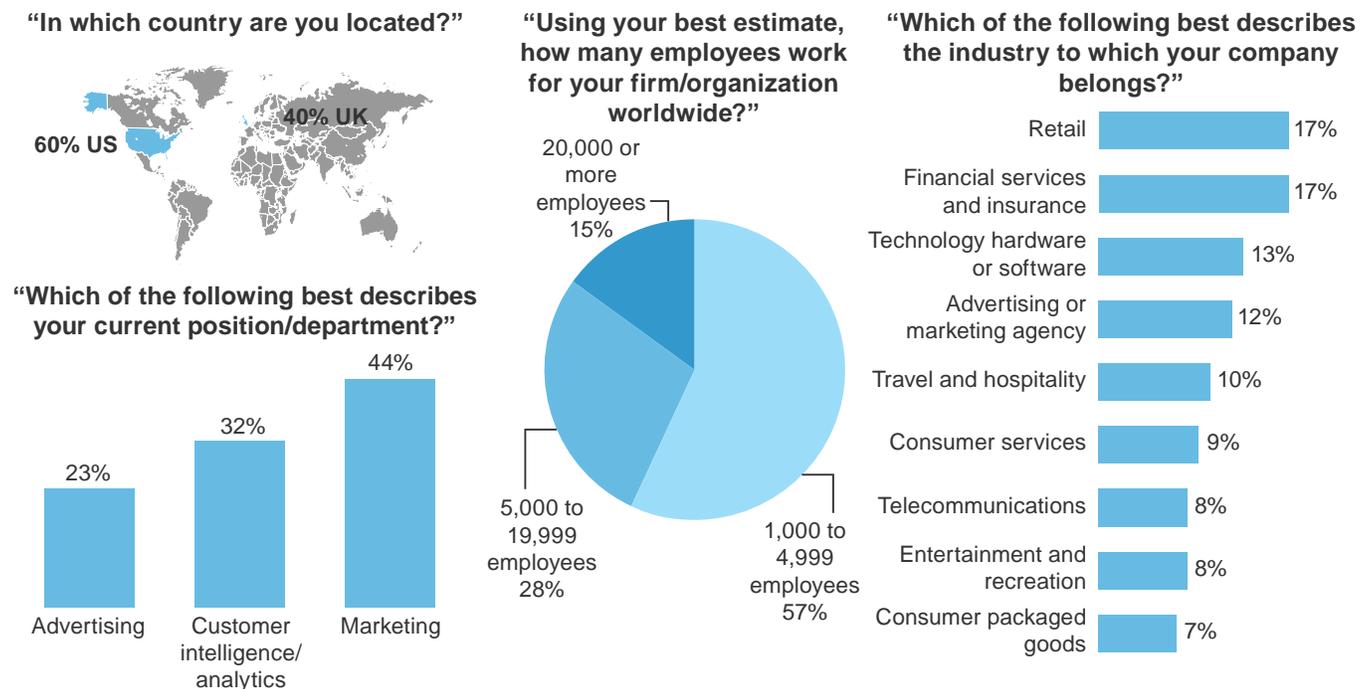
Appendix B: Supplemental Material

RELATED FORRESTER RESEARCH

"Bridging The Cross-Device Chasm," Forrester Research, Inc., November 23, 2015

Appendix C: Demographics/Data

FIGURE 10
Respondent Demographics

"In which country are you located?"

60% US
40% UK

"Which of the following best describes your current position/department?"

Advertising	Customer intelligence/ analytics	Marketing
23%	32%	44%

"Using your best estimate, how many employees work for your firm/organization worldwide?"

- 20,000 or more employees 15%
- 5,000 to 19,999 employees 28%
- 1,000 to 4,999 employees 57%

"Which of the following best describes the industry to which your company belongs?"

Retail	17%
Financial services and insurance	17%
Technology hardware or software	13%
Advertising or marketing agency	12%
Travel and hospitality	10%
Consumer services	9%
Telecommunications	8%
Entertainment and recreation	8%
Consumer packaged goods	7%

Base: 252 marketing and advertising decision-makers at US and UK enterprises

(percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlas by Facebook, March 2016

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Appendix D: Endnotes

[1] Source: "One Task, Many Devices," Forrester Research, Inc., July 6, 2015.