Deloitte.
Digital

Delivering on the promise of performance marketing.

Six trends that are transforming the way brands connect with customers.

March 2021

Performance-based digital marketing holds the promise of greater measurability, targetability and effectiveness for organizations that embrace six key trends.

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TREND 1

CUSTOMER DATA OWNERSHIP.

Customer data is the foundation upon which personalized brand experiences are built. As experience becomes the new battleground for customer loyalty and competitive advantage, leading brands are recognizing that first-party customer data is a critical business asset—one that must be owned and protected in-house.

06

TREND 2

CAPABILITY IN-HOUSING.

The rapid consumer shift to digital has necessitated greater flexibility than ever from marketers. In order to achieve greater control, agility, and visibility into marketing effectiveness—while also driving lower costs—brands are strategically expanding their in-house capabilities and tools, and reimagining relationships with outside agencies and vendors.

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TREND 3

DATA PRIVACY.

A heightened focus on advertising practices by both regulators and consumers has been an impetus for recently enacted privacy laws as well as evolving limits to what's possible on key technology and browser platforms. Given the rising value of first-party customer data, the time has come to embed the tenets of privacy into the customer journey to continually reinforce trust.

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TREND 4

NEXT-GENERATION MEASUREMENT.

The sunsetting of third-party browser cookies means it is time to look for new approaches to measurement and attribution. By combining new measurement tools such as data clean rooms with traditional econometric modeling and other approaches, brands are finding better ways to align key performance indicators with today's capabilities and goals.

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TREND 5

MARTECH ECOSYSTEM REVOLUTION.

Along the way it is important to reevaluate the tools and platforms that leverage customer data and then connect those in ways that take advantage of the advanced insights and orchestration capabilities available through today's largest digital publishers and advertising platforms.

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TREND 6

OMNICHANNEL AUDIENCE MODELING.

By applying AI-driven data segmentation and messaging, and by connecting insights and actions across channel teams and business units, brands can model and optimize marketing tactics in real time—enabling greater flexibility and connection through the full customer journey.

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CONCLUSION

BRINGING IT ALL TOGETHER.

Marketing success in today's complex environment requires a strategic focus on driving greater control, capability and connection across your organization. It's important to start in the right place—and move your whole organization together along the smartest path forward.

INTRODUCTION

Why isn't digital keeping its promise?

A 360-degree, always-on view of each individual prospect and customer wherever they are in the connected digital world … enabling you to predict what they seek, serve what they like, see how they responded, and connect each moment of engagement into a uniquely personal, powerfully relevant, dynamically responsive journey …

For advertisers, that has been the promise of digital marketing. In many ways, that promise has become reality, driving greater marketing efficiency and leading advertisers to shift an ever greater percentage of total budgets to digital channels. Digital ad spending now accounts for more than half of global media ad spending. And the proportion of ad budgets spent on digital channels and platforms is expected to continue growing at a robust rate going forward.[1]

Yet even as digital becomes central to campaign orchestration, challenges have continued to emerge and grow—particularly since early 2020, when the COVID-19 pandemic upended many traditional ways of doing business and ways of connecting with customers.

Consumers push for trustworthy relationships: Consumer pushback against invasive and nontransparent digital marketing practices has led to greater scrutiny and new regulations from governments, and to restrictions on tracking consumers via leading browsers and devices.

A faster-moving target for measurability: The deprecation of third-party cookies by leading web browsers, combined with other technological changes, has initiated a structural transformation of digital marketing. And multi-touch attribution—whereby advertisers could determine the impact of each media event on the desired conversion—is no longer feasible in any but the most closed media environments.

Marketing and business struggle to stay in sync: The pandemic transformed markets, media and individual lives. Many brands responded by shifting business strategies quickly—offering contactless delivery, remote service, virtual product demos and more. Yet marketing has been slower to respond. The result? A disconnect between promise and delivery, which often leads to frustrating experiences for customers and reduced marketing effectiveness for brands.

It's a new world out there: Pandemic-induced disruptions to the ways we live and work abruptly accelerated digital trends in e-commerce, streaming media consumption and virtual working. It is likely that many of these changes in behaviors and patterns will endure—and will necessarily change the priorities and tactics of marketers as a result.

These changes create opportunities for brands that are able to quickly address the internal challenges—including organizational silos, handling of customer data, inflexible vendor and agency contracts, talent gaps, legacy technologies and outmoded approaches to marketing measurement—that stand in the way for many organizations.

In this paper we discuss six disruptive trends that experience-focused CMOs are embracing in order to achieve the promise of digital marketing—and drive growth as a result.

TREND 1: CUSTOMER DATA OWNERSHIP.

To own the customer experience, control your first-party data.

Given that performance-based advertising is built on a foundation of data, it is ironic—not to mention problematic—that many brands today have little to no access to their first-party customer marketing data. Instead, many are dependent on media or creative agencies to collect, manage, analyze and activate that data.

This arrangement made sense in the past due to the complexity of what was involved and the unique access that agencies had to third-party marketing data. But it came at a price—one that has grown rapidly in recent years. Not only do outside agencies add significant (and often opaque) costs to the marketing value chain, but they also are unable to connect marketing data with vital intelligence that brands have about their own customers—let alone to act on that data in ways that foster connected experiences for customers.

Those connected experiences matter now more than ever. Eighty-seven percent of surveyed customers say they find it frustrating to repeat themselves in multiple channels; and 73% say that frustration has led them to question doing business with the brand.[2] Yet a separate survey in 2020 found that only one out of every three companies has omnichannel campaign history and uses it very effectively.[3]

External management of customer data is also problematic from a risk management perspective. In the event of regulatory actions or a breach of data, the brand will typically be held liable and accountable. Yet many brands are not auditing the privacy and security control practices of their agencies. This creates reputational as well as regulatory risk for brands.

Customer data is the lifeblood of connecting, measuring and improving experiences in an omnichannel world. Consolidating customer data allows marketers to supercharge their campaigns in entirely new ways. Given the importance of that data—and given the ongoing deprecation of third-party data and browser cookies, new requirements for consumer data privacy protection, and the ballooning importance of digital advertising in a brand's overall marketing mix—brands are realizing that a new model is needed.

That's why experience-focused brands are bringing data in-house; and putting in place the relevant data, privacy and security policies that are needed to connect, understand, activate and protect their customer data. By 2022, the number of brands that fully outsource management of data is expected to fall by 52% compared to today.[4]

This is no trivial transition. Companies today have, on average, 16 applications that leverage customer data from 25 different sources; yet nearly half of customer data managers tell us that they lack the *right tools* to do the job.[5] And consider, that just 39% of surveyed brands strongly agree that they know where their customer data is stored.[6]

Leaders should start by consolidating customer intelligence within a next-generation customer data platform (CDP) that integrates data from across all touch points and provides real-time insights for engagement orchestration. Effectively implementing a CDP will likely require increased collaboration across the enterprise—between marketing and sales, service, product development and other organizations—to develop a universal definition and single source of truth for the customer, to address consent management, and to help ensure consistent experiences across engagements.

Managing customer data in connected ways internally is hard, but the rewards are considerable: Companies that own and master customer data are better able to accelerate brand innovation and create more personalized, contextualized and meaningful end-to-end experiences at scale, which in turn can drive loyalty and business growth.

IN THE REAL WORLD

Deloitte Digital helped a **leading consumer electronics manufacturer** consolidate all of its data management and rearchitect its marketing operations. As a result, the company **saved 70%** in recurring operating costs while improving the customer experience.

CALM
AND
MAKE
IT
HAPPEN
ROADMAP TO PRODUCT LAUNCH
LAUNCH

TREND 2: CAPABILITY IN-HOUSING.

Bring it in. And outperform.

In 2016, the Association of National Advertisers released its first report on media transparency. Conducted in conjunction with K2 Intelligence, the report identified an array of nontransparent business practices in the media ad buying ecosystem.[7] That report, along with other studies and articles released since then, have reflected growing concerns among advertisers about their relationships in the media value chain. As of 2020, 96% of advertisers reported they are at least somewhat concerned with the transparency provided by media agencies.[8]

Transparency is a must in order for brands to move at the speed of today's business. Without full and direct line of sight into their media buys, spend and results, brands find it hard to understand and quickly adjust what's being bought, what's working and what's not. *Moreover, when advertising results and customer data are hidden from view or only delivered on a monthly or quarterly basis, it's all but impossible to transform those insights into real-time strategies that drive bottom-line business performance.*

That's why an increasing number of brands are redesigning their technology and partner ecosystems with a goal of in-housing the talent and control of technology that drive media performance.

In-housing is not a new concept. Many brands have already brought creative talent in-house, and a growing number are moving to in-house customer data management.

In-housing digital media and advertising is a more complicated prospect given the range of skills, technologies and data involved. Building a connected in-house performance marketing execution, analytics and measurement team requires a sizable investment to develop talent and create new internal processes.

It's important at every step to identify and understand which capabilities can be handled internally and how to structure, build and grow the team and technology. Where external resources are required, those relationships should be structured (or restructured) within a framework of shared accountability, continuous evolution, knowledge transfer and innovation.

Likewise, where new technology is needed, it's important to consider what to build, buy or rent.

A good start is to find transitional partners that can help provide the capabilities and train the staff who will ultimately become the owners of your future martech stack. An audit of agency transparency and of the efficiency and effectiveness of media spend can also help reveal current baselines and identify areas where your marketing and technology organizations should invest and possibly rebalance in-house capabilities with those of your external agency.

More and more brands are realizing they can't let the complexities of in-housing stand in the way. Among brands that have taken steps to in-house some or all of their marketing capabilities, 63% say creativity has increased, and 58% have noted a measurable increase in marketing's return on investment.[9] And, beyond the much-needed visibility that in-housing can provide across the customer engagement journey, it also can help provide control over messaging alignment and marketing tactics, clearer understanding of risk related to data privacy and regulatory compliance, and more. Moreover, by connecting marketing capabilities more closely with other areas of your operations under the same roof, you can create greater cohesion and agility across the enterprise and reduce the time it takes to pivot tactics in response to fast-changing market conditions and emerging opportunities.

These capabilities are increasingly foundational to your brand's survival in a world where competition centers on personalized customer experience and rapid response to changing market conditions. Only by owning these capabilities can you connect all of the relevant information and make the right decisions in the moments that matter.

HOW IT CONNECTS

You'll make powerful synergies possible when you bring not only digital media and advertising in-house, but also customer data management (see Trend 1, page 4). The greater control, speed and transparency that these efforts produce can ultimately set the stage for more connected, personalized, omnichannel marketing (see Trend 6, page 14).

91% of brands have moved at least part of their digital marketing operations in-house.[10]

TREND 3: DATA PRIVACY.

Elevate trust above transactions.

Two million votes.

That's the margin by which California voters approved Proposition 24 in late 2020.[11] Known as the California Privacy Rights Act (CPRA), this new law takes effect in 2023 and strengthens consumer data privacy protections in California—which already had the strongest data privacy law in the United States, with its previously enacted California Consumer Privacy Act (CCPA). California's new law adds to an increasingly complex regulatory environment for data privacy, thanks to laws such as Europe's General Data Privacy Regulation.

This emergence of extensive data privacy regulations on both sides of the Atlantic Ocean—and indeed, around the globe—represents a sea change for digital advertisers and marketers. Although a clear focus for regulators, CPRA and CCPA both had their beginnings as citizen ballot initiatives. The implicit message is clear: Consumers are highly sensitized to invasive and opaque data practices and are demanding control over the data that is collected about them and how it is used.

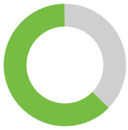
Highly publicized corporate and government data breaches in recent years have no doubt played a part in this growing concern. But advertisers should not duck culpability. In particular, the misuse and overuse of retargeting—much of it based on the use of third-party customer data that consumers never consciously agreed to provide to brands—has helped create a growing sense that advertisers are willing to invade personal privacy and stalk consumers across their digital lives just to make a sale.

In this environment, **marketing leaders should look beyond transactions and focus on long-term trust**. That means more than connecting what you say as a marketer with what you do as a company. Real and durable trust is built by providing a combination of value, transparency, consent and control. The ways that you collect and connect customer data and the ways that you act on that data through marketing together can have a direct impact on all four of these dimensions of trust.

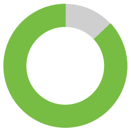
That's why forward-thinking marketers are working to reimagine their broad customer journeys as personalized trips with clearly defined benefits that consumers can individually select. Data collection and consent is incorporated into journey mapping and user experience design, in the same way that other content and features are addressed. In practice, this also means creating a next-generation privacy center that is easy to find and navigate, and that can morph over time into a hub where customers can easily tailor and maximize their ongoing brand experience.

CMOs should drive these imperatives, but they cannot do everything alone. Success depends on coordinating objectives and communication across teams and stakeholders spanning marketing, commerce, technology, data risk and privacy—at a minimum. It requires the creation of user journeys that embed the core elements of customer data trust and privacy—value, transparency, consent and control. And it demands an enterprisewide strategy that further matures digital and data infrastructure through integrated data and privacy governance frameworks and a full-functionality, consumer-focused technology stack.

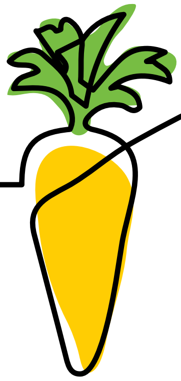
The effort is worth it. Because brands that are trusted, perform. When they fulfill promises, customers return to them. When they make mistakes, customers forgive them. When they come up in conversations, customers advocate for them. And when all that happens ... they grow.



62% of Americans believe it is now impossible to go through daily life without companies collecting data about them; and ...



... **79%** are concerned about how companies use that data.[12]



WHY IT MATTERS FOR GROWTH

Performance-based advertising is predicated on the ability to access and utilize the personal data of targeted audiences. Governments as well as browser and device manufacturers have significantly changed the requirements for how data can be collected and used. Those changes aren't arbitrary; they reflect the relationship that consumers want with brands. If marketers are to build consumer trust, they must map a new path forward. Doing so will allow for ongoing customer data resilience to drive highly targeted marketing efforts.

TREND 4: NEXT-GENERATION MEASUREMENT.

Prepare for life after third-party cookies.

Over the past generation, much of the consumer online experience—for better and worse—has been made possible through the use of third-party browser cookies. These tiny bits of data helped advertisers see clearer return on investment, helped publishers earn more money, and helped consumers receive more relevant marketing messages while accessing an ever-expanding trove of free content online—a win-win-win all around. Or so the theory went.

But in recent years, as ads began to track consumers from site to site, this same technology fueled a growing sense that advertisers would stop at nothing in their relentless and increasingly creepy pursuit of a sale. By 2018, two out of five Americans said they believe that digital advertisers were too aggressive in following them on every device or browser.[13]

In part to address these concerns, all of the major web browsers announced they will end support of third-party browser cookies for behavioral tracking by early 2022. Already, most tracking cookies are either blocked or deleted.[14]

The sunsetting of third-party cookies represents nothing less than a structural transformation for digital marketing. It puts a range of tactics at risk—including retargeting, lead generation and lookalike modeling. Digital multi-touch attribution is no longer a viable means of measurement for most sectors.

This is hardly the only measurement challenge confronted by marketers today:

- An increasing number of major advertising platforms and publishers are shifting away from allowing individual ad exposure to be shared with measurement solutions.
- The patterns of consumer television and video consumption are rapidly changing, with proprietary streaming media and other subscription-based video-on-demand networks predicted to increase in global adoption by a rate of approximately 20% per year.[15]
- At a broader level, consumer behavior, regulations, channel diversity and marketplace competition are evolving faster than ever.

These external challenges are plenty to manage. Yet the biggest challenges often lie within the organization. Many marketers find themselves mired in slow processes and disconnected technologies that make it impossible to measure in real time, to connect marketing insights across platforms and channels, and to shift tactics and budgets on the fly. Not surprisingly given all of this, less than half of surveyed CMOs[16] say they are able to prove the impact of marketing quantitatively.

Now more than ever, marketing measurement matters. And now more than ever, the marketing measurement playbook has been scrambled.

That's why **forward-thinking marketers are reimagining the systems, methodologies and processes required for end-to-end measurement and attribution**. They're developing approaches that eliminate reliance on third-party cookies for user tracking. Building on first-party customer data that they own and connect in-house, they're focusing on techniques for cross-channel, real-time measurement and engagement.

What's old is also new again: Best-in-class marketers are applying econometric measurement tactics in a newly agile way—for example, by applying models to performance measurement at the level of markets such as states or designated market areas (DMAs). And in response to evolving consumer behaviors and purchase patterns, we're seeing models built on a six-month rather than a two-year lookback, which allows marketers to optimize tactics more rapidly in response to changes in the market.

Will all of this ultimately help you arrive at methods and tools for accurately measuring marketing performance *once and for all*? No. It is important to recognize that the mediascape and measurement technologies will always continue to change. Moreover, what you need to measure today is likely to change as business strategies, priorities, offerings and competitive conditions evolve.

Given this, your highest focus should be on evolving toward agile, data-driven operations and mature test-and-control processes that are focused on iterative return on investment. Proven strategies such as econometric modeling paired with new analytics tools such as data clean rooms—secure platforms that connect anonymized ad/marketing data from multiple sources—will help ensure that you are well positioned to understand marketing impact in a rapidly changing environment.

WHY IT MATTERS FOR GROWTH

Customers want relevant, empathetic, perfectly timed engagement. They don't want to feel stalked. Your brand, meantime, needs a clear, connected understanding of the effectiveness of marketing efforts. By moving away from measurement techniques that rely on third-party cookies, you can build your marketing on a more durable foundation while also building better bonds with customers.

83% of companies say that improving data measurement and activation capabilities is a critical or high priority in the next 12 months.[17]

TREND 5: MARTECH ECOSYSTEM REVOLUTION.

It’s time for a tool set reset.

CRMs and CDPs … DSPs and DMPs … Clean rooms and agency trading desks … The alphabet soup of marketing technology tools and offerings available today can be both dizzying and mystifying. Some are suddenly essential. Some, such as data management platforms that rely on third-party cookies for key functions, have seen their usefulness plummet.

Over the years, most marketing organizations have taken a “yes-and” approach to these offerings— growing their customer data, martech and adtech stacks bit by bit through company expansions and acquisitions, agency relationships, or by buying into the latest-greatest point solutions as they emerge.

This approach has resulted in an accumulation of highly fragmented, underutilized or suboptimal systems and processes. Adding to the challenge, most marketing systems were built around third-party cookies for customer identity—making them ill-suited for the shift to focusing on first-party customer data.

When marketing data and technologies are impersonal and fragmented, it is inevitable that customer experiences will be as well. That’s why leading experience-focused brands are reevaluating their technology stacks and partner ecosystems, with the aim to develop a 360-degree understanding of customers and dynamic connections across channels and touch points. In order to achieve that aim, **brands are shifting toward fewer, larger tools, platforms and partners**.

One specific move that leading brands are making today is a shift of budget and focus toward the digital giants—a relatively small handful of the world’s largest search, commerce and social media platforms. Through their use of data clean rooms, these platforms make it possible for brands, agencies and data vendors to input rich first-party information and benefit from scaled, shared advertising insights while remaining privacy-compliant.

Tapping into these clean rooms can give brands access to customer profiles that are much more precise and nuanced than what most organizations otherwise have developed for their own customers today. The major platforms also have the advantage of cross-device connection to reach customers in the right places and moments.

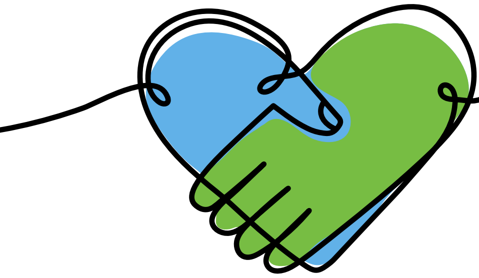
Combine those rich profiles with the closed loop of information and feedback that the platforms provide for end-to-end engagement, and it’s easy to see why marketers are leaning into these platforms.

That said, fragmented customer experiences are still a hazard. Advertisers can use clean rooms to drive better outcomes within each platform, but not necessarily to enrich their own view of their customer by connecting insights across platforms. Moreover, there is complexity involved. Connecting your brand’s first-party data to media data located inside a data clean room is not as easy as simply “flipping a switch.”

A well-planned and well-executed strategy is needed as you simultaneously run and evolve your martech stack. At every step, it will be important to find and connect the most adaptable solutions possible; and to strengthen your internal and external resources to get the most out of what you choose. The tools and partnerships you choose will be critical to help future-proof your marketing organization as a whole—and keep you moving from point A to point B.

The martech landscape has grown to include more than 8,000 solutions.[18] In the face of this complexity …

2/5 companies say aggregating siloed data and content from multiple systems is a top challenge.[19]



HOW IT CONNECTS

A more future-proof martech stack will inevitably begin with a robust, centralized customer data platform (see Trend 1, page 4). With that in place, you should embed privacy and data management functionality into your tech stack (see Trend 3, page 8) and focus on ways to improve marketing measurement without reliance on third-party cookies (see Trend 4, page 10).

TREND 6: OMNICHANNEL AUDIENCE MODELING.

Orchestration as dynamic as your customers.

Maybe your organization is good at lead generation on social. Maybe you're knocking it out of the park with banner ad retargeting to known customers. Maybe shopping cart abandonment has dropped significantly since your commerce redesign. That is all good news.

But do you know how any one of those successes is impacting the others? When it comes to matching messages, mediums and moments to audiences, are you able to build, test, tune and test again, *in the moment and across channels*?

This kind of connected, omniscient, real-time understanding of how the overall marketing mix is working together has been the promise of digital marketing for years. Yet—due to technological complexity, business silos, disconnected data and a lack of full transparency and integration from vendors and agencies—that promise has mostly gone unfulfilled.

As a result, most marketers today are only effective on a channel-by-channel basis. What's needed is effectiveness on a *customer-by-customer* basis.

This is the most complex challenge—and potent opportunity—that marketers face. CMOs have talked for years about omnichannel marketing; yet most of today's technologies, processes, metrics and contracts—not to mention marketing operations—are built for a *multichannel paradigm*. Channel teams each operate in their own orbit of customer data and creative, and those orbits rarely intersect with one another. The ways that audiences are sliced on social are different from how they're diced on connected TV. Creative testing and optimization is disconnected from known customer data.

Your individual customers don't become different people when they move between different channels or devices. Yet the approach taken by most brands means that audience insights gleaned in one moment on one platform aren't immediately applied, tested and refined on another—much less across them all.

People are dynamic and ever-moving. Your marketing must be as well. That's why **omnichannel marketing success starts with getting good at dynamic audience modeling and creative optimization**.

This is about looking far beyond common retargeting techniques used today. Those rudimentary capabilities were built on connections that advertisers and ad networks made between a few bits of past browsing data. Today's artificial intelligence and machine learning capabilities—coupled with your first-party customer data as well as publicly available contextual data and the persistent audience resources of large search, commerce and social media platforms—make it possible for you to orchestrate audiences and engagement across channels based on *millions of data points in real time*.

That's why today's most sophisticated marketers are doubling down on analytics, machine learning and automated decisioning—with a focus on connecting insights and actions across channels. They recognize that in order to model the five or 10 discreet audience groups that are most likely to make a specific purchase *today*—and then do it again tomorrow and the next day—they need to reorient both their technologies and internal processes to allow far more frequent and ambitious modeling within a test-and-control framework.

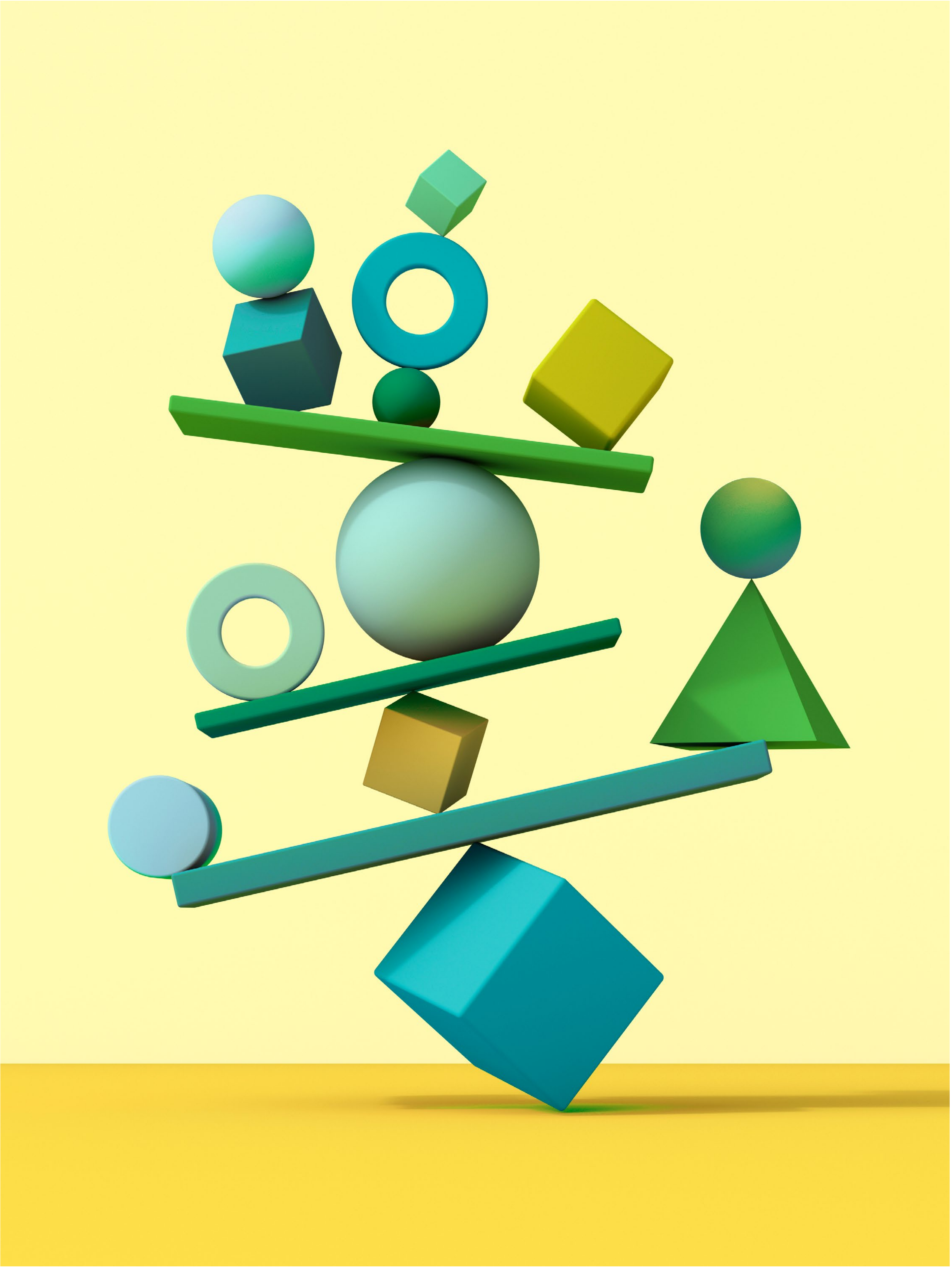
And by connecting advanced data integration, audience delivery, marketing orchestration and creative optimization tools, they're able to effectively close the loop between inputs and actions—across every touch point between brand and audience.

Getting there isn't just about evolving and connecting technology. In many organizations today, marketing tactics are siloed and owned by different teams: One team owns email, another manages social, another optimizes website landing pages, and so on. These silos must be broken down in order for organizations to effectively coordinate paid and owned marketing activities, and to understand and engage audiences in an *omnichannel paradigm*. That way, for example, cross-selling emails sent to segments of known customers align, in both tone and content, with targeted ads shown to those same customers on publishing platforms or social channels.

Despite the technological complexity involved, these efforts can ultimately help your brand become more emotionally relevant, more responsive, more trustworthy ... more human. In so doing, you can cement customer trust and loyalty in ways that competitors simply won't be able to challenge.

IN THE REAL WORLD

A global financial services company wanted to achieve better performance, efficiency and personalization through its marketing. We set up and managed end-to-end journeys in the company's own marketing cloud, using advanced segmentation and A/B testing. The effort reduced journey life cycle time by 50%, reduced data and creative errors by 20%, and enhanced customized messages by adding personalization attributes.



CONCLUSION: BRINGING IT ALL TOGETHER.

Accelerate toward the promise of digital marketing.

Over the past generation, intelligent tools and platforms have extended the frontiers of opportunity for brands. It's now possible to automate decisioning at scale, model audiences in detail, orchestrate experiences across channels—and measure it all in real time. As a result, the promised land of digital marketing—of customers understood and served at a personal level; of growth driven by smart, real-time, omnichannel decisioning and orchestration—seems so close …

Yet even as new frontiers open up, the horizon itself keeps shifting. The COVID-19 pandemic wrought sudden and profound transformations across industries and markets. The sunsetting of third-party browser cookies, coupled with new, more stringent data privacy regulations, have fundamentally changed what's possible in marketing. Consumer expectations have never been higher—and competition has never been more fierce.

Welcome to the faster normal. The pace of change today is challenging even the most capable and nimble marketers. And if history is any guide, that pace will only continue to quicken.

So is the promised land of digital marketing just a mirage, perpetually on the horizon, always out of reach? No. Change will certainly remain a constant. But innovative marketers are making strides and closing the gap between potential and reality. They're doing so by recognizing that success in the next generation of marketing comes down to a combination of *control*, *capability* and *connection*.

Control: As first-party customer data becomes an ever-more critical business asset, forward-thinking leaders are recognizing that data control and mastery can no longer be outsourced. Customer data management is a core competency for every business going forward.

Capability: Achieving real-time, omnichannel experience orchestration depends on having the right people, processes and technologies in place. The full ecosystem of agencies, vendors and martech tools, and internal capabilities needs to be aligned in ways that enable greater agility, speed and efficiency.

Connection: Individual, respectful and appropriate engagement depends on connecting data, decisions and orchestration across channels and touch points, in real time. That means breaking down silos—not just within the marketing organization but across the whole enterprise.

The silver lining of all this change is that every brand is affected. Third-party cookies are going away for all marketers. Local data privacy regulations effectively impact all brands in our globally connected digital universe. Each great consumer experience with a brand leads to elevated expectations from all brands.

In this environment, opportunity abounds for CMOs who combine smart digital strategy with bold plays. Market leadership and growth will accumulate for those who act on the trends that matter today and in the next generation of digital marketing.

The first, best move will be different for each organization. Some of the initiatives discussed in this paper may need to be tackled in tandem; others in sequence. More ambitious goals such as omnichannel audience modeling are only possible once you have achieved significant control, capability and connection across your marketing organization.

Given that the only constant in business is change, perhaps the most universal priority—today, tomorrow and well into the future—is strategic, proactive, coordinated change management.

That means keen leadership, budgeting and delineation of responsibility for addressing each of the trends discussed in this paper. It means identifying both short-term opportunities and long-term aspirations, and charting a path that helps you achieve both. It means addressing talent and technology needs, and defining new processes and metrics for success. And importantly, it means always improving your understanding of your customers and industry—and using that understanding to set and refine priorities that solve customer needs and drive growth well into the future.

All of this can help speed your brand on the path toward better performance marketing and toward preparing for the next "new"—whatever that may be and however fast it may arrive.

MAPPING THE PATH FORWARD.

In order to capture the potential in today's performance marketing trends, start by asking yourself:

1 How do I demonstrate the value of personalized experiences to my customers and connect that with transparency and user-driven control over the data I need in order to create those experiences?

2 How am I integrating marketing across channels to create an intuitive, natural, human experience for customers?

3 Do my key performance indicators measure loyalty-driving factors such as trust and omnichannel engagement?

4 What is my marketing technology strategy and how is it evolving to support these trends?

5 Do we have a culture that will embrace the change that lies ahead? If not, how do we get there?

6 What capabilities should continue to be managed externally, and what talent and tools should I bring in-house?

7 Do my media and measurement partners bring a blend of strong business strategy and analytics capabilities?

8 Are my vendor relationships structured in ways that demand (and reward) shared accountability, continuous evolution, knowledge transfer and innovation?

9 How is inaction affecting my results? How do I assess the impact of these trends on my business today and tomorrow?

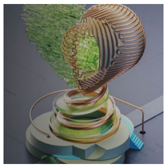
ADDITIONAL READING: PERFORMANCE MARKETING MASTERY.

Turning data into your growth engine.
Automate, personalize and elevate every experience, at scale.
View here

2021 Global Marketing Trends.
Find your focus.
View here

The next chapter of data privacy.
Building a new currency with digital trust.
View here

The ABCs of Customer Data in Marketing.
Making sense of today's customer data systems and platforms.
View here



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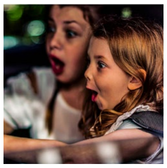

Goodbye third-party cookies. Hello human experience.
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