

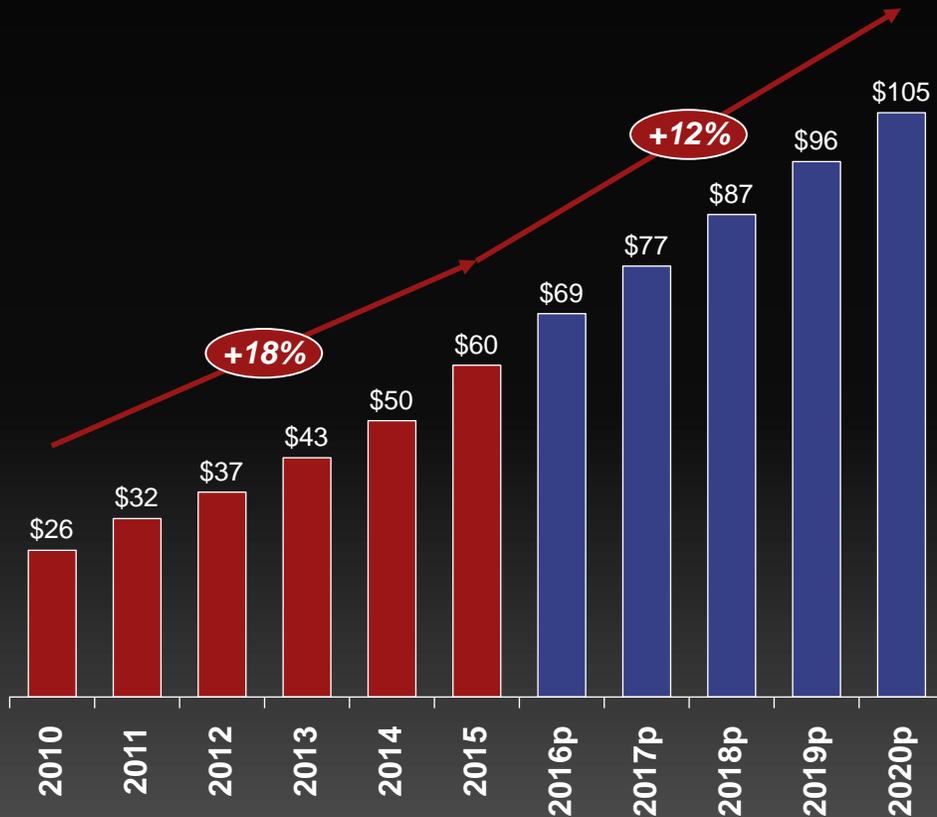
# WINNING WITH DIGITAL 2016

Wayne Duan, Walgreen Co.  
Soyoung Kwon, A.T. Kearney  
Todd Huseby, A.T. Kearney

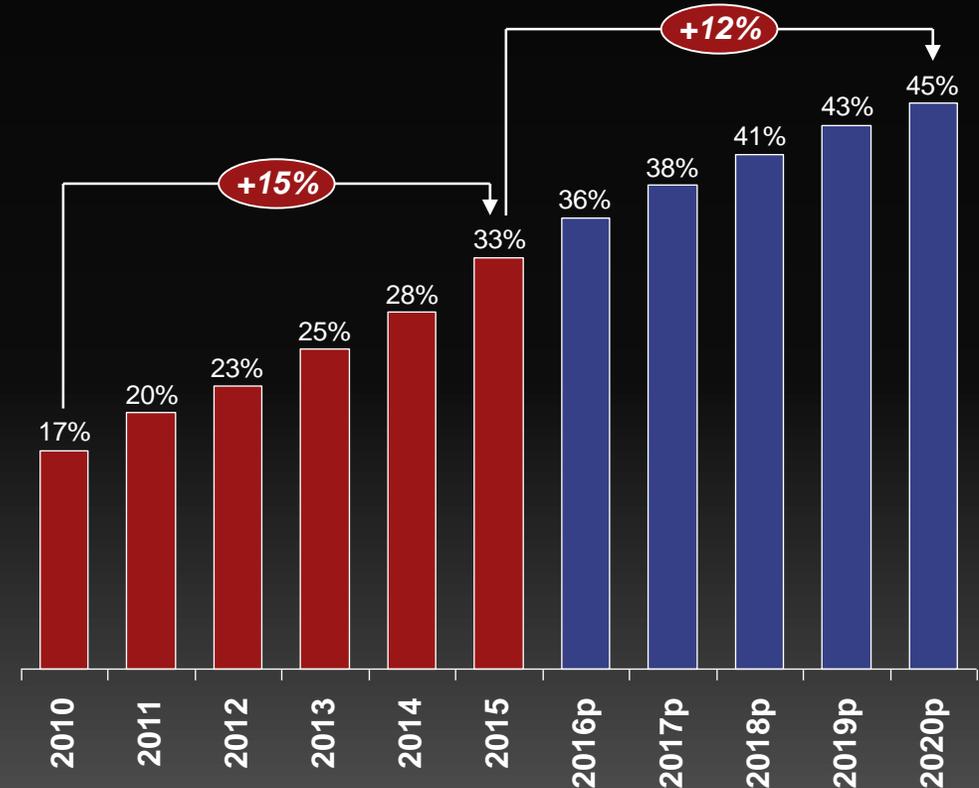
18<sup>th</sup> July, 2016

# US Digital Ad spending continues to grow rapidly and is expected to be ~45% of total Ad spending by 2020

**Digital Ad Spending (In Billions of US \$)**



**Digital Ads as a % of Total Ad Spending**



However, 20 years after the first banners popped up, digital marketing is still in its infancy

## Key Challenges

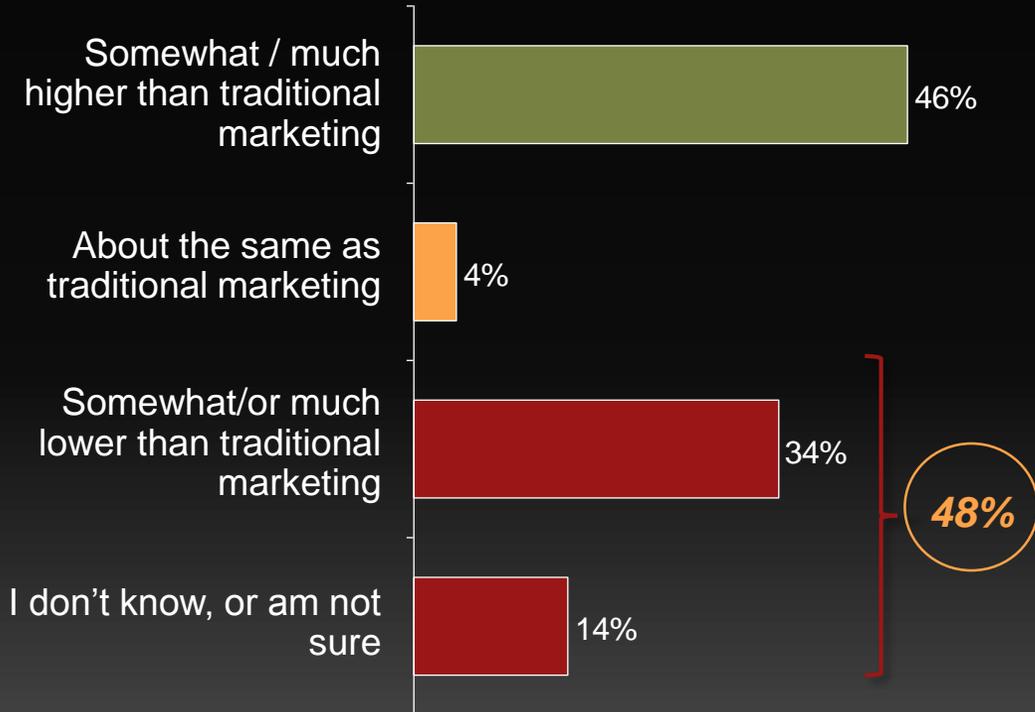
How does it fit with my strategy?

How do I measure the true impact?

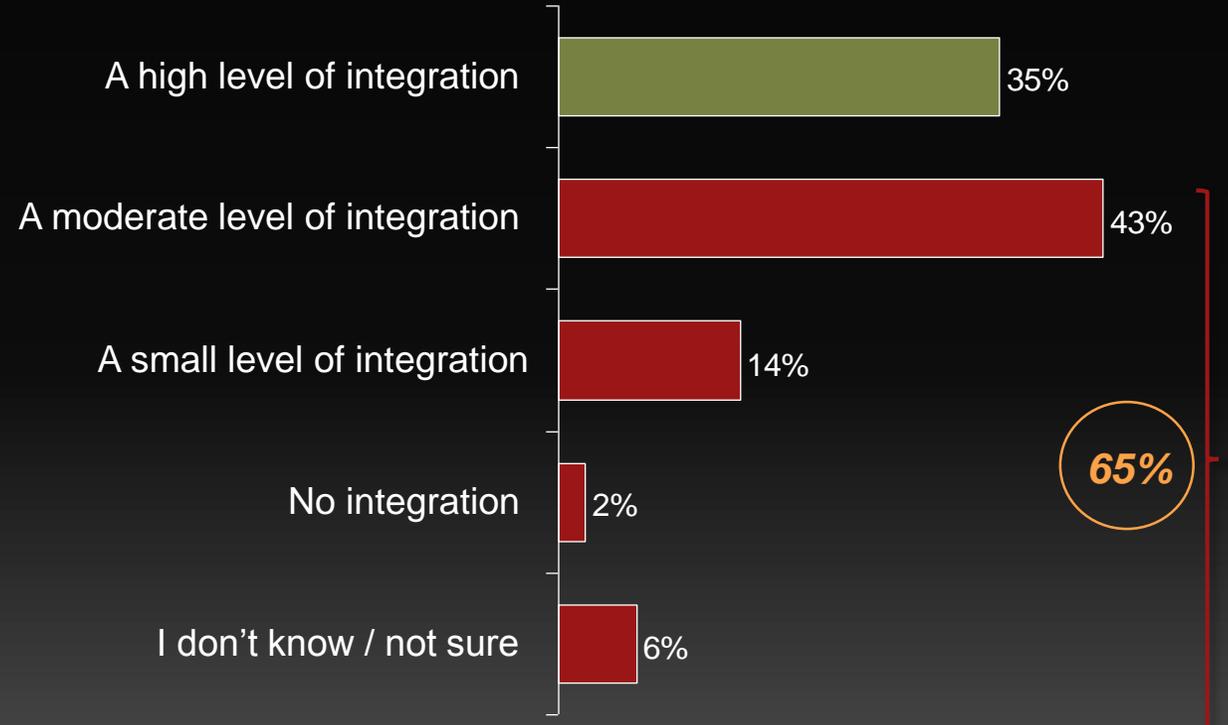
What capabilities are required and what's the best way to organize against it?

# Many marketers say that digital strategies are not effective

**How effective is your digital marketing vs. traditional marketing?**



**Integration Between Organization's Traditional and Digital Efforts**



# Many marketers are unclear about how to measure the true impact

*Content is fragmented and all over the place. No unified message... No proper tool to measure ROI or correlation with revenues*

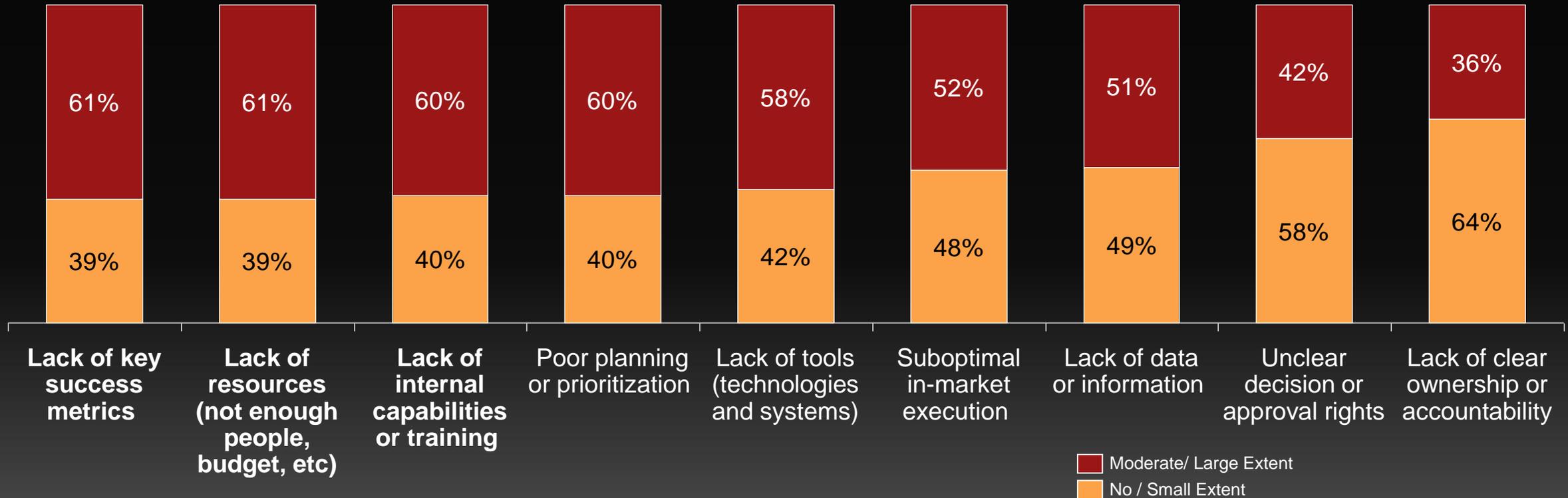
*There isn't a clear framework for content based marketing... the use of blogs is somewhat opportunistic and ad-hoc. We often don't know how to integrate it well into an overall campaign framework and how to use it to drive engagement through content, and ultimately some results...*

*Social media is almost a hygiene factor. ...often it feels like there is less accountability to prove what it does for the business. .... all Digital Marketers love social media and love to quote numbers around followers and re-tweets but its never clear what it does for us - or, if it can do more...*

*Digital marketing is driven mostly by creative people who focus on creative, rather than on efficiency*

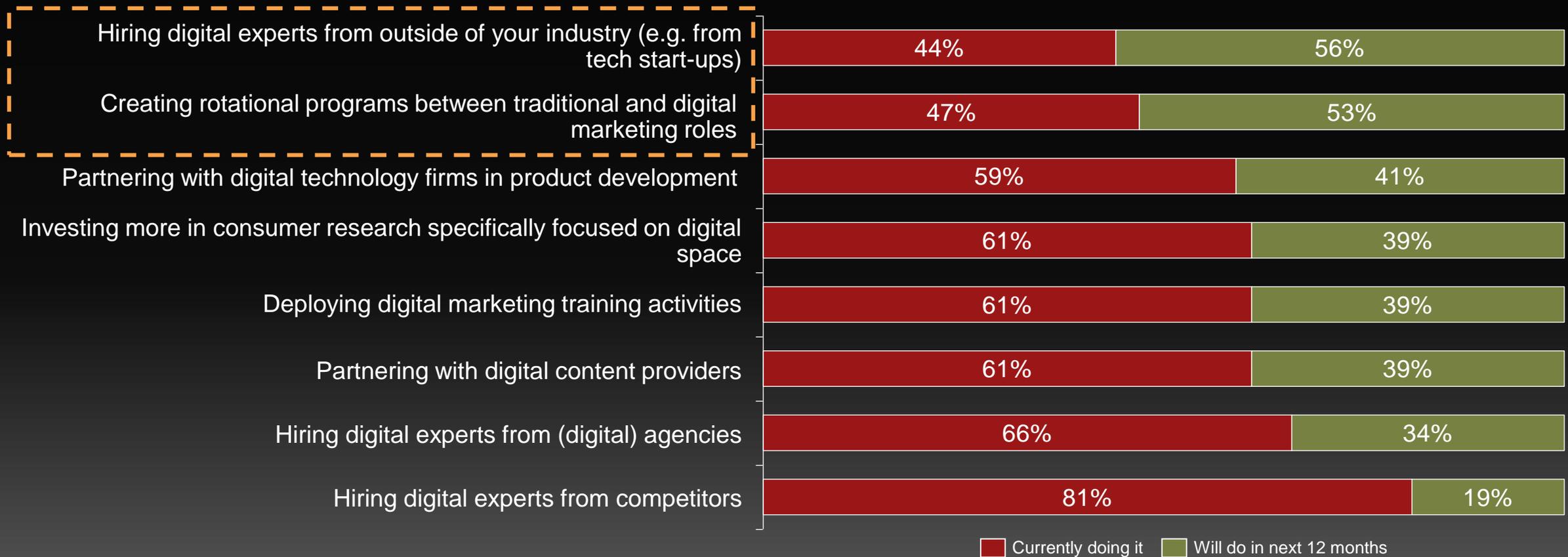
# Lack of clear success metrics and right capabilities are key drivers of inefficiency

## *Drivers of Inefficiency for Digital Marketing*



# Most companies are still undertaking multiple activities to build up digital capabilities

## How do you plan on building digital capabilities?



# Three moves to help your journey in being becoming a more Digital-savvy organization



Look at Digital  
through 6S



Focus, realize you  
can't win on every  
Digital front



Execution is the  
Strategy

# Three moves to help your journey in being becoming a more Digital-savvy organization



Look at Digital  
through 6S

- 1. Solve:** Does it **SOLVE** an actual customer problem?
- 2. Status Quo:** Will it be so different and so much better than the **STATUS QUO**?
- 3. Strategic:** Is this **STRATEGIC** for our brand?
- 4. Success:** How will we measure **SUCCESS**? What does **SUCCESS** look like?
- 5. Scalable:** Is what we're doing **SCALABLE** across our portfolio and markets?
- 6. Sustainable:** Will this be **SUSTAINABLE** after the initial launch?

## Three moves to help your journey in being becoming a more Digital-savvy organization



Focus, realize you  
can't win on every  
Digital front

- Long-term success will come with making your **digital core amazing**
- Identify areas of focus such as Paid Search, SEO, Mobile
- **Abandon FOMO** (Fear of Missing Out), **Embrace JOMO** (Joy of Missing Out)
- **Tyranny of Incrementalism** will wreak havoc if you're not disciplined

# Three moves to help your journey in being becoming a more Digital-savvy organization



Execution is the  
Strategy

- **Align incentives and accountability** to strengthen execution excellence
- Infuse **Digital into your organizational DNA** and not solely siloed in your Digital COE
- **You manage what you measure**, embrace “Moneyball” metrics to drive collaboration across cross-functional groups