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Marketing and IT: The strategic partnership

To inform our report, we commissioned Sapio Research to survey 202 IT and Marketing decision makers from the US and Canada, using an online survey shared via email. At the time of the survey (with all the data being collected in July 2022), all respondents worked in companies with a minimum of 500 employees. The research looked to explore the existing dynamic between Marketing and IT departments, and discover how this relationship might change moving forward. At an overall level, results are accurate to ± 6.9% at 95% confidence limits.

Technology has not only transformed how marketers target consumers, but it has also created a new workplace dynamic between marketing and IT departments.

A confluence of trends, such as the degradation of the third-party cookie and the rise of first-party data collection, have necessitated a union between the two teams: one that will only become more vast and entrenched over time. A survey by Lytics finds that **81% of marketers believe that IT teams will become increasingly involved in marketing efforts over the next five years.**

With that expanding mandate, come expectations. IT teams will be expected to have more responsibility in contributing to ROI; **83% of marketers surveyed said that the IT team should have greater accountability for marketing ROI.** In this report, we'll look at the technologies that are driving this new dynamic and how marketing professionals plan to evolve how they work to take on new technology-focused roles.

Over the next five years, where do you see the involvement of your organization's IT team in day-to-day marketing? (select one)
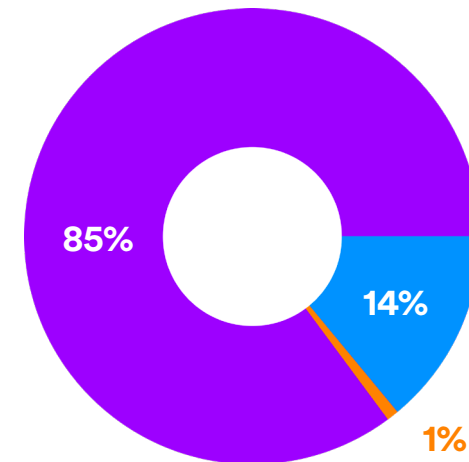
	IT	Marketing
● More involved	88%	81%
● No change	12%	16%
● Less involved	0%	3%
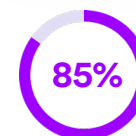
85% — 85% believe their organization's IT team will be more involved in day-to-day marketing efforts in the next five years.

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Doubling down on owned data

With the demise of the third-party cookie, marketers are doubling down on owned data collection strategies, with **92% of marketers planning to collect more first-party data moving forward** (read more— *Lytics: Life after the third-party cookie*). That collection of first-party data has driven an increase in the tools to house, analyze, and apply that data, such as data warehouses and Customer Data Platforms (CDPs). Data (and more specifically, customer data) has become essential in how marketers target audiences today, and will become even more vital in the future as it serves as the launchpad for technologies like AI.

Today, marketers use first-party data from a number of different sources including: their website, mobile app, CRM, ecommerce platform, and point-of-sale (POS) to inform all of their segmentation and targeting. However, to gain insights from the data — which is typically housed in the data warehouse and mostly
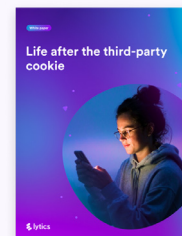
We talked to 250+ senior marketing executives at brands to understand how they plan to adapt their advertising in the coming months to accommodate an infrastructure that doesn't include third-party cookies.

Read what they said

inaccessible to marketers—marketers must rely on their IT team. **75% of the marketers surveyed said that IT teams are responsible for giving them access to data for their operations** and **nearly 70% of marketers said they rely on IT teams for data modeling.**
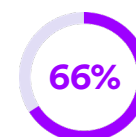
Not all marketers are comfortable with this scenario: waiting on IT to analyze their data and the reliance on IT for data analysis has more marketers wanting to take on this process within their own team. **Nearly 60% of the marketers we surveyed said they plan to hire marketing data analytics experts within the next year to address this.**

Government regulations and mandates are also putting pressure on marketers to lean on their IT teams for data compliance and security. **55% of respondents to our survey believe that their organizations IT teams have become more involved in adhering to data privacy compliance or acquiring technology over the past two years.**

What role, if any, does your organization's IT team have in day-to-day marketing operations currently? (select all that apply)
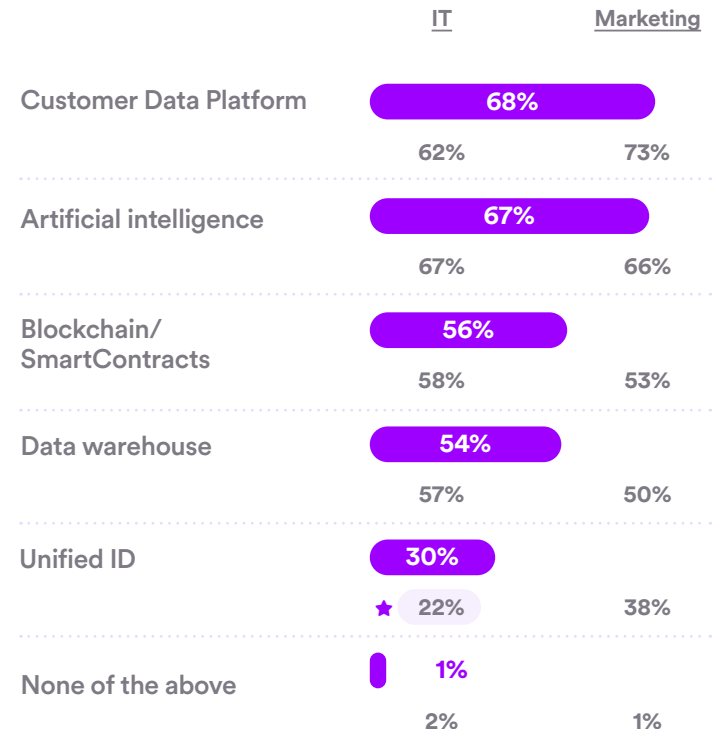
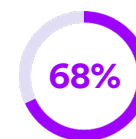|	IT	Marketing
Giving marketing access to data for marketing	66%	
	56%	★ 75%
Helping to choose technology/SaaS vendors	65%	
	★ 76%	54%
Modeling data for marketing/ad campaigns and targeting	63%	
	56%	★ 69%
Maintaining website and other digital products	62%	
	62%	62%
Adhering to data privacy compliance like GDPR	55%	
	57%	52%
None of the above	2%	
	4%	1%
Other	1%	
	2%	0%

★ Significant difference

66%

66% feel that IT teams are responsible for giving marketing access to data for marketing as part of the day-to-day marketing operations.

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IT teams are also playing an increased role in choosing technology vendors and products for marketing. **76% of IT teams surveyed said that they help to choose technology and SaaS vendors for marketers. Marketers in turn said that customer data platforms (73%) and artificial intelligence (66%) top their lists for procurement** followed by **blockchain and smart contracts (53%).** Surprisingly, **fewer than 40% of marketers plan to adopt Unified ID (UID) technology.** IT is less bullish on UID, with just **22% of IT decision makers planning to implement it within the next five years.**

What technologies does your marketing team plan to adopt more of over the next five years? (select all that apply)

	IT	Marketing
Customer Data Platform	68%	
	62%	73%
Artificial intelligence	67%	
	67%	66%
Blockchain/SmartContracts	56%	
	58%	53%
Data warehouse	54%	
	57%	50%
Unified ID	30%	
	★ 22%	38%
None of the above	1%	
	2%	1%

★ Significant difference

68%

68% of respondents believe that their organization's marketing teams plan to adopt more Customer Data Platforms over the next five years.

Marketing decision makers
are more likely to think
that the marketing teams
will adopt Customer Data
Platforms in the next
five years (73%), while IT
decision makers believe
their marketing teams
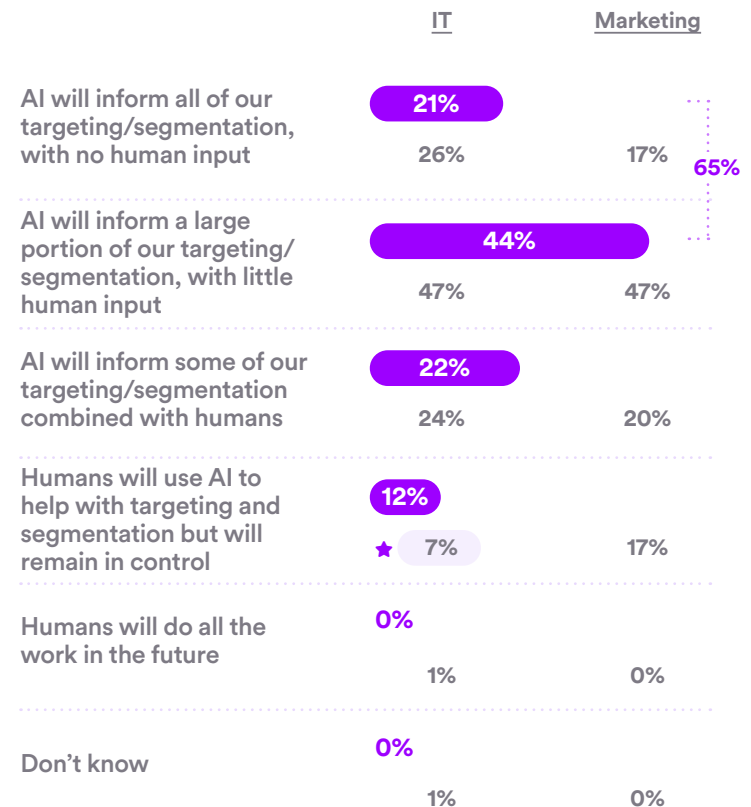are more likely to adopt
Artificial Intelligence (67%).

AI in marketing brings division

Even though **66% of marketing leaders (and 67% of IT leaders) are planning to integrate AI into the marketing stack,** many are still unsure as to what role it will play in marketing's future.
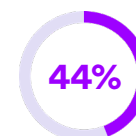
In 2018, McKinsey cited more than 400 use cases where AI would contribute the greatest value. While AI has certainly made inroads in marketing since then, there remains division and hesitation in applying AI for more than a few.

One priority for AI in marketing is targeting. **Most marketers, 65%, said that AI will take on the majority of the heavy lifting in the future of ad targeting,** with **17% of marketers believing that AI will inform all of their targeting and segmentation without human input. 47% responded that AI will inform a large portion of targeting and segmentation with little human input. Just 17% of marketers said humans will take the lead in customer segmentation in the future.**

How do you think AI will inform your marketing segments and ad targeting in the next five years? (select one)

	IT	Marketing
AI will inform all of our targeting/segmentation, with no human input	21% / 26%	17%
AI will inform a large portion of our targeting/segmentation, with little human input	44% / 47%	47%
AI will inform some of our targeting/segmentation combined with humans	22% / 24%	20%
Humans will use AI to help with targeting and segmentation but will remain in control	12% / ★ 7%	17%
Humans will do all the work in the future	0% / 1%	0%
Don't know	0% / 1%	0%

65%

★ Significant difference

44% 44% believe AI will inform a large portion of the targeting/segmentation in the next five years, although some human involvement will remain.
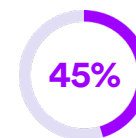
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Marketers rank the automation of marketing tasks as the main benefit of AI. According to Harvard Business Review: "many firms now use AI to handle narrow tasks, such as digital ad placement (also known as "programmatic buying"); assist with broad tasks, like enhancing the accuracy of predictions (think sales forecasts); and augment human efforts in structured tasks, such as customer service." **40% of marketers also believe that AI can play a part in making their ad spend more efficient.**

Finally, marketers have recently touted the use of AI in ad creative. In 2018, Lexus released an advertisement completely scripted by AI, based on 15 years of award-winning car ads. Kayak worked with an AI consultancy to automatically generate ideas for advertising copy and other marketing materials. However, marketers are not bullish on using AI in creative. **Just 35% of marketers intend to use AI to inform advertising creative.**

What are the main benefits of AI in marketing? (select up to two)

	IT	Marketing
Automation of marketing tasks	**45%**	
	39%	50%
Increasing efficiency of advertising spend	**40%**	
	42%	39%
Eliminating mistakes made in segmentation (assumptions/biases)	**35%**	
	30%	41%
Delivering personalized ads to customers	**35%**	
	★ 43%	28%
Informing the messaging in our ads	**29%**	
	24%	35%

★ Significant difference

45%

45% rank automation of marketing tasks as the main benefit of AI in marketing with 40% citing increasing efficiency of advertising spend as another benefit.
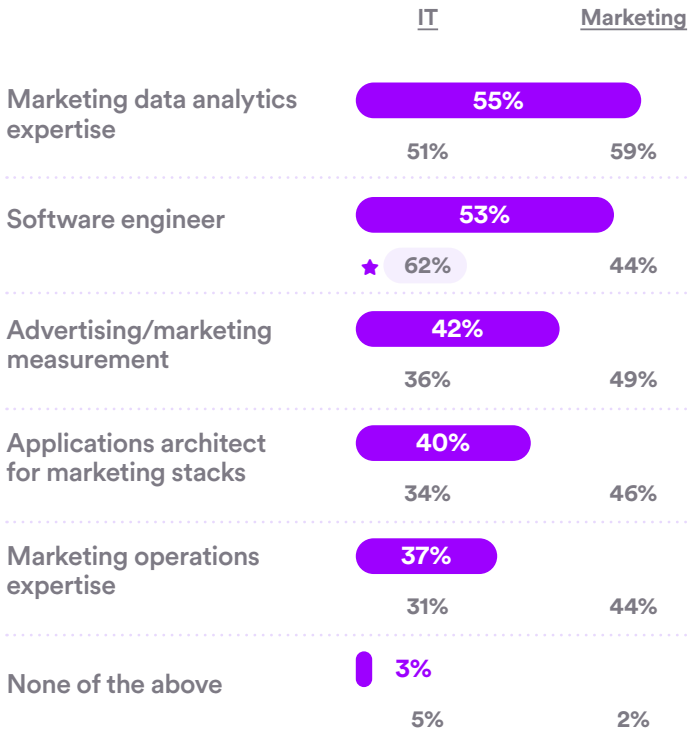
Marketing decision makers believe that automation of marketing tasks is the main advantage of AI (50%) whereas IT decision makers cited ad personalization as the primary benefit (43%).
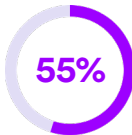
IT's marketing influence grows

While **most marketing leaders (50%) believe that the relationship between IT and marketing is "good,"** it is clear from our report that it was born out of necessity and that marketers would like to take on more of the technology heavy lifting within their own teams. While **37% of IT leaders describe the dynamic as a "well-oiled machine,"** only **16% of marketers agreed** with this statement, pointing to a disconnect between the respective groups. **Nearly 30% of marketers called the relationship strained or abysmal, compared to 10% of IT leaders.**

In response, marketers are hiring more tech talent within their own departments. **Almost 60% of the marketers surveyed said they plan to hire talent with marketing and data analytics expertise within the next year. 46% of marketing leaders want to hire an applications architect for the marketing stack**; and **45% plan to hire a software engineer.**

What type of marketing talent do you plan to hire within the next year? (select all that apply)

	IT	Marketing
Marketing data analytics expertise	55%	
	51%	59%
Software engineer	53%	
	★ 62%	44%
Advertising/marketing measurement	42%	
	36%	49%
Applications architect for marketing stacks	40%	
	34%	46%
Marketing operations expertise	37%	
	31%	44%
None of the above	3%	
	5%	2%

★ Significant difference

55% Over half (55%) of organizations plan to hire marketing data analytics experts within the next year

Ninety-five percent of marketers said they agree that better alignment between IT and marketing teams would drive improved customer-centricity and better set businesses up for success.

Most marketers and IT leaders that we surveyed believe that the tech team is taking on more influence in marketing ROI, compared to just two years ago. With that influence comes an expectation from both teams on accountability for marketing ROI: **96% of marketers and 89% of IT leaders said that IT teams should have more accountability for marketing ROI.**
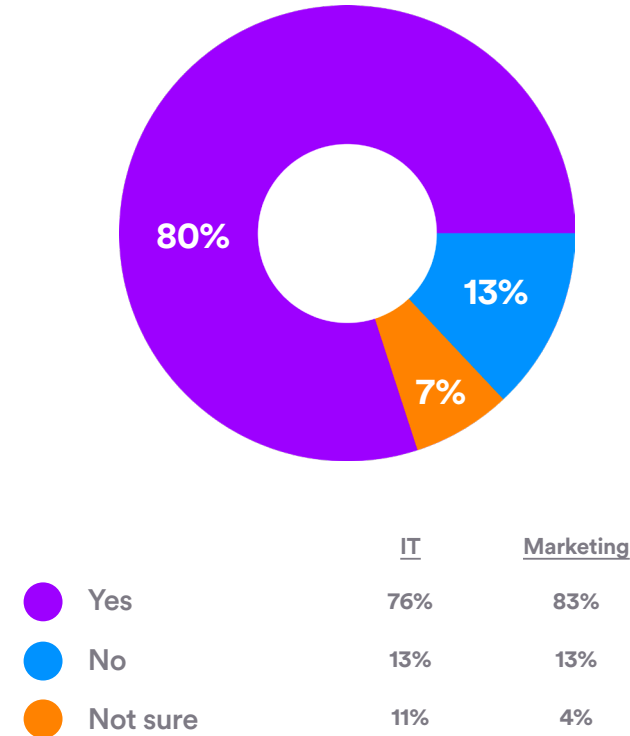
When it comes to hiring marketing talent, IT and marketing diverge in their priorities with IT planning to hire software engineers/developers (62%), while Marketing is looking to hire marketing data analytics experts (59%).

Conclusion

As marketing becomes increasingly technology-enabled, marketing teams show a greater reliance on IT teams and IT functions to perform specific duties, such as: acquiring technology, accessing and modeling data, maintaining digital products such as websites, and complying with data privacy mandates. Technologies such as AI will only grow the partnership between the two groups. **Ninety-one percent of respondents to our survey envision a burgeoning partnership between the CMO and CIO over the next two years**. However, with this greater responsibility come expectations. The IT team must be ready to be accountable in proving their tech decisions have a positive influence on marketing ROI.

While IT leaders may understand this, it is the marketer who is assuming accountability for this measurement. **Half of the marketers we surveyed said they will bring on an expert in advertising/marketing measurement in the next year.**

Should the tech team have more accountability for marketing ROI? (select one)

80%

13%

7%

		IT	Marketing
🟣	Yes	76%	83%
🔵	No	13%	13%
🟠	Not sure	11%	4%

80%

Despite the tech team already taking on more responsibility than it did two years ago, 80% said that it should have more accountability for marketing ROI.

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Further, while technologies such as AI are viewed as beneficial to marketing spending more efficiently/improving ROI, marketers have very specific use cases in mind. Specifically, marketing views AI as a way to improve processes, but not as an overhaul in all marketing tasks. Marketers remain unsure as to whether AI can have a positive impact in creative, eliminating assumption bias, and fulfilling their objectives with personalization.

Marketing is becoming even more data-centric, because it is the foundation for nearly everything that they'll do in the future. Marketers need to work with IT to utilize and safeguard it, and to comply with increasing governmental regulations. However, its value to marketers also lies within its accessibility. Given that **nearly 75% or marketers plan to invest in a CDP in the next two years**, and **nearly 60% hiring data analysts**, it's clear that marketers want ready-access and will make moves to get there.

Questions?
Reach out!

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