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INTRODUCTION

Today, MarTech must deliver on its promises. As companies emerge from the pandemic, marketing and MarTech lie at the heart of the recovery. CMOs are under immense pressure to leverage data and analytics to better allocate resources, improve the customer experience, and grow revenue through customer acquisition and retention. The problems marketers face today will only increase if they do not move toward an entirely new model for selection and management of marketing technology — a model that facilitates getting the greatest return possible from MarTech investments.

To optimize MarTech investments, marketing should look to remake its relationship with IT. In fact, a highly effective marketing-IT relationship has proven to be critical in the development of high-performing MarTech operations. However, it will take more than putting on a false front and singing kumbaya. What's needed is a revamping of partnership roles, responsibilities, decision-making structures and metrics. A better working relationship can drive mature capabilities and higher MarTech performance at a time when it matters most.

In this pivotal moment in marketing, the CMO Council and KPMG embarked on an extensive study to understand what different marketing-IT relationships look like, how they're structured and governed, and what types of MarTech capabilities and outcomes they effectuate.

Our study found that just under one out of four marketing organizations has a "very effective" working relationship with IT. Why does this matter? Because MarTech in companies with such relationships are more strategic, innovative, data-driven and aligned with enterprise IT. These are often the very traits needed to enjoy a competitive advantage from MarTech, yield greater returns on investment, and provide a more satisfactory MarTech experience for employees and customers.

There is a significant gap in MarTech performance between marketing teams in "very effective" relationships with IT and those "effective" or "moderately effective" relationships. In other words, even an "effective" relationship is no longer good enough. There is substantial value to be gained from moving toward a "very effective" relationship.

Our findings are based on a survey of over 200 marketing leaders across 12 industries, such as financial services, retail, healthcare, telecom, consumer products, technology and manufacturing. Additionally, we conducted in-depth interviews with executives at PayPal, Comcast, GE Healthcare, Salesforce (Tableau), Fidelity Investments, Autodesk, eBay, and more.

We hope our report inspires both CMOs and CIOs to improve their relationship in a substantive way and together drive toward improved MarTech performance. The journey to more fruitful modern marketing begins here.

Graph 1

PERCENTAGE OF COMPANIES AT EACH LEVEL OF CMO – CIO WORKING RELATIONSHIP

23% Very effective working relationship

39% Effective working relationship

36% Moderately effective working relationship

2% Not effective / No answer
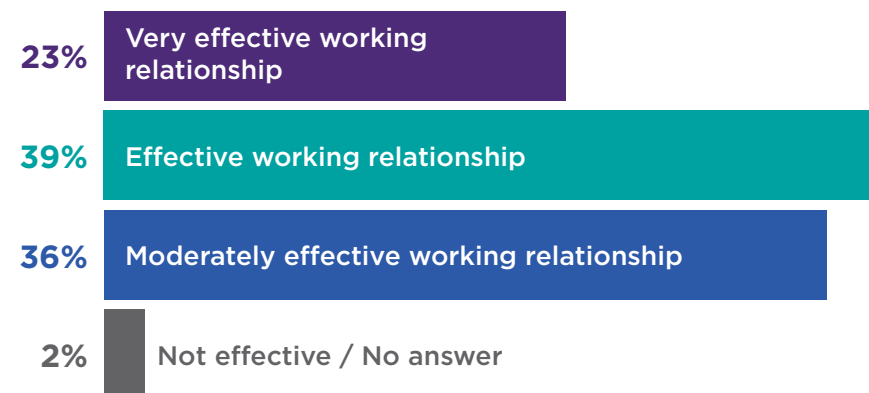
TIME IS NOW

Great relationships are built on shared moments and experiences, say, an opportunity to come together over a common cause. Seizing such a moment can lay the foundation for bonds that will last years. Unfortunately, marketing and IT often hold competing agendas that turn them into adversaries — but that's changing right now.

Today, the CEO has a singular objective that underscores marketing's and IT's roles. Much of a company's future rests on revenue growth fueled by digital marketing and delivered by a technically savvy workforce.

Under this rallying cry, marketing and IT will be expected to remake their rocky relationship.

Coming out of the pandemic, CMOs are also fixated on unlocking revenue growth through MarTech. The CMO Council found that revenue and sales growth is the top deliverable for marketing, with customer acquisition and profitability a close second. Seven out of 10 marketing leaders say their MarTech spend will increase this year to help them hit their revenue targets.

Similarly, CIOs are focused on issues impacting revenue growth and profitability. In the Harvey Nash-KPMG CIO Survey 2020, 44% of CIOs list customer experience/engagement technology among their top three areas of investment. Further, CIOs in digitally leading companies report taking a positive approach to business-managed IT as a means of fueling growth. This means helping marketers make the right decisions and source the right skills to fulfill MarTech needs. Digitally leading CIOs recognize that IT and marketing can greatly improve customer and business outcomes, lower risk and innovate faster if they work together.

There's no question that MarTech is fundamental to meeting both CIO and CMO objectives — and that they now have a common cause. Given marketers in a "very effective" relationship with IT get far more out of MarTech, it seems like that relationship needs to be forged today.

BETTER TOGETHER: STRATEGIC PERSPECTIVE

Marketers in a "very effective" relationship get far more out of MarTech because their relationship with IT provides the necessary foundation for being more strategic, innovative, enterprise-aligned and data-driven — traits key to optimizing MarTech returns.

Acquiring MarTech without an overarching strategy is a path full of pitfalls, such as standalone technology, redundant software and costly procurement. Worse, a mishmash of MarTech software stymies further development of the stack. It's a dead-end road for innovation.

Marketers would do well to work closely with IT to make sure all the pieces fit together in a way that benefits the entire enterprise now and into the future. For this to happen, though, IT should be brought in at the strategic level.

"We're not looking for a tactical partnership, rather a strategic partner in IT," says Joshua Mann, director of marketing technology at Comcast. "The IT team is building out subject matter expertise in MarTech, and now they're starting to lead in areas like customer data platform assessment and development and content management capabilities."

CMOs in "very effective" relationships with IT are more likely to have multi-year strategic MarTech plans in place and support those plans with 18-month or longer funding perspectives. When marketing-IT relationship effectiveness declines, so does the timeframe for MarTech planning and funding.
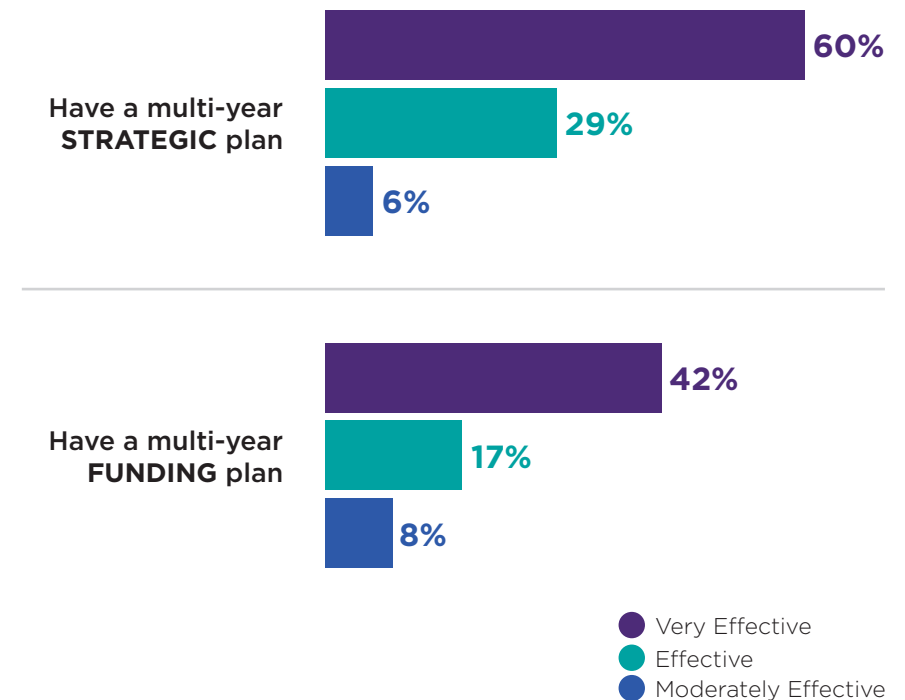
Short-term planning is a particular problem as MarTech investments grow. "We need to be coordinated to avoid too much technology, noise and chaos in the ecosystem, which ultimately ensures a positive customer experience," says Prakash Kota, senior vice president and CIO at Autodesk.

Partnering closely with IT on MarTech strategy and funding helps prevent dead-end investments. All of which begs the question: Are you doing enough to get IT involved at the strategic level?

Marketers in a "very effective" relationship with IT PLAN AHEAD.

Graph 2

MARTECH PLANNING PROCESS
BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Have a multi-year STRATEGIC plan
- 60%
- 29%
- 6%

Have a multi-year FUNDING plan
- 42%
- 17%
- 8%

● Very Effective
● Effective
● Moderately Effective

BETTER TOGETHER: MARTECH INNOVATION

Everyone knows that the MarTech vendor landscape has been growing by leaps and bounds and shows no signs of slowing down. It's fertile ground for emerging technology. CMOs really need to take an active approach to keep up with the fast pace of innovation.

In many cases, customers are won and lost based on marketing's ability to innovate in a data-driven, digital environment. "It's about both getting what we need today, and about considering support for tomorrow," says Prakash Kota, SVP/CIO of Autodesk. "The whole stack is evolving so rapidly."

Our study found that CMOs in "very effective" relationships with IT are leading the charge in innovation.

CMOs in "very effective" relationships are engaging in activities designed to provide insight into innovation, employing more innovation techniques, and participating in enterprise-wide technology innovation. The majority of these CMOs apply marketing innovation as a metric to measure MarTech performance, whereas CMOs in less effective relationships don't come close.

"It's about both getting what we need today, and about considering support for tomorrow. The whole stack is evolving so rapidly."

— Prakash Kota, CIO at Autodesk

CMOs in a "very effective" relationship with IT are leading the charge in INNOVATION.

Graph 3

AVERAGE INNOVATION TECHNIQUES USED
by level of CMO-CIO relationship effectiveness

2.0 Very Effective

1.2 Effective

.5 Moderately Effective

BETTER TOGETHER: MARTECH INNOVATION

Given the pace of technology innovation, CMOs will need to be receptive to the bleeding edge of new technology without jumping at immature technologies that may result in false positives or create security vulnerabilities. This will require testing and piloting new MarTech solutions. Marketers in "very effective" IT relationships are much more likely to report that they pilot new technologies in controlled environments for first-hand learnings.
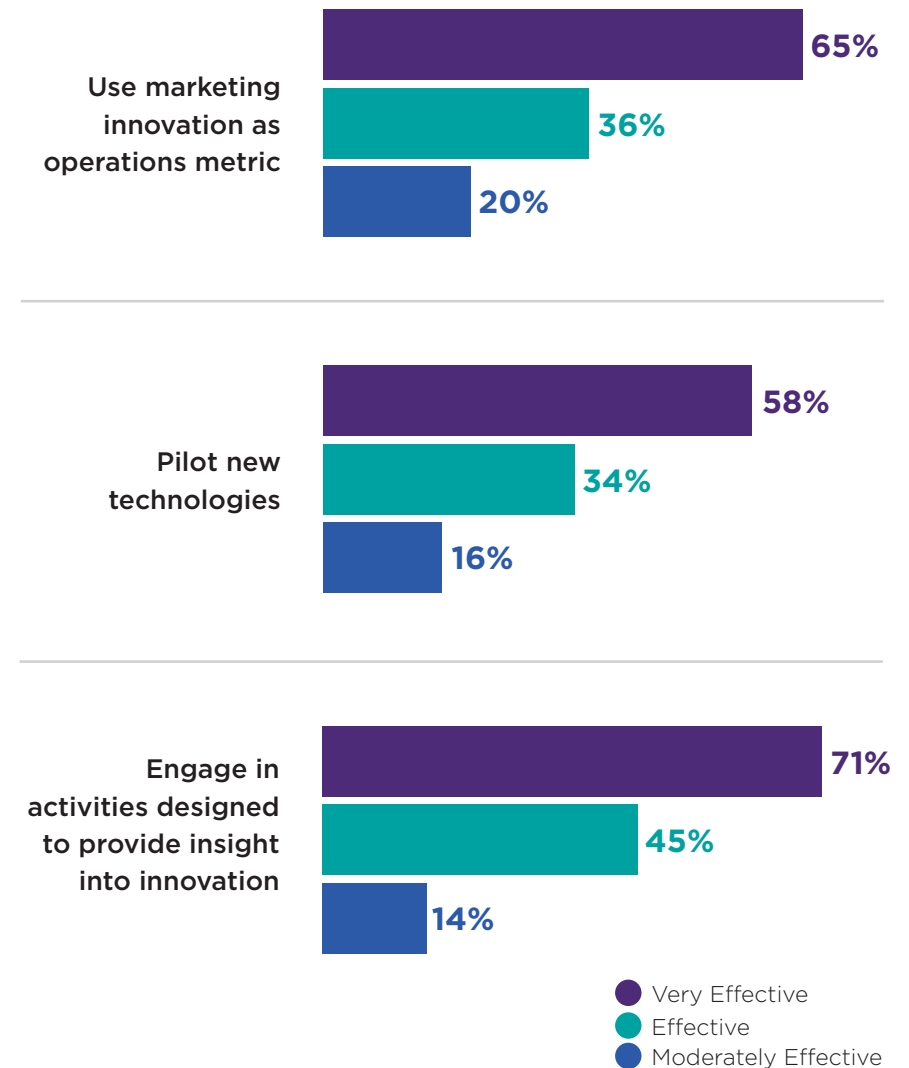
MarTech innovation depends on close collaboration at the start of the ideation process, because marketing and IT offer complimentary perspectives. "Technologists know the art of what's possible but don't always possess the art of knowing what has to be done," says a global CIO of a well-known tech company.

Close collaboration is likely why almost 60% of marketers in "very effective" IT relationships report MarTech is part of strategic enterprise technology innovation efforts.

Graph 4

KEEPING PACE WITH MARTECH INNOVATION TECHNIQUES BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Use marketing innovation as operations metric
- 65%
- 36%
- 20%

Pilot new technologies
- 58%
- 34%
- 16%

Engage in activities designed to provide insight into innovation
- 71%
- 45%
- 14%

- ● Very Effective
- ● Effective
- ● Moderately Effective

BETTER TOGETHER: DATA-DRIVEN METRICS

Far too many CMOs are at a loss when senior management asks about the performance of their MarTech investments. The query can send CMOs scrambling ex post facto for metrics that show outcomes. Unfortunately, this happens frequently.

But CMOs in "very effective" relationships with IT seldom resort to such tactics. They take a proactive data-and-insights approach to MarTech management. Three out of four of these CMOs regularly report on MarTech performance. Importantly, these reports include insights and recommendations for performance improvement.

A trademark of CMOs in "very effective" relationships with IT can also be seen in the range of different types of metrics used to measure and manage MarTech. These CMOs use on average more than four different metrics categories. These categories include metrics that measure MarTech from system and service provider performance to marketing utilization and output to financial and customer impact.
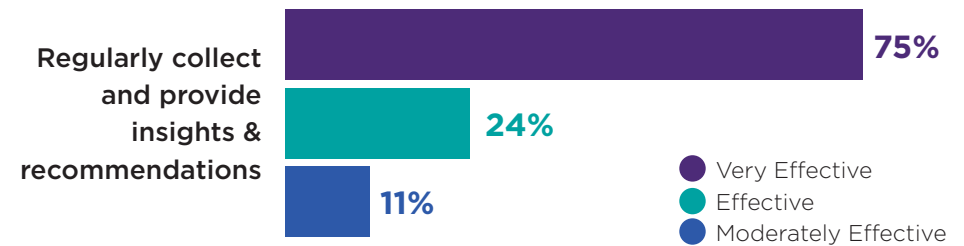
In addition to multiple metric categories, "very effective" relationships report on MarTech performance across significantly more KPIs within each category. Of "very effective" relationships tracking customer metrics, more than 80% report using customer experience, omni-channel engagement and customer satisfaction to measure MarTech performance. When measuring the financial value of MarTech, over 60% of "very effective" relationships use revenue, ROI and customer lifetime value as KPIs.

At one leading consumer goods company, a steering committee meets every month to review the progress of MarTech projects and see how they're tracking against their goals.

"The more experience under the team's belt, moving through several big projects, the more they're able to move more quickly with the next project," says Cara Farley, former CMO and executive vice president of marketing at the consumer goods company.

Graph 5

MARTECH KPI INSIGHT SHARING PRACTICES BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Regularly collect and provide insights & recommendations

75%
24%
11%

● Very Effective
● Effective
● Moderately Effective

Graph 6

Average number of metrics categories used to MEASURE MARTECH
by level of CMO-CIO relationship effectiveness

4.1
Very Effective

3.0
Effective

2.6
Moderately Effective

BETTER TOGETHER: ALIGNMENT AND INTEGRATION

More than any group in our study, the marketing team in a "very effective" relationship with IT considers far more aspects of enterprise IT strategy when making MarTech decisions. This results in greater overall alignment between marketing and enterprise technology.

Here are a few of the more critical aspects: integration to core systems, data security and privacy, speed and frequency of data transfers, and access to enterprise data stores. Each can make or break a MarTech investment, which is why it's paramount that the CMO and CIO are closely aligned.

Access to data is arguably the most important. The CMO Council found that the top MarTech investment priority this year concerns analytics, insights and intelligence. None of these happen without, at a bare minimum, access to first-party enterprise data stores.

"You can't talk MarTech without talking data integration," says CIO Brooke Forbes at Fidelity Investments.

Forbes and CMO David Dintenfass have integrated their groups into a single team, in part to ensure data integration gets addressed early in the vendor selection process. Technologists on the team are able to ask technical questions about data integration from the outset.

Forbes has worked at other companies where marketing and IT ran as separate tracks. Communiques were thrown over the wall between the two groups, creating potential gaps in areas such as data integration requirements.

Better access to data stores, integration to core systems, and other aforementioned aspects lead to overall greater alignment.

"You can't talk MarTech without talking data integration."

— Brooke Forbes, CIO at Fidelity Investments

Graph 7

Average IT strategy criteria considered when making MARTECH DECISIONS
by level of CMO-CIO relationship effectiveness

4.4
Very Effective

3.5
Effective

3.0
Moderately Effective

RELATIONSHIP DYNAMICS: EQUAL PARTNERSHIP

It is clear that "very effective" marketing-IT relationships provide a platform for critical MarTech capabilities. It is also clear what CMOs are doing to foster "very effective" relationships, and it may not be what you think. What matters is the 4 P's of MarTech: partnership, participation, performance measurement and proper governance.

Much of the trouble behind the marketing-IT relationship stems from a power grab in a hierarchical structure. They battle over resources, stature and responsibilities. Over the last few years, the pendulum has swung from IT to marketing and back again.

But many companies with a "very effective" marketing-IT relationship have hit upon a novel, albeit obvious, idea: a truly equal partnership. CMOs in a "very effective" relationship with IT are far more likely to have a well-defined process for jointly making decisions.

Our study found that less effective relationships tend to put marketing in charge while relegating IT to a supportive role or to give marketing and IT split responsibilities. Both models can put MarTech investments at risk.

If IT is confined to a supportive role, technologists may become less motivated. At the very least, they likely won't bring innovative MarTech solutions to marketing leaders. It's a real loss.

Having split responsibilities is another recipe for disaster. Split responsibilities can lead to key work being "thrown over the wall." Then when MarTech fails to meet expectations, finger-pointing often ensues. In every major technology rollout, there's bound to be problems and blurred lines of causality. Working through these issues together is paramount for success.

Equal partnership, especially when making important decisions, is key to any relationship.
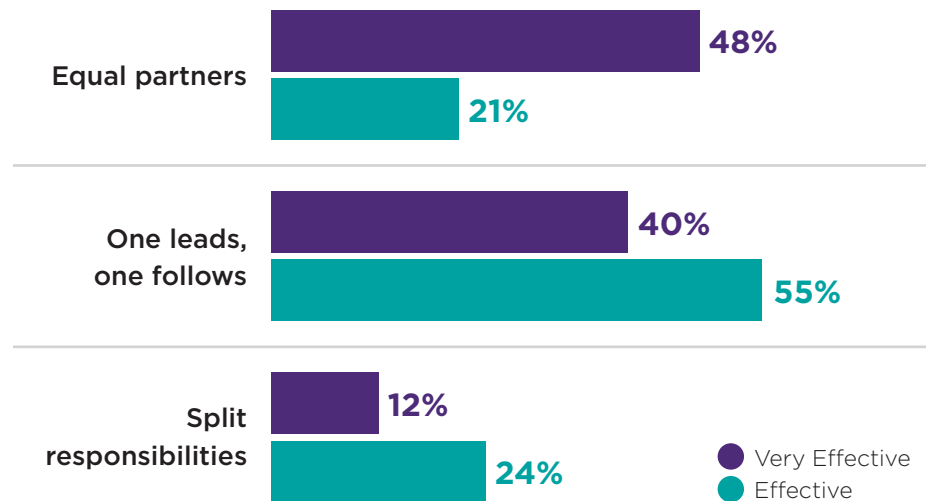
At Fidelity Investments, marketing and IT make practically every MarTech decision together. CIO Forbes's head of MarTech and data engineering is a direct member of CMO Dintenfass's marketing team and sits at his table in the office. The engineers work in agile teams, hand in glove, with Dintenfass's marketing product managers.

Often, IT will initiate ideas about emerging MarTech.

"The quality of decisions and the speed we operate, there would be no way to pull that off without the teams being this close," Dintenfass says. "The voice of the customer is at the table. The people using the platform daily are at the table. Where we are in the technology lifecycle, where it will be five years out, is at the table. Everything is at the table at the same time."

Graph 8

WORKING RELATIONSHIP BETWEEN MARKETING AND IT BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Equal partners
48%
21%

One leads, one follows
40%
55%

Split responsibilities
12%
24%

● Very Effective
● Effective

RELATIONSHIP DYNAMICS: PARTICIPATION

MarTech falls short when the right voices (beyond marketing and IT) aren't being heard during key decision and adoption stages. Are finance and procurement teams weighing in? What about legal and privacy experts? Is the e-commerce group involved?

MarTech touches many parts of the enterprise in powerful and, at times, unpredictable ways. The fewer groups at the table, the greater the risk that CMOs will miss out on important perspectives and run into problems down the road.

"It's been my experience that collaboration is not as deep as it should be at many companies, resulting in a lot of after-the-fact cleanup and incompatibility that needs patching," says Nic Brandenberger, former senior director of global marketing and brand at eBay.
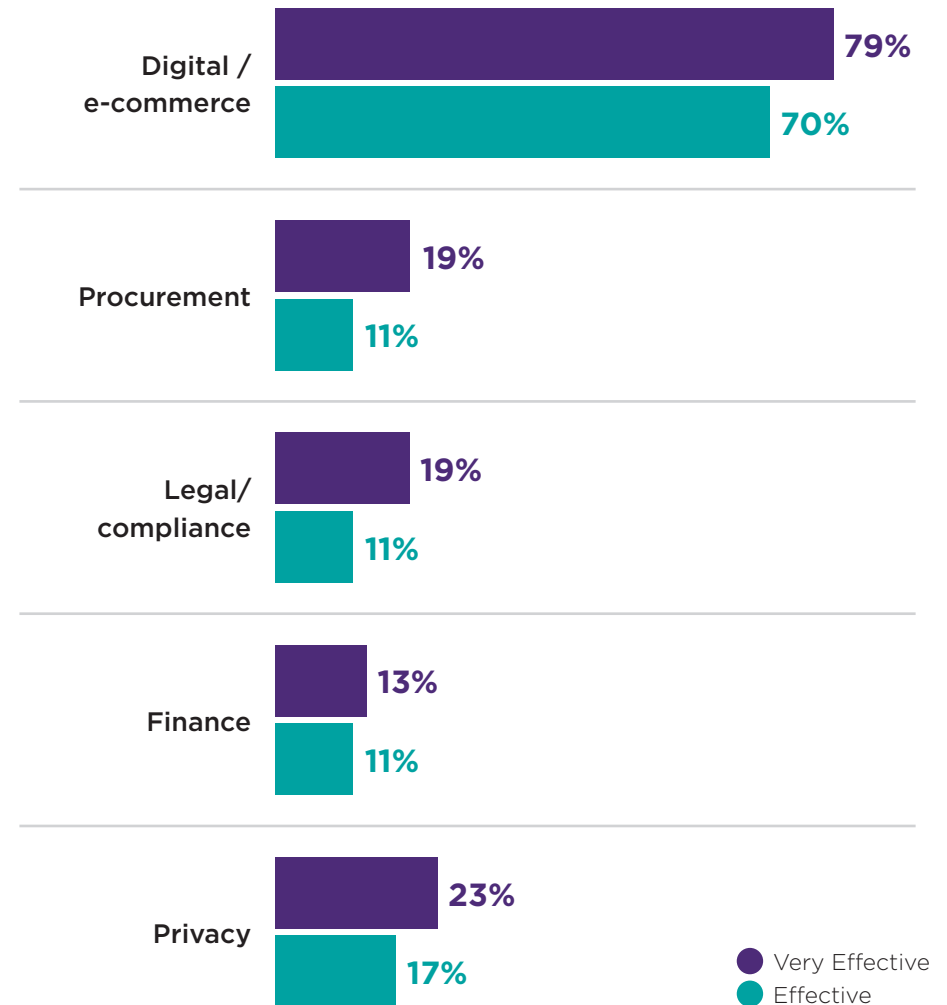
CMOs in "very effective" relationships with IT have the most organizational participation in MarTech-related decisions. During the critical selection and management stages of MarTech, the average number of participating groups is 2.6, whereas CMOs in "moderately effective" relationships have only 1.8 participating groups.

Participating groups don't simply parachute in, make a few suggestions, and disappear from the MarTech conversation. MarTech's management stage, in particular, needs different groups continually tracking and improving performance in their areas of expertise.

Through iteration in multiple areas, effective management can yield good results even if the initial vendor selection was less than optimal. In other words, management is a strong indicator of long-term return on investment.

Graph 9

PARTICIPATION IN BOTH MARTECH SELECTION AND MANAGEMENT BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Group	Very Effective	Effective
Digital / e-commerce	79%	70%
Procurement	19%	11%
Legal/compliance	19%	11%
Finance	13%	11%
Privacy	23%	17%

● Very Effective
● Effective

RELATIONSHIP DYNAMICS: PERFORMANCE MEASUREMENT

One of the unmistakable characteristics of "very effective" relationships is the ability and willingness to measure MarTech performance comprehensively.

In addition to tracking standard MarTech metrics, CMOs in "very effective" relationships are looking at more data types, as well as specific KPIs within those data types, than their counterparts in "effective" and "moderately effective" relationships. This makes sense as there are more groups participating in MarTech selection and management when the marketing-IT relationship is on a more equal footing. This results in tracking performance metrics that are important to many functions in the company.

These added metrics and KPIs include: system performance metrics, provider service level metrics, utilization metrics, customer KPIs (e.g., share of wallet, brand value, customer experience), marketing operations KPIs (e.g., marketing innovation, testing capability, marketing operational efficiency), and financial KPIs (e.g., customer lifetime value, customer acquisition cost).
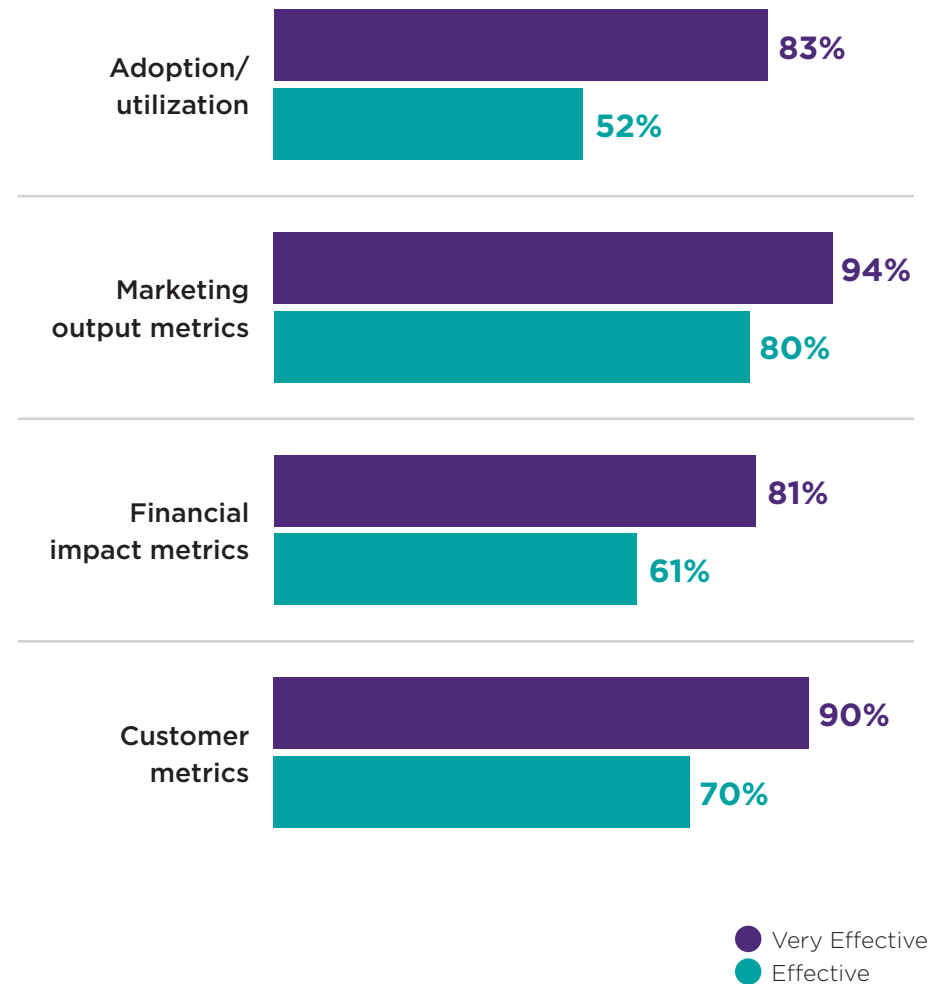
"I can go back to my business partner and say, 'We ran that campaign and it used to take us 30 days and now took us two days. The return went from X to Y,'" says Dan Torunian, vice president of employee technology and experience at PayPal. "Being able to tell that holistic view helps inform what we do."

Why does this matter? Because as Torunian states, you need to consider MarTech's financial impact on the business. While practically every CMO uses revenue to measure marketing effectiveness, the CMO in a "very effective" relationship may also be looking at customer lifetime value (LTV) and customer acquisition cost (CAC).

The more complete the picture, the better the analysis of MarTech's return on investment.

Graph 10

METRICS USED TO MEASURE MARTECH BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Adoption/utilization — 83% (Very Effective), 52% (Effective)
Marketing output metrics — 94% (Very Effective), 80% (Effective)
Financial impact metrics — 81% (Very Effective), 61% (Effective)
Customer metrics — 90% (Very Effective), 70% (Effective)

● Very Effective
● Effective

RELATIONSHIP DYNAMICS: PROPER GOVERNANCE

Many CMOs cringe at the idea of having many voices and multiple data measurements factoring into the strategy, planning, selection and management of MarTech. These CMOs fear they will slow MarTech decision-making to a glacial pace.

But the problem isn't more voices, rather it's a lack of proper governance techniques that help people work more effectually together. Nearly half of CMOs in "very effective" relationships with IT (47%) employ three or more governance techniques, compared to those in "effective" (33%) and "moderately effective" (17%) relationships.

The number and robustness of governance techniques matter.

Too few, for instance, can leave capability gaps. MarTech steering committees set the direction but may lack a true understanding of how best to implement tactics. RACI (responsible, accountable, consulted and informed) models that define roles and responsibilities in cross-functional projects provide clear guidelines for efficient and effective implementation but don't provide strategic direction.

Brian Law reports Tableau created a MarTech council made up mostly of marketing leaders, as well as representatives from IT, finance and procurement, to set the MarTech strategy, priorities and goals. "This has made us particularly nimble and allowed us to keep the customer and business objectives at the forefront of our MarTech strategy," Law says.
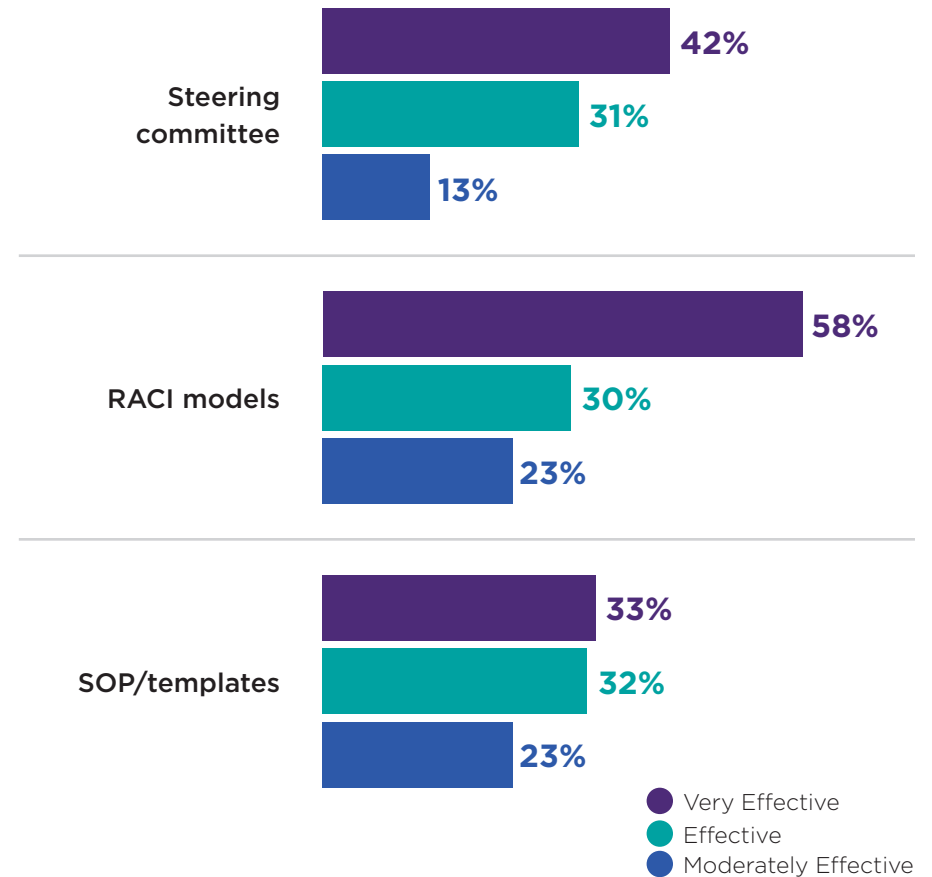
Still, the numbers show that even in "very effective" relationships many CMOs reject MarTech steering committees, RACI models and other governance techniques. Why is this the case?

Governance techniques control how decisions are made and who's going to have the last word at various points along the MarTech adoption curve, thus making them politically challenging to put into place. Moreover, governance techniques must have teeth to be effective. If they don't, they may do more harm than good. Disciplined governance promotes agility and speed, while slack governance can lead to delays and failure.

It takes courage to make hard decisions around governance. We've found that CMOs in "very effective" relationships with IT don't shy away from practicing good governance, involving multiple voices, and driving more data measurements into MarTech.

Graph 11

KEEPING PACE WITH MARTECH GOVERNANCE BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Steering committee
- 42%
- 31%
- 13%

RACI models
- 58%
- 30%
- 23%

SOP/templates
- 33%
- 32%
- 23%

● Very Effective
● Effective
● Moderately Effective
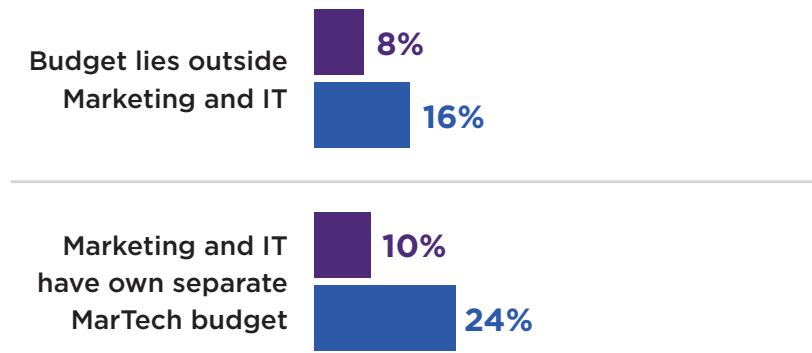
RELATIONSHIP DYNAMICS: MARTECH TEAM AND BUDGET

Interestingly, our study found the formal structure of the MarTech team and ownership of the MarTech budget didn't impact the effectiveness of the marketing-IT relationship. The only exception is when companies do not have dedicated MarTech teams or are largely reliant on outside vendors. Further, companies where the MarTech budget either lies outside marketing or IT are also less likely to report "very effective" or "effective" marketing–IT working relationships. A similar dynamic is seen when marketing and IT have separate MarTech budgets. It is likely having separate MarTech budgets reduces the need and desire for marketing and IT to collaborate.

As long as a dedicated MarTech team exists and the MarTech budget resides with marketing or IT (not other functions in the organization), then these issues neither help nor hinder the effectiveness of the marketing-IT working relationship.
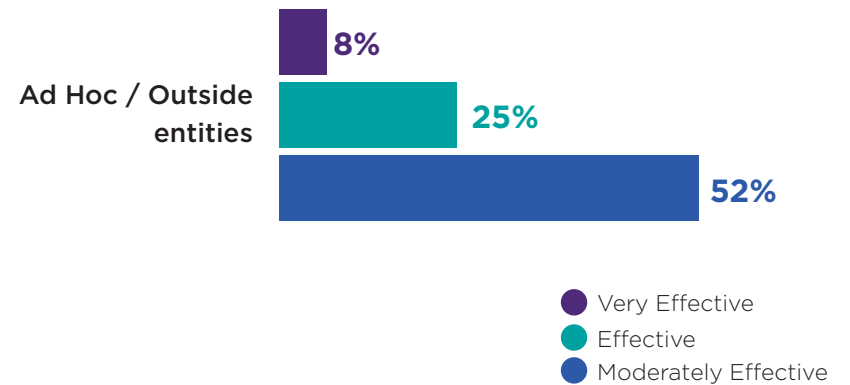
Graph 12

MARTECH BUDGET OWNERSHIP BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Budget lies outside Marketing and IT
- 8%
- 16%

Marketing and IT have own separate MarTech budget
- 10%
- 24%

Graph 13

MARTECH TEAM STRUCTURE BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Ad Hoc / Outside entities
- 8%
- 25%
- 52%

● Very Effective
● Effective
● Moderately Effective

RELATIONSHIP DYNAMICS: CLOSING THE LOOP

"Very effective" CMOs not only design a more comprehensive MarTech strategy but also can connect it to MarTech selection and management decisions in a way that delivers the best return on investment. The ability to connect these threads provides an incredible advantage.

That's a MarTech capability worthy of pursuit.

Breaking it down further, as stated earlier, nearly three out of five CMOs in "very effective" relationships with IT have a multi-year strategic plan for MarTech. They're able to produce a more robust plan in part due to their close partnership with IT and disciplined governance that keeps strategic talks from bogging down.

Holistic participation in MarTech selection and management ensures "very effective" teams think about MarTech and enterprise strategy more comprehensively. Linking strategy to tactical decisions provides these CMOs with more effective data integration and execution. The use of comprehensive performance measures ensures MarTech investments stay on track.

In summary, a highly effective MarTech capability consists of linking four connected parts: planning strategically, integrating strategic considerations into tactical decision-making, solidifying strategic considerations through holistic participation in selection and management stages, and measuring performance broadly and regularly.
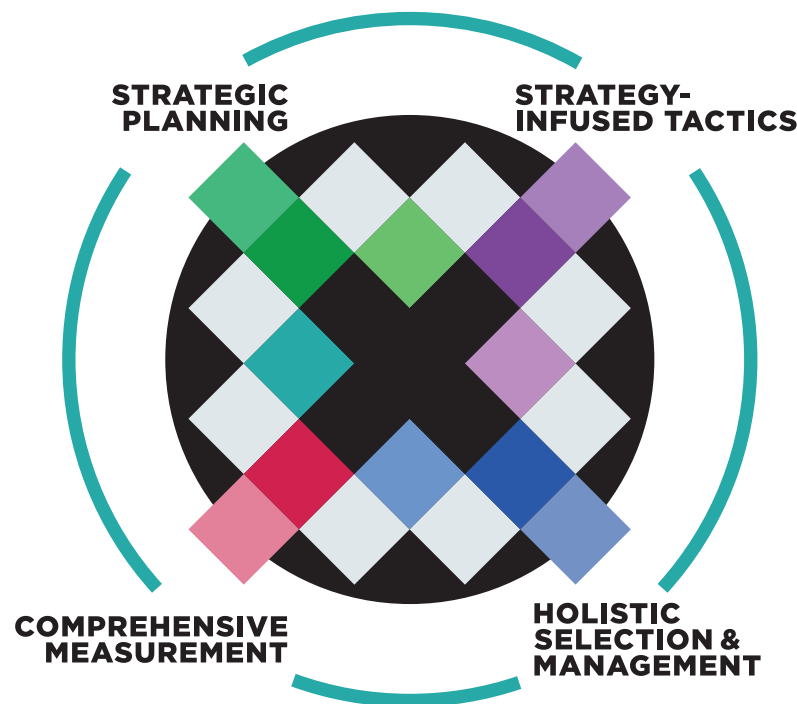
"The voice of the customer is at the table. The people using the platform daily are at the table. Where we are in the technology lifecycle, where it will be five years out is at the table. Everything is at the table at the same time."

— David Dintenfass, Chief Marketing Officer at Fidelity Investments

A highly effective MarTech capability consists of LINKING FOUR CONNECTED PARTS

STRATEGIC PLANNING

STRATEGY-INFUSED TACTICS

COMPREHENSIVE MEASUREMENT

HOLISTIC SELECTION & MANAGEMENT

CMO SHINES

"Very effective" working relationships not only drive more mature capabilities and higher MarTech performance but also appear to positively impact the CMO's role and responsibilities within the company.

The CMO Council found that 62% of business leaders consider the essential role of the CMO as "customer experience advocate and champion," followed by "digital transformation and marketing automation leader." Revenue growth is the top component for measuring marketing effectiveness, with nine out of 10 marketers expected to grow revenue this year.

Interestingly, CMOs in "very effective" relationships with IT are more likely to be responsible for digital transformation, customer experience and revenue generation— i.e., the "big three." Additionally, they are more likely to be responsible for marketing analytics. All of this means these CMO can play a larger role in the future of the company.

In our study, CMOs in "very effective" relationships with IT also have the largest MarTech stacks and spend the highest percentage of their marketing budget on MarTech. Clearly, high-performing MarTech warrants more investment. Case-in-point: Comcast's marketing team has been aggressively adopting MarTech over the last few years, and now some 70 MarTech projects or deliverables are planned this year.

Conversely, lackluster performance of MarTech casts a harsh light on CMOs. Do they have the right technical capabilities? CMOs in only "effective" and "moderately effective" relationships with IT spend far less on MarTech than their higher performing counterparts.
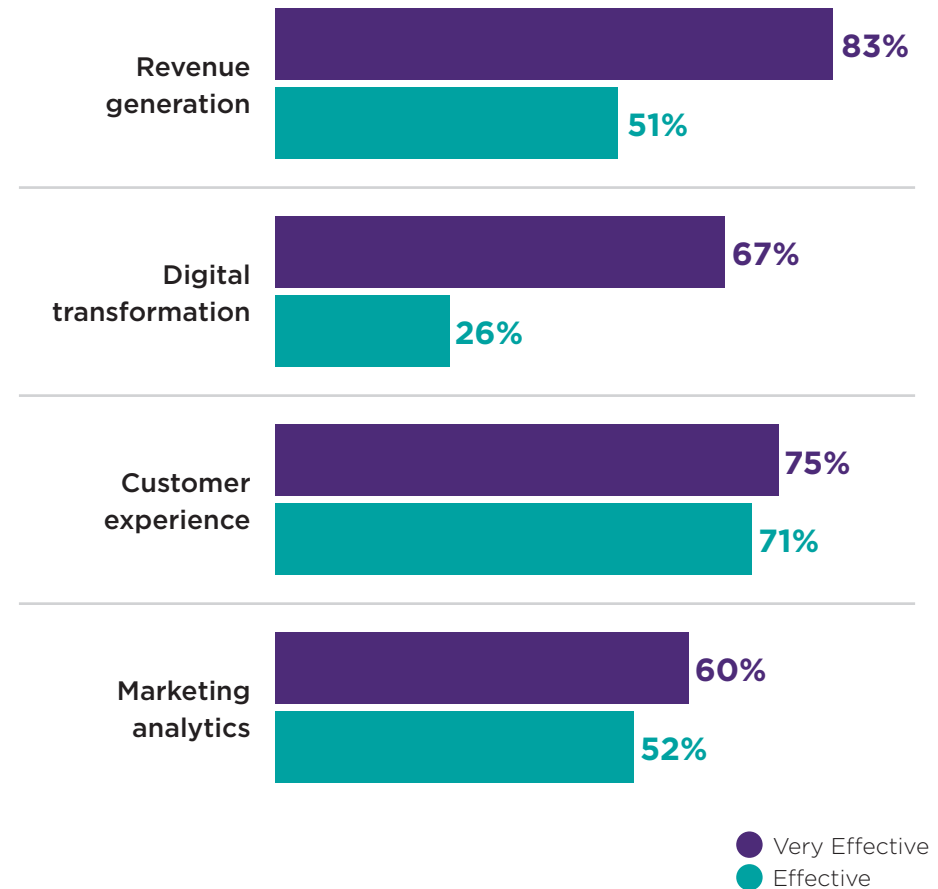
This may be a serious problem, considering that more than half of these CMOs still have revenue-generation responsibilities. They need MarTech to improve the digital experience and acquire and retain customers. The CMO Council found that more than half of marketing leaders (53%) are only moderately confident or worse that they will meet their revenue targets.

With the "big three" responsibilities hanging in the balance, it's more important than ever for CMOs to move toward "very effective" relationships with IT to get the most out of MarTech.

Graph 14

MARKETING PRIMARY RESPONSIBILITIES BY LEVEL OF CMO-CIO RELATIONSHIP EFFECTIVENESS

Revenue generation
- 83%
- 51%

Digital transformation
- 67%
- 26%

Customer experience
- 75%
- 71%

Marketing analytics
- 60%
- 52%

● Very Effective
● Effective

THE NEXT STEP: MOVING TOWARD "EFFECTIVE"

While every company is different, our research identifies some key differences between companies based on their level of marketing-IT working relationship effectiveness. These differences identify good leverage points for CMOs to begin building more effective relationships.

More than half of "moderately effective" marketing-IT relationships have a critical piece missing: a dedicated MarTech team. Instead, they use ad hoc or outside teams to help with MarTech adoption, which can lead to inconsistencies, capability gaps, integration issues and more.

Without a dedicated MarTech team, 41% of "moderately effective" companies have MarTech budgets that lie outside marketing and IT or have multiple, separate budgets held by IT and marketing. In some cases, there's no dedicated MarTech budget at all. Teams that have no budget control or have separate budgets can easily lose motivation to work together.

With ad hoc teams and unaligned budget ownership, it is not surprising the majority (68%) of "moderately effective" companies only initiate MarTech planning when new solutions are needed.

Given the growing importance of MarTech, it is hard to see how any company can be successful with this ad hoc approach. The greatest risk is that this approach encourages single-platform decision-making at the cost of the overall MarTech solution architecture.

There's no question that the presence of a dedicated MarTech team that's funded and operating with a plan is foundational to successful MarTech performance.

3 STEPS TOWARD AN "EFFECTIVE" RELATIONSHIP

1 CREATE A DEDICATED MARTECH TEAM

2 GIVE THE TEAM CONTROL OF THE MARTECH BUDGET

3 HOLD THE TEAM RESPONSIBLE FOR A FORMAL MARTECH PLAN

THE NEXT STEP: MOVING TOWARD "VERY EFFECTIVE"

A major difference between "effective" and "very effective" marketing-IT relationships is how they make decisions. In an "effective" relationship, one group tends to lead and the other follows (55%). This causes strain in the relationship. It's simply too easy for the leader to forego critical discussions to expedite decision making. The group that follows may lose desire to engage fully, increasing the likelihood of gaps in MarTech capabilities and requirements.
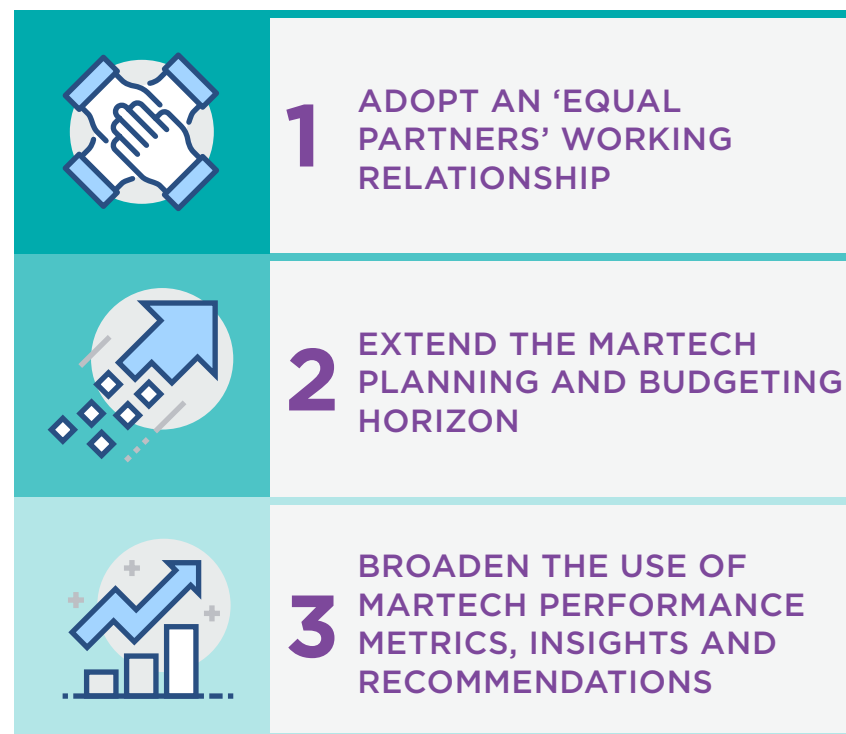
Additionally, we see "effective" relationships also include scenarios where marketing and IT have split responsibilities (24%). This results in decisions being made solely by the group in charge of that particular process phase or activity. As previously noted, this can result in throwing problems over the wall or finger-pointing.

Marketing and IT teams wanting to take the next step in their relationship should start by forming a working relationship that emphasizes an equal partnership in the strategy, selection, deployment and management of MarTech. In "effective" relationships, marketing and IT are most likely to plan and budget for MarTech on an annual basis (52%). On the other hand, those with a "very effective" relationship are more likely to create a multi-year plan (60%) and to estimate funding requirements at least 18 months into the future.

When it comes to execution, "effective" relationships regularly report on MarTech performance but fail to include relevant insights and recommendations within performance reports. Whereas in "very effective" relationships, marketing and IT understand that insights and recommendations ensure everyone interprets performance metrics correctly and what corrective actions need to be taken. Additionally, "very effective" relationships evaluate MarTech performance across a broader set of metrics than do "effective" relationships. Further, within metric categories, "very effective" firms utilize more KPIs to evaluate MarTech than do "effective" firms.

Acting as true partners, adopting a strategic view and reporting / managing performance more broadly can help strengthen the working relationship and MarTech performance.

3 STEPS TOWARD
A **"VERY EFFECTIVE"**
RELATIONSHIP

1 ADOPT AN 'EQUAL PARTNERS' WORKING RELATIONSHIP

2 EXTEND THE MARTECH PLANNING AND BUDGETING HORIZON

3 BROADEN THE USE OF MARTECH PERFORMANCE METRICS, INSIGHTS AND RECOMMENDATIONS

THE NEXT STEP: MOVING BEYOND "VERY EFFECTIVE"

While a "very effective" marketing-IT relationship is the pinnacle of relationships in our study, relationships are never static. There's always room for improvement, particularly when it comes to MarTech selection and management. Over half of CMOs in "very effective" relationships identified innovation and agility, data integration and integration of the MarTech stack into enterprise technical architectures as areas that can be improved by strengthening the marketing–IT working relationship.
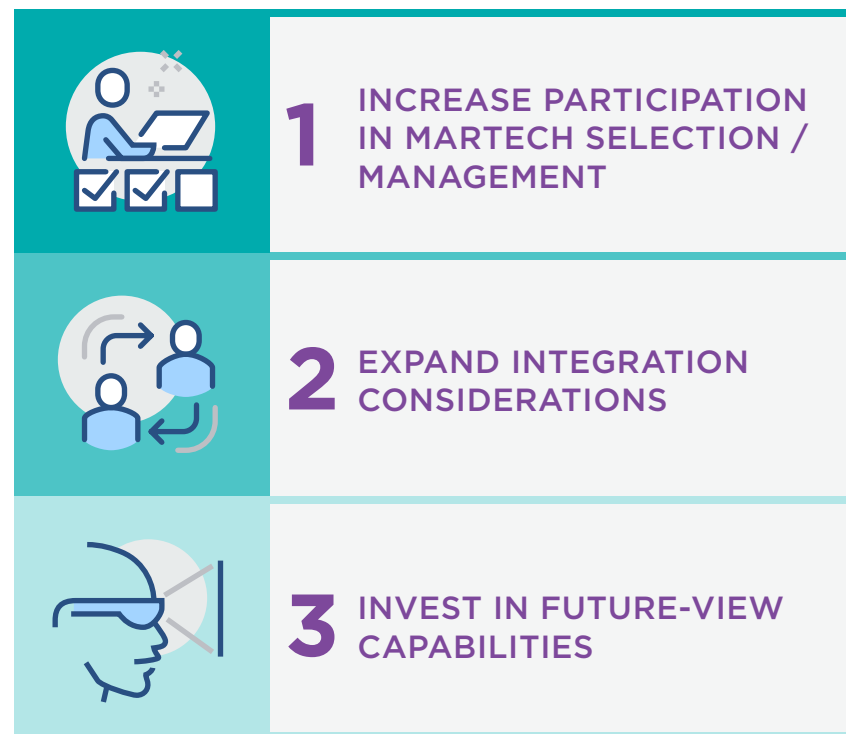
Today, only 20% of marketing and IT in "very effective" relationships include four or more functions/groups in the selection and management of MarTech. Such a small number forfeits a lot of the company's expertise and key perspectives on a technology that will have a profound and holistic impact on the business.

This dynamic is similar with integration. When evaluating new MarTech, nearly half of those in "very effective" relationships consider three or fewer dimensions of integration. This leaves a considerable opportunity for expanding consideration of critical integration issues when building out the MarTech stack and avoiding the dreaded "Frankenstack."

Lastly, marketing and IT in "very effective" relationships should continue to invest in future-view capabilities in planning, innovation and alignment to enterprise strategy. Future-view capabilities allow firms to employ best practices, implement testing and learning, and quickly adapt in order to avoid getting stuck in existing processes, practices or policies.

The MarTech landscape is constantly evolving, and MarTech teams need to keep up. Strategy and speed, along with agility and adaptability, are hallmarks of a great working marketing-IT relationship. Together, they create a runway for making necessary changes so that MarTech continues to be effective for both the company and the customer.

3 STEPS TOWARD MOVING BEYOND

1 INCREASE PARTICIPATION IN MARTECH SELECTION / MANAGEMENT

2 EXPAND INTEGRATION CONSIDERATIONS

3 INVEST IN FUTURE-VIEW CAPABILITIES

EXPERT COMMENTARY

For years, CMOs and CIOs have struggled to forge a good working relationship. They've often been thwarted by cultural differences, misaligned goals, lack of clarity around responsibilities and roles, and inconsistencies in work processes and pace.

But today the importance of this relationship is more important than ever, as companies turn to MarTech to help them recover from the pandemic. Our study shows that the strength of the CMO-CIO relationship directly impacts MarTech capabilities and performance.

Can the CMO-CIO relationship work this time around? What needs to happen? To answer these critical questions, we asked leading authorities from KPMG on CMOs and CIOs — Jason Galloway and David Tarabocchia, respectively — to give their perspectives.

DAVID TARABOCCHIA
Principal
KPMG CIO Advisory Services
US Strategy Consulting Practice Lead

JASON GALLOWAY
Principal
KPMG Customer Solutions Advisory Services
US Marketing Consulting Practice Lead

There seems to be renewed urgency to build a better CMO-CIO relationship. Are you seeing this among your clients?

Tarabocchia: Our client CIOs realize they need a stronger relationship with marketing if they are going to produce the customer and business outcomes expected by their boss (the CEO). By identifying the 4 P's of MarTech — partnership, participation, performance measures, proper governance — we now have a clear path to improving that relationship.

Galloway: We are not saying that progress in the CMO-CIO relationship has not occurred. It has. We see it in our work with clients and the research shows progress has been made; nearly 40% report an effective working relationship. What we are seeing is that a merely effective CMO-CIO working relationship may not support the required levels of customer experience and growth. Effective may no longer be sufficient.

Where should CMOs and CIOs start to improve their partnership?

Galloway: Let's be honest, effective working relationships are set by how the CMO and CIO treat each other. The relationship between these two

leaders telegraphs to their staffs what is acceptable behavior. It is very rare for marketing and IT resources to have highly effective working relationships if their bosses do not.

What else should CMOs and CIOs do to fix this relationship?

Galloway: Be patient. Partnerships are not built overnight. You're likely to find the "storming" part of partnership-building is longer than anticipated. Adjust MarTech schedules accordingly. Don't let immediate MarTech timeline pressures drive you to call it quits on the longer-term, partnership-building efforts.

Tarabocchia: Job shadowing can be effective in helping IT understand the challenges and concerns of marketers and vice versa. Increased understanding makes partnership easier. Both the CIO and CMO need to inform, explain and involve his or her staff in the process of building a more effective partnership. Hold joint marketing and IT staff meetings to ensure everyone understands the goal and desired outcomes. Check back with staff over time to get their perspective and input. Actively involve them in the process of partnership building.

With many more people participating, how do you avoid bloated complexity and bogging down the process?

Galloway: The key to successful broader participation is dispelling the idea that it means "everyone is at the table for every decision." This is not effective decision making. Any warm body is not the answer. MarTech team leaders should ensure the right team resources have provided input into the decision and that input is given due consideration in the decisioning process. The CMO and CIO need to make sure team members understand the difference between having a voice versus a vote in the process. This is not always a fun conversation, but it needs to happen. You want resources from participating functions, which ideally have an interest in, exposure to and some understanding of technology.

Tarabocchia: They don't have to be IT experts, either. In fact, they rarely are. You need resources that can understand the implication of MarTech decisions on their areas of responsibility. For example, help the team understand the implication of MarTech on the customer experience or the financial reporting process or the sales process.

For other functions to bring their voices to the table, they need to feel heard and respected. IT needs to be certain it does not shut down those voices by making them feel stupid. Other functions are not technology experts, which is not why they are at the table. It's important IT does not drown them out with tech speak. Nobody on the team should question the participation and role of other team members.

How do you know if changes are working?

Tarabocchia: As CMOs and CIOs bring more functional voices into MarTech decision-making, they need to consider tracking its performance across a broader set of metric categories. Other functional groups will consider the success of MarTech decisions by how they impact their areas of responsibility. For example, finance will want to consider MarTech's impact on revenue, costs, profit, etc. The digital group will want to consider customer engagement, buy rates, etc. Without the corresponding metrics, other functions are challenges in assessing and reporting on MarTech

impact. If they can't measure the impact of their participation, they are likely to lose interest and momentum in the MarTech process.

Galloway: The right set of KPIs are essential to driving the right behavior. As the old adage says, what gets measured, gets managed. A KPI helps drive a particular type of behavior. It's important that the KPIs you select align with the outcomes you desire. But it's also important how you do it. When companies expand metrics being used to measure MarTech, they typically do so by adding more KPIs in a single metric category, such as more KPIs in customer metrics or financial metrics. This produces a deep but narrow or slanted view of MarTech performance.

Sounds like a balancing act in need of good governance.

Tarabocchia: Yes, exactly. MarTech teams without good governance are like ships without rudders that eventually crash onto the rocks, or without good charts where they end up at the wrong destination, or without the ability to course correct resulting in a much longer voyage. Good governance is built around a strategic vision. Governance structure, roles, responsibilities, measures and processes should be designed to achieve this vision. Acceptance of MarTech governance is greater when it's seen as means of accomplishing an agreed upon vision.

Galloway: Solid governance structures support healthy debate and disagreement. They encourage working through differences but also include escalation processes and realizing that not all disagreements will be resolved within the team. Some may require input from a more senior steering committee. As governance techniques are rarely perfect from the onset, CMOs and CIOs need to establish metrics to help measure governance performance. It is not enough for CMOs and CIOs to measure just the effectiveness of MarTech decisions, they also need to measure the efficiency/proficiency of the MarTech team.

Both Galloway and Tarabocchia agree that it may take work to strengthen the CMO-CIO working relationship, but the payoff can be worth far more than the effort. The performance of the CMO and CIO, as well as MarTech, are all on the line.

EXECUTIVE PERSPECTIVE

PRAKASH KOTA
Title: Senior Vice President, CIO
Company: Autodesk
Industry: Technology

AUTODESK.

> *We need to be coordinated to avoid too much technology, noise and chaos in the ecosystem, which ultimately ensures a positive customer experience.*

#CUSTOMERCENTRIC

At Autodesk, everyone knows that the customer leads MarTech adoption. It's the drumbeat that keeps marketing, sales and IT marching in the same direction.

"We need to be coordinated to avoid too much technology, noise and chaos in the ecosystem, which ultimately ensures a positive customer experience," says CIO Prakash Kota.

Of course, there also needs to be a clear understanding of roles and responsibilities.

Here's how it works at Autodesk: The CMO declares the vision broadly to the organization and takes the lead defining the challenges of the business outcomes. Then IT works with marketing to deliver the OKR framework — that is, objectives and key results.

Specifically, IT defines and drives the technology feasibility, supportability, scalability and security. IT helps develop a short list of vendors through a request for proposal (RFP) consisting of three main parts:

1. Business requirements and capability needs
2. Technical setup
3. Scalability, compliance, security and ability to innovate

"It's about both getting what we need today, and about considering support for tomorrow." Kota says. "The whole stack is evolving so rapidly."

Marketing and IT also meet with the short-listed vendors and jointly report their findings in the form of a scorecard rating business and technical capabilities. Kota says the scorecard is immensely helpful in expediting vendor selection.

The real challenge comes after a vendor is selected and the implementation begins. Kota's team integrates the new MarTech with enterprise systems and gets the data to flow. This is where the magic happens.

Can it really scale and be secure? What's the solution integrity? Does the data show it's creating the right outcomes? How good is the customer experience?

"It's ok to fail, but if something doesn't work out, we want to know sooner rather than later," Kota says. "We prefer course correcting early on and ensuring processes are as efficient as possible."

EXECUTIVE PERSPECTIVE

BROOKE FORBES AND DAVID DINTENFASS

Title: CIO and CMO
Company: Fidelity Investments
Industry: Finance

> " *The quality of decisions and the speed we operate, there would be no way to pull that off without the teams being this close.* "

#ONETEAM

If you ask CIO Brooke Forbes and CMO David Dintenfass how their teams collaborate, you'll get a funny look — there's only one team working on the MarTech strategy, they say.

It's not just lip service, either. Forbes and Dintenfass embrace an agile methodology and integrated team members. For instance, Forbes's head of MarTech and data engineering is a direct member of Dintenfass's marketing team and sits at his table in the office. The engineers work in agile teams hand in glove with Dintenfass's marketing product managers.

"The quality of decisions and the speed we operate, there would be no way to pull that off without the teams being this close," Dintenfass says. "The voice of the customer is at the table. The people using the platform daily are at the table. Where we are in the technology lifecycle, where it will be five years out is at the table. Everything is at the table at the same time."

Forbes has worked at other companies where marketing and IT ran as separate tracks. Collaboration meant communiques were thrown over the wall between the two teams. This created potential gaps in requirements and expectations.

Perhaps the greatest advantage to having one team: It ensures data integration gets addressed early in the vendor selection process. The one team meets with vendors and asks better questions about data integration, rather than marketing leading the way and reporting back to IT.

This is critical because marketing is becoming data-driven, which means MarTech depends largely on its ability to tap into the data supply chain. "You can't talk MarTech without talking data integration," Forbes says.

Another benefit of a team collaborating daily is cross-training. Marketers gain an understanding of technology's capabilities and shortcomings, while IT pros learn about business outcomes such as personalized messaging and orchestrated omnichannel.

Often, IT will initiate ideas about emerging MarTech.

"David has an expectation on his technology leaders to say, 'Hey, we have new capabilities coming online, and here's the art of the possible,' spawning off the business strategy and ideation," Forbes says.

EXECUTIVE PERSPECTIVE

BRYAN LAW

Title: Vice President, Marketing
Company: Salesforce (Tableau)
Industry: Technology

"There's a set of outcomes we're driving toward this year, and our marketing technologists are ultimately responsible for achieving those outcomes.

#MARTECHCOUNCIL

In today's digital-first landscape, having an integrated (digital) customer experience, underpinned by a robust MarTech stack, is paramount. Ideally, this starts with a holistic plan across marketing oriented around the customer with a clear understanding of how technology will support that experience. But that's not enough. Given shifting consumer behaviors, a rapidly growing and evolving MarTech landscape, and demands from marketers for new technology "right away," having a way to quickly identify, assess, purchase, integrate, and adopt new technology is critical to both business success, but also marketing-wide buy in to the approach.

While it's important to acquire, deploy and capitalize on MarTech quickly, many companies get stuck in multiple sign-offs from many departments in the acquisition process. This makes consensus-building difficult and slows adoption.

This combined desire to orient marketing technology around the customer experience as well as improve speed led Tableau Software, acquired by Salesforce in 2019, to transfer most of the MarTech budget, along with acquisition and management authority, to marketing. This has helped marketing significantly improve and quickly integrate digital experiences so that customers feel like they're on a consistent journey, says Bryan Law, vice president of marketing.

As part of this, Tableau created a MarTech council made up mostly of marketing leaders, as well as representatives from IT, finance and procurement, to set the MarTech strategy, priorities and goals. If MarTech software under consideration doesn't touch enterprise systems, then marketing will inform IT of its intentions to acquire it.

"This has made us particularly nimble and allowed us to keep the customer and business objectives at the forefront of our MarTech strategy," Law says.

But this approach doesn't work if marketing doesn't understand technology — that is, technical people need to be part of the marketing group. Law's 85-person marketing group now includes 15 technology product owners oriented around specific MarTech, along with 15 developers to build, maintain, and integrate the MarTech stack. One person, for instance, oversees the customer journey and all the different MarTech pieces that fit into it.

Marketing technologists also liaise with IT, along with functions with related technology such as sales, when and where it makes sense. Law and his directors regularly meet with the IT leaders to make sure roadmaps are aligned and discuss potential new and existing projects where MarTech would tap into enterprise systems.

"There's a set of business outcomes we're driving toward this year, and our marketing technologists are ultimately responsible for achieving those outcomes through the use of the technology and by interfacing with stakeholders," Law says.

EXECUTIVE PERSPECTIVE

SONIA SAHNEY

Title: CMO, MI and CT
Company: GE Healthcare
Industry: Technology

GE Healthcare

> " *We're talking about implementing something for an $18 billion company. We're a highly matrixed and multifunctional company.* "

#ENTERPRISE

CMO Sonia Sahney, who heads up marketing for GE Healthcare's multi-billion-dollar molecular imaging and computed tomography business, knows the importance of getting the right sales collateral into the hands of salespeople. She needed to ensure everyone was seeing the latest and most accurate versions of content about the company's FDA-governed healthcare products.

Marketing laid out the business need for a content repository that tracks and analyzes usage so that Sahney could evaluate content quality. The business need also described the risk to the company if salespeople were sharing inaccurate information.

"We're talking about implementing something for an $18 billion company," Sahney says. "We're a highly matrixed and multifunctional company."

Highlighting the opportunity helped move the project up the technical marketing enablement team's priority list. The marketing enablement team's responsibilities are to weigh the feasibility of implementing a new solution, assess capabilities in the MarTech market, and even consider adding modules to its current technology stack to solve the business need.

The marketing enablement team came up with a short-list of vendors and, along with the global marketing team, vetted each solution before choosing Showpad. Of course, this took a while. When the marketing enablement team gets involved, the MarTech adoption process runs into a bottleneck — and for good reason.

"This is a sizable investment with thousands of people needing licenses," Sahney says. "There's budget, infrastructure and customization that needs to happen, and that's not easy."

Showpad is currently being rolled out, and Sahney will play a major role in successful change management and ROI for her business. Her goal is 100% compliance to Showpad this year. This means she has to shut down other content repositories and the emailing of collateral.

"We're not going to do that stuff anymore," Sahney says. "The real way to do this is emphasizing why we implemented this solution to the people actually using it. If the adoption isn't there, then it's our fault for not checking with them first."

EXECUTIVE PERSPECTIVE

VIOLA AKRUK AND JOSHUA MANN

Title: Executive Director, Media & Advanced Advertising and Director, Marketing Technology
Company: Comcast
Industry: Telecom

> " *We're not looking for a tactical partnership, rather a strategic partner in IT.* "

#MARTECHJOURNEY

Comcast's marketing team has been on an aggressive and important journey of adopting MarTech over the last few years. It's paramount that marketing and IT limit missteps. This led to the creation of a comprehensive strategic process, mapping of MarTech into six capabilities, and the standup of a MarTech team inside of marketing.

MarTech strategy began with stakeholder interviews across leaders in marketing, communications, acquisition, base management, pricing and packaging — every group that MarTech touches. Outside consultancies performed current-state audits and future-state mapping.

Roadmaps, of course, may need to be adjusted from time to time. "For example, the roadmap in the advertising space, given all the changes happening in the industry with privacy, has had to be adjusted quite a bit," says Viola Akruk, executive director of media and advanced advertising.

To make sense of the exploding MarTech landscape in relation to Comcast's marketing priorities, MarTech has been mapped to six capabilities:

1. Planning and workflow
2. Content and asset management
3. Data and audience
4. Omnichannel orchestration
5. Channel execution
6. Reporting and performance management

Joshua Mann, director of marketing technology, leads a technically savvy team, which reports to marketing and liaises with IT, largely responsible for enabling MarTech and achieving ROI. In Mann's case, ROI comes in three buckets: capability builds, cost savings, and cost avoidance.

With vendor selection, marketing often looks to IT to make a final recommendation. The actual decision itself generally comes from the budget holder, which can vary between marketing and IT. But marketing-IT collaboration isn't just about working through requirements.

"We're not looking for a tactical partnership, rather a strategic partner in IT," Mann says. "The IT team is building out subject matter expertise in MarTech, and now they're starting to lead in areas like customer data platform assessment and development and content management capabilities."

This year, Mann's team has some 70 projects or major deliverables that are going to impact end users. The rollout cadence needs to be managed in a way that doesn't overwhelm marketers. It appears the MarTech journey is only beginning.

EXECUTIVE PERSPECTIVE

DAN TORUNIAN

Title: Vice President, Employee Technology & Experiences
Company: PayPal
Industry: Technology

From a technology perspective, we play an interesting role in linking marketing strategy to sales strategy to service strategy. We understand the interconnection and look from the lens of the ultimate customer.

#CUSTOMERJOURNEY

In most companies, marketing is concerned only with marketing, sales only about sales, customer service, well, you get the picture. Who sees the entire customer journey? No one, really. That's why PayPal decided to consolidate customer-facing technology under IT.

"We took the marketing technology team out of the marketing function in October last year and moved it into my portfolio," says Dan Torunian, vice president of employee technology and experiences. "We want to be a tightly integrated group between marketing, sales and service. That's our North Star we've set for ourselves."

The old way of MarTech adoption had non-technologists making technology decisions. New acquisitions led to a proliferation of MarTech tools. Worse, the absence of a complete picture of the customer journey muddied MarTech ROI. Were marketing campaigns driving the sales cycle or not? It was impossible to tell.

Bringing MarTech, sales tech and customer services tech under one roof requires savvy leadership. For instance, if a business partner wants a particular vendor tool, Torunian tries to pivot the conversation to be more about outcomes. He asks the business partner to help him understand why they need the technology now in business terms.

Torunian has to assess product security and risk. "I might say, 'Let's put it on a short, contractual runway,' because there might be the possibility that we'll leapfrog the product when they need a more integrated platform," he says. "I do expect there will be drift from time to time, but I want to manage the drift."

Centralizing business tech has its challenges, but the upside can be profound. By having a complete view of the customer journey, Torunian can see where the customer pain points lie. He can also solve marketing's attribution problem.

"I can go back to my business partner and say, 'We ran that campaign and it used to take us 30 days and now took us two days. The return went from X to Y,'" Torunian says. "Being able to tell that holistic view helps inform what we do."

EXECUTIVE PERSPECTIVE

CARA FARLEY

Title: Former CMO & EVP Marketing
Industry: Consumer Goods – Seasonal, Stationery, Crafts

> " *My preference is for the IT team and the marketing team to work hand-in-hand every day to execute against the strategy.* "

#TRUSTTHEPROCESS

When CMO Cara Farley wanted to invest in a new piece of MarTech, usually driven by a new product launch, she trusted the process.

When IT rolls up under operations, Farley's preferred approach is to kick off the process with the head of operations setting the overall plan so that IT's voice is heard from the very beginning. Then sales can offer its perspective and HR can follow with tactical input when needed.

"My preference is for the IT team and the marketing team to work hand-in-hand every day to execute against the strategy," Farley says.

Establishing a steering committee to meet every month to review the progress of major projects and see how they were tracking against their goals is a critical piece in the MarTech lifecycle, as early problems can derail the return on investment.

One of the main KPIs should be user adoption. It's important to catch low user adoption rates before they spiral out of control. User adoption, or lack thereof, will result in technology that sits idle.

"People are very creative in finding their workarounds," Farley says. "They tend to want to continue to do things the way they always have, like using offline Excel spreadsheets."

Worse, if users aren't entering data into the new system, then the company's entire data analytics ecosystem suffers. That's why Farley would always ensure internal reports and videos be produced to coach users on the new technology, as well as show how the technology benefits the company overall.

Oddly enough, speed of MarTech adoption takes time.

Marketing, operations and IT teams often must climb a steep learning curve together to make the process run smoothly. There's often a lot of people involved, which can slow things down. At first, there can be a few expensive missteps, wrong vendor choices and delays in time to value, but it's important everyone trusts the process.

"The more experience under the team's belt, moving through several big projects, the more they're able to move more quickly with the next project," Farley says.

EXECUTIVE PERSPECTIVE

NIC BRANDENBERGER

Title: Former Sr. Director, Global Marketing & Brand
Company: eBay
Industry: Technology

> " Collaboration should start earlier to anticipate what the full stack will look like. "

#COLLABORATION

Nic Brandenberger, former senior director of global marketing and brand at eBay, knows what can go wrong when marketing and IT aren't in lockstep when acquiring MarTech. He says tech companies like eBay often avoid this problem — after all, technology is baked into the company culture — but others aren't so lucky.

Marketing and IT collaboration is critical due to a simple fact: MarTech isn't isolated to the marketing department, rather the software must connect to the core enterprise technology stack. That's why the IT group needs to be involved at every step of MarTech adoption, Brandenberger says.

"It's been my experience that the collaboration between marketing and the product organization is not as deep as it should be at many companies, resulting in a lot of after-the-fact cleanup and incompatibility that needs patching," Brandenberger says. "Collaboration should start earlier to anticipate what the full stack will look like."

Without strong collaboration, MarTech fails to deliver the goods, costs spiral out of control, and poor decisions can haunt an organization for years.

Off-the-shelf products, for instance, require lots of customization to work effectively. If IT isn't closely collaborating with marketing during the vendor selection process, the MarTech might not be flexible enough from a technology perspective. IT will have a hard time customizing or connecting the software to, say, an analytics feed.

Cleanups and patchwork also require additional resources. Were these costs factored into the cost calculation? If not, they can upend ROI. With a big MarTech investment, this may not come to light until the second or third year.
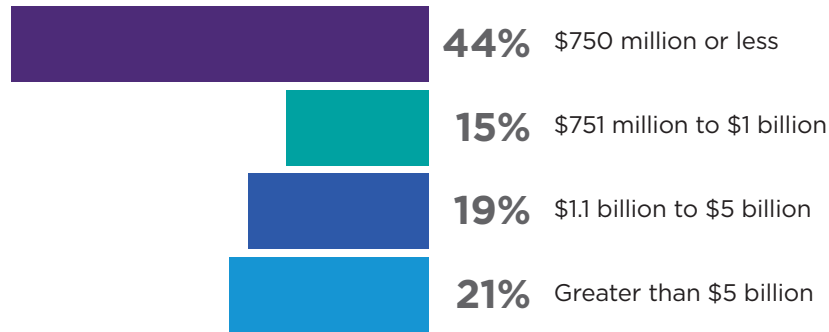
When all of this gets sorted, marketing may realize it should have gone with a different MarTech vendor — but it's too late. The investments in money and time are a big barrier to a pivot, while data already migrated into the system is another.

"Lack of vision and communication can create massive problems down the line," Brandenberger says.

DEMOGRAPHICS

IN 2020, WHAT WAS THE ANNUAL USD REVENUE OF YOUR FIRM?

Respondents hailed from large U.S.-based companies with a minimum annual revenue of $250 million. Fully 40% of respondents represent companies of $1 billion in annual revenue or greater.

44% $750 million or less

15% $751 million to $1 billion

19% $1.1 billion to $5 billion
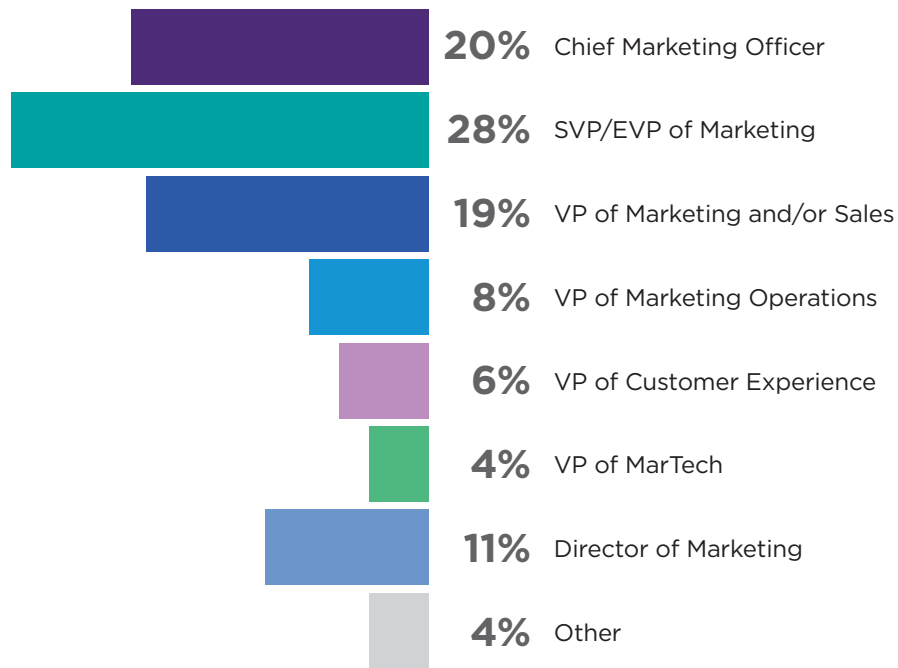
21% Greater than $5 billion

WHICH OF THE FOLLOWING BEST DESCRIBES YOUR BUSINESS MODEL?

There was a fairly even distribution of business models represented in the respondent pool of this survey. Interestingly, similar MarTech challenges and trends were spotted across varying business models.

37% Business to Business (B2B)

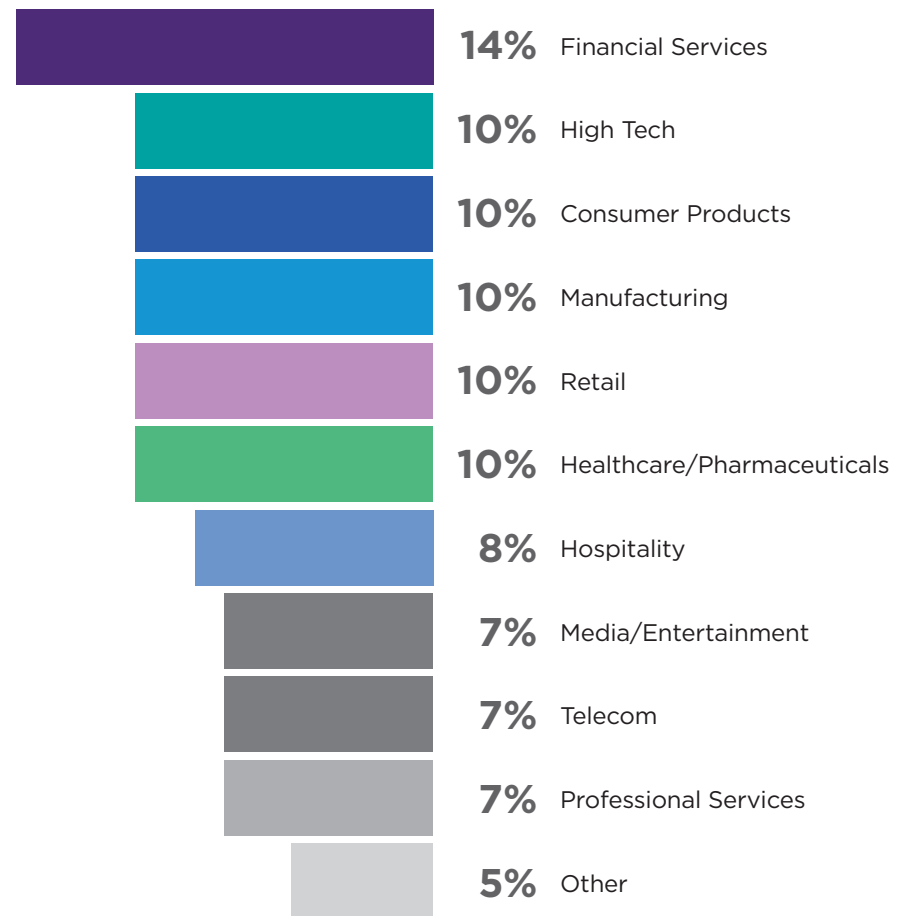**29%** Business to Consumer (B2C)

32% Hybrid
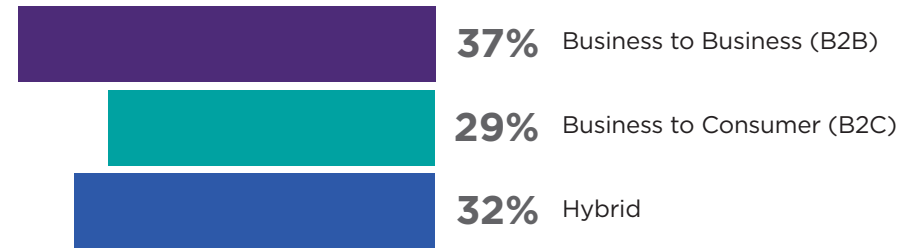
TITLE OR POSITION

The respondent pool to this survey represented senior marketing leaders. In total, 85% of respondents held a VP-level position or higher, with 1 in 5 holding the title of CMO and another 28% holding an SVP or EVP title.

20% Chief Marketing Officer

28% SVP/EVP of Marketing

19% VP of Marketing and/or Sales

8% VP of Marketing Operations

6% VP of Customer Experience

4% VP of MarTech

11% Director of Marketing

4% Other

INDUSTRY SECTOR REPRESENTED

A fairly even distribution of industry sectors is represented in this research, with particular emphasis in financial services, technology and consumer products/retail.

14% Financial Services

10% High Tech

10% Consumer Products

10% Manufacturing

10% Retail

10% Healthcare/Pharmaceuticals

8% Hospitality

7% Media/Entertainment

7% Telecom

7% Professional Services

5% Other

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