

Submission to the House of Commons Standing Committee on Finance Pre-Budget Consultations in Advance of the 2025 Budget

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Recommendation: That Budget 2025 continue to invest and expand the Government of Canada's Upskilling for Industry Initiative, with a focus on high growth and primary business activities such as marketing, to provide workers with the modern and adaptable skills that Canadian businesses need to succeed in a changing economy.



About the Canadian Marketing Association (CMA)

The CMA is Canada's largest marketing association and the voice of the marketing profession. We are the catalyst to help Canada's marketers thrive today, while building the marketing mindset and environment of tomorrow. We represent virtually all of Canada's major business sectors, and all marketing disciplines, channels, and technologies.

Our purpose is to champion marketing's powerful impact. We provide opportunities for our members from coast-to-coast to develop professionally, to contribute to marketing thought leadership, to build strong networks, to meet consumer needs and provide meaningful, trust-building relationships with their customers, and to strengthen the regulatory climate for business success.

Our Chartered Marketer (CM) designation signifies that recipients are highly qualified, with the skills they need to help businesses grow and up to date with best-in-class modern marketing practices, including those reflected in the Canadian Marketing Code of Ethics and Standards and our Consumer Centre helps Canadians better understand their rights and obligations.

The Vital Role of Marketing to Business Success

Marketing is a primary, indispensable business function that drives growth, enhances customer satisfaction, and ultimately determines a company's success in the digital marketplace.

As the economy digitizes and the demand for digital skills skyrockets, the shortage of job-ready marketing talent with the right digital skills is a key challenge that has been identified by research across the sector and by CMA members.

Digital marketing is one of the fastest-growing in-demand professions across the Canadian innovation economy. The Conference Board of Canada estimates that the demand for digital marketers has grown more than 90% in the past five years.

The Information and Communication Technology Council forecasts that Canada's interactive digital media space is on pace to require an additional 103,000 workers by 2025.

According to the Canadian Chamber of Commerce, 70% of Canadian CEOs report significant challenges recruiting and retaining diverse digital marketing talent with the right certifications and skills.



Despite this widespread need for new talent, the digital marketing profession faces major challenges around inclusivity. A sizable number of Canadian professionals identifying as Black, Indigenous and/or People of Color (BIPOC) point to unique barriers to entering the profession, and firms are reticence to adapt the Diversity, Equity and Inclusion (DEI) practices needed to recruit diverse professionals to their teams (*Innovate BC*).

Addressing these talent and diversity gaps in Canada's digital marketing space requires bold, collective action that drives the training, placement, and retention of diverse, jobready workers.

It is widely accepted that data is the "new oil" of the digital economy. Just as oil fueled the industrial revolution, data now powers the engines of modern business, with marketing at the helm. The immense value and transformative potential of data is typically harnessed through strategic marketing efforts.

Marketers have become the skilled refiners of this new oil. They possess the expertise to extract insights from vast data reservoirs, process this information into actionable strategies, and fuel business growth through highly targeted and relevant customer engagements. This process is not just beneficial; it is absolutely essential for businesses to thrive – domestically and globally – in today's competitive environment. It's also critical to Canada's ability to innovate.

Meeting Consumer Expectations

More than ever before, customers demand relevant information and personalized offers. The era of one-size-fits-all marketing is not just outdated: on the contrary, it is detrimental to business success. Modern consumers, inundated with information and choices, have grown not just frustrated but often angry when bombarded with irrelevant ads. This shift in consumer attitude makes data-driven, personalized marketing not just a competitive advantage, but a necessity for maintaining positive customer relationships and for providing consumers with the goods and services that they need and want.

Gone are the days when companies produced ads to be viewed by the masses, hoping they would be noticed by the small percentage of customers who were interested in those products, while potentially alienating many others. Data-driven marketing uses advanced analytics and machine learning to identify patterns in consumer behavior, preferences and needs. This allows businesses to craft highly targeted campaigns that are better able to reach the right audience with the right message at the right time.

The benefits of this approach are manifold. For businesses, it leads to more efficient allocation of marketing resources, higher conversion rates, and improved return on investment. More importantly, it fosters stronger, more meaningful connections with customers. When people receive offers and information that align with their interests



and needs, they are more likely to engage with the brand, make purchases, and become loyal customers.

The application of data in marketing extends far beyond customer acquisition. It plays a crucial role in customer retention and lifetime value optimization. By analyzing customer data, businesses can predict future needs, identify at-risk customers, and proactively address issues before they lead to churn. This level of customer understanding and proactive engagement, which was simply not possible in the pre-digital era, is absolutely essential today.

By leveraging data to connect businesses with their ideal customers through relevant communications, modern marketing drives revenue, enhances customer experiences, and fosters long-term business success. Companies who treat marketing as a primary business function and invest in data-driven strategies position themselves not just to compete, but to lead in their industries. They contribute to a more efficient, innovative, and customer-centric economy that benefits all stakeholders.

Using Data Responsibly

Responsible marketers recognize that data usage carries great responsibility. The key lies in transparent data practices, strict adherence to privacy rules, and a commitment to using data to benefit customers. When done right, data-driven marketing creates a winwin scenario where businesses grow, and customers receive value through relevant, helpful information and offers

Furthermore, in a world where geographical boundaries are increasingly irrelevant to commerce, effective use of data allows businesses of all sizes to compete on a global scale. Small startups use data insights to identify niche markets across the world. Large corporations can tailor their offerings to diverse international audiences. It also fuels innovation and our country's economy and economic growth.

Remaining Innovative and Competitive

Marketing has evolved into a sophisticated, analytical discipline that serves as the essential engine of business growth and customer satisfaction. To meet these challenges, the marketing profession has undergone a seismic shift over the past decade, evolving at a pace that arguably outstrips many other professions. This rapid transformation has been driven by colossal technological advancements, changing consumer expectations, and a surge in data-driven decision making.

Marketers need to pursue continuous learning to ensure their organizations remain competitive and successful in this new landscape. The role of marketing has become significantly more complex, often requiring a blend of creative, analytical and technical skills that were previously siloed. Traditional marketing skills are becoming obsolete at



an accelerated pace. Skills that were cutting-edge five years ago may now be considered basic or outdated. Marketing now frequently intersects with IT, data science and customer service, requiring marketers to develop cross-functional knowledge and collaboration skills.

The rapid pace of change has made continuous learning and upskilling a necessity rather than a luxury for marketing professionals.

In this context, the CMA is pleased to submit the following recommendation to the federal government as part of its 2025 Pre-Budget Consultations.

Recommendation:

That Budget 2025 continue to invest and expand the Government of Canada's Upskilling for Industry Initiative, with a focus on high growth and primary business activities such as marketing, to provide workers with the modern and adaptable skills that Canadian businesses need to succeed in a changing economy.

Recognizing shifts in the economy, Budget 2021 proposed \$250 million over three years, starting in 2021-22, to the Department of Innovation, Science and Economic Development Canada (ISED) to help Canadians rapidly adapt and upgrade their transferable skills for newer industries. In February 2023, the government announced the Upskilling for Industry Initiative, providing employers the opportunity to scale-up proven industry-led, third-party delivered approaches to upskill and redeploy workers to meet the needs of evolving industries.

Emerging from this initiative, in February 2024, the CMA launched the Digital Marketing Skills Canada (DMSC) program, in partnership with two other leading training organizations: Jelly Academy and Growclass. It has already achieved impressive results. The DMSC program is designed to empower marketers by forging new pathways for talent at all levels – from junior to senior – into Canada's dynamic digital marketing space. The DMSC program provides marketers with the latest skills and knowledge necessary to excel in this dynamic environment, fostering innovation and maintaining ethical standards. It equips marketing professionals with the technical skills required to leverage emerging technologies and data-driven strategies effectively.

A focal point of the DMSC program is their unique and proven ability to train and place equity-deserving groups, especially individuals who self-identify as BIPOC and/or women, which is a key need within the marketing profession.



The DMSC program educates marketers on the crucial skills and ethical implications of modern marketing practices, focusing on data privacy, transparency and consumer trust, and covers a wide range of topics including data analytics, digital marketing, content strategy, social media, customer relationship management, and ethical considerations.

Several compelling examples illustrate the early impact of the program:

- More than 1,500 applications received for DMSC programs, and 476 participants substantially upskilled since January 2024, exceeding targets for training by 70%.
- We currently have a waitlist of 230 learners ready to be upskilled.
- More than 81% of participants were drawn from equity-deserving groups (Women, BIPOC).
- 241 of DMSC graduates already have jobs and 80% report increased job readiness. DMSC job placements are projected to exceed 80%.
- More than 70 strategic partners engaged in job demand validation and program design.

The early success of the DMSC program underscores the importance of, and high demand for, marketing upskilling to grow Canada's economy and drive our country's innovation. It also demonstrates the effectiveness of ISED's Upskilling for Industry Initiative and the positive impact it is having on Canadian marketing professionals. Consequently, it is crucial to sustain support for this initiative and continue to make the Upskilling for Industry Initiative accessible to marketers across various industry sectors and regions, including small and medium-sized enterprises.

For these reasons, the government should continue to invest in and expand the Upskilling for Industry Initiative, with a focus on the marketing profession and digital technology industry given the significant role they both have in ensuring Canada's economy continues to flourish and our country remains competitive globally.

Therefore, we recommend additional funding for employer-driven upskilling initiatives like the Upskilling for Industry Initiative, so that initiatives like the DMSC have the capacity to expand to help more Canadians participate in and contribute to a growing and resilient economy.