

A STUDY ON THE ROLE OF MARKETING ANALYTICS IN STRATEGIC DECISION MAKING

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Abstract: In today's highly competitive and data-driven business environment, making informed decisions is more critical than ever. Marketing analytics has emerged as a powerful tool that helps organizations turn raw data into meaningful insights, guiding strategic decisions and improving overall performance. This study explores the role of marketing analytics in shaping strategic decision-making processes across various industries. It focuses on how companies gather, interpret, and apply marketing data to make more effective choices regarding customer targeting, product development, pricing strategies, and promotional activities. The research combines both qualitative and quantitative approaches, including case studies, surveys, and interviews with marketing professionals. Findings indicate that organizations that actively use marketing analytics not only make quicker and more confident decisions but also demonstrate better alignment between marketing strategies and business objectives. Key areas where analytics has shown significant impact include customer segmentation, campaign performance tracking, market trend forecasting, and return on investment (ROI) measurement. However, the study also highlights some challenges—such as data quality issues, lack of skilled personnel, and resistance to adopting data-driven cultures—that can limit the effectiveness of marketing analytics. Despite these challenges, the growing availability of advanced tools and technologies is making it easier for companies to integrate analytics into their strategic frameworks. Ultimately, the study concludes that marketing analytics is no longer just a supporting function but a strategic asset that enables smarter decision-making. Businesses that invest in analytics capabilities and foster a data-centric culture are better positioned to adapt to market changes, meet customer needs, and achieve long-term growth. This research underscores the importance of embedding analytics into the core of marketing strategy for sustained competitive advantage.

Keywords: Marketing Analytics, Strategic Decision Making, Data-Driven Strategy

I. INTRODUCTION

In an increasingly competitive and fast-paced business environment, companies are under constant pressure to make timely, accurate, and strategic decisions. Traditional decision-making, often based on intuition or past experiences, is no longer sufficient in addressing the complexities of today's dynamic markets. As a result, organizations are turning to marketing analytics—the practice of measuring, managing, and analyzing marketing performance data—to gain deeper insights into customer behavior, market trends, and campaign effectiveness. Marketing analytics enables businesses to move beyond guesswork by providing a factual basis for decision-making. By leveraging tools such as predictive modeling, customer segmentation, and performance tracking, companies can better understand which strategies work, where improvements are needed, and how to allocate resources more efficiently. This not only enhances marketing efficiency but also aligns marketing initiatives with broader business objectives, making analytics a crucial element of strategic planning. The role of marketing analytics has evolved from being a support function to becoming a core strategic asset. As technologies such as artificial intelligence, machine learning, and big data continue to advance, the potential of marketing analytics in driving innovation and competitiveness grows significantly. However, despite its growing importance, many businesses still struggle with the effective implementation and utilization of analytics due to challenges such as data silos, skill gaps, and resistance to change.

OBJECTIVES OF THE STUDY

1. This objective focuses on understanding how data-driven insights influence high-level business strategies and long-term planning.
2. The study aims to highlight how marketing analytics supports functions such as customer segmentation, campaign optimization, product positioning, pricing strategies, and performance measurement.

3. This includes evaluating how analytics contributes to improved decision accuracy, efficiency, and competitiveness, as well as exploring common obstacles like data quality issues, lack of expertise, or resistance to change.

II. REVIEW OF LITERATURE

Chintagunta, P.K., Hanssens, D.M., & Hauser, J.R. (2016) This study emphasized the growing importance of marketing analytics in aligning marketing efforts with business performance. It argued that data-driven decision-making leads to improved ROI and strategic clarity.

Wedel, M., & Kannan, P.K. (2016) The authors discussed the role of big data and advanced analytics in enhancing marketing strategy, including customer targeting and product personalization. They stressed the need for skilled analysts to interpret complex data.

Rust, R.T., Moorman, C., & Bhalla, G. (2010)

This research presented marketing analytics as a bridge between marketing activities and financial outcomes. It showed that firms using analytics in decision-making tend to outperform competitors in revenue growth.

Wierenga, B., & vander Lans, R. (2017) The paper explored marketing analytics tools such as predictive modeling and dashboard systems. It highlighted how these tools improve strategic decisions in pricing, product launch, and distribution.

Lilien, G.L., & Grewal, R. (2012) This study examined the adoption of marketing analytics in B2B firms. It found that analytics helps managers understand market dynamics and customer needs more accurately, enabling smarter strategic choices.

Davenport, T.H., & Harris, J.G. (2007) Their foundational work "Competing on Analytics" showed how top-performing companies use analytics as a competitive differentiator, embedding it deeply into strategic planning processes.

Koorn, R., & Varadarajan, R. (2019) This research investigated the integration of AI and machine learning in marketing analytics. It concluded that intelligent systems enhance forecasting accuracy and decision speed.

Marshall, G.W., & Johnston, M.W. (2010) The study focused on the practical application of analytics in sales and marketing decisions. It emphasized the importance of organizational culture in embracing analytics-driven strategies.

Verhoef, P.C., Kooge, E., & Walk, N. (2016) In their book *Creating Value with Big Data Analytics*, the authors stressed that marketing analytics is not just about technology but also requires strategic vision, leadership, and change management.

Moorman, C., & Day, G.S. (2016) This research pointed out that while many firms collect data, few know how to effectively use it. The authors emphasized the role of strategic capability in converting data into competitive advantage.

III. FINDINGS AND INFERENCES

Correlations:

| | | How many years of experience do you have in marketing or related fields | What is the biggest challenge in using marketing analytics |
|---|---------------------|---|--|
| How many years of experience do you have in marketing or related fields | Pearson Correlation | 1 | -.150* |
| | Sig. (2-tailed) | | .047 |
| | N | 175 | 175 |
| What is the biggest challenge in using marketing analytics | Pearson Correlation | -.150* | 1 |
| | Sig. (2-tailed) | .047 | |
| | N | 175 | 175 |

*. Correlation is significant at the 0.05 level (2-tailed).

INTERPRETATION:

The correlation analysis revealed a statistically significant, though weak, negative relationship between the number of years of experience in marketing and the perceived challenges in using marketing analytics. This suggests that professionals with more experience in the marketing field are slightly less likely to view marketing analytics as a major challenge. In simpler terms, as marketers gain more experience, they tend to become more comfortable with analytics tools and processes, making them less affected by common issues such as lack of skilled personnel, data quality problems, or resistance to change. On the other hand, individuals with less experience may find these aspects more daunting, possibly due to limited exposure or training. Although the relationship is not strong, it highlights the importance of experience in overcoming barriers to effective use of marketing analytics.

REGRESSION:

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .015 ^a | .000 | -.006 | 1.108 |

a. Predictors: (Constant), Howsecureisyourorganizationsmarketingdata

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|-----|-------------|------|-------------------|
| 1 Regression | .048 | 1 | .048 | .039 | .844 ^b |
| Residual | 212.501 | 173 | 1.228 | | |
| Total | 212.549 | 174 | | | |

a. Dependent Variable: Whatisthefrequencyoftraininginmarketinganalyticsinyourorganizati

b. Predictors: (Constant), Howsecureisyourorganizationsmarketingdata

Coefficients:

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|---|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.453 | .200 | | 12.253 | .000 |
| | Howsecureisyourorganization smarketingdata | -.015 | .076 | -.015 | -.197 | .844 |

I. Dependent Variable: Whatisthefrequencyoftraininginmarketinganalyticsinyourorganizati

INTERPRETATION:

The regression analysis, including the ANOVA table, suggests that the perceived security of an organization's marketing data has no significant impact on the frequency of training in marketing analytics within the organization. The R value of 0.015 indicates an extremely weak relationship between the two variables, and the R Square value of 0.000 shows that the security of marketing data explains none of the variation in training frequency. The ANOVA table further supports this, with a **p-value of 0.844**, which is well above the typical significance level of 0.05, indicating that the regression model is not statistically significant. In other words, the security of marketing data does not significantly affect how often training is conducted in marketing analytics. The model does not provide a meaningful explanation for the frequency of training, and it performs poorly in predicting this outcome.

ANOVA:

| | | Sum of Squares | df | Mean Square | F | Sig. |
|--|----------------|----------------|-----|-------------|-------|------|
| How satisfied are you with the current analytics capabilities in your organization | Between Groups | .364 | 3 | .121 | .097 | .962 |
| | Within Groups | 214.344 | 171 | 1.253 | | |
| | Total | 214.709 | 174 | | | |
| How transparent are marketing analytics insights in your team or organization | Between Groups | 9.435 | 3 | 3.145 | 2.615 | .053 |
| | Within Groups | 205.685 | 171 | 1.203 | | |
| | Total | 215.120 | 174 | | | |
| Which industry does your organization belong to_A | Between Groups | 2.023 | 3 | .674 | .526 | .665 |
| | Within Groups | 219.097 | 171 | 1.281 | | |
| | Total | 221.120 | 174 | | | |
| Would you recommend increasing investment in marketing analytics | Between Groups | 4.729 | 3 | 1.576 | 1.295 | .278 |
| | Within Groups | 208.128 | 171 | 1.217 | | |
| | Total | 212.857 | 174 | | | |

INTERPERTATION:

The ANOVA results indicate that there are no significant differences across groups for the variables tested. For satisfaction with analytics capabilities, the p-value of 0.962 shows similar responses across groups. The transparency of marketing analytics insights had a marginal p-value of 0.053, suggesting a slight variation, but not statistically significant. Industry type did not influence responses, as indicated by a p-value of 0.665. Similarly, for recommendations on increased

investment in marketing analytics, the p-value of 0.278 suggests no significant difference in opinions. Overall, the variables do not exhibit major differences between groups in this analysis

IV. FINDINGS, SUGGESTION AND CONCLUSION

FINDINGS:

- **Not everyone is using marketing analytics yet.**
Just about one-third of the respondents said their organization actually uses marketing analytics. Interestingly, nearly the same number said they're planning to implement it soon.
- **People aren't all that familiar with analytics tools.**
A large chunk (around 30%) admitted they're not familiar with marketing analytics tools at all, showing a big opportunity for training and education.
- **Adobe Analytics and Google Analytics are the favorites.**
Among those who do use tools, Adobe Analytics and Google Analytics were the most commonly mentioned, followed by Tableau and Power BI.
- **Analytics is helping—but not everywhere.**
Some organizations are seeing real benefits: it's improving how they segment customers and helping with decisions on pricing, launching products, and where to spend on ads.
- **But not all decisions are data-driven.**
About 1 in 5 respondents said analytics doesn't influence strategic decisions in their organization. That means there's still a lot of gut-based or traditional decision-making happening.
- **Experience helps.**
More experienced marketers seem to find analytics less challenging—suggesting that familiarity over time builds confidence and skill.
- **Lack of skills is a top issue.**
The biggest barrier to using analytics? Not having the right people with the right skills. Budget issues and resistance to change are also major hurdles.
- **Training isn't happening enough.**
Nearly 1 in 3 respondents said their company never trains staff on marketing analytics. That could explain why adoption is still low.
- **Dashboards aren't widely used.**
A surprising number said dashboards play no role at all in their decision-making process—showing a disconnect between data and action.

V. CONCLUSION

In an era where data is generated at every click, swipe, and transaction, the ability to convert that data into meaningful insights is no longer a luxury—it's a necessity. This study shines a light on how marketing analytics is being used in organizations today, especially when it comes to strategic decision-making. While many companies have taken the first steps toward integrating analytics into their processes, the journey is far from complete. A large number of organizations still operate without fully utilizing the power of data, often making key decisions based on instinct or tradition rather than evidence. The findings highlight several key gaps—lack of familiarity with analytics tools, shortage of trained personnel, inconsistent use of dashboards, and limited integration of analytics into long-term planning. Even more concerning, nearly one-third of companies never provide training in marketing analytics, and a similar proportion don't use it at all in decision-making. These numbers suggest that while data is abundant, the ability to act on it strategically remains underdeveloped in many organizations. Yet, the study also reveals a promising side. Where marketing analytics is used effectively, it brings tangible benefits—more precise customer segmentation, improved product and pricing strategies, and better alignment of marketing spend. Experienced professionals tend to face fewer challenges, suggesting that exposure and training can make a real difference. There is also growing interest in emerging trends like AI, predictive analytics, and customer journey mapping, which shows that many organizations are eager to evolve—if given the right support.

To truly harness the strategic power of marketing analytics, businesses need to go beyond tools and technology. Leadership buy-in, cultural openness to change, cross-department collaboration, and regular upskilling are all essential pieces of the puzzle. It's not just about having data—it's about building a mindset and a structure that consistently turns data into smarter decisions.

In conclusion, marketing analytics holds incredible potential to transform how businesses plan, compete, and grow. But unlocking this potential requires more than interest—it demands investment, education, and commitment from every

level of the organization. As the marketplace continues to evolve, those who learn to turn insights into action will be best positioned to lead with confidence, clarity, and purpose.

REFERENCES

- [1]. **Wedel, M., & Kannan, P. K. (2016)**
Provided a foundational understanding of how marketing analytics works—from machine learning to data visualization—and how these tools help marketers make smarter decisions.
- [2]. **Barney, J. (1991)**
Introduced the idea that a company's unique resources (like data and analytics capabilities) can give it a long-term competitive edge. This is known as the Resource-Based View (RBV).
- [3]. **Davenport, T. H., & Harris, J. G. (2007)**
Explained the three types of analytics—descriptive, predictive, and prescriptive—that businesses use to understand what happened, what might happen, and what to do next.
- [4]. **Chaffey, D., & Ellis-Chadwick, F. (2019)**
Showed how digital marketing has evolved and why real-time analytics tools are critical for modern businesses trying to respond to fast-changing markets.
- [5]. **Wamba, S. F., Akter, S., Edwards, A., Chopin, G., & Gnanzou, D. (2017)**
Their research confirmed that companies using analytics in strategic ways tend to grow faster and serve customers better than those who don't.
- [6]. **Germann, F., Lilien, G. L., & Rangaswamy, A. (2013)**
Found that firms strong in analytics perform better in keeping customers, optimizing campaigns, and proving ROI.
- [7]. **Columbus, L. (2020)**
Highlighted a key modern challenge—companies often lack skilled talent who can translate complex data into actionable marketing strategies.
- [8]. **Davenport, T. H. (2018)**
Emphasized the importance of leadership in making analytics part of a company's culture. Without executive support, analytics efforts often stall.
- [9]. **McKinsey & Company (2018)**
Reported that businesses using data-driven decision-making are 1.5 times more likely to outperform competitors on growth and profit.
- [10]. **MIT Sloan Management Review (2019)**
Found that organizations focused on analytics are more agile and can better adapt to shifting customer demands.