

THE CMO CLUB SOLUTION GUIDE: CONSUMER-FIRST MARTECH

Using Consumer Insights To Unify Marketing Technology Decisions



OVERVIEW

Every company markets to consumers differently. From call centers to emails to apps and aggregator sites, orchestrating a relationship marketing strategy requires a bespoke collection of marketing technologies. Marketers have the budgets to spend on CRM, email, mobile and data management, but fitting these capabilities together and ensuring they work with legacy business systems is not easy.

Most marketers work with several marketing automation technologies to get the job done, and innovations like artificial intelligence (AI) add complexities that require orchestration across many data sets and platforms. The most successful marketers put consumers at the center,

but that's easier said than done. While most marketers are working to put consumers first, getting access to consumer insights across channels is cited as the most difficult aspect of marketing automation. What's more, marketers find it difficult to get many marketing vendors to deliver custom integrations and features needed to tie everything together.

A consumer-first approach to marketing technology can help unite a marketing technology strategy. Understanding what consumers want, and what would drive the most value for them, ensures that marketers stay focused and technology decisions are prioritized based on consumer outcomes, even in the face of complexity.

CONSUMER-FIRST MARTECH

What can a marketer do to stay focused on consumers? The CMO Club conducted research in thought leadership with Selligent Marketing Cloud that included a detailed survey of 69 marketing leaders and half a dozen in-depth interviews to understand how marketers can make technology decisions that do increase relevance for consumers. In this report, we'll share those insights and also discuss "Consumer-First Martech", a concept that helps marketers stay truly focused on consumer needs when making complex marketing technology decisions.

WITH SPECIAL THANKS TO PARTICIPATING CMO CLUB MEMBERS,
AND FEATURING IN-DEPTH INSIGHTS WITH THE FOLLOWING:



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INTRODUCTION

Say a marketer is interested in using AI to increase relevance for a brand's consumers. Several of their brand's current technology vendors offer AI, and so they ask each vendor to give a demo. They find that some require an additional installation at an added cost, while others need access to new data that require an integration between two technology platforms. Then, as the diligent marketers they are, they assess how difficult each AI project might be, the cost, and projected timeline to determine where to focus.

What started as a simple goal of increasing relevance for consumers becomes a complex calculus for how to manage different technologies and millions of data points. The marketers end up selecting the most manageable project, but it only marginally improves consumer brand experience. What went wrong?

CONSUMER-FIRST MARTECH

Consumer-first martech requires two things: 1) companies to prioritize customer value across departments, and 2) fluid access to customer data, shared and updated in real time across channels. While every marketer has a different set of internal and third-party technologies, the need to prioritize consumers is universal. Consumer-first martech requires that marketers:

- **Identify consumer needs first.** Marketers determine which customer needs are most important to address.
- **Assign a value to consumer needs.** Marketers determine the relative value gain for both the company and the consumer for each identified need. This assessment is used to weigh against the relative costs of solving for each need to find the best cost/benefit.
- **Use consumer value to make decisions.** Projects and vendor selections are vetted based on solving identified customer needs.
- **Use data as currency.** Assign a value to the customer. Vendors are vetted for data-friendliness. Marketers prioritize access to CRM data, ability to normalize data, frequently update data, and share data across channels.

If the marketers had used a consumer-first approach to their AI technology selection project, they would have been able to clearly determine the costs and benefits of each option. Marketing projects are complicated, but marketers can feel more confident in their decision-making when everyone is focused on the consumer outcome.



I have a small technology team that is separate from our corporate IT group that will do a lot of that technology vetting, along with a business partner. The business partner details the business requirements for the project, which allow us to evaluate the ROI of any given technology option. Then we engage the technology team to match tech specs against the business requirements.

Kevin Smith, CMO, Rollins

WHAT WE FOUND

After surveying 69 marketing leaders and conducting half a dozen interviews with CMO Club members, Selligent Marketing Cloud found:

- Marketers believe delivering consumer value is more important than driving sales revenue for their company.
- Delivering consumer value requires a consumer-first approach not only in strategy but in practice.
- Many marketers are in the process of building a cohesive marketing stack to automate personalized marketing.
- Marketing automation is complicated, with most marketers using multiple vendors at once.
- Marketers find that the most difficult aspect of marketing automation is accessing consumer data, particularly those that use a big cloud.
- Marketers must work around vendor limitations and tend to give vendors low marks for custom integration and custom feature development.
- The marketers who are the most focused and the most confident in their approach understand the value of every consumer insight and make technology decisions with consumer outcomes in mind.

MARKETERS ARE FOCUSED ON THE CONSUMER

OVERVIEW

Two-thirds of marketers say that their top marketing automation goal for 2018 is to speak to their customers in a more relevant way, ahead of driving more sales for the company. Marketers understand that it's important to put customers first. But when it comes to marketing automation, how can that goal drive the right technology decisions?



I'm very focused on the customer experience from that initial touch point. How do we design and engage the consumer on a consistent journey?

Laura Zimmerman, EVP & Chief Marketing Officer, Fidelity Life and eFinancial

With consumer relevance at the top of the list of marketer goals, it makes sense that relationship marketing is getting a significant amount of attention. In our survey, sixty-two percent of marketers report that relationship marketing is the most important or one of the most important functions of their team this year. Relationship marketing at scale requires technology that offers seamless marketing automation capabilities - insights that are updated in real time and accessed by every channel in a carefully orchestrated dance. However, marketers struggle to access usable customer data and are often forced to stitch together multiple technologies to get the job done. And, new innovations like AI can throw consumer-focused projects off track.

"There are other components that we thought about adding on, that we paused to focus on the marketing cloud element. So there's definitely more we can do. I think we were burned a little bit from the lack of support, and the implementation was harder than we initially thought."

Allison Lewin, VP of Marketing, F'Real Foods

RELATIONSHIP MARKETERS MUST FIT SOLUTIONS TO COMPLEX NEEDS

Customer insights form the glue of any good relationship marketing program, yet marketers agree that customer data management is the most difficult part of their marketing automation strategy. At 42 percent, customer data management received twice as many votes as the next most difficult element – customer journey mapping.

Many marketers cite data as a major pain point when working with their marketing automation vendor. “Cloud” marketers, those who work with the largest 5 marketing automation vendors, were much more likely to say that “access to customer data” was the most negative aspect of their relationship with their vendor. While 47 percent of cloud users had issues with data, only 25 percent of marketers using other vendors had issues.

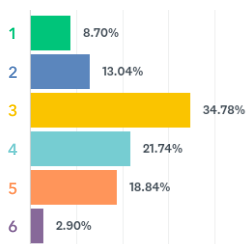
The technology partners that marketers tend to choose present a conundrum. The most positive benefit that

marketers cite from their marketing automation partner is scalability. It’s easier for many platforms to deliver scale than it is for them to offer accessible data needed for personalized marketing. Perhaps scalability is overrated if marketers are stuffing their marketing stack with mountains of unusable data.

What’s more, marketers, even those that work with one of the large and costly “marketing cloud” providers, typically work with 2 or more marketing automation tools, which can make it even harder to get customer insights where they need to go.

Moving data where it needs to go seems to be a chronically difficult achievement for vendors. In another insight from the study, marketers gave marketing vendors low marks for custom integration and custom feature development:

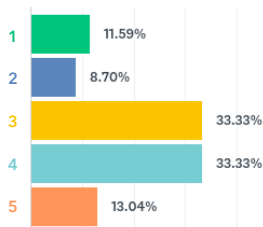
“We added Marketing Cloud about 2 years ago. We are finding that we are not necessarily leveraging all aspects of this tool. In addition, we have had to “bolt on” Google Analytics and an external loyalty program app. So, it’s not as simple as it seems. Furthermore, Salesforce does a great job selling their tools, but their customer support is lacking.” - [Allison Lewin, VP, Marketing F’Real Foods](#)



57 PERCENT OF MARKETERS RATED THEIR MARKETING VENDORS BELOW AVERAGE AT **CUSTOM INTEGRATIONS**

“We all have this holy grail mentality. Oh, can I just push the easy button and find a provider who will solve this whole thing for me? In my experience, I just don’t think those solutions work very well. I would say that’s more so for service businesses because there’s just not as much product designed for our space.”

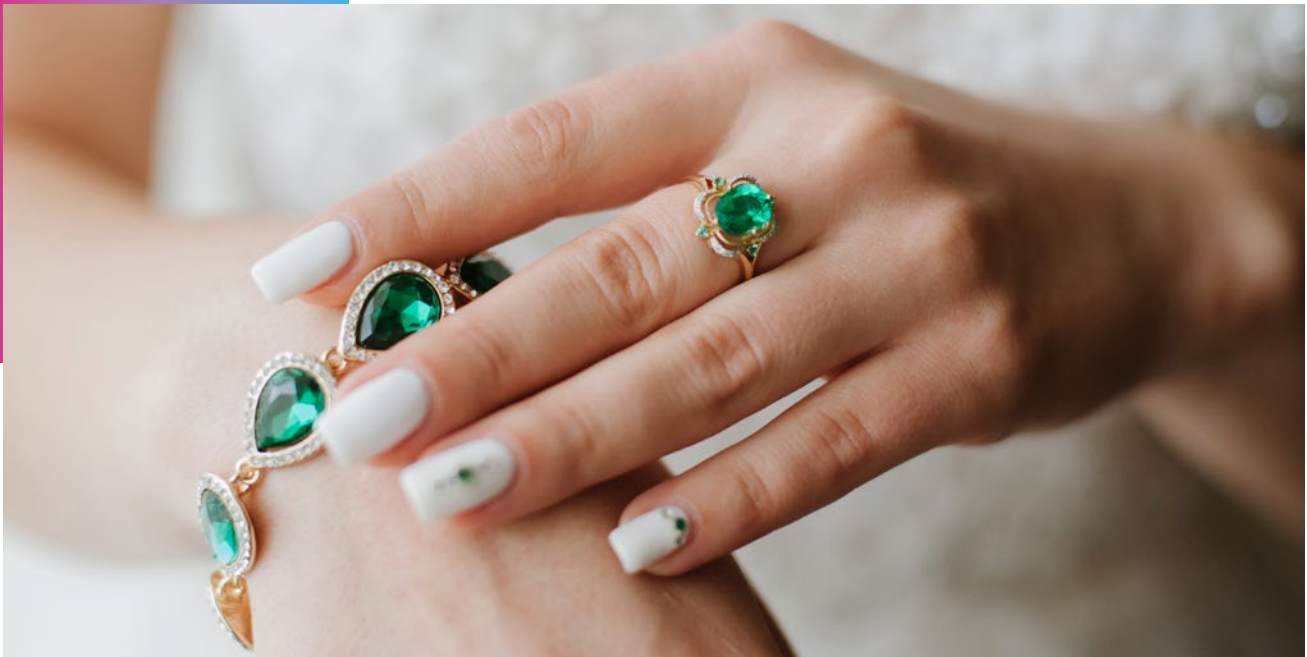
[Kevin Smith, CMO, Rollins](#)



54 PERCENT OF MARKETERS RATED THEIR MARKETING VENDORS BELOW AVERAGE AT **CUSTOM FEATURE DEVELOPMENT**

“I think it’s becoming much more clear that just switching to one stack and one cloud solution is not about the finances. We have deep knowledge and years of collecting customer data. It wouldn’t make sense to change everything because you would be throwing away so much knowledge.”

[Natalie Malaszenko, SVP Digital Business, Office Depot](#)



CASE STUDY - TACORI: CUSTOMER-FIRST MARKETING REQUIRES A NIMBLE TECHNOLOGY APPROACH

As a luxury jewelry brand that sells through distributors and partners, Tacori often loses touch with a consumer at the moment of purchase. For a company focused on consumers, this presents a complexity that Michelle Chila Adorjan, SVP Marketing & PR at Tacori is focused on overcoming with technology and insights.

“Everything is driven by the customer, and what the customer wants when they want it. It is always about identifying where are they, how are they expressing interest, how can they intersect with our brand in a relevant way that adds value to them, and that also kind of creates an ecosystem where they can be reconnected back to our brand or to our partner or to whatever it is that they’re looking for within their journey.”

To empower Tacori’s marketers, Michelle is prioritizing a “single view of the customer.” “It’s always about just trying to get more and more visibility into the elements that we can. Fundamentally, technology is driving that today. Technology is driving what we know, and giving us a much bigger picture across the channel... We are building a more robust CRM right now to centralize insights... Before we wouldn’t necessarily know if somebody had seen a particular ad. Did they click through a Facebook ad or an Instagram ad? We couldn’t determine where they came into contact with our site because of attribution issues or cleared cookies, and factors like that... We’re just getting more and more linked into a singular view of the customer, so that we can treat them as individuals and not just as aggregates to better tailor information to them.”

Michelle explains that Tacori has opted out of using a giant cloud platform to stay nimble and have control over their customer-focused approach. “We’re plugging in different pieces, and for us it lets us stay really nimble, it lets us stay within budget, it lets our team stay intelligent instead of having to outsource subject matter experts. And quite honestly, because technology changes, what happens right now is going to be very different from six months from now, and will be different 18 months from now. It lets us be a little disruptive as a smaller player.”



MICHELLE CHILA ADORJAN
SVP Marketing & PR
Tacori



CASE STUDY - FIDELITY LIFE AND EFINANCIAL: LEVERAGING DATA AND TECHNOLOGY TO DELIVER ON CONSUMER-FIRST CUSTOMER EXPERIENCES

Laura Zimmerman, EVP & CMO, Fidelity Life and eFinancial, is leading her direct-to-consumer insurance company as it extends its call-center-based distribution model to offer a more digital customer experience. This requires a strong line-of-site across the customer journey, as well as a tightly integrated data and technology strategy.

“Everything we do starts with our mission: to make life insurance more accessible and affordable for everyday Americans. This philosophy anchors our approach to the customer experience. And, we believe we’re uniquely positioned because our business model provides an end-to-end consumer view, so everything from the top of the funnel from a lead or customer acquisition standpoint, through the buyer journey to ultimately purchase, retention, and ideally cross-sell. For instance, we know consumers prefer to use different channels across the buyer journey. This means a consumer may start online to shop, request a quote, or complete an application, then choose to speak with a live person by phone. Being consumer-centric means using technology to make the online and offline experiences seamless – no one wants to repeat information or add needless time.”

A focus on solving for consumer needs – moving to more digital and real-time decisioning has kickstarted a shift in their marketing technology strategy.

“Historically, we pride ourselves on developing our own technology solutions. We even have some patents. With double-digit growth, increasing consumer demands and competition, we are in a place now to focus in on our core competencies and taking more of a plug-and-play approach to surrounding ourselves with best-in-breed technology and data solutions. We believe this strategy enables us to access greater functional expertise, quicker speed-to-market, and better economics as we shift to more variable cost, or pay as we use, arrangements.”

At Fidelity Life and eFinancial, the marketing team takes a significant role in leading many technology-based decisions, from selecting and onboarding martech vendors, to championing the digital customer journey. “For example, my team of customer acquisition managers and data scientists recently completed a vendor selection

process for a new lead management platform. While the system will integrate with our proprietary CRM platform, along with third-party data and technology services, the marketing department ultimately owned the selection decision and management of the implementation process. In the case of the online customer purchase experience, marketing led the overall initiative in close collaboration with colleagues across our organization including various technology teams, sales, product, operations, legal, and finance departments. As a mid-size firm, we can be nimble in pulling the right parties together quickly and expediting decision-making. That means we can focus on execution.”



**LAURA
ZIMMERMAN**
CMO
Fidelity Life

CASE STUDY - OFFICE DEPOT: WORKING WITH A MOUNTAIN OF INSIGHT

Office Depot mined years of customer data to determine that marketing leaders need oversight across channels. This strategy is based on the consumer insight that many customers have a very long, evolving journey with the company.

“By nature of my role, I do run e-commerce, but I also run digital marketing that not only supports our e-commerce efforts but also supports retail and our business solutions division as well”, says Natalie Malaszenko, SVP Digital Business at Office Depot. We’ve organized this way to focus on the customer. A customer that starts in one channel obviously, very quickly, can go to another.”

“Even if you look at it from a segmentation perspective, a customer who starts in a small home office, maybe as the only employee, can end up being someone who starts a company and actually gets a storefront. Now, this customer officially operates a small business, and may get to a point where they could use the help and support of a contracted customer.”

When it comes to technology, leaving behind years of expertise and data wasn’t the right option. Office Depot works around powerful internal legacy systems that are custom tailored to supporting the journey of a business.

Kevin Moffitt, Chief Retail Officer at Office Depot explains, “We’ve adopted a hybrid approach to how we support our customers. Just like many complex organizations, it’s evolved over decades. Some of our technologies are legacy and bulletproof, from a high transactional count perspective. And in other cases, we do take advantage of newer technologies as they emerge. We’re always opportunistic but we have to protect our core at the same time. That’s a real challenge that many of the more traditional omnichannel retailers are facing right now - adopting an evolutionary approach.”

“In our case, we combine best-of-breed technologies that are available across the marketplace, and we don’t tend to buy into any specific ecosystem because we feel it’s limiting and frankly, full of risk. Who knows where the innovation is going to come from if you’re completely locked into a single point of view from a technology perspective anyway? You may be betting on the wrong horse, and there’s a real chance of doing that right now because the industry evolves so quickly.”



KEVIN MOFFITT
Chief Retail Officer
Office Depot



THE CONSUMER-FIRST TECHNOLOGY APPROACH

Consumers themselves are complicated. They have many needs. A Consumer-First technology approach starts by reviewing those needs and prioritizing them. Based on what marketers know about their customers, they might create a short list of key needs to address. For example: streamlining a long purchase process, personalizing product recommendations, providing more relevant reminders to come back to the website, and teaching customers about the product they bought.



We are focused on our technology stack, and we continue to evolve stack... We are in the process of implementing Salesforce marketing cloud. We also partner with Adobe and particularly on the CMS side, as well as all of the test and target, and the analytics suite. We have some homegrown technologies however as well, particularly as it relates to our in-branch operations on the technology side.

Jennifer Dominiquini, CMO, BBVA Compass

With this list in mind, a marketer can vet each option and determine the relative cost of achieving a consumer-driven goal compared to the relative value of hitting that goal. What was once a vague “I want to offer more relevance” statement becomes a concrete marker by which technology-driven projects can be measured and compared.

Going through each step of a consumer’s needs and what they value ultimately leads to a more focused discovery of the overall customer journey when prioritizing the following:



IDENTIFY CONSUMER NEEDS FIRST

Research from McKinsey states that most marketers still use surveys and focus groups to learn about customers, which severely limits the ability to understand consumer needs. The consulting firm urges marketers to prioritize insights “from the field” and using analytics to understand patterns in online and mobile behavior to get more accurate insights. Understanding the full customer journey also helps marketers put individual behaviors in context.

The ANA identifies customer insights as one of the “seven big problems” facing B2C companies today. Unilever has created a corporate “insights engine” that centralizes all consumer insights initiatives, with the team reporting directly to the executive suite. Even a single website can be a fountain of information for relationship marketers.

“[We are] using the mass amount of traffic we receive going through our site and are continuously watching customer behavior.”

Natalie Malaszenko, SVP Digital Business, Office Depot



We have to make sure that all of our channels are aligned and that the customer is receiving all of the same messaging in an integrated on-brand relevant way across all the touchpoints.

Jennifer Dominiquini, CMO, BBVA Compass

II

ASSIGN VALUE TO CONSUMER NEEDS

The value of a customer need is a combination of the importance of solving that need for the customer as well as the potential gain in solving that need for the company.

Consumer insights come in “major” and “minor” forms. Unilever surfaced a growing need for global consumers to identify culturally with brands, which caused a worldwide shift in how the company’s brands were

managed at the local level. Customer insights can also surface which show that a slow app or clunky loyalty program depresses revenue, or even that customers want to identify more emotionally with email messages. If marketers can centralize and prioritize each need based on value, the company can stay more focused on the customer.

“Instead of our design team creating a product, and hoping to release it, and hoping that consumers like, and creating inventory problems if they don’t - we’ve reversed engineered through our new capsule design where we are using data sets from a trusted online digital platform to tell us what is trending, what is happening, and then use data-based insights to inform our design.”

Michelle Chila Adorian, SVP Marketing and PR, Tacori

III

USE CONSUMER VALUE TO MAKE DECISIONS

Many marketers find themselves working backwards based on a new feature presented to them by a vendor. Someone has a new AI feature or mobile video widget, and suddenly a new project is born. Instead, marketers need to start with company priorities and customer needs first, and then determine which tools and technologies to select.

“You can’t have too many account people running around your organization because then you’re not going to have a consistent solution. We kind of turned the tables on that early on and made sure that the people who are driving the technology stack conversations were at the table, and really could run the proper process rather than having people just come from the outside to try and sell to whomever.”

Jennifer Dominiquini, CMO, BBVA Compass

“If you don’t have your hands on the data and you don’t have easy access... I think you’re asking for trouble.”

Kevin Smith, CMO, Rollins



USE DATA AS CURRENCY

A consumer study by Deloitte found that most data used by marketers today is simply incorrect. Big data that’s bad data is a recipe for bad marketing.

“It’s always about just trying to get more and more visibility... Fundamentally, technology is driving that today. Technology is driving what we know, and giving us a much bigger picture across the channels. Before we wouldn’t necessarily know if somebody had seen an ad...[across what channel]... We’re just getting more and more linked into a singular view of the customer, so that we can treat them as individuals and not just as aggregates, and better tailor information to them.”

Michelle Chila Adorjan, SVP Marketing & PR, Tacori

Once marketers focus on consumers, they find that not only do they better understand how to prioritize technology projects, but also they prioritize access to good quality data. That’s a good thing. Just as marketers can assign value to solving a consumer need, they can assign value to having access to good consumer data:

- What will the data allow the marketer to do?
- Can the data be used for multiple projects?
- What will the benefit be to the consumer?

“Every contact, every piece of information, every lead that we have is centralized.”

Allison Lewin, VP of Marketing, F’Real Foods

When marketers are constantly aware of consumer needs and the value of solving for those needs, prioritizing marketing technology decisions and data becomes the focus.

“We try to take a much more holistic approach on how we can view these types of customers one at a time versus only focusing on channels alone. It’s a work in progress, but I think in some ways it’s very easy to think about the differences by channel. It’s trying to really step back and think about it more holistically from a customer viewpoint.”

Natalie Malaszenko, SVP Digital Business, Office Depot

ABOUT THE CMO CLUB

The CMO Club is the world's most engaged and inspired community of Senior Marketing Executives who help each other solve their biggest challenges, within a candid, trusted and sharing environment. Collaboration fueled by inspiring events and within the members-only Digital Solutions Clubhouse raises the standard for what is required to be a successful Chief Marketing Officer. With more than 650 members, The CMO Club is the go-to center for today's Senior Marketer for peer-based personal and career success support. For more details, please visit www.thecmoclub.com.

ABOUT SELLIGENT MARKETING CLOUD

Selligent Marketing Cloud is a marketing automation platform that enables B2C brands to engage consumers across all critical channels. Built for the relationship marketer, Selligent Marketing Cloud is the only marketing cloud built on a single code base, featuring artificial intelligence and a Customer Data Platform with a universal consumer profile at the core of every action.

More than 700 brands across retail, travel, automotive, publishing, and financial services rely on Selligent Marketing Cloud's proven platform. With 10 offices across the United States and Europe and more than 50 agency partners, Selligent Marketing Cloud serves over 30 countries with local, personalized service.

Learn more at www.selligent.com and connect with the team at Twitter, LinkedIn, and our blog.

