Overcoming the last hurdle: How marketers can master Data Activation

making science

contents:

executive summary

As change accelerates, marketing toolkits are evolving in response. Rapid expansion in digitalisation and tumultuous global events have seen marketers increasingly adopt technologies that help drive smarter strategies and nimbler decisions, often using powerful artificial intelligence (AI). With the brief bubble of post-pandemic optimism set to burst, these capabilities will be more vital to brands than ever for fuelling strong ROI and meeting business goals, whatever their budget.

According to the World Bank's latest economic outlook, this year's growth forecast has fallen to 2.9% globally; down from the 4.1% projected in January 2022 and 5.7% reached in 2021. For the UK in particular, a blend of low consumer confidence, estimates of up to 10% inflation and downgraded 0.6% market growth is raising concerns about stormy conditions ahead.

Hard work to enhance data mastery has enabled proactive marketers to boost their resilience on some fronts, putting them in a better position to handle the coming headwinds than less mature organisations. Across the finance, retail, and travel sectors, 95% are activating their data, while nearly six in ten (56%) have invested in automation to improve efficiency and agility.

At the same time, however, failure to harness advanced measurement solutions means many marketers are still stumbling at the last hurdle of data use. By sticking with general analysis, most (62%) continue to rely on data that only covers a sample of consumer journeys, emerging trends, and performance against conversion objectives.
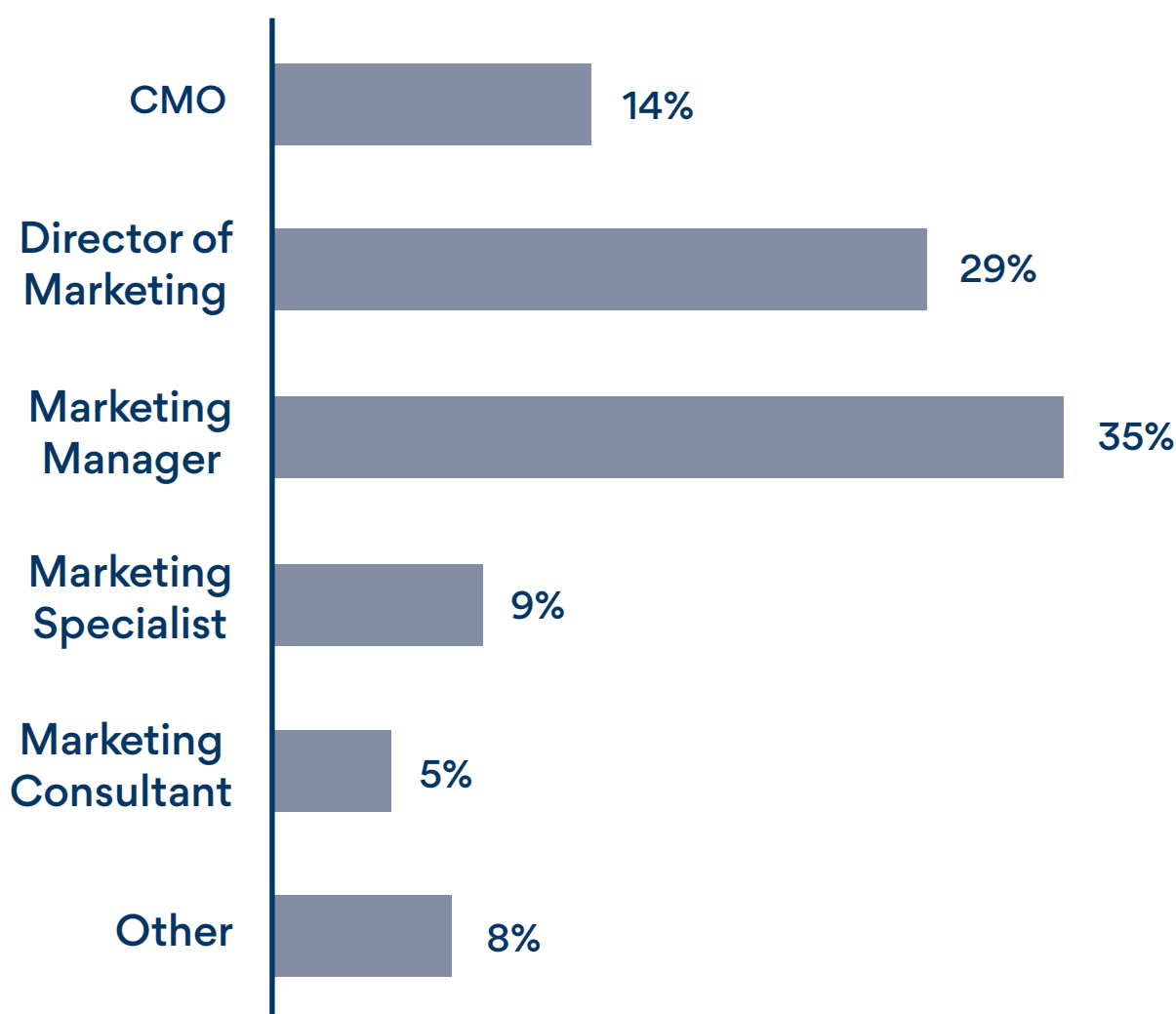
This deep dive into current data practices examines where UK marketers currently are and what they should be doing to ensure long-term success. In addition to pinpointing key proficiency gaps, that includes defining which solutions will generate the comprehensive, granular insights needed for maximising marketing impact and safeguarding the business bottom line.
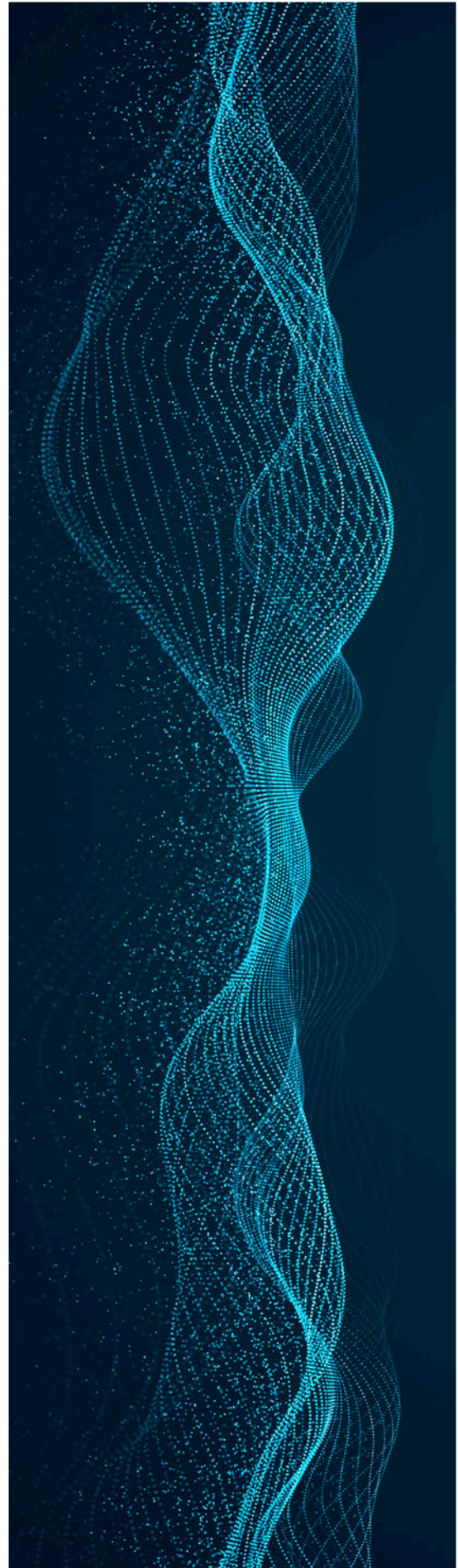
methodology

A total of 600 UK marketing professionals shared responses via an online survey conducted with Censuswide, split equally across three vertical sectors: financial services, retail and eCommerce, and travel. Fieldwork took place between 22 - 30 May 2022, with the sample including a mix of company sizes, ranging from enterprises of 250 - 500 employees to companies with under ten employees and sole traders, in addition to several different levels of decision-making roles. A variety of different question types were used within this piece of research, including single choice and 'tick all that apply' questions, where the respondents were able to select as many answer options as needed. With the 'tick all that apply' questions, the response percentages won't add up to 100%.

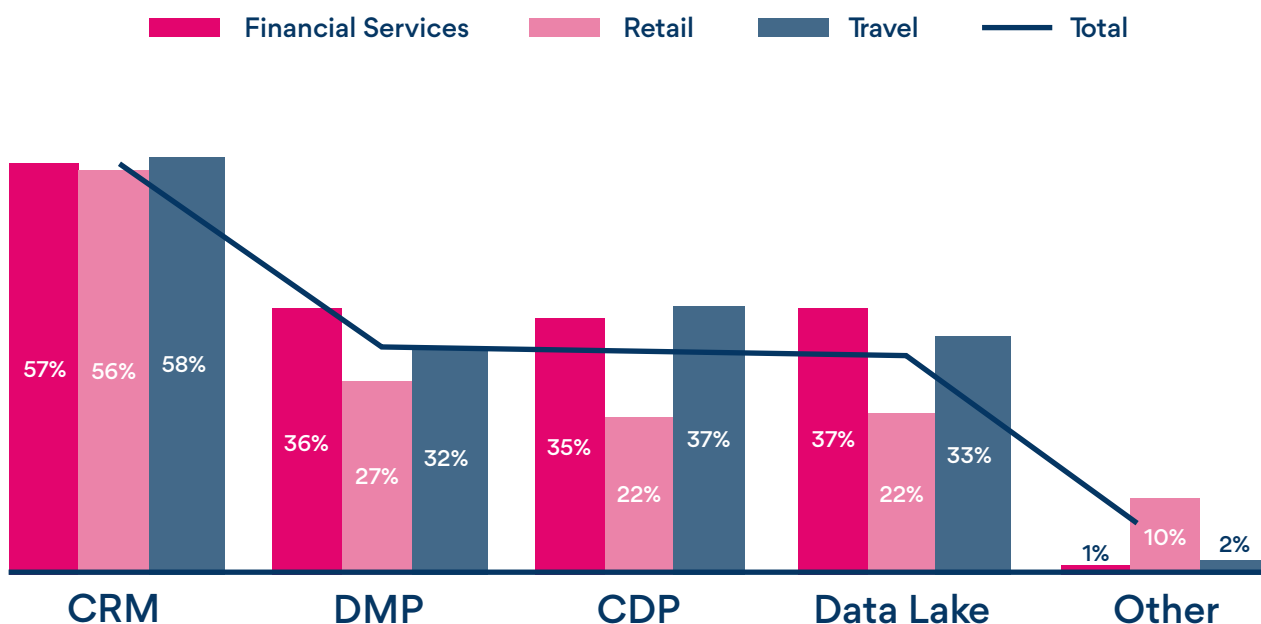*Qviii. Which of the following best describes your job title?*

Job Title	Percentage
CMO	14%
Director of Marketing	29%
Marketing Manager	35%
Marketing Specialist	9%
Marketing Consultant	5%
Other	8%

1. Fragmented data foundations

1.1. An incomplete base of insight.

While becoming more aware of the need to build their data stores, marketing decision makers are limited by existing management practices. Findings reveal the vast majority (69%) use just one data hosting solution, with customer relationships management systems (CRMs) the top pick for 57%. Although this means most have the ability to collect and coordinate valuable data about their direct customer interactions, it also suggests they are missing the additional insights needed to achieve a holistic view of customer experience.
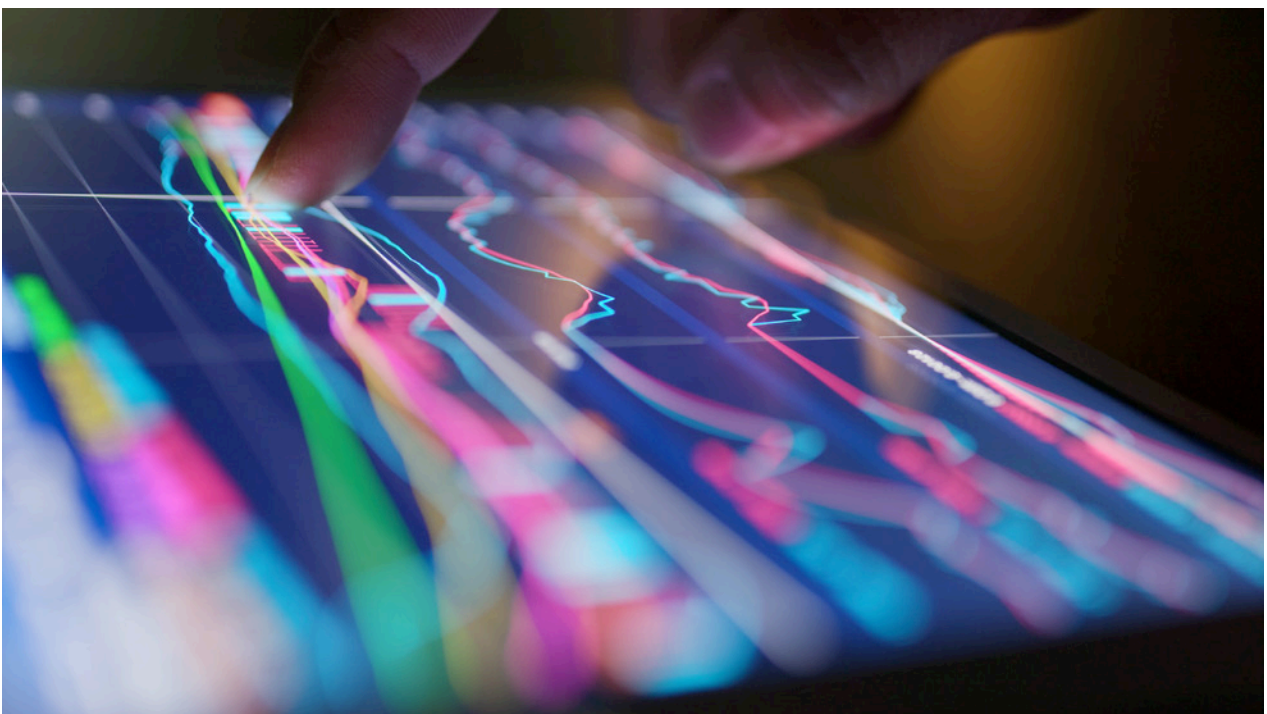
From an industry-specific perspective, dependence is especially heavy in the retail space. As the chart below highlights, retail marketers are much less likely than those in the finance and travel sectors to use solutions other than a CRM, despite their greater need for detailed data. Without complete understanding of ever-shifting consumer habits, retail decision makers are at sizeable risk of running activities that miss the mark for today's shoppers.

Q1. Where do you host your data?

	Financial Services	Retail	Travel	Total
CRM	57%	56%	58%	
DMP	36%	27%	32%	
CDP	35%	22%	37%	
Data Lake	37%	22%	33%	
Other	1%	10%	2%	

Adding to these issues are several inefficiencies in the way data is collated. After huge growth in digital consumer engagement, it's not surprising that nearly nine in ten (88%) respondents are gathering data from online sources, including analytics, campaign, and web data. Yet the comparatively small 55% collecting offline data suggests this has reduced the focus on other essential data sources and left marketers with inadequate insight for making informed choices.

Q2. Which of the following, if any, are the sources you collect information from?

Sources from which information is collected

Source	Percentage
Online (analytics, campaigns, web)	88%
Offline (advertising, CRM and sales)	55%
Neither	3%
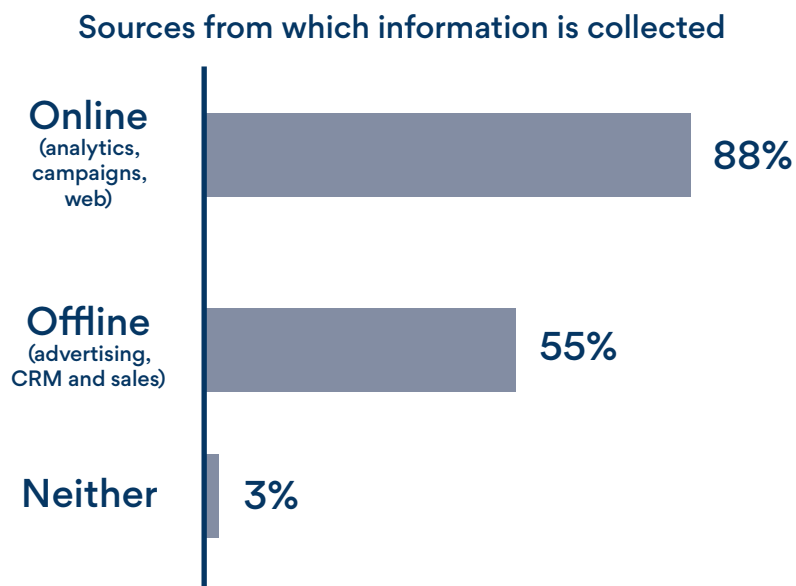
key findings

1. Fragmented data foundations

### 1.2. Good integration is not universal.

Considering the crucial importance of unified data for both successful insight extraction and activation, it is reassuring that a high number of decision makers believe they are equipped to pull together information from different sources. Asked to detail their data integration ability from a multiple-choice selection, around half (52%) of marketers say they integrate their data using external platforms, with 34% deploying bespoke internal systems.

Digging deeper into the findings, however, reveals concerning areas of variation at the sector level and beyond. Marketers in the finance industry are among the most likely to have internal and external systems in place for connecting data, with use at 55% and 38% respectively. Retail, however,

has the lowest volume of decision makers using in-house processes (50%) and external platforms (31%), as well as the highest number feeling they lack the data required for integrating multi-source information, at 9%.

Yet while this figure exceeds the cross-industry average for data deficiency of 6%, the finding that **11% of all marketers say they lack the necessary expertise** and functionality for effective connection illustrates general problems with data handling are still widespread.

Q4. Which of the following statements are true of integrating your data from different sources?
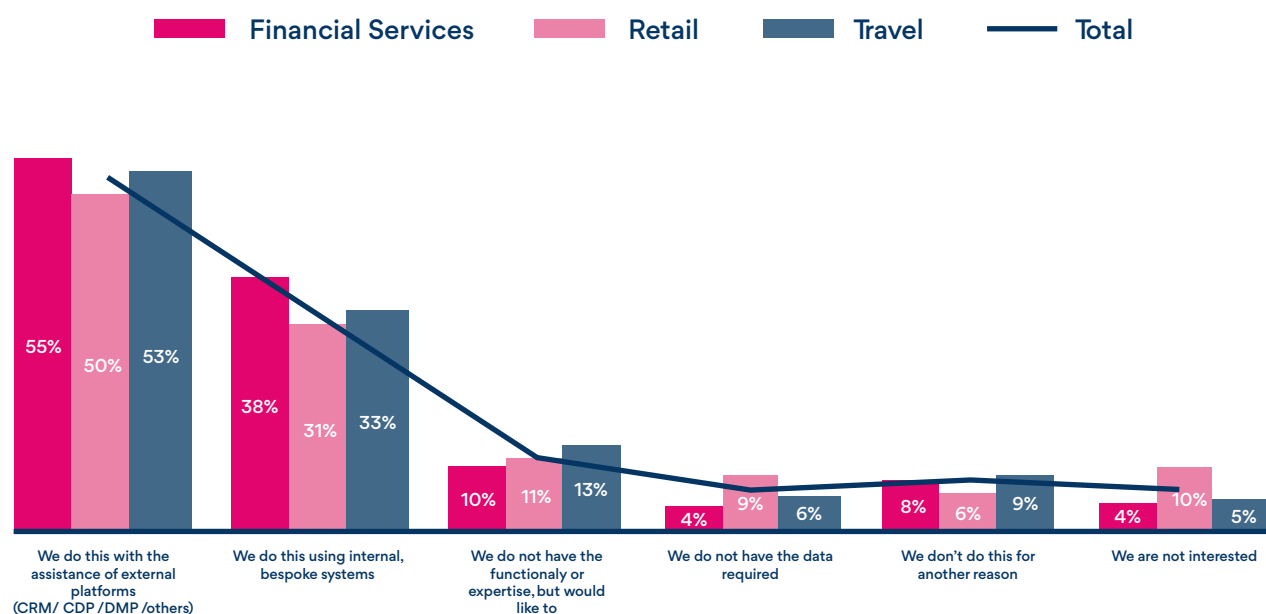
Such challenges are compounded by a mismatch between commitment to best practice and ongoing data divisions. Where 54% of cross-sector decision makers measure data to gain all-inclusive oversight of their business, almost the same number admit measurement is siloed (47%), with silos particularly common in the travel industry (49%). Moreover, an extremely worrying **10% of respondents are not measuring their data at all, including 16% in retail.**
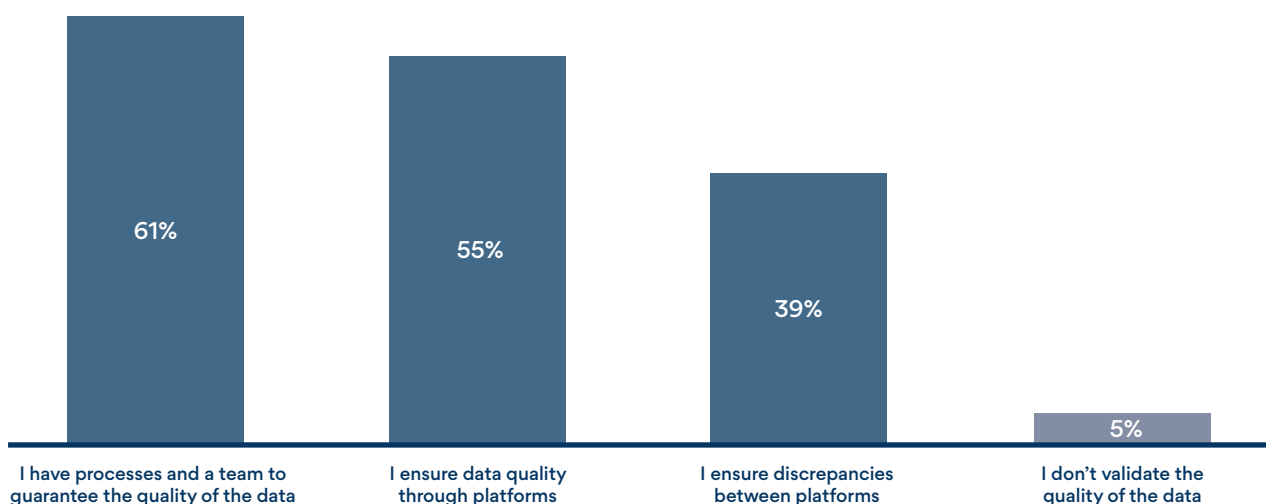
key findings

2. Missing quality and compliance basics

2.1. The problematic DIY mentality.

Modern marketers know that putting garbage into their analytical engines usually results in getting garbage out. So, it makes sense that only 5% are not aiming to maximise data quality with this approach. Across the board, however, self-management tends to win out against technology-assisted assessment, making it harder for marketers to guarantee accuracy and validity.

Respondents are more inclined to monitor data quality using internal processes — led predominantly by in-house teams (61%) — than purpose-built, intelligent tools (55%): an imbalance that significantly increases the probability of human error, causing mistakes and inconsistencies in marketing data, which are likely to be overlooked.

Q3. Which practices, if any, do you use to ensure the quality of your data?

61%	55%	39%	5%
I have processes and a team to guarantee the quality of the data	I ensure data quality through platforms	I ensure discrepancies between platforms	I don't validate the quality of the data

2. Missing quality and compliance basics

2.2. Trailing behind on data legislation.

Coupled with the complex state of data compliance, this skew towards manual procedures indicates that a high proportion of marketers haven't yet gone far enough to ensure they have the broad visibility and robust control to enable smart and responsible data use. Under two fifths (38%) are aware of the changes in data processes triggered by the General Data Protection Regulation (GDPR), have implemented them on some level, and/or engaged an external expert to achieve adherence. Only 33% have moved to establish their own expertise.

More worryingly, **one in ten (11%) still aren't sure how the regulation applies to them** and 4% haven't heard of the legislation. Although very few respondents are aware of GDPR but still choosing to disregard it (1%), the finding that any marketers are ignoring data laws is alarming. Above average GDPR uncertainty in the travel sector (13%) also highlights troubling challenges with compliance, especially for an industry where international data transfers are more likely and despite 44% of marketers having already recruited outside
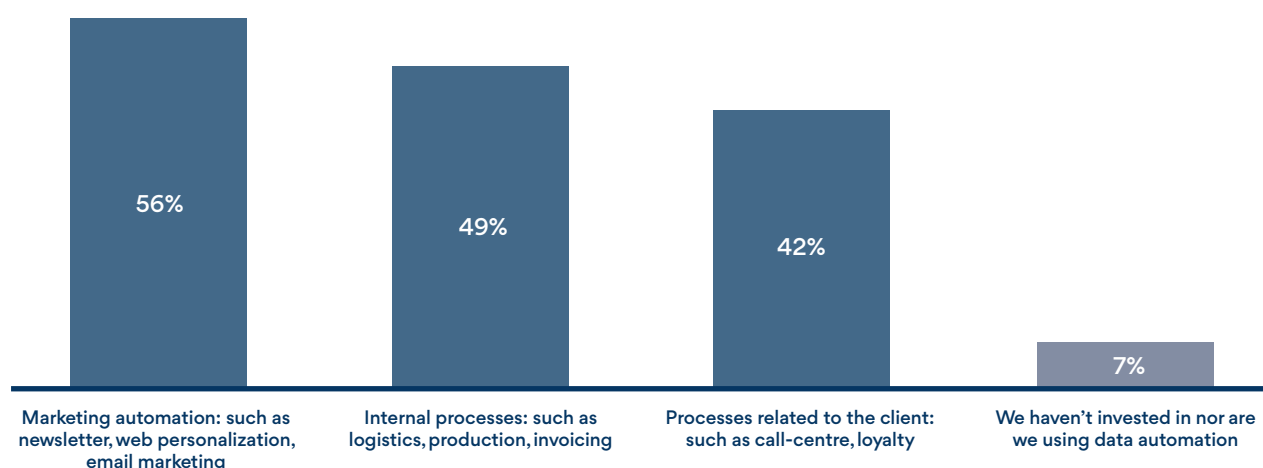
3. Failure to launch: data activation inefficiencies

The ultimate disconnect between the vision of data-powered marketing and its reality lies here. Almost all (95%) respondents strive to activate data, and many deploy intelligent tools to help them do so at enhanced speed and scale, but **gaps in core data infrastructure are hampering their ambitions on multiple fronts** and posing barriers to elevated maturity.

Hopes of improving efficiency and reclaiming time lost to labour-intensive tasks are reflected in the diverse ways decision makers have embraced automation. More than half (56%) have automated newsletters, web personalisation and email marketing, with 49% streamlining internal production, logistics and invoicing, while a further 42% have switched over customer related processes, such as call centre loyalty. At the data level, machine learning is becoming more popular for fuelling product recommendations (46%) and optimisation of ad campaigns.

Q7. Have you invested in, or are you using the following data automation?

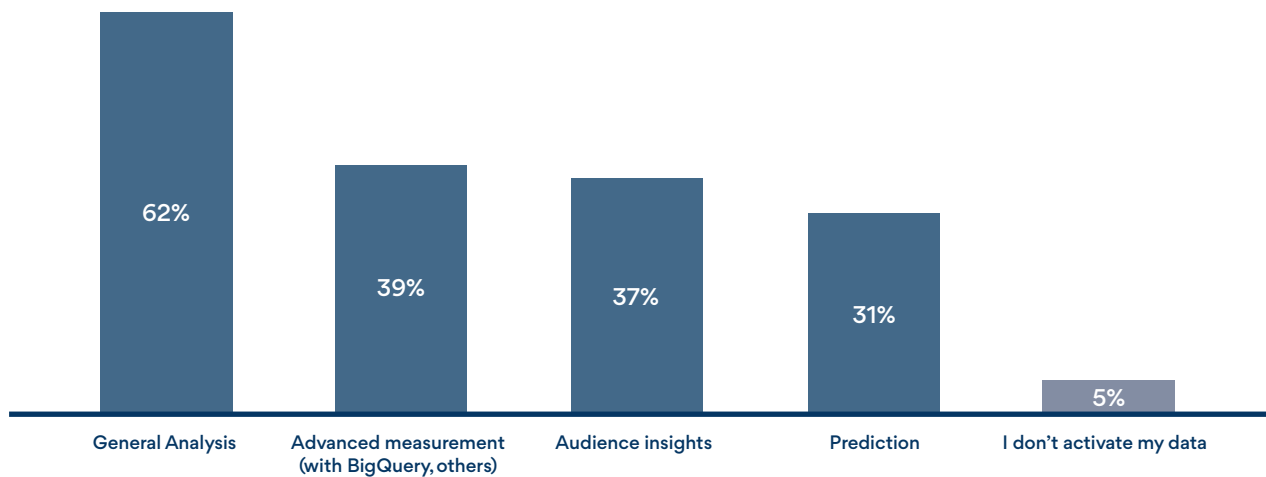| 56%	49%	42%	7%
Marketing automation: such as newsletter, web personalization, email marketing	Internal processes: such as logistics, production, invoicing	Processes related to the client: such as call-centre, loyalty	We haven't invested in nor are we using data automation

As retail maturity continues to decline, marketers generally use less automation than their finance and travel counterparts, only outpacing travel on automating internal processes (47% versus 42%).

The potential gains of automation, however, are often restricted by continued reliance on broad evaluation. Typically, data is activated via general analysis (62%), with **only four in ten decision makers (39%) using advanced measurement** and even fewer harnessing audience insights (37%) and predictions (31%). These findings suggest substantial changes are needed in how data is assessed to make sure the insights feeding intelligent systems and algorithms are sufficiently detailed, precise, and reliable to drive higher performance.

Indeed, findings indicate that a lack of in-depth and actionable data is severely hampering the ability of respondents to meet key goals, with objectives to increase return on investment (ROI) and conversion rate optimisation (CRO) hit by a minority of 42% and 38% respectively.

Q8. How do you currently activate your data?

General Analysis	Advanced measurement (with BigQuery, others)	Audience insights	Prediction	I don't activate my data
62%	39%	37%	31%	5%

Honing insight-driven muscle for the uncertain future

1. embracing streamlined integration

Holistic insight is important for marketers to drive great performance and maximise resources at any time. With financial skies turning grey, this insight will be paramount to enable shrewd decisions and avoid wasting spend, especially if marketing teams are working with reduced budgets. Decision makers can no longer afford to accept persistent silos and customer knowledge gaps; they need to re-enforce their data foundations with robust orchestration.

At Making Science, these capabilities form the backbone of our innovative GUASS Marketing Intelligence Engine. By efficiently capturing and connecting real-time data from different sources, GAUSS ensures a strong, unified starting point for analysis, activation, and predictive modelling. Because each business has different needs, we offer a variety of approaches that can be customised to resolve challenges and set data management practices on the right path.

1.1. Looking beyond the CRM.

As the survey findings suggest, priority one for many decision makers is breaking exclusive CRM dependence. While these can help steer some sales and customer service activity, the relational databases of names and brand interactions can't support modern marketing on their own. Decision makers need tools that augment CRM insight, such as the customer data platform (CDP).

In addition to building a comprehensive and consolidated pool of customer data, CDPs allow marketers to create unified individual profiles and continually enrich them with fresh multi-channel information. The capacity to make data accessible to other systems means that CDPs not only smash silos, but also fit seamlessly into wider data management infrastructure.
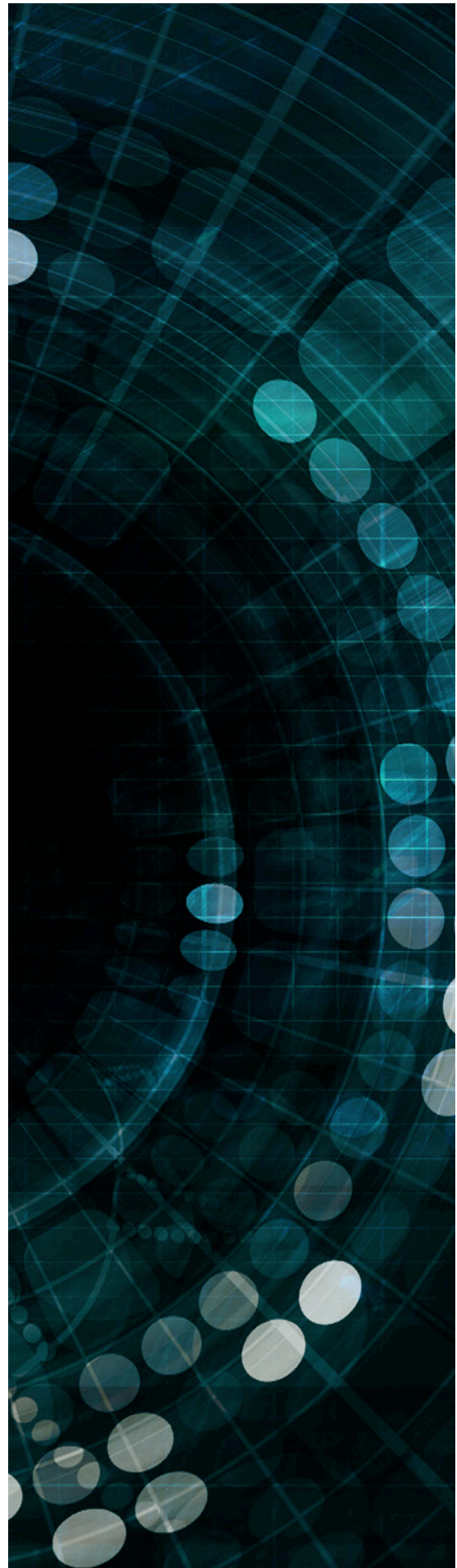
2.1. Cultivating a unified data layer.

The next step is adopting technology that can extract, harmonise, and combine all marketing data. This is where the GAUSS platform comes in, with collation of data from different sources producing unified intelligence.

By plugging into diverse digital marketing platforms, the system can instantly gather data about multiple offline events — from in-store purchases to travel agent enquiries — and link them with digital customer identities through tools such as Google's Match ID. Further integrations with the Google Cloud Platform (GCP) fuel easy interoperability with tech like CDPs: giving marketers the ability to obtain full visibility of each customer interaction and cross-channel performance.

2. Getting data into secure shape

Insight-driven activity might be the new marketing gold standard, but outcomes will be underwhelming if the data decision makers leverage isn't accurate. With marketers predominantly opting to evaluate data quality manually (61%), many are at risk of disappointment as a result of error-laden data hindering performance, or even resulting in campaign misfires. The piecemeal nature of data privacy practices, and concerning levels of GDPR uncertainty, also indicate a significant possibility that data will be non-compliant, as well as imprecise.

To improve data quality and regulatory adherence, marketers will need help from intelligent tools that can apply multi-layered checks at scale. Thanks to developments in privacy-safe data collection and management, using smart solutions doesn't have to result in marketers loosening their grip over valuable insights; whether owned or external. Every solution in the Making Science portfolio has been selected for the mix of control and flexibility it gives marketers.

2.2. A unique blend of privacy defences.

As the deprecation of third-party cookies rolls on, it's becoming increasingly clear that moving to consented first-party data presents the best way forward for complying with regulation — including the European GDPR and UK Data Protection Act — while also navigating cookie use limitations on browsers and devices. To make this change, companies will need more advanced approaches to first-party data collection, storage, and application.

That's why Making Science has developed bespoke offerings to equip marketers with a host of privacy persevering solutions. While specific packages vary according to business requirements and objectives, most tailored setups offer the ability to mix and match from a range of key tools, including:

- **Gauss Marketing Mix Models:**

  Allows marketers to measure online and offline success using statistical modelling, harnessing aggregated historic data to calculate the weighted value of each channel and type of campaign in accordance with core marketing goals, such as sales.

- **Google Consent Mode:**

  Enabling identifier-free collection of website interaction data by aligning Google tag and script behaviour with user consent preferences.

- **Google Analytics 4:**

  The next iteration from Universal Analytics, built for stringent privacy and providing refined data controls to adhere with every global regulation.

- **Enhanced conversions:**

  Gathers first-party data from users at the point of conversion and uses it to drive accurate measurement, as well as enabling marketers to specify desired customer data fields to capture, hash, and share for reliable tracking.

- **Facebook Conversions API:**

  Works to optimise traceability of customer journeys by securely collating as many data signals as possible, using a pixel or conversion API.

2.3. Keeping an eye on quality.

Steady data flow via complaint pipelines will go some way towards upholding quality but monitoring this huge input can still be an overwhelming task. To facilitate efficient housekeeping, Making Science has also incorporated data comparison abilities into our GAUSS platform.

Acting as a master console, the solution translates data from different platforms and tools into clear visualisations that marketers can access and inspect in customised dashboards.

By persistently monitoring whether data is being received correctly and flagging discrepancies, it makes sure problems are quickly resolved before they lead to accidental regulatory breaches or wasted spend.

3. Unleashing maximum value from data

Most marketing data uses boil down to two categories: improving experiences or the media mix. For both areas, detailed data exploration is crucial to reveal key factors for increasing results; and general analysis doesn't make the grade to deliver this. With general analysis simply evaluating sample data rather than entire datasets, insights are representative and can lack precision. Achieving an exact blueprint for success requires advanced analysis tools that can ingest and assess every data point to meticulously map marketing performance and identify high value opportunities.

3.1.   Amplifying advertising.

When it comes to advanced data activation the benefits of AI aren't just about organising colossal data stores; subsets such as machine learning can also unlock and expand on the insights they hold. This is the mission of the GAUSS platform. Tying into the orchestration level of our platform, it uses a unified base of past and incoming first-party customer data to run predictive AI models that pinpoint what real-time actions marketers should take to optimise outcomes on various fronts:

Powering personalisation: Serving targeted messages and experiences by finding patterns across large-scale audiences and enabling segmentation in line with varied key attributes, from behavioural traits to search activity.

3.2.   Quantifying lead value.

Allowing marketers to match their advertising bidding strategies with the predicted value of each online lead and prioritise highly profitable outreach by using historic data to determine current rankings, including how likely leads are to complete digital and real-world objectives, such as subscription sign-ups or store visits.
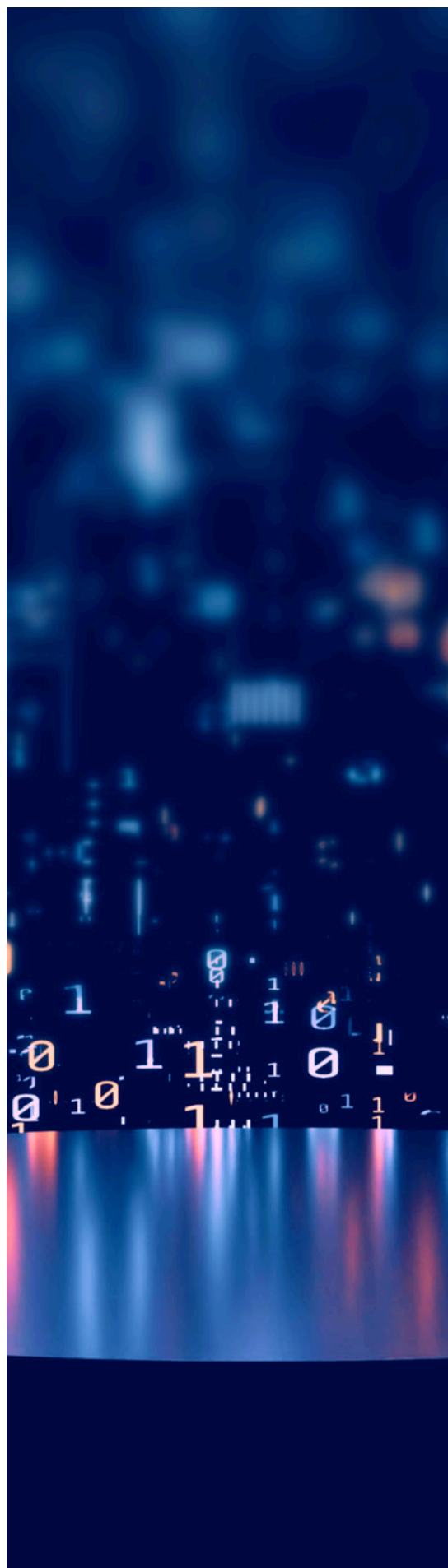
3.3. Increasing purchase potential.

Maximising gains and cutting costs by estimating purchase probability; with analysis of first-party cookie and conversion data allowing marketers to direct prospecting activity and budget at users with higher buying propensity, while minimising spend on low-value audiences.

3.4. A virtuous cycle of insight.

Ensuring marketing effectiveness is a never-ending task. To keep advertising efforts closely synced with the highest performing users, channels and techniques, decision makers need a persistent stream of attribution data; tapping insight about what is and isn't working to pivot in accordance with constantly shifting audience habits and trends.

As part of the GAUSS ecosystem, our attribution solutions and marketing mix models can be crafted to continuously monitor the performance of every effort against customised and changeable business goals. This includes the ability to analyse the impact of not only cross-channel marketing campaigns, but also specific optimisation experiments, allowing marketers to activate this data and drive incremental improvements in user experience, ROI, and lasting customer loyalty.
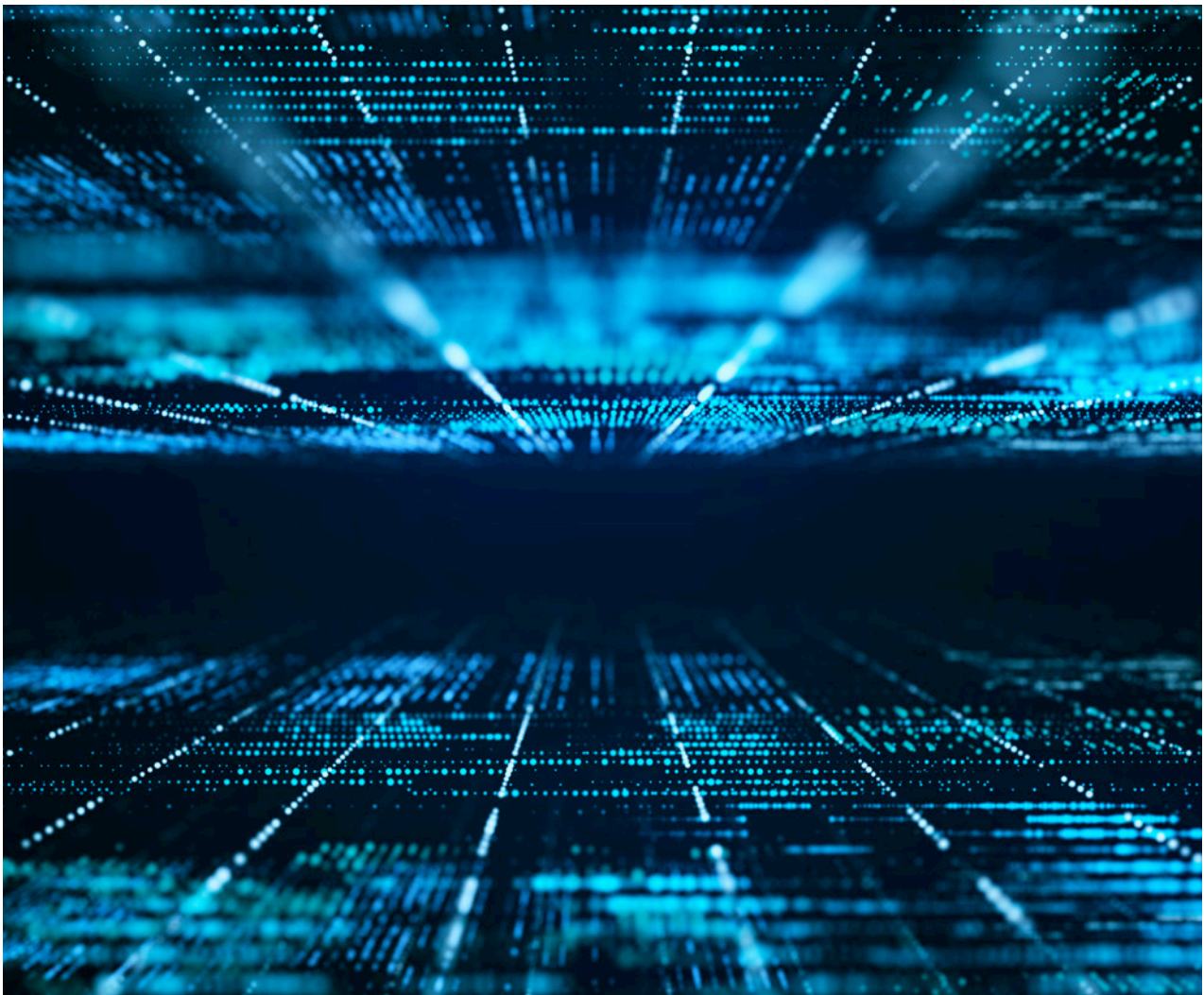
conclusion

Decision makers across sectors show promising signs of data appreciation and determination to drive insight-enabled performance. For many, however, mistaken faith in the wide-ranging scope of general analysis is seeing them stall at the final hurdle of mature data use, while others are being held back by fundamental flaws in data management. This impasse isn't only highly problematic for those marketers keen to maximise efficiency; it also places them in a vulnerable position in the ever-more volatile financial climate.

Investing in solutions that better allow them to capture, orchestrate, analyse, and activate data from every source is essential to break this stalemate and future-proof their business for whatever storms may come.

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