Generation C: The Connected Customer eBook Series

Manage:
Make the Most of Your Marketing Connections

Enterprise Marketing Management

IBM ®

Generation C: The Connected Customer eBook Series

Learn how marketeers can connect with customers in our Generation C: The Connected Customer eBook series.

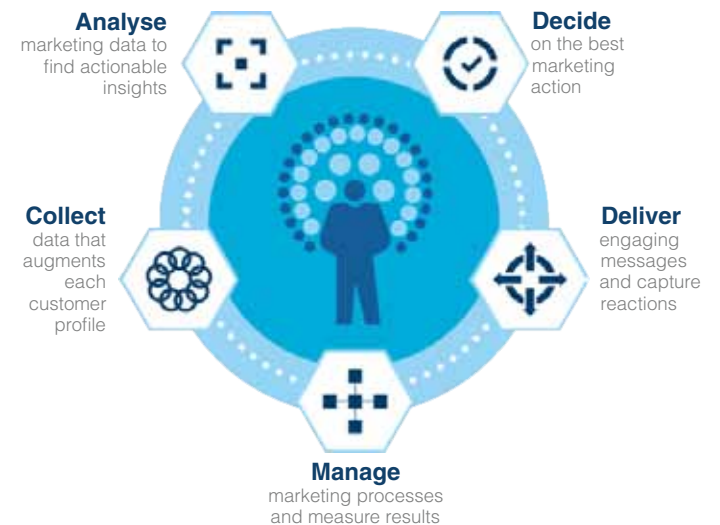| 1	2	3	4	5
Collect:	**Analyse:**	**Decide:**	**Deliver:**	**Manage:**
Build a Customer Data Foundation for Interactive Marketing	Understand Customer Behaviour to Fuel Interactive Marketing	Match the Right Message to the Right Customer	Connect with Your Connected Customers	Make the Most of Your Marketing Connections

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Introduction

Have you ever found yourself in this untenable position? Your web team and email program owners are targeting the same customers, with different offers, or worse, competing offers.

Siloed systems and teams limit marketeers' ability to make sound assessments about performance and spending. Marketeers around the world spend over one trillion USD each year. Yet, most of them still manage their marketing programmes with a hotchpotch of spreadsheets and disconnected applications. Unnecessary costs, delays and poor collaboration plague marketeers. Under increasing pressure to connect with customers while doing more with less, marketeers who strive to optimise marketing performance through a single integrated software platform can make the best use of people, programmes and resources. Today, you need a return on every dollar spent and a platform that aligns technology, people and processes to help create effective, efficient marketing programs that support customers for life.

The process of Manage is how you optimise your marketing people, processes and resources. It works in concert with the fundamental Enterprise Marketing Management (EMM) processes of Collect, Analyse, Decide and Deliver.

EMM: a comprehensive suite integrating five critical marketing processes

Analyse marketing data to find actionable insights

Decide on the best marketing action

Collect data that augments each customer profile

Deliver engaging messages and capture reactions

Manage marketing processes and measure results

Disconnected systems and processes impact the marketeer's ability to connect with customers.

The business challenge

Ineffective and inefficient marketing performance can undercut all your marketing efforts.

- Planning is reactive instead of proactive
- Focus is tactical rather than strategic
- Spending is misdirected without accurate metrics
- Resources, including staff, are not used for maximum impact
- Assets are scattered

Despite the trillions that marketing organisations spend on marketing touch points, media and channels, most marketeers still manage their projects using a disjointed collection of spreadsheets, word-processing documents, emails and content management platforms. This approach results in unnecessary costs and delays that affect time-to-market and restrict coordination and collaboration. The typical fragmented approach makes it harder for you to determine budgets and what resources are needed, and to gauge KPI and ROI metrics. With inaccurate metrics, process improvement is virtually impossible to achieve – and it is not going to get

easier. According to the IBM Global CMO Study, **79 percent** of CMOs expect a high or very high level of marketing complexity over the next five years, yet only **48 percent feel** prepared for such complexity.

In an attempt to address rising complexity, marketeers are turning to technology. Research suggests that marketing is playing a greater role in IT purchasing: within the next five years, the CMO may spend more on IT than the CIO. As marketing becomes more deeply involved in shaping customer experiences across multiple touch points, your projects become more sophisticated and complex. These projects need automated and synchronised process and data management tools in order to be successful. Using legacy tools and manual processes such as spreadsheets, project management applications and multiple repositories limits marketeers' ability to monitor and measure effectively.

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The solution: Marketing Performance Optimisation.

What is Marketing Performance Optimisation?

Marketing Performance Optimisation (MPO) enables marketing organisations to optimise programme efficiency and effectiveness with robust performance analysis, scenario planning and forecasting, financial planning and process automation via collaborative project management.

Marketing Performance Optimisation, or MPO, is the heartbeat of the marketing organisation. By delivering optimised marketing, you can maximise your operational **efficiencies** within marketing, and deliver more **effective** marketing to customers and prospects.

In particular, MPO helps manage:

- Strategic plans and programmes that are critical for defining marketing goals and objectives
- Marketing performance so you can optimise marketing effectiveness
- Marketing spend, from individual projects to the financial plan for the quarter or year
- Storage and organisation of marketing assets for use across all marketing programmes

MPO: Beyond "what was" to "what if?"

Traditionally, CMOs and marketing executives have used anecdotal information and results to manage campaign planning efforts and staff and resources assignments. The shift to MPO changes the focus from this kind of reactive planning to strategic marketing, using robust data and what-if analysis tools.

Strategic planning with MPO includes calculating the optimal mix of marketing activities for new customer acquisition, customer retention (loyalty programs), channel management and budget allocation. MPO solutions help marketeers perform "what if" scenarios based on interaction history, customer profiles, financial data and prior offer information to determine how to optimise marketing spend and outcomes. They can also push that plan from the top down into marketing operations and programmes – delivered as campaigns and projects managed at a tactical level. As a result, MPO drives greater marketing efficiency and effectiveness.
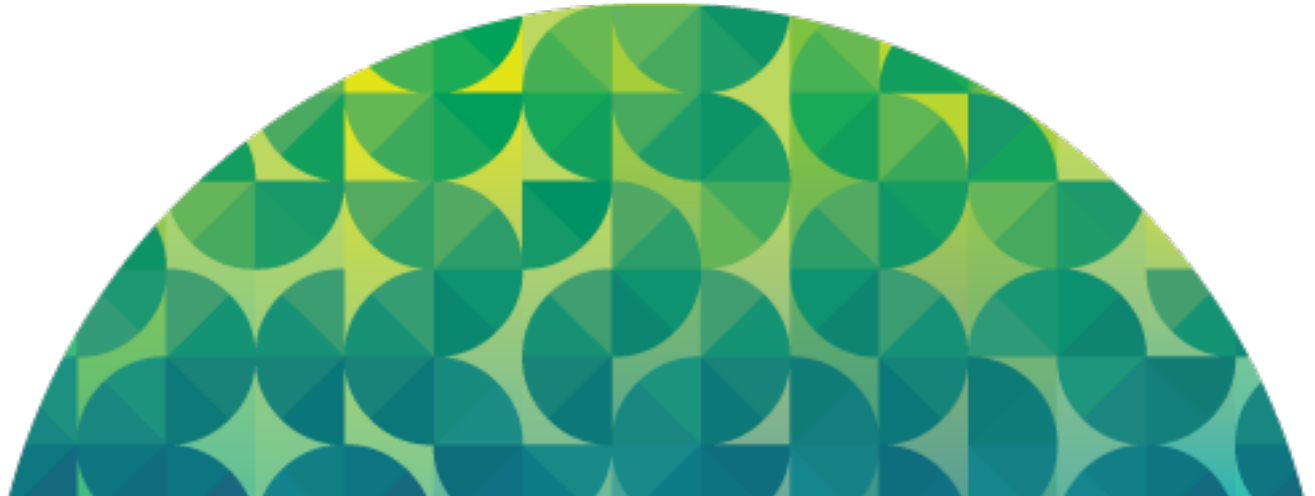
Good, better, best: Taking marketing performance to the next level with MPO.

The constant change and rising expectations facing every CMO and marketing staff leave marketeers hungry for better automated marketing solutions that maximise operational efficiencies within marketing and help improve the effectiveness of all marketing connections.

Toward that end, Marketing Performance Optimisation helps marketeers manage the strategic process of planning programmes that drive marketing success and monitor the performance of marketing activities, staff and resources.

With MPO, marketeers have a software solution that systematically addresses marketeers' requirements for better planning, budgeting, process management, marketing asset management and tracking. MPO tools provide a foundation that helps marketeers optimise their processes by refocusing scarce resources on understanding their customers, defining strategies and delivering creative solutions.

A collaborative and consolidated system allows activities, jobs and data to be shared easily with colleagues and partners. Collaborative workflows give project managers the ability to connect with creative teams, business owners and legal groups. By aggregating projects and their costs across quarters and years, executives can better plan and optimise their spending. A centrally managed offer repository provides a single source for quickly creating marketing campaigns. Whether the item is a specific creative file or something less tangible such as the production specification of an email template, it can be accessed and reused by any authorised user.
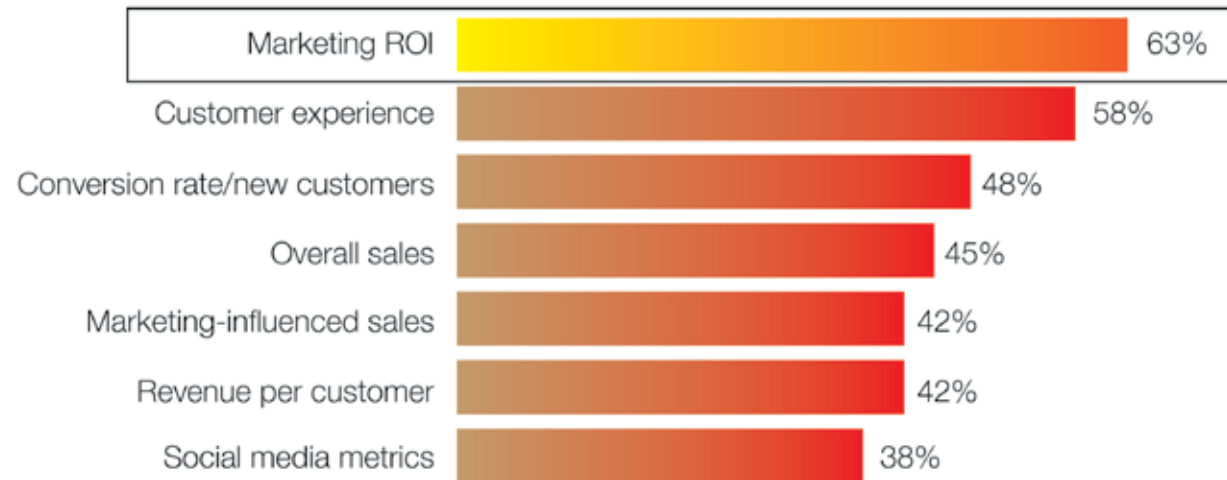
Optimising marketing efforts delivers higher ROI.

CMOs who participated in the IBM Global CMO study believe that ROI on marketing spend will be the number one method for determining success by 2015.

With MPO, marketeers can probe the effectiveness of marketing spend across campaigns and channels, and use these insights to deliver high-value, high-return marketing. MPO also helps marketeers manage the complete life cycle for key campaign elements such as offers, target prospects and customers, including creation, approvals, publishing and retirement. If past informs present, MPO gives marketeers the ability to put cross channel interaction history to work to plan future campaigns. Advanced response attribution provides insights into what is and, even more importantly, what is not working. MPO performance reporting provides real-time updates on campaigns, segments, email opens, social sharing and more. Also, marketing mix analysis helps marketeers adjust budgets and media mix to optimise results.

According to the IBM Global CMO study, CMOs believe ROI on marketing spend will be the number one method for determining success by 2015.

Seven most important measures to gauge marketing success
Percent of CMOs selecting success measurements

Measure	Percent
Marketing ROI	63%
Customer experience	58%
Conversion rate/new customers	48%
Overall sales	45%
Marketing-influenced sales	42%
Revenue per customer	42%
Social media metrics	38%

CMOs believe ROI on marketing spend will be the number one method for determining success by 2015.

"The benefits are two-fold: we spend less time managing the open questions on the project and everyone associated with the project receives updates in the same way, regardless of who the project lead is. This creates consistency across our operations."

Leading North America pharmacy benefit company

Be faster and smarter – improve marketing alignment, visibility, velocity, capacity and more.

At a time when CMOs and their organisations are under ever-increasing scrutiny to produce results, MPO can deliver bottom line benefits. Marketeers can achieve mission-critical improvements in alignment, visibility, velocity, capacity, and compliance.

Better Alignment: When marketing efforts are consistently aligned with the organisation's business strategy, marketing expenditures can have a greater impact (and better ROI). However, many companies find this tight alignment challenging to achieve. MPO promotes it in several ways. First, MPO creates a top-down planning workspace that contains high-level marketing plans and budgets that are communicated to the entire organisation. Next, MPO helps centralise strategic goals, marketing plans and budgets, helping companies ensure that all new projects reflect agreed-upon goals, objectives and tactics. The system's increased transparency makes it easier to keep on track.

Sharper Visibility: A marketing system of record provides immediate visibility into all marketing operations. Project stakeholders have a clear, current view of activities, project status, budgets, resource availability and performance. Managers can measure and track programmes throughout their life cycles. Teams can identify issues faster and make timely course corrections. Managers can optimise budgets, improve resource utilisation, synchronise market activities and determine true ROI for each programme. Decision-makers gain detailed benchmarking data for continuous improvement.

Greater Velocity: Marketing organisations can streamline campaign delivery and systematically eliminate delays by capturing project management best practices and establishing standard processes for campaign logic, creative development, programme execution and analysis. MPO eliminates approval bottlenecks by making materials more accessible for review and automating approval workflows. Customised templates can help organisations improve coordination, implement best practices and reduce rush fees, rework, compliance fines and duplication.

Increased Capacity: Marketing teams can design, develop, execute and analyse more programmes because they are freed from inefficient processes and resource-consuming bottlenecks. MPO provides a central project repository, which gives project teams immediate access to best practices and prior programme templates. They can staff and launch new projects more rapidly, drawing on up-to-date information about resource availability, and accurate historical information about comparable projects. Centralised storage and management of existing assets enables marketeers to make the most of creative briefs, graphics, emails, advertising copy, promotional themes, specifications, offers and targeting.

Improved Compliance: Marketeers face higher risks as compliance rules, privacy regulations, and customer preferences unfold. Standard approval processes, collaborative markup, automatic revision logs, version control and audit trails ensure every finished deliverable has been carefully reviewed and tracked. Finally, the best MPO systems easily integrate with other enterprise systems, giving external stakeholders – from finance and counsel to line managers – easy access to compliance information.

The road to more perfect marketing and more perfect connections.

MPO is the path to more precise, perfected marketing, which means better connections to your connected customers. Two exciting areas of MPO solution capabilities include offer life cycle management and attribution modelling. MPO offers marketeers the capability to more precisely manage the offers presented to customers. From offer creation to approval, to promotion into production systems and versioning, offer life cycle management gives marketeers the ability to manage offers across channels, both inbound and outbound, and to decide when offers should be retired.

Attribution modelling is all about assigning credit to your various marketing tactics. Traditional attribution activities assign success to the first or last touch, or split it evenly among several touches. A more realistic approach to attribution looks at the series of marketing tactics that played a role in that successful culmination of a sale or purchase. With MPO, the marketeer doesn't have to guess which campaigns contributed to a sale or purchase. Using sophisticated mathematical algorithms, the latest attribution modelling solutions can assign a weighted credit based on how much each marketing touch actually contributed. When you have a better understanding of what marketing offers actually made good connections with your customers and prospects, you have the information you need to make better decisions about future campaigns, budgets and resource allocation, and that all adds up to better connections with your connected customers.

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"Our number one goal for (our marketing performance optimisation solution) was to streamline communications and improve client satisfaction. We met those goals almost overnight."

Leading software company

Case study: Manage for success.

One of the leading software companies in the world, with more than 100 million active users in over 75 countries turned to IBM for a marketing solution to manage operations. Because the company develops all of its marketing materials in-house and translates those materials into dozens of languages, the internal Marketing Services department is inundated with work. Email has increasingly become an inefficient way for the company to manage content, feedback, workloads and scheduling because it does not provide a centralised place for multiple people to store files, record feedback and track progress.

IBM marketing solutions offered more advanced reporting and functionality than competing solutions. With one central location for managing drafts, feedback, revisions and scheduling, the company is able to stay organised and work more efficiently. Because drafts are date-stamped and time-stamped, there is a clear audit trail of when documents

are posted for review. Having a project schedule that everyone can access means deadlines are clear and both staff and clients have complete visibility.

Since implementing MPO, the company has experienced significant benefits including:

- Improved visibility and accountability
- Reduced miscommunication
- Improved time management and project efficiency
- Helped prioritise business goals

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Take the next step

Find out how IBM can help you improve customer and campaign analytics. Visit us at **ibm.com**/software/marketing-solutions or speak with your IBM representative.

About IBM Enterprise Marketing Management

The IBM Enterprise Marketing Management (EMM) Suite is an end-to-end, integrated set of capabilities designed exclusively for the needs of marketing organisations. Integrating and streamlining all aspects of online and offline marketing, IBM's EMM Suite empowers organisations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, timely, and measurable business outcomes.

The IBM EMM Suite helps marketeers to understand customer wants and needs and leverage that understanding to engage buyers in highly relevant, interactive dialogues across digital, social, and traditional marketing channels. IBM EMM provides robust web and customer analytics, event detection, campaign management, real-time interaction management and recommendations, lead management, digital marketing optimisation, email marketing, targeted advertising, search engine marketing, and marketing resource management capabilities. Over 2,500 organisations around the world use IBM EMM solutions to help manage the pressures of increasing marketing complexity while delivering improved revenue and measurable results.

IBM's time-tested and comprehensive offerings are giving companies such as E*TRADE, ING, InterContinental Hotels Group, Orvis, PETCO, United Airlines, Vivo and wehkamp.nl the power and flexibility required to provide their customers and prospects with what they expect today – a more consistent and relevant brand experience across all channels.

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