

The modern marketing playbook

How to demystify data and
extract impactful insights

2020

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It's a data-driven world

Over the past 15 years, there has been a revolution in data, thanks to the internet and other technologies. Marketers can now collect an abundance of data from social media, loyalty programs, payment systems, mobile devices, and more. The average marketing organization currently uses 14 different data sources—and this number is predicted to expand to about 45 sources by 2025.¹

Good data can increase brand engagement, maximize campaign metrics, refine customer targeting strategies, improve efficiency and transform the marketing function entirely. It can also help build a marketer's most valuable currency, trust. According to Valerie Beaulieu, CMO, Microsoft U.S., "the reason why I put culture at the center of our marketing transformation is because we know how important trust is with customers today, and to drive trust you need to be absolutely consistent with who you are as a company." Good data is one of the key ways savvy marketers learn about their customers, enabling them to deliver a consistent experience that will continue to develop a relationship with customers based on trust.

But, while the advantages of using data are clear, organizing, analyzing and learning from that data can be a hurdle. With the volume of data marketers face today, collecting data is half the challenge. The other? What do marketers do with the data once they've collected it?

1. <https://www.cmswire.com/digital-marketing/more-data-more-problems-how-cmos-can-simplify-data-overload-to-improve-demand-gen/>

The average marketing organization currently uses 14 different data sources

Business leaders and the influx of data



In a Korn Ferry survey of CMOs, 39% of respondents said that data analytics was what they needed most to advance their marketing capabilities.² These CMOs seem to be putting their money where their mouth is: the percentage of marketing budgets companies plan to allocate to analytics over the next three years will increase by 198%.³ Ideally, these allocations should pay off: businesses who let data drive their marketing strategies tend to be 19 times more profitable than their competitors, and they are 23 times more likely to gain customers than less data-driven companies.⁴

This influx of data is having a fundamental impact on the marketing function and is transforming hiring within the field. According to Beaulieu, “You need to be both left-brained and right-brained now in marketing. It’s not only about creativity; it’s about art and science, and that’s a big division within marketing. Whichever role, you need to be data-savvy enough to make sense of the data points and to drive these customer journeys.”

Data analysis is critical to the modern marketing playbook. In the best-case scenario, analysis can extract impactful insights from the clutter of collected data. These insights can help marketers recognize patterns, understand consumer behavior, and break through to key audiences with well-targeted information. In the worst-case scenario, however, analysis can leave marketers even more confused about what their data is trying to tell them.

“The sheer number of data sources has increased the data depth we get. And as you increase the data knowledge inside an organization, you have to decipher what that data is. Raw data itself doesn’t get you to insights. Understanding that data and some of the fallacies and false correlations around using that data helps you improve the knowledge you have about your customers.”

Chris Baccus
Vice President Digital Marketing,
Unibail-Rodamco-Westfield

Another challenge? Data often times tells marketers what they need to hear, not necessarily what they want to hear. If data contradicts current goals or strategies, marketers may ignore it as opposed to using the data to inform or influence goals and strategies.

“We’re seeing the increase of data analytics become a significant effort in marketing. In the past, there have been a lot of false correlations, with people using data to draw incorrect conclusions, so having smart data scientists are key to make sure you’re using data in a proper and smart way,” added Baccus. “If a campaign doesn’t perform well in the KPIs, a lot of times a team will focus on other data points that did do well. That’s not effective. As long as marketers focus on the KPIs they’re driving towards and track data that has impact on those KPIs, it’s beneficial in decluttering data issues and data misinformation when running a campaign.”

So, when it comes to data, how can marketers go from reluctant to resolute? From confused to confident?

2. <https://ir.kornferry.com/news-releases/news-release-details/korn-ferry-cmo-survey-more-half-marketers-say-they-cant-make>
3. <https://hbr.org/2018/05/why-marketing-analytics-hasnt-lived-up-to-its-promise>
4. <https://www.textrequest.com/blog/what-is-data-driven-marketing/>

Collecting data



The data revolution has had a significant impact on marketing leaders. Business as usual has gone out the window, and leaders now have to acquire, understand, translate, and leverage data if they want to serve the modern customer. But many do not feel equipped to do so. According to the Harvard Business Review, only 5% of CMOs are confident in their strategic decision-making abilities.⁵

There are billions of connected devices in consumer's hands today. As more and more devices become connected, the amount of data in the world will only continue to increase. Connected devices in business present both opportunities and challenges. Technology enables employees to switch from collecting data with pen and paper to apps and digital collection, whether in the office or remotely, but what to do workers do with this data?

Technology like AI can help process and analyze that data, so marketers can draw meaningful insights and, ultimately, create smarter strategies for their business.

Learn how to amplify your analytics investment and set the course of your business for years to come [here](#).

Companies aspire to use data effectively, they just don't really know how

only 47% say they have a solid data management process

Among the challenges:

51% have trouble integrating multiple sources of data

49% struggle with prioritizing data

48% can't determine the right data to collect

5. <https://hbr.org/2019/09/what-575-c-level-executives-really-think-about-cmos>
6. <https://download.microsoft.com/download>



“You can’t rely on what worked in the past to still work in the future as your business evolves.”

Metrics that matter: Becoming a data storyteller

“A few short years ago, we were all talking about the dawn of Big Data. Our challenge then was how to make sense of the overwhelming amount of data now at our fingertips. Fast forward a few years, we’ve moved beyond basic insights to learning how we can make sense of hundreds of thousands of attributes and turn that data into something we can use to re-engage customers in real-time.

Because today’s customers expect great, real-time experiences. Delivering those experiences requires you to balance creativity in your marketing with what the data is telling you to ensure you have the right inputs to make smarter decisions. So, you have to ask yourself

‘does my data tell a story?’ Do the metrics you’re capturing give you sufficient insights into what it takes to make great experiences? While asking ourselves that question, we realized we needed to try something new.

We have created new metrics that don’t reply on traditional things like click-throughs or single points in time, but instead look at segments of data now more holistically. Sometimes, we look to the data to find a magical answer, but often it’s simply to validate our gut. One thing is clear: The metrics that matter may not be what you’re using today, but you can’t rely on what worked in the past to still work in the future as your business evolves.”



Marissa Dacay
Senior Director, Global
Enterprise Marketing,
Adobe



Hubertus (Huub) Devroye
Global Director of Marketing
Dow Europe GmbH

B2B marketing through a B2C lens

"I don't see myself as a B2B Marketer, even though the majority of my transactions might be B2B. Our focus is B2B2C and beyond, to stakeholders, specifiers, influencers. I would argue that a large part of the influences that drive a buying decision, company growth or new innovations do not only come from immediate customer reactions, but also, from the data and the insights surrounding these.

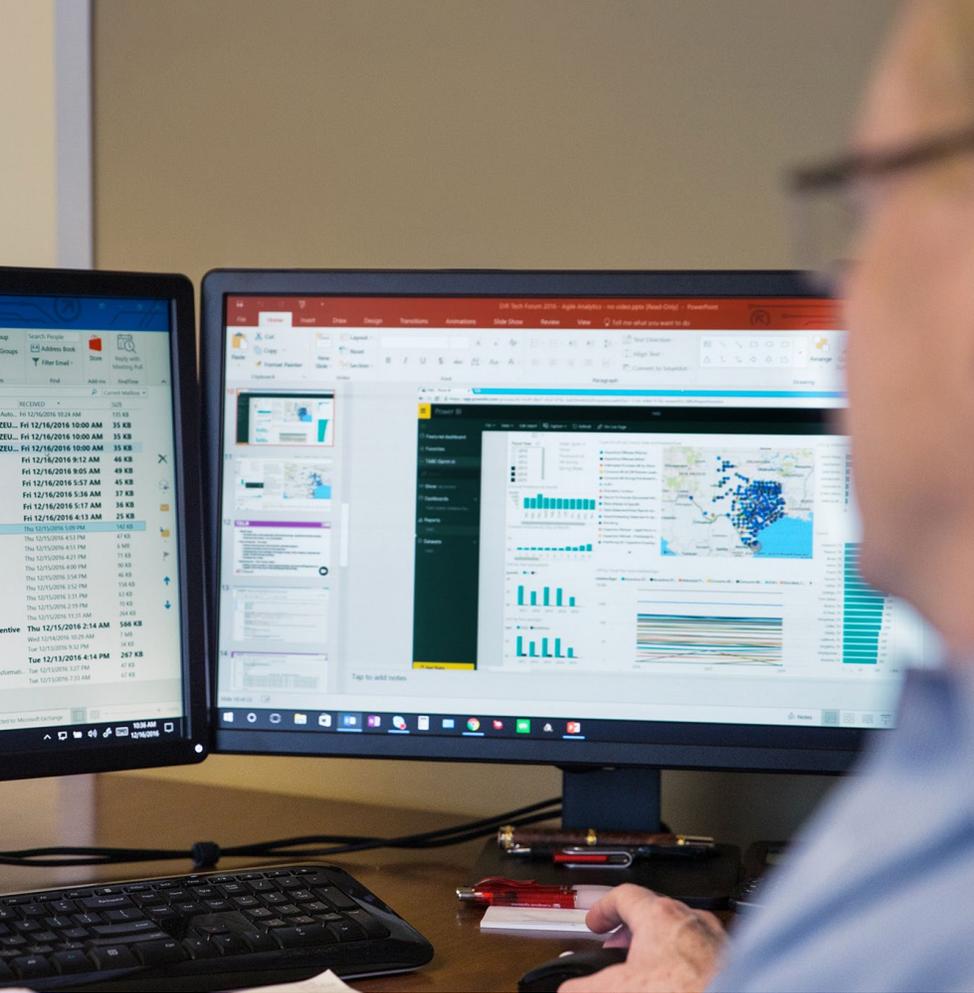
Consumer, customer and market data are very important for me as a B2B2C marketer. Data allows me to bring something new to the table in an objective and measured way. "Good data" is there to celebrate, "bad data" to learn and improve. Very much applying the consumer techniques I learned as a B2C marketer.

Take, for instance, social market listening. A couple years ago people would say this is not for B2B. However, the impact to have these type of real-time consumer insights

that can be translated into something meaningful for our industry is fantastic. Not only to drive new innovations or capture a new customer base, but also to anticipate certain trends or identify hidden or new pockets of growth.

Through consumer data we can see when someone will have interest in a product or has an unmet need, which, in turn, helps a company like ours, a leading material science company, anticipate, develop or innovate and collaborate through our value chain to make things happen.

In the age of digital, I'm not worried about getting consumer data as marketers have an endless amount of capabilities at their fingertips. The key is to translate data into insights that a person can act upon, whether this is R&D for innovation, sales to close a lead, or a marketer to explore and experiment with a meaningful soundbite."



"Social engagement is critical in transforming a marketing playbook. Customers, even in the B2B space, want to have the same intimacy that they would have with consumer brands. So it's important to listen to them and make sure we have a feedback loop and participate in the conversation in a proactive fashion."

Valerie Beaulieu
CMO, Microsoft U.S

How to use data

Once organizations have the data, they need to know what to do with it. Turning data into insights creates deeper engagement and generates greater revenue and results. It starts with achieving a 360-degree view of customers, then generating insights from this data, and finally converting with experiences and offers based on predicting customer intent.

Some specific steps marketers can take:

- Go beyond website analytics and CRM to incorporate data sources that pinpoint the purchase window, such as data generated by search, ad serving, mobile apps, sales, and surveys.

- Use machine learning to predict consumer behavior, optimize media, and personalize messages.
- Move away from descriptive analytics, which will simply show what has happened, and embrace diagnostic analytics, which explains why and helps change course for the better.
- Consider hiring an outside data analyst, sometimes called a "data artist" or "data storyteller," who can uncover stories told through data without being biased by internal information.
- Spread data responsibility throughout the organization instead of making it one team's

responsibility. This will help everyone stay on the same page.

Learn how you can leverage Microsoft Teams to improve accessibility and engagement [here](#).

- Use AI technologies like chatbots, digital assistants, and cognitive services technologies to automate data-driven tasks and responsibilities, which allows marketers to focus on more complex projects.

Download the Forrester Consulting study learn about the potential financial impact Microsoft analytics can have on your organization [here](#).



The benefits of using data the right way

Data and technology are a means to an end. Once companies understand how to use their data, they can look forward to many benefits. Better understanding customers, including who they are, what's important to them, what they use or don't use, and what they like or don't like, can drastically improve campaign performance and product development. As customer engagement is increased, it can lead to better conversion and loyalty, which can increase sales.

At Microsoft, Beaulieu explains how technology helps marketers understand the customer journey from beginning to end. "We're combining state-of-the-art technology, such as Adobe, with our own Azure data lakes and machine learning, to make sure we process all this data and truly understand where customers are in their journey and recommend where to drive them next," she said.

To manage data, marketers should invest in analytics solutions that are highly customizable and integrated. Properly managed data not only provides insight into which strategies are working well, but can uncover insights into how to market in the future.

Customer expectations are shaped by their customer experience. Personalized interactions that are relevant and tailored drive loyalty, but also drive brand trust and advocacy. To create customer-centric and inclusive strategies require data and analytics to pinpoint behaviors, demographics and interests.

Read the Harvard Business Review Analytic Services report "Understanding Why Analytics Strategies Fall Short for Some, but Not Others" [here](#).

Check List

1

Make fact-based decisions, not assumptions—numbers can't lie!

2

React immediately and course correct in real time.

3

Stay relevant with digital natives like Millennials and Gen Z customers.

4

Predict future trends to stay competitive and perhaps even lead the way.



The Future of Data

Data is here to stay, and its influence will only continue to grow. And with the average marketing organization predicted to use nearly 50 sources in the next five years, businesses need ways of organizing and interpreting that data.

Here are a few trends that marketers should keep their eye out for in the coming years:

- As AI becomes more and more common, it must be kept human. Ethical AI principles ensure that an organization's AI is fair, inclusive, reliable and safe, transparent, private and secure, and accountable.
- Conversational AI uses messaging apps, speech-based assistants, and chatbots to automate communication and create personalized customer experiences at scale.
- Context-aware analytics take into account location, time zone, and other specific information to target customers even further.
- Continuous, real-time analytics allow businesses to drastically speed up their data collection and analysis.
- Augmented analytics takes data from raw sources, scrubs and analyses it in an unbiased manner, and summarizes it in a report using natural language processing that humans can understand.

As AI becomes more and more common, it must be kept human. Ethical AI principles ensure that an organization's AI is fair, inclusive, reliable and safe, transparent, private and secure, and accountable. Learn more [here](#) about how Microsoft approaches Responsible AI, its principles and governance model.



"Social media introduced instant feedback to advertising. Now you can engage with the ad unit and share whatever displeasure you have with that product or company, or whatever benefit or love you have for that product or company. So we get a lot unstructured data within media and marketing buys. It's more difficult to say what to do with that data to better improve campaigns. Sometimes it's obvious because there may be a visceral reaction to how you're marketing something. You might end that campaign early or change the targeting. That unstructured data is a little harder to get a more empirical view of it because a lot of it is based on sentiment analysis and human eyes on that data to see how it's impacting your performance. There's a lot of opportunity in technology in how we formulate that empirical data to inform the campaign team to drive better results."

Chris Baccus
Vice President Digital Marketing
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On unstructured data

