



CLOSING THE GAP BETWEEN REALITY AND POSSIBILITY IN CUSTOMER MARKETING

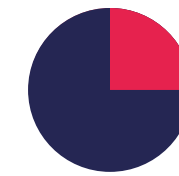


A Letter from the Chief Strategy Officer

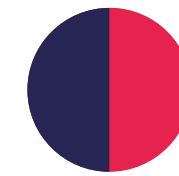
- Stuart Russell

To better understand the challenges marketing teams are facing and how they can overcome them, we surveyed senior CRM and customer marketing professionals in B2C businesses from across the UK.

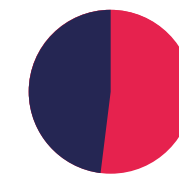
Fundamentally, the research reveals that marketers are struggling to advance their programs due to gaps between – and within – their existing teams, operational and analytical processes, and their marketing technology (martech). Anecdotally, we at Planning-inc have seen these issues pervade the industry over the past 20 years, and even as martech stacks continue to grow in size and complexity, the foundational disparities persist. This leaves many struggling to gain actionable insights and create dynamic customer experiences, resulting in a cycle of marketers becoming under-resourced, undervalued, and completely overworked.



Just 25% of marketers believe senior leadership fully supports the role of customer marketing.



Only half of marketers feel the customer marketing/CRM team owns the brand's outbound channels.



Only 55.5% of marketers agree that their CRM/customer marketing team is adequately funded.

Marketers want to – and are expected to – deliver increasingly sophisticated customer programs. But, without the proper support and resources, marketing teams are unable to act with agility at scale, which leads them into a troubling cycle.

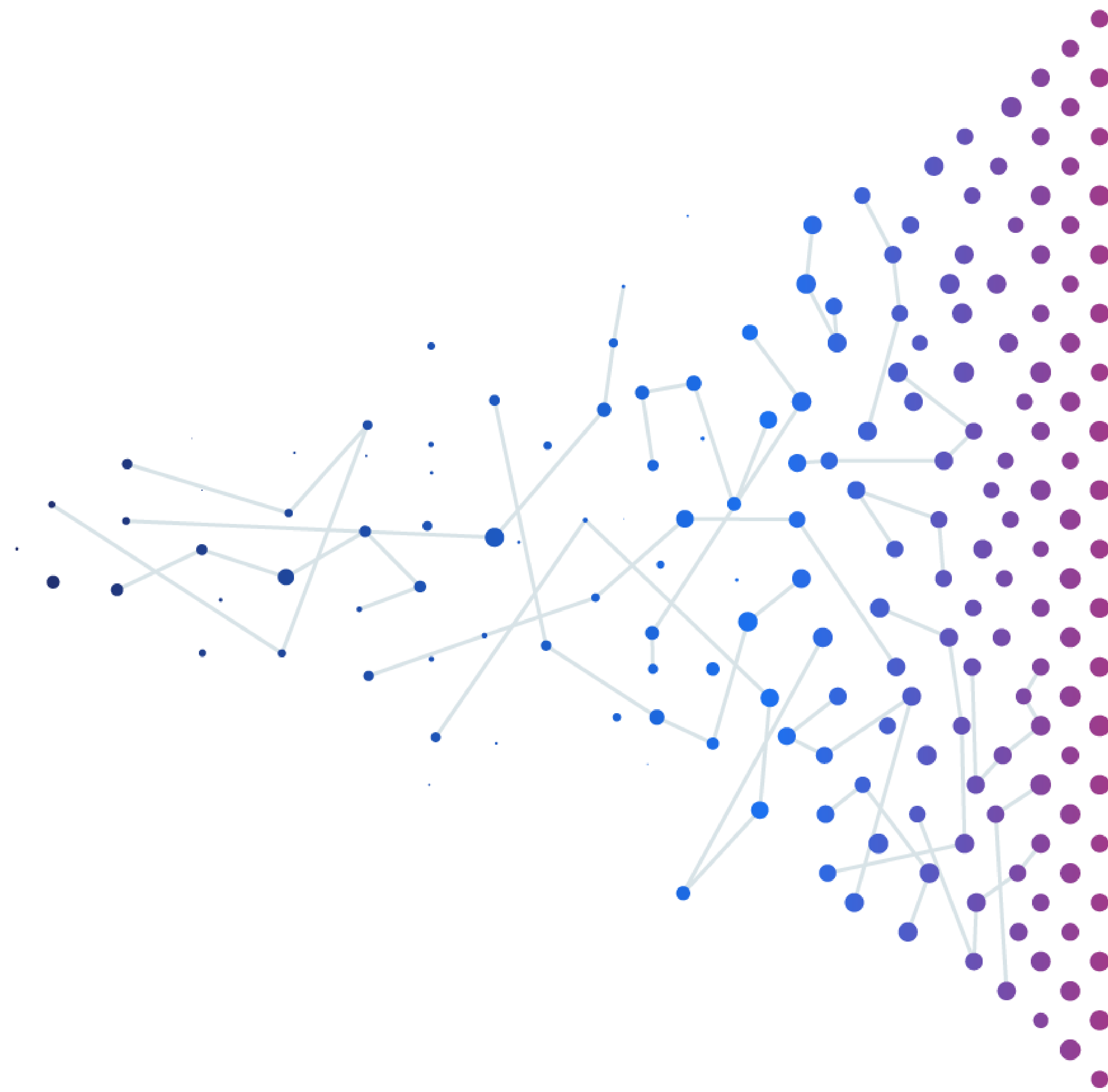


It's time we break the cycle to close the gap between reality and possibility in customer marketing.



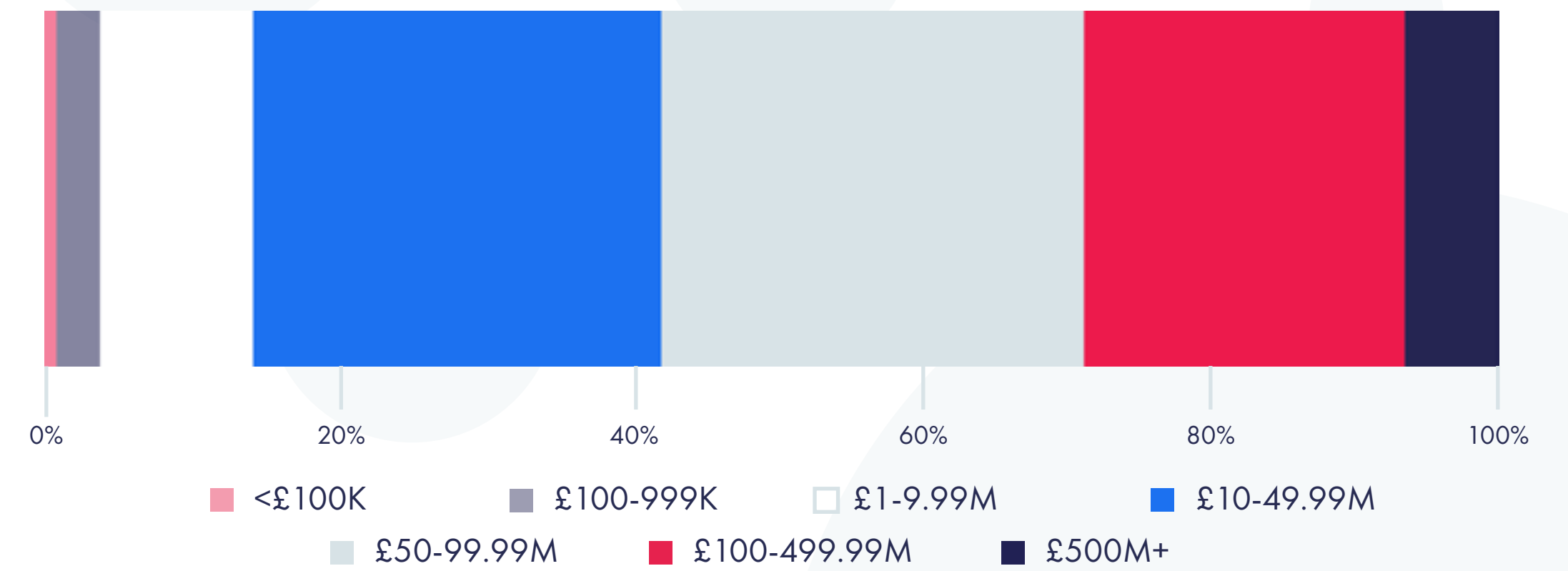
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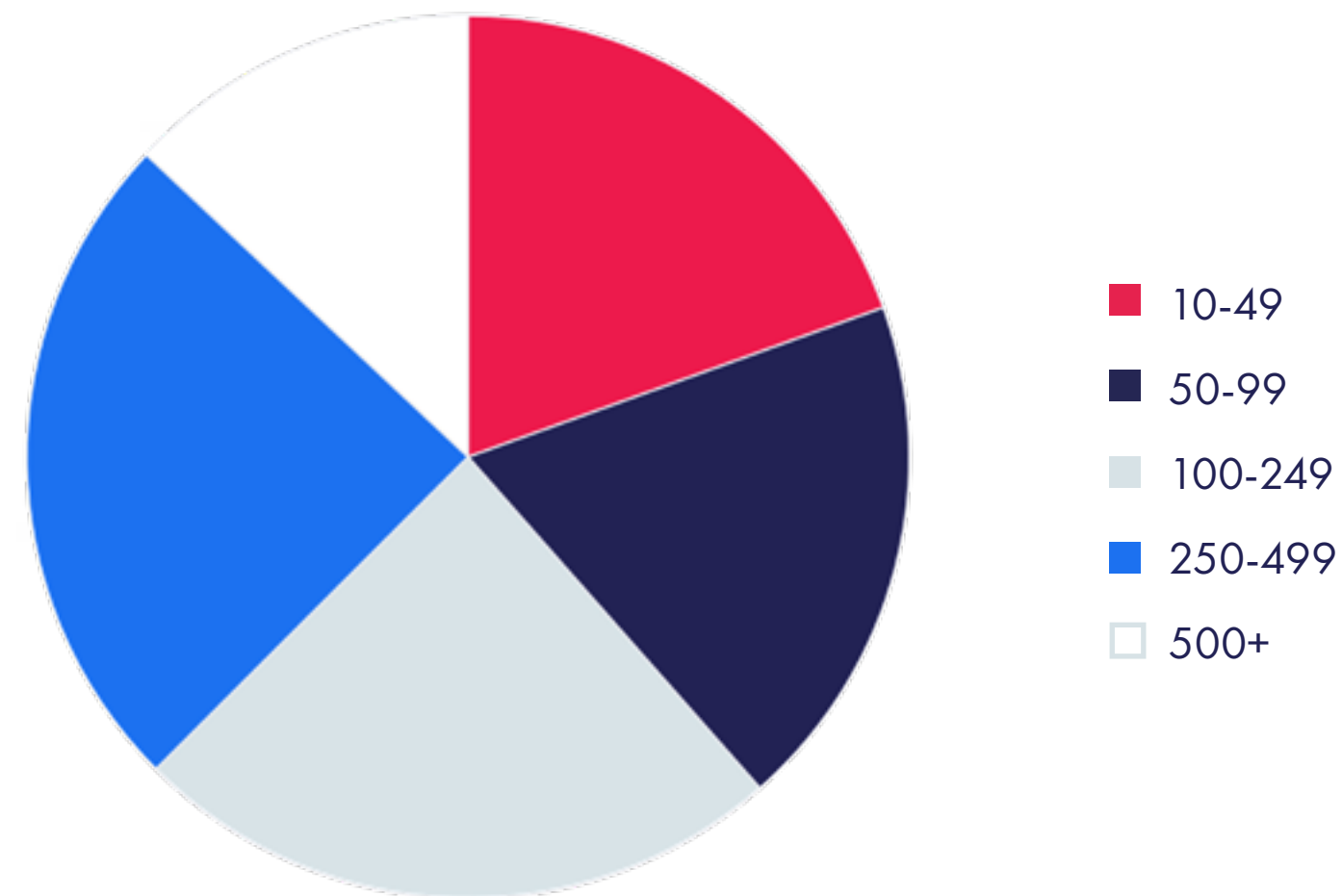


SURVEY BREAKDOWN

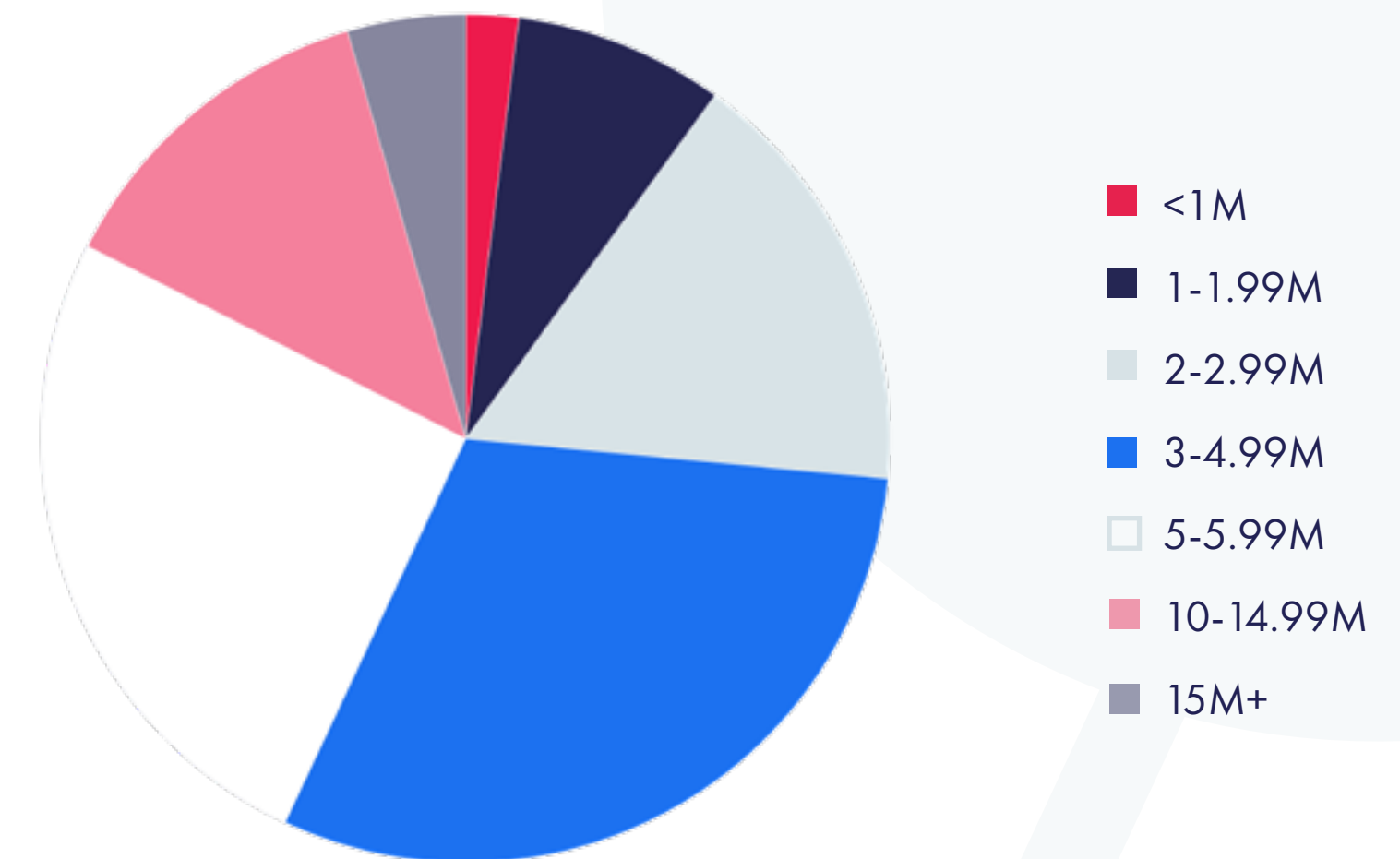
Company Turnover



Company Size



Database Size



DATA AND TECHNOLOGY

Today, successful customer marketing is highly dependent on a businesses' ability to leverage their first-party data to deliver intelligent, data-driven campaigns that respond to – and anticipate – customer behaviour.

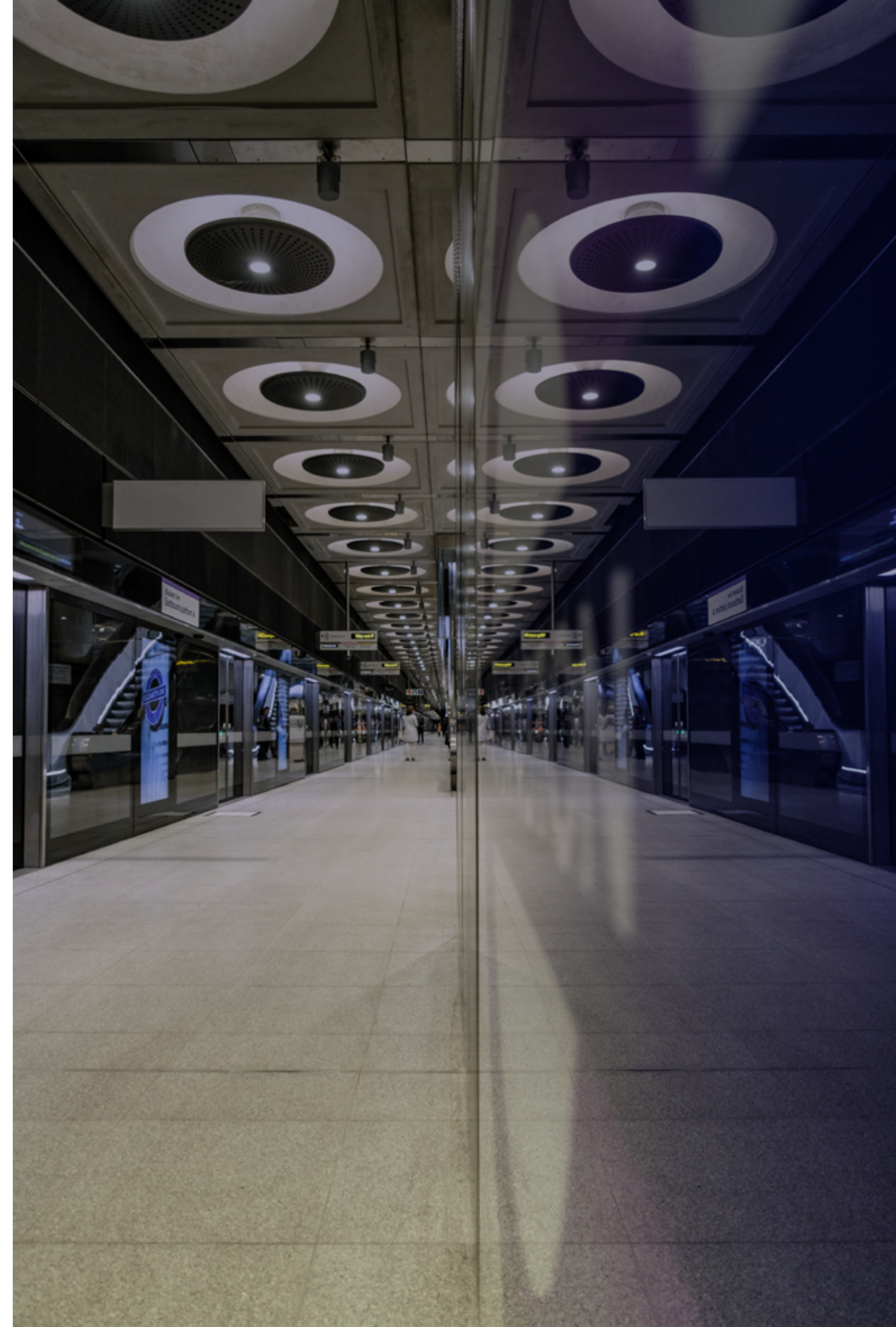
In our digital-first world, data is widespread and readily available, which can give marketers an unprecedented level of insight into their customers...but only if they're using the right tools to unify, analyse and activate that data.

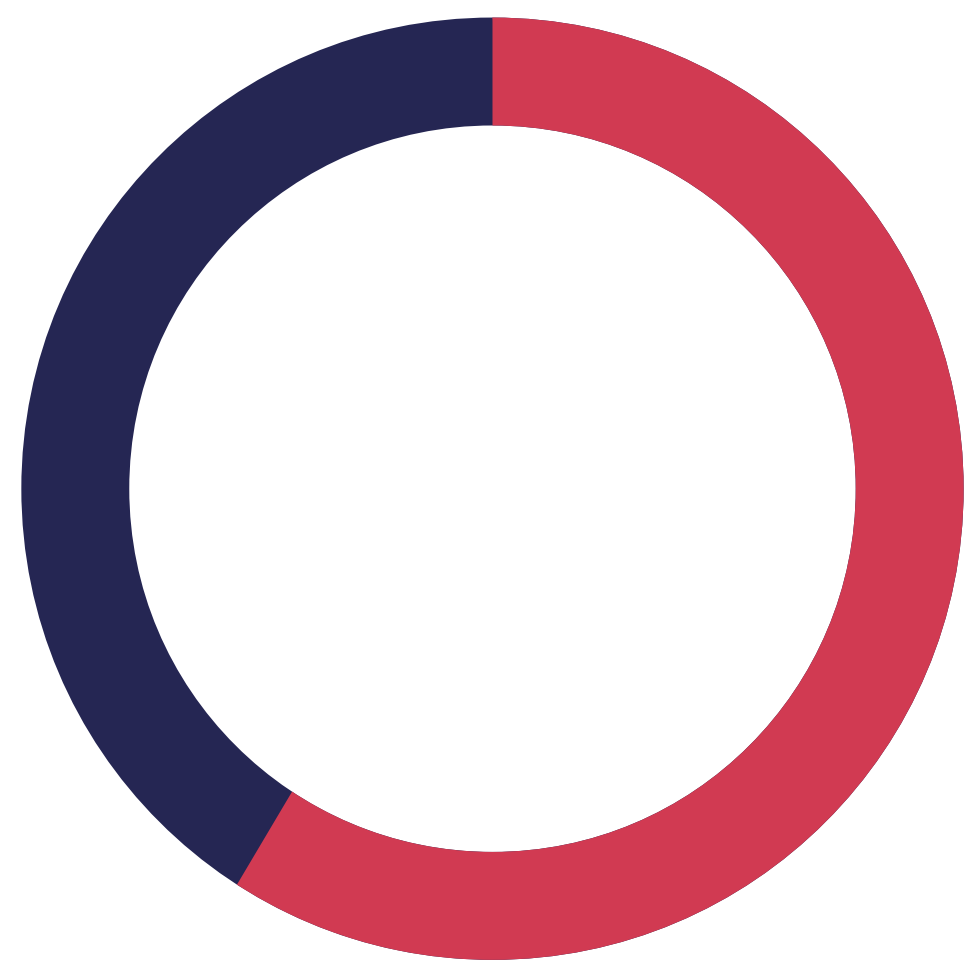
That being said, the martech landscape is notoriously complex and crowded, with new technology promising grandiose results popping up every day. Marketers are often faced with the difficult task of finding the right tools for their business, enabling their teams to use the technology effectively, and creating the underlying processes that will ultimately allow them to deliver results.

THE REALITY

First, let's start with the data itself. Bearing in mind that the data topic has been high on the agenda for several decades, the discovery that **only 23% of businesses are confident they are working off a fully-realised view of their customer** is shocking.

What's more, a large proportion of marketers are not currently making decisions using real-time data, despite the proliferation of technology that makes this achievable. Not only does this mean marketers are unable to efficiently track changes in customer behaviour, it also means they can't build personalised customer journeys, nor effectively capture and respond to customer intent at a time when every experience is expected to be optimised. If data can only be accessed hours (or even days) after a given action has occurred, marketers' ability to provide a relevant and timely experience will inevitably be hindered, limiting their ability to influence customer behaviour in a meaningful way.

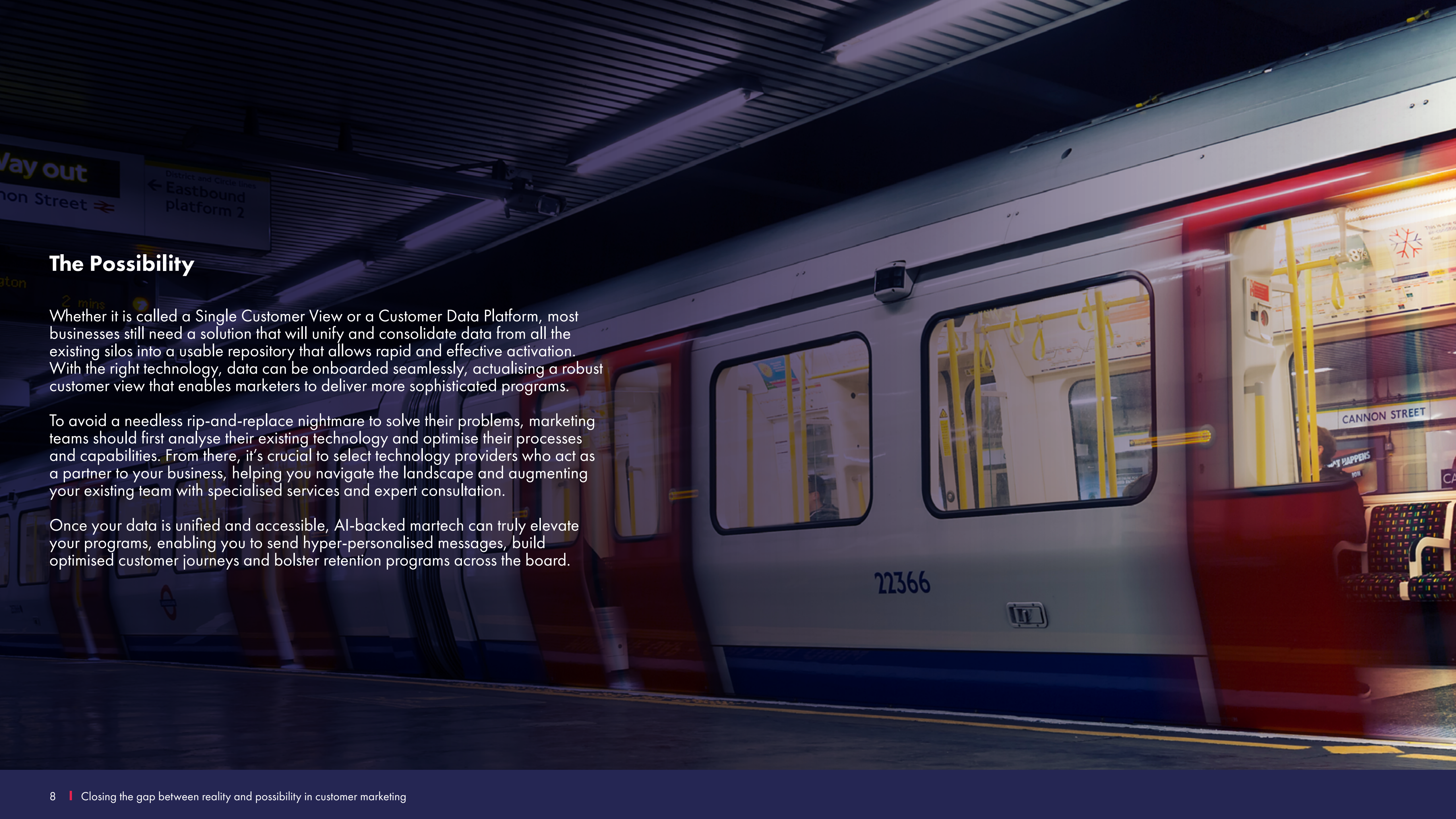




43% of marketers are not using real-time omnichannel data

With this in mind, it's unsurprising that marketers are becoming increasingly disillusioned with the efficacy of martech. In fact, **43% of respondents also reported that AI was not effective in their marketing.** Without a strong foundation of unified and accessible data, AI is inevitably rendered useless. In order for AI to be effective in customer marketing, the system needs to be able to draw insights from historical and real-time data to make automated decisions at speed. Without these datapoints to draw from, AI-backed martech will be unable to materialise accurate, full-formed insights, and will ultimately become just another piece of tech gathering dust within your stack.

For many, identifying and mending the gaps within their data and technology may seem easier said than done. An effective data strategy requires the right technology to manage potentially high volumes of data in real time, as well as cross-departmental support. Not to mention, the challenge of aligning stakeholders, getting buy-in, and agreeing to approaches, timelines and providers can be a time-consuming and frankly frustrating endeavour. Too many have gotten lost in long and expensive rip-and-replace projects that have delivered more headaches than value.



The Possibility

Whether it is called a Single Customer View or a Customer Data Platform, most businesses still need a solution that will unify and consolidate data from all the existing silos into a usable repository that allows rapid and effective activation. With the right technology, data can be onboarded seamlessly, actualising a robust customer view that enables marketers to deliver more sophisticated programs.

To avoid a needless rip-and-replace nightmare to solve their problems, marketing teams should first analyse their existing technology and optimise their processes and capabilities. From there, it's crucial to select technology providers who act as a partner to your business, helping you navigate the landscape and augmenting your existing team with specialised services and expert consultation.

Once your data is unified and accessible, AI-backed martech can truly elevate your programs, enabling you to send hyper-personalised messages, build optimised customer journeys and bolster retention programs across the board.

ANALYSIS AND INSIGHT

To spot trends in consumer behaviour and adapt accordingly, marketing teams must be able to analyse customer data quickly. Yet, according to our research, one of the contributing factors holding marketers back from exceptional campaigns is the inability to distil actionable insights from data.

There are many stumbling blocks that can make closing this gap particularly challenging. First, there's the previously identified issue of siloed data and fractured views of the customer, making it impossible for marketers to have a full-formed view of the impact of their activities. But on top of this, marketers often lack analyst resource or reporting technology to help them identify insights that can actually be used to influence customer behaviour.

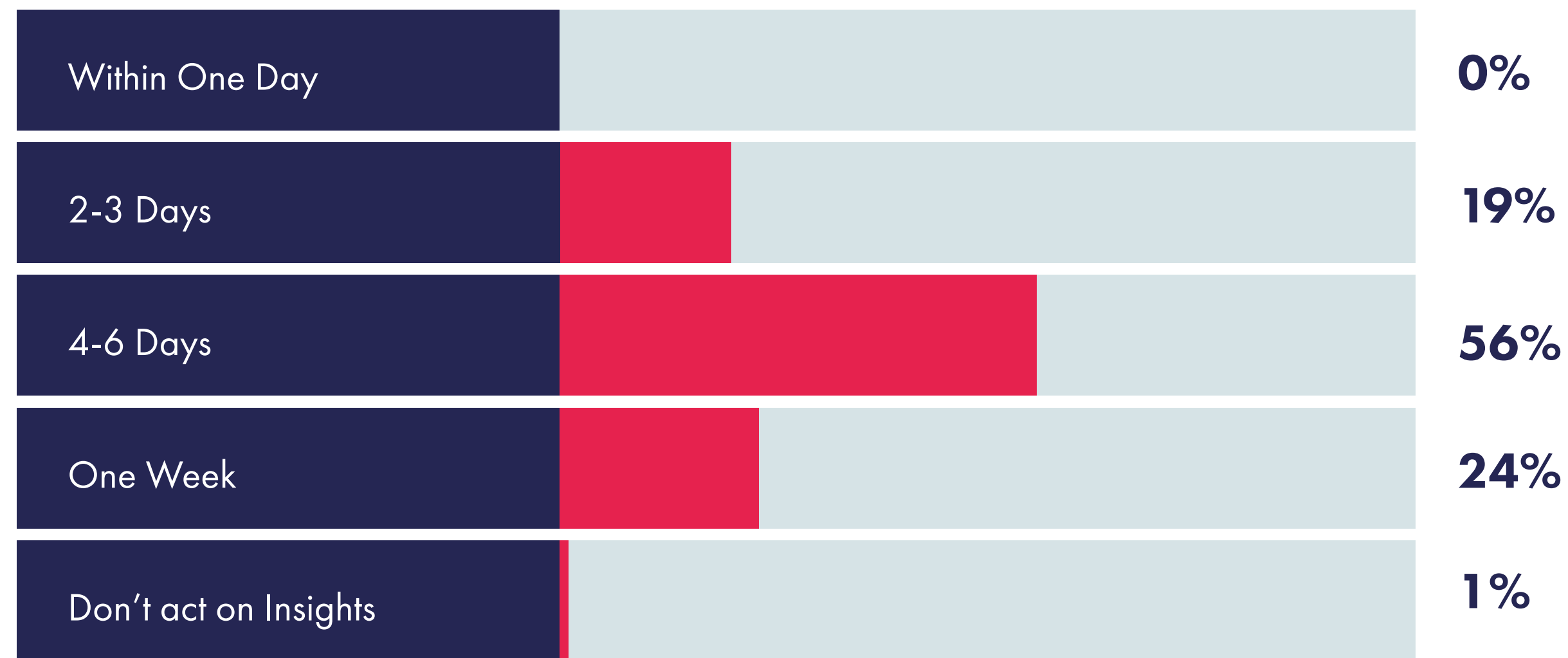
THE REALITY

Functionality and accessibility of a business' data aside, marketers are struggling to optimise their campaigns because they aren't effectively analysing them. One obvious reason for this is lack of analytical support within the business: **47% of marketers feel they have insufficient analyst resource** to help them make sense of data, while **35% say they lack the right processes to extract quick insights from it.**

Even those who feel well-equipped to gain insights from their data are unable to act upon it quickly, highlighting a significant gap between insight and action. It takes **81% of marketers 4 or more days to act on behavioural trends once they've been identified.** What's more, **none of the respondents had the ability to act on these insights on the same day they were identified.**

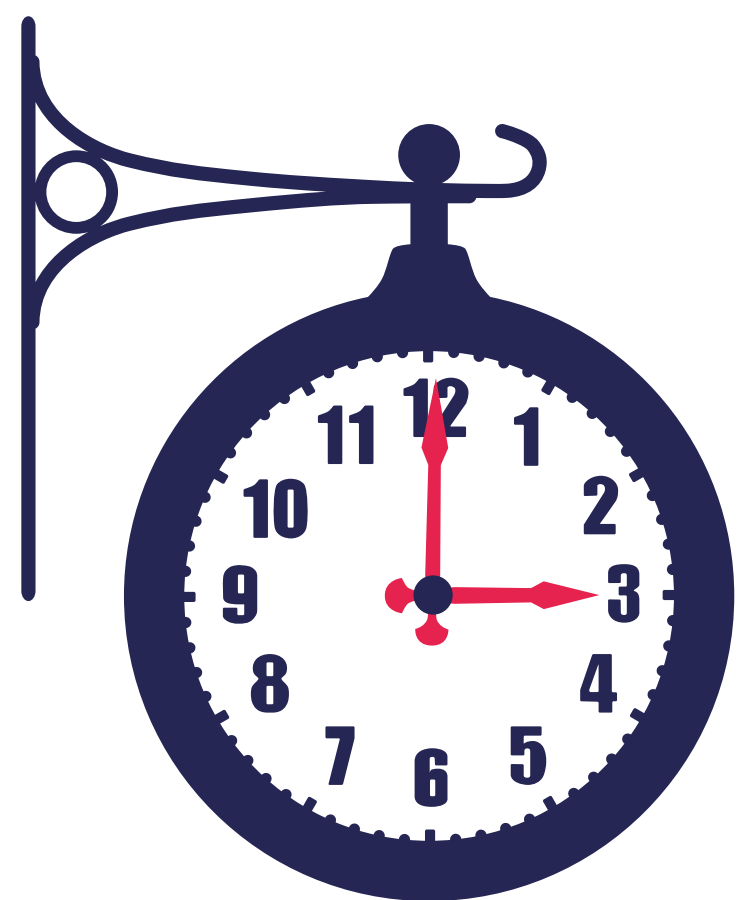


“Once you have identified a behavioural trend within your customer data, how long does it take to act on that insight to optimise future communications?”



Even if today's marketers had the agility to respond to newly-identified trends at scale, they would still struggle to capture the effect of these actions after they've been made. Just **23% of respondents were fully satisfied with their BI tools' ability to show the direct impact of their campaigns** on business success. In order for marketers to effectively justify their actions and show the marketing/CRM team's value to the business, this must be prioritised.

With the dissatisfaction of BI tools in mind, it's unsurprising that marketers are forced to spend a considerable amount of time each week creating reports and dashboards to demonstrate the impact of the programs on the broader business.

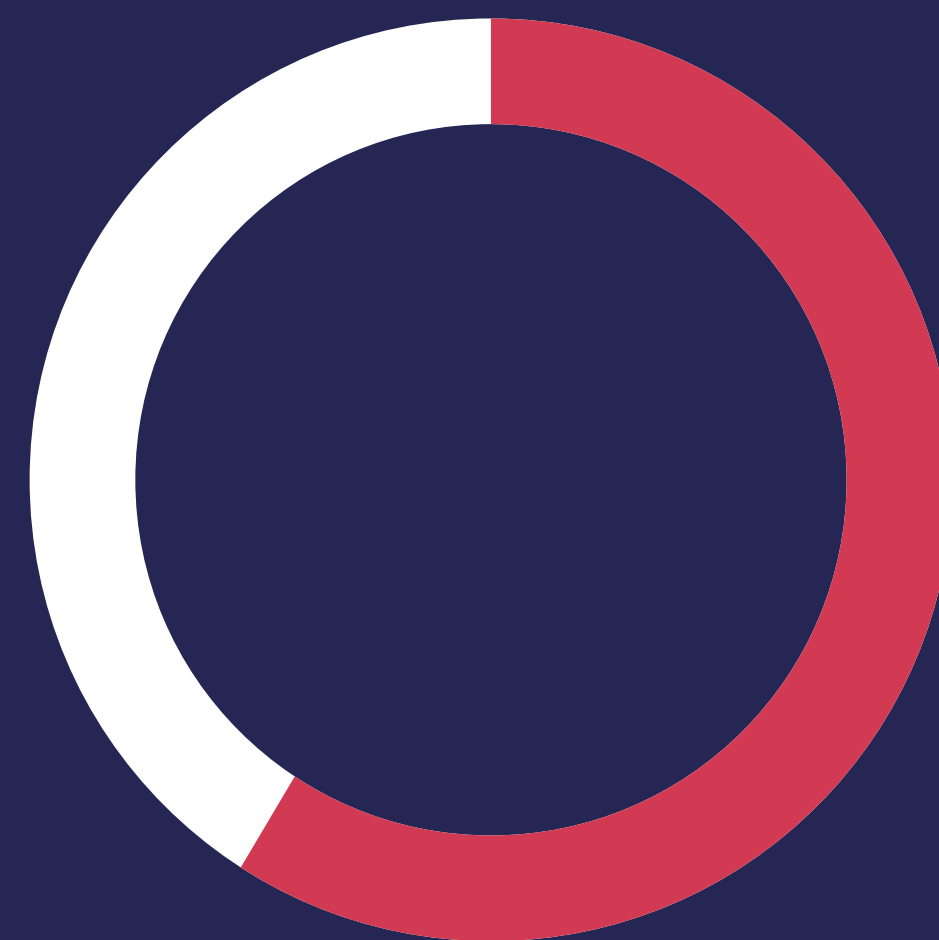


73% of marketers spend more than three hours a week creating reports and dashboards

While reporting is a crucial output for demonstrating value, the time marketers are investing each week to create these reports might just be hampering their outcomes. Extensive, time-consuming reporting means marketers have less bandwidth to deliver meaningful marketing.

Marketers aren't the only ones who need to use customer insights to ensure business success. Only 20% of respondents strongly agree that customer data was used to make decisions beyond marketing. Customer-centricity aside, this gap in accessible, de-siloed data represents a notable opportunity for businesses. Customer support, sales, business development, product teams, senior leadership and beyond need customer data to make informed decisions about their own departments' strategic directions.

Can your customer data and insights be accessed by departments across the business?



- 45% No
- 55% Yes

The Possibility

When businesses invest in reporting tools and analytics capabilities, marketers can create impactful, data-driven campaigns that deliver real value. Even if a business lacks analyst resource, technology can automate the process, delivering actionable insights in real time that can be leveraged into behaviour-changing, revenue-driving marketing campaigns.

Moreover, marketers can select technology providers that offer consultative services alongside their products, including technical services, campaign support, customer strategy and more. These types of services enable marketers to identify the unique value their customers are looking for, capitalise on trends in real time, and act with agility once a trend has been discovered. As economic uncertainty and the cost-of-living crisis continue to impact buyer behaviours, it's never been more important to retain valuable customers, and this is one of the most effective ways to do so.

Not only can advanced technology and data planning services enable marketers elevate their campaigns, but they can also help marketing teams gain the full support (and appreciation) of the C-suite. To do this, marketers must report on the KPIs that resonate with senior leadership, recalibrating success measures away from (or at least complementing) channel and engagement metrics with more commercial measures such as incremental revenue. When they look beyond reporting on short-term metrics and toward substantial, long-term measures, they will more adequately demonstrate their value, and even secure future investment to advance their programs even further.

Return on investment for reporting automation can manifest itself in three ways: decreased analyst requirement, increased marketing agility and capabilities, and ultimately, greater revenue for the business.



AMBITION AND EXECUTION

Customers today don't just want hyper-personalised, relevant communications from brands – they expect it. To that end, marketers are continually striving to reach their customers in new and innovative ways, cutting through the clutter to reach the right customers at the right time, in the right place and with the right message.

One-to-one, contextualised personalisation has long been heralded as the end goal for customer marketers. From boosting conversion rates and basket sizes to increasing customer retention, effective personalisation is crucial for businesses today. However, despite the well-known benefits of personalisation, **43% of marketing teams still feel that their personalisation efforts are not sophisticated**, and surprisingly, **30% are still not personalising communications across channels**.

Factors Holding Marketers Back from Effective Personalisation:

- 1 Accessibility of customer data**
- 2 Technology deficit**
- 3 Insufficient customer data**

As previously discussed, a lack of functional data and technology stymies marketers from utilising AI effectively, which subsequently inhibits them from executing highly-personalised, cross-channel customer experiences.

Furthermore, it seems marketers simply don't have the time to invest into optimising their programs to the level that they, their business, and their customers expect.





86% of respondents reported sending between 11-25 communications each week to their customers. While this may seem somewhat shocking on its face, it makes sense when considering that, as previously mentioned, only half of customer marketing/CRM teams feel they have full control over their brand's owned outbound channels. Pressure from category managers and senior leadership commonly force marketers' hands, and when personalisation isn't sophisticated, this leads to higher volumes of communications, often at the expense of relevancy.

What's more, **marketers spend more than 3 hours each week managing contact rules and suppression limitations across campaigns** in order to avoid communications fatigue. However, despite this time investment, many marketers are unsuccessful in this endeavour, particularly as their personalisation isn't sophisticated enough to move the needle.

When we take this figure alongside the time spent on reporting and dashboards, **marketers are losing nearly one day each week** to tasks that could be automated with the right data and technology infrastructure and processes.



The Possibility

For many industries, this is where AI could, and should, come to prominence: automating analysis, making decisions on the right content for each customer, and creating significant campaign efficiencies to enable personalisation and intelligent targeting at scale. And we know it works – we've seen that predictive targeting increases channel engagement by 20%, that basket sizes can grow 20%+ when recommendations are effectively personalised, and millions of pounds can be generated in incremental revenue when data is leveraged effectively.

In order to achieve this, businesses need to execute and manage omnichannel campaigns with a central decision engine that utilises unified first-party data.

This enables marketing teams to deliver hyper-personalised messages, offers and recommendations across the board.

CLOSING THE GAP

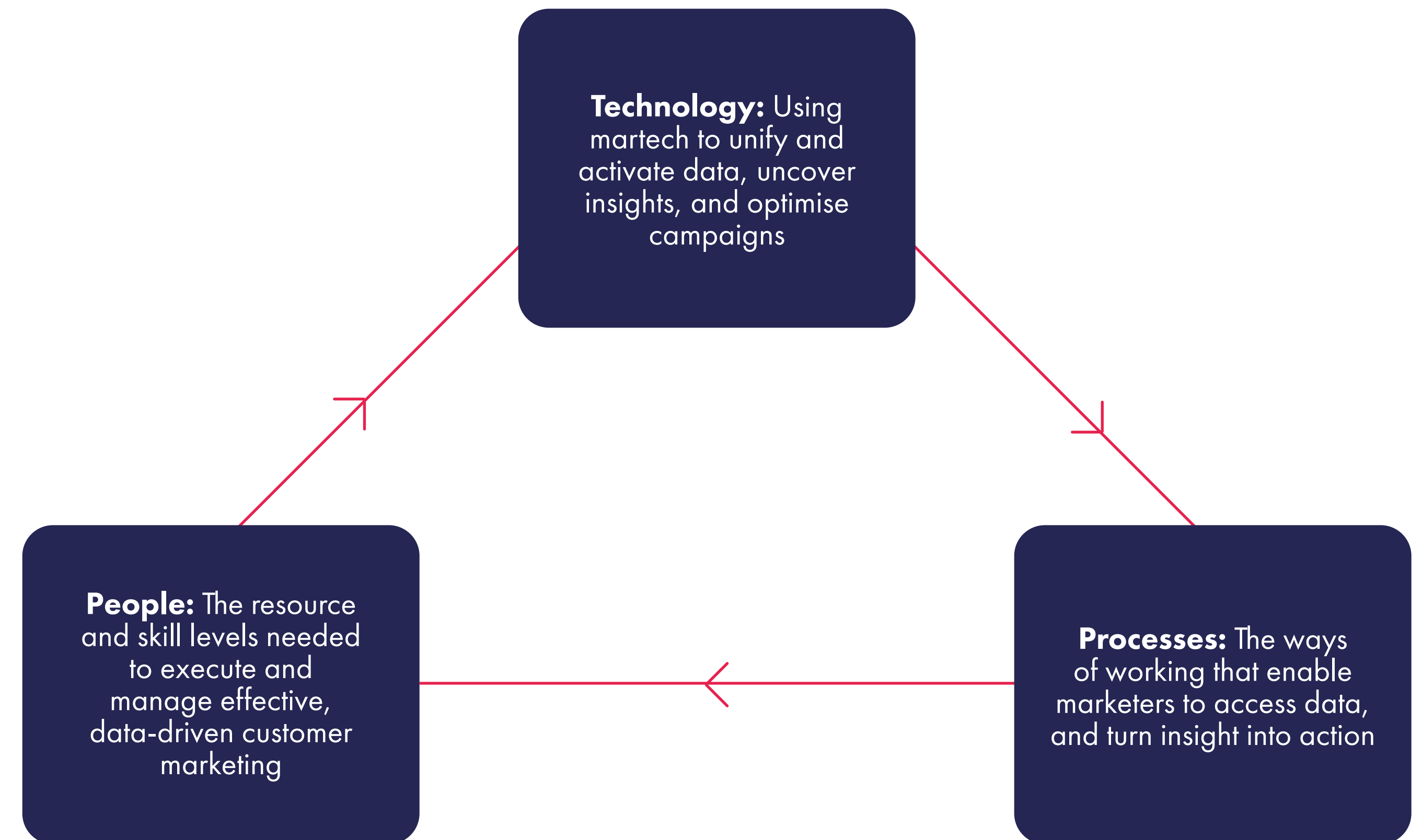
Marketers want to – and are expected to – deliver increasingly sophisticated customer marketing programs, but are falling short.

Our research has shown that marketers are currently susceptible to gaps between data and technology, analysis and insight, and expectations and execution. In most cases, these problems are a result of inaccessible or dysfunctional first-party data, which creates a knock-on effect at various points of campaign execution, management and reporting.

With this in mind, CRM and marketing teams need to rally their digital transformation and strategic initiatives around first-party data.

Over the past several years, there has been an ever-increasing reliance on technology, culminating in the belief that AI would allow marketing teams to create hyper-personalised campaigns with the click of a button. But the reality is that AI can only be effective if marketers have the right foundations in place first. Rather than needlessly adding technology to your stack in an effort to fill the gaps in your programs, we recommend changing the approach and starting with identifying key use cases that will have the biggest impact on their particular audiences. Crucially, marketers also need to ensure they have the right people and processes in place to ensure the technology can serve its purpose.

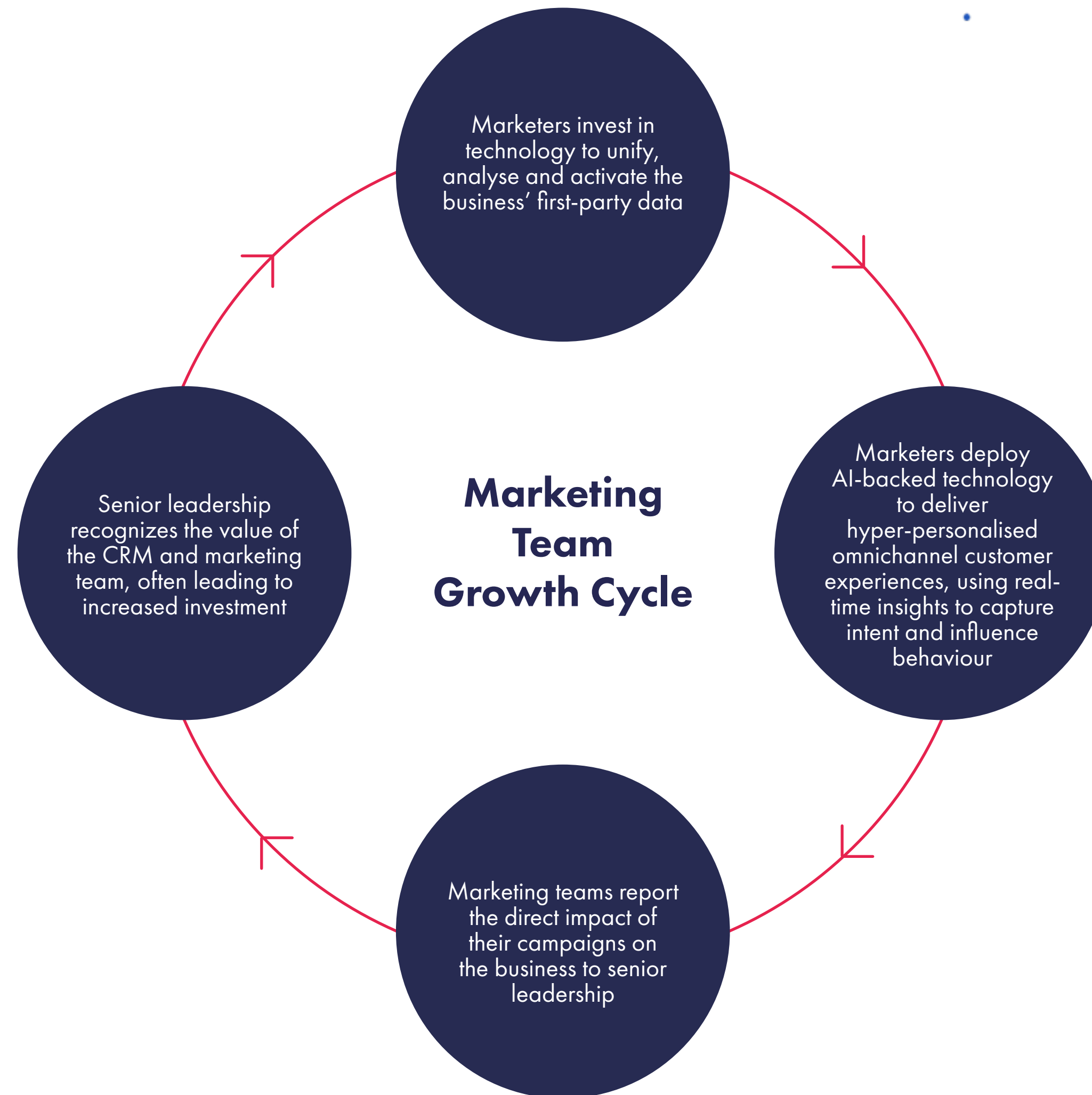
The people, process and technology triangle illustrates the complexity of interactions within a business:



But all too often, businesses are too busy focusing on business as usual to address the broken relationship between people, process and technology within their departments. They ignore these gaps, and over time, they become more pernicious.

To ensure a breakdown doesn't occur between people, process and technology, marketers should look to partner with technology providers that can provide nuanced expertise in their area of focus. Whether this manifests in educational content or consultative analysis and campaign planning services, technology partners should augment your team, not sell you a 'solution' and disappear.

When marketers are successful in this endeavour, they can break the negative 'Marketing Catch-22' and replace it with a cycle of growth.





LET US HELP CLOSE THE GAP BETWEEN REALITY AND POSSIBILITY IN YOUR CUSTOMER MARKETING PROGRAMS.

Whether gaps exist within your data and technology, analysis and insight, or aspirations and execution, get in touch to learn how we can help.

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THE GAP