Stepping Up to High-Velocity Marketing

How the need for responsiveness and speed are driving new operating models

Marketing has experienced a technology explosion in recent years, bringing new opportunities for marketers to keep their organizations ahead of their competition. CMOs are revving up with high-velocity marketing to improve their response times, and they're turning to technology for help.

In fact, worldwide spending on marketing technology doubled from 2017 to 2019, reaching approximately $121.5 billion.[1] However, marketing leaders are facing an uphill battle in harnessing the true power of their technology. According to Gartner's 2019 Marketing Technology Survey, they're using just 58% of the potential of their marketing technology stack.[2] That's not an impressive return on investment (ROI).

The problem? Despite the valuable time and resources CMOs have invested in the latest marketing technology, their efforts are hampered by outdated, inefficient processes, bad customer data and a shortage of employees with the skills and talent to create value from these investments.

The solution isn't necessarily to buy more technology, but to maximize what they already have and translate it into business effectiveness, according to Benjamin Bloom, senior director analyst at Gartner.[3] Moving into high-velocity marketing can drive down costs, increase efficiency, and establish better governance across line-of-business marketing. The key is to streamline processes, leverage established outsourcing and offshoring models, and infuse new skills into the workforce – in short, to build operating models of the future.

Four Specific Challenges

CMOs face four specific challenges that can prevent them from achieving high-velocity marketing.

1. Pressure to drive marketing outcomes
Social media and instant brand communications have brought new pressures as well as opportunities to marketers. Today, marketing teams must be more responsive and faster than ever before. They need to make decisions in nanoseconds to reach and retain their customers and provide tangible business outcomes. To do that, they need technology teams that understand marketing as a domain and can use the new tools to drive marketing ROI.

2. A high-cost model
Despite increases in the sophistication of marketing technology, marketing teams and operations are often still localized and located in high-cost geographies. This creates an inefficient cost structure, which in turn causes problems when the organization wants to scale.

3. A talent and skills gap
Many marketing teams don't have resources with the talent and skill necessary to harness the capability of the powerful new marketing technology tools. Assembling and supporting a marketing team with the right talent and skillset is essential to the success of marketing operations.

4. Broken processes that can't scale
Less-efficient processes that were tolerable in the old days can break down completely in the digital age. When marketing was running a handful of campaigns a month in the physical world, the compliance department could still use spreadsheets and email to ensure it followed the appropriate privacy rules. Today, marketing runs hundreds of digital campaigns in a variety of locations. Manual processes can't stretch to ensure compliance of hundreds of campaigns with dozens of different privacy laws around the world.

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[1] Chiefmartec.com, "Martech is now a $121.5 billion market worldwide," https://chiefmartec.com/2019/10/martech-now-121-5-billion-market-worldwide/

[2] Gartner, "Gartner Says Marketers Utilize Only 58% of Their Martech Stack's Potential," https://www.gartner.com/en/newsroom/press-releases/2019-11-18-gartner-says-marketers-utilize-only-58--of-their-mart

[3] Ibid

The Way Forward

CMOs can meet these challenges in four critical ways:

1. Infuse new technology skills into their marketing teams.

2. Establish marketing technology centers of excellence.

3. Enhance scalability and reduce cost through outsourcing and offshoring.

4. Modify processes to accommodate all of the above.

The right outsourcing/offshoring partner can provide scalable operating models for marketing and its technology operations, freeing up the organization's core marketing team to focus on strategy and outcomes.

When considering a partner, a CMO should evaluate its technical capabilities, its expertise in marketing, and its experience at scaling operations. The partner should have the ability to leverage technology and deliver it on a global scale. It should display how it can marry technical prowess and experience in the marketing domain to make the company's marketing more intelligent. For example, personalized campaigns are a key differentiator in today's competitive environment. Yet the partner should also be flexible enough to adjust to the needs of a range of geographies. Different geographies have different expectations and pricing for marketing services, for example.

Today, CMOs have a tremendous opportunity to update and develop new processes that will better leverage their existing technology and data investments. With the right partner – one that has the technical knowledge, the operating expertise, and the experience to bring it all together at scale – an organization can make its marketing operation lean, efficient, and effective, producing tangible business outcomes and substantially increased ROI.

New operating model cuts costs by over 50%

A multinational corporation was maintaining 700 partner websites, all built using multiple technologies, a cumbersome, time-consuming, and expensive process. The company was spending $4.5 million on production and another $3 million to $4 million running campaigns.

Capgemini consolidated the company's marketing technology, devised new processes, and leveraged a scaled delivery model to accommodate different geographies while supporting global governance.

These changes helped bring down the company's marketing operations cost by 50%. The company also gained improvements in savings and better ROIs delivered through more net new campaigns. With Capgemini's help, the company was able to reinvest the savings into advancing its marketing technology to leverage data and personalize marketing to its customers.

The ideal partner for high-velocity marketing ...

- Can tap into global operating models to deliver cost reduction and high marketing throughputs
- Has established industry alliances with leading marketing technology vendors
- Provides custom-designed accelerators for marketing, and embeds its technical and data expertise into its marketing tools
- Combines its expertise across digital channels, marketing technology, and data to deliver marketing outcomes

Learn how to boost your marketing ROI with Capgemini. Email us at banking@capgemini.com.

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