

IT vs. MARKETING: INNOVATION THROUGH COLLABORATION

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Abstract. *In a world overrun with marketing messages, the next wave of marketing technology will cut through the clutter, building automated marketing campaigns that address your customers' wants and needs individually. The result: greater customer intimacy, improved loyalty, and higher revenues. Moving quickly will gain real competitive advantage for you, so start planning for the future now.*

Keywords: *marketing, architecture, ERP, companies, staff.*

I. Introduction

IT has been the target over past several years in companies that rightfully want IT to be more aligned with the strategic needs of the business. IT has received black marks for not moving quickly, not feeding innovation, and so on. Balance this criticism of IT with the reality that upper management usually has a big hand in the current state of IT affairs.

II. IT vs. Marketing – the SOLUTION

In many organizations, IT has led the way in implementing governance over critical decisions related to strategy, business architecture, investments, change, programs, risk and sourcing. Over time, organizations have realized that decisions in these areas need to be coordinated across the enterprise and have elevated and consolidated these activities outside and above IT.

For many software companies, Customers are now Buyers, many of whom want to drive the relationship and buying cycle, moving sharply away from the former sales-team-focused cycles. The customer experience with the company has gained importance; many company-centric processes must give over to processes with a strong customer focus. Both Marketing and IT have important roles in customer engagement, with marketing technology growing in sophistication and variety. But in most companies the IT group carries the additional responsibility of working with multiple disparate internal constituencies, with priorities determined by project portfolio management, internal politics, and by decisions from upper management.

When IT resources are not easily available to support time-sensitive initiatives, marketing groups have frequently implemented their own technology solutions as a form of Shadow IT. New approaches to effective customer engagement lean heavily on cloud/SaaS based technologies that are fast to set up and use by non-IT staff. Unfortunately a significant side effect of not including the IT group has led to problems: new data silos, separate operations and analytics – lack of integration with other systems in the company.

Frequently, companies gain better paths to innovation, collaboration and competitiveness with the presence of business-technology hybrids that span departments and leverage cross-team expertise. The demands of innovation, meeting customer needs, and rapidly changing solution markets are challenging software companies to work much more quickly and collaboratively than ever before.

An important hybrid is the marketing technologist. Scott Brinker has published an extensive and well-crafted piece on the rise of the marketing technologist, describing “technology-powered marketing” where “Marketing must take ownership of the technology in its domain”.

Brinker makes the case for highly functional collaborations between IT and Marketing: *...technology decisions and marketing strategy are intertwined. You can't address one without impacting the other.*

Brinker also profiles the “3 Spheres of Marketing Technology”: “All these technologies — the ones we buy, the ones we build upon — can be categorized into three overlapping spheres”.

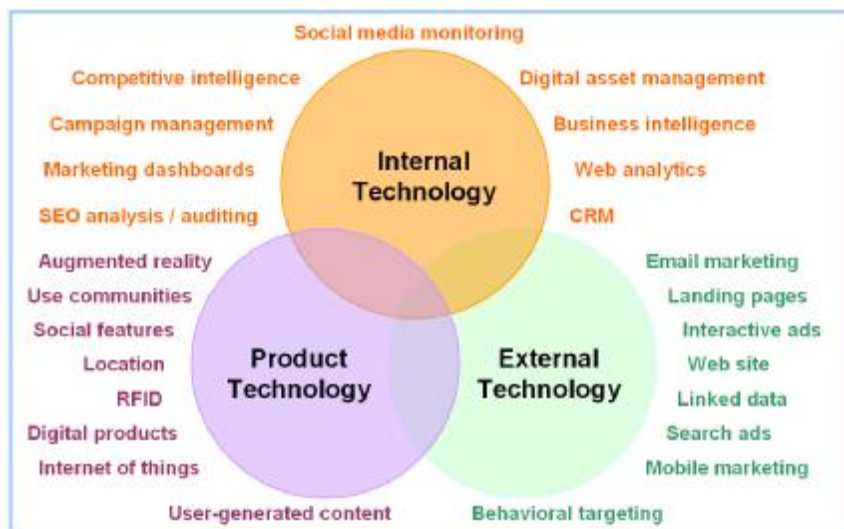


Figure 1 “3 Spheres of Marketing Technology”

That’s why it appears an important question: “Did the Marketing Technology plus IT mean Marketing ERP”?

Looking at the transition from channel silos to a more integrated marketing technology platform brings up the notion of Marketing ERP (Enterprise Resource Planning) to provision, manage and analyze initiatives supported by marketing tech.

Next-generation direct marketing demands a front-to-back rethink of the overall IT architecture, with the ultimate goal of better understanding the customer. In the past, each channel would feed customer information individually into the back-end customer relationship management (CRM) and enterprise resource planning (ERP) systems that processed transactions and held much of the customer data. Using the new architecture, all of those channels now connect to a central integrated engine. This engine, available throughout the network, mediates between channels and the customer data and back-end processing. The central campaign engine also contains the business rules that govern every interaction with every customer.

Key to the success of the architecture is the creation of a flexible model of the metadata that controls customer information. This gives marketers the ability to tap into any number of customer data warehouses, without the time and effort required to integrate all that information into a single database. This model also allows every channel to tap into the same collection of customer information. The single most critical innovation, however, lies in doing away with the typical siloed, channel-specific architecture on which most current direct marketing and campaigning technology depends. No customer-centric marketing effort can be truly successful if the technology is still organized around interaction channels, rather than those all-important customers who naturally interact with the business through multiple channels.

The new architecture also provides unprecedented flexibility. Because the system is increasingly integrated into a suite of marketing tools, campaigns can be designed and executed without needing to be tied to individual channels. All the business rules required by each channel are captured and integrated by the system, allowing marketers to design cross-channel campaigns

that can rapidly shift direction from one combination of channels to the next. The system is designed to support all critical processes and workflows required by each campaign, from campaign planning and the building of the rules engines to campaign execution and the orchestration of multiple campaigns—even monitoring and reporting dynamically on the system’s success. Business users benefit further through increased usability: Users can create “dashboards” to aid in interacting with customers, managing campaign workflows, monitoring a campaign’s progress, and assessing its performance.

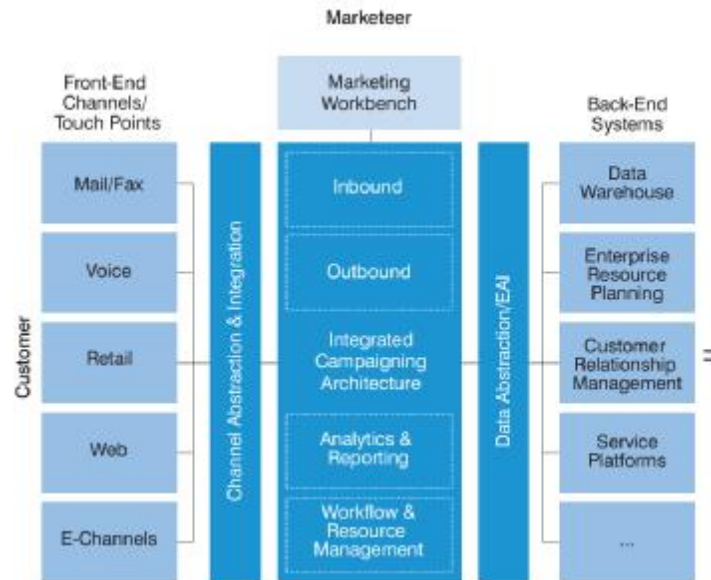


Figure 2 Next-generation Marketing system design

III. Conclusion

The best approach of this analysis is the enablement and empowerment of IT and Marketing working as true collaborative partners, where upper management fully supports the elimination of silos and frees up IT to work on strategic initiatives. Software companies still have lots of people and process matters to figure out first. Innovate how the company works together as teams with common purpose. Collaboration culture can lead to and encourage innovation culture, both of which can lead to business success and competitive agility.

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