

MARKETING INTELLIGENCE REPORT

Data, Growth, and the New Marketing Mandate



datorama
A Salesforce Company



Background

For this inaugural "Marketing Intelligence Report," Salesforce partnered with Advertiser Perceptions and surveyed over 150 U.S. marketers to:

- Understand the evolving meaning of growth and its role as a key objective and mandate for marketers
- Identify the top challenges marketers face in operationalizing growth across their organization
- Assess how marketers attempt to overcome challenges stymieing growth and identify common behaviors that result in better growth

Data in this report is from an online survey conducted from October 8–14, 2019. The survey generated responses from over 150 decision-making marketers in the U.S. In addition, qualitative, one-on-one interviews were conducted by phone with five senior U.S. marketers from October 8–10, 2019.

Survey data percentages may not total 100 due to rounding.



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Executive Summary

Today's marketer has unprecedented access to the tools and data they need to create exceptional customer experiences and grow their businesses. This has resulted in a fundamental shift in how marketers measure success and make decisions. In the past, marketing was often seen simply as the "steward of the brand." Now, driving real business growth has become marketing's biggest priority.

Armed with data, all marketers – from analysts to channel managers to executives – are expected to prioritize growth and prove the value of every marketing investment. But this transition to marketing-led growth has not been easy. In this report, we examine the interplay of growth and data in marketing today, and the key trends driving both.



1 | Growth is a defined directive.

Two in three marketers have aligned their priorities to focus on leading growth, and **96% of marketers** believe that the marketing function has a critical role to play in driving ROI and growth for their business.

2 | The marketing landscape is increasingly complex.

Individual marketers use an **average of 13 different marketing and advertising platforms**.

3 | Cross-channel data integration is a common challenge.

Only 33% of marketers describe their company's current state of marketing data integration and management as "excellent."

4 | Marketing reporting and analytics need greater speed and sophistication.

Customer preferences are ephemeral, and marketers must move at their speed. However, **only 20% of marketers** cited real-time or daily access to cross-channel marketing performance data and **only 8%** have achieved fully automated cross-channel reporting.

5 | Marketing culture and technology are shifting in the context of growth initiatives.

Organizations are undergoing **cultural transformations** to be more data-driven through support from executive leadership (49%) and investment in marketing analytics platforms and technology (44%).

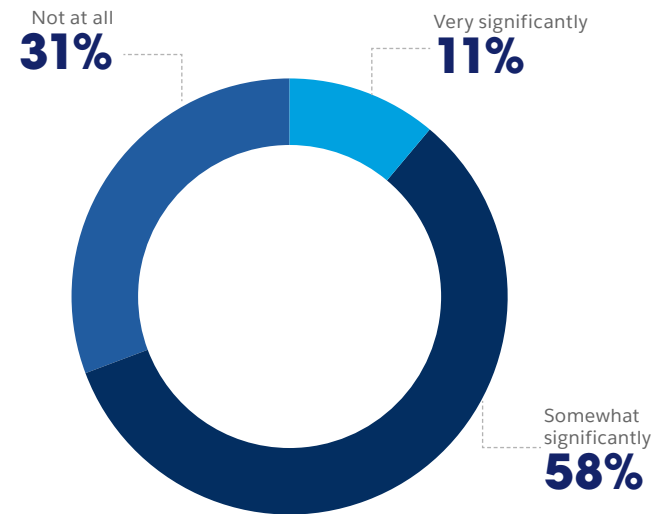
Growth: The New Marketing Mandate

Why are today's marketers facing this new mandate for growth? In part, it's because they've always been accountable to both their customers and their business. This unique position makes them central players in both creating great customer relationships and driving ROI. Consequently, they are increasingly taking on more responsibility to lead and measure growth across their business, be it an enterprise, agency, or publisher.

Findings show that this growth mandate is real and already proliferating throughout marketing organizations.

In 2019, **two in three** marketers shifted their priorities to focus on this marketing-led growth.

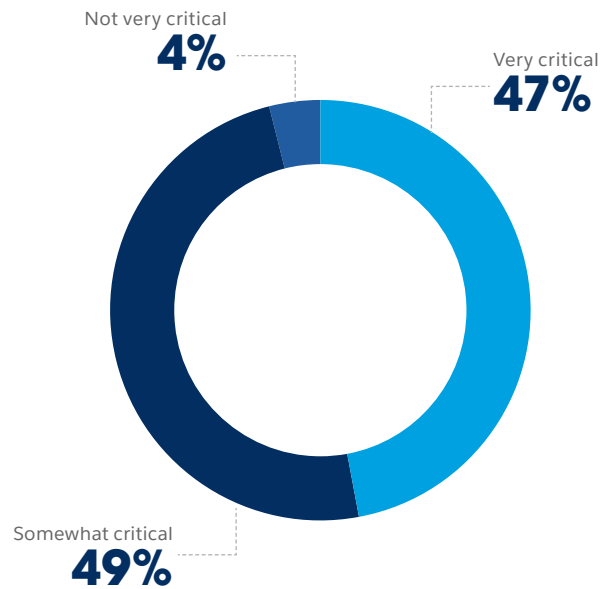
Extent to Which Marketers Are Shifting Priorities to Growth



DETAILED FINDINGS: 01 | Growth: The New Marketing Mandate

Whether or not marketers have shifted their priorities to growth, 96% agree that marketing has a major role to play in driving ROI and growth for their business.

Extent to Which Marketers View Their Function as Critical to ROI/Growth



“The right marketing targets, attracts, retains, and captivates the ideal customer—it is critical in driving ROI.”

– C-level, Brand

“Marketing’s role is unsurpassable. Subscribers, interaction, and intention don’t happen on their own. You have to have somebody constantly grinding at it every day.”

–Director, Marketing + Strategy, Media + Entertainment

“In today’s landscape we need to identify our targets and ensure ads aren’t hitting deaf ears.”

– Manager, Agency

“[Marketing is] extremely critical as long as there is collaboration with sales to impact lifetime value.”

– VP, Brand

Defining Growth Marketing

The concept of “growth marketing” is commonly misconceived as a “hacking” tactic – one that marketers employ on an ad hoc, informal basis. However, the reality is that growth marketing is a much more complex discipline. How marketers define and describe growth marketing varies – both in what they measure to determine growth and how they achieve it.



How Marketers Define Growth Marketing

“Testing and optimizing to achieve growth within specific target segments with a limited budget.”

– Director, Brand

“Taking advantage of opportunities to market specifically to an individual to ‘right price them’ for their value to the organization.”

– VP, Agency

“Expanding the scope of technology to get to customers not regularly visible in traditional ways.”

– Director, Brand

“Where marketing spend is ahead of immediate sales (i.e., investing to grow share).”

– C-Level, Brand

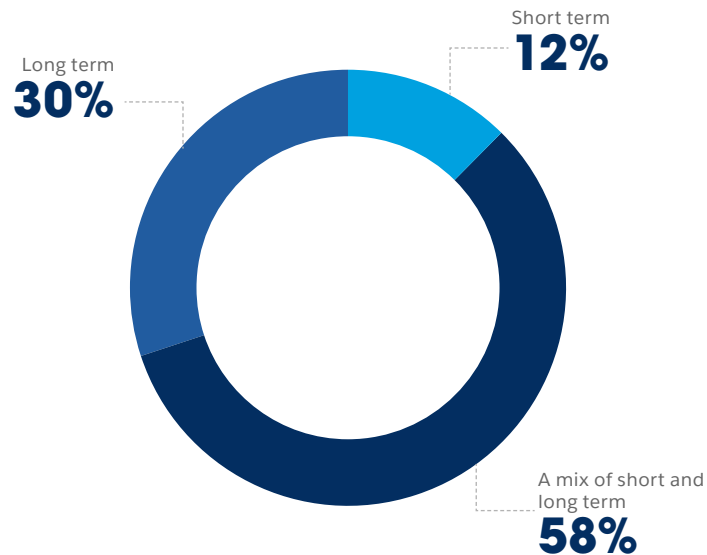
“It’s the process of improving results in a target area through experimentation.”

– VP, Brand

DETAILED FINDINGS: 01 | Growth: The New Marketing Mandate

One dimension of growth marketing to consider is the timeline. Is growth focused on the short term, especially for public companies that need to deliver value to shareholders on a quarterly basis? Or is growth more long term, where the horizon may be four to five years, with medium-range targets along the way?

How Marketers Describe Their Focus on Growth



“You never want to always think in the short term because you’ll miss the big picture. If you only look at the big picture, you have to figure out baby steps to get there.”

– Director, Marketing + Strategy, Media + Entertainment

Another important dimension is revenue growth. In 2020, marketers look to achieve significant growth with more direct-to-consumer marketing tactics, connected customer experiences, and diversified products and offerings. They also are aligning their efforts with sales initiatives and strategies to drive company growth.

Ranking of Marketers' Growth-Related Sales Initiatives

- 1 Direct-to-consumer growth
- 2 Connected customer experiences across marketing, sales, service
- 3 Diversification of products/offerings
- 4 Acquisition of new products/brands/offerings
- 5 Sales growth via standard brick-and-mortar sales

Total Ranking Based on Top 3 Choices For Respondents

DETAILED FINDINGS: 01 | Growth: The New Marketing Mandate

The metrics used to measure growth are diverse. While revenue is the most prevalent metric, marketers are viewing growth from multiple other angles as well. While revenue is the most prevalent metric, marketers are looking at growth from multiple angles throughout the funnel, from awareness to sales, conversion, and loyalty.

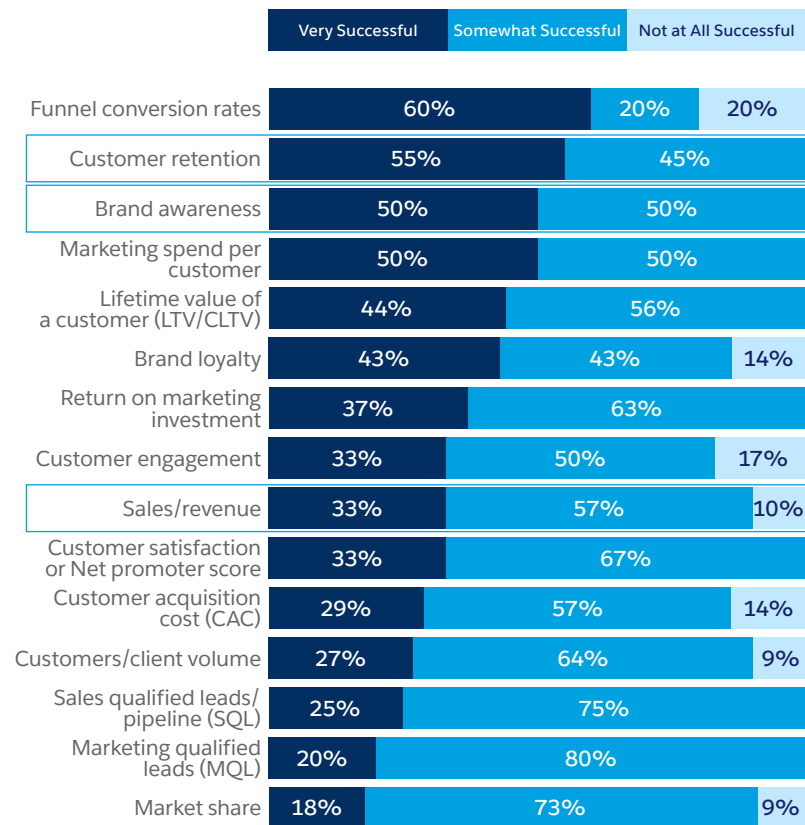
Ranking of Marketers' Growth-Defining Metrics



Total Ranking Based on Top 3 Choices For Respondents

While sales/revenue, brand awareness, and customer retention are among the most important metrics marketers use to define growth, a significant number of marketers are only at best “somewhat successful” in achieving the growth they seek.

Marketers' Self-Assessment of Their Success Across the Following Growth Metrics



DETAILED FINDINGS: 01 | Growth: The New Marketing Mandate

Why does growth success lag for these marketers? What holds them back from optimal growth? The most common barriers are directly related to data: a lack of a unified view of performance, real-time insights, and data management. Other barriers are also tangential to data: misalignment across teams on measurement and reporting and lack of resources.

Ranking of Growth Marketing Barriers

- 1** Lack of a unified view of performance
- 2** Lack of resources and talent
- 3** Misalignment across teams on measurement and reporting
- 4** Lack of real-time insights
- 5** Data mismanagement

Total Ranking Based on Top 3 Choices For Respondents

With the convergence of technology, data, and growth, **the way marketers integrate, manage, analyze, and optimize their data has become a critical component in how they approach growth across their organization.**

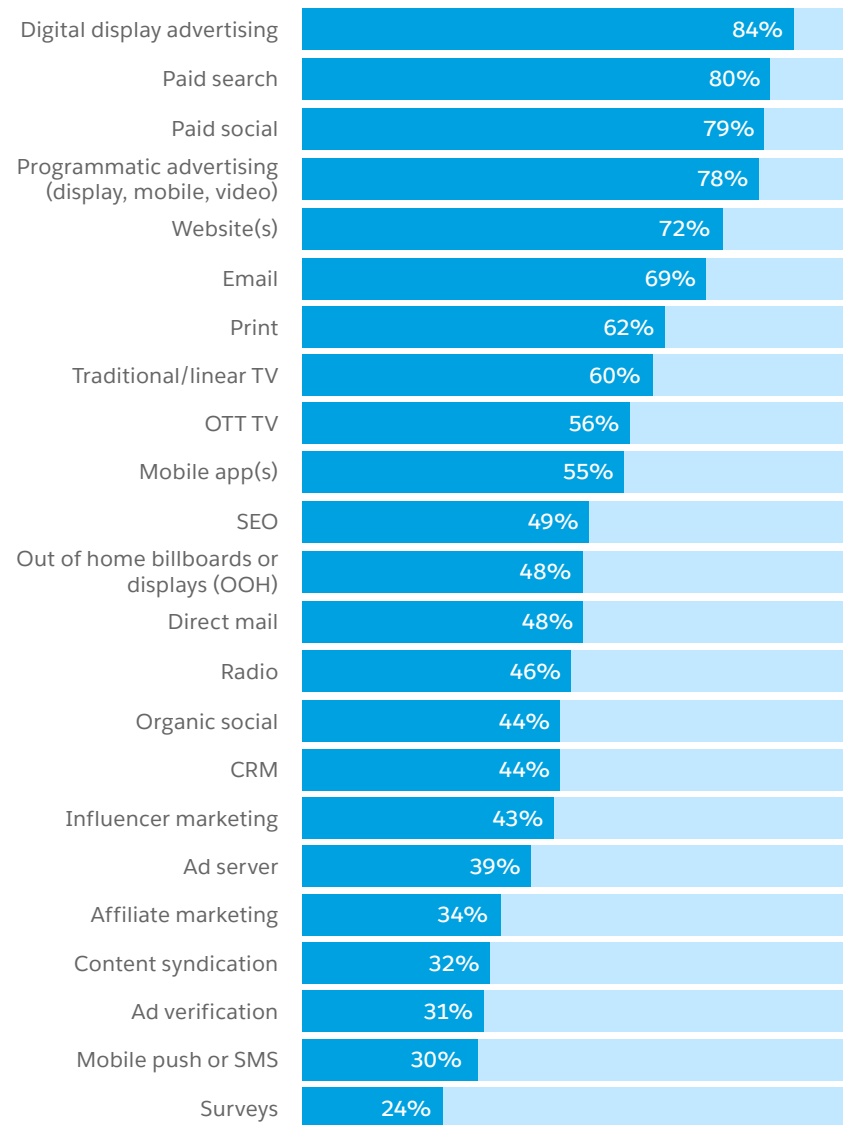


The State of Marketing Analytics

As we saw in the previous section, the number one barrier to growth for marketers today is the lack of a unified view of performance. This is no surprise – customers have more access to content than ever before, meaning marketing strategies have become increasingly complex and performance more difficult to understand.

Marketers now almost exclusively take a cross-channel approach to campaigns. For example, more than two-thirds of marketers cited using display advertising, paid search, paid social, programmatic, website, and email as top channels. From online to offline, mobile web to app, marketers are connecting with customers and prospects across a wide span of channels. From the marketer's perspective, this affects everything from personalization to targeting, measurement, optimization, and outcomes.

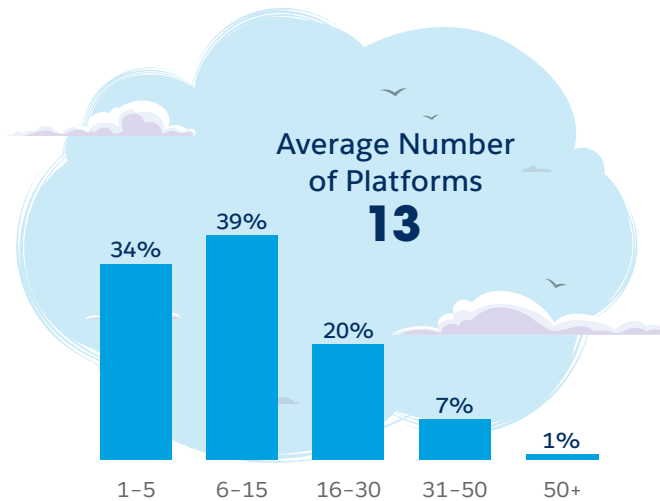
Marketers Using the Following Channels in Marketing Strategy



DETAILED FINDINGS: 02 | The State of Marketing Analytics

To manage their cross-channel marketing efforts and resulting data, marketers are using an average of 13 different marketing platforms. However, each platform is a bit different. Each consists of data sources that differ in format, outputs, delivery mechanisms, and other aspects that make them unable to interact with each other. As these sources are often not speaking the same language, they cannot be easily integrated for a holistic view.

Number of Marketing/Advertising Platforms Used per Marketing Team



Marketers interviewed consistently spoke of a desire to align data from these platforms for a complete cross-channel view of marketing activity and investment.

87% of marketers agree that having a complete view of cross-channel marketing is very important/important.

This cross-channel view is key for a majority of marketers but is generally deemed more important by senior management (58% view it as "very important," compared to 41% of mid/junior staff who say the same).

Data Integration and Management

With the influx of data stemming from cross-channel marketing, marketers face the challenge of gaining a holistic understanding of it all. Their efforts focus largely around data integration and management – combining accurate, accessible, reliable, and timely data to create a single, unified system of record.

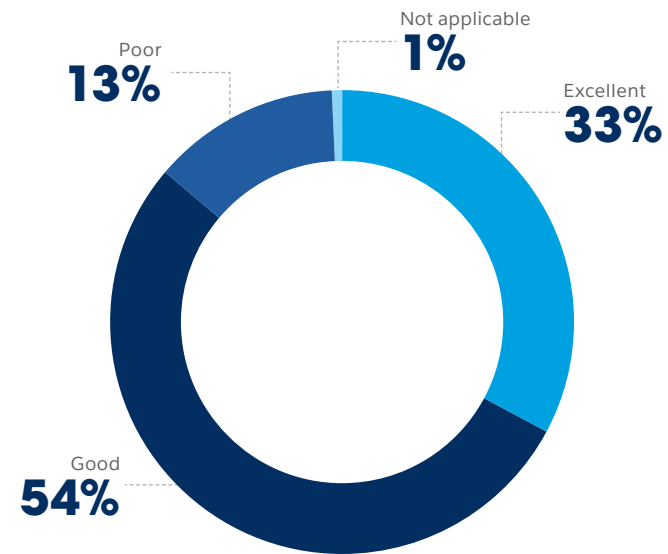
Most marketers are optimistic about their organization's state of data integration and management, with 54% describing their current state as “good.”

However, only one-third consider their capabilities “excellent.” There is still work to be done around data integration and management.

“We aren’t there yet. We’re not 100% efficient. But every time we accomplish a step, things are easier. We have more bandwidth. Things become better and more clear.”

– Director, Marketing + Strategy, Media + Entertainment

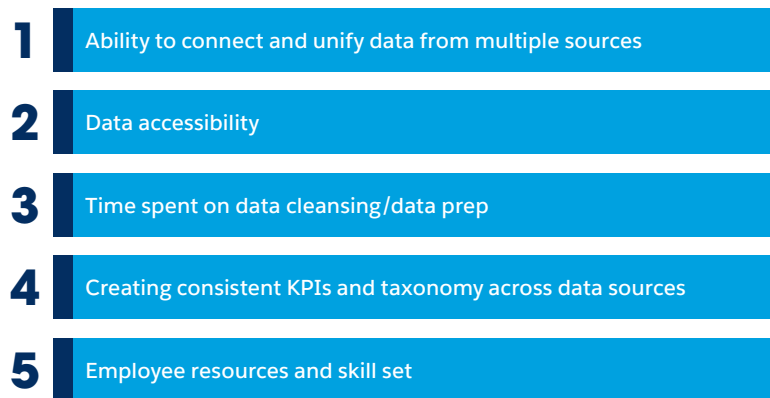
Marketers’ Assessment of Their Current Data Integration & Management State



DETAILED FINDINGS: 03 | Data Integration and Management

The top challenge cited with data integration and management is the ability to connect and unify data from multiple sources.

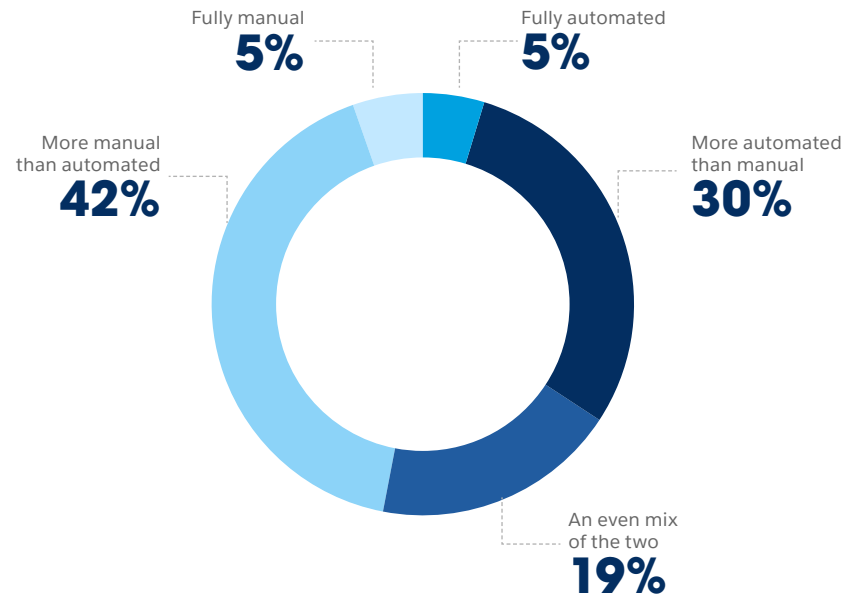
Ranking of Marketers' Data Integration & Management Challenges



Total Ranking Based on Top 3 Choices For Respondents

In order to better understand the challenges associated with data integration and management, it's critical to understand **how** marketers are approaching these processes. With so many platforms, how do marketers integrate their cross-channel data? For the majority, manual techniques are still used.

Extent to Which Marketers' Cross-Channel Data Integration Is Automated

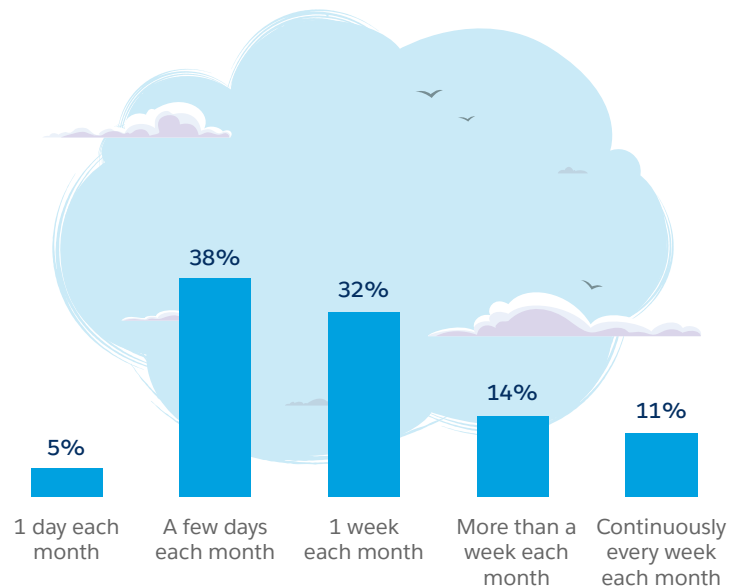


Only about one-third are more automated than manual, with a mere 5% fully automated. Marketers using automated methods have the advantage of being able to dedicate more resources to activities that directly drive growth.

DETAILED FINDINGS: 03 | Data Integration and Management

Time is a critical resource for marketers because successful marketing must move at the pace of customers. Fifty-six percent of customers expect to find whatever they need from a company in three clicks or less, and 71% of customers expect companies to communicate with them in real-time.* Marketers need to make decisions on the fly, and significant time can be lost with manual data integrations.

Time Spent Harmonizing Data for Reporting/Analysis



* "State of Connected Customer Report," June 2019

Instead of analyzing their data, 57% of marketers are spending a week or more each month solely on harmonizing data. This is valuable time that could be spent on insight generation and campaign optimization.

Despite marketers spending a week or more each month on data harmonization, this has not led to resounding confidence in data accuracy.

A mere **16%** of marketers are **very confident** in the accuracy of their data.

This is perhaps due to the default manual processes being prone to errors. Without accurate data, marketers are handcuffed in their ability to achieve success, regardless of their goals.

While accurate and timely understanding of both their customers and their data is essential, the next step is to activate this data across the customer journey with the right analytics and optimization strategy.

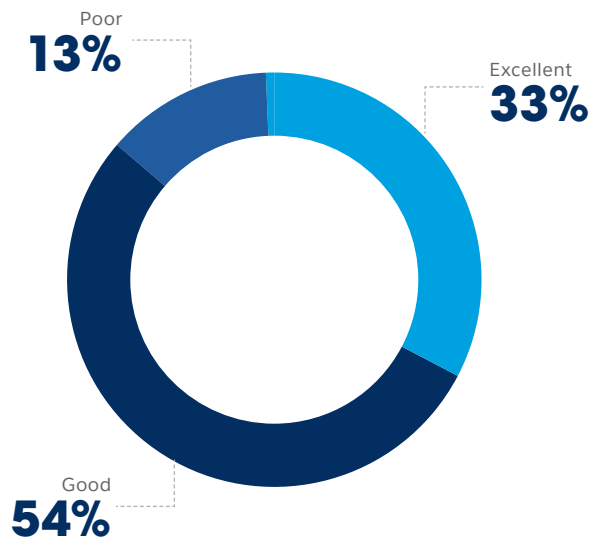
Data Analytics and Optimization

Analyzing and optimizing data is essential in order to meaningfully engage with customers and prospects. Additionally, performance measurement is key to understanding the success of each marketing activity and investment. It is also critical for reporting growth metrics to internal and external stakeholders. And similar to their data management grading, marketers are generally positive about their data analysis and optimization capabilities. Most give their organizations high marks, with only 13% rating such capabilities “poor.”

However, when we shift from self-identified states of analysis and optimization to specific challenges, it’s evident that marketers face plenty of roadblocks.

The biggest challenge is their inability to connect marketing investments to outcomes, in other words, to prove ROI. While marketers generally find their capabilities competent, the most critical capability – proving ROI – is their biggest challenge.

Marketers’ Self-Assessment of Their Data Analysis & Optimization Capabilities



Ranking of Marketers' Data Analysis & Optimization Challenges

- 1 Connecting marketing investments/activities to business outcomes
- 2 Custom report generation
- 3 Ability to share and collaborate on data analysis across key internal/external stakeholders
- 4 Lack of speed in reporting and insights due to manual data prep
- 5 Using insights to target highly relevant audiences

Total Ranking Based on Top 3 Choices For Respondents

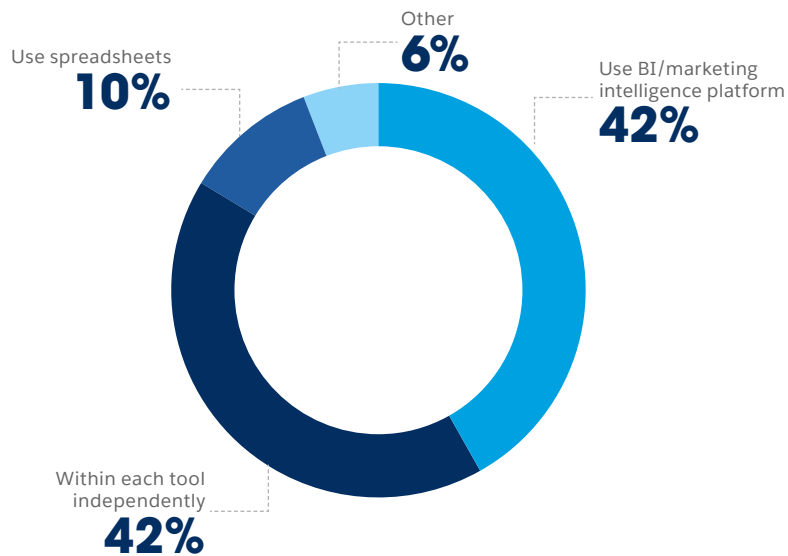
DETAILED FINDINGS: 04 | Data Analytics and Optimization

To understand why marketers face data analysis and optimization challenges, we need to look deeper into their processes.

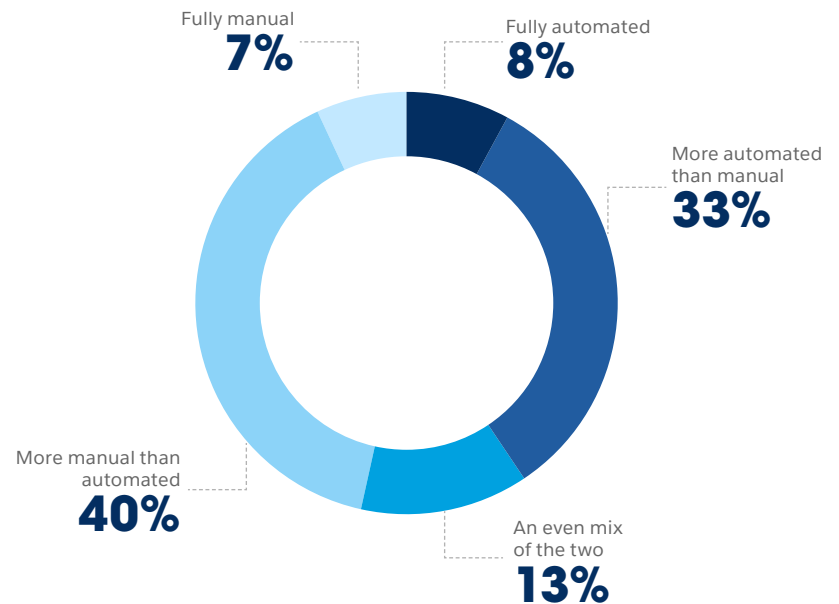
Forty-two percent of marketers are operating in silos, measuring performance independently within each tool or platform, while 10% rely on spreadsheets.

In addition, a majority of marketers rely on manual labor over automated processes to generate their cross-channel reports and insights.

How Marketers Measure & Optimize Performance



Extent to Which Marketers' Cross-Channel Reporting Is Automated

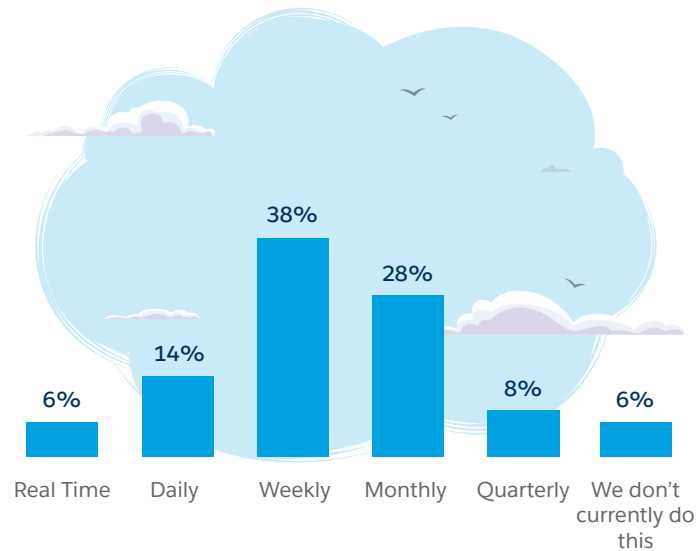


DETAILED FINDINGS: 04 | Data Analytics and Optimization

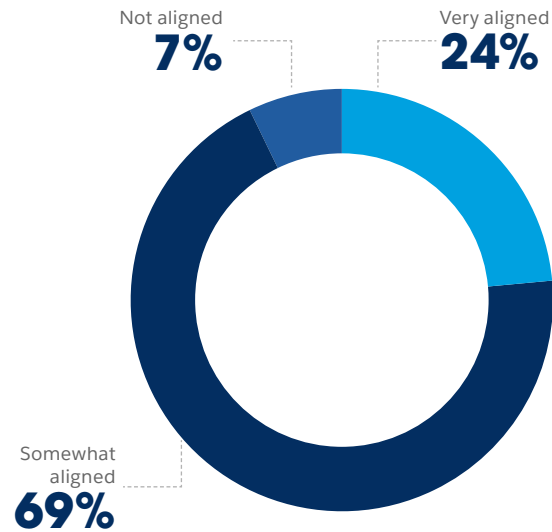
Eighty percent of marketers don't have access to daily or real-time reports. Rather, they typically generate or receive reports on a monthly or weekly basis. They are only able to analyze results in retrospect, and can't pause or double down on ad spend in real time.

Between sporadic reporting cadences and the inability to connect marketing investments to business outcomes, 76% of marketers do not feel that internal and external stakeholders are very aligned in their understanding of marketing data and analytics. Without alignment across stakeholders, marketers face an uphill battle in driving growth for their businesses.

Frequency of Full View Cross-Channel Performance Reporting



Alignment of Key Internal & External Stakeholders on Understanding Marketing Data & Analytics



LOOKING AHEAD TO MARKETING SUCCESS:

The Data-Driven Revolution

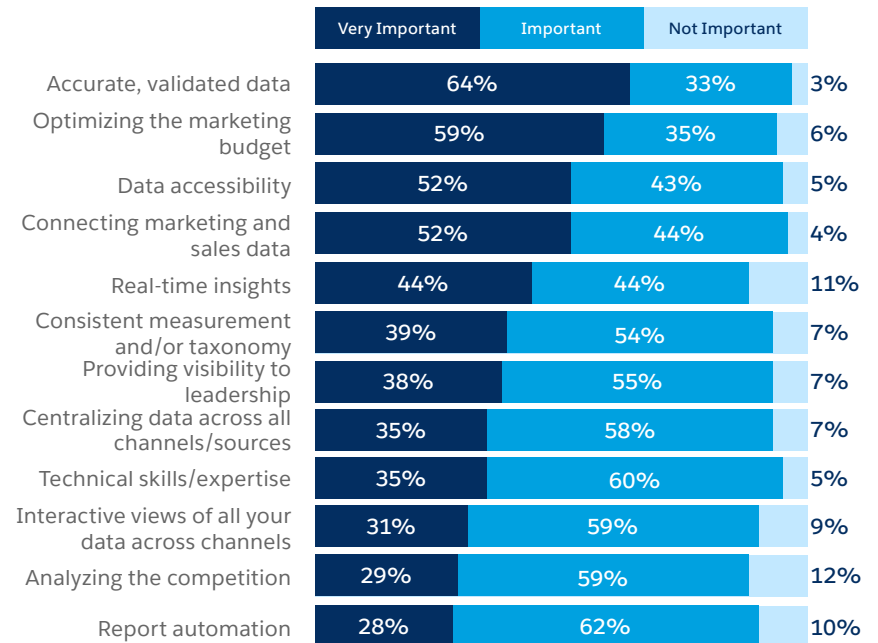
It's clear that marketers, while largely aligned on their purpose, have immense opportunities for creating growth and data-driven marketing practices for 2020 and beyond.

Marketers are in agreement that data is the cornerstone of marketing success. Accurate, validated data, data accessibility, connected marketing and sales data, and real-time insights are among the most important factors to marketing success. However, these are the same things that marketers are most challenged by (see pages 11 and 14).

So how well are marketers doing when it comes to achieving success?

On average, only **34%** of marketers say they're performing "very well" against a given marketing goal and **57%** are doing a "fair" job.

Extent to Which Marketers Consider the Following to Be Important for Their Success



LOOKING AHEAD TO MARKETING SUCCESS: THE DATA-DRIVEN REVOLUTION

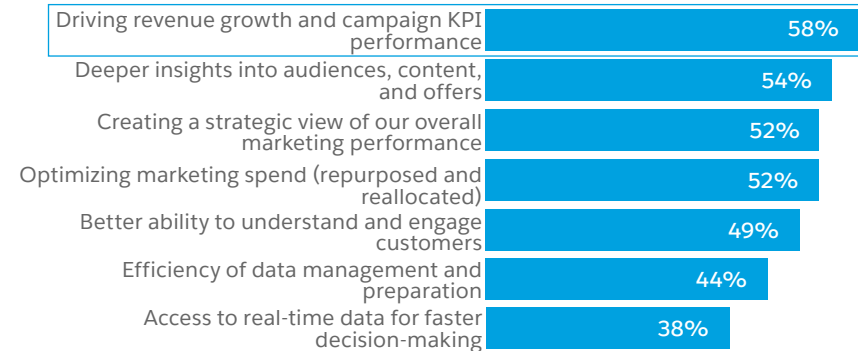
Regardless of how well they're doing at achieving their goals, the top area marketers want to improve in 2020 is growth.

Marketers are already making progress in transforming their organizational cultures to drive growth. This progress is due in part from senior-level support, as well as investments in marketing analytics technology and alignment on what KPIs matter most. A successful growth marketing strategy is not the outcome of the right people, processes, or technologies independently, but instead an alignment of all three. With an understanding of key growth priorities and challenges, combined with leadership support, investment, and an aligned measurement strategy, marketers are poised to see big gains in growth marketing success in 2020 and beyond.

“There's a huge push [to create] a data and analytics culture, and it feels like the future. It's certainly being driven from the top.”

– Global Director, Strategy + Innovation, Agency

Marketers Who Seek to Improve the Following Over the Next Year



Marketers Claiming Excellent Progress in the Following Elements of Data-Driven Organizational Culture



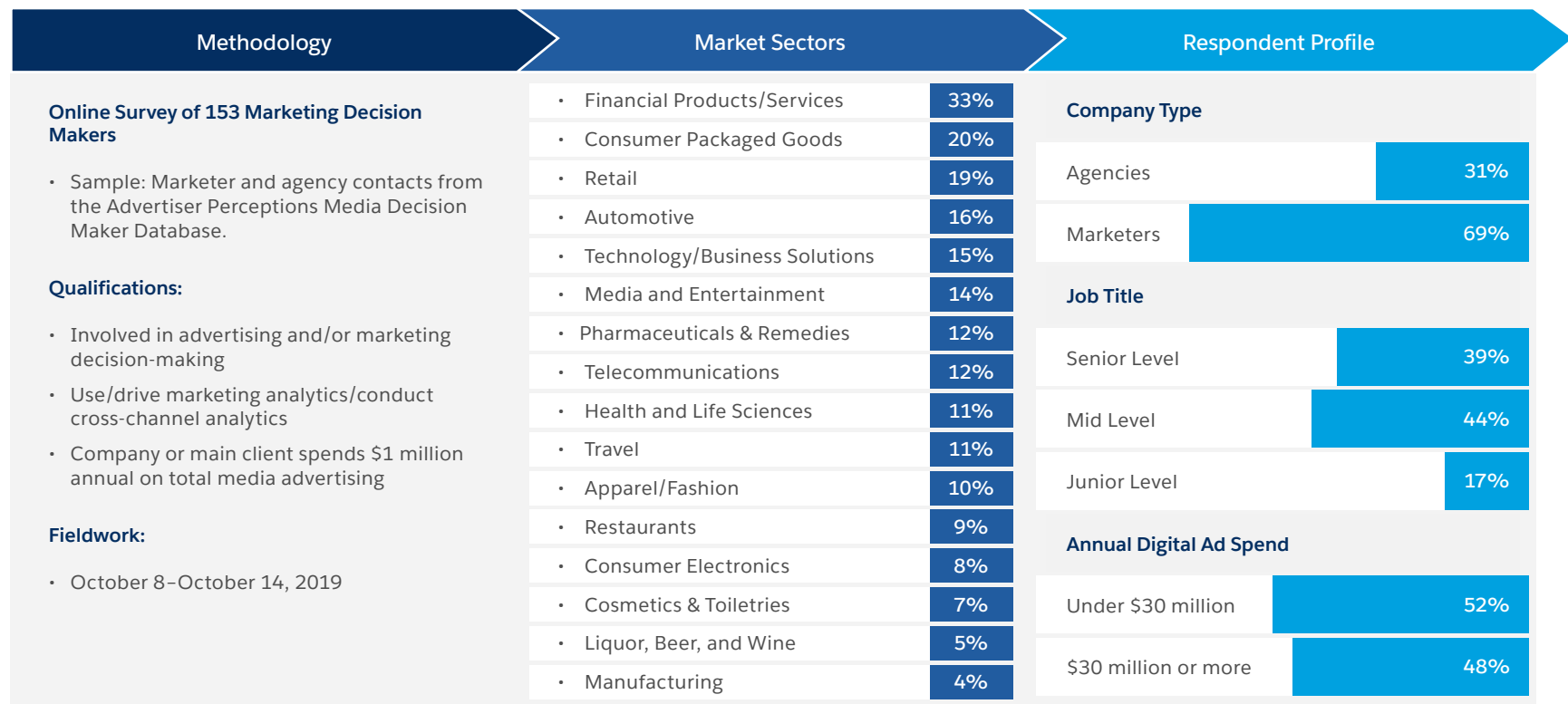
Excellent is defined as self-assessments of 8, 9, or 10 on a ten-point scale

Methodology

Salesforce partnered with Advertiser Perceptions to survey over 150 U.S. marketers. The research was conducted in two concurrent phases, with results from both presented in “Marketing Intelligence Report: Data, Growth, and the New Marketing Mandate.”

Phase 1A: Online Surveys

Survey Methodology and Respondent Profile

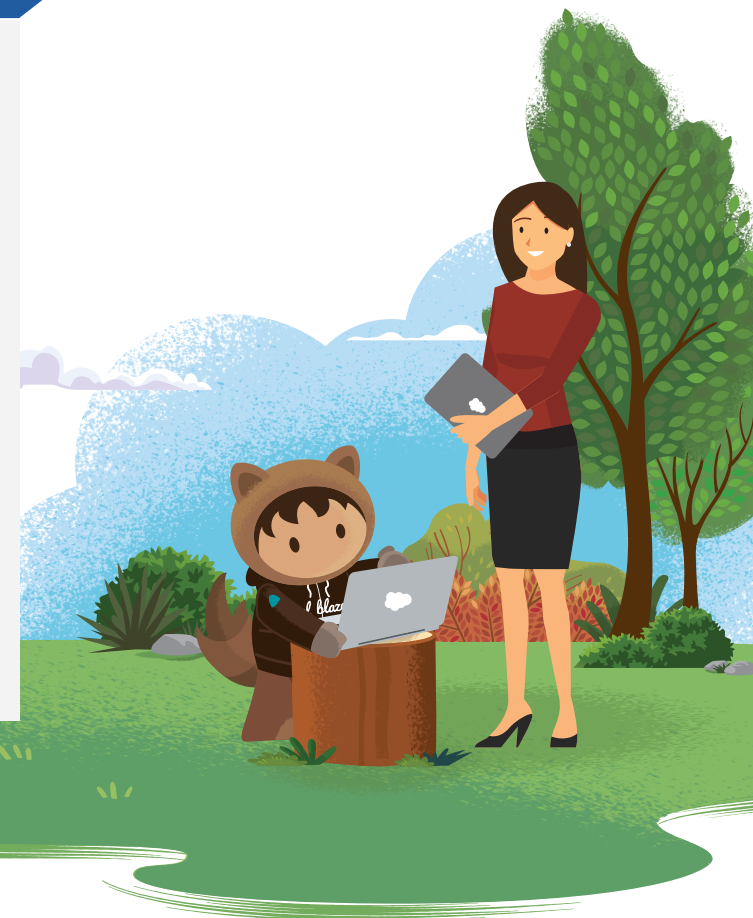


METHODOLOGY

Phase 1B: In-Depth Interviews

In-Depth Interview Methodology and Respondent Profile

Methodology	Market Sectors
<p>30-minute, one-on-one in-depth phone interviews with 5 U.S.-based marketing decision makers</p> <ul style="list-style-type: none">• Sample: Marketer contacts sourced from the Advertiser Perceptions Media Decision Maker Database. <p>Qualifications:</p> <ul style="list-style-type: none">• Involved in advertising and/or marketing decision-making• Use/drive marketing analytics/conduct cross-channel analytics• Company or main client spends \$1 million annual on total media advertising <p>Fieldwork:</p> <ul style="list-style-type: none">• October 8–October 10, 2019	<ul style="list-style-type: none">• 3 Agency Executives<ul style="list-style-type: none">• Automotive• Beauty• CPG• Financial Services• Luxury• Media + Entertainment• Technology• 2 Marketing Executives<ul style="list-style-type: none">• Financial Services• Media + Entertainment



About Datorama

Datorama, a Salesforce Company, provides the leading cloud-based, AI-powered marketing intelligence and analytics platform for enterprises, agencies, and publishers. Marketers use Datorama to bring together all of their data and take action on insights to optimize every marketing investment and activity. Datorama enables more than 3,000 leading global agencies and brands – including PepsiCo, Ticketmaster, trivago, Unilever, Pernod Ricard, and Foursquare – to automate reporting and make data-driven decisions faster. Datorama integrates the myriad of technologies used in today's marketing and consumer engagement ecosystem, enabling brands, agencies, and publishers to deliver exceptional, intelligent experiences across the entire customer lifecycle. Learn more: datorama.com

The Datorama community leads the way when it comes to the growth mandate. Compared to survey respondents using other solutions, those who use Datorama were:

- 2.6x more likely to say they have **shifted** their priorities to growth
- 2.9x more likely to say they are **exceeding** their growth goals
- 2.2x more likely to describe their overall analytics capabilities as **advanced**
- 6.0x more likely to have access to reporting **in real time**
- 3.0x more likely to be **very confident** in their data accuracy

Through people, process, and technology, Datorama customers are paving the way to a future with marketing at the center of business growth.



