



THE MARKETING

ANALYTICS EVOLUTION

HOW DATA-DRIVEN IS YOUR

ORGANIZATION?

It's a data jungle out there

With new marketing channels and technologies popping up every day, marketers must adapt and evolve their analytics strategies, skills, and solutions to survive. As big data becomes increasingly critical for informed decision-making, marketers and their organizations will find themselves along a spectrum of analytical maturity.

According to the [2017 CMO survey](#), spending on marketing analytics is forecasted to increase by 376% in the next three years. So whether your organization is currently spanning the maturity scale of crawling, walking or running, it's important to know where your marketing organization's analytics are today in order to progress tomorrow—and thrive in the coming years.





The Data Newbie

Even today, many marketing organizations are still working through analytics 101—and that's great because they've started the journey. Data newbie organizations are data aware, and their people are starting to take the first steps to access and analyze data directly within their channels. These marketers have entry-level data skills, view singular reports, and typically work with lots of spreadsheets. They're making adjustments to marketing tactics and strategies in a reactionary way. Here's the breakdown of what data newbies are up to:

Channel-Driven Operations

If your marketing team is primarily using analytics to think about and measure clicks, page views, likes, email open rates and budgets, then your organization might be in phase one of analytical maturity. Social platforms and CRM tools often come with analytics built-in—so while marketers can view and react to what has already happened directly in a specific channel, there's not a cohesive view or centralized way to understand everything that is currently happening across all of the channels.

Even if your organization is manually exporting data into spreadsheets, disparate data sources are still your number one obstacle, and it's probably keeping your teams from clearly defining key performance indicators (KPIs).

Reactionary Marketing

Newbie level marketers are focused on putting out fires, problem solving and taking the next best steps based on what has already happened. These marketers will often make good adjustments to spend and campaigns after reviewing results, but they aren't answering all of their important questions with data.

Additionally, the data is usually dated. Newbie marketers are limited to generalized reports that show what historically happened, and they can only describe what has happened, rather than pivot in real-time. Because of this nuance, opinions and gut-feelings are often still more influential than data when it comes to decision-making.

Ad-hoc Business Strategy

Marketing organizations at the newbie level only consume small snapshots of their full data stories, so marketers will lack confidence in strategy and business decisions. Any business strategies that do exist are applied on an ad-hoc basis, and this go-with-the-flow approach will limit understanding of return on investment (ROI) and budget allocation.

Entry-Level Data Skills

Data newbies will be excited about seeing results within their channels, but have a limited data skillset beyond basic reporting. Many times, marketers at this level will report their data as high level averages, and not have the ability to calculate distributions or see the underlying drivers. This can restrict understanding of root causes, or even tell an incomplete data story.

Also, data skills may be limited to the few, and aren't spread throughout the marketing organization. At this level, marketers with data skills primarily exist on one or just a few teams. A tell-tale sign your organization is at level one is if analytics is lacking executive sponsorship.

Siloed Data Culture

Are people across your marketing organization talking about data? Or are there just side conversations happening between a few main players? Data newbies will find that they often have siloed data sources, and that insights are not shared within or between teams. Level one marketers usually need approval for access to information.

Next Steps for The Data Newbie Marketing Organization

If your organization feels like it's in phase one, it can be an exciting time. People are starting to help spread data culture by bringing others into conversations and exploring next steps. If your team is ready to level-up in analytics, blending data from multiple sources is the next big thing on your organization's to do list. Check out this short [video](#) to learn more about data blending.



The Data Savvy

The majority of marketing teams out there are hovering around the second phase of the analytics maturity model. Data savvy marketing organizations are working with many data sources and they might have multiple databases. These units are on a mission to track metrics throughout the entire marketing funnel. More importantly, these teams are attempting to look deeper into their data to find out why something happened, and are taking bigger steps toward making decisions with these insights. Here's an overview of what data savvy marketing organizations look like:

Multi-Source Operations

Data savvy marketers are digging into multiple data sources like Google Analytics (GA), Omniture, DoubleClick For Advertisers (DFA), Commission Junction (CJ) and maybe seven other online sources to gain a broader view of reporting. While marketers in this phase still have basic, home-grown operational systems, they're taking their analytics to the next level by compiling and blending all of the data from their multiple sources.

Some of the channel sites, like GA, allow marketers to download the data into excel or CSV files, but other sites may require a manual copy/paste effort. By compiling and blending data on a common field, marketers find more holistic and completes views of their data, allowing them to ask and answer more questions.

While there's more opportunity to find insights at level two, the regular manual updates, project management, and data prep and cleaning efforts are still incredibly time-consuming. Furthermore, as the manually compiled data sources become larger with time, marketers have to start breaking their spreadsheets into monthly or quarterly documents—which becomes another hoop to jump through.

Informed Marketing

The next step beyond knowing something happened is knowing why something happened—and more complete, blended views of data can help marketers drill down into the specifics. At level two, marketers are focused on KPIs—the specific, numerical metrics they track to measure progress towards a defined goal.

Marketing tactics should help the business progress, and tracking things like purchases, conversation rates, engaged visits, leads, cost per lead, and sales revenue is essential to making decisions on budget spend.

KPIs will inform marketers about where to pivot their spend. As a result, marketing leaders decide on the changes, hope for the best, and review the KPIs again when the next report is available the following week. Marketing decision-making is more cyclical and cadenced in this phase.

Experimental Business Strategy

Data savvy marketing organizations are in the thick of the test-and-learn phase. At this level, marketers will recognize the value of their data with regard to determining things like ROI, but findings and decisions are still experimental. Marketers at this level will use various dashboards that track go-to-market tactics and allow them to drill down into more detail—so results and insights become more actionable.

A marketer with a goal of online sales may have a dashboard that combines data from their web analytics platform and their media platforms so they can see which media sources are driving the most revenue in a side-by-side comparison. By having this information all in one location, the marketer can quickly make comparisons and decisions that impact ongoing strategy.

Evolving Data Skills

The data savvy marketing organization is a data pipeline. People are collecting data from various platforms and using self-service visualization tools to analyze blended data, and use the insights to make broad decisions in a cyclical manner. Marketers are trying to find new ways to share dashboards and insights across teams, and senior leaders are adding one or two dedicated analysts to help the entire marketing organization grow.

The few dedicated analysts are starting to dabble in structured query language (SQL) to create data joins to fuse together disparate sources. They may begin to experiment with implementing filters and aggregating values to help marketers have better access to summary views of massive data sets.

Team Data Culture

While level two marketing organizations are able to make some decisions based on analytical insights, marketing teams have varying levels of proficiency, and unclear alignment. Teams are sharing dashboards and some insights with each other, but they come short on creating a high level of transparency across the entire marketing organization.

Executive leaders are starting to take analytics seriously and are in the preliminary stages of drawing up a road map to move to the organization to the next level. At this level, leaders realize that data governance is a critical next step.

Next Steps for The Data Savvy Marketing Organization

If your marketing organization is at level two, it's time to start getting serious about planning your data model and implementing data governance. And partnering with IT is critical for a successful deployment of self-service analytics. In the best-case scenario, IT will own and manage the center of operations, secure and govern data, and provide maintenance and provisioning. That way marketers can access the data they need, when they need it, and make decisions with data that is clean, secure and accurate. Check out this [road map](#) for partnering with IT to scale self-service analytics.



The Data Rock Star

Analytics are kind of a big deal at level three—your marketing organization is data-driven, there's a healthy blend of curated and experimental data, and you have many data rock stars sitting on each of your teams. Data is integrated in most areas, and data governance is being implemented and managed by your organization's IT leaders. Marketers are making decisions in real time, and are starting to look forward with predictive analytics. Here's an overview of what data rock star marketing organizations look like:

Integrated and Governed Operations

Even though data is massive and disparate, the business and operations teams are aligned with IT. So data warehouses, data cleaning and prep, consolidation and integration isn't something everyday marketers have to worry about. Data models are defined, but structuring and modifying these models takes time and multiple rounds of iteration.

It's likely a Marketing Operations team exists to manage the infrastructure and work on standardization across multiple sources on behalf of the entire org. Rock star marketing teams, big and small, have access to secure and accurate data, often through self-service portals that allow them to find answers and share results seamlessly.

Data-Driven Marketing

Rock star marketers have more time to think strategically about the underlying details of analysis because there is less manual work to gather and cleanse data. Governed self-service empowers marketers to optimize campaigns faster, and in real-time.

Something as simple as A/B testing a headline for a display advertisement can be analyzed and updated on-the-go as results start to heavily skew one way or the other. Rock star marketers are paying attention to every detail of every campaign, and are constantly monitoring and optimizing—they don't have to wait until next week or next month to make changes to anything. Almost every marketing decision has data to back it up. Having this governed solution in place

frees up people to spend time thinking proactively about marketing strategy versus having to spend most of their time being report jockeys.

Also, more advanced analytics are starting to take center stage as marketing teams start to explore profile audience characteristics, predictive lead scoring and attribution models.

Aligned Business Strategy

Business strategy at this level encourages the use of data to produce insights that evolve and align business processes. For example, marketing teams will use performance insights and even predictive analytics to better partner with sales teams on things like ROI, lead pipeline, customer lifetime value (CLV), and predictable revenue contributions.

Rock star marketing organizations will be praised as their insights start to bring together entire departments, previously living in silos. Marketing analytics will reveal major business incentives to encourage working in tandem with the entire enterprise.

Diverse Data Skills

The data skills of level three marketing organizations are diverse and growing. While Rock star organizations are mostly comprised of empowered self-service marketers, teams within the org have dedicated analysts and even data scientists. At this level, some organizations can even scale to stand-alone marketing analytics teams.

Self-service users are becoming faster and more proficient at exploring their data with visualization tools, and are finding more eureka, big-impact insights. Leadership endorses data skills for their everyday marketers with internal trainings and supplemental courses.

Dedicated analysts have high levels of proficiency with industry-leading technologies and methodologies. They're hard at work in SQL to constantly find improvements in performance and manage the ever-growing volumes of marketing data.

Organizational Data Culture

For the rock stars, data is business as usual. Not only are marketers creating and publishing dashboards as a daily activity to serve their own needs, they're also sharing views and critical insights across the entire marketing organization.

Leadership values insights above all else and seeks to create more opportunities to keep their people up to speed with what's happening with the business, but also keep them motivated to constantly engage with data.

When marketing makes data available to everyone, everyone has a clearer view of how things are performing, and how the org is tracking to success. Marketers are more invested in their work and feel like they're contributing to moving the needle.

Next Steps for The Data Rock Star Marketing Organization

Let's be honest. You're crushing it—mostly. Of course, marketing teams will always find themselves putting out fires, but with level three analytics, they can move faster. However, even with integrated and governed data ready and waiting at the helm for discovery, many marketers still shy away from engaging in analytics if they don't have to. Building a culture of analytics is essential for keeping your teams moving forward. Check out [this whitepaper](#) to learn more about how your organization can better foster a culture of analytics.



The Data Innovators

Level four is marketing analytics nirvana—and there are only handfuls of these unicorns living in the wild today. These inventive marketing organizations are more than data-driven because their systems and processes are seemingly bullet proof. They're not just generating excellence in the moment with their data, they're pushing their data to the next level of what might be possible. Here's an overview of what data innovator marketing organizations look like:

Automated and Resilient Operations

At the highest level of analytical maturity, not only is marketing data governed and integrated, but the data extract, transform and load (ETL) is fully managed and automated. Structured data? Unstructured? It doesn't matter to the innovators; their data pipelines are resilient to change and either self-heal or automatically alert the right people to fix it. There's no more coming in on Monday morning to find out that data wasn't being captured all weekend.

Innovative marketing organizations are also using machine learning (ML) to understand the structure of data, and then use it to do things to personalize the consumer experience. Lead scoring, Lifetime Value (LTV) analysis, subscription churn predictors, and market basket suggestions are all areas where ML can benefit your customers and your organization.

Modern Marketing

When data systems are integrated and running smoothly, marketers have more time to innovate, and push their collective creativity to uncharted territory. Modern marketing organizations are utilizing more data from across the enterprise, like product usage, sales planning, and support case data, to better inform messaging and go-to-market strategy.

When organizations arrive at this level, they produce show-stopping campaigns and explore new marketing tactics that have never been done before. The best part is, the combination of their historical data and their predictive data is the basis for this innovation, so there's a great chance their new ventures will be successful.

Disruptive Business Strategy

The end-to-end customer journey is a big concept for enterprise at this analytical level, because the business is able to see the entire story with data. Marketers will have matrixed goals that align directly to each part of the purchase cycle, and these insights are valued as strategic assets.

Because very few organizations are privy to such deep and robust insights, the business is able to become disruptive in its strategy and tactics, allowing it to break away from the pack. For example, groundbreaking products might be developed with the data in mind from the start, not as an afterthought.

Specialized Data Skills

Beyond a diverse team of marketing users and analysts, large teams consisting exclusively of data scientists might exist outside the marketing department to support massive enterprise analytics solutions. This hybrid model allows analysts/scientists to be embedded within the line of marketing and business, and also collaborate with other analysts throughout the organization.

Specialized teams are harnessing cutting edge tools and sometimes even inventing new ways to deploy analytics to all of their business users at scale. Within the marketing org, there are still roles dedicated to data and work flows to keep things optimized and running smoothly.

Marketers and other business users will all have access to real-time analytics support—and from experts that don't sit at the IT help desk. Most organizations at this level also provide dedicated experts with office hours to supplement analytics support.

Enterprise Data Culture

In the enterprise data culture, organizations prioritize providing an environment in which all employees can explore and find answers with their data—to satisfy their curiosities and drive the business forward. The enterprise has adopted and scaled systems for managing data sources, workbooks, and user permissions. These organizations articulate processes for auditing usage data and optimizing metadata, and they systematically address any gaps or kinks that might hamper the growth of their analytics programs.

Leaders make a point to identify and promote data champions throughout the enterprise—they need them to lead the charge into the next data frontier.

One size does not fit all

Your marketing organization might be newbies in some areas and rock stars in others. There will always be new technologies, more data, and more ways to analyze, so this marketing analytics maturity model in itself will also continue to evolve. Today's expert technologies will be tomorrow's commodities. Even if the terrain seems uncertain or your level unclear, starting now to foster a culture of data curiosity, exploration, learning, and discovery will set your marketing organization up for success.

	Newbie	Savvy	Rock Star	Innovator
Operations	Channel-Driven	Multi-Source	Integrated and Governed	Automated and Resilient
Marketing	Reactionary	Informed	Data-Driven	Modern
Business Strategy	Ad-Hoc	Experimental	Aligned	Disruptive
Data Skills	Entry-Level	Evolving	Diverse	Specialized
Data Culture	Siloed	Team	Organizational	Enterprise

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