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## Digital

# A promise of growth— and a path of complexity.

New research shows progress and challenges on the path to customer data mastery.

Since the emergence of the COVID-19 pandemic, the urgency to **master customer data** has only grown. Recent Forrester Consulting research, commissioned by Deloitte as a follow-up to 2019 research on customer data management trends in North America, showed that brands are **working to bring capabilities in-house, consolidate technologies** and **expand use of automation** in order to help make customer experiences *more human through personalization*. However, challenges remain as brands face budgetary pressures, technology complexity and a need to prove return on investment in a constantly changing environment.

## AUTOMATION ON THE RISE.

**Of surveyed companies 93% are implementing more automation** to meet the changing needs of customers—up from 82% the year prior. COVID-19 has accelerated this effort, with **58%** of companies saying that AI and automation have increased in importance specifically because of the pandemic.

## CONNECTING CUSTOMER DATA REMAINS A CHALLENGE ... AND A PRIORITY.

Even among CX leaders, only 41% have omnichannel campaign history and use it very effectively. Laggards are closing the gap—29% have omnichannel history, compared to just 10% in 2019. But for all organizations, this remains a key challenge in connecting and personalizing experiences.

**87%**
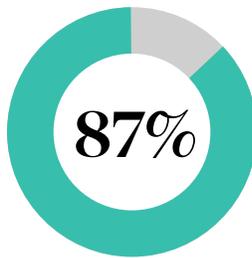
**87%** say customers expect **omnichannel personalization**.

**But ...**

**39% struggle to aggregate siloed data** and content from multiple systems.

## OWNING THE HUMAN EXPERIENCE.

Customer data is the key to scaling human experiences and personalizing the purpose of your brand. For that reason, businesses are increasingly recognizing that data management must be a core competency *within* their organizations.

**88%**

of surveyed companies are actively reducing the number of vendors that manage their customer data, up from 80% a year prior.

**Nearly 2 in 5**

(38%) anticipate using in-house teams most often for customer data management within the next two years.

**76%**

are prioritizing better **marketing personalization** in the coming 12 months.

# AS THE PATH BECOMES CLEARER ... SO DO THE OBSTACLES.

Many companies are making progress toward better data mastery, connection and activation. Sixty percent say they are satisfied or very satisfied with their organization's overall data management strategy. At the same time, confidence in key *capabilities* is slipping.
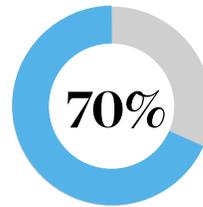
**41%**
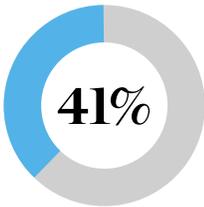
**41%** are able to **conduct real-time analysis on customers**—down from 49% a year prior.

**41%**
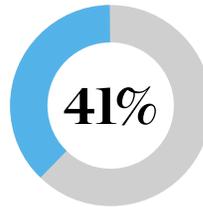
**41%** are able to **activate the results of real-time analysis on customers**—down from 46% the previous year.

**60%**
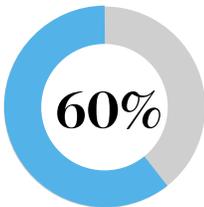
**60% use data** consistently and across lines of business **for campaign orchestration**—down from 68% in 2019.

**70%**

**70% use data** consistently and across lines of business **for campaign delivery**—down from 76% in 2019.

# MANY TOOLS ... YET SOLUTIONS REMAIN ELUSIVE.

Despite maintaining, on average, 16 applications that leverage customer data from 25 sources, many companies are finding they still don't have the *right* tools to do the job and to measure and connect progress effectively.

**47%** **lack the right technology** to perform needed tasks.

**43%** **lack real-time reporting** capabilities.

**Only 39%** of companies surveyed strongly agree that they know where all of their customer data is stored.

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# Now is no time to slow down.

**Four out of five** surveyed companies say that **improving data measurement and activation capabilities** is a critical or high priority in the coming 12 months. As our research makes clear, small steps have been taken since 2019. But with market conditions and the broader world changing fast, brands will need to find ways to accelerate progress as they aim toward data mastery, elevated customer experiences and growth.

## GET IN TOUCH

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