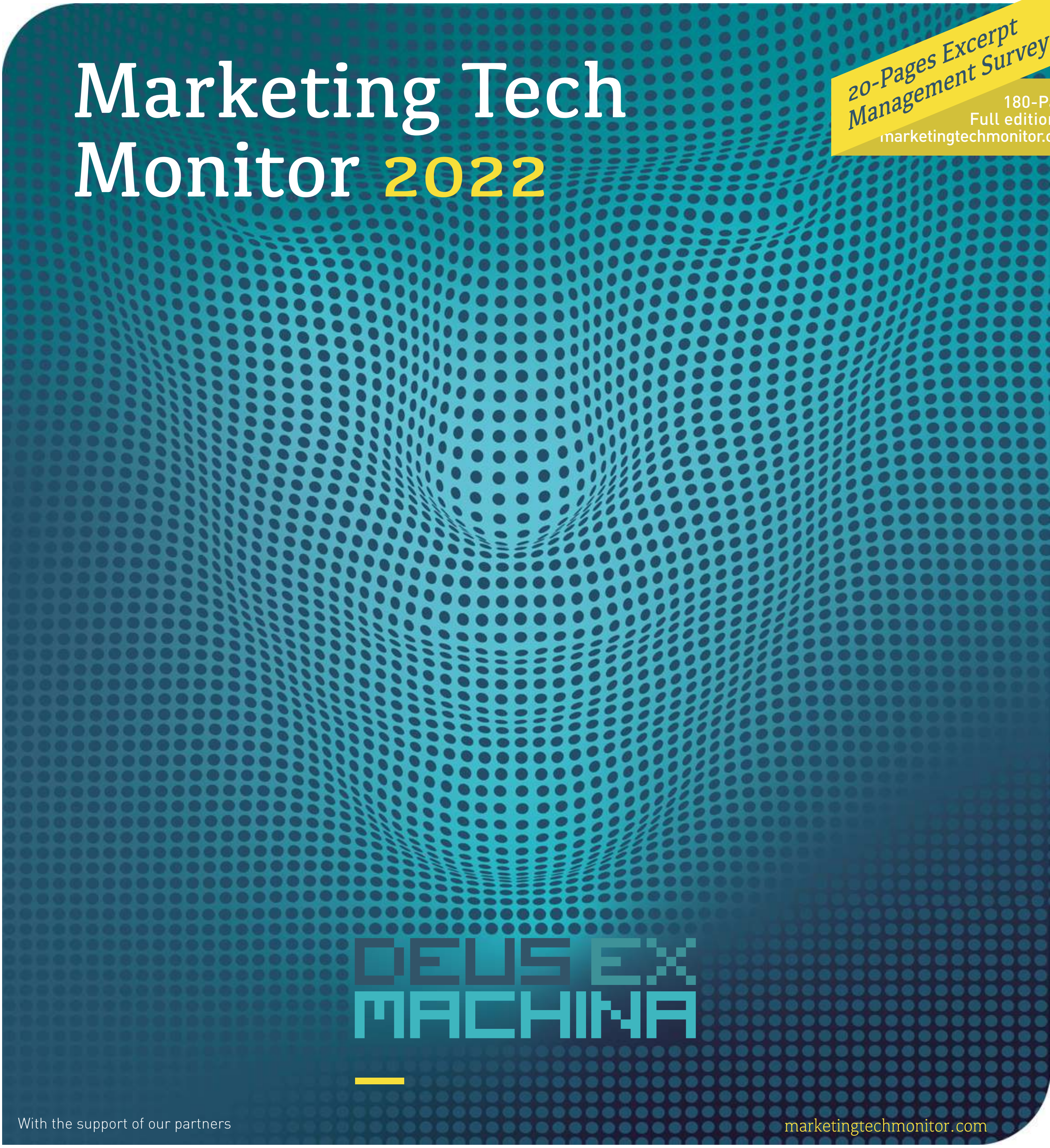
MARKETING
TECH
MONITOR

Marketing Tech Monitor 2022

20-Pages Excerpt
Management Survey

180-Page
Full edition at
marketingtechmonitor.com



With the support of our partners

marketingtechmonitor.com

AdHash · bloomreach · BrandMaker · dun & bradstreet · KANTAR · MARMIND

TEALIUM · CUSTOMER EXCELLENCE MARKETING | VERTRIEB | SERVICE · DIE CMO ACADEMY · DIE CMO COMMUNITY · DIGITAL CMO COMMUNITY · MARKETING TECH LAB

Media partner

absatzwirtschaft

HORIZONT

MARKETING TECH MONITOR

**The Benchmark Study
Marketing Technology
and Strategy**

The fourth largest company survey in 2022, carried out among 1,500 marketing/digital deciders in the DACH countries, also deals with defining the position of marketing technology on its path to data-driven marketing.

This time round with an emphasis on topics such as integration architecture, efficient project organisations, benchmarking, first-party data strategies, in addition to marketing spend optimisation/data science.

Responsible for the texts / Editor of the study

CONTACT
Dr. Ralf E. Strauß
Marketing Tech Lab GmbH
Sierichstraße 8
22301 Hamburg
Germany

ralf.strauss@marketingtechlab.de

www.marketingtechlab.de
www.marketingtechmonitor.com

Edition 4 | Hamburg/Frankfurt/Amsterdam | June 2022
ISSN (Print) 2748-7857
ISSN (Online) 2749-2532

TABLE OF CONTENTS

1 THE ARDUOUS PATH OF DATA-DRIVEN MARKETING

The multitude of workshops and projects throughout the past years reveals that the basics are often missing, such as a shared language (terminology used), target images as well as methods for preparing the respective contexts. Frequently, empty discussions on CDPs or customer experience continue to cause a stir within the context of the discussion on data-driven marketing. The precarious aspect: Contrary to former CRM-projects, which were rather stable over time, the requirements and therefore the MarTech stacks are subject to ongoing development – new channels and interaction mechanisms, new (legal) framework requirements, "more" automation and analytics ensure that yesterday's effective methods and tools may (and will) have already become obsolete by tomorrow. And there is no foreseeable end in sight.

The *Marketing Tech Monitor 2022* is therefore intended to serve as an appeal and aid for further content-driven discussion – derived from the strategy, covering processes and ranging as far as the level of applications and data. In parallel with the annual *Marketing Tech Monitor 2022*, colleagues from *Martech Tribe* have established a global benchmarking database, which provides answers to many questions regarding tool usage, for instance: *"Who are the DAM tool providers? Which tech stacks are implemented by other companies in my industry?"* Furthermore, it enables a data-based comparison of "must-have" requirements and software providers. In other words: The continuously updated database (which depicts the entire market) provides additional guidance through the maze of products on offer. This will be enhanced further at the *Marketing Tech Summit* in September 2022 and by the *Marketing Tech Award 2022*.

We sincerely hope that *Marketing Tech Monitor 2022* will enable us to create an additional basis for the urgently required navigation aid in this market characterised by explosive growth. Not in the sense of a descriptive analysis, but rather as a normative guide. We look forward to any questions and wide-ranging discussions.

Yours sincerely,

Ralf Strauß
Managing Partner MarketingTechLab GmbH
President Deutscher Marketing Verband
Chairman of the Board European Marketing Confederation (EMC)

Kerstin Clessienne
Managing Partner MarketingTechLab GmbH

Frans Riemersma
Founder/ Managing Partner MartechTribe

Hamburg/Frankfurt/Amsterdam in May 2022

2 MARKETING TECH – THE EVOLUTIONARY LEAP IN MARKETING

A. Marketing Tech – Systematisation

Marketing tech (or *MarTech*) generally refers to a multitude of the most varied technologies companies use in order to accompany and automate marketing activities by means of IT applications. The spectrum of applications included ranges from classic CRM scenarios (such as marketing resource management/MRM) and customer data platforms to marketing mix modelling or even adtech solutions (Figure 1). Although categorisation can hardly handle the multitude of different application scenarios and tools, it nevertheless aids the analysis of individual functional dimensions and provides answers regarding the extent of functional overlaps among individual technologies. Omitting a functional blueprint of this nature consequently results in ambiguity in terms of strategy development and therefore usually results in technical platforms becoming "overloaded".

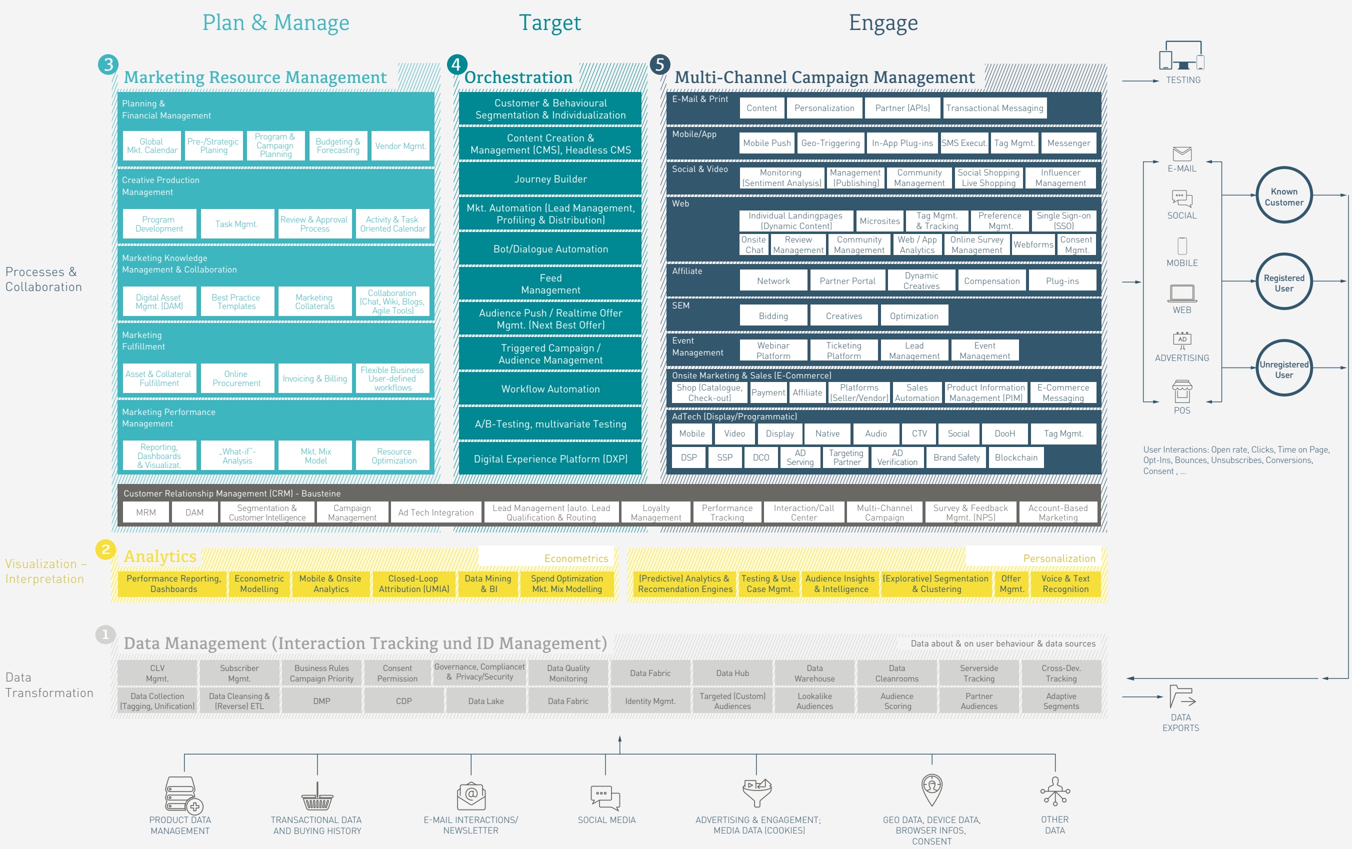


Figure 1: Components of a Marketing Tech Environment (Schematic Diagram, 2022)

B. Study Design of *MARKETING TECH MONITOR 2022*

Within the context of the Marketing Tech Monitor 2022, from 3 to 24 February 2022, a total of 1,536 marketing managers and boards, as well as heads of digital marketing/online marketing in the DACH countries (Germany, Austria, Switzerland) on the basis of the CMO Community and Digital CMO community databases were approached once again. A total amount of 295 full responses were attained. Alongside the survey, approximately 30 qualitative expert interviews were carried out to attain additional information.

3 THERE ARE NO UNICORNS WITHOUT MAGIC... THE STRATEGIC IMPERATIVE ...

The most important drivers behind the development of MarTech strategies and implementation are, on the one hand, the combination of loss of efficiency or increasing media inflation with the progressive fragmentation of touchpoints (78%), and, on the other hand, the end of third-party cookies (66%), as well as insufficient customer experience (customer satisfaction: 65%). Customer experience management also proves itself here as the cause, catalyst and (innovation) driver of marketing tech (Figure 2).

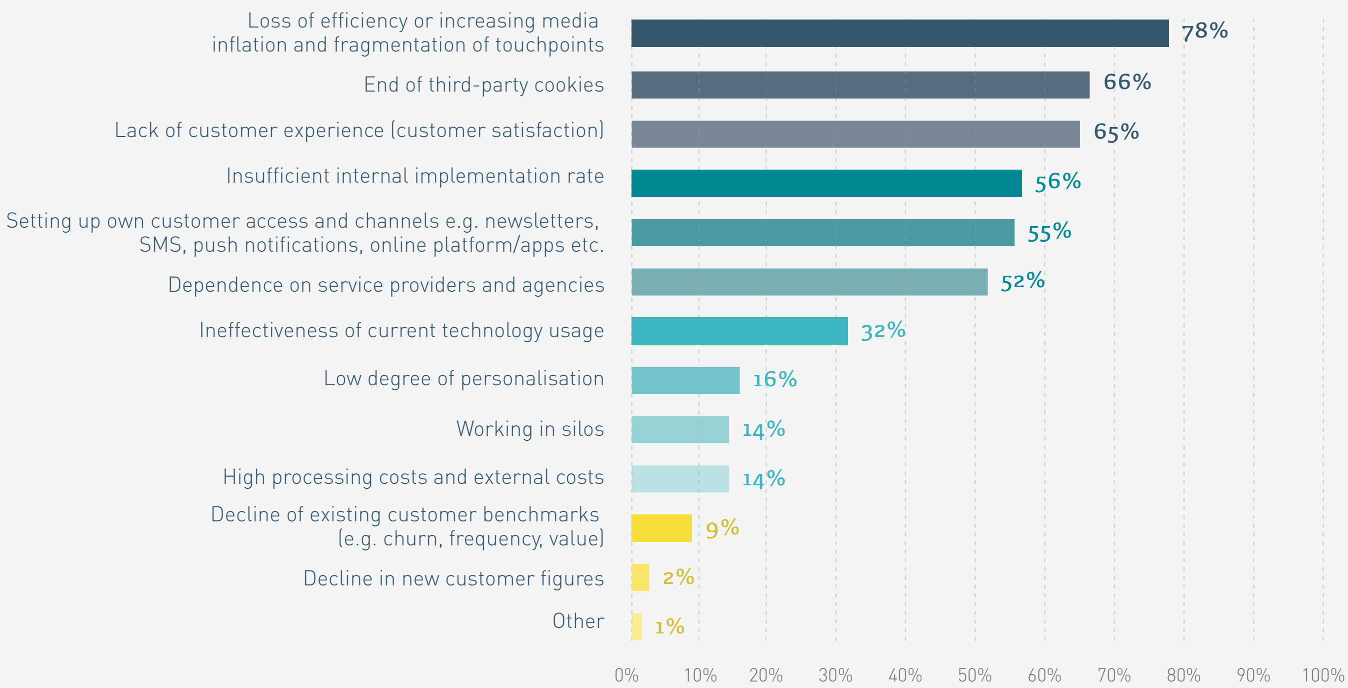
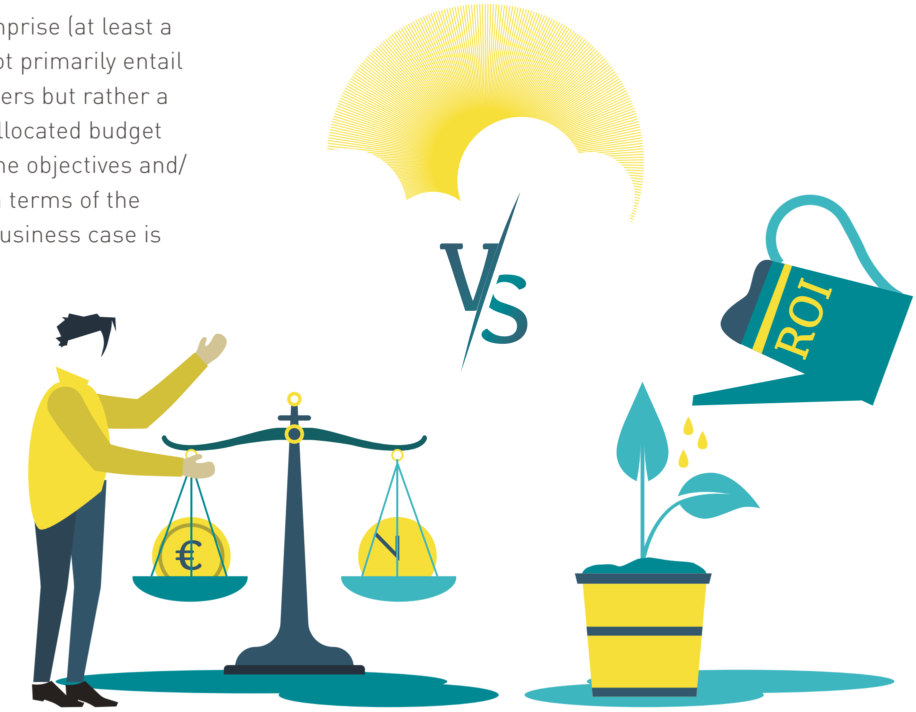


Figure 2: Drivers of Marketing Technology and Data Strategy (in%, n=295)

Consequently, other focal aspects have come to light in comparison to previous years: In previous years, the use of marketing tech was more oriented towards slimming down media processes and/or internal processes. These are falling successively behind due to the consolidation of the data landscape (data strategy 79%), the completion of marketing technology landscapes (66%) and the build-up of MarTech know-how (64%). The trivial reason: first-party data is required to approach users efficiently.

4 BOARD AND CONTROLLERS' PARADISE: BUSINESS CASE VERSUS ROI BENCHMARKS?

Part of the MarTech strategy should comprise (at least a preliminary) business case. This does not primarily entail a detailed analysis of the entire parameters but rather a rough estimate of whether the initially allocated budget can be classified as sufficient to reach the objectives and/or determine which implications arise in terms of the general profitability. At least one basic business case is calculated for the majority of MarTech projects (65%), followed by an investment in sustainability and competitiveness (26%). The interviews also reveal that within the context of data-driven marketing there is a strong drive to establish a central governance function and specify comprehensive applications, whereas peripheral applications can be managed in a more decentral manner.



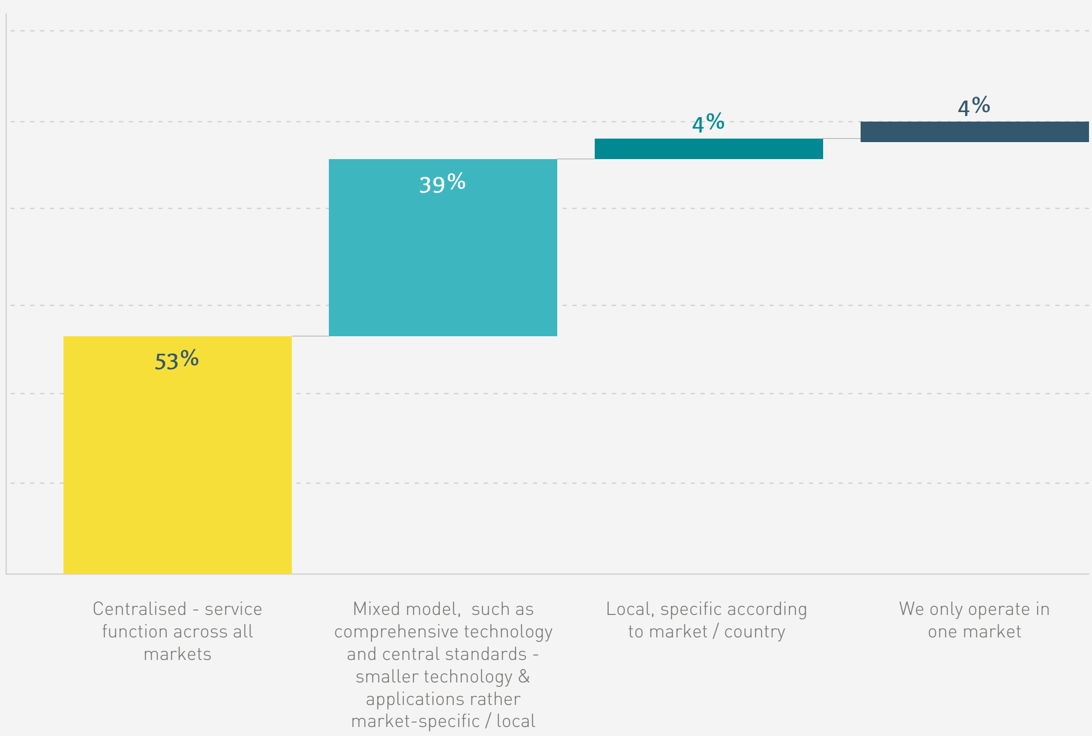


Figure 3: Decisions Regarding MarTech Investments Within Organisations (in%; n=295)

5 BOOM OR BUST? … MARKET POTENTIAL OF MARKETING TECH IN EUROPE

Studies show that the worldwide market for marketing technologies will also continue to boom for the next 5 to 7 years, thus reporting stronger growth than sales and service scenarios. *MarTech Alliance* valued the global MarTech market in 2021 at a total of 344.8 billion US$ or 313.8 billion €. The market potential (revenue from software licenses sold/rented) for marketing tech is expected to report growth increase from 4.2 billion € to 10.7 billion € between 2021 and 2026e, with an average growth rate of +20.8% (CAGR; Figure 4). Stronger growth can be expected until 2025e, followed by a slow-down on a high plateau.

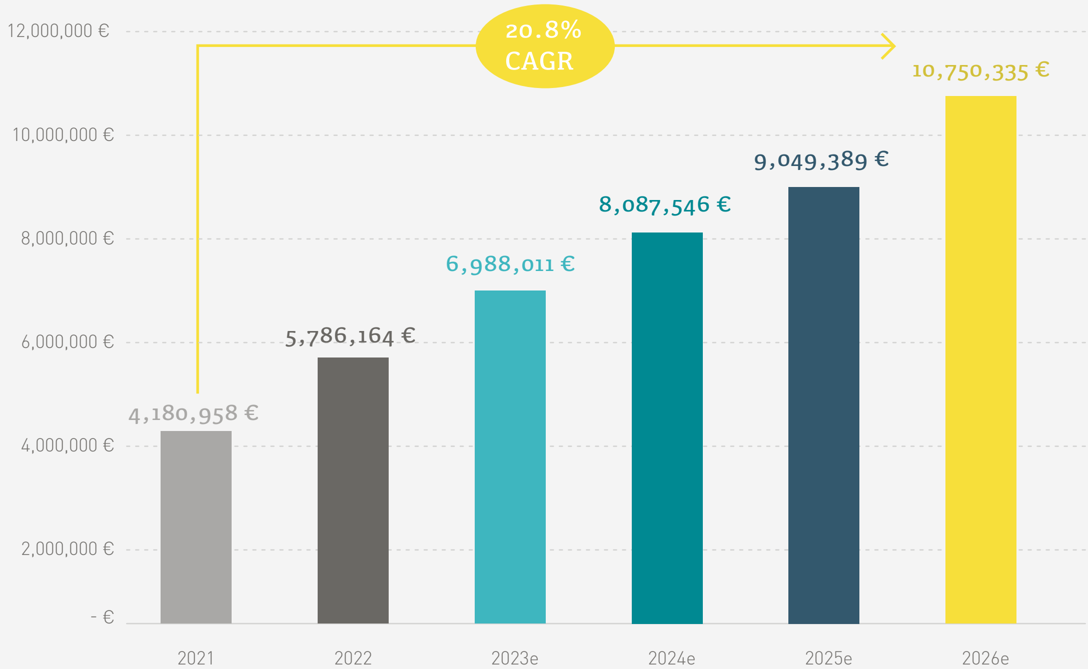
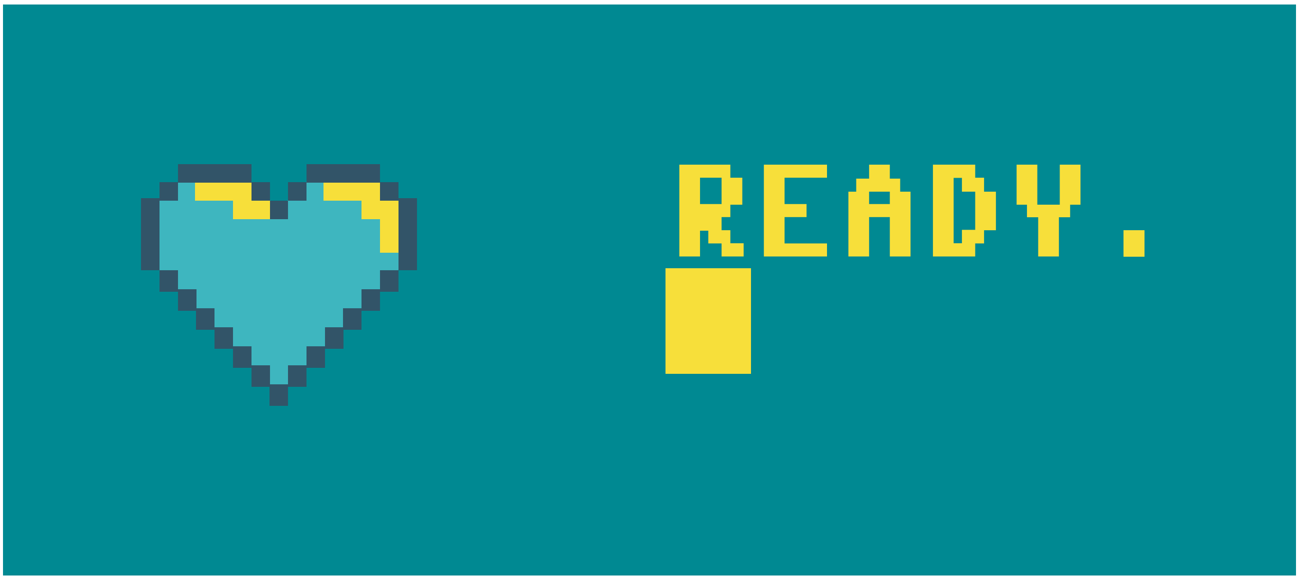


Figure 4: Marketing Tech Spending in Germany 2021- 2026e (Revenue from Software Licenses Sales/Rental)

6 CHERRY-PICKING (BEST-OF-BREED) OR EVEN BETTER "ALL-IN-ONE" (INTEGRATED SUITE)?

For the majority, the current technology stack focus continues to be on established suites and/or walled garden providers. The interviews, workshops and projects highlight once again that it is (perceived) to be comparatively easier to start off with a closed solution and learn the fundamental processes. Once a tipping point has been reached, the following applies: the vaster the experience available, and, once the marketing tech stack has subsequently reached a certain degree of maturity, the fewer the tools subsequently implemented. The degree of maturity, even with regard to its own perception, is still lagging significantly behind: Solely 1% of the companies claim that their MarTech landscape is optimised with foresight. The majority (47%) consider their MarTech landscapes to be recorded and comprehensible. Nevertheless, a fifth of the companies do not have an overview. Even large companies state that they do not know nor understand which application environments exist in the different departments and markets and, respectively, which are being used effectively – including agency solutions.

7 DATA READINESS, DATA STRATEGY AND DATA ARCHITECTURE ... THE POWER OF DATA LOVE



Contrary to the diverse discussions on "data centredness", in most companies the systematic collection and use of data only exists to a rudimentary extent. The outcry for excellent data quality and the necessity to pave the foundations for data-driven marketing often continue to go unheard – only 20% of the companies consider themselves to be "data-ready". The logical consequence: For the next two to three years, the consolidation and harmonisation of user data by means of ETL processes (extract, transform, load in data engineering) will be top priority, followed by subsequent automated target group definition and decision-making (Marketing Analytics; Figure 5).

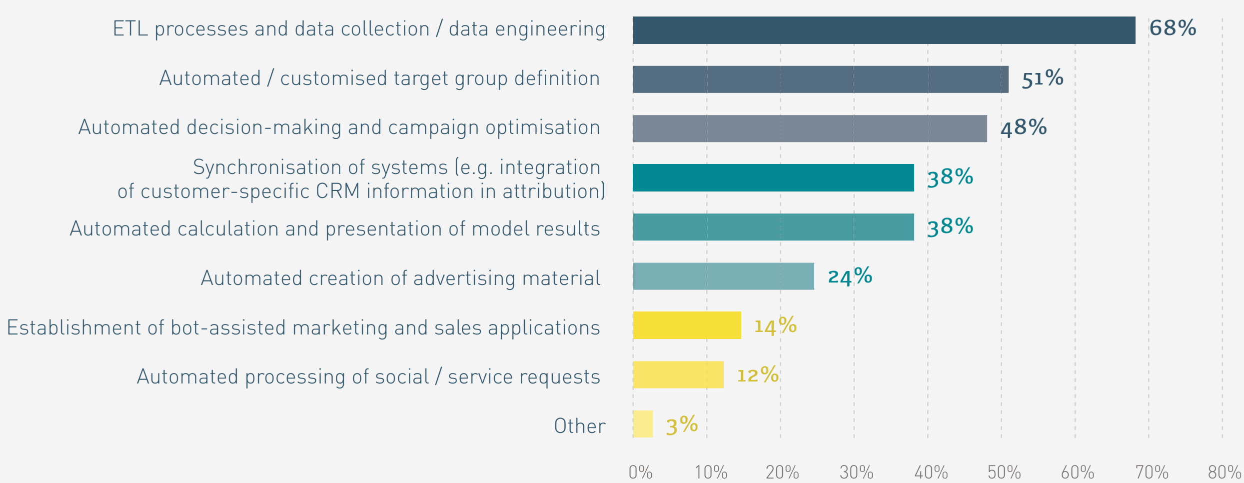


Figure 5: Areas of Greater Degree of Data Automation in Upcoming Years (in%, n=295)

8 CROSS-CHANNEL ID MANAGEMENT AND DATA ALLIANCES… IS THE 360-DEGREE VIEW FINALLY ON ITS WAY TO CUSTOMERS?

The herald of the post-cookie era ensures the frantic pursuit of technical solutions that are able to compensate for the gradual loss of reach. This has motivated further providers to recently join the market, for instance *Liveramp* or *Zeotap*. Programmatic environments do not currently support all ID solutions, although DSP providers are gradually adjusting to this end. Currently, the fact that DSP providers do not wish to provide matching for their own ID (cookies) with those of dedicated ID providers appears to present a problematic issue. Consequently, all ID solutions remain in their own domain, which reveals the emergence of a new walled garden in the results. Nevertheless, there appears to be huge future potential: 76% of companies have future plans to resort to an ID solution (Figure 6):

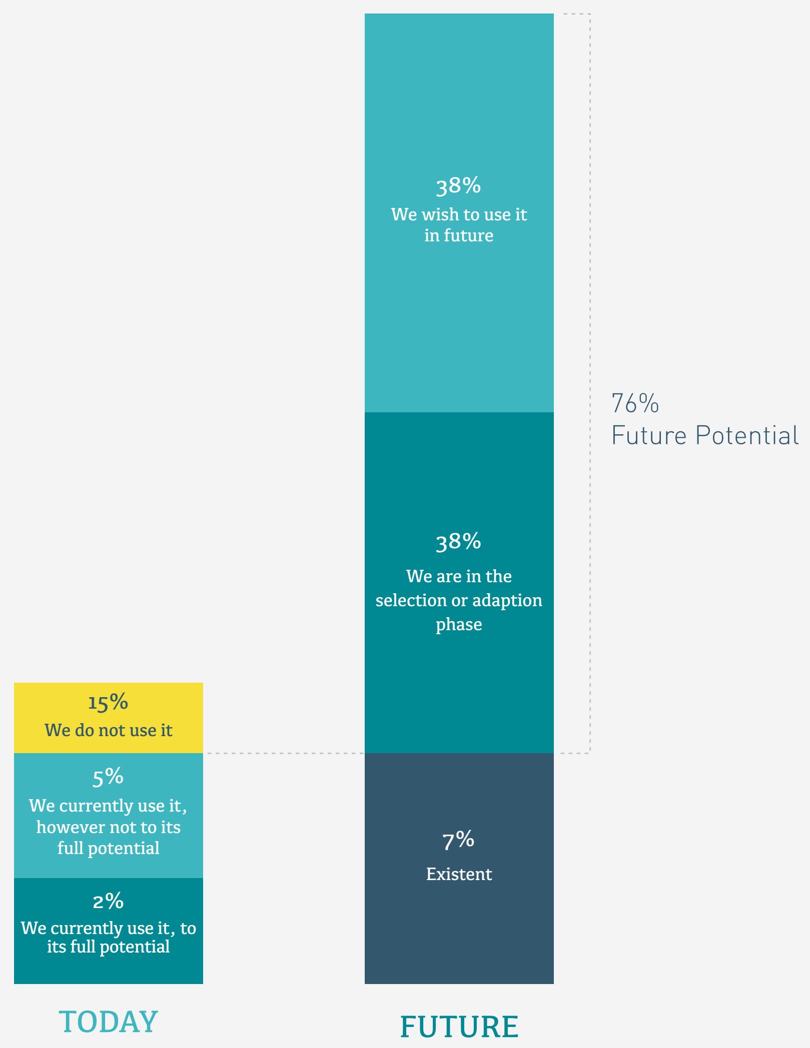


Figure 6: Current Technology Usage: Already Implemented and Plans for the Future in the ID Management Field (in%, n=295)

9 CUSTOMER DATA PLATFORMS – HAPPINESS-GENERATING ALL-ROUND SAVIOURS?

The customer data platform (CDP) hype also continues unabated in 2022, fuelled, among other things, by studies showing that implementational complexity and lack of integration in particular stand in the way of meaningful data use. CDPs try to mend exactly this weak spot, acting as a "bridge" between various forms of data collection and data types. Over 77% (comparative figure from 2021: 57%) of marketing deciders claim to be planning to introduce a CDP in future or are already in the selection phase, regardless of B2CB or B2B application scenarios.

10 BETWEEN "FAST FOOD" AUTOMATION AND DATA SCIENCE – MARKETING ANALYTICS RE-INVENTED

The explosion of touchpoints and new interactive channels (such as Tiktok), hyper-fragmented media investments, the digitation of classic channels, non-linear customer journeys, but also an increase in real-time processing options for large volumes of data and the automation of analyses continue to fuel data science in the marketing sector (speed, automation, standardisation). Whereas the data science group once beat themselves up about the lack of interest in marketing mix modelling and analytics, the demand for it soars due to the implementation of data-driven marketing – especially with regard to self-assessment skills. The metamorphosis in the direction of data-driven marketing has proved to be more difficult than expected: The majority of data modelling is limited to simple, multivariate statistics and individual collection of branding KPIs (Figure 7). Only 9% of the companies surveyed implement durable modelling or fully-automated marketing mix models.

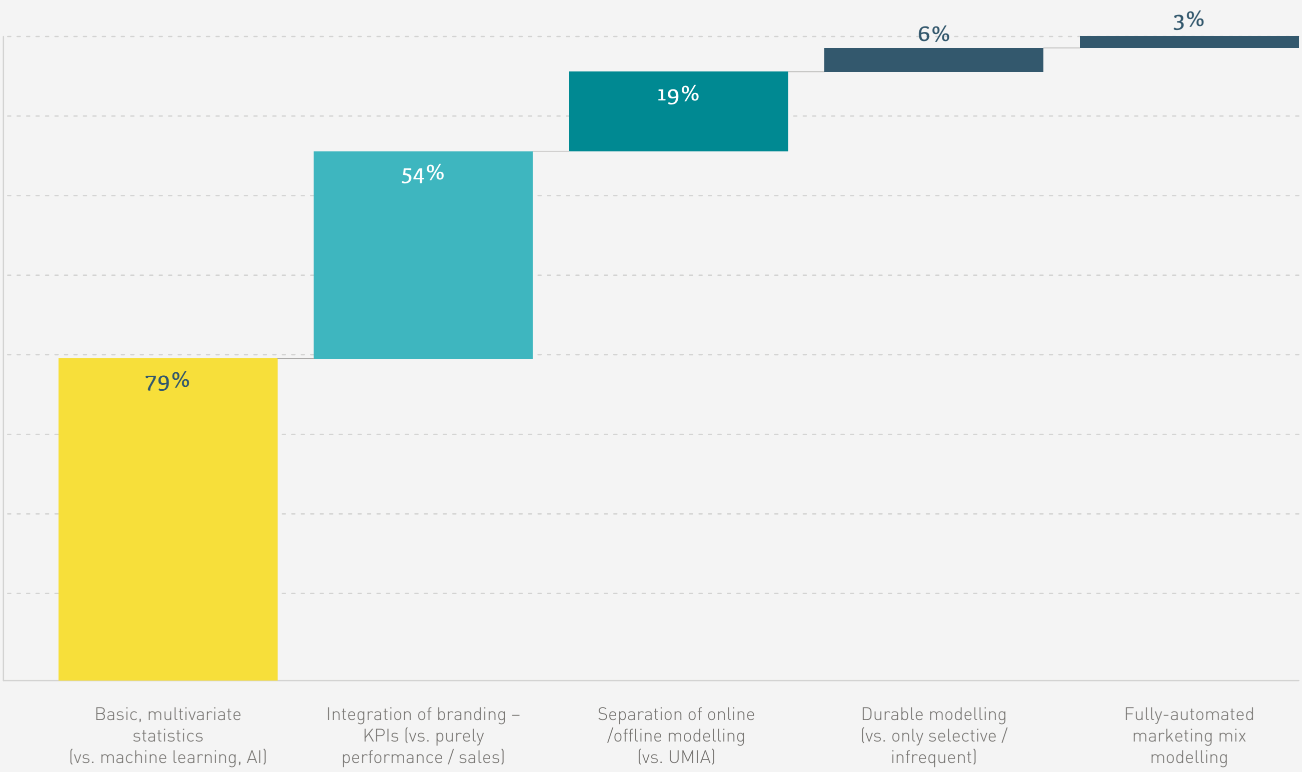
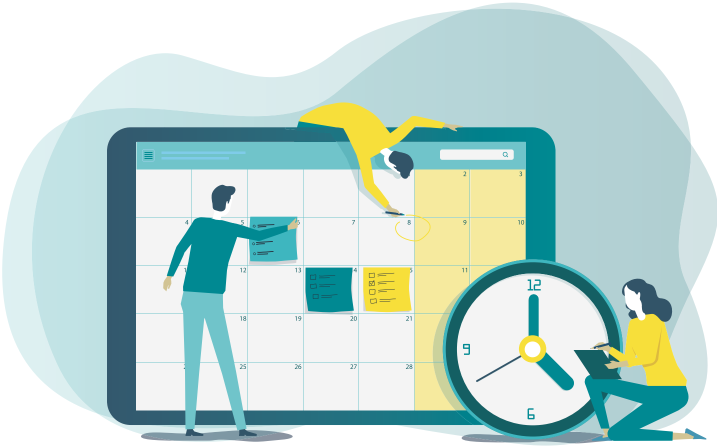


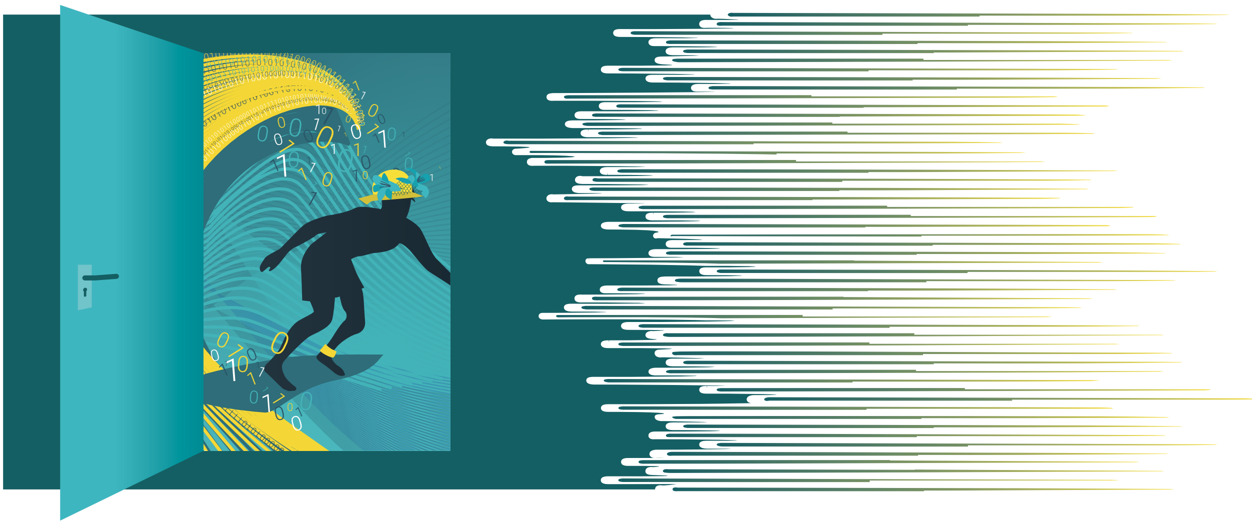
Figure 7: Your Use of Expansion Stages in Marketing Mix Models or UMIA (Unified Modelling, in%, n =295)

11 FROM THE ENGINE ROOM TO THE COMMAND CENTRE – THE REVIVAL OF MARKETING PLANNING & STEERING

Whilst "marketing planning & steering" also continues to gain significance as an application scenario in companies in the form of marketing operations management, use of the accompanying IT applications is declining: For almost three quarters of companies, the focus is still currently on pure asset or budget management (DAM). In contrast, the real advantage of MRM due to merging all activities into a transparent calendar, contents (programs) of coordinated cross-functional planning or the link with measurable values (KPIs) is falling behind. The greatest scope for future growth potential is for higher-value scenario planning (72%).



12 CUSTOMER EXPERIENCE AND CRM AT THE SPEED OF LIGHT – THE NEXT WAVE IS LOOMING



Therefore, there is a unanimous opinion that in the "house of cards of customer experience" it is not so much about further penetration of the topic on a conceptual level, but rather about implementational efficiency. Like Cassandra, who, once upon a time, roamed the streets of Troy, even companies (such as insurance providers) that have already been dealing with this topic in depth for some time now and foresee its glorious future still report that they would nevertheless classify themselves as "still far off target".

The challenges usually result in implementation taking years to complete, mainly only with little intermediate success. The absence of comprehensive touchpoint ID management and its integration into a user profile (69%) or also user identification at touchpoints (68%) results in the wonderful world of customer centricity being sent packing by the CX bouncer. In other words: The basics are missing, not to mention the subsequent analytics from the customers' perspective (48%).

13 RETAIL MEDIA … THE EXPONENTIALLY GROWING MARKET FOR DATA MONETIZATION

Against this background, retail media appears to be appealing to providing companies with a high organic reach. The spectrum of alternative business models from the **provider perspective** ranges from rather basic data trading to managed services with different depths of value added and revenue potential such as (1.) data trading DMP, (2.) data trading DMP & DSP, (3.) targeted/curated media or also (4.) managed services. Providers follow very individual procedures in accordance with the various business models, which, to a high degree, depend on the degree of maturity, the category and the respective retail media strategy. The trend is moving in the direction of managed services, self-service for processing (depending on the respective products) in combination with maximum transparency (KPI tracking).

And the run on retail media will continue: Only just under 22% are currently actively investing advertising spending in major online platforms and marketplaces, but almost three quarters of the companies are planning to use additional budgets in future – regardless of their company size (Figure 8). On the provider front, things will also keep moving: 9% are already active, 13% at the product and service design stage and 28% want to actively deal with the topic in future.

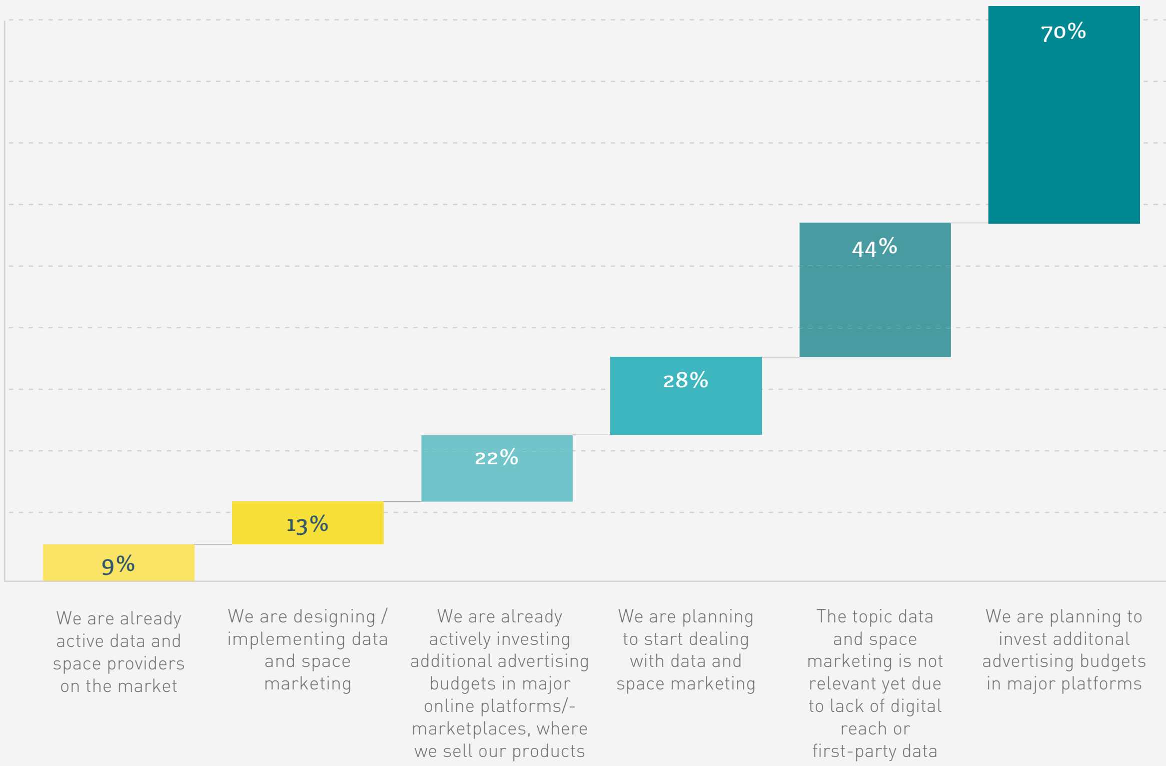


Figure 8: Implementation and Use of Retail Media (Mult Response, in%, n=295)

The shift towards programmatic TV/radio/DOOH will increasingly gather and link first-party data of data providers (as well as retailers). It is foreseeable that innovative formats will develop both on and off site in the social and video sectors, including the intelligent combination of sales activities (such as vouchers and reviews) financed by advertisers. Initially, fundamental issues have to be clarified across the various components (Figure 9).

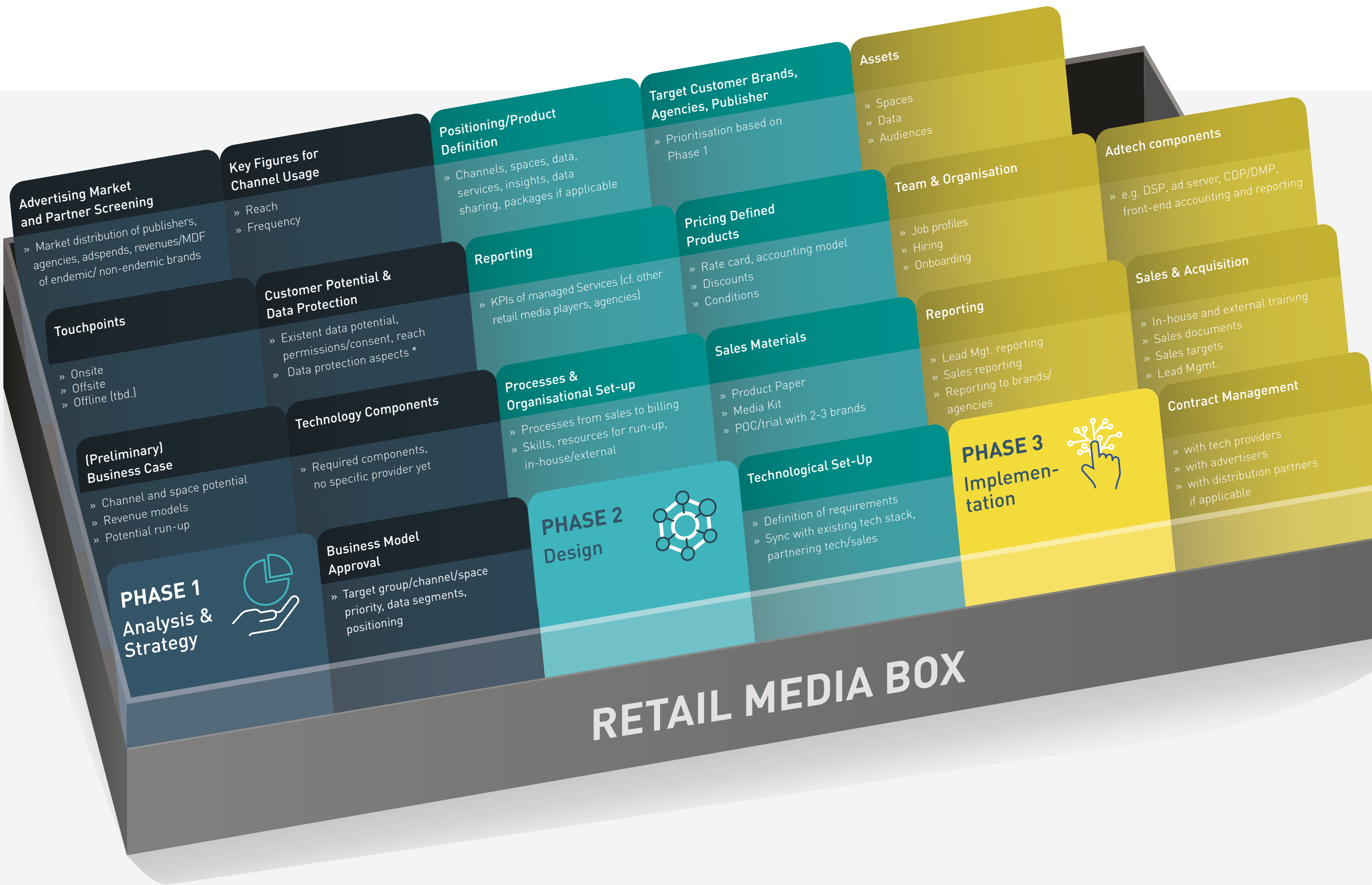


Figure 9: Retail Media in a Box-Kit for Providers (Data Providers) and Retailers

14 IT'S ABOUT THE INTEGRATION, STUPID! ... THE (NEW) NEED FOR INTEGRATION ARCHITECTURE

It is a fact that the implementation of IT strategies often fails due to project organisation (lack of experienced project managers), the interface between the specific fields and IT (use cases, deducing exact requirements) and the conceptual planning and implementation of integration scenarios (Figure 10). In the interviews, project managers are partly called "greenhorns", who roam around the world of marketing tech like *Sam Hawkens* did once upon a time in the Wild West. Except that *Sam Hawkens* was funnier.

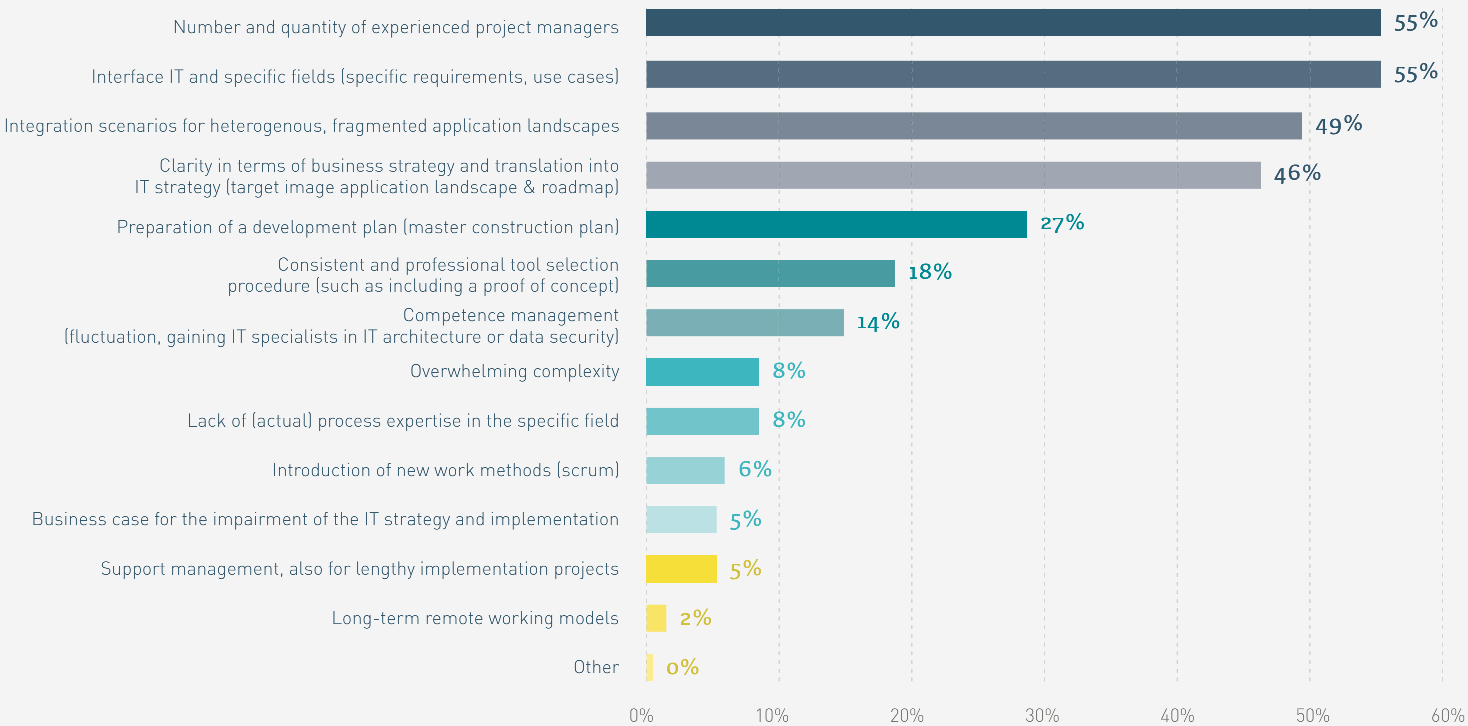
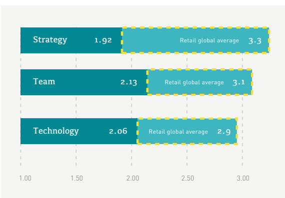


Figure 10: Challenges for the Implementation of IT Strategies in the next 2 to 3 Years (in%, n=295)

15 STEPS OF MARKETING TECH STRATEGY AND IMPLEMENTATION

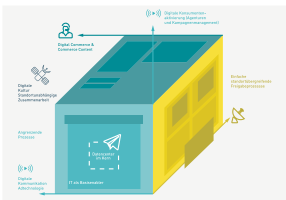
Usually, multistage processes are said to be suitable for project procedures, comprising initial benchmarking, developing a target image and setting priorities ranging from areas of activity to drafting a transformation map (Figure 11).

Benchmarking



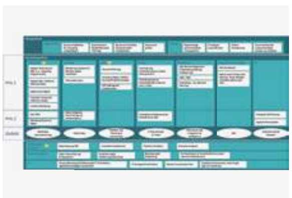
- Interviews/ digital /data audit for structured status quo analysis
- Basis: Global benchmarking database
- Comparison with other companies/overall market
- Systematic judgement of the degree of maturity in addition to identification of potential areas of activity & priorities

Development of a Target Vision



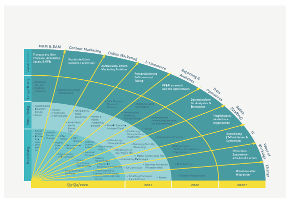
- Vision and target image
- Requirements / key objectives Strategic focus (point of reference for all projects and initiatives)
- Translation into strategic direction of impact and rationale
- Coordination among all stakeholders (internal/external)

Areas of Activity



- Operationalisation of the target image
- Implications / focal topics for the implementation/ preliminary projects/ initiatives
- E.g. planning/management, organisation, IT, data etc.
- Final prioritisation of areas of activity
- Preliminary business/ benefits case

Transformation Map



- Step-by-step implementation
- Milestones & dependencies
- Approval and preparation of board meetings
- Final sign-off & mobilisation of all those involved

Figure 11: Basic Procedural Model & Developmental Phases of a MarTech Strategy and Transformation Map (Sample Project for the Banking Sector)

The input results from a marketing tech benchmarking, which comprises a continually updated three-component **benchmarking database** (Figure 12):

» **Vendor Database:** Record of almost 11,000 providers (in 2022) in the relevant field, including basic company details. The information can answer questions such as the following with a longlist: *"Who are the global suppliers in the digital asset management segment/DAM?"*

» **Stack Database:** Collection of currently 700+ MarTech stacks from a variety of companies and industries, which can be used to answer the question regarding the differences between one's own tool environment and a) the overall market and/or b) a partial segment of the industry "trading companies".

» **Requirement Database:** Collection of currently just under 4,500 detailed requirements for a variety of application scenarios, which can answer the following, for instance:
  - which IT application is the best to cater to the defined requirements (the best "fit"),
  - which requirements can only be covered by 3rd party applications and
  - which requirements are not included in the respective standard at all (need for customising, including effort estimation if required) in order to considerably reduce the actual effort and error potential.
  - The benchmarking database and access to almost 400 ROI studies can be consulted for the target vision and also the subsequent areas of activity. They can be used to answer the following, for instance: *"What is the average ROI of a CDP?"*

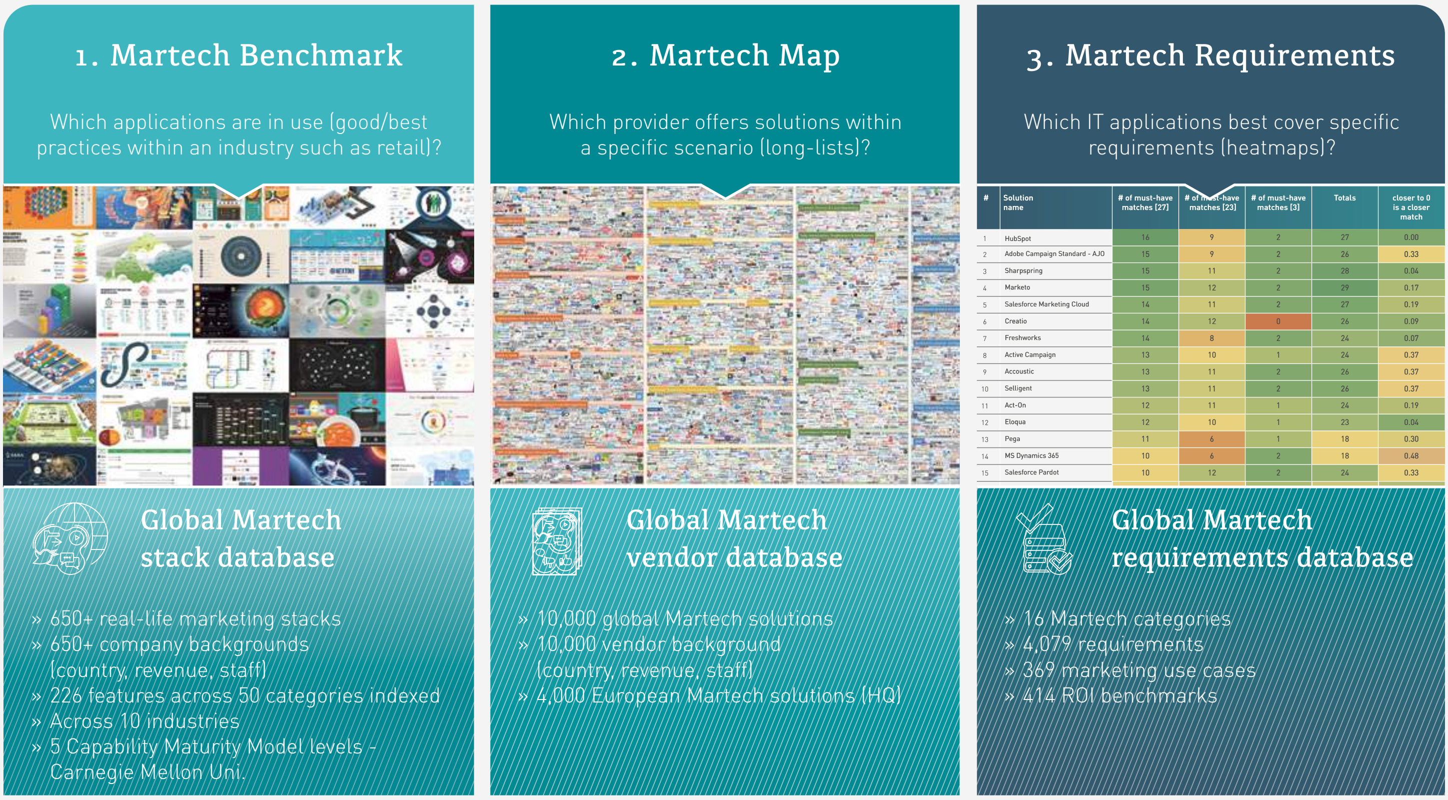


Figure 12: Global MarTech Benchmarking Database

As a result, the benchmarking can be used to develop structured insights into numerous fundamental questions and dimensions, such as (1.) stack completeness & integration, (2.) strengths and weakness analysis or also the (3.) degree of maturity.

16 AUTHORS

Dr. Ralf Strauß
is a Managing Partner of MarketingTechLab GmbH, Customer Excellence GmbH, President of Deutscher Marketing Verband (DMV - German Marketing Association) and Chairman of the European Marketing Confederation (EMC).

Kerstin Clessienne
is a Managing Partner of MarketingTechLab GmbH with a key focus on marketing tech strategy, data-driven advertising and marketing data science; initiator of the Digital CMO Community.

Frans Riemersma
is the founder of MartechTribe in Amsterdam and former start-up founder, VP R&D/VP Customer Success at Brand-maker, MarketingOpsNow podcast host, Martech Consultant for Fortune500, blogger, researcher and publisher of over ten European MarTech software landscapes.

17 ADDITIONAL CONTENTS IN THE FULL EDITION OF *MARKETING TECH MONITOR 2022*

The full version of *Marketing Tech Monitor 2022* comprises 185 pages in total, featuring the following:

- Alongside the detailed analysis of all topic areas,
- A total of 111 figures,
- The analysis of clusters, such as “happy digitizers”, “DIY activists”, “frustrated scalers” in addition to “economical Ingtegrators”,
- The marketing tech strategy – between best-of-breed and integrated suite (full stack),
- Detailed case studies about Flaschenpost, Vodafone, Lufthansa and Volkswagen, among others
- The description of the steps of implementation from marketing tech to establishing data-driven marketing,
- The description of a MarTech benchmarking from a database with just under 10,000 applications, 750 MarTech stacks and approx. 4,500 requirements
- IT integration options, such as via service-oriented architecture,
- Detailed market potential and growth analysis,
- Organisation 3.0 … The competency gap,
- The new desire to fail?! … implementing change management,
- Blockchain-based ad management,
- Cross-channel ID management to create a 360-degree customer perspective,
- Data readiness and data architecture ranging from data lake, data hub to data fabric
- Change management … the new art of “unlearning”
- The components of marketing automation,
- Or also the characteristics of successful MarTech projects.

DEUS EX MACHINA

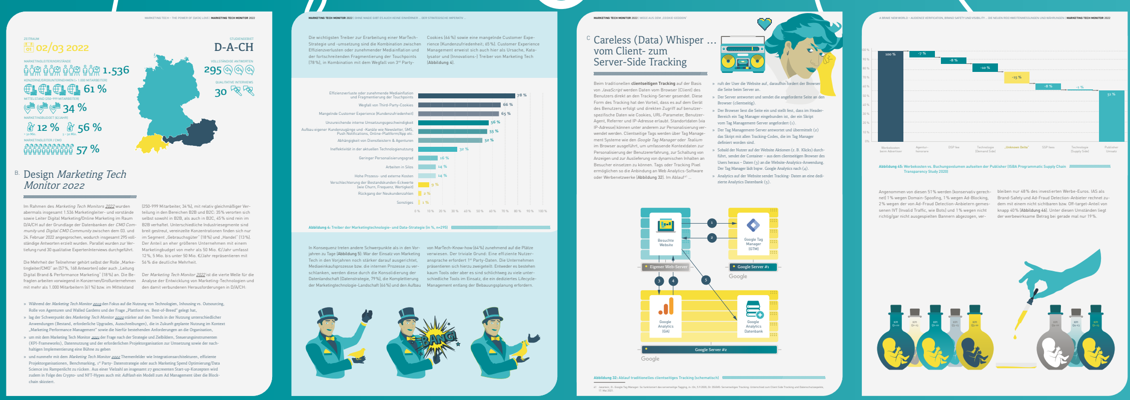
FULL WHACK MARKETING TECH 2022
The 180-Page Full Version – Print or PDF

More than 110 diagrams, charts and statistics – 180 pages featuring over 60 accompanying illustrations. In short: Total marketing tech power of today, with a focus on tomorrow and the necessary strategy for successful marketing orientation in days to come.
Learn from the experience and marketing plans of more than 1,500 industry deciders surveyed, and discover more about the practical application and success with the aid of case examples from *Volkswagen, Lufthansa Group, Domino's Pizza*, among many others.

Full Version
from **275 EUR***
Print version

PDF version **295** EUR*

Combined PDF + Print package **325** EUR*



BUY NOW ONLINE
marketingtechmonitor.com

A BIG THANK YOU TO OUR PARTNERS

For the 180-page full version of *Marketing Tech Monitor 2022* we would like to thank our partners Ad Hash, bloomreach, Brandmaker, Dun & Bradstreet, Kantar, MARMIND, Tealium, Customer Excellence GmbH, CMO Academy GmbH, our media partners absatzwirtschaft and Horizont, alongside numerous colleagues that invested time within the context of the quantitative study, qualitative interviews and case examples, such as all the colleagues of the CMO Community and the Digital CMO Community, among others.

* plus 7% VAT incl. shipping to an address on German mainland.