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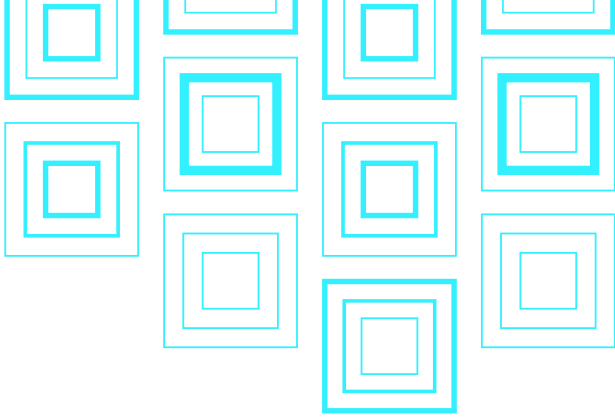
Marketing and IT: The new data duo for AI-powered growth
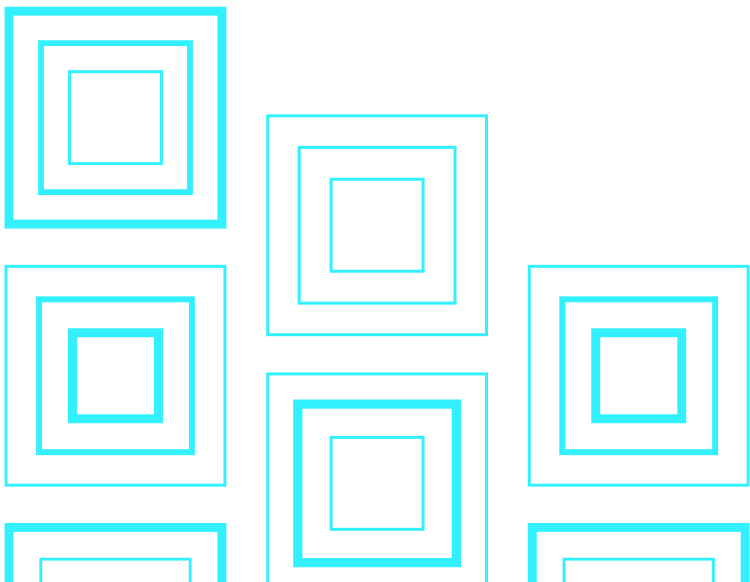
How marketers can bridge the data divide to leverage the full power of AI

WHAT'S INSIDE

INCREASING CONSUMER COMPLEXITY

Consumer behaviors are constantly evolving, and their high expectations for speed, convenience, and tailored experiences make it complex for brands to effectively understand and meet their needs. To make a substantial connection with their target audience and satisfy those expectations, organizations must not only be flexible and agile, but stay up to date with changing consumer values and preferences.

From a marketing perspective though, you could argue that this thinking is nothing new. For as long as marketers have honed their craft, they've understood that the organizations that know their customers and most effectively provide a personalized experience are the ones that can drive engagement, acquisition, and lifelong loyalty. In fact, research shows that a well-executed, hyper-personalized marketing strategy can deliver eight times the return on investment (ROI) and lift sales by 10% or more (figure 1).[1]

So perhaps it's not surprising that creating and delivering personalized messages to customers is something that marketers have worked on for many years. Over time, advancements in technology have made the collection, processing, and activation of data, especially first-party data, more influential in supporting this strategy. As marketers explored more advanced solutions, such as machine learning (ML) and artificial intelligence (AI), to power hyper-personalization, they enabled more automated processes, which helped their organizations increase efficiency and cut costs. Although marketers have relied on AI for some time now (maybe without even realizing it), the generative AI revolution is creating lots of excitement, numerous questions, and some trepidation about what this technology means for marketing. For many organizations, it can still be very difficult to power a customer-centric and hyper-personalized marketing strategy that effectively links back to and connects with its customers.

Figure 1. Research shows ROI and lift sales

Well-executed hyper-personalization can deliver **8X** the return on investment on marketing spend and lift sales by 10% or more

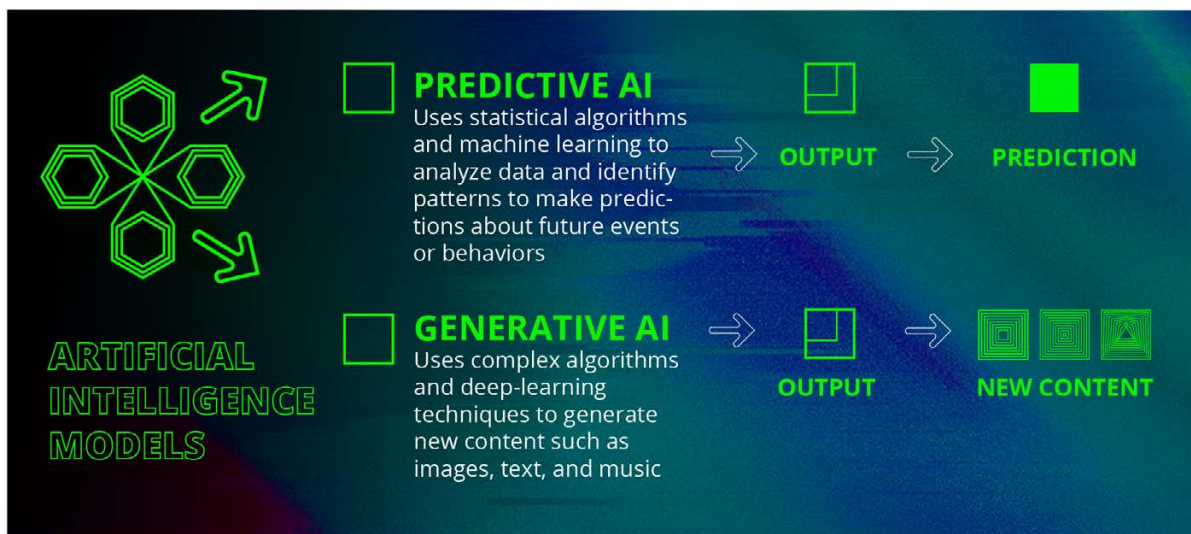Source: Deloitte, Connecting with meaning, accessed 2023

But why is this the case? For years, organizations have collected massive amounts of customer data to analyze and inform their decision-making (figure 2). Additionally, the rapid advancement of AI solutions should be a catalyst for change, greatly enhancing an organization's ability to create marketing content and engage with customers more efficiently and effectively. So why are marketers continuing to struggle?

To answer this question, we surveyed a diverse group of marketing and IT leaders throughout the world to:

- Identify the use cases that marketers prioritize highly but struggle to execute.
- Understand the common challenges that marketers experience with use case execution.
- Define what marketers truly mean by "personalization" and "bringing their customer experiences to life."

Traditionally siloed across most organizations, there has been a rise of marketing and IT leaders teaming up and using innovative data approaches to provide new and improved experiences to their customers. Throughout this paper, we explore the benefits of the marketing and IT duo and how this partnership leverages data and AI to improve customer experiences and unlock business outcomes.

Figure 2. Survey results involving artifical intelligence models with predictive AI and generative AI

ARTIFICIAL INTELLIGENCE MODELS

PREDICTIVE AI
Uses statistical algorithms and machine learning to analyze data and identify patterns to make predictions about future events or behaviors

OUTPUT → PREDICTION

GENERATIVE AI
Uses complex algorithms and deep-learning techniques to generate new content such as images, text, and music

OUTPUT → NEW CONTENT

DATA + AI + MARKETING

Data lies at the core of every modern organization, and it's being created, stored, and analyzed at an unprecedented rate. Especially for marketers, this explosion of data presents enormous opportunities for those who are prepared to take advantage of it. With the rapid growth of AI, it's become increasingly critical for organizations to ensure that the necessary data to inform their AI solutions is sound and readily available. Organizations can combine their data foundation and AI capabilities with human expertise to understand people's needs and the external factors that influence them. Establishing this holistic picture can help marketers become more efficient in both their investment strategy and time to execute, ultimately enabling them to deliver the hyper-personalized experiences that their customers expect (figure 3).

This may be easier said than done though, as we see organizations continuing to grapple with the challenge of effectively implementing critical and highly prioritized use cases. For example, over half of the marketing leader respondents to our survey indicated the following marketing capabilities as high priorities for their organizations, but more than 40% of those respondents also said that their organizations lacked maturity in actually executing each of these capabilities.

When exploring the major challenges that organizations run into when implementing or using AI/ML to support their marketing use cases, our research uncovered an impactful collection of barriers (figure 4).

Figure 3. Marketers focus to deliver hyper-personalized experiences by establishing a holistic picture

Figure 4. What are the major challenges or barriers that your organization experiences when implementing and using AI/ML to support marketing and advertising use cases?

Although not an exhaustive list, there are several factors that can contribute to these struggles and an organization's inability to overcome them.

LIMITED DATA SHARING AND INTEROPERABILITY BETWEEN SYSTEMS

While many organizations collect and store first-party data (and may combine it with second- or third-party data) to use in marketing campaigns, a lack of connectivity and interoperability between the data can be problematic and limit the impact of marketing analytics or activation efforts. Although not the only culprit, siloed or independent data systems often contribute to an organization's lack of data unification and sharing, especially as the volume of collected data grows.
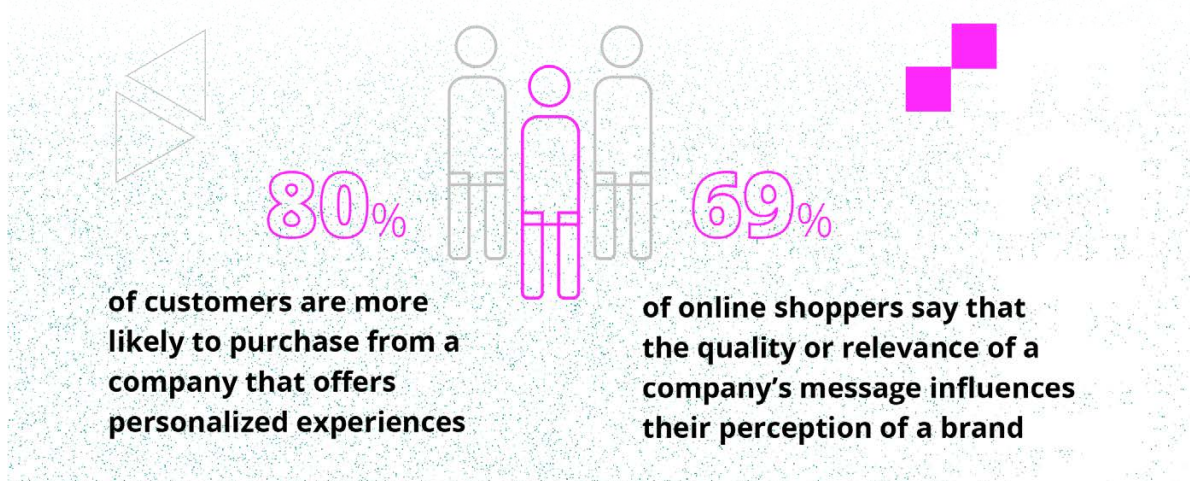
Based on our research, the top challenge organizations face when sharing data internally mirrors a top challenge associated with organizations using AI/ML for their marketing use cases: ensuring sufficient integrations or interoperability across data platforms.

There are many opportunities for organizations that are properly prepared to collect, process, and unify their data, particularly as the volume of gathered data grows. The ability to organize, access, and act on data is critical. Organizations that fail to address data management and unification requirements may find future data influxes to be more of a challenge than a chance for innovation.

FRAGMENTED NETWORK OF CONTENT CHANNELS

Consumers have seemingly endless ways to research their interests, be inspired, or make a purchase. Conversely, marketers are dealing with a larger and more fragmented network of content channels to reach and engage people. This only amplifies the challenges that organizations and marketers must navigate—especially since, as research shows, people expect to be consistently treated as individuals across all of these channels. Organizations need to adapt to consumers' changing interests in real time and serve up personalized content no matter where they are.

Figure 5. Customers expect to be consistently treated as indivuals across all content channels.

80% of customers are more likely to purchase from a company that offers personalized experiences

69% of online shoppers say that the quality or relevance of a company's message influences their perception of a brand

Source: Deloitte, Connecting with meaning, accessed 2023

SLOW AND COMPLEX TECH ADOPTION

The slow and oftentimes complex orchestration of technologies within organizations can hinder the development of a project before it even starts.

In recent years, marketing teams have advanced their tech fluency. Since 2015, the fastest-rising skills mentioned in job postings for marketing leaders are "key performance indicators (KPIs)" and "cloud solutions," two areas that fit comfortably in the world of data and technology.[2] Additionally, our research revealed that 72% of marketers possess either primary decision-maker or executive approver authority within their organizations when it comes to choosing marketing or data technology solutions.

This shift in skill set and responsibility has moved the focus of IT more toward system integration support and away from its traditional role as the primary enterprise technology decision-maker. For a while, this worked out, but over time and with the growth of first-party data and AI, conflicting priorities and perspectives between IT and marketing teams surfaced.

On the IT side, there's a strong will to lead enterprise data and AI projects. It makes sense: This team oversees the organization's data governance and security policies, and often builds and trains AI/ML models. From the marketing team's side, the desire to spearhead these data and AI projects stems from the fact that they are the ultimate consumers of these data assets (for instance, AI/ML model scores). Marketers need them to understand customers and build better marketing activation tactics, such as personalized content generation or an optimized media buying strategy.

Figure 6. how teams within an organization believe first-party data is used to support an organization's marketing use cases.

IT leaders are **2x** more likely than marketing leaders to believe that organizations are using first-party data for their marketing campaigns

Ultimately, this can lead to misalignment on the core objective(s) for an AI project, which can encourage both teams to continue to work independently. This can create an environment for AI adoption projects to sputter along or fail altogether as both teams struggle to agree on important project components, such as the business case, technical and financial requirements, and evaluation criteria.

Through our research, we continue to see that today in how teams within an organization believe first-party data is used to support an organization's marketing use cases (figure 6).

IMPACT OF DATA PRIVACY POLICIES

Ever-changing data privacy regulations require privacy leaders to constantly update and conform their organization's data compliance and governance rules. Additionally, the expansive but often fragmented collection of data privacy laws propels many organizations to adopt internal policies that apply regulations, such as the California Consumer Privacy Act of 2018 (CCPA) or the General Data Protection Regulation (GDPR), across any consumer that interacts with the organization, regardless of that individual's location. Additionally, heightened controls among internet browsers and hardware companies are impacting traditional data collection, and with these disruptions in gathering valuable data, marketers are facing significant disruption in how they drive business impact and measure ROI.

These changes can impact everything from campaign planning to post-campaign reporting, and they can affect the accuracy of third-party ad platforms and brand measurement systems. A marketer's ability to target, measure, and understand its consumers is directly affected, which makes it vital that organizations align on and establish a privacy-centric approach to marketing.

This can be especially challenging for global brands that must untangle a web of regional, national, and international data privacy laws. Regardless of the complexity, owning and building a foundation of consented first-party data is crucial to AI-powered marketing. Our research indicates that high-growth companies are focused on using AI to support their marketing processes because AI is the business multiplier that can help organizations keep up with shifting consumer demands and gain necessary insights in an efficient and privacy-centric way (figure 7).

Figure 7. High-growth companies are focused on using AI to support their marketing processes.

63% HIGH-GROWTH

25% LOW-TO-MODERATE-GROWTH

...companies utilizing AI for more than half of their marketing capabilities

BENEFITS OF A UNIFIED DATA ECOSYSTEM COMBINED WITH AI

It's important to remember that consumers expect organizations to understand their wants and needs as well as adapt to changes in them almost instantaneously. Providing a superior customer experience is increasingly important for organizations, especially in today's crowded marketplace. In fact, 97% of organizational leaders agree that customer experience management is an integral business strategy for creating loyal and long-lasting customer relationships.[3] However, to meet or even anticipate and exceed their customers' needs, organizations should adopt a unified data ecosystem that integrates with their existing data systems, as well as harnesses the power of AI to create authentic customer experiences. This unified data ecosystem serves as the infrastructure that helps organizations take advantage of AI. In today's dynamic world, speed and predictability can be game-changing tools for organizations as they design and deliver the hyper-personalized experiences that customers expect.

By building a foundation with organized and trusted data, you build confidence across your organization that everyone is operating from the same source of truth. From there, you can enable AI to make data-driven decisions quicker and unlock forecasting capabilities that let you better predict and adapt to the needs of the business. In addition to positioning your organization to be successful with AI, you may realize the following benefits from a unified data ecosystem:

MAKE EVERYONE AN ANALYST

The unification of data, AI, and business intelligence (BI) enables marketers to develop a dynamic collection of self-service BI dashboards that a broad group of end users—not just analysts—can easily use and manipulate. The ability to access, analyze, and act on up-to-date data can empower marketers, business leaders, and other important users with real-time insights that drive value.

This concept of "everyone is an analyst" introduces a new way to work by making data and marketing analytics capabilities more accessible to all interested stakeholders. Essentially, it can empower an understanding of data at a superficial level by enabling marketers and other business users with the ability to

create actionable insights through conversation. In turn, this can make insights commonplace and reduce the time needed for organizations to transform their vast amounts of data into insights and decisions.

For years, marketers have utilized analytics applications that have AI/ML built in as a core component to help unlock insights. The introduction of generative AI has created the opportunity to take this output to the next level by democratizing access to generated insights and data-driven decision-making.
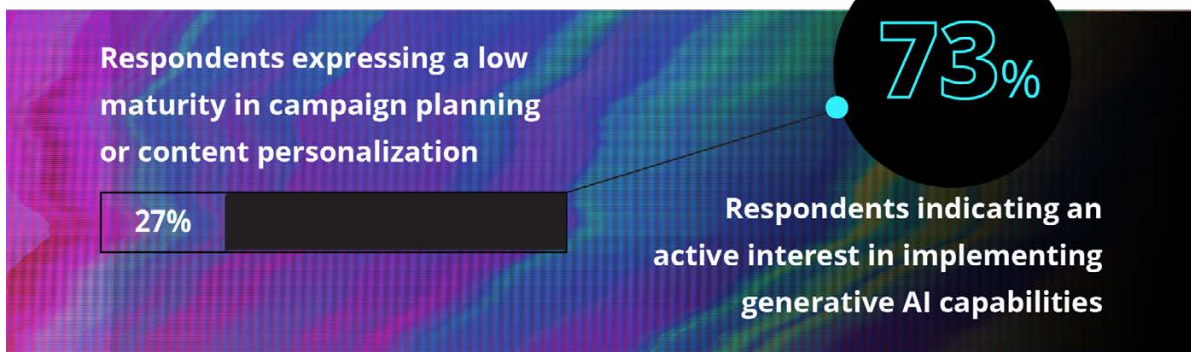
Imagine asking a generative AI application to "Tell me which online products underperform and how that impacts revenue." After a few moments, the application returns a list of the 10 products with the highest declines in forecasted revenue for the next quarter. Finding ways to make it faster to get to insights regardless of technical or analysis skills will be incredibly impactful.

INCREASE ADOPTION OF AI IN MARKETING

As part of our research, we discovered that 78% of markets are planning to increase the use of AI to enhance their marketing capabilities and processes over the next 12–18 months. Conversely, only 31% of marketers indicated that their organizations have a well-defined strategy in place that balances generative AI capabilities with robust data privacy measures to enable AI-powered marketing. This signifies that while many organizations are aware of—and some even actively utilize it—generative AI still remains a new territory that may not be fully understood, but marketers are intrigued by its potential.

For example, content guidelines and policies can be effective tools for marketers but sometimes difficult to design and deploy. Content strategists can utilize generative AI to brainstorm and develop the content pillars that incorporate their organization's mission, vision, and brand values. Additionally, generative AI can be an effective tool to enforce the brand guidelines that ensure an organization's voice is consistent in content and community engagements across numerous platforms and channels.

Figure 8. Surveyed marketers are interested in implementing generative AI capabilities.

Respondents expressing a low maturity in campaign planning or content personalization

27%

73%

Respondents indicating an active interest in implementing generative AI capabilities

Marketers can also use generative AI to tailor a message's tone for different audiences, or create custom imagery based on an individual's specific characteristics or behavior—it can act as a helping hand in the effort to create hyper-personalized marketing. In fact, 73% of marketers surveyed indicated an interest in using generative AI in this way (figure 8).

Working in parallel with ad platform technology that's powered by AI, marketers can create sustainable frameworks to facilitate consistency and resonance and make ongoing decisions about their content and its impact. For example, marketers can integrate AI and data into their digital content creation process to create quick-turn digital assets that activate across multiple channels.

COMBINE AI AND HUMAN EXPERTISE TO OPTIMIZE RESOURCES

AI is naturally adept at tackling questions where the answers are precise and the logic is clear. To that end, it can be especially beneficial to utilize AI to automate tasks, especially the time-consuming or less strategic ones. This can help drive better campaign performance or improve team efficiency by reallocating people to focus on tasks less suited for AI, such as critical problem-solving or strategic decision-making on how to market a new product or service.

For example, some advertising platforms provide AI-powered features, and marketers can utilize these to augment their targeting strategies and capture growth opportunities or drive incremental conversions across their marketing channels.

Generative AI can also be used to improve loyalty and engagement on your website by automating advanced

conversational experiences that retrieve information from a wide variety of relevant data sources, such as localized weather, product and media catalogs, or current events. This AI-powered capability can help decrease the time-to-service and enhance the speed and accuracy with which customer questions are addressed, resulting in reliable support that helps you stand out to your customers.

EXPERIMENT AND ITERATE FASTER WITH AI

A structured, test-and-learn approach to experiment with AI can supercharge your innovation for quicker and more efficient results.

Organizations can use ad platform technology powered by AI to help optimize their in-platform metrics to realize a high ROI. Marketers can use multivariate testing strategies to identify cohorts, maximize engagement, and iterate with increasing improvements, all while relying on the technology to do the heavy lifting when it comes to creative experimentation. For instance, AI can generate content based on different versions of metadata descriptors to create new iterations to be tested.

Organizations can build and deploy AI models, often provided by a cloud-based platform, with their first-party data, to enable predictive analytics capabilities, such as customer lifetime value modeling or propensity to convert, which can be activated across marketing channels to help marketers optimize their strategy for hyper-personalized customer engagement and serve the right message to the right customer at the right time. By enabling these audiences, marketers can test personalized messaging and experiment with more parts of the customer journey.

HOW TO CREATE A UNIFIED DATA ECOSYSTEM AND ENABLE AI-POWERED MARKETING

By now, you may be convinced of the benefits of a unified data ecosystem and AI-powered marketing. The next step: realizing this dream in your organization.

The transformation required for this process represents an opportunity to start fresh with the way you work with data, and not just optimize a broken process. It will be a journey, but over time, changes can be made that better align IT and marketing teams. You can move toward a centralized vision, reduce data silos to encourage more data collaboration, and democratize access to analytical insights for all interested stakeholders.

FIND AN IMPLEMENTATION APPROACH THAT WORKS FOR EVERYONE

Perhaps the best place to start this journey is with the teams and individuals who will be responsible for the design, implementation, use, and support of the new data and AI capabilities. The objective here is to bring the marketing, business, and IT teams together to align on a data and AI implementation that fits with the organization's culture, values, and growth strategy. Below are some suggestions that can help this go more smoothly.

ACKNOWLEDGE MISALIGNMENT BETWEEN ORGANIZATIONAL LEADERS

Delivering transformative projects, such as building a unified data ecosystem with AI capabilities, can be a sizable investment that creates tension and disagreements among all invested stakeholders. Accepting this conflict is a crucial first step. Unsurprisingly, our research indicated a healthy spread of teams that are championing the adoption of AI to support marketing use cases. When those situations occur, embrace the conflict and use it to identify the root causes that prevent harmony among the key decision-makers. This practice may require teams and individuals to tweak their mindsets about data and AI, but doing so can help each team, especially marketers, to develop new disciplines that bring a strategic, full-funnel, and cross-channel view to how an organization can use data and AI.

Figure 9. Who in your company is championing the adoption and use of AI to support marketing and advertising use cases?

- IT management — 44%
- Executive leadership — 29%
- Data and analytics — 13%
- Marketing and advertising management — 12%
- Others — 2%
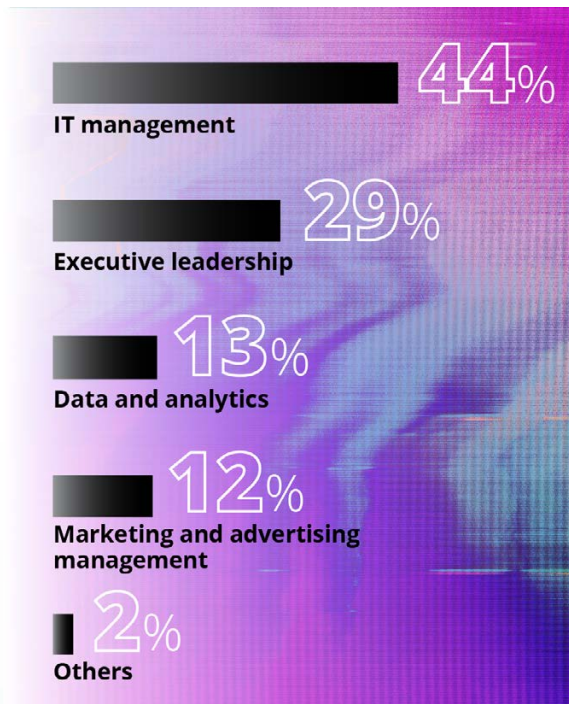
Our research shows that executive leaders and IT managers are active champions for AI adoption. We found that when digital transformation is driven from the top down, it tends to be more successful (figure 9).

In fact, research from Deloitte's State of AI in the Enterprise, 5th Edition reports tthat a vision or plan from an organization's executive leadership for how AI will be used is the most important factor in the development of an AI-ready culture. Additionally, the research indicates these "high-outcome organizations," which adopt leading practices associated with the strongest AI outcomes, are significantly more likely to report revenue-generating results—such as entering new markets, expanding services to new constituents, creating new products or services, or enabling new business and service models. The rewards can be lucrative for organizations that are aligned and execute on a common vision for the use of AI.
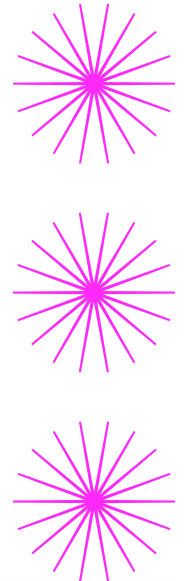
IDENTIFY TEAMS TO INCLUDE IN PROCESS

Although many teams will benefit from a data and AI foundation, some teams who would benefit more, such as digital advertising teams, don't have the IT or technical resources to support them. Many organizations work with external partners to build their marketing use cases, and they use something like predictive audience building and activation to quickly demonstrate ROI and prioritize more strategic use cases. The North Face is a great example of this. The company saw a need to better understand its customers, and it collaborated with Deloitte to develop a cloud-based solution with AI/ML capabilities that used its e-commerce and customer profile data to increase purchase frequency and drive member acquisition.

> **With an emphasis on creating new growth, we've leveraged out e-commerce and customer profile data for ML-driven audience segmentation and driving rapid experimentation of personalized customer experience.**
>
> Frank Tingley
> Senior Director of Analytics
> The North Face

Figure 10. Revenue-generating outcomes—High- vs. low-outcome organizations
(Selecting "Achieved to a high degree")

Source: Deloitte, *State of AI in the Enterprise, 5th Edition*, October 2022

When thinking about the teams to include and building a road map for teams to benefit quickly, there are a handful of important, people-related questions to consider.

1. Between our IT and marketing leadership teams, do we have a clear and aligned understanding of what a unified data ecosystem combined with AI can solve?
2. In order for this investment to drive value, which teams will ultimately access and utilize these capabilities?
3. Which teams can take advantage of these data and AI capabilities to drive experimentation and growth?
4. How can the organization ensure people readiness? What AI skill levels are present among current employees?
5. How do the marketing, business, and IT leaders align on this journey? As the growth and financial security of organizations continues to be scrutinized, how can the infusion of data and AI help leaders better understand, plan for, and exceed their target metrics?
6. With respect to multi-partner orchestration, what external organizations need to be involved in the process to maximize value?

LEVERAGE MULTIPLE PARTNERS

External support can be quite valuable for a transformational project with data and AI. After identifying the internal teams that should be involved, consider which partners could meaningfully contribute to your project.

When we asked about the types of partners organizations used to develop their customer data and AI strategies, each type listed below was selected by more than 45% of marketing and IT leaders (figure 11).

When this question was changed to inquire about the implementation of their customer data and AI strategies, creative and media agencies were the only partner types to not be selected by at least 45% of marketing and IT leaders.

Figure 11. Types of partners organizations used to develop their customer data and AI strategies.

Creative agencies

Strategic consultants

Marketing data partners

System integrators

Technology partners
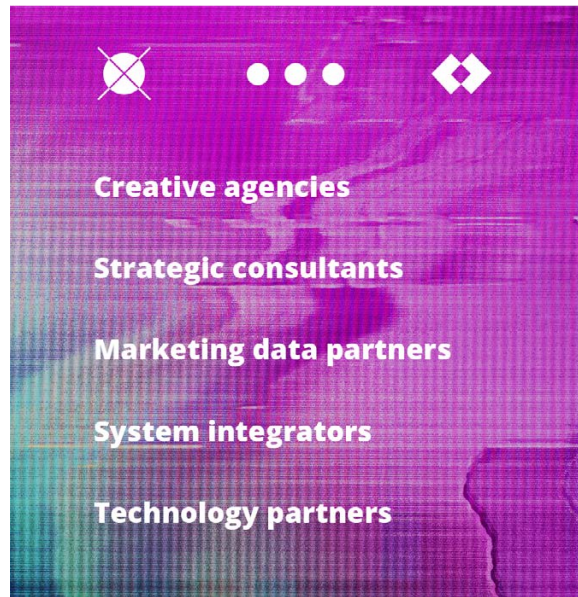
While many marketing leaders may be more familiar with the process of collaborating with a media or creative agency of record, the importance of data in marketing is so crucial that some forward-thinking marketing leaders are hiring a "data partner/agency of record" to help bridge the data divide with IT.

Developing and implementing an impactful strategy around unified data and AI can be challenging. A plan that calls on the expertise of a variety of partner types is critical for success. Especially with the recent explosion of generative AI, the AI landscape and ecosystem is rapidly evolving with new technology and partnerships. Organizations need reliable guidance on strategies that can help them build and deploy applications that successfully balance safety, responsibility, and ROI.

TECHNOLOGIES TO CREATE A UNIFIED DATA ECOSYSTYEM

Another key piece of the puzzle is identifying the right technology platform to build the data foundation that powers your AI engines. Data and AI are highly interdependent, so a sound data foundation and strategy heavily influences the ability to develop and deploy initial AI use cases and gain traction toward reaching a mature state of AI adoption. Organizations need to build AI into their data foundation and strategy and embed AI into the data life cycle. This can be accomplished through a customer data platform (CDP) or data cloud solution, which can be built internally using cloud platform technology, engaging with a consulting or delivery partner, or making a purchase off the shelf from a technology partner.

BUILD A DATA CLOUD

With a collection of cloud-based, data, and AI-powered systems, data cloud providers can help organizations manage every stage of the data life cycle and transform their marketing efforts through the benefit of a connected, open, and intelligent data ecosystem. With this collection of cloud-based services, organizations can implement a data platform that unifies the data, business intelligence, and AI capabilities needed to provide transformative experiences for customers, unlock timely insights across various data sources, and enable organizations to act on data-derived decisions that drive impact.

Many data cloud providers also offer preconfigured AI/ML frameworks and toolsets so developers don't have to start from scratch when they begin their AI projects. More specifically, some data warehouses offered by data cloud providers have built-in AI/ML capabilities

that enable data analysts to build and operationalize ML models on structured, semi-structured, and even unstructured data using simple SQL—in a fraction of the time it would take to build a model from scratch. These ML models can be shared with a managed AI/ML platform that allows for more advanced AI use cases designed to help you build, deploy, and scale machine learning models faster, for any use case, including building generative AI apps.

Specific features like this are designed and well-positioned to make AI/ML development faster, easier, and more accessible than ever before.

Ultimately, organizations can work with a data cloud provider to help design and drive use case testing that can quickly prove value without needing a new, full-scale enterprise system implemented. From that point, organizations can help build an appropriate business case, assess the output, and evolve scale machine learning models faster, for any use case, including building generative AI apps.

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Ultimately, organizations can work with a data cloud provider to help design and drive use case testing that can quickly prove value without needing a new, full-scale enterprise system implemented. From that point, organizations can help build an appropriate business case, assess the output, and evolve.

LICENSE AN ENTERPRISE CDP

CDPs have become a fundamental tool for organizations to gain real insight into their customers' preferences and intent. A CDP can provide a solution built on top of existing technology and infrastructure, which can enable organizations to quickly integrate their existing data sources and leverage those insights to drive efficiency.

Of course, a CDP is not a one-size-fits-all piece of technology, and understanding how to proceed requires some upfront discussions among IT and business leaders to research and understand the different CDP options emerging in the marketplace today and define a clear path forward (figure 12).

Additionally, some organizations are turning toward a "dual-zone" CDP approach (as introduced in Deloitte Digital's Bridge the customer data divide with a dual-zone CDP) to create a structure for IT and marketing leaders to collaborate and align on the organization's technology—from data storage and processing to marketing analysis and activation. Dual-zone unbundles CDP capabilities from one or more sources and reorganizes them into two distinct (but still connected) zones, each with clear ownership and responsibilities.

As a result, organizations can deepen their understanding of customers, reduce risk through greater privacy compliance, elevate the experiences of customers, and drive new revenues.

Figure 12. Common CDP archetypes
Four basic CDP archetypes are emerging in the marketplace today—each with its own strengths and gaps.

	1 Cloud-native CDP	2 Marketing Cloud CDP	3 Pure-play CDP	4 Marketing Service Provider CDP
KEY ROLE	Customer data consolidation and management	Customer 360 activation	Customer data management middleware	Customer data managed services
BENEFITS	Provides advanced data management, identity resolution, data hygiene, governance, security access controls, calculated attributes and extended real-time capabilities. This type of CDP supports full ownership of customer data and enables enterprise flexibility.	Provides an actionable 360-degree profile at the center of a Martech ecosystem with access to a user-friendly, self-serve user interface for segmentation and channel activation via robust connector libraries.	Integrates with other systems, with the option to license only the specific use cases you need for a packaged solution designed to work with other technologies.	Full-service solution that can be completely outsourced to a vendor, allowing brand teams to focus on more strategic imperatives.
LIMITATIONS/ CHALLENGES	IT dependent. Does not offer a user interface for data delivery to downstream systems for business users or tight integration with MarTech.	Does not offer robust data management to properly cleanse and stitch customer records and relies on deterministic identity match keys. Data security a key consideration.	May be difficult to choose the right software given all of the different options. Working through third-party integration challenges can sometimes be complicated.	Figuring out how identities are managed, how specific queries are built and how attribution reports are developed can sometimes feel like working with a "black box" due to outsourced nature of solution.

Figure 13. Solving needs across the customer divide

Enterprise IT and marketing typically have different priorities when it comes to customer data-related capabilities. Identifying the right solution for your whole organization begins with understanding where those needs diverge—and where they overlap.
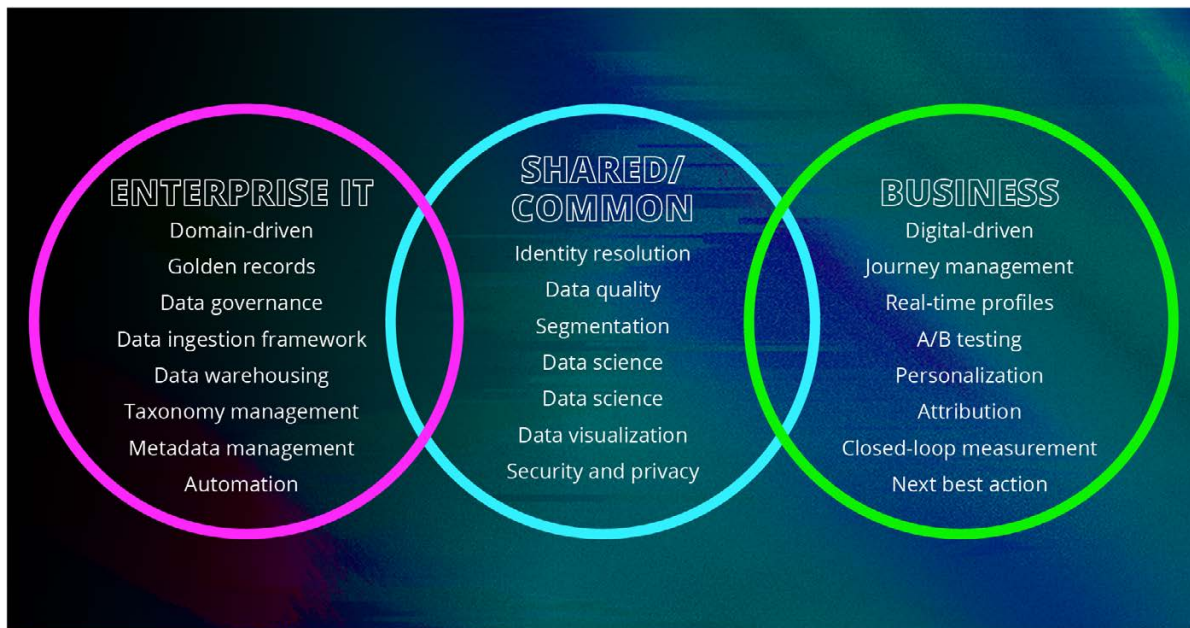
Source: Deloitte, *Bridge the customer data divide with a dual-zone CDP*, November 2022

EXPERIMENT WITH AI-POWERED SOLUTIONS

With high-quality data in place, it's possible to transform key marketing capabilities, such as content marketing, in real time and craft inspiring creative content using AI (figure 13). The capabilities that generative AI provides can be an effective method to support higher quality and a larger volume of content that meets or even exceeds the demands for personalized, timely, and relevant content.

Deloitte Digital's Content Studio is leading the way in transforming content creation, and by harnessing generative AI, the Content Studio combines the experience of content creators, data scientists, and AI engineers to efficiently produce personalized, high-quality content for clients seeking to scale their content marketing.[4]

Generative AI solutions are not just about keeping up with content demands; they are about staying ahead of them. By working alongside artificial intelligence, businesses are empowered to create high-quality, personalized content efficiently, giving them a competitive edge in today's digital marketplace.

Mike Brinker
Principal & Content Studio Leader
Deloitte Digital

DEVELOP DATA GOVERNANCE STRATEGY WITH AI IN MIND

Regardless of which technology platform is selected, it's vital that organizations align on and establish a sound data governance plan to enable AI in their privacy-centric marketing. An organization's entire data ecosystem should be governed from the time data is collected and stored to when it's used or consumed by downstream applications.

The end-to-end life cycle of data illustrates huge amounts of raw data in the beginning, and as the data proceeds through the defined governance process, it's refined into a set of curated data that can be used for any number of AI-based applications. Overall, successful implementation of AI requires large quantities of high-quality data for optimal performance, and any deficiencies in either the quality or quantity of this data can create significant stumbling blocks for AI adoption.

Data governance and intellectual property (IP) control is even more crucial for organizations with the emergence of generative AI. Organizations must be sure that their data is protected, free of copyright infringement, and not leaked to customers or third-party platforms. Responsible AI is another important consideration when using generative AI in marketing. This is a constantly changing and evolving landscape in terms of technologies and risks, so it's important for organizations to take a responsible approach with data privacy and protection.

Cloud service providers enable the adoption of generative AI by providing their AI/ML platforms for organizations to interact with, customize, and embed foundational AI models into their applications. The true unlock for AI adoption though will come from the ROI potential, integration into enterprise systems, and safe use of data—not just the technology itself.

As marketers, these are important conversations to have now with your IT and data teams. To help, consider the following governance-related questions for each data source:

1. Where required, is the data clean of personally identifiable information (PII) or confidential information?
2. What is the corpus of data that the model will be trained on?
3. Does the organization have the necessary permissions and consent to use the data?
4. What are the security risks associated with this data? How could exposure of sensitive information within the data jeopardize an organization's business or reputation?
5. Who owns the data governance policies and is responsible for overall data privacy compliance?
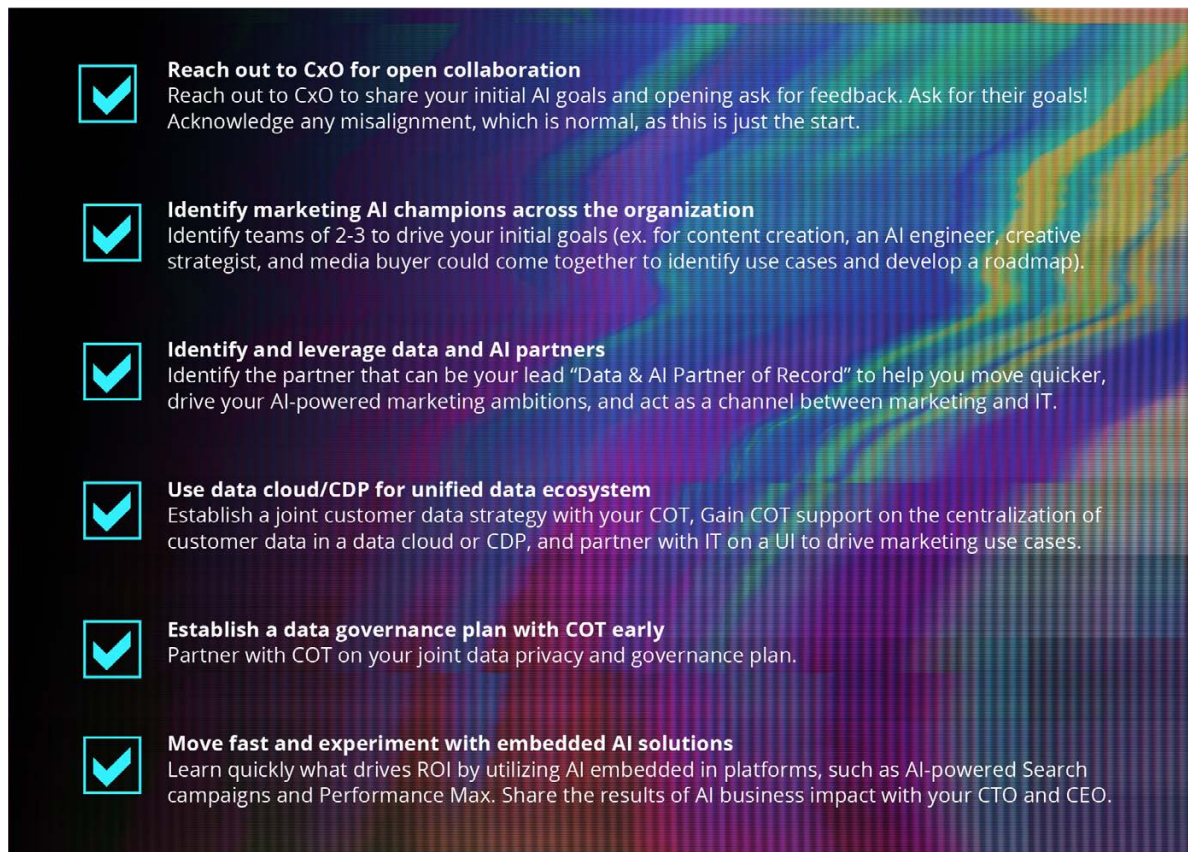6. Especially for generative AI, does the organization have intellectual property claims on the generated outputs?

RESOURCES TO GUIDE YOUR NEXT STEPS

To help orchestrate next steps and push forward with this transformation, there are a few options at your disposal.

CHECKLIST FOR AI-POWERED MARKETING

To start, below is a foundational checklist to help facilitate alignment between marketing and IT leaders and encourage collaboration before and while embarking on this transformation. Review the checklist to support your transformation toward a unified data ecosystem that enables AI-powered marketing.(figure 14).

Figure 14 . Review checklist to support your transformation toward a unified data ecosystem that enables AI-powered marketing.

☑ **Reach out to CxO for open collaboration**
Reach out to CxO to share your initial AI goals and opening ask for feedback. Ask for their goals! Acknowledge any misalignment, which is normal, as this is just the start.

☑ **Identify marketing AI champions across the organization**
Identify teams of 2-3 to drive your initial goals (ex. for content creation, an AI engineer, creative strategist, and media buyer could come together to identify use cases and develop a roadmap).

☑ **Identify and leverage data and AI partners**
Identify the partner that can be your lead "Data & AI Partner of Record" to help you move quicker, drive your AI-powered marketing ambitions, and act as a channel between marketing and IT.

☑ **Use data cloud/CDP for unified data ecosystem**
Establish a joint customer data strategy with your COT, Gain COT support on the centralization of customer data in a data cloud or CDP, and partner with IT on a UI to drive marketing use cases.

☑ **Establish a data governance plan with COT early**
Partner with COT on your joint data privacy and governance plan.

☑ **Move fast and experiment with embedded AI solutions**
Learn quickly what drives ROI by utilizing AI embedded in platforms, such as AI-powered Search campaigns and Performance Max. Share the results of AI business impact with your CTO and CEO.

WHITE PAPERS AND CASE STUDIES

There's also a growing collection of white papers and case studies that can provide additional thought leadership and perspective.
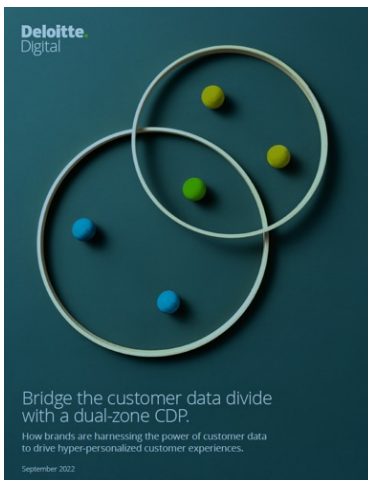
Bridge the Data Gap
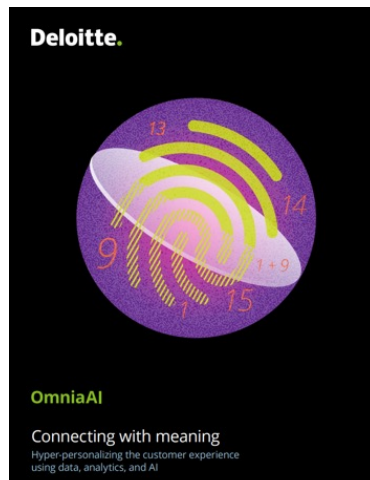
Connecting with Meaning

Gen AI powers content marketing advantage

ACCELERATORS AND WORKSHOPS

Finally, Deloitte Digital provides a series of accelerators and assessment services to help you evaluate your current state and plan for the future. Deloitte Digital also provides a CDP accelerator program meant to initiate a successful CDP design and implementation journey.

Use Case Prioritization Lab
Support cross-functional teams in defining key requirements and prioritized use cases.

Capability Assessment
Identify key capabilities across data, technology, analytics, process, and KPIs required to enable prioritized use cases.

Technology Architecture Review
Evaluate readiness of organization's current data, marketing, and AI/ML technology and services to deliver on key use cases.

Deloitte Customer Activation Platform
Designed to break down data silos, drive predictive engagements, augment customer data, deploy secure-by-design data cloud infrastructure, and build for a privacy-centric future.

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ENDNOTES

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3. Shariff et al, Connecting with meaning.

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