



How Super Senders Use Modern **Data Warehouses**

WHITEPAPER

With commentary from  snowflake

Introduction

Enterprise marketers have a predicament. Consumer expectations continue to grow for personalization of the marketing, triggered, and transactional communications they receive, raising the bar for marketers who build cross-channel messaging campaigns. Immediate access to customer data is increasingly important for efficient, effective marketing.

At the same time, enterprise marketers have so much data from so many sources that access to data for building marketing campaigns has become a logistical nightmare, due to legacy marketing technologies that don't connect to the siloed data sources.

Enter the modern data platform. A growing number of sophisticated Super Senders are realizing that enterprise solutions such as Snowflake help them consolidate all their data in one place, solving one of the biggest bottlenecks for large brands.

The survey described here aimed to better understand the experiences of marketers who work with modern data warehouses, the kinds of data they're storing, and the benefits they've reaped. We think the eye-opening survey data will help marketing teams decide if a modern data warehouse is right for them.

snowflake **Contributor Profile**

Snowflake, a leading provider of modern data platform technology, partnered with us on this report. Snowflake is a cloud data platform provided as a service. One of its offerings is a cloud-built data warehouse that is faster, easier to use, and more flexible than traditional data warehouses.

Snowflake's data warehouse is not built on an existing database or a "big data" software platform such as Hadoop. Its cloud-built architecture separates but logically integrates storage, compute, and services. This approach provides instant and near-infinite scalability for many use cases, including a cloud-built data warehouse. It also provides seamless data-sharing capabilities so organizations can instantly share data across business units and with their business partners, so they can monetize data. In addition, Snowflake is a platform that enables other workloads, such as the modern data lake, data applications, data engineering, and data science.

15%

of all customer data is stored in a modern data warehouse (MDW)

41%

stored data in a CRM prior to moving to an MDW

20%

of marketers perform manual uploads to get data from their MDW to their ESP





Smoothing the migration

As with most martech migrations, the transition period is a challenge marketing leaders consider when deciding if a solution is viable. Will it take significant time to get up and running? How many resources will be used to complete the process? What disruption should be expected?

What we found is that although some respondents who completed a transition* to a modern data warehouse said it took considerable time, more than three-quarters (76%) said it took less than a year to fully integrate their data, and more than a quarter (26%) said it took less than six months. The size of the company's database made a difference. Among those who reported sending 10–50 million emails per month,

82% said the transition took less than a year, while that number dipped to 68% among larger senders, suggesting the larger database did generate some predictable challenges along the way.

Among the same group, though, more than a third (36%) reported no problems during the migration period, suggesting a pain-free move for a significant portion of the companies with a larger database. This means that what challenges they faced did not have a major impact on their transition. Among the rest, errant data, inaccessible data, and temporary inability to send messages were the challenges they encountered.

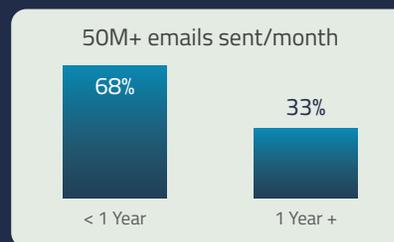
Making your transition smooth

The survey data is promising for those who see a need for a modern data warehouse. The transition period is a concern for all our clients, because the need for marketing campaigns doesn't go away when you decide to make a change. So it's essential that the move be as painless as possible.

It's important to go into the transition with your eyes wide open. Larger databases typically take longer to migrate, so work with your data warehouse's customer success team so you have a full understanding of what's needed to complete the setup as smoothly as possible.

The customer success team will also be a big part of helping you sidestep any challenges that might arise. We sometimes see the problems mentioned by the survey respondents, but it was good to see so many had no issues. With the right preparation and support, most organizations should have a problem-free migration.

76% of marketers who completed the transition* to a modern data warehouse say it took less than a year to get data fully consolidated and accessible



*14% of respondents had not yet completed their transition, and were excluded from this figure



Storage demands are high for large brands

Because of how essential customer data is for enterprise organizations sending personalized messaging campaigns, it's key to have as much of that data as possible accessible to the team that's conceptualizing and building the campaigns.

That's a big task, though. Large companies send so many messages and have such massive data sets, identifying a solution that can handle everything they can throw at it isn't simple.

Fortunately, our survey suggests that the modern data warehouse has been able to serve that function. Well over half (58%) of respondents said they store at least three-fourths of their data in their modern data warehouse, and 15% of those have moved all

their data over. We found that 83% have more than half their data in a modern data warehouse, and no one in our survey said they store less than 25% of their data there.

For the largest companies, reliance on a modern data warehouse was even more pronounced. Among marketers at companies that send more than 200 million emails each month, 36% said they store all their customer data in a modern data warehouse, compared to 12% of those at companies sending less than that. This suggests companies are realizing that, the bigger their data needs, the more committed they need to be to getting their data organized and accessible.

Over half

of marketers have more than 75% of their customer data in an MDW



Consolidating data

These results reflect the reality that modern data warehouses are built to handle your data needs. In addition, enterprise brands continue to learn how extensive those needs can be and respond by partnering with a modern data warehouse and working to migrate as much data as they can.

Even skeptical teams that come to us quickly see the benefit of having their data where they can manage it, and they work to migrate more of their data

over time. It's not always a smooth process, but it's one for which we're able to offer assistance every step of the way.

And the larger the company, the more impact data consolidation can have. As data challenges grow, it's easy to see why companies see the difference quickly and also often have the resources available to make the transition manageable.



Fast facts

28% of marketers move their data by syncing via an API

52% say the MDW has been a significant benefit for their customers

45%
send more than 50M emails per month



7%

have been using an MDW for more than five years

70%

have been using an MDW for less than two years



41%

of marketers stored most of their data in a CRM system/platform prior to consolidating in an MDW

33%

of marketers didn't have a single problem or interruption during transition to MDW



The benefits seem clear

The most conclusive data we got from this survey was undoubtedly on the question of how effective a modern data warehouse has been when it comes to delivering on its promises. Better and more immediate access to consolidated data has been a major benefit for the vast majority of those we surveyed.

Nearly all (95%) said a modern data warehouse has improved their overall messaging engagement, while 88% said it's provided a benefit to their customers. Beyond that, more than half described the customer benefit as "significant," suggesting it's been more than just a gentle nudge in the right direction for improving the customer experience.

Specifically, respondents saw a variety of positive outcomes from their use of a modern data warehouse. When asked what the biggest benefit has been, 26% cited more flexibility in how they use their data, while others pointed to greater security for their data (22%), gaining a 360-degree view of their customers (20%), a significant reduction in time spent accessing and processing data (19%), and improved audience segmentation and personalization (14%).

So, not only are enterprise marketers seeing the benefits they hoped they'd see from partnering with a modern data warehouse, the results seem to be nearly universally positive overall among those we talked to.



What it can do for you

One of the keys is these marketers recognize that better access to data doesn't just allow them to do their jobs more effectively, it also provides a richer experience for their customers. Customer expectations have never been higher, and some level of personalization is assumed. The only way you can deliver an experience that's beyond expectations is to get your data in order, whether that means partnering with a modern data warehouse or building an in-house solution.

As these numbers show, the benefits of having customer data within reach are indisputable. For enterprise brands that have the resources and a DIY culture, building an in-house solution can be an option. But to get these sorts of results, the vast majority should look at what a modern data warehouse partner can provide them.



95%

of marketers using an MDW say that it has improved their overall messaging engagement

88%

say that the MDW has been beneficial to their customers





The largest companies have unique needs

It might go without saying, but the bigger the company, the more data it typically has, and the greater the need for processing and accessing the data. In our research, we surveyed only marketers at companies that send at least 10 million emails each month, but that number can go into 9 or even 10 figures for the biggest senders. Those companies are constantly working with massive datasets, exacerbating any data-silo challenges they face.

Among marketers at companies with \$1 billion or more in annual revenue, 33% said a significant reduction in time spent processing and accessing data was the biggest benefit from using a modern data warehouse, compared to 14% of those at smaller companies. This

highlights how monumental a need data access is for the biggest companies, and how large a difference improved data access makes.

In addition, 44% of those same marketers said having resources available to consolidate customer data was the biggest challenge they faced in transitioning to a modern data warehouse, compared to 20% of marketers at smaller companies. When you're working with massive data sets, moving data around and organizing it can take a staggering amount of resources, greatly impacting the ability to deliver campaigns, even at the largest companies.

Seeing the difference

By the time you're sending 10 million emails a month, it's a fair bet your data challenges are already rather significant. But there's no question that the higher you go up that scale, the more dramatic you'll see those challenges become. They tend to grow exponentially as your needs become greater, and they can nearly cripple large organizations' ability to do the marketing work their customers expect.

This comes as no surprise to us. These \$1 billion companies were likely struggling in a number of ways before they found the right modern data warehouse partner, and the difference was night and day once they did. Finding the right resources to smooth the transition is always something we work closely on with clients to help ensure nothing gets missed or left to chance during what we know is a stressful but, ultimately, rewarding process.

For companies with \$1B+ revenue...

30%

sync data to their MDW via an FTP
vs. 14% of lower-revenue companies

33%

saw a significant reduction in time
spent processing and accessing data
as the biggest benefit
vs. 20% of lower-revenue companies

44%

say finding the necessary resources
was the biggest challenge of
transitioning to an MDW
vs. 11% of lower-revenue companies



Find the platform that fits your needs

Modern data warehouses are, in a word, modern. A modern data warehouse is relatively new technology that's filling a significant need for many large enterprises looking at how to make all their customer data not just accessible but usable for their marketing teams when building campaigns. As the options continue to proliferate, established players such as Snowflake demonstrate they have what's increasingly necessary to meet the constantly growing data needs of today's modern enterprise.

Getting data out of your data warehouse isn't always a simple task, though, and legacy marketing cloud platforms don't provide the infrastructure needed to make the most of a company's investment in its data. It's important to identify a customer marketing platform that can connect directly to that single source of truth — be it a modern data warehouse or an in-house solution — in order to fully realize the vision of what data consolidation can mean for your marketing team and its ability to deliver the experience your customers expect.

Benefits to consolidation:

26%

of marketers saw more flexibility in data utilization as the biggest benefit to consolidation

22% Greater security

20% Provided with a 360° view of the customer

19% Significant reduction in accessing and processing

22% Improved audience segmentation and personalization

Delivering Cross-Channel Messaging Success

MessageGears is the only customer marketing platform built for today's enterprise. We empower marketers to deliver more relevant, personalized messages. Our unique technology connects directly with a company's database, enabling marketers to maximize the value of their customer data in real time. Join sophisticated marketers at Orbitz, Rakuten Rewards, and Expedia who rely on MessageGears to deliver more personalized cross-channel messaging campaigns.

For more information, please visit www.messagegears.com.

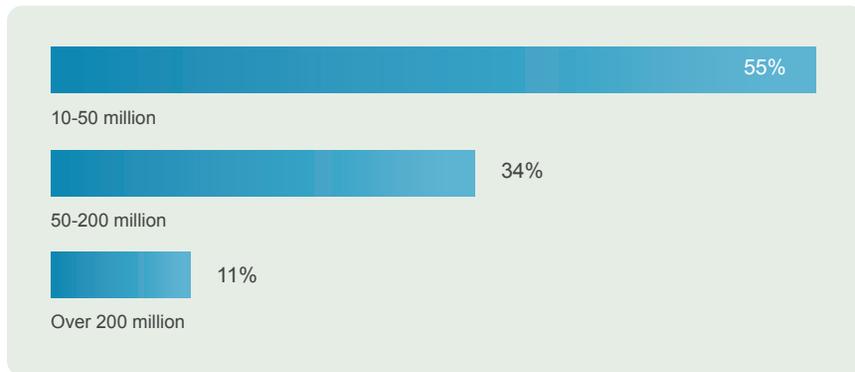
Press & Media Contacts: Jeff Haws ▪ jeff.haws@messagegears.com



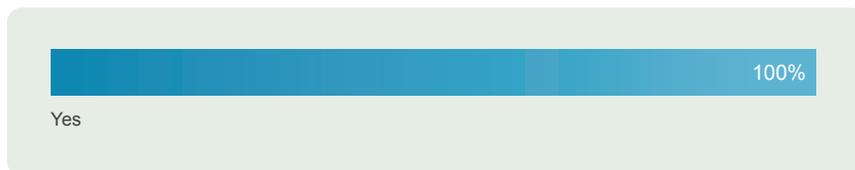
MessageGears

Marketer Profile

How many promotional, triggered, and transactional emails does your company send per month?



Is your company using a modern data warehouse platform (i.e., Snowflake, Google BigQuery, Amazon Redshift, SQL Azure)?

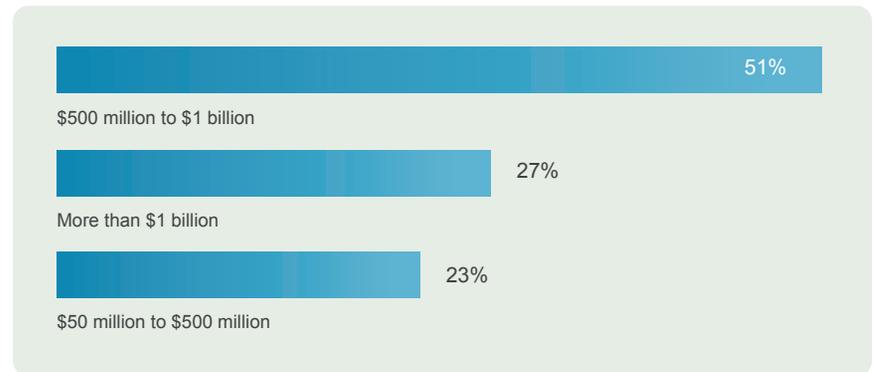


Are you using a modern data warehouse platform to hold your customer data?

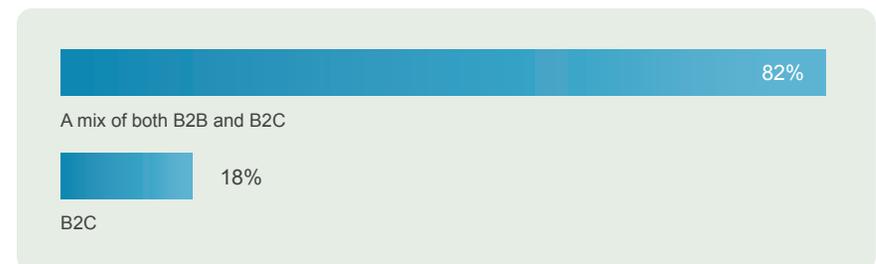


This survey was fielded by MessageGears in partnership with Survata in August 2019 to a panel of 101 marketing professionals representing business-to-consumer (B2C) organizations sending at least 10 million email marketing messages per month. Participants were limited to those that indicated their company is using a modern data warehouse platform.

What is your company's annual revenue?

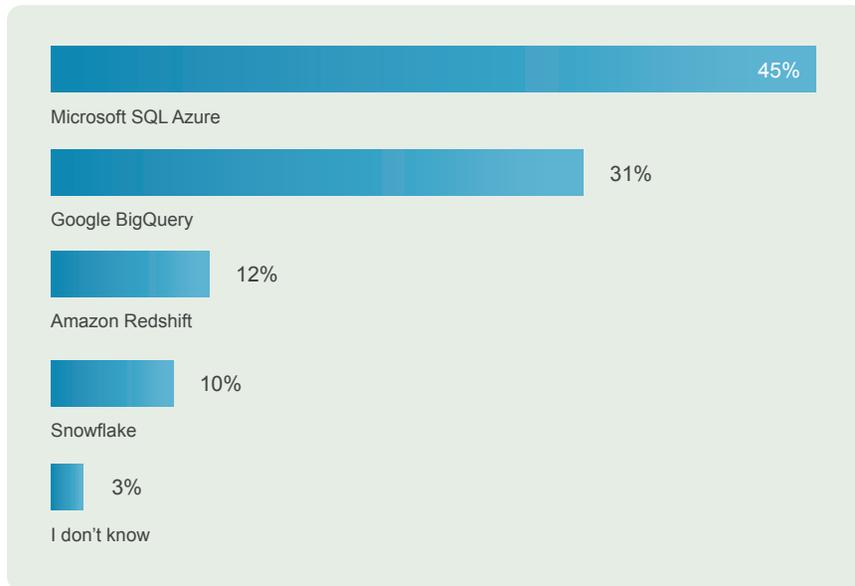


What best describes your company?

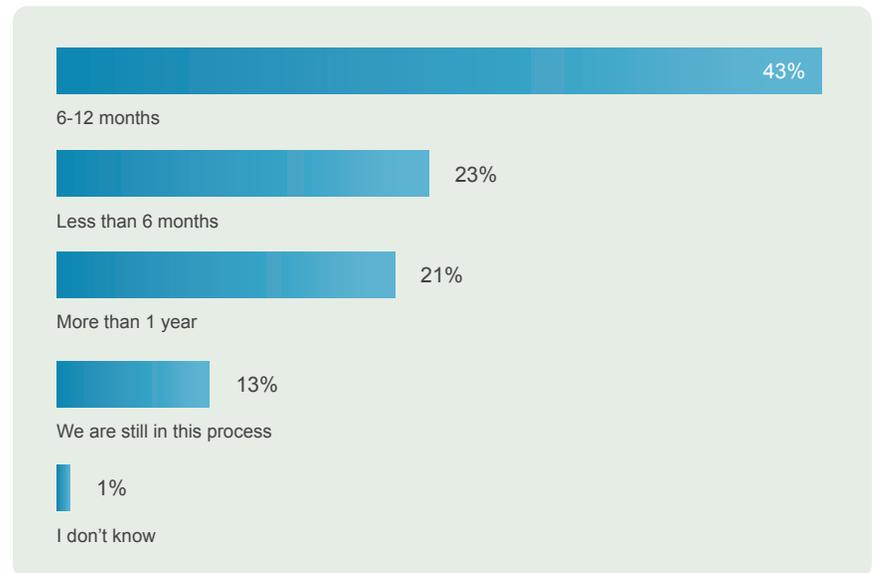


Survey Questions

Which modern data warehouse does your company use for customer data?

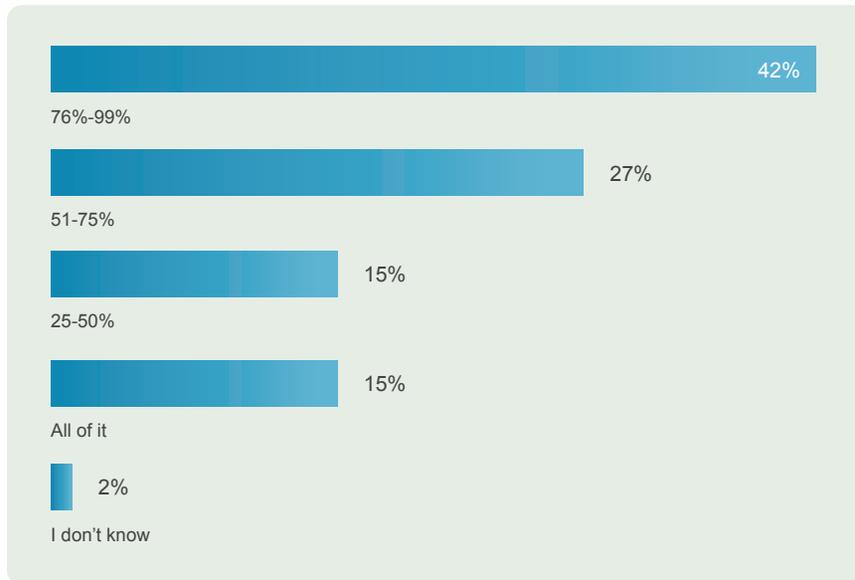


How long did it take your company to get your customer data fully consolidated and accessible in the data warehouse?

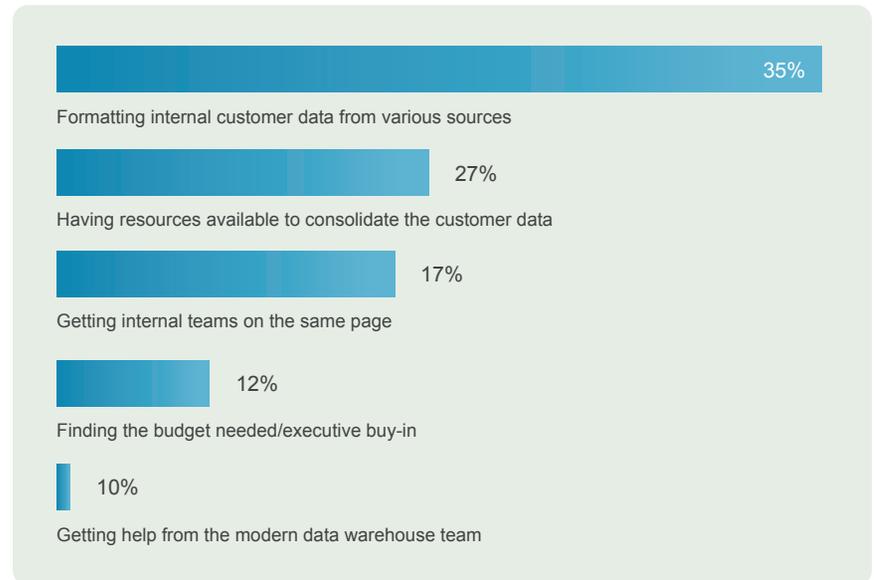


Survey Questions

What percentage of your customer data is housed in the warehouse?

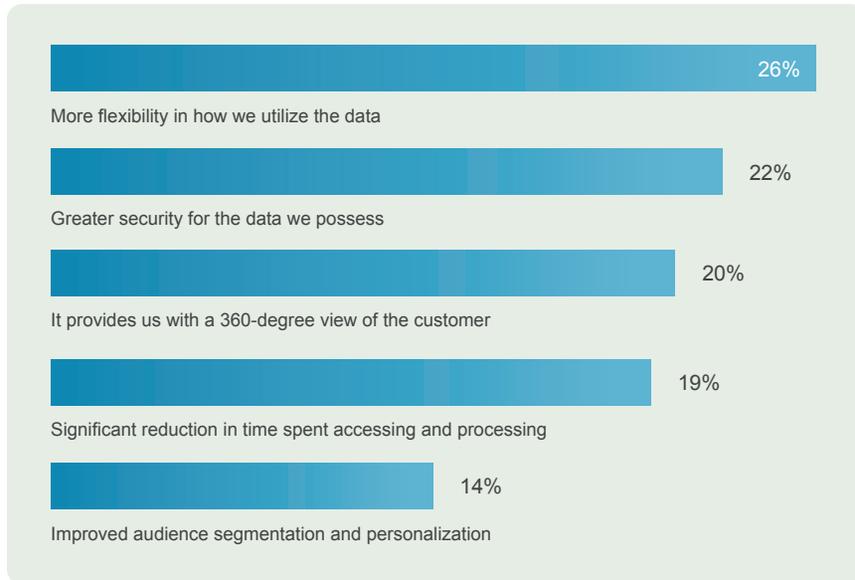


What was the most challenging aspect of consolidating your customer data?

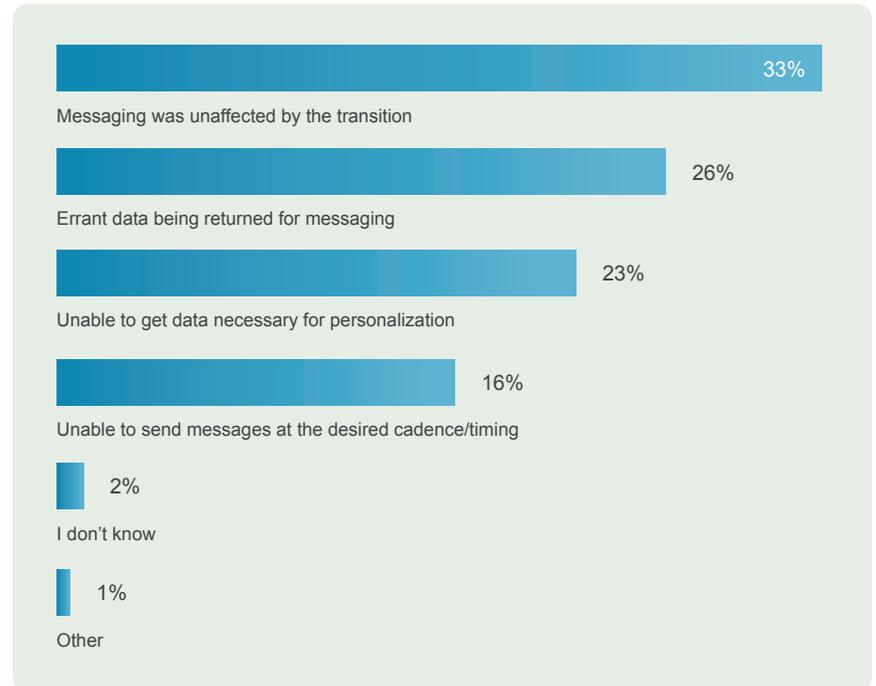


Survey Questions

What has been the biggest benefit to consolidating your data?

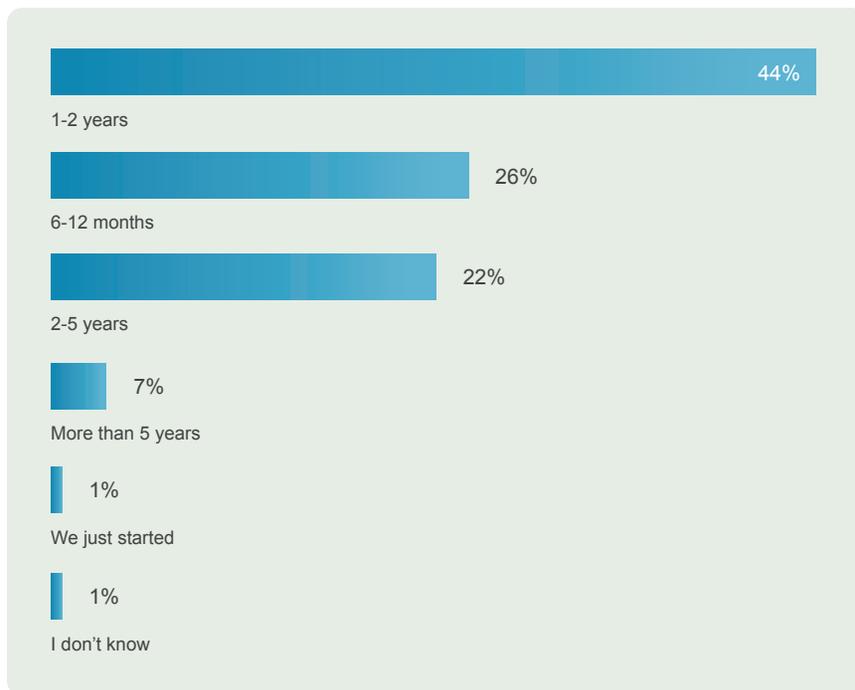


What was your experience like during the transition to your modern data warehouse?

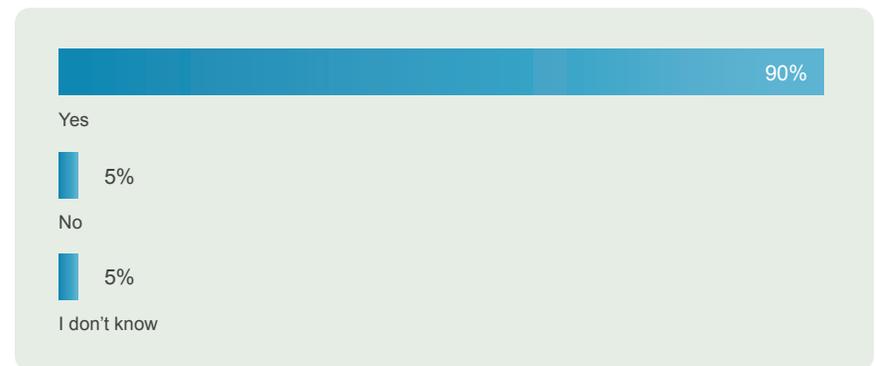


Survey Questions

How long have you been using a modern data warehouse to store your customer data?



Does your ESP directly connect to your data warehouse and have full access to all of the customer data in your data warehouse?

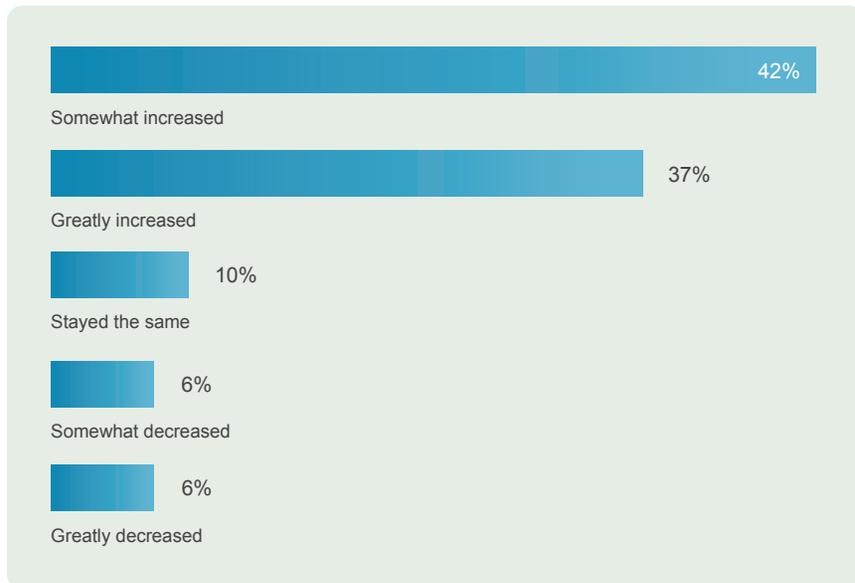


Has using a modern data warehouse improved your overall messaging engagement?

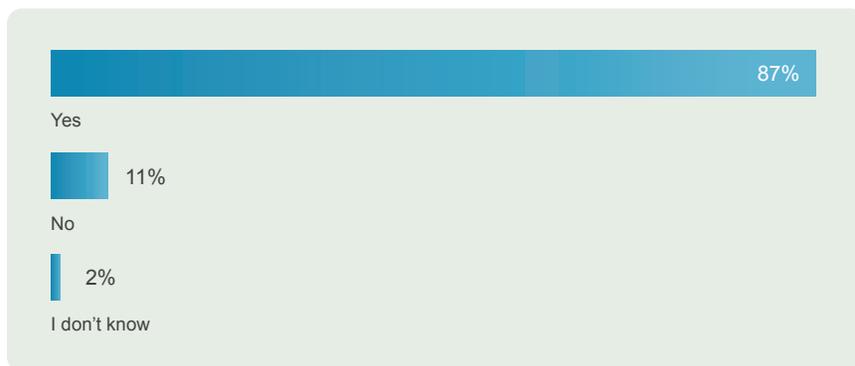


Survey Questions

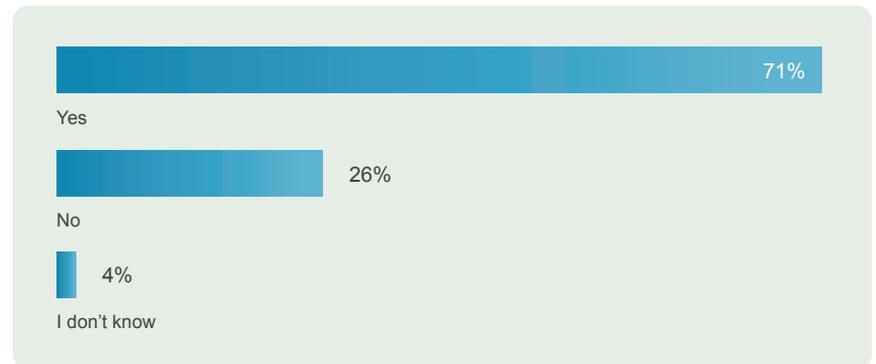
What has been the impact on I.T. resource usage from moving to a modern data warehouse?



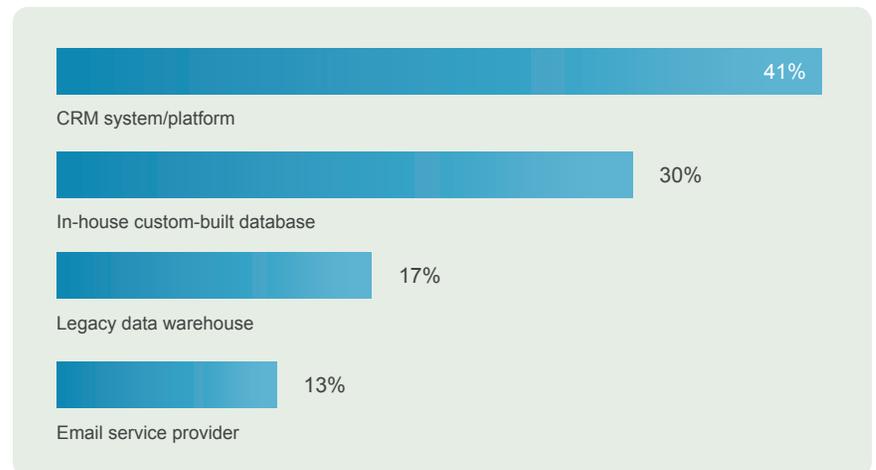
Is all your customer data that's available in your modern data warehouse also available in your ESP?



Do you also use a CDP?

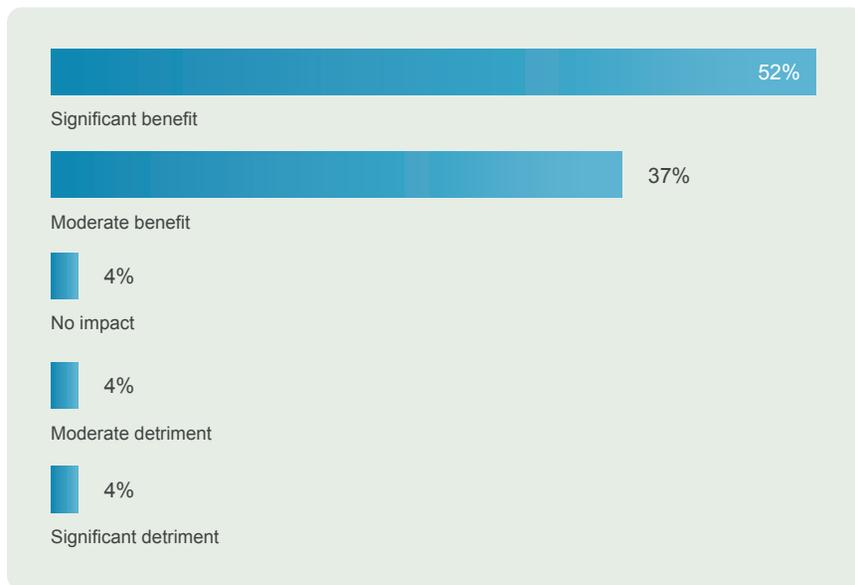


Prior to consolidating your customer data in a warehouse, where was the majority of your customer data stored?



Survey Questions

How much has your use of a modern data warehouse benefited your customers?



How does your data get from your modern data warehouse to your ESP?

