

Marketers Are Ramping Up Data Management Investments

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ith **spend on marketing technology increasing**, many marketers are investing more dollars into data management products.

In December 2018, the **Interactive Advertising Bureau (IAB) and Winterberry Group** estimated that US marketers spent nearly \$5 billion on data management and integration products in 2018, a 25% increase from 2017. Those marketers are investing in products such as customer

relationship management (CRM) systems, data management platforms (DMPs), customer data platforms (CDPs) and identity resolutions.

US Audience Data Activation Solutions Spending, by Type, 2017 & 2018
billions, % of total and % change

	2017		2018		
	Spending	% of total	Spending	% of total	% change
Data management, processing and integration	\$3.97	64.3%	\$4.97	68.7%	25.1%
Analytics, modeling and segmentation*	\$2.20	35.7%	\$2.26	31.3%	2.9%
Total	\$6.17	100.0%	\$7.23	100.0%	17.2%

Note: *including measurement and attribution
Source: Winterberry Group, "The State of Data 2018" in partnership with Interactive Advertising Bureau (IAB) Data Center of Excellence; eMarketer calculations, Dec 5, 2018

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As digital marketing becomes **more automated and data-driven**, it has become crucial for its practitioners to corral the data they rely on. For many marketers, this is a **difficult task to accomplish**.

In an October 2018 survey of 145 marketers worldwide by **Ascend2**, 56% of respondents said that data management is difficult to implement. The respondents reported that data management was more difficult to implement than other marketing technologies like email marketing, paid search or marketing analytics.

Because data management is complicated and difficult, many marketers pay vendors to handle it. According to a Q4 2017 survey of US marketers by Adestra and Ascend2, 43% of respondents reported that they **outsource their data-driven marketing strategies**. While the majority of the respondents used a combination of outsourced and in-house resources, just 5% relied strictly on in-house resources to manage their data.