MSI at the ARF

MARKETING SCIENCE INSTITUTE

Research Priorities

Table of Contents

Introduction: MSI Research Priorities Process 3

Key Trends Driving the Development of Research Priorities 3

Marketing Analytics 4

- AI
- Models
- Measurement
- Communication

Consumer Experiences 6

- Changing Expectations
- Customer Journey
- Technology

Stakeholders 7

- Holistic Stakeholder Perspective
- Navigating the Organization
- Education
- Communication

Innovation 9

- New Technologies
- Research & Development
- Organizational Development

Introduction: MSI Research Priorities Process

The Marketing Science Institute (MSI) has always been at the forefront in setting a research agenda that addresses the most pressing challenges and opportunities in the field of marketing. MSI announces a new set of research priorities crafted to guide the marketing discipline through the evolving AI and digital landscape and changing consumer behaviors.

These priorities are driven by a key set of current trends in the marketplace, and indicative of the strategic shifts marketers must undertake to remain competitive and relevant. From the integration of advanced technologies to the nuanced understanding of the consumer journey, MSI's Research Priorities are poised to foster research, insight, and impact across the marketing sphere.

Key Trends Driving the Development of Research Priorities

Our research priorities relate to five major macro trends that have disrupted businesses in ways we are just beginning to understand.

Artificial Intelligence (AI) marks a pivotal area of focus, reflecting its growing influence on marketing insight, analytics, and strategy. AI's potential to transform customer engagement, personalize experiences at scale, and optimize marketing efficiency is unparalleled. However, the emergence of AI has raised ethical considerations and challenges of AI deployment, forcing researchers to explore the balance between leveraging AI for competitive advantage and ensuring its responsible use.

Changes in data usage, data availability, and consumer perceptions based on changes in privacy policy have dramatically altered the marketing landscape, prompting a reevaluation of data management practices. Consumers are increasingly aware of and concerned about their privacy, leading to heightened expectations for data protection and transparency. This trend has challenged marketers to conceive of new marketing measurement and methodological frameworks, and to navigate the thin line between personalized marketing and consumer

privacy rights, making it imperative to explore new opportunities that respect consumer preferences while delivering value.

The continued focus on demonstrating marketing's role as an investment and a sales driver remains a cornerstone of MSI's research priorities. Marketers are increasingly asked to quantify the impact of their strategies on the bottom line, moving beyond traditional metrics to encompass broader business outcomes, and to communicate effectively outside the marketing function to colleagues who may see marketing merely as an expense. This calls for innovative approaches to measure marketing effectiveness, attributing revenue growth directly to marketing initiatives and proving marketing's contribution to overall business success.

The need for marketing to collaborate, educate, and communicate with stakeholders outside the traditional marketing domain, including engineering, finance, and accounting, highlights the interdisciplinary nature of modern marketing challenges. The demonstration of marketing value extends beyond marketing departments, requiring a unified approach across various organizational functions.

Lastly, the consumer journey has become increasingly fragmented, multi-faceted, and constantly evolving, adding to the complexity of modern consumer behavior. Marketers must delve into the intricacies of how consumers interact with brands across multiple platforms and touchpoints. Understanding this fragmented journey is crucial for developing marketing strategies that are agile, responsive, and personalized.

Together, these research priorities define a roadmap for marketing researchers challenging the field to adapt, innovate, and thrive in the face of rapidly changing technologies, consumer expectations, and marketplace dynamics.

Marketing Analytics

In the evolving landscape of marketing, the Marketing Science Institute's annual research priorities on Marketing Analytics highlight the pivotal areas of **AI**, **Marketing Models**, **Marketing Measurement**, and **Communication**, reflecting a direct response to the current shifts in the marketing analytics marketplace.

With the rapid growth of **AI**, there is a significant transformation in how data is analyzed and utilized for strategic decision-making, replacing obsolete systems with more dynamic, predictive models. The focus on marketing **Models** addresses the necessity to navigate the complexities introduced by digital advancements, privacy concerns, and changes in consumer data collection. **Measurement** strategies are evolving to incorporate new metrics that capture the fragmented and digitally-centric marketing ecosystem, requiring a deeper understanding of the customer journey and the impact of marketing strategies on long-term brand value. Finally, **Communication** priorities reflect the need to bridge the gap between data-driven insights and

their application in decision-making processes, ensuring that analytics translate into actionable strategies that resonate with both executives and non-marketing stakeholders.

These areas underscore the industry's move towards more sophisticated, integrated approaches that can adapt to and leverage rapid technological changes, consumer behavior shifts, and the growing emphasis on data privacy. Together, these priorities sketch a roadmap for navigating the complexities of modern marketing analytics, blending the theoretical with the practical to drive forward-looking strategies and tangible results.

AI

- Integration of **AI into marketing analytics** to replace outdated metrics/systems, enhance decision-making, and assess appropriate (and inappropriate) uses.
- Enhanced **techniques for data fusion** from disparate sources and missing data including customer data, customer insights, experimentation, and unstructured qualitative data.

Models

- **Trade-offs between short term performance metrics and long-term measurement** of marketing activities, including identification of what constitutes short-term and long-term.
- Analytics **frameworks that can evolve** in the face of a dynamic digital landscape, including changes in privacy, individual tracking, and first-party data strategies.
- More sophisticated analytics models of marketing effectiveness that **combine top-line strategic models with nested tactical models**.
- Advanced models that can **predict the performance of marketing activities** that is actionable and resonates with financial decision-makers.

Measurement

- Identification and development of **new marketing metrics/KPIs** that capture the changing marketing ecosystem and resonate with C-suite executives.
- Understanding of how the **holistic customer journey and experience** can be integrated into marketing analytics, predicted, and influenced by marketing strategies.
- More sophisticated approaches to marketing measurement and attribution that account for **modern explosions in dimensionality** across channels, segments, and media.
- Better tools and methodologies to **measure long term brand value**, and to quantitatively identify effective strategies to impact brand value.
- Methods to manage the **increasing volume of data** and ensure data quality, as well as avoid a false sense of precision and avoid misleading analytics outcomes.

Communication

- Guidance on how managers can **utilize algorithmic decision support** in interactions with customers and other stakeholders.
- Approaches to **harmonize insights from disparate data sources and siloed analytics approaches** to provide a cohesive view of marketing performance.
- Appreciation of **marketing metrics that matter to a financial/investor audience** and methods that ensure analytics/insights have impact in intuition-driven boardrooms.

Consumer Experiences

In the evolving landscape of marketing, the Marketing Science Institute's annual research priorities on Consumer Experiences highlight the critical areas of **Changing Expectations**, the **Customer Journey**, and **Technology** to address the significant shifts occurring in the consumer marketplace.

The modern consumer has exhibited a shift in **Expectations** towards more experiential and personalized consumer engagements, balancing the fine line between personalization and privacy, and aligning brand values with consumer expectations on sustainability and ethical practices. The spotlight on the **Customer Journey** acknowledges the complexity added by digital transformation, which has fragmented the traditional path to purchase into a series of micro-decisions influenced by social media and the growth of subscription economies. Meanwhile, shifts in **Technology** reflect the urgent need for brands to navigate the new realities of digital interaction, including the use of AI and virtual environments, to maintain competitive advantage.

These areas are pivotal for marketing professionals and academics alike, identifying opportunities to develop a comprehensive view of the modern consumer experience, that pushes the boundaries of how brands connect with their audiences in an increasingly digital and values-driven marketplace.

Changing Expectations

- Understanding of changes in consumer demand for **more experiential and personalized experiences**, especially from younger consumers with more control over household purchases.
- Appreciation of the **trade-offs between personalization/targeting and privacy/protection** and consumer attitudes towards privacy, regulation, and ethical data practices.

- Impact of **consumer value systems and brand purpose alignment** in consumer decision-making, algorithmic recommendation systems, and consumer to consumer engagement.
- Consumer demand for **authentic sustainability and interest in a circular economy** driving innovations in product design, packaging, and messaging.

Customer Journey

- Engaging with **social media and evolving influencer networks** as significant forces shaping consumer perceptions and decisions while maintaining authenticity and trust.
- Development of **effective tools to measure customer experience** and link to actual sales or profit growth.
- Rise of the **fragmented customer journey** with high volume of mini-decisions and micro-transactions that overwhelm customers, increase disloyalty/adventurousness, and create challenges in mapping the journey.
- Understanding how consumers engage with the growing **subscription economy** and the shifts in customer value and loyalty generated by those systems.

Technology

- Understanding how brands approach **human interaction in a digital world**, including AI, technology-driven marketing channels (VR/AR), and automated customer engagement.
- Consumer **adoption and response to AI and algorithmic frameworks** in their interactions with firms, firm offerings and marketing communication.
- **Navigation of the walled gardens** driven by large digital platforms and the challenges of reaching consumers within these ecosystems.

Stakeholders

In the evolving landscape of marketing, the Marketing Science Institute's annual research priorities on Stakeholders underscore the pivotal areas of a **Holistic Stakeholder Perspective**, **Navigating the Organization**, **Education**, and **Communication** as critical challenges for the modern stakeholder marketplace.

Today's marketing ecosystem requires a nuanced understanding of the relationships and interactions between businesses and their broad spectrum of stakeholders. The adoption of a **Holistic Stakeholder Perspective** allows for a balanced stakeholder approach that extends beyond conventional market participants and facilitates the identification and engagement of underrepresented consumer segments. A focus on **Navigating the Organization** emphasizes the importance of breaking down silos and fostering cross-functional collaboration to leverage insights effectively. Calls for **Education** address the urgent need for continuous upskilling in the face of rapid technological advancements and changing consumer expectations, and

Communication strategies are increasingly focused on clearly articulating marketing's value and aligning goals across diverse stakeholder groups, both internal and external.

These areas collectively address the challenges posed by digital transformation, the demand for greater corporate social responsibility, and the need for adaptive strategies in managing stakeholder relationships in the current marketing stakeholder marketplace.

Holistic Stakeholder Perspective

- **Comprehensive balanced approach to external stakeholders** which spans beyond traditional market participants to include other firms (B2B), customers, regulators, communities, and society.
- Identification of **underrepresented consumer segments** and organizational systems that lead to their systemic under-engagement (healthcare, personal finance, privacy, data availability, consumer attitudes).
- Understanding how **marketing supports internal stakeholders** such as sales, customer service, innovation, finance and HR.
- Understanding when and how to engage the firm in the **complex terrain of brand activism and social responsibility** without alienating stakeholders and provoking backlash.
- Managing **data privacy and digital transformation** challenges with a focus on firm and customer safety, while still leveraging consumer data for insights and targeting.

Navigating the Organization

- Organizational **readiness to adopt and effectively use AI-driven** insights and create AI-driven solutions.
- **Breaking down silos within organizations** to foster collaboration and create more integrated marketing strategies that leverage insights across functions (finance, accounting, data science, IT).

Education

- Develop **upskilling and training strategies** to ensure marketing professionals are equipped with the latest tools, techniques, and knowledge to navigate the evolving marketing landscape.

Communication

- Identifying **effective methods to communicate marketing effectiveness and outcomes** to varied functions and levels in the organization that goes beyond ROI/ROAS.

- Enhancing **communication efforts towards both internal and external stakeholders** to build a shared understanding of marketing goals and strategies.

Innovation

In the evolving landscape of marketing, the Marketing Science Institute's annual research priorities on Innovation underscore the significance of **New Technologies**, **Research and Development**, and **Organizational Development** as essential challenges in contemporary shifts in the marketing innovation marketplace.

Constant innovation in AI and digital technologies emphasizes the necessity to seamlessly integrate and maximize **New Technologies**. A long-studied topic for MSI, a return to marketing's role in **Research and Development** is a nod to the importance of managing innovation portfolios with a keen eye on sustainability, addressing the demand for both incremental and disruptive advancements in products and services. Finally, an increasing need for **Organizational Development** highlights the necessity of fostering a collaborative culture among marketers, engineers, and other key players, balancing growth and efficiency, and developing agile, innovative capabilities that can swiftly adapt to market dynamics.

These areas are a blueprint for navigating the challenges and opportunities presented by digital transformation, the imperative for sustainable innovation, and the need for organizational agility in the face of continuous market and technological changes.

New Technologies

- Methods to effectively integrate and leverage **AI and digital technologies** and understand their impact on consumer engagement and data analytics.
- Development of techniques to **measure the effectiveness of AI-based marketing campaigns** that continuously morph based on contextual inputs.
- Understanding how to implement **new technologies and innovations** while balancing the risks and implications of these investments on privacy, security, and consumer trust.

Research & Development

- Tools and analytics to **manage innovation portfolios** and develop infrastructures for both incremental and disruptive innovation.
- **Research and development Integrating sustainability** into product and service innovation.

Organizational Development

- Development of a **common understanding between marketers, engineers, and other professionals** tasked with implementing marketing solutions into modern software and other design systems.
- Balancing the **trade-offs between a growth mindset and a cost-cutting culture** for organizational success.
- Manage ‘make’ vs ‘buy’ decisions with regards to the **development of organizational skillsets** in an evolving market through hiring, vendors, or consultants.
- Developing an **innovative and agile culture** in response to changing market conditions that implements a test-and-learn approach and experimentation.