Hey marketers: You’re in the data science business now.

Marketing signal loss demands new talent and partner priorities.

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Introduction

As the world changes, we change—whether we choose to or not.

This is true of individual people: witness the durable shifts in how we shop, work, socialize and more as a result of the COVID-19 pandemic. It’s true for businesses as well. CMOs today face accelerating marketplace competition from disruptive brands and the increasing expectations of customers, who gift their loyalty to the companies that provide them with the most value through consistent, trustworthy, personalized and relevant experiences. At the same time, the ongoing deprecation of third-party browser cookies, combined with changes to mobile device identifiers and other platforms where brands connect with customers, are causing a loss of marketing signals that impact what’s possible, practical and effective for brands.

These external forces are changing the business you’re in—whether you’re ready or not. Indeed, for marketing organizations that have been heavily reliant on third-party cookie data to power traditional data management platforms (DMPs) for customer insights and experience delivery, this is a critical juncture. Those brands are losing data—yet many lack the internal talent and capabilities to do much about it. Brands that have relied on outside agencies for data-driven experience orchestration are also roiled by these shifts, often in ways that aren’t fully evident due to opaque and/or delayed agency reporting. Many are startled to find that their agencies contractually own key customer or experience data and have neither the motivation nor the permission to simply turn that data over to the brand.

So the question is, how will you and your marketing organization change in response?

In previous installments in this series we’ve discussed the importance of owning, managing and activating your first-party customer data. Implicit in that imperative is that you need the right people to do so effectively.

Identifying, hiring and retaining the talent needed in order to become a robust, insights-driven marketing organization is a sticky challenge—again due to a combination of internal mindsets as well as external market realities. Data scientists are among the most in-demand workers in today’s economy. It’s no simple matter to go out and find them. It doesn’t help that the so-called great resignation contributed to significant turnover in enterprise marketing organizations, which saw an average voluntary turnover of 11% between 2021-2022.¹

But, the state of today’s labor market impacts but does not change the point. In order to win new customers and spark future growth through timely, relevant and impactful messaging, CMOs are in the data science business now. A pivot of focus and capabilities within your organization is needed in order to respond to changes in the external environment and drive new growth.
Given the talent market, finding and retaining the right talent for your marketing organization can pose a significant challenge.
New talent imperatives for new marketing realities.

Marketing leaders have long focused on driving brand and sales growth through breakthrough creative, incentives, packaging, pricing and other efforts—with strategies driven largely by intuition and lookback reporting. Data science and analytics capabilities have typically been relegated to a supporting role, often leveraged through shared services within the enterprise or from external vendors and partners.

That must change going forward. The capabilities needed to address marketing signal loss are domain-specific and nuanced, demanding specialized resources focused squarely on a new future state for advertising and marketing automation.

Think: Teams dedicated to collecting and connecting data from across customer touchpoints and building detailed, real-time, unified customer profiles—ideally within a customer data platform. That alone will be a significant undertaking requiring specialized skills; but it is necessary in order to counteract the effects of lost marketing signal. First-party customer data is now one of the most valuable assets of your business as a whole.

Of course, getting that data in place and in order isn’t the end goal. Intelligent and automated data solutions built for specific use cases are also needed in order to help scale complex and time-sensitive tasks such as omnichannel audience modeling, media placement, creative optimization and personalization, and measurement and reporting. Evolving to leverage the best of humans working with machines by automating as much as possible will empower your people to focus on what they do best: applying strategic, creative and empathetic skills in ways that resonate with potential and existing customers.

All of this requires analysts and modelers skilled in machine learning, artificial intelligence, econometric modeling and more in order to ultimately serve customers with the right experiences in the right moments and channels—while also driving deeper engagement, stronger loyalty and increased revenues for your business.

Meantime, your creative teams need to be engaged in new ways of thinking and working. Memorable, relevant messages and content are still essential—but the demands of hyper-personalization mean that the ways you produce creative assets need to change. All the audience segments in the world won’t matter if you don’t have the content to serve them in the right context with the right message. If your brand aims to sell a new line of summer blouses, you need the capabilities not only to predict audience segments with a propensity to purchase based on first-, second- and third-party data, but also to dynamically and automatically insert content highlighting those blouses across omnichannel tactics and media in ways that personalize messages to the right audiences (and, of course, get the timing right—before summer arrives).

Scaling that kind of personalization is a significant challenge, so automated technologies and workflows will need to be implemented in order to adapt creative assets for the ever-expanding channels and increasingly fine-grained customer segments you want to serve. That’ll require AI engineers and data scientists who understand the marketing and customer domains working together with your creative teams.

Strengthening all these new muscles and getting them to work together won’t happen overnight. Your brand will benefit as your teams prioritize agility, collaboration and a “fail fast or scale fast” mentality of experimentation and learning. We address these and other operating imperatives in part four of this series.

The right talent and systems can connect data to personalize experiences by customer.

- **Warmer weather is on the way—time for a new outfit.**
  Source: Third-party data for her city.

- **Shops online in the morning.**
  Source: Second-party data from retailer’s clean room.

- **Yellow is her go-to fashion color.**
  Source: First-party data on past purchases.

- **Sunny summer styles are here!**
  Serve: Custom offer highlighting yellow blouses.
Close the gaps to make the leap.

These needs are made significantly more complex by the tight talent market for trained data scientists. A 2020 study of leading employment websites and recruitment firms found there were three times as many job postings as there were job searches for data science positions. And that shortage isn’t expected to go away soon.

As a result, it is both unrealistic today and inefficient to build this capability fully in-house. The need to scale resources as opportunities and challenges arise mean that external vendors and partners will be a long-term “talent” need for marketing organizations. Not just any partners: You need those that can help you rapidly leap capability gaps in data science specifically— and that are able and willing to provide real-time visibility and a collaborative, transparent focus on valuable outcomes for customers and your business.

Traditional outsourcing agreements like what brands typically have structured into agency relationships are not sufficient. Agencies generally do not have access or permission to tap into a brand’s first-party customer data, leaving them unable to connect tactics with audiences for activation, measurement and optimization—and even if they do have the ability to utilize that data, most lack the deep data science and analytic capabilities needed to drive significant value. Moreover, the demands of experience personalization across the full customer journey mean that “point solutions” for advertising and marketing need to be integrated with other capabilities in sales, commerce, service and beyond.

We recommend leaning into outcome-based, as-a-service arrangements where you and your partners have a shared, vested interest in your success and where you can scale services to your needs as your own internal capabilities, market conditions and customer expectations evolve.

In the next installment of this series we look at best practices for integrating these capabilities and resources into your marketing operations going forward.

Here are some questions to ask yourself as you work to reimagine your talent and partner ecosystem in ways that address signal loss and drive new growth.

1. Do my external partners pair deep program insights with robust analytical methods and capabilities?

2. What balance of technical and strategic resources do I need in order to build a data science capability that can drive business value?

3. Do I have internal resources that understand my current platforms and new platforms emerging on the market?

4. In what ways can my data team better utilize my madtech stack to enable business use cases that will impact my business across our most important results metrics and goals?

5. What training and/or hiring is needed in order to align my in-house staff and skill sets with the analytics, data and marketing science work I expect to invest in over the next two years?

6. How can I better incentivize external partners to help me continuously innovate and expand my insights and capabilities?

7. Do my marketing and agency partners have the skills and datasets to drive the most accurate forms of attribution and marketing / advertising optimization?

8. What performance goals and KPIs need to be in place in order for my internal and/or external media teams to be successful in driving business growth?
A path to growth for digital marketing.

Signal loss has implications for your entire marketing organization, from the technologies and platforms you adopt to the people you hire to the ways you work. Download additional articles now.

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