Interviews

Organizational transformation in a marketing operation: Role of the new CMO — Interview with Beth Weesner and Shawn Mielke of Marketing Transformation Services (MTS)

Beth Weesner

is the Principal of Marketing Transformation Services (MTS), a consulting practice that offers services for companies who want to leverage technology to impact the hard (money and productivity) and soft (people and motivation) investments to their bottom lines. Beth's business foundation includes more than six years working with marketing automation field leaders as an industry expert. She was responsible for guiding product development, marketing, sales, analyst and investor relations, and held key roles in the Marketing Resource Management (MRM), Marketing Automation and Marketing Performance Management groups, with industry leaders such as Aprimo and Unica. She established and cultivated relationships with client partners, including Accenture and IBM. Prior to entering the marketing automation space, Beth held key positions with leading companies in the telecommunications and consumer product industries. She has a Bachelor of Science degree from San Diego University in Business and Marketing.

Shawn Mielke

joined Marketing Transformation Services in October of 2007, with an extensive background in multi-channel marketing (online and offline), both B2C and B2B. He currently sits on the Interactive Marketing Advisory Board (IMAB) and is actively involved with the Direct Marketing Association (DMA). Prior to leading MTS, Shawn was Senior Vice President of Online Customer Management at Wells Fargo, where he oversaw the marketing of over ten million online banking customers. Prior to Wells Fargo, he spent four years at eBay, where he ran all onsite and offline direct marketing efforts to its 80-plus million registered users in the US. In addition to being responsible for all marketing communications emails directed to eBay's community base, Shawn led the team that launched the first DM "offline" mailings to support customer demand and seller education in 2004. He also held the position of executive sponsor of eBay's MRM initiative. In addition, Shawn served as Vice President of marketing for B2B Brand Group (T. Shipley, Awards.com and Reliable Home Office), managing their online and offline efforts, and was Vice President of Marketing for Seta Corporation.

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Abstract With new, disruptive trends such as social media heavily influencing marketing decisions, how do you market to the new, self-directed consumer? The new marketing operations executive understands that there is an art to marketing, can help develop management systems and platforms and processes for standardization, while leaving room for some creativity to occur.

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MM: We're here with folks from Marketing Transformation Services (MTS). Could you each introduce yourself with name and role — and maybe even a little bit of a professional background?

BW: My name is Beth Weesner. I'm the founder and CEO of Marketing Transformation Services — better known as MTS in the industry.

A little bit about myself — I've been in marketing technology, mainly on the software side at the beginning of my career, for about ten

years in that business. Since then, I moved over to the services side — after working for companies such as Aprimo and Unica — and became very focused on marketing resource management. I then started MTS over four years ago, to work more on the client side, to help companies do a better job at implementing these types of technologies.

SM: I'm Shawn Mielke. I'm President of MTS. My background has been 20 years on the marketing side — specifically, direct

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marketing, relationship marketing and database marketing.

Most recently I was Senior Vice President at Wells Fargo, in charge of their online customer database, and did all the marketing for online banking. Prior to that, I spent four years at eBay, where I oversaw relationship marketing — which included the database marketing team, creative and marketing operations. I oversaw and led the implementation of their MRM system — which focused more around production management.

Prior to that, I spent a number of years at various companies focusing on direct marketing. So my expertise kind of brings a different look at marketing operations. More as a marketer versus the technology or operations side, and I'm really trying to help tie the two together.

MM: Sounds like a great team.

Could you bring us up-to-date in terms of the kinds of work that you do with clients at MTS?

BW: Absolutely.

Again, going back to one of the reasons why I started this company... This goes back to the early days of MRM. We were selling a lot of shelfware. Or we were getting clients to implement a piece of the product — not necessarily seeing the value, and potentially moving away from the product. There was a lot of money being wasted.

The reason I started MTS and the reason it's going strong is because we're helping to make sure that doesn't happen. Starting at the beginning, we do a strategic assessment and overview of the technologies in the space, and the types of business problems that they solve.

We look at a client's business and say, "Don't be sold by bells and whistles. Let's take a hard look at everything you want to accomplish from an operational standpoint and put together a roadmap that will help you with short-term success, as well as long-term viability — with the technology solutions accompanying the processes and the types of roles and responsibilities of the people in the organization."

Again, companies have gone and bought technology, and not done the work to get the right processes in place, and people into the right roles, not really understanding what it is that this technology is supposed to do.

Many times they come back and realize they didn't actually solve the business problems that they set out to solve. So we really help them

through that whole journey, all the way from strategic assessment, to looking at their processes, to looking at the people aspects, to helping them build the business case and gain consensus within the organization.

Then, we help them to start looking at vendors, and help them understand issues like who is the best of breed for what they want to accomplish? When does it make sense to go with a platform approach versus a best of the breed for each technology approach? We spend time making sure that they do have the right technology mix. If they are going with different technologies, how should they talk to each other, and how should those live — coexist — with the systems that they already have in place today?

Really, from a roadmap perspective, it's very important that we help them throughout the relationship. Typically, we work with clients for a long time at different stages in these processes. We help make sure we're always checking into that initial roadmap and business case throughout the life of the engagement.

MM: About how long do the engagements run, in order to automate a marketing operation?

BW: I would say the MTS part of the engagement will run based on what part of the lifecycle we bring them into. So if it's just when they're saying, "Hmm... We think we have a problem, and we think there's a technology to solve it..." That relationship could go for 18 months. We could even go back to visit after an initial implementation, to help them do other phases.

If it's someone that feels they're already ready and they're just going to do a check-in with us, to make sure that they are solving the right problems, and they just want help with a vendor — that could be a six-month engagement.

There's also a real difference in the level of involvement that MTS has with a client. A lot of it depends on the resources they have internally. Sometimes we will guide them at a high level and let them do a lot of the actual legwork and the discovery within their own companies. Sometimes we'll be right by their side as they do it. It really depends on what they have in place and what their needs are.

MM: Sure.

I'm curious as to the beginning of that lifecycle. What sorts of catalytic events — both

internal and external — stimulate or impel people to action?

SM: It really gets to high-level visibility. CMOs are starting to ask questions around, “What am I spending money on? Am I spending money on the right things?”

Several times these things are very difficult to answer. Initially, I think that the first answer is, “Let’s get some technology in to help us do that.” That’s where a lot of companies go wrong, by just jumping into technology decisions.

We typically outline it and break it into five steps around how MTS works.

One important step is, we initially come in and will do a strategic assessment for them. We’ll work with them and do some interviews across the organization to really understand what the business drivers are and what problems they’re trying to solve. From there, we move into our project definition. This is a very high-level roadmap across the different marketing operation technologies. Based off their business needs, we can say “Here are the areas that they probably really need to focus on.”

Then we move on to the organizational alignment and process optimization part. This can go anywhere from three to six months, depending on the size of the organization. From there, we get them, finally, to a technology evaluation. That’s really the final step. It’s very important, but certainly the last step in the process. You must really understand what your business drivers are.

BW: Kind of leading into that, Michael — to go back a little bit to your question around business drivers...

They really sit within three categories. The need to increase productivity, which may mean they need to better allocate their resources, and, since there is such a proliferation of media channels, that they need to do a better job of collaborating.

As Shawn mentioned, having this visibility, companies need better organizational collaboration within marketing — and even outside marketing — as all of these media channels come together. They need better alignment there.

Again, as competition gets very, very fierce and as people are competing to get to market quicker, speed-to-market often becomes a real driver. Then, really, at the core of productivity

comes this concept of institutional knowledge. Whether it is marketing turnover that says, “We need to be able to have best practices that are easy to get to and adapt,” then we won’t be in a situation where we have to constantly re-create the wheel.

We need our extended marketing department and supply chain involved, whether they are our agencies, our print houses, or so on and so forth. Those are really the productivity drivers.

Again, back to Shawn talking about visibility. There’s really this concept of increased accountability, as if to say, “Now that we don’t have enough money or people, how do we make sure that for every dollar we spend, we can improve the ROI on it?” We have budget constraints. We’re trying to expand; whether it be globally or into new markets with new products, or into new media channels, there needs to be more accountability and more integrity in the decisions that are made, while still keeping the creativity and the brand very much intact.

There are other problems that are really challenges with compliance. Sarbanes–Oxley is a driver. Certain industries like pharmaceuticals and telecommunications have a very, very strong need for compliance. You’re really looking at the last bucket of cost savings.

MTS keeps talking about our business as really being recession-proof. When the economy is really good, people still want to do a great job with all their marketing activities. They have more money to spend, so they want to get to market quicker and they want to do more marketing activities, but still do the right ones.

However, in a slower economy, there’s the need to save costs. So, it’s then trying to figure out how we can keep our agency fees down. “How can we make sure that we are using assets and so forth over and over again? How can we make sure we’re cutting all habitual spend, and reusing content?”

Really, with all of those different drivers, it becomes a real recession-proof model — and very necessary for all companies in all industries and all sizes.

MM: I’m curious. One of the effects that the web has really brought forward or on to most marketing organizations — more specifically things like Google and social media that’s fundamentally intermediated the buying decision

for the consumer. They walk into the store with a printout called, “I want this at this price.”

One of the things that we’ve been studying has been how marketing operations must now think not just in terms of traditional linear procedural campaigns with the underlying idea that usually there’s an insight — and out of this insight we formulate a strategy. We reality-check it.

Then we develop a marketing brief. Out of that comes a creative brief. We had that off to all of our creative partners and they go do their stuff. Then at the launch, we paint the town red. Right?

The idea is that the traditional marketing process really was a linear big bang. “June 1st we’re going to have a major launch. We’re going to have all of this synergy as a function of having all these creative partners create and produce stuff that hits that deadline.”

Well, the challenge and what has changed is that consumers no longer wait for marketers to market to them. Consumers — being self-directed and aided with search engine technologies and social media — are now researching and engaging brands — oftentimes before the brand is really ready.

SM: Right.

MM: So the notion of a self-directed consumer and how you market to them has fundamentally forced many marketers to think more in terms of a 360-degree engagement model as opposed to more of a linear thing.

I’m curious, Shawn, with your experience at Wells Fargo and eBay — you would’ve probably been on the frontline. What is the mindset and the planning process of marketing to that kind of consumer? How does that sync up or not sync up to the traditional campaign-management that we find in MRM systems?

SM: I think that’s where it definitely gets to the heart of what we’ve been seeing, talking about and preaching, as well. The changes that are happening in marketing are exactly what you’ve talked about, Michael.

CMOs have become much more analytically focused than in the past. The “touchy, feel-good” CMOs are not as sought out as the analytical CMOs, these days.

MM: Shawn, wouldn’t it be fair to say that the director or VP level person that came out of direct or loyalty marketing — which is to say really strong analytic chops — is probably on

the fast track to become the CMO because of his or her deep grounding in analytics, and in converting analytics to creative strategies and executions?

SM: Absolutely. I refer to it and I’ve seen it referred to as the push-and-pull marketing strategies. In the past, it’s been nothing but push. Companies have just pushed their marketing to their customers, based off what they think. Now what’s happening is, customers are demanding things when they want them.

It’s like, “Send them the right message at the right time, in the channel that they want.” Now the customers are really the ones that are setting that, really almost dictating marketing strategies for organizations more and more. That leads even more to the importance of analytics. Analytics at a much more real-time perspective.

When you start thinking about web analytics and browsing and search activities, and understand that it’s not just a matter of, “Okay. This person has searched on this keyword,” and a month later you send them something. It’s more a matter that they search on this keyword and the next page that comes up on their website needs to be something that’s based off their history. Whether it be buying or transactional or just web activity, it’s going to be much more real time. It’s going to be really delivering to them what they want to see at that particular moment.

I think, overall, just the patience level of consumers has changed. They’ve got many more options, right now. They want to see things much quicker than they have in the past. Even though traditional media is not going away, I think that as you see the increase in the marketing mix modeling coming out, people are trying to understand where to put their marketing dollars and resources across all these different marketing channels.

The web’s incredibly important. It’s not the only channel, but it’s certainly become much more front-and-center these days than it typically has been in the past.

MM: So it’s fair to say that we have two vector change factors that have put additional pressure on marketing. One is the fact that we’ve got these multiple channels. And multiple channels almost force you to ask the question, “How can we reuse elements from one channel to another?” That really brings the focus to

production systems, DAM, and to some sort of collaboration tool.

The second set of pressures is really about the notion of moving — to use your great metaphor — from “push” marketing to “pull” marketing, in terms of really creating a theater of brand interaction and ways of engagement.

Is that a fair summarization?

SM: Yes, Mike. That’s a very accurate summary of what’s happening right now.

MM: That then highlights the role of multichannel marketing analytics as a way of understanding how best to create messages — not only in the “push” marketing communications mode, but in the “pull” brand-interaction mode?

SM: Yes. I think that between DAM and production management and all the various marketing automation tools comes speed-to-market. Getting it out there — the right asset or the right message — to the consumer. Timeliness has become incredibly important. It’s not a matter of waiting six months or three months and throwing a television commercial at them or sending them a DM piece. It’s a matter of, in some instances, the media turnaround time.

Whether it’s an essential repository for assets or whether it’s a quicker way to get a triggered e-mail out to a consumer, based on what they want, timeliness has become even that much more important.

MM: Right.

How have those three factors — the notion of multiple channel, multiple communication channel, 360-degree engagement and multi-channel marketing analytics — how have those three factors synced up to the existing capability of MRM and other marketing operations management (MOM) systems in terms of budgeting and planning project definition and the overall management of all of that nonlinear stuff?

BW: It’s funny that you ask that question. One of the speakers that we had at the Henry Stewart conference in May was, at that time, the CMO at eBay, who will actually be moving on. But at that time, he’d been living in this world of really consumer-generated content. We’ve spent a lot of time talking about — from a systems perspective — how the technologies in the marketing operations space can actually help this exact scenario, going on for marketers.

Again, there’s this mass amount of information out there. One thing I will say is that vendors have started to recognize that that is the case. I would not say they were built with that purpose in mind, but as this has changed, this does give visibility. It does give visibility to where the dollars are today. It allows, if nothing else, for easier movement of those dollars, based on decisions that they can make.

In the past, this great opportunity has come up for some sort of social networking, or any type of the new technologies that exist. But the budget has been committed. So now with some of these technologies, you’re able to make more decisions on the fly. That’s one way.

The other way is simply just providing a platform that all marketers can start to contribute to. So as these types of opportunities arise — regardless of who you are in the organization — you can contribute your ideas. And it will have visibility across the organization. Before, if you didn’t know someone or you didn’t have the right manager or you got blocked, you weren’t necessarily able to be part of this marketing process and share some of these ideas.

It’s just that so many of these happen at a grass-roots approach, and that’s one of the things that these types of technologies are enabling — more consumer-focused content.

Does that help?

MM: Absolutely.

So if we circle back on the notion that multiple communication channels have basically forced us to reassess how we create medium content, and multi-channel marketing analytics have pushed the whole insight-validation-execution thing more and more into real time, and then, that as a function of speed-to-market, essentially, we’re seeing the collapse or implosion of the procedural big-bang marketing campaign into something that tends to have a much shorter cycle — including a much shorter ideation-creation-execution cycle.

BW: Absolutely.

MM: That really brings forward a longstanding conversation I’ve had with the MRM side of the MOM family, in which I’ve drawn a distinction between MRM and MOM.

MOM gets into the sourcing of content. The procurement and the whole RFI-RFP transaction management of how we actually source creative services and marketing content

— with the idea that the heart of the whole sourcing function is not just transactions, but really is a down-and-dirty review-and-approval of all kinds of work-in-process.

Could you address the notion that multiple communication channels and multi-channel marketing analytics give rise to shorter or faster ideation–creation–execution cycles — and the notion that, fundamentally, we’re really talking about something that’s more 360-degree real-time? How have MRM systems stepped up to the actual sourcing and procurement of all of this? And how have those systems done so often from a burgeoning or rapidly expanding base of creative partners?

BW: Well, I would say that it’s a great question, with some answers based on the particular vendor. I’m not going to say that everyone has gotten to the point that you’re talking about right now.

MM: I’m not sure anyone has. That was my point.

BW: I think there are people that are making steps. I’ll tell you that a lot of what’s been done is through a few acquisitions. But I absolutely understand what you’re talking about from the full supply chain of marketing procurement, all the way through.

I can tell you that it’s on the radar of MRM, but I would go along with you and say that right now, MRM is not all things to all people. Again, one of the reasons I keep going back to this, why MTS exists, and one of the reasons that I’m not selling software right now, is because of what you’re talking about. It does not solve all problems for all people. It solves some problems very, very well.

But again, the need for a roadmap and the need for other technologies, and still some manual processes to be in place with that — MRM vendors are not in a place where they can solve that 100 per cent supply-chain end-to-end solution. I think that’s why it’s so important to educate the customers as to what they’re really buying. What it is going to do and what it’s not going to do.

MM: Who are some of the vendors that do a better-than-average job of providing workflow and/or automation assistance for marketing procurement?

BW: I would say a lot of the smaller vendors out of Europe have more experience, based on

the nature of the way that business is done. And the burgeoning needs for multiple pieces of collateral and multiple languages, and so on and so forth. There’s so much more complexity to manage there.

If you look at a company like a Capital ID or an Alterian — for some of them, that’s really been the focus of why they started their MRM companies. I’ve seen them have more success than others in this particular area.

MM: That brings up another good point.

It’s been my intuition that most MRM systems have reflected the mindset of product marketers — meaning marketing organizations that have a pretty concrete set of offerings. Consumer packaged goods, cars, sporting goods, etc.

The marketing of services tends to be a different kind of animal. Specifically, one of the things that I found in some service-based marketing organizations is that most service organizations have very exotic, arcane internal workflows, processes and policies. They seem to have organically developed over years or decades. That means that automation becomes especially difficult because there’s all this inertia around, “How we do things around here.” That leads to a major disconnect when trying to automate chaos.

My point is, have you found that product firms have had greater success in automating their marketing processes using the traditional MRM system than service firms? If so, how? And if not, why not?

BW: I think there’s a long, old question of, “How is marketing done in different types of vertical industries?” Consumer products versus software versus a services firm — they’re all going to do marketing a little differently.

I’ll tell you, it depends on what you’re talking about when you say MRM, first of all. Again, I always go back to what they’re trying to automate, exactly. If they’re trying to automate the financial management of marketing dollars, and they have a media mix and they’re complex and matrixed and global and so on and so forth — I wouldn’t think that industry matters that much. It’s the same basic business problem, in that case.

If they’re trying to manage their entire supply chain or some of their production processes, as we’d been speaking of before, that’s a little bit of a different story. In industry, that is going to matter.

From services to a product, I would say that some of the original MRM evangelist companies were very product-focused. Big brands. Very focused on brands and messaging and keeping consistency there.

But there are banks in the service industry that are doing a fantastic job in MRM. And retailers. I guess it really depends on exactly what you mean by “service,” and exactly what problem they’re trying to solve.

MM: Here’s what I’m trying to get to, Beth. Service firms generally tend not to rely on traditional broadcast and print advertising to move people through the front door. As Shawn mentioned earlier, they tend to respond to loyalty programs. That tends to be in the budgeting world, and “below the line,” in terms of most marketing budgets. We’re talking about database marketing, loyalty programs, field marketing and field service opportunities, sponsorships and that type of thing.

BW: Shawn, do you have a thought on that?

SM: There are definitely industry-specific examples. But I think even within them — whether it’s a service organization or a product-focused organization — with eBay being a good example of a company that’s been functioning as a technology company, it’s very product-focused. The change from a product-focused marketing organization to a customer-focused marketing organization has been, to me, more of the drive of what’s going to make something like MRM very successful.

When all you’re doing is focusing on a product — that’s one thing. But when you start asking the questions that are becoming more and more apparent now as customers continue to become the forefront around what the top 5 per cent of my customers are, “What am I spending on them? What am I doing? What sort of marketing programs are targeted toward them? Of my x-hundred-million-dollar budget, how much of that is going toward the top 5 per cent?” — these are questions that nobody really has the ability to answer.

Even the programs aren’t really specifically targeted toward them. I think even looking at a service organization that may claim they’re customer-focused, they’re still focused on a specific product. Or they’re trying to increase the sales of a specific product. They’re now thinking more about the customer, and looking

at things differently. I think that, across all industries, the ones who are doing it well are the ones that are out there first. I think they’re the ones that are going to become more successful.

MM: Let’s shift gears. A lot of marketing organizations today have some internal disagreements with respect to who owns the website and who owns the content and messaging of an e-commerce portal.

Specifically, we’ve seen examples of three to six billion-dollar-a-year revenue firms where the web team has a dotted line to marketing, but they’re in their own kind of little world. E-commerce groups are not even on the world. They’re on a different planet.

BW: Yes.

SM: Yes. I’ll tell you the organizations — the companies who, I think, have figured this out a long time ago are the classic direct marketers. If you think back ten years ago when the web first started, companies like Lands End, they literally took their web team and moved them to a separate building and decided they were going to be done with the catalogue. The web was going to be the future.

They eventually realized the importance of how the web was just another channel. Eventually they merged them. The companies that have realized this are doing this successfully. Yes, to have this as a separate organization is not the way to do it successfully.

A perfect example is that of a marketer having visibility and control — whether that’s from an analytics or program perspective across all channels — the web just being another one — having it separate just hurts one thing. That’s the customer.

MM: I understand. In business situations, however, a number of marketing organizations are having major disagreements in regards to who owns the content on the website and who owns the interaction. More specifically, is the electronic commerce part of a global brand a separate entity? Or is it simply a sales channel that we need to have a relationship with — more or less like a trusted sales channel?

I’m framing this from an operational marketing perspective. How have companies started to use marketing automation, MRM or MOM systems to facilitate the integration of those heretofore separate systems?

BW: Shawn, I know we've talked about this. Really, it ends up being a lot about organization. I think one of the things I originally started talking about, relative to our services, is really looking at roles and responsibilities. And what it's going to take from an approval process.

One of the things, of course, that we know MRM can do is to bring together approval channels, workflow and so on and so forth, to make sure that the right people are involved in the right decisions, and have visibility.

Again, we're not going to tell everyone exactly who should do every type of approval. That's not our job. Our job is to help them think through who needs to be involved, and to be able to get the most out of the resources within the company.

That's really when it comes down to what these can do, Michael. These systems can help bring visibility. A lot of it goes back to that. They can include them in the process, whether or not they're in the direct chain-of-command or not.

SM: I am going to add a comment to this too. From a sales channel perspective, is the web another sales channel? My feeling is yes. It's another sales or marketing channel. It's another point to have an interaction with a customer. From an MRM perspective, it could be around a real example of somebody coming to the website and clicking on a link. That triggers an e-mail response real-time. That may trigger a follow-up phone call to the call center. That may trigger a direct mail piece. All of these things need to be connected. So it is yet another interaction point with a customer.

MM: Inevitably, I've found, what our business requirements are — given the things that we've outlined, and given that we have broken processes, which is why we have all this angst and inefficiency — almost always on a medium-to large-scale DAM or MOM or MRM application, it's not really an application. It's first and foremost an organizational transformation that technology supports and enables.

BW: Absolutely.

MM: So could you again speak to some of the factors — both facilitating and hindering factors to that sort of organizational change that technology deployment enables?

BW: Yes. Let me speak to a couple of my examples, specifically. When I was talking before

about complex matrix global organizations, some of which have CMOs and some of which report to the business units — dollars are centralized and decentralized. Really, what happens there is, nobody is truly in control of the marketing dollar.

From an organizational standpoint, in order to get aligned and become a true customer-focused company, to get away from being a product company and to be a true global company, there has to be organizational change that says, "We're going to make decisions that are best for the organization." Thus, we need something — a common platform and a common communication vehicle and language to bring us together, so that we can share ideas and make trade-off decisions together. To not have every brand or every region doing only what's right for them — and not having corporate doing what they think is right for every country and every brand — but to have a real area to do joint collaboration and communication.

In order to start to get some of these disparate groups that are off doing their own things with their own goals (whether it be the web group or anyone) really, anyone that's touching that marketing dollar, even supporting sales, field marketing — all of these people have to be able to have a place to meet and share ideas and make trade-off decisions.

A number of these companies are run by global marketing boards and marketing councils. It's really the way of bubbling up everyone's interest to that overall group. So the right decisions for the overall organization can be made. That's being done successfully in companies today, through this technology.

MM: That brings me to the next question.

Automating operations is really about organizational change, if not organizational transformation. What have you seen in terms of best practices or cool stuff that works in terms of facilitating the organizational change?

You kind of touched upon it with the thought, "We all need to get together and share." But can you take that to the next level of specificity in terms of what you've seen?

BW: Yes. Really, what that's going to require is a governance model that must support the marketing system. There has to be a marketing system and a management system in place that

supports that type of structure. I think at that point it becomes about — even if there isn't a particular person that controls those direct dollars — there is a governing body.

It becomes about getting the right management system in place, and the governance model that will support that to make it work. How to do that? I'll tell you that's going to be different, based on what companies are going through and what their particular situation is in that case.

MM: Aside from the native integrated marketers such as eBay, can you cite any other particular examples of a company that's done that well?

BW: Yes. HP, Cisco — right now, I'm working on current engagements with both Nortel and IBM — all of which have a similar matrix. They're global, very dispersed marketing organizations without any centralized dollar or true CMO. They're all putting those management systems in place to solve this problem.

Whether their initiatives are being called "marketing transformation initiatives" — they're being called things all across the board, sometimes you hear the phrase "Integrated Marketing," whatever the case may be — the concept is the same, regardless. It's that we need to have a common marketing voice that extends through our brand, through our direct customer touches, and across our entire organization.

I will tell you, those are four clients that I've personally worked with. I've visited their different brands and global locations. Some of them are further along than others. But the management system in place to support it is prior to the technology. They're getting the standard processes in place prior to the technologies. Both Cisco and HP are running successful implementations right now, based on that model.

MM: Management systems?

BW: The management system, to me, is just a fancy word for governance model. The rules of engagement. The culture within the organization that talks about who gets involved in what type of decisions. Really, looking through and defining that from a planning and strategic perspective — "How are we mapping the business objectives?" all the way down to "Who is executing on whose behalf, and how do we choose the vendors we work with?"

Often it involves groups like procurement. It starts to consolidate different print vendors that they're using in agencies. So at that point, it really does start to touch all parts of the organization. Again, going back to the management system, it's really setting the rules for marketing's engagement and how they're going to conduct marketing on a daily basis.

I will tell you that most successful companies I've seen do this leave room for the unknown. Marketing's never going to fit into a box. Whether that be, in some companies, a 10 per cent delta or whether it be a 40, it's going to depend on the type of business and how nimble they need to be. Also, the way in which the systems are going to be set up. It's how quickly these things need to happen.

Does that describe management system and governance a little more?

MM: Yes. This reminds me of a conversation I had with Frans Cornelius, the CMO of a large Dutch-based HR firm by the name of Randstad Holdings.

He has a very successful MOM system. I call it a brand franchise platform. He's able to quickly create new retail storefronts in a matter of two or three weeks, as opposed to three or four months, and at 40–50 per cent less cost. It's a function of really focusing on the sourcing and provisioning of all things related to a franchise operation — including all of the marketing content.

But he said something that was really quite remarkable. He said, "You think marketers are really well-liked and very popular in their companies. They're not!" Actually, marketers are very lonely.

Think about it. If you're a marketing executive — who in finance is going to want to have a conversation with you, other than to berate you about your spending.

To address that — but also as a way to facilitate process innovation and overall improvement of governance — they hold semiannual international manager meetings. They bring in all the marketing managers internationally or all the communication managers internationally — in charge of corporate affairs and business relationships and PR and stuff. They bring them in twice a year for a two- or three-day academy. They do a country-by-country update.

In the course of this, there are always one or two larger countries who take the lead in terms of pioneering a new technology or new technical systems.

But the whole notion of bringing together peers in a two-day academy workshop for sharing of insights and best practices really impresses me. That's how they manage to continually innovate and drive innovation into the market as a function of peer-to-peer interactions.

SM: It sounds identical to the way we did things at eBay as well.

MM: Could you speak to a little more of that, Shawn, in terms of some of the mechanics, the architecture and the things to do and not do with respect to that kind of collegial or peer-insight-sharing framework?

SM: I think it's similar to what you just explained. We had it across the board, where we did business in over 20 different countries. On a quarterly basis and an annual basis, we actually, physically, got together. But basically, we usually met for three to five days, where each country brought in not just its success stories but its failures as well.

That's always a hard thing to get marketers to admit to. But bringing in failures, to learn from what works — not everything goes across borders. But certainly, I think the gist of it is, a lot of the programs and a lot of the things that were successful in one country could get adopted in other countries.

This is where our MRM came into place as well — specifically around asset sharing, “How do we leverage other assets across the globe in an efficient manner, as opposed to re-creating everything?” That's something that we did in the early days — as opposed to trying to leverage.

We also did this not just for marketing, but from a technology perspective. For us, it was the US and Germany that were our two leading countries. They were our two largest countries. The US was roughly half the business. The US and Germany kind of were the leaders in that area.

We did a lot of beta testing in our countries, and when things worked, we'd share that with other countries and determine whether it was a viable technology — MRM being a perfect example. We started with one country, and that eventually expanded into other countries as well.

But it certainly is a key from a marketing perspective. Not just marketing, but involving other people in the organization as well. I think one thing we hadn't talked a lot about is the fact that around marketing, visibility in marketing across the organization has become elevated to the CEO level. Right?

Everybody's thinking, “Okay. Here's this feel-good budget that's huge but we really don't know how well it's doing with the impact.” When somebody implements a new IT and adds a bunch of servers, they can say, “Hey. Our capacity went up by 40 per cent.” It's harder to do in marketing.

So I think marketers are now trying to almost prove their existence. “This is why we're here. This is what we do.” So the need for communication has become even more important.

That's why communication and visibility — which is where MRM comes into play — has actually helped a lot of marketers, I think. Even though there's been resistance in the beginning.

MM: As we move to the conclusion of our interview here — I'd like you to share with us the skills portfolio or the capabilities of a director and then a vice president of marketing operations.

In terms of the good-better-best, what would be the essential skills of a director or a vice-president of marketing operations?

BW: Every company defines “marketing operations” differently right now. We are getting to the point where we're standardizing that role a little bit more from company to company.

There's a group out there that I work very closely with, called Mocha. It was founded in the Bay area here. It's made up of about 150 marketing operations executives — primarily high-tech companies. They've done some work with some of the analysts, and we've actually spent a lot of time on this topic, in particular.

One of the things I'd say, at a very, very basic level, is when marketing operations came about, I'll tell you, that was my happiest day. I finally met people that were like me. Someone that actually really, really liked marketing. They could talk to marketers, but they also had a very analytical and scientific view on the way things get done.

I think a good marketing operations executive understands that there is an art to marketing, and can help develop all the

management systems and platforms and processes that will create some standardization, while allowing for some art. So it really has to be someone that knows marketing and knows technology. They're process-orientated. They also have respect for all of those groups and can be highly respected.

It's a very influential, almost selling position. There is so much change management in these things that have to be done. But the more influential that person can be, the more they can speak the language of all of those groups, the more successful they're going to be.

That, really, I would say, goes for any definition of marketing operations. Those are the types of qualities people need to possess.

MM: Shawn, do you have anything to add to that?

SM: I think that's a pretty good summation. I think the key is around the fact that it does vary a lot. Three or four years ago, I don't think I even knew what marketing operations meant. And these were years working for large organizations.

I think there are organizations out there, too, that don't even have the role formally identified. There are people doing it in bits and pieces, and I think those are the changes — with eBay being a perfect example. Even Wells Fargo. There's really no such thing as "marketing operations." These are roles that I think are continuing to evolve, over time.

MM: You had mentioned earlier in this interview that it was important to have a good database or direct marketing experience — so as to better understand customer analytics and its application to creative product, and ultimately to an intended business result.

You mentioned web analytics, and going beyond just the speeds and feeds — or the counts and downloads and paid views — correlating those web behaviors to very specific customer requirements.

We also talked about the need to really understand the marketing procurement process, and how oftentimes, marketing procurement involves a lot of negotiation — all the way through the procurement process and the delivery process.

You also mentioned that a good strong marketing operations person almost by definition must start the notion of thinking globally. Multiple cultures and multiple markets

and multiple sets of buying criteria may work in one country, but not in another.

Would you concur that those are some of the things that are maybe not essential but maybe important to a successful career in MOM?

SM: Yes. Absolutely.

Beth, you can add to this, but we talked about the "New" CMO. As far as it going from the touchy, feel-good brand background to more of the analytic or direct background, I think you're going to see, as we've actually seen with one of our clients, a vice president of marketing operations moving into a CMO role.

MM: I think that is, in fact, the early indicator of a large-wave trend.

SM: Yes.

BW: I think that's a great point, Shawn. In fact, I think it is a great way to sell marketing operations. I'll tell you right now, I talk to a lot of people that I'm encouraging to go that route. I believe they have the skill set.

One of the things I'd say is, that is the type of skill set that companies are looking for, for a CMO, right now. We really are getting some great quality in marketing operations. And they're moving pretty quickly. They're recognizing.

This particular client Shawn's talking about is a Fortune 100 company. He has regular visibility at the CEO level. He was presenting for the CMO to the CEO for a long time, because he had those skill sets. Naturally, he moved right into that role.

MM: One of the most interesting titles I've seen now emerge as a director to vice president level is "Director of Social Media Strategy" or "Social Media Operations."

This speaks to the notion that social media is the next big disruptive wave in terms of how marketers do marketing. How do we create, and how do we maintain brand governance over all of this user-generated content? How do we integrate professionally generated content with user-generated content? How do we effectively engage customers in user-generated worlds like Second Life? And how do we start to use things like Facebook and LinkedIn MySpace and other kinds of social networking platforms as an extension of the brand voice?

SM: I think that there are honestly very, very few companies that are even remotely doing it well.

MM: I know of six.

SM: I think if there are, they're probably based here in Silicon Valley.

MM: Nope. Japan.

SM: Japan?

There are some here. I think that part of it is, speaking from experience, CMOs that have that brand background — everybody has to deal with the brand police when it comes to certain assets.

When it comes to user-generated content, a lot of these things — the control needs to be relinquished a little bit. Right?

I think that's the part that I think that's so hard. People are still trying to figure it out. Companies are afraid to be on Facebook or afraid to be on Second Life or somewhere else. A customer generates something about their company, and everybody screams and panics about it.

I remember when I was at Wells Fargo, there was a video that went up. Somebody had a Wells Fargo tee-shirt and was talking about Wells Fargo on their YouTube video. Everybody went through the roof and contacted the powers that be at YouTube to pull it down.

These are things that I think are going to take time for traditional marketers to adopt to.

MM: And yet, Shawn, isn't that a breakout strategy? We're really beginning to see a whole new kind of career track opening up in marketing, just around social media.

SM: Oh, absolutely.

Whether it's social media or all the buzzwords — Web 2.0 or whatever it is — yes. I completely agree with you.

In some organizations, I think coming in as a marketer with that background, you'll end up

on the street within a matter of days, because you'll scare a lot of executives. But I think the companies are going to be successful. The ones that are going to be the leaders in their space are going to be the ones who start to figure that out — figure out a way to really leverage it.

Certainly the web analytics become more difficult — how you keep track of all of this. But yes, it's both. It's negative and positive. It's understanding what your customers are saying and doing on the outside. I think that's going to be incredibly important.

MM: Great. Any final remarks about marketing and marketing operations and the organizational transformations therein?

BW: Yes. I would sum it up in saying that, to me, the most critical way of thinking about this — again, where we come in and add value — is really around understanding and prioritizing those issues or opportunities and problems within marketing that you want to solve. Not trying to boil the ocean, but to have a very steady roadmap that will guide you toward meeting your actual business goals, based on an actual business case. And to continue to follow those through and refer to it, and not try to do everything, and solve every burning issue, with just technology.

MM: Fabulous. Shawn?

SM: I think Beth hit it on the head. That's what we preach. It's really around what we've talked about before. Really understanding truly what your business problems are.

MM: Great. I want to thank both of you very much. Beth Weesner and Shawn Mielke. Thanks again.