

2024 Predictions for Marketing & Sales Technology



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01 Introduction

As we embark on 2024, the marketing and sales landscape continues to evolve at an unprecedented pace. The world is adapting to a 'post post-pandemic reality', and businesses are facing a dynamic blend of challenges and opportunities. While economic conditions remain uncertain, marketers and sales teams are determined to leverage technology to enhance customer experiences and drive growth.

The martech and salestech market has demonstrated resilience despite the changing economic landscape. Marketers and sales professionals are still investing heavily in technology to optimise their efforts and gain a competitive edge. This investment is driven by the tangible results that existing martech and salestech tools have delivered while emerging technologies like generative AI are opening up new frontiers of possibilities.

In this report, we've gathered insights from a diverse range of sales and marketing experts to identify the key trends shaping the martech and salestech landscape in 2023 and expectations for 2024. We've delved into the significant themes emerging from 2023, explored the impact of these technologies on businesses that are employing them to adapt to the ever-changing digital environment.

While 2024 may bring its share of challenges, we are confident that the martech and salestech industry will continue to flourish. Our team at LXA is committed to providing you with the latest insights and strategies to navigate this exciting and dynamic field. We believe that together, we can shape the future of marketing and sales, driving innovation and growth for businesses of all sizes.



Carlos Doughty
Founder, CEO and
Course Instructor, LXA

02 Methodology

During 2023 we interviewed a wide range of industry experts, conducted several surveys, polled both marketing and sales leaders, and analysed the industry in detail.

In this report, we'll examine some of the key trends from 2023, and take a look at the year ahead.

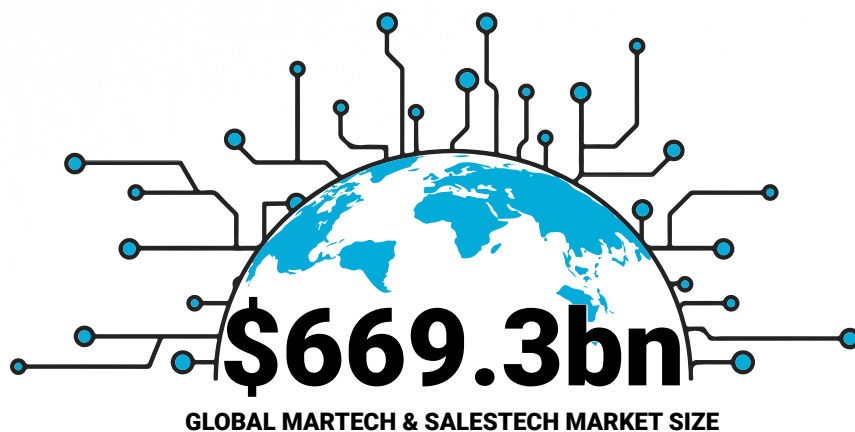
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03 Martech growth

With the economy still in flux worldwide, 2023 was another challenging year for the industry.

Even in these circumstances, the market for marketing and sales technology has continued to grow steadily. The martech and salestech market was worth \$669bn worldwide, an increase of 31.5% from \$508.9bn in 2022.⁽¹⁾



This market growth has been driven by a range of factors, including continued investment in digital transformation, the need for tech to help organisations shift towards a first-party data strategy, as well as the popularity of AI-powered technologies.

The martech landscape is a microcosm study in supply and demand. The cost to generate supply (of new martech apps) has been steadily dropping for two decades. The result has been a proliferation of martech apps. That trend seems to be continuing.

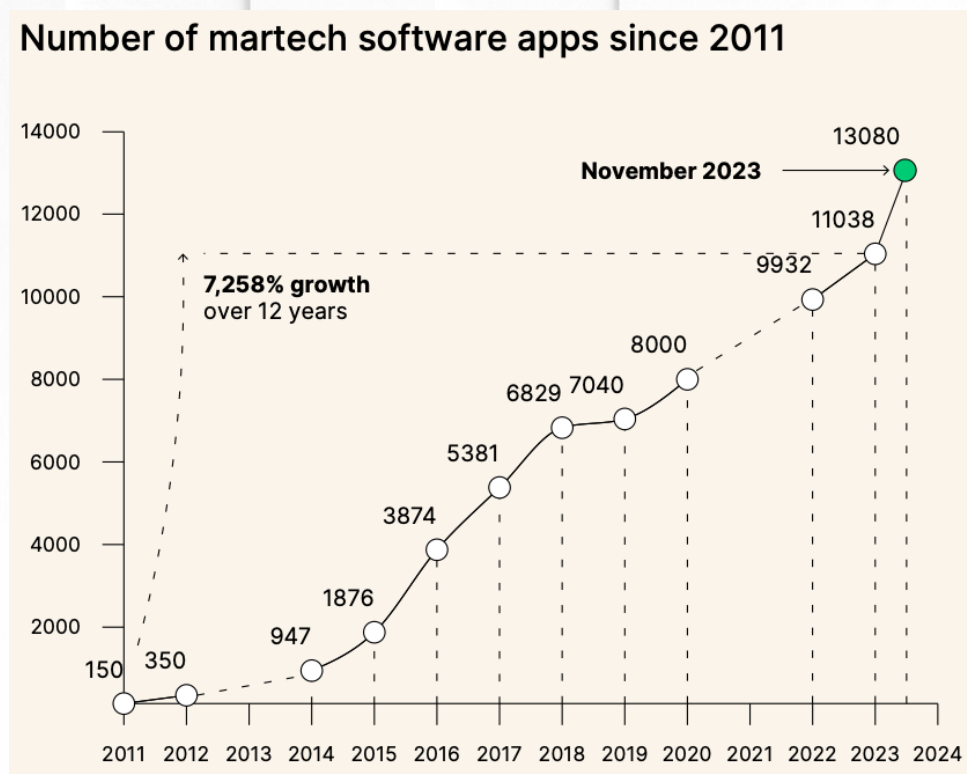


We've seen a proliferation of martech apps but, from a buyer's perspective, what matters most is the use case and the vendor and deal dynamic. It's a complex landscape. But as an upside, it's one where the capabilities that marketers seek are out there.

Scott Brinker, Editor, *chiefmartec.com*



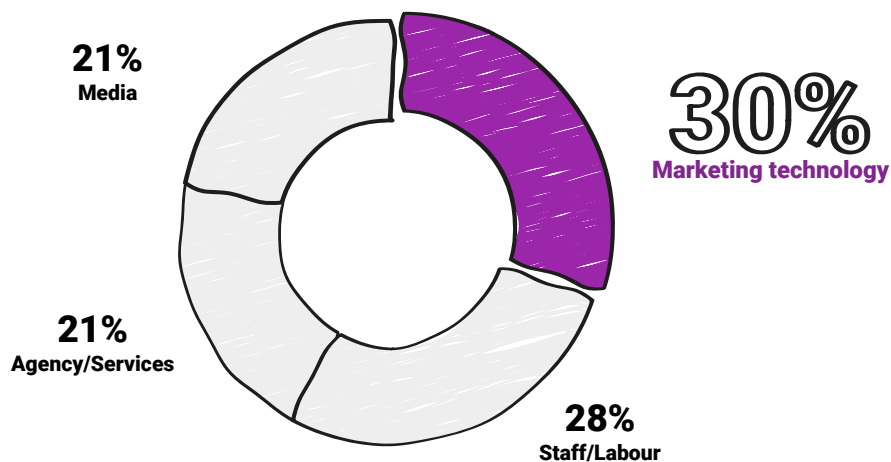
Meanwhile, the martech vendor landscape continues to grow, with more than 13,000 solutions on the market as of November 2023.⁽²⁾



Martech and marketing budgets

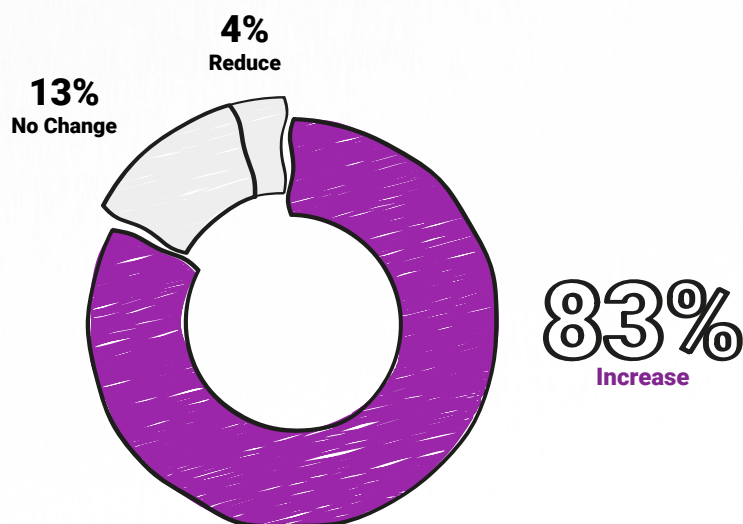
Martech is now essential for marketing and overall business strategy. It accounted for 30% of marketing budgets in 2023, up from 24% in 2022. This increase can be partly explained by the fact that labour costs have dropped year on year, from 35% to 28%.⁽¹⁾

What percentage of your organisation's overall marketing budget is typically spent on:



With organisations expecting martech budgets to continue to grow in 2024, this increase in budgets is set to continue.

How do you expect your organisation's marketing technology budget to increase/decrease over the next 12 months?



The demand generation marketplace is currently undergoing a significant transformation. With already complex and incompatible tech-stacks, marketers aren't looking for additional systems to serve their needs; instead, they want holistic solutions that include automation, data governance, insights, and tangible outcomes.



This shift has given rise to a new approach we're calling "Demand as a Service" (DaaS), which will revolutionise digital marketing and demand strategies. We predict widespread adoption of DaaS across industries, as marketers increasingly seek solutions that not only understand but anticipate their evolving needs.

Tony Uphoff, President, Pipeline360



04 The growth of AI and its implications

Artificial intelligence (AI) is currently one of the biggest trends in marketing and sales (and beyond), with the prominence of tools like ChatGPT making its appeal more mainstream.

While the truth is that AI has been around for some time as a key capability built into many martech tools, 2023 was a year when its adoption really took off.

It's now rare to see technology marketed without mention of its AI components, and Generative AI in particular has led the way for AI adoption.

Understandably, tech vendors have been emphasising their AI capabilities in this climate, but it's important to retain a focus on the core proposition and be able to show how AI contributes to this.

For tech companies, AI cannot be the differentiator. The problem solved remains the key value proposition.

Anand Thaker, Strategic GTM & Operating Advisor

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The rapid growth witnessed in 2023 has been led by Generative AI, but includes all forms of AI. 73% of CMOs interviewed for LXA's State of Martech report believe that it will improve both the efficiency and effectiveness of marketing over the next two years.⁽¹⁾

For this reason, 74% of CMOs are currently piloting initiatives around AI and Machine Learning (ML), or are looking to do so in the next 12 months.

Sales teams are also adopting AI, with 72% of sales leaders expecting AI to drive greater efficiencies and effectiveness. Current uses of AI for sales include sales coaching, meeting scheduling, sales intelligence, analytics, and generative AI for content and copywriting.⁽³⁾

GenAI has hit the headlines in just about every sector and function and marketing is no exception, although most of us have been using AI for longer than we think (even if we don't realise it), to speed up and automate routine tasks. The recent fascination is with use cases - everyone is craving a better understanding of how exactly to leverage AI in marketing.



Christine Bailey, Senior Director & Head of KYC Marketing,
Europe & Africa, Moody's Analytics



Christine points out some key areas where Generative AI has been deployed most often during 2023:

- **Ideation.** Used to overcome writer's block, to plan and speed up the creative process.
- **Content & messaging.** SEO optimisation, headline-grabbing, content writing, summarising research/trends.
- **Design and creativity.** From busting the boring to finding eye-catching designs and creatives.
- **Automation & insights.** Martech, intent signals, precision targeting, insights, predictive models.

Generative AI will kickstart creativity. Great marketing rewards the bold, and creativity drives innovation. This doesn't mean generative AI will do it all; instead, we see it streamlining our existing process. Creativity happens when people come together. One person comes up with an idea but the broader team helps iterate on it until we have our new campaign. Generative AI will be a part of that pressure testing. If the original idea comes from my team but uses generative AI during the feedback loop—to generate punchier headlines, for example—we maintain the human touch but maybe get more blog engagement. We can expand the use cases to content creation, creative design, and more.



Denise Persson, CMO, Snowflake



In 2024 and beyond, AI is likely to become increasingly strategic, moving from tactical, siloed, and often ad hoc uses, to a stage where it is baked into overall marketing plans and initiatives.

- Accelerating speed to response. Delivering a 'next best action' or personalised response in the right channel at the right time.
- Enabling scale in terms of reach, revenue, and relationships.

- Being used to train junior people and help them to identify whether something was 'good marketing' or not.
- Rethinking workflows. Using AI to optimise ways of working.

If you're a bad marketer, AI will not save you. It will just amplify your marketing myopia. In that sense, AI should be treated like any other marketing technology – a fantastic co-pilot that shouldn't replace common sense and good marketing instincts. We should all strive to learn how AI can help us become better marketers in 2024.



Christine Bailey, Senior Director & Head of KYC Marketing, Europe & Africa, Moody's Analytics



AI and ethical concerns

The growth of AI comes with some key ethical issues. With more marketers turning to AI solutions, and AI used in many martech tools, organisations need to mitigate the risks.

The pace of AI development, particularly around generative AI tools such as ChatGPT which draw upon a range of sources, means the technology has moved far ahead of legislation and governance. For example, marketers using content generated by ChatGPT or Google's Bard may find in the near future that they have been breaking copyright laws.

Several public figures have spoken out about the need for greater governance around AI. Earlier in 2023, Elon Musk, Steve Wozniak, and others signed a letter suggesting a pause on certain kinds of AI-related research.

In addition, Google's 'Godfather of AI' Geoffrey Hinton resigned from Google, citing concerns about the 'existential risks' around the technology. OpenAI CEO Sam Altman, while testifying before the US Senate, called for lawmakers to create parameters that guard against the risks of AI.

One significant step in this direction was the Executive Order on Safe, Secure, and Trustworthy Artificial Intelligence issued by President Joe Biden.

This act aims to promote AI development which is a set of principles and guidelines for federal agencies and the private sector to follow when designing, acquiring, deploying, and overseeing AI systems.⁽⁴⁾

With further legislation around AI on the way, including the EU's Artificial Intelligence Act, and ChatGPT already facing legal action on multiple fronts, organisations would be wise to take a cautious approach in their use of AI. Marketers need to consider what is and isn't ethical, even if it may currently be legal.⁽⁵⁾

Balancing risk and reward in AI will involve a combination of ethical considerations, risk management, transparency, regulatory compliance, and continuous monitoring, while still looking to use AI to improve efficiency and enhance marketing capabilities.

As AI continues to grow and takes on a bigger decision-making role within the marketing industry, it needs to be developed in a transparent and controllable way, aligning with human values. There will be a focus moving into 2024 on creating unbiased and non-discriminatory AI content, which can be described as 'responsible AI'. Responsible AI will allow companies to engender trust and scale AI with confidence.



Murat Akyol, VP of Product at Bynder

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At the moment, not all organisations are fully aware of the potential risks that AI poses. McKinsey data finds that only around half of companies are considering AI-related risks such as cybersecurity, copyright infringement, and regulatory compliance, with even fewer working to address these risks.⁽⁶⁾

Generative AI-related risks that organizations consider relevant and are working to mitigate, % of respondents¹



¹Asked only of respondents whose organizations have adopted AI in at least 1 function. For both risks considered relevant and risks mitigated, n = 913.
Source: McKinsey Global Survey on AI, 1,684 participants at all levels of the organization, April 11–21, 2023

In summary, to quote ChatGPT via David Raab, *'the most effective marketing strategies will likely involve a harmonious blend of AI and human expertise'*. It's about finding the balance between AI's strengths in data analysis and automation with human creativity and strategic thinking.

AI alone will not help marketers, as this example from Anand Thaker aptly demonstrates.

Like data and tech, the accumulation of AI doesn't make marketing better. Investment in training, experience, and collaboration are necessary to lead growth with AI.



For example, a mid-sized company replaced its agency and content team with ChatGPT investments. The quality of the content was mediocre before. However, the unsupervised use of ChatGPT lowered the quality of content and the loss of search quality/ranking. To make up for lost time, the company spent 175% more as a significant increase in media buy spend to recoup MQLs.

Anand Thaker, Strategic GTM & Operating Advisor

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The LXA View

Uses for AI will continue to expand in 2024 and beyond, and we can expect more advances in the technology that drive business use cases and improve the ability of martech to analyse and act on insights from customer data.

We can also expect a correction of sorts. As marketers see the limitations of AI created content, finding the blend between AI and genuine content will be key.

In addition, with further legislation around the use of AI likely, marketers will need to be aware of how they use AI and its ethical implications.

05 Balancing privacy and personalisation

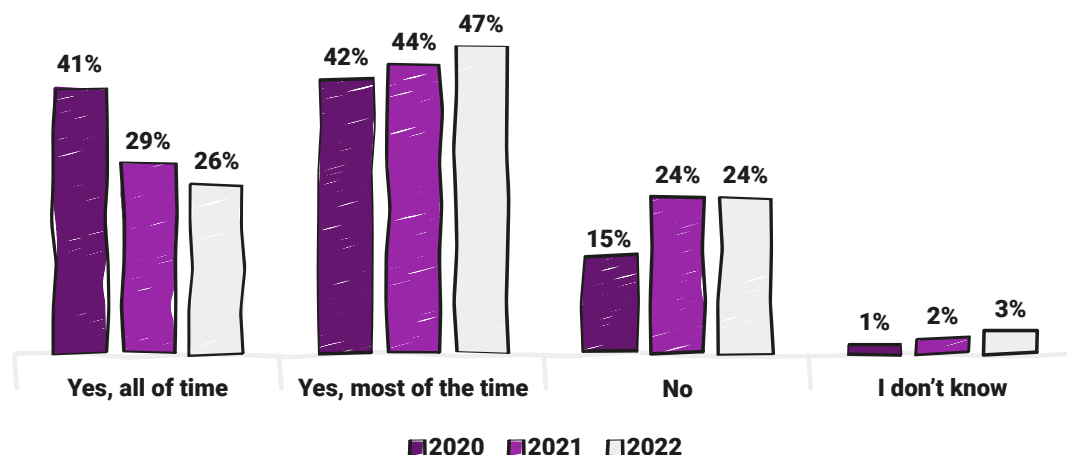
Customer data is vital for connecting marketers with their audience. It allows organisations to gain deeper insights into their target demographics, refine their marketing strategies for precision, tailor messages with personalisation, and elevate the overall customer experience.

A great customer experience, and the personalisation that helps to create it, can be a key differentiator for brands, and can only happen when customers are willing to share their data.

However, 67% of respondents to a survey carried out for LXA's State of Data Privacy and Trust report in 2023 agreed that privacy regulation and compliance represent a barrier for marketers looking to deliver personalised marketing at scale.

With a majority of customers expressing some concern about how companies use their data, building up trust with an audience around data use is vital.⁽⁷⁾

To what extent, if at all, would you say you are concerned about how companies you interact with online use your personal data?



The answer for marketers is to put the customer first. They have become more conscious of the critical role data plays in their digital interactions, and they place a premium on transparency, ethical conduct, and the safeguarding of their personal information by organisations.

Organisations need to communicate their data practices transparently to customers to reinforce trust in the brand's commitment to data protection. It's also important to provide customers with greater control over their data.

Marketing and data privacy policies should be aligned in an organisation, so that marketing is carried out in tandem with secure data practices, and compliance with privacy regulations. ⁽⁸⁾

67%

Agree/Strongly Agree

Our organisation's marketing activities and data privacy policies are completely aligned.

Trust between brand and consumer is the essential factor, and marketers need to think about trust first and foremost, when they collect and use customer data.

Marketers need to put customers first when looking to collect data and personalise the customer journey, as Dr Christine Bailey explains:

We are all striving for 'marketing nirvana', where we're using customer insights to deliver the right message through the right channel at the right time. But customer journeys are rarely linear so they're hard to predict.



Is bad personalisation worse than no personalisation? We've all had that creepy moment when adverts for something we've been chatting to friends about suddenly appear on Facebook.

I'm a firm member of 'Team Intent Signals' - it's surely better to have some customer insights than none at all and the more accurate a picture we can build of the customer journey the better. Some degree of personalisation is always welcome, but we must stop before we hit the tipping point and it feels like an invasion of privacy.

Yes, it's easier said than done to deliver the right message to the right person at the right time. But that shouldn't stop us trying!

Dr Christine Bailey, Senior Director & Head of KYC Marketing, Europe & Africa, Moody's Analytics.



The need to balance privacy and personalisation will demand some technological adjustments from organisations, as they invest more in first party data strategies.

In 2024, we're anticipating a pretty disruptive shift in marketing and customer data dynamics and the complexity of the infrastructure demands around it, thanks in part to some significant upgrades in privacy technology, like Privacy Sandbox, as well as increasing public and private sector pressure on businesses to handle their data with more control and more care.



This will be the year where companies are compelled to deepen their investments in transparent first-party data strategies and move more of their data operations server-side to better balance the value created from their data and their users' privacy. This needs to be done consistently and accurately across the entire martech, adtech, and customer data stack.

This strategic shift can help businesses not only ensure enhanced data privacy and compliance, but positions 2024 as a year where businesses embrace a more insightful, competitive, and future-proofed approach to their own customer data that will have a significant impact on improved marketing efficacy and ROI. Companies that make the right investments now will undoubtedly outperform those who "wait and see" as the industry shifts around them, setting the stage for long-term success in the evolving landscape of customer data.

Greg Brunk, VP of Product, MetaRouter

The LXA View

Brands need to find the right balance between delivering personalised marketing and respecting customer privacy. This can be achieved by aligning marketing activities with data privacy policies and encouraging CMOs to develop strategies that balance consumer consent, privacy, and preferences with marketing efforts.

The customer needs to come first though - empower them through education on data rights and preferences, and allow them to take control of their data and strike their own balance. Reward their willingness to share data with improved customer experience.

06 Convergence

We've been talking for decades about the traditional silos between sales and marketing. Are we starting to finally see these silos dissolve, giving way to a new era of convergence? The shift is driven by the recognition that a seamless and integrated approach to these two disciplines can deliver a compelling customer experience and achieve greater business growth.

Data integration plays a pivotal role here. By leveraging advanced analytics both teams can access and analyse a shared pool of customer information. This holistic view of customer interactions and behaviours provides invaluable insights into preferences, pain points, and purchasing patterns.

It's rooted in the customer-centric philosophy. Both teams work in tandem to understand customer needs, expectations, and preferences throughout the entire customer journey. This collaborative effort ensures that marketing campaigns align with sales objectives, and sales interactions are personalised and relevant to the individual customer.

Sales and marketing teams are increasingly aligning their goals and key performance indicators. This alignment ensures that both teams are working towards a common objective, such as revenue growth or customer satisfaction. This shared focus on achieving business objectives fosters a sense of unity and collaboration.

There are several other areas where we can see convergence taking place.

- **Marketing and creative operations.** As marketing teams become more data-driven, there is a growing need to integrate martech tools with creative operations platforms. This allows marketing teams to use data to optimise creative assets and improve the performance of their campaigns.
- **Marketing and customer experience (CX).** CX is becoming increasingly important for businesses of all sizes. Martech teams are now working more closely with CX teams to ensure that their marketing activities are aligned with the overall customer experience. This includes things like using customer feedback to improve marketing campaigns and using martech tools to measure the impact of marketing on CX.

- **Marketing and customer data management (CDM).** CDM is the process of collecting, storing, and managing customer data. Martech teams are now using CDM tools to better understand their customers and target their marketing campaigns more effectively. This includes things like using data to segment customers and personalise marketing messages.
- **Marketing and finance.** Marketing teams are becoming more accountable for their spending. They are now using financial management tools to track their ROI and make better decisions about how to allocate their resources. This includes marketing analytics to measure the ROI of marketing campaigns and using financial tools to forecast marketing budgets.

As martech continues to evolve, we can expect to see even more convergence between different areas of marketing. Marketing and product management allows businesses to use marketing data to inform product development and pricing decisions. Marketing and customer success allows businesses to use marketing data to identify and nurture high-value customers.

The convergence of AdTech and MarTech is another significant trend that is shaping the landscape. In the past, AdTech and MarTech have been largely siloed, with each having its own set of tools and processes. However, as marketing has become increasingly data-driven and customer-centric, there is a growing need to integrate these two disciplines.

Some of this has been driven by the shift to first-party data. As businesses prepare for the demise of third-party cookies, they are relying more on first-party data for targeting and personalisation. This requires the integration of data and systems. Businesses are increasingly looking for a single view of the customer that spans both marketing and advertising data.

The shift from third-party to first-party data strategies all be a key driver of convergence between Ad Tech and Martech, as companies seek a unified approach to advertising and marketing which combines the strengths of both technologies while respecting user privacy and compliance requirements.



Carlos Doughty, CEO & Course Instructor, LXA



The LXA View

With the decline of third party cookies on the horizon, 2024 is likely to see greater convergence between marketing, sales, and advertising.

This can be a positive development as it promises to deliver a more unified customer experience, streamlined communication, and consistent messaging. This has the potential to drive greater efficiency, strengthen brand identity, and ultimately to drive more successful and cohesive business outcomes.

07 Digital reality is cemented

We're now in the post post-pandemic world, where the dust has settled after the disruption of 2021 to 2022.

Some accelerated trends during the pandemic, such as rapid digital transformation, have continued, while others have slowed.

For example, while the growth in the number of people working from home was born of necessity, many predicted this would become the new normal. A few years on, the picture is more complex.⁽⁹⁾

Proportion of working adults in Great Britain, March 2020 to February 2023



In January 2023, 44% of workers in the UK were working from home at least part of the time. This 28% of hybrid workers points to the new reality - a mix of pre and post-pandemic trends.

We've seen a greater return to the office than some may have predicted, but the end result is a more hybrid style of working for many workers, one which may provide the best of both worlds.

Similar trends have affected some of the big tech success stories from 2020. Zoom stocks reached an all-time high of \$568.34 in October 2020 when virtual meetings were a necessity, but had fallen to \$68.16 in December 2023.

Online events platform Hopin experienced a similar rise and fall. The company went from a peak valuation of more than \$7 billion to selling its events arm for around \$15m. While other factors are at play, such as the lack of a clear revenue model, it reflects a return to something resembling pre-pandemic normality.⁽¹⁰⁾

As pandemic-era trends settle down into a new reality, the future is likely to be hybrid in many cases. A hybrid working model works well for many workers and employers, and while virtual events will remain part of the marketing mix, in-person events are here to stay.

The LXA View

As we start 2024, there will still be a place for in-person sales meetings and events, as part of the overall mix. Virtual has its place, but at times there is no substitute for face-to-face meetings.

Marketing and sales teams need to take the lead from the customer and find the right mix of digital and offline channels that works best.

08 Skills, talent & training

Skills shortages around technology are a perennial problem for organisations. Thanks to the rapid advance of technology and changes in customer behaviour, there's always a race to find people with the talent and knowledge to make the best use of tech.

More complex digital customer journeys require the technology to drive customer experience and offer opportunities for organisations to differentiate from their competitors.

A majority of CMOs surveyed for LXA's State of Martech 2023 report agreed that finding marketers with the right blend of skills and knowledge is a major challenge.

64%

Agree/Strongly Agree

The market is lacking marketers with the necessary martech, data or marketing operations skills and knowledge.

While some organisations attempt to address this issue through recruitment, and others use agencies to augment tech capabilities, the long-term solution is training and upskilling marketers and sales teams around the use of technology.

One issue is that there isn't a clear career path set out for the skills and knowledge organisations are increasingly looking for - that blend of marketing and tech.

People tend to fall into martech careers haphazardly within organisations and it's not really a career path.

We need to push the ball forward and be more intentional with developing marketing technology talent, work with university professors to expand the digital marketing curriculum to add more marketing technology focus.

Given the proliferation of marketing technology, I think it's risky for enterprises not to have access to a good pipeline of talent to come into an organisation.

John Hardy, SVP, Marketing Technology, ANA



Organisations are addressing skill shortages by creating dedicated functions such as marketing and sales operations and enablement. All wrapped up in the broader context of marketing capabilities, often through a marketing excellence team.

The specific roles and responsibilities, and titles of these functions will vary between organisations, but they share the common aim of improving sales and marketing capabilities, especially the ability to select and use tech to drive business goals.

These functions are being newly created or expanded. For example, 63% of CMOs expect to increase the size of their marketing operations function in the next 12 months.

This expansion of specialist teams with tech skills will continue into next year, as businesses focus on ensuring they have the marketing capabilities in place to deliver on strategy.

Marketing operations teams and related roles can be the engines that drive the development of greater marketing capabilities.

Marketing capabilities refer to the sustainable resources, skills, and tools that a marketing team possesses to effectively achieve its marketing objectives. These capabilities encompass a wide range of assets, from strategic knowledge and data analytics skills to technological tools and creative prowess.

The role of marketing operations in building these capabilities is pivotal. Marketing ops is responsible for identifying and defining what these capabilities should be, in alignment with the organisation's goals.

This involves implementing and operationalising the identified capabilities, which includes developing and rolling out a comprehensive marketing planning process. Furthermore, marketing ops plays a crucial role in supporting the development of strategic marketing



plans, ensuring that the plans are not only theoretically sound but also practically executable.

An often-overlooked but essential aspect of marketing ops is the training of marketers and the optimisation of processes. By providing training, marketing ops ensures that the team is well-equipped to utilise the available tools and processes effectively. This continuous process of training and optimising helps in maintaining the relevance and effectiveness of the marketing capabilities over time.

Darrell Alfonso, Director of Marketing Strategy and Operations
at Indeed and Course Instructor, LXA

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The LXA View

Companies may not solve the perennial issue of talent shortages in the year ahead, but we'll see a greater focus on training to upskill teams around technology.

Also, as organisations look to improve their marketing capabilities, dedicated centres of excellence and key functions such as enablement and marketing operations have a vital role to play.

Bridge the skills gap



64% of CMOs agree the market is lacking marketers with the necessary martech, data or marketing operations skills and knowledge...

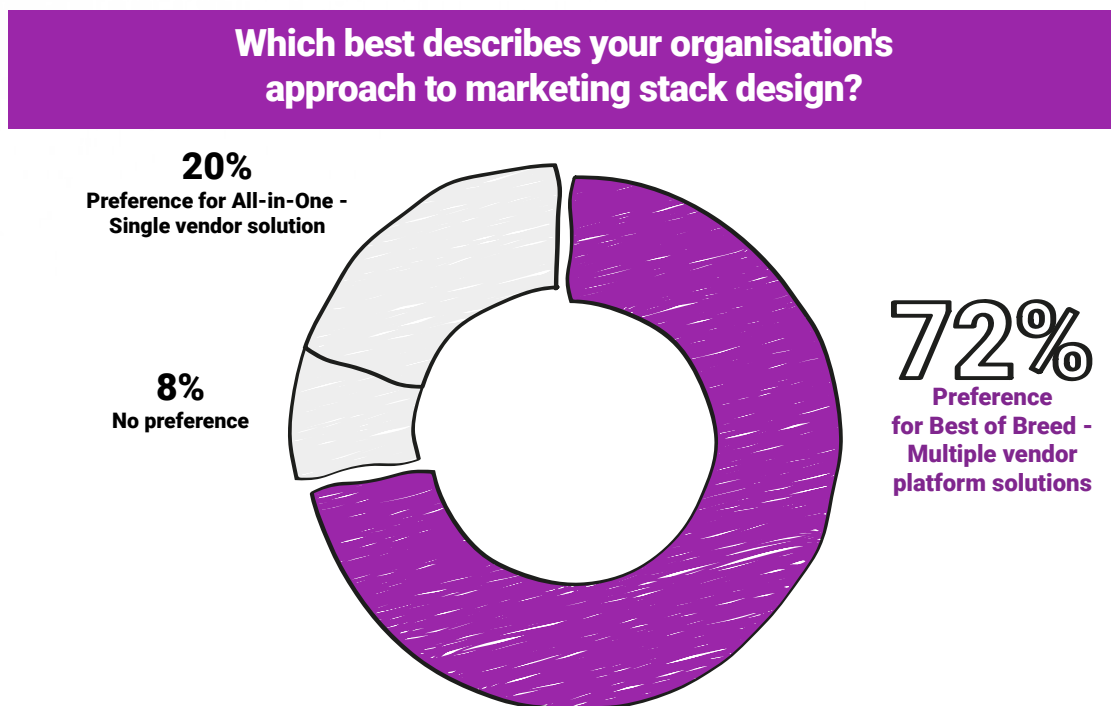
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09 Marketers need more composability

A key trend in modern stack design includes the shift towards more flexible composable stacks, whereby a mix of individual tools is integrated to form the best overall solution, so new capabilities can be added for specific use cases. It contrasts with the suite-based approach which offers a predefined set of capabilities.

Our State of Martech & Marketing Operations 2023/24 report identified a clear preference among CMOs for this 'best of breed' approach.



Composable tech stacks, often enabled by low code / no code technology, can combine powerful capabilities from best-of-breed solutions, and allow for the flexibility of swapping out key elements to add capabilities and adapt to changing business needs.

It also enables organisations to address the issue of under-utilisation of technology features functions.

Users often use and like only a portion of the available features and functions in their large software solutions. There are plenty of cases where they feel they're missing features and functions from those platforms and suites. This is where long-tail solutions tend to be adopted to plug those gaps.



Since many specialist apps in the long tail focus on doing one thing really well, they can be incredibly effective at solving the use case that drives their adoption.

Frans Riemersma, Marketing Technologist, Co-publisher of MartechMap.com, Author & Speaker



This can lead to buyer remorse and frustration, as marketers invest in tools with features that don't meet all of their use cases.

Marketers, having faced the issue of over-investment and under-utilisation of tech, are going to have to start thinking about leveraging more composable solutions.



This means pushing the vendor marketplace to maybe break down their products into smaller bite-sized modules of functionality, instead of forcing people to buy these monolithic solutions, where they're paying for a lot of features they don't use.

John Hardy, SVP, Marketing Technology, ANA



Vendors have adapted to the trend toward composability to some degree, with many developing robust, open APIs that enable their solutions to connect with third-party tools - those long-tail solutions referred to by Scott Brinker.



We will move to a (mar)tech ecosystem that is more plug and play. With democratisation of martech capability, and current inefficiencies and pressures on budgets, there will be a drive for more capability-focused tech. It may take ten years, but we will go to a place where you buy use case execution, like an app store.

Henk-jan Ter Brugge, Head of Martech, Philips



The LXA View

We'll see more movement towards best-of-breed in the next few years, and we may see that pressure on vendors to break down stacks into more bite-sized chunks which allow marketers to shop by feature and use case.

10 Data challenges

For any organisation operating at scale across different markets and collecting data, technology will be essential. These tools form a key part of the modern data stack - those tools and technologies which enable organisations to collect, store, process, and analyse data, with the ultimate goal of driving rich customer experiences.

This data stack should provide businesses with flexibility through easier integrations and require less technical configuration by the end user. This can save time and resources, and provide a better understanding of the customer across the whole organisation.

Data quality is key for marketers to be able to personalise messaging and improve customer experiences, and in 2024, marketers face multiple challenges around data.

The data challenge never goes away, but now we find ourselves in a 'chicken and egg' scenario. Moody's Analytics' global survey of 550 risk and compliance professionals has found that early adopters of AI are more likely to believe they have better data quality than non-users. But do they have better data quality because they're using AI or do you need superior data quality to make best use of AI?



Regardless, the two go hand-in-hand, and tackling data challenges should be front and centre of any modern marketing plan.

Dr Christine Bailey, Senior Director & Head of KYC Marketing, Europe & Africa, Moody's Analytics



Data quality and the ability to collect and unify data has driven greater adoption of Customer Data Platforms (CDPs) to enable marketers to centralise and unify customer data.

A modern data stack should include a tool such as a data warehouse or CDP where all data lives and is transformed, and where only necessary data is pushed into the different integrated technologies.

Michelle Welborn, Sr Director of Marketing, Togetherwork



In addition, with the impending death of the third-party cookie, the CDP is well-positioned to help marketers manage and activate first-party customer data, and maintain compliance with data privacy legislation.

With Google expected to block all third-party cookies on Chrome by the end of the year, 2024 may be the year that marketers need to adapt to this issue - potentially an event that will rival the impact of the introduction of GDPR.

How companies will address this issue remains the question. While many will be switching to first-party strategies, this isn't an option for every organisation. FMCG brands, for example, often lack that direct relationship with the customer that allows for effective data collection.

It depends on the nature of the industry, the products they sell, and the relationship that they have with the consumer, whether it's direct or indirect - where their products might be sold to a third party. I heard a fascinating case study from Coca-Cola that leveraged a third-party sponsorship relationship, through which they were able to directly collect third-party data.

John Hardy, SVP, Marketing Technology, ANA



Other data challenges include the ability to send marketing emails, with both Yahoo and Google introducing stricter guidelines for bulk email senders.⁽¹¹⁾

Google and Yahoo's email spam guidelines are about to get stricter. As such, the death of 'spray and pray' looms, and hyper-focused, personalised strategies will become the new battleground, with insights more relevant to your audience than ever. Interactions will shift from one-to-many to one-to-one and one-to-few, clearly highlighting the individual outcomes for that recipient.

Richard Robinson, AVP UKI & Northern Europe, Similarweb



Integrating AI into marketing tech stacks can open up incredible opportunities for marketers – or expose deep flaws in their current setup. AI is only as good as the data that's training it, and as we enter 2024, the growth of AI will force marketers to prioritise their data strategies and ensure their entire martech stack is centred around a really holistic, unified view of the customer.



Amanda Cole, Chief Marketing Officer, Bloomreach



The LXA View

If Google follows through on its promise to block third-party cookies from Chrome, many marketers will face a big challenge around targeting and data collection. While many have been focusing on third-party data collection, companies without a direct relationship with customers may need to be more creative.

11 Our 2023 predictions revisited

At the end of 2022, we asked our marketing experts to predict the key trends expected to play out during 2023. Let's look at some of their predictions to see how accurate they were.

The rise of AI

Last year, we expected big things for AI, and that's how it has turned out, with huge growth in adoption, and a range of use cases for marketers and sales teams.

There will be major investment in the AI space. 2023 will be the year of AI-driven innovation across marketing, sales, and CX.

Carlos Doughty, CEO & Course Instructor, LXA

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With the adoption of Generative AI beginning to pick up towards the end of 2022, Scott Brinker and others predicted big things for 2023.

Generative AI is the trend that has the most exponential disruptive possibility ahead. I think it's going to be really hard to predict how generative AI is going to change marketing and the wider world but it's going to change it in some really big ways.

Scott Brinker, Editor, chiefmartec.com

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With GenAI adopted by marketers and sales teams, and baked into many vendor solutions, it's already changed the way many people work, with more to come.

The metaverse has yet to take off

While brands were experimenting with metaverse-related initiatives in 2022, some may have predicted it would take off in 2023, especially with big tech platforms like Meta investing heavily.

However, it remains one for the future, with levels of adoption relatively low. With more innovations such as Apple's VR headset, we may see further progress in 2024, but we're nowhere near a tipping point.

We're definitely in the early stages. A lot of people compare it to when social media really kicked off. We're not in the Facebook, Instagram and TikTok era of the metaverse. We're very much in the MySpace and Bebo era.



Tom Sargent, Founder and CEO, Expensive JPEG



Did Twitter die?

Robert Rose, perhaps with tongue in cheek, predicted that Twitter wouldn't make it through 2023. At least not in its current form.

I think Twitter either dies on the vine or is fundamentally rebooted in some way that does not involve Elon Musk next year. I think fundamentally all social media will change, in good and bad ways.



Robert Rose, Chief Strategy Officer, TCAdvisory, co-host of This Old Marketing Podcast



User numbers are in decline, and ad revenues are reportedly down by more than 50% year-on-year. With Elon Musk busy taking potshots at advertisers, and a bizarre brand name change to X, it's certainly a different platform now.

The year of first-party data

With third-party data under threat from various directions, Robert Rose predicted that 2023 would be the year that marketers focus on collecting first-party data.

2023 is going to be the year of first-party data that is willingly and trustingly given, and every brand is going to be trying to figure out how to harness that. I don't think data clean rooms are going to last, so every brand will need a strategy for first-party data acquisition and management.



Robert Rose, Chief Strategy Officer, TCAdvisory, co-host of This Old Marketing Podcast

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While many marketers may be yet to have fully prepared for the decline of third party cookies, we certainly witnessed a greater focus on first-party data strategies in 2023, and we expect that to continue into 2024.

12 AI's predictions for 2024

With AI one of the key talking points of 2023, we decided to ask two of the biggest AI tools - Google Bard and ChatGPT - to predict some key marketing trends for 2024.

Google Bard

Here are some of my predictions for marketing in 2024:

- **First-party data will become even more critical.** As third-party cookies continue to be phased out, marketers will need to rely more on their own first-party data to reach and engage customers. This will require a focus on building customer relationships and collecting data through opt-in methods.
- **Artificial intelligence will be used to automate many marketing tasks.** AI can be used to automate tasks such as customer segmentation, ad targeting, and content creation. This will free up marketers to focus on more strategic work, such as developing and executing marketing campaigns.
- **Personalisation will become even more important.** Customers expect personalised experiences from the brands they interact with. Marketers will need to use data and AI to deliver personalised experiences across all channels.
- **Content marketing will become even more focused on quality and relevance.** With the rise of AI, it will be more difficult for low-quality content to rank well in search engines. Marketers will need to create high-quality, informative content that is relevant to their target audience.
- **Email marketing will remain a valuable channel.** Email is still one of the most effective ways to reach customers, but marketers will need to be more creative and targeted with their email campaigns.

- **Customer experience (CX) will become a top priority for marketers.** CX is a key differentiator for brands, and it will be important for marketers to create seamless experiences for customers across all touchpoints.

ChatGPT

As of my last update in January 2022, I cannot provide specific predictions for 2024. However, based on the trends observed until that time, here are some potential areas where marketing technology might see advancements and innovations in the coming years.

- **Advanced AI and Machine Learning Integration.** Increased integration of advanced AI and machine learning technologies into marketing platforms for more sophisticated data analysis, personalization, and predictive analytics.
- **Growing adoption of blockchain technology** to enhance transparency, security, and trust in marketing processes, especially in areas such as ad verification, supply chain transparency, and secure customer data management.
- **Extended Reality (XR) Experiences.** The integration of extended reality (AR, VR, and MR) into marketing strategies to create immersive and interactive experiences, allowing brands to engage with consumers in innovative ways.
- **Voice and Conversational Marketing.** Continued development of voice-activated technologies and conversational interfaces for marketing, with an emphasis on optimizing content for voice search and leveraging chatbots for personalized customer interactions.
- **Data Privacy and Compliance Solutions.** The evolution of marketing technology to include more robust solutions for data privacy and compliance, driven by the need to adhere to increasingly stringent regulations and consumer demands for data protection.

13 Citations

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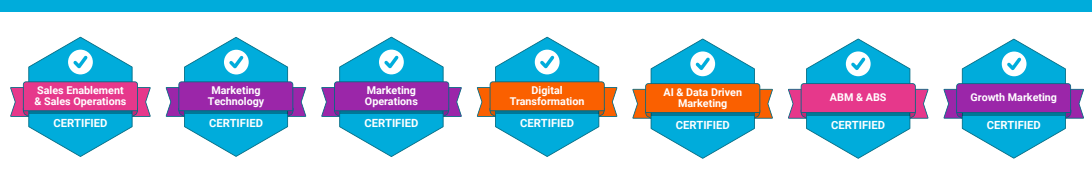
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