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POWER
TO THE MARKETER

MARKETING AUTOMATION | MULTICHANNEL MARKETING | PERSONALIZATION

Retail Roadblocks

The challenges holding retail marketers back in 2021

Data from more than **500 marketers** at retail brands

With insights on how leading brands are clearing the roadblocks:

PUMA bulk GYMSHARK ORLEBAR BROWN TOTAL TOOLS LOUNGE sallyeurope covetrus Instant Brands Nourished Life INNOVASPORT SPORTS DIRECT

Framing the roadblocks for marketers

As the world of retail evolves, with new channels appearing and customer expectations changing, the role of marketing has never been so complex.

Today, marketing must be more than just a cost center — it must be a revenue center and a key driver for retail growth. For marketers themselves, this means delivering more sophisticated work as well as facing greater pressure to add real value to the business' bottom line.

The problems? Time and technology.

Marketers are under more pressure than ever before. According to Gartner, **33%** of marketing work has now moved to in-house teams, with more set to come. At the same time, these in-house teams must also manage and maintain more technologies, with **83%** having swapped out at least one piece of tech over the last year.

Despite this, budgets are also being slashed, which means businesses are expecting marketers to do more with less.

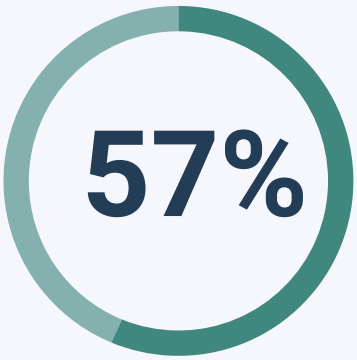
All these factors, whether shifts in strategy, budget, people, or tech, represent serious roadblocks to marketing success.

Calling on data from more than 500 in-house marketers working within the retail sector, we wanted to explore these roadblocks in detail to understand what's set to halt or hinder marketers in 2022.

These roadblocks aren't going anywhere. There's no way around and no alternative route. Only by understanding them (and what others are doing to solve for them) can we hope to equip you with the tools and plans to break your way through.

#1

Marketing's role is exploding



of marketers working in retail wish they had more time in the day

Across the world's retail brands, the role of marketing is expanding.

Today, effective marketers are expected to balance a whole host of new functions, spanning customer experience, brand, digital marketing, CRM, customer retention, and more. In **29%** of cases, retail marketers must look after all these functions within their single role.

At the same time, the breadth of marketing and commerce channels needed to create customer touchpoints is also stretching marketers to the limit. Currently, more than half **(55%)** feel that an inability to execute across different channels is holding them back, while **57%** wish they had more time in the day.

Yet despite these new pressures, marketers are being asked to do more with less.

According to Gartner, marketing budgets are now at an all-time low, dropping from **11%** of revenue in 2020 to just **6.4%** this year. At the same time, teams are shrinking, and timescales are being stretched. One third of all marketing activity has moved in-house, meaning what was done by agencies with swaths of employees must now be done by a lean, internal team.

Stats you need to know

- 29% of in-house marketers at retail brands say they are responsible for CX, CRM, digital marketing, branding, customer acquisition, *and* customer retention
- 55% say an inability to execute effectively across different channels is a key barrier to agile marketing

What retail marketers are saying

Thomas Tregelles

Group Head of E-Commerce

SPORTS DIRECT

"For some brands, the tightening of resources and the turbulent macro environment could bring e-commerce strategies to a halt. But even with a leaner team, Frasers Group has seen digital growth mostly by leveraging automation and making real-time adjustments to best convert customers."

Read The Blog ▸

Sarah Brereton

Head of CRM

GYMSHARK

"Because we're growing so vastly internally, we have started onboarding internal teams that are literally spending day in and day out on data science, working out who our audience is, who we should be spending budget on, who to leave alone, which is then able to help us build our cross-channel marketing strategy, figuring out high-value actions for new audiences."

Watch the Webinar ▸

#2

Marketing is now a revenue center

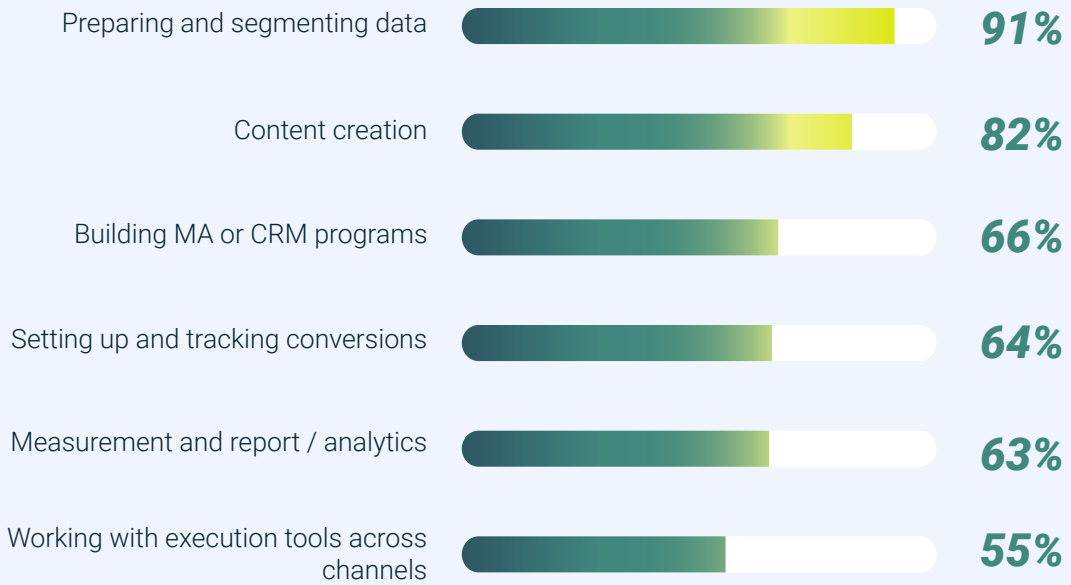
Alongside its rapidly growing role, marketing must also now prove its worth as a revenue center.

At a strategic level, this means more focus on business impact and ROI, while at a tactical level it means more time spent measuring, reporting, and exploring analytics.

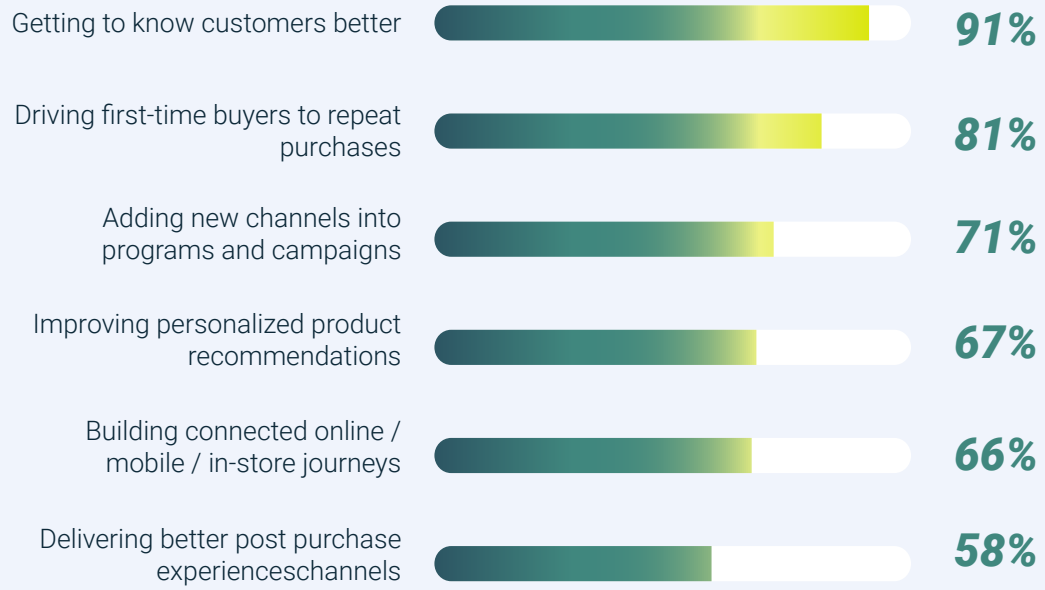
This tactical measurement is already a major time-sink for marketers, with **63%** spending significant time on measurement and reporting and **64%** spending time setting up tracking and conversion. Despite so much time devoted to analytics, **37%** of retail marketers still feel that their inability to measure business impact is holding them back.

Still, measurement isn't everything. If marketers are going to drive revenue, they also need to run campaigns that keep customers coming back for more. As a result, **84%** of marketers are looking to implement new loyalty campaigns in the year ahead. For now, though, **81%** feel that they don't spend enough time driving repeat purchases.

Where do marketers at retail brands spend their time?



Where do marketers at retail brands *want* to spend their time?



What retail marketers are saying

Greg Holmes

Marketing Operations Manager

covetrus

"We have really limited resources. We're doing a whole lot with a very small team. I think the email team right now is six people, and we're managing a lot. And so lifetime value really gives us an idea of where to focus, where should prioritization be, what should we be building, what are the needs and really also, what are our shortcomings? Where are we falling short? [...]
If you can measure that with a number, you can then compare it to other things or impact and figure out where to focus."

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#3

Personalization is hard… and it's tied to revenue

of marketers in retail say personalization is important to driving both increased revenue and better customer experiences

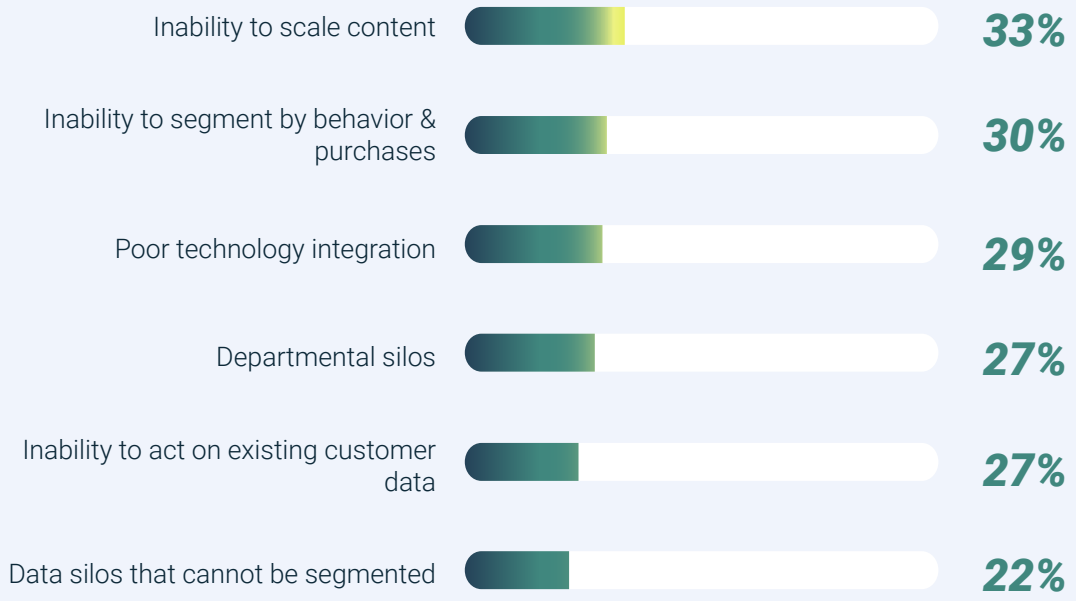
When it comes to improving customer experiences, securing repeat purchases, and ultimately driving revenue, personalization is king.

Despite the overwhelming majority of marketers recognizing this fact, those in retail still struggle to make time for effective personalized campaigns. When asked, **67%** say they would like to spend more time improving personalized product recommendations, while **91%** need more time to get to know their customers as people.

The problem, of course, is that personalization is hard. It takes time, technology, and a thorough understanding of customer data.

Right now, marketers are spending an extraordinary amount of time reviewing and managing customer data (with **42%** devoting more time to preparing and segmenting data than any other task). This process is further being slowed by poor technology integrations, departmental silos, and a whole host of related issues that make it impossible to run effective personalization campaigns.

What's holding personalization back?



Stats you need to know

- Marketers in retail spend more time preparing and segmenting data than any other task
- 48% of marketers at retail brands will invest in more web personalization in the next 12 months

What retail marketers are saying

David Witts

CRM Manage

PUMA

"And we started to identify chunks of segments within our different product categories, but also working with Emarsys to define that logic. That meant we could target customers dynamically with product recommendations based on what they previously browse, what they've previously purchased, and start to really develop that one-to-one customer relationship.

"We're at a point now [where] I'm really pleased to say that, you know, if we send half a million emails, we're sending half a million different emails. Every single email is unique to that individual customer and what they want to buy and what they're interested in based on what we know about them. So that's been a massive, massive help for us."

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Sarah Neeson

Customer Engagement Specialist

"The ability to easily set up a web channel campaign in Emarsys has really allowed us to target specific users. We can now choose an identified segment or even unidentified users and run some great tactical campaigns to achieve real ROI for the business."

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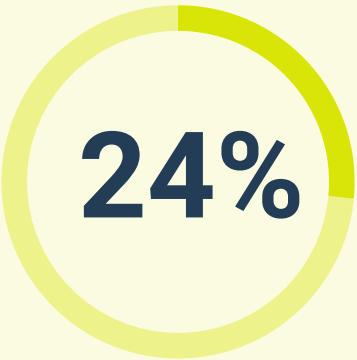
The importance of first-party data to personalization



of marketers can't easily act on the data they have on existing customers, which holds back their personalization efforts

For more than ten years, first-, second-, and third-party data have been at the heart of understanding customers.

Now, the industry is at a tipping point. Big tech companies like Google, Amazon, Facebook, and Apple (which many marketers rely on for third-party customer data) are placing ever-more importance on privacy.

The implication? Brands are being forced to rely on first-party data — the data they collect and own themselves.

But this change doesn't have to mean disaster for marketers. With the right first-party data, you can still inform your marketing strategy, guide tactical execution, and predict future trends. Best of all, first-party data

is vital for personalizing customer experiences on a one-to-one basis, across any channel, and in real time.

By creating memorable, personalized experiences, first-party data helps turn one-time buyers into loyal customers. That means more repeat purchases, a higher customer lifetime value, and increased revenue.

Want to learn more?

Download our playbook:
10+ Value Exchanges to Grow Your First-Party Data

Download now ▸

What retail marketers are saying

Scott Jonsmyth-Clarke

Head of CRM

bulk

"I think in a lot of cases, a lot of brands forget about the relationship element. We are dealing with customers, with humans, that really want that relationship with the brand. And the first-party element is obviously really important to us. [...] So we use techniques, you know, progressive profiling, for instance. We ask questions via our website through automated communications. [...] And by doing so, then obviously, we can provide the correct solution or the correct products to meet their goals. And I think that's just the perfect way of using first-party data to create a positive experience and build a positive relationship for the future."

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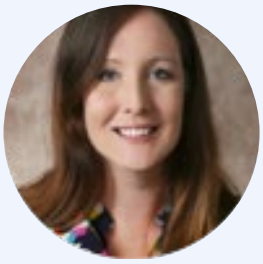
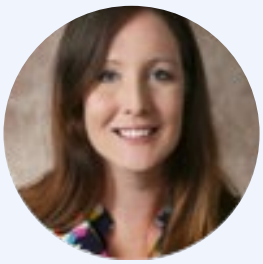


Lindsay Ball

Sr. Digital Marketing Manager

Instant Brands

"We tracked, leveraging Emarsys, that consumer throughout 2020. We saw a correlation that if they were buying licensing products, they're more apt to buy more licensing products. So when we looked at our assortment this year, it gave us the confidence to really expand into new items. We launched a measuring cup that we didn't have before. We put together different packages, →



Lindsay Ball

Sr. Digital Marketing Manager

Instant Brands

and we saw that those new items... because we've built such a strong customer loyalty and our fan base were the first ones to really sell out. They were the top sellers. So that information that we get, we're able to then relay that to our sales team, who's going out to the retail stores and trying to get them to get by-in or decipher — through all of our product line — what they should invest in. So it works not only from a direct-to-consumer channel, but it extends throughout the company to give, you know, the rest of the marketing team the information they need for us to move forward."

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Danielle Ríos

Head of Loyalty

Innovasport

“So we are trying to build a 360-[degree] view of our customers by having e-commerce and POS integrated to loyalty. I guess that was a key factor, to connect all these dots. So when we have e-commerce and the POS integrated to our loyalty platform, that way those sales and the marketing strategies and also inventory can be connected. It's like a virtuous circle. So when we have this 360-[degree] view of the customer, we can interact at the right time with the right segment. That way we are increasing sales, we are applying marketing strategies, we track the inventory, and we offer that inventory to the right segment.”

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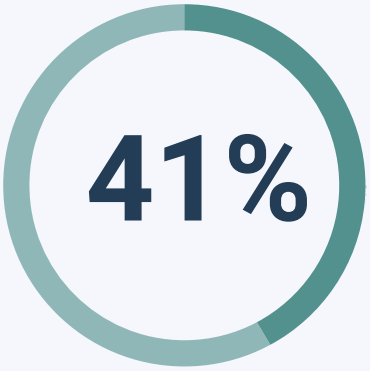
#4

Martech stacks need consolidating (and the data does, too)



of in-house retail marketers lose time moving between different technologies

When faced with so many pressing challenges, the quick-fix solution can be to install a new marketing technology — plugging a few holes until a better alternative comes along.

The problem with this approach is that it all too often results in a stack of disjointed technologies, all piled on top of each other. Although this patchy tech can help in the short term, the overall result is often greater complexity and even more lost time.

Currently, **41%** of in-house marketers at retail brands lose time moving among different technologies, while **28%** say they have too many tools in their marketing stacks. Even more time is then being lost managing these tools, with **35%** saying they waste time on technical and IT tasks.

Of course, the biggest challenge is that these technologies aren't achieving what they were installed to deliver. They're not uniting different channels, not allowing campaigns to scale, and not empowering marketers to see the returns from their activities.

To make matters worse, because of data and execution siloes, customers are not receiving experiences that are consistent or to the level of personalization they expect.

Stats you need to know

- 35% believe they waste too much time on technical and IT tasks
- 28% say they have too many tools in their marketing stacks
- 29% believe their inability to integrate multiple technologies is a key barrier to personalization
- A fifth of retail marketers (20%) say their martech stack simply **isn't fit for purpose**

What retail marketers are saying

Sebastiano Elia

Head of CRM & Customer Insight

ORLEBAR BROWN

"I think one of the issues we had originally actually was how our data was siloed. Our transaction data wasn't talking to the data that we may have had in an email platform. So being able to neatly tie up customers with what they were buying, what we had available in our product feed, for example, and where the customer was on the journey really helped. [...] It starts with analyzing the data that you've got, bringing that all together in one place so the data is no longer siloed, and analyzing and then making use of all of the technology that Emarsys has in terms of recommendations."

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Elisse Jones

National Loyalty Manager

TOTAL TOOLS

“One of the biggest challenges that we had in our existing environment is that our channel data was in silos, so we couldn’t deliver that coordinated communication or conversation with our customer. Now with Emarsys, we’ve been able to combine all of our data. So, our sales data, the big one, offline and online, launching profiles, product catalogs, web interactions, email engagement data, all in one central location in the CDP. So we’ve really been able to connect the dots and also synchronize in near-real time as well. And as a result of being able to stitch that data together, we’ve got a really nice, unified customer view, which is really helping us to start to enable and unleash that one-to-one personalization.”

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Get your st@ck together!

Despite the challenges of existing disjointed technology stacks, marketers do recognize the potential of technology to overcome the barriers they face and break through their retail roadblocks.

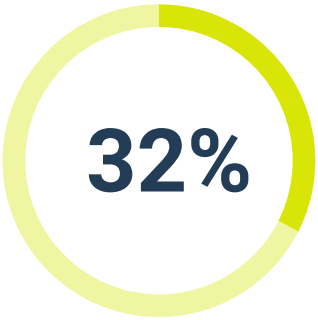
Driven by the challenges of maintaining multiple technologies, difficulty measuring the value of their campaigns, and an inability to execute across multiple channels, in-house retail marketers are now looking to upgrade.

But instead of adding more platforms to their already disjointed technology stacks, marketers now need sophisticated, unified solutions to empower them with more time, more understanding, and ultimately a greater business impact.

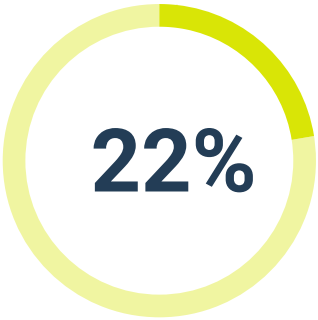
For many, AI will have a major part to play in this task — automating the most time-consuming elements of the marketing role. Key among these will be the use of AI to prepare and segment data, something which **94%** of retail marketers recognize as a key opportunity to save time.

What's driving marketers in retail to upgrade their martech stacks?

Difficulty maintaining and using multiple technologies to execute campaigns

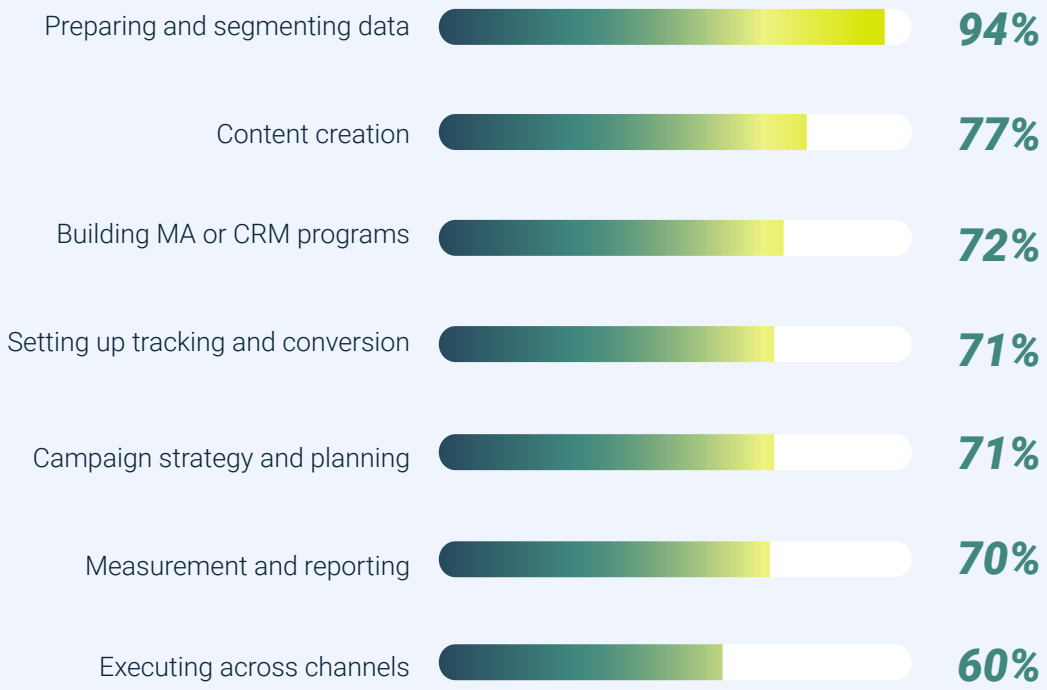


Difficulty seeing the return on / value of campaigns



Inability to execute across multiple channels from the same platform

Where is the opportunity to save time with automation and AI?



What retail marketers are saying

Simon Rowlands

Head of Customer Marketing & comms

sallyeurope

"We use Emarsys … as our enhanced SCV, and we link this with our other agencies and channels for contact. Then we go on to the channel that the customer purchases on. So whenever they purchase in-store, online, or the call center, that purchase behavior is fed into that one single source. And having all that data in the one single source, that allows us then to interrogate that data, to make decisions whether to reward or target customers through whatever channel then best resonates with that customer. And that can be store, call center, [website] … email, SMS, targeted social, pre-bought vouchers or even a store card. And having that breadth of channels available to us allows us to be sure that we are hitting the customer where they want to see the most relevant message."

Read The Story ▸

Arron Kooner

Chief Customer Officer

LOUNGE

"Your data is so, so important. A lot of brands talk about it. You know, it seems to be a bit of a buzzword. But in reality, you really need to understand your customer data. Who are your customers? Who are your VIPs? Who are you active spenders? Who are your loyal spenders? How do we engage them? How do we [...] approach them at the right space, at the right time, and the right wording, in the right language? These are things that are so important, and developing our tech stack is absolutely key for us to grow the business."

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Sebastian Kuemmel

CRM & Marketing Automation Manager

Nourished Life

"What [Emarsys has] done really well is shifting that perception and making it much easier to look at, rather than individual campaigns, at a customer's lifetime value and how much they spend over time while they're customers with us and make that clear and use that information to target them specifically."

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Power to the Marketer

Whether it's evolving roles, the changing data landscape, or the push for business results, none of the roadblocks facing marketers are going away any time soon. In addressing these challenges, the existing martech stack has failed us. We need consolidated solutions that empower marketers to **do more with less**.

That means saving time in execution, unlocking sophisticated marketing automation, increasing cross-channel personalization, and ultimately improving business impact. Retail is never returning to the way it was, and the complexities of marketing aren't going away either.

We cannot circumvent these roadblocks. We can only adopt the right tools to break our way through them.

Joanna Milliken
CEO

emarsys
is part of SAP®

"Whether in life or in business, people want to make an impact. Unfortunately, many marketers feel that they can't. They've become trapped in processes, buried in unactionable data, and stretched beyond their limits. As the role of marketing expands, data grows and budgets shrink, these problems are only going to get worse.

Joanna Milliken

CEO

emarsys
is part of SAP®

"That's why we're committed to giving **power back to marketers**. Emarsys provides retail marketers with what they need to do more with less. By consolidating technology stacks, saving time in execution, unlocking sophisticated marketing automation and increasing personalization, Emarsys empowers marketers with the tools, data and insights to make a real, measurable impact."

About Emarsys

Emarsys, now an SAP company, empowers digital marketing leaders and business owners with the only omnichannel customer engagement platform built to accelerate business outcomes.

By rapidly aligning desired business results with proven omnichannel customer engagement strategies — crowdsourced from leading brands across your industry — our platform enables you to accelerate time to value, deliver superior one-on-one experiences and produce measurable results… fast.

Emarsys is the platform of choice for more than 1,500 customers around the world. Join thousands of leading brands who trust Emarsys to deliver the predictable, profitable outcomes that their businesses demand and the highly personalized omnichannel experiences that their customers deserve. For more information, visit www.emarsys.com

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