



TURNING DATA INTO MARKETING GOLD

Overcoming Obstacles to Create Winning
Strategies for Data-Driven Success

ALLISON+
PARTNERS



INSIGHTS FROM UK + GERMANY MARKETERS

Only a decade ago, collating customer data was limited to a few sources, but the growth of digital channels has transformed the industry to the point where it is unrecognisable today. In fact, it's projected we will accumulate 4.4 zettabytes of data by the end of 2019 (that's 4,400,000,000,000,000,000 bytes), a figure that will soar to 44 zettabytes in just one year. So, with the amount of data accumulating at such a staggering rate, it is more crucial than ever to stay ahead.

For a CMO, data is a goldmine. Using the right technology data can provide real-time insights into preferences, tastes, behaviours and habits of their customer base that allow them to run more effective marketing campaigns. It's also a critical tool for measuring impact and demonstrating ROI. But even as marketers are leveraging data and technology in more ways than ever before, are they really using it in the right way, and do they understand what it all means?

To shed light on the impact technology and data has had on the role of the marketer and what they need to anticipate for the future, Allison+Partners surveyed 500 marketing directors in the UK and Germany (250 respondents per country). The findings reveal that while marketers have made progress to become more data-driven, there are still numerous barriers to getting the most out of data.

98%

SAID THERE WILL BE OBSTACLES TO IMPROVING HOW DATA-DRIVEN THEIR MARKETING DEPARTMENT IS IN THE FUTURE

KEY INSIGHTS

- + Marketers' confidence about data use is remarkably high, with 87% of all respondents saying their department's use of data was either somewhat or far above average.
- + Yet the outlook doesn't look quite so rosy, as nearly all respondents (98%) said there will be obstacles to improving how data-driven their marketing department is in the future.
- + Despite their self-assurance, one-fifth of respondents haven't even invested in augmented or advanced data analytics yet.
- + The largest obstacles for marketing departments becoming more data-driven are data being siloed across organisations (45%), followed by cost of technology and platforms (39%) and lack of in-house talent with the correct skillset (38%).

LARGEST OBSTACLES TO BECOMING MORE DATA-DRIVEN:

45%

SAY DATA BEING SILOED ACROSS ORGANISATIONS

39%

COST OF TECHNOLOGY PLATFORMS

38%

LACK OF IN-HOUSE TALENT WITH THE CORRECT SKILLSET

CONFIDENCE IN DATA

MARKETERS TODAY MAY SAY THEY'RE CONFIDENT IN HOW THEY ARE USING DATA, BUT THEY'RE ONLY SCRATCHING THE SURFACE

87% of all respondents across UK and Germany said their department's use of data was either somewhat or far above average compared to similarly-sized organisations. This assurance extends to their use of data to measure marketing efforts, with 92% of respondents from both countries stating they use their data very or extremely well. In addition, 89% answered that they are either extremely or very confident in their ability to extract insights from data, and 72% said they can use data to prove ROI very or extremely well. Yet analyst firm, Forrester¹ calculated that on average, between 60% and 73% of all data within an enterprise goes unused for analytics. So how can marketing teams truly be using data well, if they aren't even using all of it in their analysis?

Remarkably, the level of confidence found in the Allison+Partners survey is in stark contrast to other reports such as Dentsu Aegis' 2018 CMO survey², which found that 61% of chief marketing officers still struggle to extract insights from the flood of data they have available to them, and Domo's "Marketing New M.O."³ report that revealed 83% of senior marketers feel "data blind" due to the volume of analytics they have to deal with as part of their day-to-day role.

87%

SAID THEIR DEPARTMENT'S
USE OF DATA WAS
EITHER SOMEWHAT OR
FAR ABOVE AVERAGE
COMPARED TO SIMILARLY
SIZED ORGANISATIONS

BUT

60%-73%

OF ALL DATA WITHIN AN
ENTERPRISE GOES UNUSED
FOR ANALYTICS

THE BIGGEST BARRIERS

THE BIGGEST BARRIERS TO BECOMING MORE DATA-DRIVEN ARE SILOS, COST AND TALENT

While marketers think they're on top of their data-driven efforts now, nearly all respondents (98%) said there will be obstacles in improvements moving forward. Looking across both the UK and Germany, the largest obstacles are data being siloed across organisations (45%), followed by cost of technology and platforms (39%) and lack of in-house talent with the correct skillset (38%).

Dealing with the paramount issue of data silos can be combatted with the power of data analytics. Fortunately, our survey found that 81% are already investing in augmented or advanced analytics. This is in line with global trends, as according to the Gartner CMO Spend Survey 2019-2020⁴, data and analytics tops the priority list of investments for the future.

But if technology is the answer, then why aren't marketing departments spending more on it? When asked about what the biggest challenges to investing in additional technologies and platforms that would help provide more data about customers and prospects, nearly half of respondents cited justifying the cost (48%), with the same number saying the need for additional in-house talent to use the tools and data (48%).

Clearly, any investment in technology and data tools needs to be matched by an influx of talent with specialised skills to maximise data. However, there are simply not enough people with the right skills for the job. While The Royal Society⁵ found that the requirement for workers in the UK with specialist data skills has more than tripled over the last five years, a report by the European Commission⁶ forecasted a data skills gap of 769,000 unfilled positions by 2020 in the baseline scenario.

WHEN ASKED WHAT THE BIGGEST CHALLENGES TO INVESTING ARE:

48%

CITED COST AND IN-HOUSE TALENT TO USE THE TOOLS AND DATA



IMPLICATIONS FOR MARKETERS

Define your goals and strategy first, then build a team that will support it.

Many companies fail to hire the right talent because they don't truly understand the mix of technical skills and data expertise needed. As a result, analytics professionals and data scientists are often misused or underutilised. Having a clear view of your organisation's business and communications goals and what the team needs to deliver from data at the onset will not only ensure more effective hiring, but also identify where external resources need to be tapped to fill in the blanks.

Augment human talent with AI.

Known for its capability to quickly analyse data and undertake time-consuming repetitive tasks, artificial intelligence (AI) is a powerful tool for marketers. It can help optimise campaigns, provide more accurate and timely assessments of ROI, make better use of data, anticipate future trends and more. According to our survey, 71% of marketing directors have made investments in AI-driven customer platforms and 21% plan to do so in the next two years. However, despite its numerous potential applications in marketing, it must be combined with human talent – who bring creativity, common sense and emotion – to be truly effective.

Re-evaluate your marketing stack.

Tools implemented five years ago may no longer be enough to handle the marketing needs of today. To determine what the right analytics tool(s) are for your department moving forward, ask the following questions: What are my organisation's targets? What are my departmental goals? What information and analysis do I need that can help me reach them? Knowing the answers can prevent a scattergun

approach to technology investment, help identify potential areas for cost-savings and make the case for directing budget towards the technology that will be most useful for current needs.

Gather C-suite support to help breakdown silos.

Many data silos are created due to a lack of communication and collaboration between teams in different departments. To break them down, foster regular communication with leaders across function and geography about company goals and how teams can support each other to achieve them. It is essential to have the highest level of executive support on hand to truly realise digital transformation in the marketing function and have the ability to show business impact and value.

Consider using an outside partner to reduce risk.

Training new talent and acquiring tools to help with data and analytics can be a large investment. If budgets are tight, tapping a third party with relevant experience can provide instant access to the right expertise to come up with a data strategy curated to your organisation. They will also have access to a wider range of tools available and the knowledge to guarantee that it is being used properly to support your department's needs.

71%

HAVE MADE INVESTMENTS IN AI-DRIVEN CUSTOMER PLATFORMS

21%

PLAN TO DO SO IN THE NEXT TWO YEARS

STUDY METHODOLOGY

Allison+Partners' survey was conducted in collaboration with Censuswide, a British research and polling company. Data was collected from a survey of 250 marketing directors in the UK and 250 marketing directors in Germany from companies with revenue of \$50M+ (October 2019).

If you'd like to know more about how best to apply data-driven strategies to your marketing, we'd be pleased to conduct a free audit of your existing data collection and analysis methodology.

REFERENCES

¹ <https://go.forrester.com/blogs/hadoop-is-datas-darling-for-a-reason/>

² https://www.dentsuaegisnetwork.com/reports/cmo_survey_pdf

³ <https://www.domo.com/learn/report-marketing-new-m-o>

⁴ <https://www.gartner.com/en/marketing/research/cmo-spend-survey-2019-2020>

⁵ <https://royalsociety.org/-/media/policy/projects/dynamics-of-data-science/dynamics-of-data-science-skills-report.pdf>

⁶ <https://ec.europa.eu/digital-single-market/en/news/final-results-european-data-market-study-measuring-size-and-trends-eu-data-economy> <https://www.gartner.com/en/marketing/research/cmo-spend-survey-2019-2020>

IF YOU'D LIKE TO KNOW MORE ABOUT HOW BEST TO APPLY DATA-DRIVEN STRATEGIES TO YOUR MARKETING, WE'D BE PLEASED TO CONDUCT A FREE AUDIT OF YOUR EXISTING DATA COLLECTION AND ANALYSIS METHODOLOGY.

GET IN TOUCH AT DATADETECTIVES@ALLISONPR.COM



ABOUT ALLISON+PARTNERS

Allison+Partners, an MDC Partners company, is a global marketing and communications agency driven by a collaborative approach to innovation and creativity. The firm was named The Holmes Report's 2018 "Best Agency to Work For," PRWeek's 2018 "Best Place to Work," The Holmes Report's 2017 "Digital Agency of the Year," The Holmes Report's 2016 "Asia Pacific Corporate Consultancy of the Year," PRWeek's 2015 "Midsize Agency of the Year" and In2 SABRE's 2015 "Most Innovative Agency." Allison+Partners has 30 offices worldwide and is organised around five practices: Consumer Marketing, Corporate, Healthcare, Public Affairs and Technology. All Told, which combines research, content, creative, digital and measurement expertise into one offering, works across these practices to deliver integrated storytelling for clients. For more information, visit www.allisonpr.co.uk.

SUE GRANT

Allison+Partners UK
+44 (0)203 971 4282
www.allisonpr.co.uk
londonoffice@allisonpr.com

HEIKE SHUBERT

Allison+Partners Germany
+49 89 38889200
www.allisonpr.de
munichoffice@allisonpr.com

ALLISON+
PARTNERS