Gartner for Marketers

Digital Shakes Up Marketing Strategy and Tactics

What CMOs can learn from the 2021 Gartner Digital Marketing Survey
Introduction

As CMOs and other marketing leaders set their strategies for 2021 and coming years, they need to plan, orchestrate and track their activities with a strong digital marketing focus, from balancing customer acquisition and retention to testing emerging technologies to drive personalization.

All marketing strategies, budgets and key performance indicators are increasingly influenced by how digital marketing objectives are aligned to business goals. The Gartner 2021 Digital Marketing Survey affirms this influence, and provides insight into the goals, priorities and tactics of digital marketing leaders. It’s critical to remember that this marketing evolution reflects fundamental shifts in customer engagement preferences, technologies and other disruptive forces both internal and external to the organization.

85% of digital marketing leaders hold the title of vice president or higher

36% hold a CMO title

Source: Gartner

Gartner surveyed 350 marketing executives in North America, the U.K., France and Germany at companies with annual revenue of $500 million to $20 billion or more. All respondents held a leadership position in decisions related to digital marketing strategy and were surveyed online in November-December 2020.
**Last year in review: Digital marketing efforts delivered against 2020 goals**

What the survey showed

1. 70% or more said their organizations had met or exceeded a range of 2020 goals, though that positive outlook may reflect performance against goals revised midyear versus set prior to the pandemic.

2. The two goals where the highest percentage of respondents (29%) said they fell short were quantitative measures, such as acquiring new customers or retaining existing customers.

3. Respondents from B2C organizations have a more positive outlook on company performance than their B2B counterparts across all objectives.

4. Only 16% of digital marketing leaders describe their organization’s digital transformation of marketing initiatives as “fully implemented.”

5. 35% of digital marketing leaders expect the biggest challenge in 2021 to come from within the organization — where building and maintaining cross-functional partnerships is increasingly important.

See how 2021 is shaping up →
In 2021: Leadership, customers and technology take center stage for digital marketing

The 2021 Gartner Digital Marketing Survey highlights strategic and operational shifts that chief marketing officers and marketing leaders can use to benchmark their function and future initiatives.

FOUR KEY FINDINGS:

- Digital marketing breaks out of the specialist silo
- Greater shift to customer acquisition is likely
- Digital advertising and social marketing lead in channel effectiveness
- Emerging technologies are scaled to drive personalization
Digital marketing’s expanding remit involves designing and meeting strategic marketing objectives. Even for initiatives where the majority of respondents don’t indicate sole responsibility, they are nonetheless the leader of a larger group responsible for such initiatives. These include driving customer retention and designing processes and workflows to optimize the shifting roles of relevant channels in executing against larger campaign and business goals.

Digital marketing breaks out of the specialist silo

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Digital marketing breaks out of the specialist silo

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Focus on cross-functional collaboration

Find your key partners

As digital marketing faced a series of disruptive events in 2020, initiatives received the most support from the IT organization and the CEOs.

IT played a strong role in elevating digital marketing technologies and data analytics as well as managing those technologies to maximum effect. The CEO is arguably the digital marketing leader’s strongest proponent within the organization, putting the CEO at the center of the digital marketing leader’s “collaboration zone” along with IT.

Expect roadblocks

Product development, sales, operations and supply chain are the functions that most hindered marketing efforts in 2020. This lack of collaboration tends, predictably, to be more acute in B2B organizations.

Make better use of your martech stack investments and resources.

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Marketers routinely struggle to balance where to apply resources and efforts. Do they emphasize new customer acquisition or concentrate on retention and maximizing relationships with existing customers?

Amid the economic and social disruptions of the pandemic, many B2B and B2C organizations made the strategic decision to refocus on maximizing existing markets. However, in 2021, 4 out of the top 5 digital marketing objectives relate directly to the goal of new customer acquisition.

Activities such as building brand awareness and improving lead quality, for example, are necessary precursors in the customer acquisition process.

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Renew the focus on acquisition

Take an agile approach

Marketers project the balance between customer acquisition and retention will shift further in favor of acquisition two years from now.

Still, marketing leaders will need to continue taking an agile approach to strategy and execution as they navigate disruptive demographic, social, political, operational and macroeconomic shifts and rapidly evolving consumer values.

Drive retention through brand trust

Brand trust will remain critical to retaining and acquiring customers. The 2021 survey showed an increased focus on brand positioning (cited as an objective by 29% vs. 23% in 2020), an effort that helps to accommodate changing customer values, business priorities and other disruptions.

Address issues that threaten the future of your brand.

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Digital advertising and social marketing lead in channel effectiveness

All CMOs should take note of where digital marketing is directing channel-specific investments and initiatives, and what techniques are used to support an effective cross-channel and digital marketing strategy.

More than half of the marketers chose social marketing, and as many use digital advertising as preferred channels.

These two channels emerged as the favorites at the top of the purchase funnel — specifically across brand awareness, demand generation, conversion to sales, and customer loyalty and advocacy.

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Optimize channel and message

Digital marketing leaders often have a more focused role than the CMO, with responsibilities centered on owned, earned and paid media, but their approach to measuring and optimizing messaging to channels is important for any marketer.

It takes the right tools, customer data, targeting and testing to align the best channel with each goal.

Focus on organic search

Marketers who have customer acquisition as a key objective must also prioritize SEO, especially as these actions take time to have an effect on search engine results.

The search landscape is constantly evolving, and marketing leaders looking to drive brand awareness must place special emphasis on keyword research as a means of understanding their customers’ needs and behaviors.

WHAT'S NEXT

Prioritize SEO amid customer acquisition

79% say they conduct tests to evaluate the comparative effectiveness of messages in specific channels.

Source: Gartner

Discover what digital experiences drive brand preferences and loyalty.

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Marketing’s Use of AI/ML to Support Goal Achievement Is Still Limited

- Not currently use AI/ML but plan to within the next six to 12 months: 16%
- Piloting the use of AI/ML: 22%
- Using AI/ML on a limited basis for a few specific applications: 44%
- Using AI/ML across the marketing function of a variety of applications: 17%

n = 183 digital marketing leaders currently utilizing AI/ML

Q: Which of the following best describes your marketing organization’s use of AI/ML to support achievement of marketing objectives?

Source: Gartner 2021 Digital Marketing Survey

Emerging technologies are scaled to drive personalization

Digital marketing leaders are scaling their use of emerging technologies such as artificial intelligence (AI) and machine learning (ML) to align with their customer acquisition and retention goals.

While 84% agree that using AI/ML enhances the marketing function’s ability to deliver real-time, personalized experiences to customers, adoption is still low.

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Build trust in AI and emerging technologies

Manage change by building trust
Lack of technology and skills — and lack of trust — all impede more widespread AI/ML adoption.

Approach the AI/ML implementation from a change management context
Account for the impact these technologies will have on your organizational culture and factor in staffing and training needs to build trust and bring the new technologies to life. The survey shows marketers with more exposure to AI/ML are less wary.

Strive to measure impact
The ability to measure impact from AI/ML initiatives is vital to expanded adoption. Most marketing organizations currently using AI/ML have structured their pilots and programs to ensure the ROI of such efforts is abundantly clear. A staggering 88% agree or strongly agree that they can clearly measure the effectiveness of using AI/ML approaches.

Percentage of marketers who say they find it difficult to trust AI/ML to make important decisions:

73% of those utilizing AI/ML
75% of those piloting AI/ML
53% of those broadly using AI in the marketing organization

Source: Gartner

Anticipate what’s coming and deliver tangible business outcomes.
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WHAT’S NEXT
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Gartner is the world’s leading research and advisory company and a member of the S&P 500. We equip business leaders with indispensable insights, advice and tools to achieve their mission-critical priorities today and build the successful organizations of tomorrow. Our unmatched combination of expert-led, practitioner-sourced and data-driven research steers clients toward the right decisions on the issues that matter most. We are a trusted advisor and an objective resource for more than 14,000 organizations in more than 100 countries — across all major functions, in every industry and enterprise size.

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