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PLAYBOOKS

# 2023 Digital Marketing Playbook

OCTOBER 2022







# Introduction

The past few years have been quite challenging for marketers, who've been faced with obstacles like the pandemic, supply chain shortages, changing consumer trends, and inflation, among many others. While the road has been bumpy, many brands and retailers have adapted quickly and driven growth despite the hurdles, and are emerging stronger than ever.

As 2022 starts to wind down, it's time to set your marketing strategies up for a successful 2023. InMarket's **2023 Digital Marketing Playbook** contains the key strategies to embrace in the new year to drive sustainable growth.

## 10 CRITICAL MARKETING STRATEGIES FOR 2023 SUCCESS:

1. **Start the Year Strong: Drive Incremental Purchases Amongst Gift Card Holders**
2. **Lean Heavily on Value-Based Messaging**
3. **Navigate the Changing Privacy Ecosystem with First-Party Data**
4. **Explore Alternative IDs**
5. **Maximize Contextual Targeting & PMPs**
6. **Embrace Real-Time Geo-Contextual Advertising**
7. **Drive Budget Efficiency with Real-Time Campaign Optimization**
8. **Utilize Household Attribution**
9. **Tap Into Immersive Experiences**
10. **Leverage Full-Funnel, Closed-Loop Measurement**



## 1 Start the Year Strong: Drive Incremental Purchases Amongst Gift Card Holders

InMarket's [2022 Holiday Shopping InSights](#) report revealed that gift cards were the top gift among holiday shoppers this year, with 67% of survey respondents saying they'll be gifting gift cards this year—more than clothes (32%), toys (24%), and home goods (18%). As gift card holders look to redeem their certificates throughout 2023, there is plenty of opportunity to drive incremental purchases and strengthen loyalty, especially within the first half of the year—[70% of gift cards](#) are redeemed within 6 months of purchase. Just like consumers, retailers and brands can benefit from the flexibility of gift cards. As certificate holders look to spend this “free money”, offer rewards and threshold discounts to encourage redemption.

**\$116** Average amount of unused gift cards per individual

Source: [Wane.com](#)

## 2 Lean Heavily on Value-Based Messaging

In 2022, the US economy faced the highest levels of inflation in 40 years, straining many household budgets as consumers struggled with higher prices for food, fuel, household goods, and more. As consumers are forced to do more with less, many are consistently seeking out savings opportunities to minimize spending. In fact, in InMarket's [Labor Day](#), [Halloween](#), and [Holiday Shopping InSights](#) reports, consumers' were strongly motivated by promotions and deals when shopping for each respective holiday. With shoppers paying particular attention to price, retailers and brands should lean heavily on value-based messaging to entice these price-conscious consumers. Highlight coupons, rebates, and sales events in messaging, as well as other value-based messages such as larger sizes, smaller unit costs, and longer lasting formulas, to entice consumers looking to maximize savings.





### 3 Navigate the Changing Privacy Ecosystem with First-Party Data

The marketing and advertising industry has undergone considerable change in recent years as privacy has moved to the forefront, spurred by a combination of state regulations, industry and operating system policies and consumer attitudes. Most notably, in early 2020, [Google](#) announced it would eventually deprecate third-party cookies from its platform (the expected phase out is now set for 2024). Then in early [2021](#), Apple released the iOS 14 update that introduced the App Tracking Transparency (ATT), requiring iOS apps to explicitly ask users to consent to tracking them. Following Apple's announcement, [Google](#) announced a similar privacy update to Android phones, "removing a device's advertising ID when a user opts out of personalization using advertising ID in Android Settings". As the industry continues to shift, access to first-party data will be critical for brands to continue targeting and engaging consumers across platforms, channels, and devices. In addition, first-party data advances targeting strategies by enabling teams to leverage advanced analytics—including predictive targeting—to optimize messaging strategies. Marketers should look to strengthen their first-party data collection efforts and expand partnerships with first-party data providers and publishers who will be increasingly critical to ensuring success in 2023 and beyond.

### 4 Explore Alternative IDs

After Google announced the forthcoming deprecation of third-party cookies, several providers and organizations have since come forward to announce alternative identifiers to replace third-party cookies. LiveRamp, The Trade Desk, Yahoo!, and Tapad are among the many groups to have introduced new IDs based on identifiers like hashed email and/or support the interoperability of the [Unified ID 2.0](#). Despite these numerous solutions, it is now generally accepted in the industry that no single solution will dominate the market in the same way that third-party cookies did—outside of walled gardens—as evidenced by the drive towards the interoperability between different proposed solutions. While users will still opt in to sharing MAIDs and older technology will still function, there may be fewer targetable IDs in the traditional or legacy sense. Without a single solution, the advertising and media market must adapt their approach to planning, targeting, activating, measuring, and optimizing. Data clean rooms present one potential option that are being explored throughout the industry, whereby publishers and advertisers can share anonymized data in a privacy-safe environment that honors privacy-first protocols. Brands, agencies, and providers must use the coming months to explore the possibilities of alternative IDs and then identify which ones are the most strategic and appropriate to build for and invest in.





## 5 Maximize Contextual Targeting & PMPs

What's old is new again as 2023 brings the rise of contextual audiences. Marketers will turn to a variety of alternative audience creation and targeting approaches—including the [IAB Tech Lab Content Taxonomy](#)—to support contextual buying across the entire advertising ecosystem. Additionally, targeting based on context passed as an object in a real-time bidder will also be leveraged. Furthermore, providers will turn to data science to create cohort-based audiences based on a plethora of available data, including zip code indexing, clusters, and new panel-based audience segments. Finally, the rise of PMPs and probabilistic expansion techniques will provide brand marketers with a rich collection of options to buy programmatically to support their programmatic advertising needs at scale. Contextual PMPs offer marketers the opportunity to build a collection of key inventory sources and capabilities including real-time geo-location inventory. These robust, real-time omni-channel inventory sources will become increasingly critical in the coming years to drive increased consumer engagement and results in a contextual, ID independent world.

## 6 Embrace Real-Time Geo-Contextual Advertising

With the industry landscape changing, marketers must turn to alternative solutions like geo-contextual targeting, which engage consumers based on key contextual triggers while still maintaining consumer privacy. In InMarket's [2022 Predictions survey](#), nearly a third of respondents expected to spend the year preparing for the end of third-party cookies by testing alternative solutions like contextual targeting—this trend will continue into 2023 as brands test and identify the best ways to incorporate geo-contextual strategies into their omnichannel marketing strategies. Real-time geo-contextual solutions like [InMarket's Moments suite](#) do not require an advertising ID (e.g., ID Independent), and enable marketers to reach consumers based on critical contextual information like location to deliver timely and relevant messaging when consumers are actually in the purchase process. By delivering this messaging at critical moments during consumers' shopping journeys, marketers have an increased opportunity to actually drive consumer action, which leads to greater engagement, purchases, loyalty, and ROAS.





## 7 Drive Budget Efficiency with Real-Time Campaign Optimization

Marketing budgets have faced increased scrutiny since the start of the pandemic. Research from [Gartner](#) found that marketing budgets as a percentage of total revenue fell to 6.4% in 2021 after averaging 10.9% in 2019 and 2020. While budgets have grown to 9.5% in 2022, they're still not at pre-pandemic levels, meaning marketers have had to do more with less. Fortunately, attribution solutions like InMarket's [Lift Conversion Index® \(LCI®\)](#) offer real-time campaign optimization capabilities, which enable marketers to make identify the top drivers of campaign success and make adjustments to in-flight campaigns accordingly, by audience, channel, creative, and more. By optimizing campaigns in real time, marketers can maximize campaign effectiveness and efficiency, ensuring every dollar is being spent wisely.

## 8 Utilize Household Attribution

As the industry looks to replace third-party cookies with alternative identifiers, one proposed method that has risen in popularity is the household ID. This is helpful for assessing the effectiveness of CTV/TV measurement. In addition, it can link multiple devices to a household to maximize a brand's ability to understand the impact of an ad exposure in the face of diminishing ad IDs, which provides anonymity at an individual level but enables a finer level of targeting by utilizing IP addresses and geographical targeting. With household IDs, agencies and brands should look to leverage household attribution, which measures campaign performance at the household level, including overall household lift. Without third-party cookies, household attribution provides marketers with critical insight into the success of campaigns in reaching individuals and driving purchases.





## 9 Tap Into Immersive Experiences

As the marketing industry moves towards a cookieless and ID-independent future, marketers must find a balance between delivering consumers engaging, contextual experiences while maintaining and honoring consumers' demands for data privacy. In pursuit of this objective, marketers are embracing top- and bottom-of-the-funnel platforms and building highly immersive, personalized experiences to engage consumers and facilitate action, including leveraging AR effects and creating digital experiential campaigns. Bottom-of-the-funnel tactics include contextual 360° product experiences and interactive VR environments that enable consumers to see products placed in their own homes to drive digital in real-world purchases. [Research](#) has found that 32% of respondents research a product or project after watching a brand video, and Tik Tok users put an average of 8.5% more dollars into their shopping carts. Brands should spend 2023 testing platforms like Tik Tok and Instagram, identifying what types of content engage their consumers best.

## 10 Leverage Full-Funnel, Closed-Loop Measurement

Robust data and measurement is the cornerstone of any successful marketing strategy, especially as consumer behaviors continue to change rapidly. Without actionable data, it is incredibly challenging to successfully execute marketing strategies, maximize ROAS, and drive growth for your brand. Real-time closed-loop visit and sales attribution solutions quantify campaign success by directly tying messaging to store traffic, online visitation, and actual sales dollars. Armed with this data, marketers can make smarter decisions about both in-flight and future campaigns.

### INMARKET'S LCI<sup>®</sup> ATTRIBUTION SOLUTION CAN HELP YOUR BRAND:

- Improve ROAS by \$40
- Increase customer loyalty by 25%
- Improve channel strategy and save \$1.8 million
- Generate 180% return on investment (ROI)
- [And more!](#)





# Maximize Your 2023 Success

As 2022 comes to a close, it's time to ensure your 2023 marketing strategies are set up for success. While employing each of these 10 strategies will help your team drive success, the utmost critical success factor lies within your people. In 2023, brands should spearhead the creation of cross-functional 'innovation' teams, composed of members from marketing, analytics, client relations, sales, and technology. The goal of this group is simple—share key learnings and best practices that can be infused and replicated across the organization. In practice, this will ensure success is replicated, maintained, and improved. And this work doesn't stay internal, either. Agencies and brands—if they haven't already—should work with key partners to establish quarterly business reviews, during which key campaigns, successful strategies, and critical learnings are shared, alongside competitive and market intelligence. Done consistently, these insights and brainstorm sessions can help ensure any shift in consumer behaviors are identified and addressed quickly to maximize program success.

## To summarize, the 10 key strategies for 2023 success are:

- 1. Start the Year Strong: Drive Incremental Purchases Amongst Gift Card Holders**  
Look to drive incremental purchases among gift card recipients within the first 6 months of the year.
- 2. Lean Heavily on Value-Based Messaging**  
In the face of inflation, utilize value-based messaging to engage price-conscious consumers including highlighting coupons and rebates, promoting value sizes and product innovations.
- 3. Navigate the Changing Privacy Ecosystem with First-Party Data**  
Ensure robust access to first-party data, identifying partners that provide in-depth consumer location, intent, and purchase data.
- 4. Explore Alternative IDs**  
As the industry looks to adopt alternative IDs, explore potential possibilities and consider strategic investments to prepare for the future.
- 5. Maximize Contextual Targeting & PMPs**  
Look to leverage contextual audience targeting as well as contextual PMPs to drive increased consumer engagement.
- 6. Embrace Real-Time Geo-Contextual Advertising**  
Engage consumers based on contextual triggers like real-time location to drive engagement, purchases, and ROAS.
- 7. Drive Budget Efficiency with Real-Time Campaign Optimization**  
Ensure every dollar is well-spent by leveraging measurement solutions that enable real-time, in-flight campaign optimizations.
- 8. Utilize Household Attribution**  
Measure campaign performance at the household level by leveraging household attribution and lift solutions.
- 9. Tap Into Immersive Experiences**  
Embrace top- and bottom-of-the-funnel platforms and leverage interactive AR and VR technology to engage consumers with immersive experiences.
- 10. Leverage Full-Funnel, Closed-Loop Measurement**  
Don't let actionable data go to waste—utilize full-funnel, closed-loop measurement solutions to understand and then improve campaign performance throughout the entire year.

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To learn how InMarket  
can help you maximize

2023 success, [please](#)  
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