Gartner for Marketers

Gartner®

MARKETING DATA AND ANALYTICS PRIMER FOR 2017

(Analyst: Christi Eubanks)

SUMMARY

To reach peak marketing performance, marketing leaders must boost their organization's data and analytics capabilities. Use Gartner's 2017 marketing data and analytics research to improve data sourcing, strengthen modeling, refine measurement, and drive relevant, real-time customer engagement.

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:

- Customer data analysis
- Targeting and personalization
- Measurement and optimization
- Data and analytics methodologies and technologies
- Analytics staffing and skills

More than 2/3 of marketers plan to base most of their decisions on analytics within two years.

Published: 12 January 2017
ID: G00318547

ANALYSIS

Marketing leaders are increasingly accountable for revenue results, making proof of performance central to operational success. Those capable of extracting profitable insights from customer data gain the advantage over those still going with their gut. Not surprisingly, brands plan to invest heavily in the skills, tools and technologies required for data and analytics dominance in 2017.

To succeed, marketing leaders are driving performance through the intelligent use of data. From recruiting stronger analytics talent to creating centers of excellence expressly for mining and distributing customer insights, you need to build the capabilities and infrastructure to support data-driven decision making. Invest in technologies that enable precision targeting and relevant personalization, along with greater customer-centricity, automation and real-time performance optimization. Use research, best practices and frameworks from Gartner's marketing data and analytics agenda to support your efforts.

Top Challenges and How Gartner Can Help

Big data — notably 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 and training, reliable tools, a strong support team, and scrupulous planning. Use Gartner's marketing data and analytics research to turn challenge into opportunity. Learn strategic ways to align your data and analytics capabilities to support stronger customer intelligence and understanding. Enable your team to extend how data is used across multiple platforms, personalizing experiences and accurately measuring the impact of marketing investments on bottom-line results.

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

Figure 1. Marketing Data and Analytics Overview
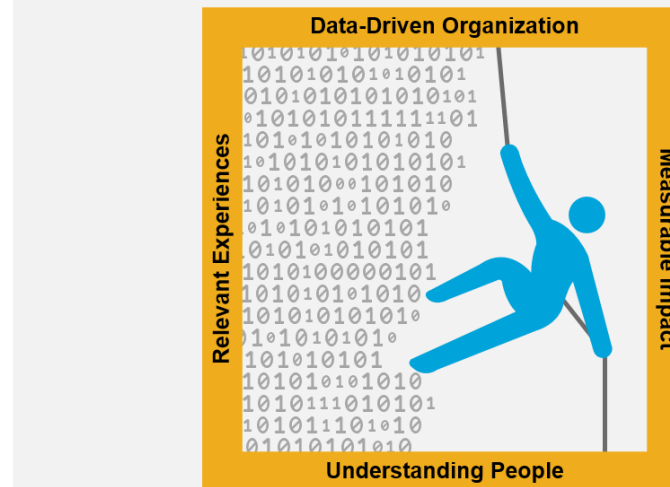
Source: Gartner (January 2017)

✉ GML@gartner.com   🐦 @GartnerDigital   ✷ gartner.com/marketing

How can you build an accurate, complete view of prospects and customers?

Brands that don't recognize consumer preferences or reward their loyalty risk losing their business. Embrace an accurate personified customer record as an essential component of your data-driven marketing initiatives. It is a prerequisite for better personalization, targeting, offer optimization, customer retention and measurement. Use this research to help synchronize customer data across touchpoints, and provide a view of your customers and prospects and their journeys across the buy, own and advocate cycle. Apply Gartner's best practices for balancing consumer privacy expectations with your team's ability to act.

Planned Research

- What you need to know about customer data: Marketers frequently cite the "360-degree view" of the customer as their ambition, but what does that really mean — and how can that view inform strategic decisions? This research will help you navigate the nuances of customer and prospect identity, how to protect and respect it, and how to activate it.

- Use the right tools to manage customer and prospect data: The shift from mass messaging and aggregate analytics to individual data necessitates a new toolset for the marketing team. This research focuses on technologies and data infrastructure that facilitate segmentation, personalization and customer data modeling.

Without visibility across and among channels, you can't assess impact.

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: This research will help you 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 democratize data through dashboards: Data fragmentation is a major obstacle. Without visibility across and among channels, you can't assess impact — manually assembled scorecards aren't fast or fresh enough to drive action. This research explores how to exploit real-time data feeds, intelligent data models and visualization tools to deliver data on demand.

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

Relevant customer interactions boost trust and beat email unsubscribes, message fatigue and ad blocking. Better customer-level data and insights help you deliver the right message and content at key moments of truth in the customer journey. Once relegated to the statistician or data scientists' workbench, advanced analytics and machine learning are now commonplace for supporting segmentation, predictive modeling and better decisioning. Use Gartner research to strengthen your customer focus and exploit new, near-real-time data streams and technologies. Smartly source data from second and third parties to extend the value of your first-party data. Use that data to uncover paths that have the highest yield and identify behavior triggers that can nudge people into the next stage of the funnel.

Planned Research

- How to increase your marketing precision: Predictive analytics and machine learning have improved our ability to personalize and optimize at scale, but adoption of advanced technologies may be hindered by opacity and lack of confidence in ROI. Learn how to harness the opportunities and avoid the pitfalls of real-time decisioning. Discover new ways to assess the payoff of data analytics initiatives.

- How to source the right data: Being relevant takes data — data to help determine the right time, right message and right customer. This research will help you 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 can you strengthen my 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 almost half (48%) identify marketing analytics as the most difficult skill to recruit and retain.[1]

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 research from this agenda 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 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. This research will help you recruit, develop, retain and deploy the people to power your data-driven marketing.

Organizations can't get ahead without filling key data and analytics skills gaps.

- How to strategically outsource analytics: Marketers spend a significant share of the analytics budget on outsourced data and analysis support. Learn how to assess the trade-offs and implications of buying versus building analytics solutions, and how to scale your analysis with external help.

- 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. This research will help you appraise your current data and analytics maturity, and plan the path forward.

Marketers spend a significant share of the analytics budget on outsourced data and analysis support.

Related Priorities

Table 1. Related Priorities	
Priority	**Focus**
Customer Experience	Customer experience (CX) management is the practice of designing and reacting to customer interactions so as to meet or exceed expectations and increase customer satisfaction, loyalty and advocacy.
Multichannel Marketing	Multichannel marketing constitutes continual, orchestrated engagement across digital and traditional customer touchpoints.
Mobile Marketing	Effective mobile marketing balances targeting audiences with gathering data on how mobile device use informs marketing strategy, which is critical to successful multichannel marketing teams.
Social Marketing	Social marketing involves listening to and engaging customers, distributing content and cultivating brand advocates. It can increase awareness, consideration, conversion and advocacy.
Digital Commerce	Digital commerce involves the use of digital marketing technology, techniques and channels — together with data-driven insights and digital content — to drive commerce revenue.
Advertising	Advertising now encompasses the creation, delivery and orchestration of precision-targeted marketing messages across channels and in real time.

Source: Gartner

GARTNER RECOMMENDED READING

Suggested First Steps

"Maturity Model for Data-Driven Marketing"

"CMO Spend Survey 2016-2017: Budgets Climb (Again!) to 12% of Revenue as Marketers Juggle More Demands"

"Presentation of Key Recommendations From Gartner's Data-Driven Marketing Survey, 2015"

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

"How Leaders Manage Data-Driven Marketing"

Essential Reading

"2017 Marketing Watch List: Fortify Your Customer Focus"

"How To Organize Your Marketing Analytics Team"

"Understand Big Data Basics for Digital Marketing"

"Understand Data Science Basics for Digital Marketing"

"Understand Attribution and Marketing Mix Modeling"

Tools and Toolkits

"Marketing Maturity Assessment"

"Interactive Marketing Metrics"

"Toolkit: How to Hire a Marketing Analytics Leader"

"Toolkit: How to Hire a Marketing Analyst"

Representative Analysts

Christi Eubanks

Martin Kihn

Andrew Frank

Lizzy Foo Kune

Evidence

[1] "Marketing Organizational Design and Strategy Survey 2016: Marketing Leaders' Ambitions Outstrip Capabilities"

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 & 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.