The road to digital marketing transformation

Your ultimate goal: engaging individual customers in the moment, building relationships that are mutually beneficial. Getting there may require a transformational plan.

This article outlines the steps and considerations involved in becoming a data-driven, customer-centric marketing organization. In a companion article, “The keys to marketing in the moment,” we explain four imperatives that drive the impact of data-driven marketing efforts.
Often in today’s marketplace, the story of data-driven marketing is told as a tale of technology. No doubt new technologies make it possible to hypersegment audiences down to the individual level, to provide customized messages that match where customers are and what they seek, to serve ads across a network of publishers, and to analyze trends and opportunities for new engagement.

Technology alone cannot produce the end goals of data-driven marketing. The ability to foster relationships of respect, trust, and mutual benefit with individual customers—and to do so dynamically, instantaneously, at scale, across channels—likely requires a fundamental shift in how marketing organizations manage data, execute campaigns, measure outcomes, and work with agencies, vendors, and publishers. Only by addressing these operational and strategic requirements can you begin to seize the efficiencies and business outcomes that new marketing technologies enable.

Transforming your marketing organization is about more than just auditing your agency, adding new platforms, and demanding greater transparency. It requires taking a strategic view of the journey ahead; and pragmatic, executable steps to move forward.”

—Sharon Harris, Senior Manager, Deloitte Consulting LLP

Moreover, data-driven marketing requires a change in mindset—away from traditional ideas of a linear marketing funnel and toward a dynamic concept of how customers are engaged and converted. Instead of modeling customer journeys, the customer-centered marketing organization must foster an ecosystem of engagement touchpoints and messages that adapt in real time to the preferences and needs of individual customers. In this sense, customer experience has replaced the marketing funnel. We explore this idea, along with key imperatives that determine the success of data-driven marketing organizations, in the companion to this article, “The keys to marketing in the moment.”

In the pages that follow, we spell out the tangible steps that CMOs can take in order to adapt to this new paradigm.
The transformation journey

For many marketing organizations, data-driven initiatives have so far happened piecemeal, often at the campaign level—and often led by agencies rather than the internal organization. The good news is that these experiences often provide lessons for the road ahead: gaps in data or talent, customer insights that can be leveraged to generate leads, and more.

In order to drive lasting value, your marketing organization should reimagine and rebuild itself on a foundation of data and insights. That means looking again at each element of your strategy, execution, and performance to assess what you have, what you need, and how you’ll use and adapt those resources to achieve your business objectives.

The first step is to assess your end-to-end ambition, from advertising strategy through to activation and implementation and everything in between:

THREE STAGES TO GET THERE
Successful transformations typically follow sequential, logical, and iterative stages.

1. **Imagine** what’s possible and create a vision rooted in your customer and your business.

2. **Deliver** a road map, design, and plan that drive real transformation.

3. **Run** the solution, starting with pilots and testing before moving toward complete transformation.

In the following pages, we explore each stage in detail.
STAGE 1
Imagine and define
Plan your transformation strategy by assessing the current state and establishing a vision
The first stage is imagining what’s possible, then defining it in terms that meet the needs of your business and your customers.

Typical activities include:
- Conduct an accelerated assessment
- Define requirements
- Create a future-state architecture and data flow
- Develop future road map
- Develop program key performance and return on investment metrics (full-loop measurement)

“The first stage is all about surveying your existing situation and identifying the possible future. Then it’s a matter of determining the iterative, sequential, and sometimes disruptive steps that need to be taken in order to get there.”
– Todd Paris, Managing Director, Deloitte Digital

STAGE 2
Design, plan and implement solutions
Align the people, technology, vendors, and processes that will support your strategy
In this second stage, you begin the process of executing the initiatives that can together transform your marketing organization. This means mapping and optimizing people, process, and technologies across the marketing and advertising ecosystem in the combination that is right for your organization and business objectives.

Typical delivery milestones:
- Stand up the tech.
  - Centralize ad server
  - Integrate buying platforms
  - Enable advanced data management and DMP
- Develop and hire in-house talent.
  - Advertising operations leaders
  - Programmatic leader
  - “Data guru”
- Standardize and optimize processes.
  - Media buying
  - Campaign setup and best practices
  - Tagging and campaign governance
  - Agency engagement

And more operationally:
- Initialize and identify vendor shortlist.
- RFP submission, review, and scoring.
- Recommend a solution and contract.
- Planning and implementation.

“Many activities must be managed in parallel and at speed in the implementation stage of your transformation journey. That’s why a strong strategy and plan are so vital to begin with.”
– Freddie Liversidge, Manager, Deloitte Digital

STAGE 3
Develop a test-and-learn process
Initiate, test, iterate, scale, and measure your marketing efforts
In the third stage, you activate and run the solution in a planned, sequenced manner, guided by a test-and-learn philosophy. Implementing a test and learn practice allows you to react quickly to results and accelerate your learnings. Combining this approach with the transparency provided by today’s technologies allows marketers to evaluate the role of each variable in an outcome. By measuring the impact of variables individually, marketers can iterate their strategies in a focused and nuanced way.

Key steps in this process include:
- Establish pilot brief.
- Build media strategy.
- Launch media.
- Measure and report.
- Learn and incorporate.
- Repeat.

“It is important to take a prioritized, stepwise approach as you migrate to the new model,” says Vinnie Chisari, TITLE. “That means pilots and iteration, with minimum disruption to the execution of mission-critical marketing communication. It’s not a light switch approach.”
– Vincent Chisari, Senior Manager, Deloitte Digital
The moment... is now

Your ability to create and deliver the right experience at the right time can define the value that you realize. When you make the moment for your customer, you can build brand loyalty, increase customer lifetime value, and reduce marketing waste.

The process described in this article will not be simple or fast, but the status quo is likely no longer an option. Customers increasingly demand personal, relevant, effortless, trustful, respectful, beneficial, and timely engagements with brands. Across industries and geographies, in B2B and B2C markets, many CMOs have recognized that it is impossible to deliver that customer experience at scale without a fundamental shift in how they approach their marketing efforts.
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