



What marketing needs from IT

Simon Daniels considers how marketing and IT can 'play nicely' in the right framework.



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Simon Daniels, director, marketing operations consulting at Percassity Marketing Data Solutions.

It's well known that sales and marketing are like cat and dog in many companies. Constant conflicts take place over the value of marketing activity, the quality of leads and their subsequent follow-up and who gets credit for new business wins. These issues are much discussed and suggested solutions abound.

What though, of the relationship between marketing and IT? Technology is crucial to modern marketing in the form of database systems, campaign automation, digital and interactive platforms, analytics and more. We turn to our IT colleagues for solutions in these areas to help us manage customer life-cycle, campaign execution, measurement and many other aspects of marketing activity. Alongside systems deemed business critical in finance and operations though, marketing is often afforded lower priority and left to fend for itself.

The response of IT to requests from marketing for additional resource often revolves around their need to focus on "core functions", but what are these functions? "As all experienced marketers will be aware," wrote Antony Begley in September's *Database Marketing* supplement 'Managing Customer Data in a Recession', "the IT department's requirements differ from those of marketing." Clearly IT has many demands placed on it from across any business. Systems relating to financial management and service delivery will always occupy a high profile position, even against those generating and tracking demand for a company's products and services. The tendency among IT organisations though is a desire to retain ownership of as much of the technology deployed within the business as possible, to define everything as a project and then submit each initiative to a review board for justification and approval.

Marketing's requirements are often much simpler than this and do not represent the same level of risk as other enterprise systems, which may be intrinsically mission critical. The rising prevalence of hosted and Software-as-a-Service ("SaaS") solutions means these needs can be met in a much lighter-touch way, without involving substantial infrastructure development and capital expenditure. This was undoubtedly not the case until even a few years ago, but the realm of "what's possible" moves on. Marketing should be given more discretion over their own solutions, as long as considerations such as security and performance are given proper prominence.

This allows the role of IT to become that of creating

an environment where these solutions can be rapidly selected and deployed. Core IT skills such as requirements definition, vendor assessment and selection and project management remain invaluable, and should continue to be embraced by marketing. This is where true value add can be achieved, as what marketing requires is a trusted partner to act as guide and facilitator through the many external solutions available and their most effective deployment.

The key point here is that there is an abundance of hosted solutions meeting the needs of marketing just waiting to be "switched on", once the right one is identified. IT is then relieved of the burden of creating the environment for a new system (servers, networking, backups), installing software, handling upgrades and so on. This is frequently where the time, expense and IT staff resource is consumed, leading to extended lead times for delivery or the assignment of lower priority to marketing initiatives.

Whether a marketing system is internal or hosted though, integration with other systems across the business remains crucial. This is especially the case with CRM or salesforce automation applications, where these exist. Sharing contact data, passing leads and tracking the end-to-end relationship with prospects and customers is key to maintaining customer centricity. Again though, the latest solutions, utilising web services and other techniques can be readily and rapidly interconnected, enabling joined-up vision and allowing best of breed solutions to be selected for the appropriate areas of the business. Often, this integration only involves a configuration task and not the custom development of old.

Clearly the arguments in favour of outsourcing are well rehearsed and sales and marketing represent a particularly good fit for this model. Indeed, marketing has long taken an independent approach, utilising bureaux to externally host and process prospect and customer data. This helps explain why in-vogue concepts such as "cloud computing" seem to be just business-as-usual, since data held and managed offsite is actually nothing new to marketers. Marketing's embrace of SaaS solutions is only a natural evolution of long held practices.

In this scenario, the "core function" for IT can then become one of enablement, fostering an environment in which fit-for-purpose solutions can be rapidly identified, deployed and integrated. The growing contingent of highly capable, technically literate marketing operations professionals can take it from there, combining the best of both worlds. These "hybrid" individuals are as equally comfortable handling the commercially orientated and fluid requirements of marketing, as they are detailed and rigorous IT considerations. Supported by IT where necessary, but with the right level of autonomy as well, marketing can become far more self-sufficient.

There's no reason marketing and IT can't play nicely, with everyone capitalising on their strengths and ensuring the best outcome for companies and their customers. This is clearly in everyone's interest, allowing marketing to focus on being responsive and results orientated and IT to apply resources where similar solutions are not so readily available for other functions. Now, how to achieve the same result with marketing and sales... ■

Email marketing spend to grow

Seven out of ten marketers expect expenditure on email marketing to increase over the next 12 months.

The latest Direct Marketing Association (DMA) National Client Email Survey report reveals that 70% of marketers expect spend on email marketing to grow next year, less than half have a strategy concerning maximum email contact frequency, only a quarter of marketers are able to calculate the value of an email address and 12% don't know how many emails an address should receive each month.

Richard Gibson, Chair of the DMA Email Marketing Council Benchmarking Hub, comments: "As the recession forces many businesses to cut or freeze marketing costs, the continued growth in expenditure is testament to email's enduring value. However, in a bid to stretch this value in difficult economic times, marketers are increasing the volume of emails. Without the correct best practice and evaluation measures in place, these companies risk alienating customers by over-mailing which can lead to deliverability issues."

The report highlights deliverability as marketers' biggest concern, followed by conversion rates, ROI and reputation. A heightened focus on deliverability is attributed to the increasingly specialist tools and expertise required to get email delivered.

Sender reputation is ranked as the most important deliverability factor (36%) followed by list hygiene (20%) and email content (18%). ■

Consumers to spend big at Christmas

25% of consumers happy to spend £1,000 on a single product but social media spend unlikely.

Consumer willingness to spend heavily online in the run up to Christmas is higher than ever

before, despite the economic downturn – that's the surprise finding from the 2009 Consumer eTail Report from GSI Commerce.

Amazingly, a quarter of people are willing to spend more than £1,000 on a single product online this year, compared with less than half that the year before, while the number who will cap their spending at £250 or less per product fell to 32% from 48% the year before. Only 9% claimed they would be willing to purchase directly via a social media site.

"Although some retailers, such as 1-800-Flowers in the US, are beginning to launch transactional stores on social networks, features such as these will fail to make a significant sales impact in the short term," says GSI's Steve Davis.

"Social networks are fantastic forums to listen and engage with your customers but, as the data reveals, at the moment, they are simply inappropriate for transactional interactions. " ■

Lax data management turns off customers

88% of customers would change their attitude to a company if incorrectly mailed.

New research shows that 88% of UK consumers would change their attitude to a company if they were mailed with incorrect contact details. The research was carried out by Callcredit Information Group, Marketing Solutions and identified that 33% would lose confidence in the brand, 15% would never buy from the company again and 40% would never respond to any of their marketing communications.

Females would be much more likely to change their perception of the brand than males while older audiences seem to be especially affected, with the over 45s age group being 5% more unlikely to respond to a communication than those aged 18-44.

Some 55% would not contact the company to update their details, and the greater the affluence the less likely consumers were to correct their details. Of those who said they wouldn't update their details, 70% had an annual household income of more than £40,000 and 61% were home owners.

Caroline Worboys, managing director of Callcredit Information Group, Marketing Solutions, comments: "The results of this survey should provide a stark warning to all companies during this economic climate. Failing to ensure that marketing communications contain the correct name and address details has been proven to be a deal breaker with consumers and to be honest there are no excuses." ■

"Social networks are fantastic forums to listen and engage with your customers but at the moment they are simply inappropriate for transactional interactions."