

## A MARRIAGE OVERDUE: MARKETING MEETS TECHNOLOGY

If knowledge is power, then senior marketers may be missing out on a golden opportunity to expand their bases on both fronts if they are not effectively partnering with their counterparts in IT.

Only one in three marketers make claim to a strong relationship with IT, says a study by Forrester Research. The excuses are myriad: the “Mars-Venus” misalignment (they focus on different financial goals); the “Ain’t Got No Rhythm” blues (IT’s slower, more process-oriented pace); and IT’s perceived “What’s-the-rush?” view of marketing’s urgencies.

Despite it all, marketing and IT *do* share a common objective—to support a CEO agenda where the No. 1 priority is typically growth. The challenge they face is in bridging the operational gaps to create a partnership that’s less executional and more strategic in nature.

No marketing imperative today can be met without the capabilities and insights provided by the organization’s technologists. Marketers’ ability to leverage data more effectively has become a critical difference between CMOs with serious internal power bases and those who just have lots of PowerPoint decks on their shelves.

Whether it’s leveraging data to more effectively segment customers, track customers’ dynamic behaviors, feed true loyalty/ROI/share-of-wallet metrics or provide the input for more customized pricing models, IT has the information marketing needs to get closer to the customer *and* to help drive a CEO’s growth agenda.

Such information has enabled Best Buy to advance substantially past typical loyalty programs by using technology to identify its most profitable customers and modify its product offerings in direct response to their likes. It has also allowed Best Buy to “fire” customers more confidently.

Harrah’s has used its data-rich customer segmentation as a basis for customized marketing and loyalty programs to help increase the lifetime

value of core customers. One program under way will allow Harrah’s to send messages with offers to customers at the slots, based on historical and real-time information.

By better employing technology to understand customers needs and wants, marketers can guide product development and product offers more effectively. In fact, the management at 7-Eleven determined that the U.S. chain’s best way out of bankruptcy was an intricate information network to guide store managers in tailoring inventory to match up with customer tastes. With a brand now positioned more against Starbucks than Citgo, 7-Eleven has experienced 32 consecutive quarters of revenue growth.

And consider the second coming of “mass customization.” Its actualization by marketers would not have been possible without the vision of technologists on the ways to stretch the Web’s capabilities. Today, 80% of the Mini Cooper’s customers design their own vehicles online. But, as Stamps.com found, with pranksters slipping photos of controversial figures through its customized postage-stamp service, it takes a unified effort by marketing and IT to monitor and control the system to ensure brand integrity is upheld.

IT can also provide assistance on the mechanisms by which marketing proves itself out: better metrics programs. By helping create the systems to track metrics such as purchase cycle time, customer loyalty and referrals, IT can help marketing demonstrate to management how its programs are driving bottom-line results.

Technology is far more than an enabler for marketing. It’s a weapon and a key differentiator. But for it to be successfully deployed as such, the interaction between the two organizations must shift to a far more strategic level. CMOs who can forge such partnerships will prove their value in transforming their brands, their businesses and themselves. ■



**Marketing and IT need to bridge operational gaps to create a less executional and more strategic partnership.**



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