Gartner for Marketers

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MARKETING DATA AND ANALYTICS PRIMER FOR 2018

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SUMMARY

To reach peak marketing performance, marketing leaders look to increase their organization's data and analytics proficiency. Greater automation and personalization demands that marketers develop new competencies in areas such as data sourcing, integration and management, and advanced analytics.

Scope

Data and analytics have become the foundation of marketing, driving efficiency and effectiveness through better data collection, modeling, optimization and greater relevance to the consumer.

Gartner's marketing data and analytics research agenda covers:

- Targeting and personalization
- Measurement and optimization
- Marketing data management and strategy
- Marketing analytics staffing and skills

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ANALYSIS
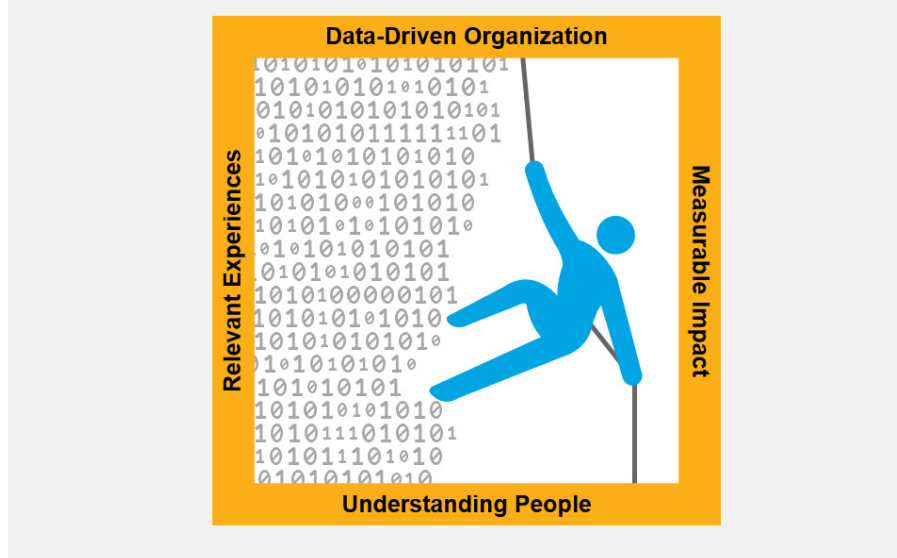
Source: Gartner (January 2018)

As marketing leaders are tasked to improve the customer experience, drive retention and increase loyalty *and* returns for the business, they increasingly turn to data to drive their strategies and power their personalization efforts.

Once relegated to web traffic analysis and campaign postmortems, marketing analytics has moved beyond descriptive reports and ad hoc data dumps into the realm of real time. Organizations that are still stuck on reporting the past are destined to remain there. The future is personalized, people-based and predictive.

Not surprisingly, brands plan to invest heavily in the skills, tools and technologies required for data and analytics excellence in 2018. Among the priorities are: recruiting stronger analytics talent, creating centers of excellence, and embracing new responsibilities such as data integration and data modeling to support personalization, more precise targeting and real-time performance optimization. These investments signal an elevated role for data and analytics in the marketing organization. Use research, best practices and frameworks from Gartner's marketing data and analytics agenda to support your efforts.

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Top Challenges and How Gartner Can Help

Big data — the volume, velocity and variety of customer information now available — creates big challenges for marketers and bigger expectations from company leaders. Achieving data-driven marketing mastery is a steep climb, demanding unique skills, a complex set of tools, a strong vision and scrupulous planning. Use our research to turn challenge into opportunity.

The marketing data and analytics agenda will help marketing leaders answer the following questions.

What is the best way to measure the impact of your marketing?

Reliable measurement informs strategic direction, uncovers opportunities, reveals customer preferences and anchors marketing efforts to business impact. Despite — and, perhaps, *because of* — more access to customer-level behavioral data than ever before and advanced techniques for making sense of it, measurement remains a murky discipline.

Use Gartner's research to improve your data collection, technical infrastructure and analytical methods. Find ways to use historical metrics to build predictive models. Revamp your reporting and analysis by deploying real-time dashboards and defining key performance indicators (KPIs) by roles and strategic importance. Understand the detailed impact of marketing initiatives on performance and results, gaining greater insights for improving tactics and investment allocation. Combine marketing and media measurement for more holistic insights.

Planned Research

- **How to advance your marketing measurement:** Understand best practices for attribution, marketing mix modeling and testing, with the goal of moving you closer to full-funnel, full-visibility measurement.

- **How to optimize campaigns and content:** Building data-driven culture means building a test-and-learn culture. Learn what you need to know to get started with testing and optimization, how to incorporate regular tests into your measurement framework, and how to avoid missteps when interpreting results.

- **How to define and report KPIs:** Marketing leaders are awash in metrics, often struggling to identify the right ones to report on and the right medium for communicating performance. Our research on marketing metrics and dashboards helps marketers decide *what* metrics to report, *how* to present them in a way that drives action and *which* providers offer solutions that can help them integrate and automate their dashboard data.

How can you use data to deliver contextual and near-real-time experiences across platforms?

Relevant customer interactions boost trust and beat message fatigue. Better customer-level data and customer modeling ensure you deliver the right message and content at key moments of truth in the customer journey. Once relegated to the statistician's or data scientists' workbench, advanced analytics and machine learning are now common for supporting segmentation, predictive modeling and better decision making. Smartly source and manage data from second and third parties to extend the value of your first-party data. Use that data to uncover the most productive paths to purchase and identify behavior triggers that can nudge people into the next stage of the funnel.

Planned Research

- **How to source the right marketing data:** Being relevant takes data to help determine the right time, right message and right customer. Use this research to navigate the marketing data landscape, make better use of the data your organization owns, and extend its potential with second- and third-party partners.

- **How to manage marketing data:** From understanding the spectrum of identity from unknown user to authenticated customer, to defining requirements for tools and infrastructure to manage master audience profiles, marketers are challenged to navigate uncharted territory. Understand the considerations and complexities associated with managing data and consumer privacy in a hyperpersonalized marketing environment.

- **How to model customer data:** Having the data and insight is not enough. You must use customer preferences, online behavioral data, offline purchase data and other attributes that signal intent to boost relevancy. We'll explore best practices for identifying conversion triggers and using data signals to predict customer loyalty and churn.

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How can you strengthen your data-driven marketing organization?

An effective marketing analytics operation aligns to your brand's strategic business goals. The ideal data-driven marketing team includes the right mix of generalists, specialists and outside experts, ensuring a balance of agility and governance. Marketing leaders rank analytics among the top three most essential capabilities, but the majority admit to serious skills gaps in this area.

The skills of the previous decade no longer measure up. Marketing leaders focused on analytics increasingly need advanced technical competency in data management, integration, preparation and modeling — and, as a result, help from outside experts. Use this research to scale up your internal analytics team while augmenting with external providers. Find best practices and tools for recruiting, retaining and organizing your internal analytics talent. Set maturity targets to support your organization's strategy, and design a marketing analytics operation that gets results.

Planned Research

- **How other organizations manage marketing data and analytics:** Marketers aspire to make the shift from relying only on instinct to letting data drive their decision making. But is that the reality in most organizations? How are the most data-savvy teams investing in talent and tools and changing culture to get the job done? What analytics activities are most essential? Gartner's Marketing Data and Analytics survey tackles these burning questions and more.

- **How to manage marketing analytics talent:** Marketers who've mastered the art and science of understanding customers are so rare they're dubbed "unicorns." But organizations can't get ahead without filling key data and analytics skills gaps. Use this research to help you recruit, develop, retain and deploy the people to power your data-driven marketing.

- **How to build a data and analytics roadmap:** The marketing organization continues to take on new responsibilities that test existing data teams, tools and processes. Use this research to help you appraise your current data and analytics maturity, and plan the path forward.

Related Priorities

Priority	Focus
Multichannel Marketing and Communications	Multichannel marketing constitutes purposeful, mutually orchestrated engagements, across digital and traditional customer touchpoints.
Mobile Marketing	Successful mobile marketing uses valuable data emitted by mobile devices while balancing effective microtargeting of audiences with overwhelming prospects and customers with interruptions.
Advertising	Advertising encompasses the creation, delivery and orchestration of paid marketing messages and content across channels.
Social Marketing	Social marketing involves listening to and engaging customers, distributing content and cultivating brand advocates. It can increase awareness, consideration, conversion and advocacy.
Customer Experience Strategy and Design	Customer experience management is the practice of designing and reacting to customer interactions to meet or exceed their expectations, leading to greater customer satisfaction, loyalty and advocacy.
Leading and Managing Market Insights	The market insights function drives customer understanding across the organization by creating actionable insights and proactively synthesizing existing and new information.
Digital Commerce	Digital commerce involves the use of marketing technology, techniques and channels — along with data-driven insights and compelling content — to deliver revenue growth through digital sales channels.

Source: Gartner

GARTNER RECOMMENDED READING

Suggested First Steps

"Maturity Model for Data-Driven Marketing"

"The Marketing Data and Analytics Leader's First 100 Days"

"How Leaders Manage Data-Driven Marketing"

Essential Reading

"How to Organize Your Marketing Analytics Team"

"Improve Efficiency and Digital Marketing Data Governance With Tag Management"

"Understand Attribution and Marketing Mix Modeling"

"What Marketers Need to Know About Managing Identity"

"CMO Strategy Survey 2017: Marketers Track Many Metrics, but Risk Overlooking What Matters Most to the Business"

Tools and Toolkits

"Marketing Maturity Assessment"

"Marketing Performance Benchmarks"

"Toolkit: How to Hire a Marketing Analytics Leader"

"Toolkit: How to Hire a Marketing Analyst"

Evidence

"Marketing Organization Capabilities Survey 2017: Customer Insight, Martech and Creativity Are Essential Ingredients for Modern Marketing Teams"

ABOUT GARTNER FOR MARKETERS

Digital has redefined the role of marketing, adding new players and creating bigger complexities

Gartner for Marketers helps you get up to speed on and stay smarter in the eight marketing areas that matter most: social, mobile, multichannel and data-driven marketing, digital commerce, customer experience, marketing management, and emerging marketing technology and trends. Our clients say that they use our real-time, expert advice and objective research, data and tools to:

• Target the right audiences

• Choose the right channels

• Quickly shortlist marketing and technology providers

• Stay informed on market and competitors

• Save time and avoid costly mistakes

Gartner helps companies improve their business results through the use of technology. Our independent research and advice is trusted by business and technology leaders in more than 10,000 distinct enterprises around the world.

Visit gartner.com/marketing to learn more.