

BENCHMARKING STUDY

Journey to Marketing Operations Maturity

Best Practices in Marketing Operations Series



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I. Executive Summary

Just what is the discipline of Marketing Operations (MO) and how well is it currently deployed in companies?

To answer these questions, Marketing Operations Partners, a thought leader and subject matter expert in MO, conducted a benchmark study, primarily among technology companies, to identify the following:

- Key drivers in the journey from MO inception to maturity in best practices.
- Relationship of formal MO Reviews to success of the MO function.
- Scope of MO practices across company characteristics, Marketing function characteristics, and MO function characteristics.
- Success factors and obstacles to progress for the MO function.

This report is intended to provide Marketing executives with new insights, a means for comparison with similar companies, and a valuable tool for improving the effectiveness and efficiency of the MO function and, in turn, the overall Marketing organization.

A description of the study process, and definitions of MO and MO Reviews follow at the end of this Executive Summary.

Study Findings

This is a qualitative study with directional indicators of what technology companies are experiencing and addressing in their MO. The major findings are as follows:

- The MO function continues to evolve, with wide variance in both definition and scope.
- The study's hypothesis, that **effective MO reviews lead to more effective MO, which in turn improves Marketing**, was confirmed by respondents. Formal reviews are instrumental to achieving MO maturity, and,

in particular, for the proliferation of lessons learned, management between reviews, and balance between strategy and tactics.

- Nine key MO organizational challenges were ranked by respondents. From high to low priority, the top three areas of focus are:
 - Measurement of marketing ROI and demonstration of Marketing value.
 - Balance between Marketing strategy & tactics.
 - Tying marketing success to the goals of other groups.
- On the path to improvement and maturity of the MO function, the key area of focus is increased **accountability**.
- The study results show that success in MO is closely tied to **clarity, executive support, and effective process development and execution**.
- Obstacles to MO success are often the inverse of MO success factors and include **unsupportive culture, lack of follow-through, environment that penalizes risk-taking, and infrequent delegation**.
- The companies identified as **Marketing Operations Best Practice Firms** have a formal MO function with a broad scope and strategic emphasis. Some characteristics they share are shown below:

Organizational Profile:

- Large, mature companies with medium-to-high financial performance and CMO tenure longer than the 23.2-month average.
- Marketing organization on par with or supervising the Sales organization, using direct and/or channel sales models.

Marketing Operations Focus:

- o Cited as critical MO components by each Best Practice Firm are measurement, planning, process improvements, Marketing IT, budget/financial management, marketing intelligence, Sales and other stakeholder alignment, socialization, and communications.
- o Other focus areas common among Best Practice Firms include dashboards and scorecards, change management, lead management, campaign management, staff development, best practices and knowledge management, and Marketing governance.

Marketing Operations Reviews Characteristics:

- o MO reviews typically are conducted onsite, with one-half day to three day duration, are conducted by the VP or CMO, and are attended by Director, Manager, and Analyst levels.
- o Marketing and Sales are the primary contributors or presenters at operations reviews, with occasional presentations by Finance, Service, HR, and GMs.
- o Facilitators, dashboards, financials, and competitor data are leveraged as resources.

Figures 1 through 3 list this study's key findings.

Key Benchmarking Study Findings – MO Journey

The MO Evolution and Potential Impact on Organizations

1. As Marketing Operations evolves, its definition and scope expand.
2. Best Practice Firms focus on the sophisticated elements of Marketing Operations.
3. As the scope of MO progresses over time, it also moves toward increasing sophistication and value.

The MO Journey

4. Marketing Operations moves through stages of maturity to reach and optimize the use of sophisticated elements.
5. Marketing Operations scope differs according to company maturity.
6. High-priority Marketing Operations challenges emphasize metrics, strategy and cross-functional goals.

Key Factors in the MO Journey

7. Clarity & consistency, executive support, process management, and performance measurement are key to Marketing Operations success.
8. Unsupportive culture, lack of follow-through, risk-taking penalties, and infrequent delegation are obstacles to Marketing Operations success.
9. Accountability plays a key role in the journey to Marketing Operations maturity.
10. The journey to Marketing Operations maturity is driven by clear goals, formal reviews, and cross-functional interaction.

MO Reviews and MO Journey

11. Marketing operations reviews are instrumental to achieving Marketing Operations maturity.

Figure 1: Length of CMO tenure relates to ability to move forward with key Marketing Operations initiatives.

Key Benchmarking Study Findings – Differentiations and Commonalities

Impact of Key Company Characteristics on MO Effectiveness

12. Large companies build Marketing Operations sophistication through process, automation, measurement, and change management.
13. Midsize companies build Marketing Operations sophistication through resource optimization and processes that address lead generation or compliance challenges.
14. Financial performance enables more sophisticated Marketing Operations and expanded Marketing Operations scope.
15. The phase of a company's maturity may not determine its Marketing Operations effectiveness.

Impact of Marketing Stature and Charter on MO Effectiveness

16. Relative stature of Marketing & Sales organizations relates to marketing's ability to operate strategically, share knowledge, and leverage processes.
17. The balance between strategy and tactics relies on stakeholder alignment, knowledge management, and accountability.
18. Length of CMO tenure relates to ability to move forward with key Marketing Operations initiatives.
19. Selling model breadth provides opportunities for Marketing Operations added value.

Impact of Structure and Scope on MO Effectiveness

20. Formality of Marketing Operations function plays a role in marketing's effectiveness and overall contribution to enterprise success.
21. Centralization of Marketing Operations function relates to the degree of balance between corporate control and local authority.
22. The scope of Marketing Operations function relates to marketing's self-reliance.

Figure 2: Key insights regarding key differentiations and commonalities from the 2007 Marketing Operations Partners Benchmarking Study

Key Benchmarking Study Insights

1. The Best Practice Framework from Marketing Operations Partners provides a greater vision for Marketing Operations value.
2. Marketing Operations Partners' Best Practice Framework is validated by survey results.
3. Few companies have reached the "Sophisticated" level of Marketing Operations Partners' Best Practice Framework in current practice.
4. The future impact of Marketing Operations depends on its ability to drive strategy, change, shared vision & enabling processes, measurement, accountability and results.

Figure 3: Key Insights from the 2007 Marketing Operations Partners Benchmarking Study

Conclusions

Marketing Operations Partners believes that MO is generally defined too narrowly and that a too-limited scope inhibits both the power and productivity that a company could otherwise realize. When too narrowly defined, the overall Marketing function is short-changed relative to the potential value-add of its MO practices.

Marketing Operations Partners sees a fully mature MO function much more broadly defined, as shown in the Marketing Operations Partners' Best Practice Framework (Figure 4). Within this framework, organizations move from the "Fundamental" level of MO functionality, through an "Expanded" level, and finally to a "Sophisticated" level of MO maturity. The process by which an organization reaches this sophisticated level is referred to as the "Journey to MO Maturity."

Next Steps

When defined broadly, MO encompasses bodies of knowledge from a wide variety of fields both inside and outside of traditional Marketing. Examples of holistic marketing include change management, quality, manufacturing, organizational re-engineering, IT, statistical analysis, customer experience management, enterprise resource management, knowledge management, and sales pipeline management.

Few companies possess the dedicated resources, subject matter expertise, and objectivity to address the full realm of MO completely on their own. Yet clearly, as evidenced from this study (and other

studies from leading research firms such as International Data Corporation), companies need to evolve into new areas consistent with the Sophisticated MO scope.

These areas address the entire discipline of MO including:

- Strategy (fact-based decision making).
- Guidance (competency development, marketing governance).
- Process (LEAN Enterprise, Six Sigma, supply chain).
- Metrics (customer profitability, predictive analytics, enterprise metrics alignment).
- Technology (enterprise marketing management, portfolio management).

They also address the key drivers (change management, shared vision) that enable a Marketing Organization's successful collaboration and alignment with the key stakeholders that comprise its enterprise Ecosystem.

It is important to emphasize that none of these strategies or focus areas should be implemented in isolation, positioned as "magic bullets" or "quick fixes" or be viewed from a "one-size-fits-all" perspective. Before applying insight from this and future MO studies, Marketing Operations Partners strongly advocates that the reader consider:

- The objectives of the enterprise.

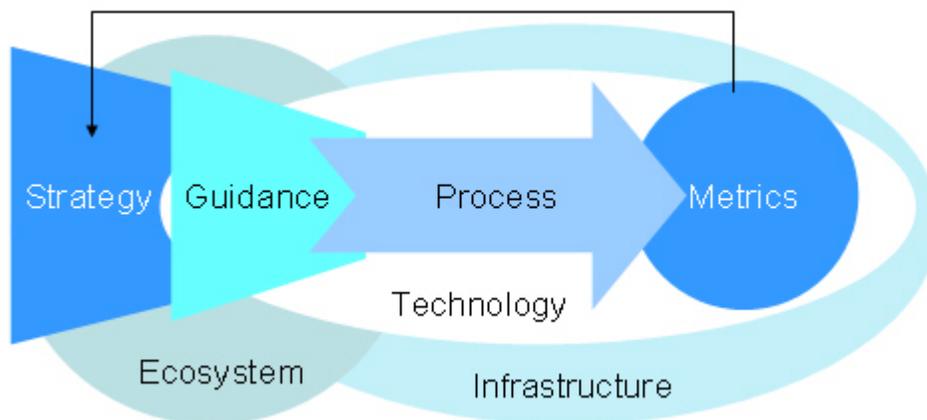


Figure 4 Marketing Operations Partners' "Best Practice Framework"

- The role Marketing will need to play to accomplish those objectives.
- The organization's culture, including its readiness for and tolerance of change.
- The optimal leverage points (hottest or most visible issues, greatest pain).
- The availability of people and budget resources to tackle the problem.
- C-level support for the initiatives that MO will undertake

Study Process

The findings in this study are based on an analysis of data from 81 companies. Of them, 38 are large or mid-size high-tech companies.

Marketing Operations Partners analyzed 26 companies that provided the most complete data in order to identify differences and commonalities in their Marketing Operations practices. A number of characteristics were reviewed, including the size of the company, level of company maturity, breadth and maturity of the Marketing Operations function, financial performance, industry focus (hardware, software or other), and type of sales model typically used.

Marketing-oriented factors were also assessed, such as the tenure of the current Chief Marketing Officer, the company's focus on strategic versus tactical marketing, and the organization's balance of focus on Marketing relative to Sales. Finally, the self-reported structure of the Marketing Operations function within the organization (formal or informal, centralized or decentralized) was also analyzed.

Definitions

Marketing Operations (MO) is a term used differently across organizations. Marketing Operations Partners defines Marketing Operations as a thorough, end-to-end operational discipline that leverages processes, technology, guidance, and metrics to run the Marketing function as a profit center and fully accountable business. To drive achievement of enterprise objectives, Marketing Operations should:

- Reinforce marketing strategy and tactics with a scalable and sustainable enabling infrastructure.
- Nurture a healthy, collaborative ecosystem both within and outside the marketing department.

For purposes of this study, a **Marketing Operations review** is a focused process consisting of regularly scheduled meetings that are conducted by the Marketing function and aimed at aligning Marketing strategy with tactics, and ensuring execution of Marketing strategy. These reviews are typically conducted on a quarterly or annual basis and often roll up to C-level review processes.

II. Research Approach

Marketing Operations Partners initiated this benchmarking study to identify success factors and challenges in MO and, in turn, to assess their impacts on effective marketing. A key hypothesis studied was the degree to which periodic formal MO reviews serve as a success factor for effective MO. This correlation is represented in Figure 5 below.

For our purposes, “Effective Marketing” is defined as follows:

- Marketing acts as a fully accountable strategic partner to the CEO, CSO, and other C-level executives.
 - Contributes to formulating and achieving enterprise strategic and change initiatives.
 - Defines meaningful metrics proactively and demonstrates ROI contribution to organization success.
 - Governs the company brand .
- Marketing drives innovation, new market penetration, and customer profitability
 - Aligns closely with R&D, Sales, and other functional areas.
 - Collects competitive and business intelligence to enable better decision making.
 - Builds customer franchise value and manages customer experience.
- Marketing owns the sales leads process
 - Nurtures prospects through the sales funnel.
 - Removes barriers that block end-to-end pipeline visibility.
 - Delivers tools to help Sales close business

- Marketing, once operationalized, leads the ramp of organizational growth
 - Provides agility and effective response to market opportunities.
 - Leverages best practices, processes, and technology to scale the Marketing organization.
 - Synchronizes effort and ensures cross-functional knowledge-sharing.

To research the relationship between Effective MO Reviews, Effective MO, and Effective Marketing, the team collected feedback from 81 companies:

- 22 companies participated in face-to-face interviews as Marketing executives and people in MO roles.
- 59 companies participated in an on-line survey.

Of the 81 participating companies, 38 are large or midsize high-tech companies, and 43 are small high-tech firms or companies in other industries.

Marketing Operations Partners conducted face-to-face interviews with the following 22 companies:

Agilent, Altera, Amdocs, Applied Materials, Ariba, Avaya, BEA Systems, BigBand Networks, Borland, Cadence, Cisco, Informatica, Intuit, Network Appliance, Polycom, Seagate, Symantec, Synopsys, WebEx, and Xilinx, as well as a division of a Fortune 500 technology company that asked to remain anonymous.

A total of 59 companies participated in the on-line survey. They include Kronos, Mathworks, Nortel, and Sprint, as well as 55 companies that chose to remain anonymous.



Figure 5: Hypothesis relates effective Marketing Operations reviews to effective marketing.

III. Findings and Implications

A. The MO Evolution and Potential Impact on Organizations

Key Finding #1:

As Marketing Operations evolves, its scope and definition expand.

Key Finding #2:

Best Practice Firms focus on the more sophisticated elements of Marketing Operations.

Key Finding #3:

As the scope of MO progresses over time, it also moves toward increasing sophistication and value.

Key Finding #1:

As Marketing Operations evolves, its scope and definition expand.

Survey Findings:

The scope of MO differs widely among companies, with measurement and planning as its most common elements, followed by process improvement, Marketing IT, and budget and financial management.

The next most common areas included within the scope of MO are Sales alignment, socialization and communication, lead management, stakeholder alignment, and performance management.

Fewer companies included the following, listed in descending order: dashboards and scorecards, best practices and knowledge management, campaign management, marketing services, outbound program execution, and marketing intelligence.

Marketing Operations components mentioned by study participants in their MO scope are shown in order of frequency in Figure 6.

-
1. Measurement
 2. Planning
 3. Process Improvement
 - Marketing IT
 - Budget & Finance
 4. Sales Alignment
 5. Socialization & Communication
 6. Lead Management
 7. Stakeholder Alignment
 - Performance Management
 8. Dashboards & Scorecards
 - Best Practices & Knowledge Management
 - Campaign Management
 9. Marketing Services
 - Outbound Program Execution
 10. Marketing Intelligence

Figure 6 Surveyed companies had widely varying definitions and scope of Marketing Operations (Displayed in Rank Order).

Implications:

The scope of MO is frequently defined very narrowly, and, as a result, the MO function is not as powerful a force as it could be. A broader definition of MO would address many of the issues the Marketing role struggles with in organizations and would enable MO to play a larger role in transforming Marketing into a more accountable, effective, and respected business function.

Part of the narrow view taken of MO stems from its continuing evolution as a functional area within companies. A standard definition of the function has yet to be established. As a result, significant confusion persists.

For example, some companies stated that MO comprises all the activities performed by Marketing (including PR and advertising), with no differentiation between the execution of traditional outbound marketing activities and the operationally focused role predominant in most organizations. Furthermore, companies that more accurately

viewed MO as primarily an operational discipline had wide-ranging MO sophistication and scope. Marketing Operations Partners believes that companies with (a) Marketing function complexity, (b) the desire to be more accountable, and (c) the goal to deliver greater perceived strategic impact to the company would benefit from adopting a broad scope of the MO function.

Key Finding #2:

Best Practice Firms focus on the more sophisticated elements of Marketing Operations.

Survey Findings:

The companies identified as “MO Best Practice Firms” have a formal MO function with a broad scope and strategic emphasis. Some organizational characteristics that they share are:

- Large, mature companies with medium-to-high financial performance, and with CMO tenure longer than the 26.8-month average.

- Marketing organization on par with or supervising the Sales organization, using direct and/or channel sales models.

These Best Practice Firms unanimously included the following nine activities in their MO scope: measurement, planning, process improvement, Marketing IT, budget and finance, marketing intelligence, socialization and communications, stakeholder alignment, and Sales alignment.

Additional MO activities identified by Best Practice Firms were dashboards and scorecards, best practices and knowledge management, campaign management, change management, lead management, and Marketing governance.

Marketing intelligence, change management, staff development and Marketing governance were emphasized much more frequently among Best Practice Firms than among the full survey sample.

Conversely, Best Practice Firms emphasized performance management, Marketing services, and outbound marketing execution much less relative to other companies surveyed.



Figure 7: All best practices companies had in common nine Marketing Operations areas of focus, establishing an Marketing Operations foundation.

Implications:

Marketing Operations Partners observed from this study and its industry experience a tendency for many companies to depend overly on one or two areas of focus in their attempt to develop more effectiveness and efficiency in their Marketing organizations.

For example, horror stories are routinely heard from companies that had overemphasized Customer Relationship Management (CRM) or Marketing Resource Management (MRM) technology, and they typically experienced the following stumbling blocks:

- Technology was deployed before department knowledge was documented and organized and processes were defined and mapped with the result that the “technology solution” had to be shelved or use of it delayed after an unsuccessful rollout until this fundamental process was completed.
- Executives expected more functionality and capabilities from technology than were realistic without significant customization and unforeseen additional investment.
- Automation solutions were introduced without having first secured the appropriate level of buy-in, support, understanding, and commitment, which led to poor or ineffective utilization of the technology.

The challenge for companies that are serious about their MO functions is to avoid the preceding traps by building the necessary critical mass and support to deliver an effective MO mix. This starts with the nine components unanimously practiced by the Best Practice Firms and expands as demanded by the MO function charter, which must be aligned with enterprise objectives.

Key Finding #3:

The scope of Marketing Operations progresses over time toward increasing sophistication and value.

Survey Findings:

Companies showed clear tendencies to extend the scope of MO. Thus, the scope of MO typically includes fundamental, expanded, and sophisticated elements:

- **Fundamental MO Scope** - Includes budget management, customer relationship management (CRM), vendor management, marketing outcomes measurement, and marketing services (e.g., bill of materials, licensing, pricing, creative, production management).
- **Expanded MO Scope** - Expands beyond the Fundamental MO Scope to comprise marketing campaign automation, process mapping and design, best practices and knowledge management, cross-functional and behavior-rewards alignment, marketing operations management (MOM), marketing resource management (MRM), digital asset management (DAM), and marketing process metrics.
- **Sophisticated MO Scope** - Evolves to higher sophistication than the Expanded MO Scope to include advanced processes (e.g., LEAN Enterprise, Six Sigma, and supply chain management), marketing governance, portfolio management, customer profitability, change management, competency development, shared vision and strategic management, enterprise marketing management, metrics alignment, and predictive analytics.

Figure 8 shows the progression over time from Fundamental to Expanded to Sophisticated practices.

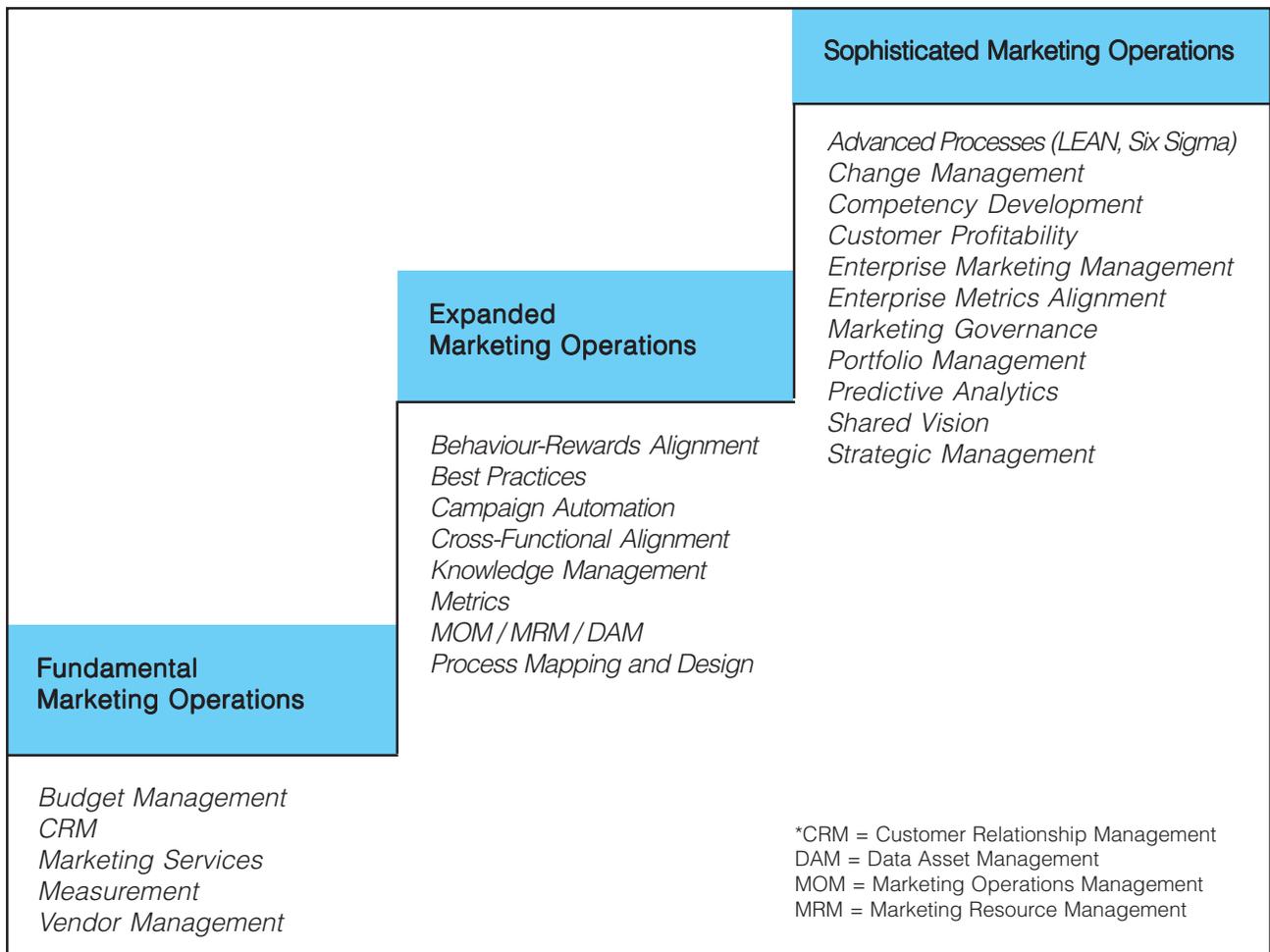


Figure 8: Companies with more mature Marketing Operations functions

Implications:

Companies with Fundamental or Expanded MO Scope can reap much greater value from their MO initiative by tapping into the full potential of the Sophisticated MO Scope. Sophisticated MO organizations view MO as not just a means to add left-brain, scientific thinking to Marketing but also as a vehicle to obtain more holistic and strategic results.

Today's Marketing textbooks¹ emphasize the need for the Marketing function to be the voice of the market for the corporation, taking a holistic view of the company's stakeholders and acting as a conduit for stakeholders' interests to be addressed throughout the company. Additionally, current

Marketing thought leaders advocate that Marketing take ownership of—or at least collaborate with—the Quality function to guide fulfillment of value propositions. This is key to effective internal marketing, ensuring that everyone in the organization promotes brand promise delivery, from senior management to back-office personnel to customer-facing professionals. Traditional techniques used for quality management and organizational development are now making their way into the Marketing function as mechanisms to improve its accountability, efficiency, and morale.

¹ Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. New York: Pearson Prentice-Hall, 2006. See Chapters 1, 2, 5, and 22.

B. The MO Journey

Key Finding #4:

Marketing Operations moves through stages of maturity to reach sophistication.

Key Finding #5:

Marketing Operations scope differs by company maturity.

Key Finding #6:

High priority Marketing Operations challenges emphasize metrics, strategy, and cross-functional goals.

Key Finding #4:

Marketing Operations moves through stages of maturity to reach sophistication.

Survey Findings:

Study participants can be categorized as being in one of three stages on the path to MO maturity. After starting from a Nascent, introductory phase when the initial MO elements were introduced or before a formal MO function was established, companies then exhibited the following:

- **Fundamental MO Maturity Stage**—the period during which a formal MO function is established and basic MO functions are being instituted within the organization.
- **Expanded MO Maturity Stage**—the phase in which the MO function is expanded and integrated into the practices of the organization.
- **Sophisticated MO Maturity Stage**—the period in which organizations move beyond expanded MO activities into sophisticated MO practices.

Implications:

One of the first criteria for greater MO maturity is the establishment of a formal MO function with dedicated staff. The companies considered nascent in their MO maturity had no such function and made statements such as operations is everyone's job or I have the MO responsibility by

default. This lack of focus and commitment undoubtedly leads to lack of executive support and unrealized investment.

Another key factor for escalating MO maturity is a willingness to invest in the people and budget resources necessary to build an effective MO function. This includes the recognition that:

- MO is not a one-person job; the bodies of knowledge from which MO borrows are extensive and require a wide range of skills and subject matter expertise to deliver effective, sustainable, and integrated results.
- An open system approach that leverages both internal staff and external consulting resources is advisable to ensure manageability, control, objectivity, and overall health.
- An investment in MO is a meaningful ROI indicator only after a significant period of time. (This is similar to the view of venture capitalist investments, which may require a three- to seven-year payback period.)

Key Finding #5:

Marketing Operations scope differs by company maturity.

Survey Findings:

Firms at various phases in the company life cycle tend to have differing degrees of sophistication in their MO focus:

- **Young Company MO** – The singular marketing goal of a young company is typically demand generation; its focus is Fundamental regarding MO process, technology, guidance and strategy, and metrics are seldom included or subjectively defined.
- **Evolving Company MO** – Marketing goals of an evolving company typically expand to new markets, solution selling, cross-selling, up-selling, and training. Firms with this level of maturity begin to include Fundamental metrics and Expanded process and strategy in their MO scope.

- **Mature Company MO** – MO goals of a mature company extend to building additional channels, customer loyalty, and brand equity. Such firms escalate their MO focus areas to more substantial use of Technology and Guidance and more thoughtfully defined Metrics. Process focus typically becomes Sophisticated for Mature firms.
- **Renewal Company MO** – The goals of companies reinventing themselves typically evolve toward strategic management, change management, leadership, and customer experience management. In this stage, firms maintain “Sophisticated” focus on all aspects of MO.

Implications:

Company maturity is one of many characteristics to consider in defining MO scope and effectiveness. Figure 9 provides a guideline to determine appropriate key MO function components for companies at different growth stages. Every company needs to assess where it is positioned versus peer companies and make adjustments in its MO focus to find the right balance between its current MO practices, available resources, competitive position, and near- and long-term objectives.

In this study, MO maturity and company maturity were somewhat related. More data is needed, however, before any further conclusions about this relationship can be drawn.

<i>Company Maturity:</i>		Young	Evolving	Mature	Renewal
<i>Company's Typical Marketing Goals:</i>		<i>Demand Generation</i>	<i>New Markets Solution Selling Cross-Selling Up-Selling Training</i>	<i>Expand Channels Loyalty Brand Equity</i>	<i>Strategic Management Change Management Leadership Customer Experience Management</i>
<i>Infrastructure Management</i>					
Process	Fundamental	Expanded	Sophisticated	Sophisticated	
Technology	Fundamental	Fundamental	Expanded	Sophisticated	
Metrics		Fundamental	Expanded	Sophisticated	
<i>Ecosystem Management</i>					
Guidance	Fundamental	Fundamental	Expanded	Sophisticated	
<i>Strategic Management</i>					
Strategy	Fundamental	Expanded	Expanded	Sophisticated	

Focus of Marketing Operations

Figure 9: As companies mature, their typical marketing goals evolve, and the scope of their Marketing Operations function migrates from a Fundamental to an Expanded to a Sophisticated focus on Marketing process, technology, metrics, guidance, and strategy.

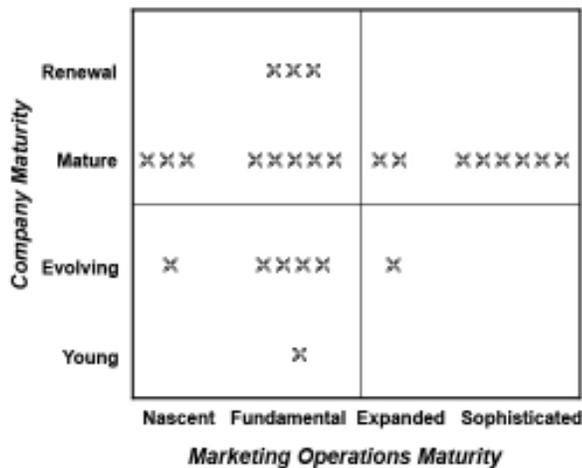


Figure 10: The majority of participants in this benchmarking study are Evolving or Mature in terms of company maturity and Fundamental or Sophisticated in terms of Marketing Operations maturity

Key Finding #6:

High-priority Marketing Operations challenges emphasize metrics, strategy, and cross-functional goals.

Survey Findings:

Three out of four study participants ranked Measurement of Marketing ROI & Demonstration of Marketing Value as a high-priority MO challenge. Similarly, more than half of participants also named Balance of Marketing Strategy & Tactics and Common Goals for Marketing Success Tied to Other Groups as high-priority MO challenges. These rankings are shown in Figure 11. Firms that are more inclined to rank these MO challenges as high priority appear to have **some combination** of the following characteristics:

- **Measure Marketing ROI & Demonstrate Value** – Software, Midsize, Formal MO Function, Above-Average CMO Tenure, and/or Fundamental MO Maturity.
- **Balance between Marketing Strategy & Tactics** – Hardware, Decentralized MO Function, Broad MO Scope, Strategic MO Emphasis, and/or Marketing-Dominant Structure.
- **Common Goals for Marketing Success Tied to Other Groups** – Software, Midsize, Informal MO Function, Centralized MO Function, Strategic MO Emphasis, and/or Marketing Stature Equals Sales Stature.

- **Justification of Marketing's Role in the Organization** – Hardware and/or Fundamental MO Maturity.
- **Coordination of Shared Processes across Functions** – Below-Average CMO Tenure.
- **Continuity to Maintain Institutional Knowledge & Expertise** – Marketing-Dominant Structure.

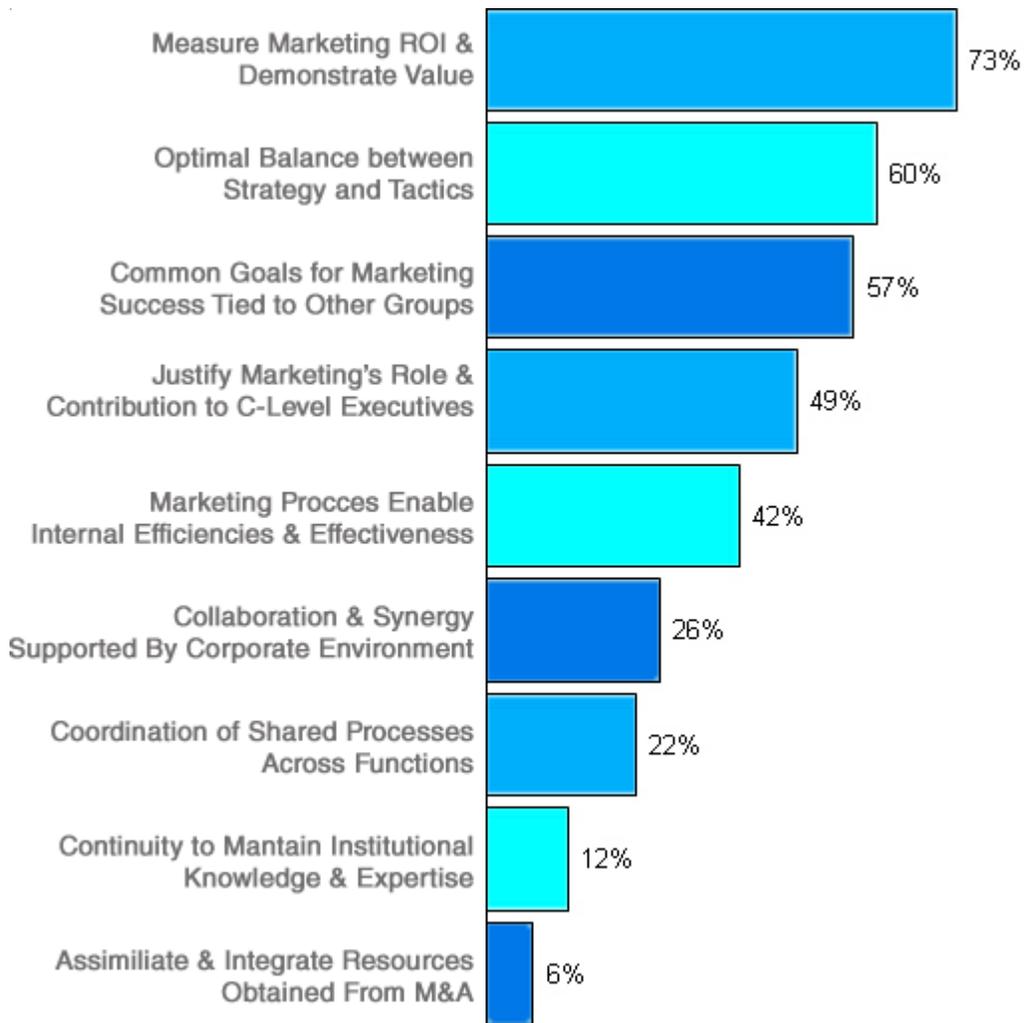


Figure 11: The most common high-priority Marketing Operations challenges are Measuring Marketing ROI, Balancing Marketing Strategy & Tactics, and Common Goals for Marketing Success Tied to Other Groups.

Implications:

The top-priority MO challenge of “Measuring Marketing ROI and Demonstrating Value” indicates a need for objective measurements of value as companies increase their focus on accountability. This expectation of accountability is already a way of life for other functional areas such as R&D, Operations, and IT and is a by-product of the professional management era. Hence, it is not surprising to see an emphasis on measuring marketing ROI as most prevalent among large firms.

Many companies, especially those in the Young and Evolving company maturity phases, struggle with finding the right Balance between Strategy and Tactics. This is often a resource issue stemming from so much operational activity already on each

individual’s plate that strategy receives short shrift. For Marketing to deliver the most significant impact in achieving enterprise objectives, strategy is essential to ensure the pursuit of appropriate activities and initiatives. Conversely, an overemphasis on strategic analysis at the expense of rapid and agile execution, which is a more common phenomenon among companies in the Mature or Renewal company maturity phases, is an equal inhibitor to Marketing’s effectiveness.

The high-priority MO challenge of Common Goals for Marketing Success reflects a thrust for alignment and abandonment of a silo mentality. Particularly as companies expand geographically or into new market segments, it becomes more compelling to ensure consistency and minimize duplication of effort arising from common goals.

The low ranking of Continuity and Assimilating Resources reflect the predominance of this study's companies in the Young or Evolving company maturity phase in which these challenges typically have not yet bubbled up to management's consciousness.

(For more information, see Gary Katz's article "Marketing Operations: A Three-Phase Approach to Determine If Your Marketing Organization is Ready to Change Its M.O. Now.")

C. Key Factors in the MO Journey

Key Finding #7:

Clarity and consistency, executive support, process management, and performance measurement are keys to Marketing Operations success.

Key Finding #8:

Unsupportive culture, lack of follow-through, penalties for risk-taking, and infrequent delegation are obstacles to Marketing Operations success.

Key Finding #9:

Accountability plays a key role in the journey to Marketing Operations maturity.

Key Finding #10:

Marketing Operations maturity journey is driven by clear goals, formal reviews, and cross-functional interaction.

Key Finding #7:

Clarity and consistency, executive support, process management, and performance measurement are keys to Marketing Operations success.

Survey Findings:

Study participants attributed their MO success to-date to clarity and consistency, supportive culture, executive buy-in, performance measurement, and process refinement and automation. Example verbatim comments by study participants include:

- **Clarity & Consistency** – Building a common infrastructure and reporting methods and metrics; implementing consistent practices; common formats; consistent materials and scope; milestones celebrated and promoted as points of success.

- **Supportive Culture** – MO highly regarded; team respect; MO is integral part of Sales Operations – deep level of understanding of Sales objectives and how to work with Sales; have accepted vision of 21st century Marketing; mentality migration to accountability and numbers for accountability; culture of accountability, driven by dollars; MO has internal clients – how do Sales and field Marketing teams feel, are we adding value?; CMO and management team are internal clients.
 - **Executive Buy-In** – Constant reinforcement by CEO is key; visibility; quarterly progress and dashboard managed by CMO; corporate buy-in; Senior VP of Marketing sponsors MO; CMO is very supportive of MO as chief of staff; MO is getting a seat at the table upfront for new product ideas and the business units appreciate MO's proactive contribution.
 - **Performance Measurement** – 10 metrics overall at corporate level, each team may have more; every associate has personal metrics in addition to company-wide dashboard; for customer retention we're using a more predictive indicator; delivered online Marketing dashboard for interpretation and analysis, along with campaign scorecards with top-down, program-level, contextual and observational insights; developing and implementing one set of credible metrics everyone ties into requires clear process definition so metrics come out credibly; Marketing & Sales functions are aligned around revenue growth targets; using standard templates with 4-quarter rolling plan that integrates strategy, goals and metrics; using early indicator metrics to drive process and strategy.
 - **Process Refinement** – After 3 months, we identified sources of 15% waste, primarily redundancies: less is more; showed the waste in Marketing resulting from poor planning and expedited execution; identified bottlenecks and getting sponsorship to move forward; this is the first time we've all been "on the same page"; brand is well accepted internally via process changes to "live" the brand; implemented annual operating plan and strategy with bottoms-up and tops-down forecasting; creating common repeatable processes and templates; becoming more effective and efficient: good process for stopping what does not add value.
 - **Process Automation** – More online capabilities for scalability and cost-effectiveness; fairly aggressive compared to competitors in integrated marketing approach regarding web, print, and face-to-face customer contact; with Salesforce.com, we can show Sales exactly which campaign generated the lead, what was sent, etc.; have been putting in backend infrastructure to support, e.g., implemented a lead management module on top of PeopleSoft CRM that collects and tags 80%-90% of leads generated.
- Other success factors mentioned by study participants include the following:
- **Culture Factors** – Striving to understand others, anticipating future trends or needs, and demonstrating value of a functional area or program.
 - **Interaction Factors** – Following through on commitments, cross-functional interaction, and alignment with Sales.
 - **Information Factors** – Knowledge management.
- Figure 12 shows MO success factors cited by survey participants.

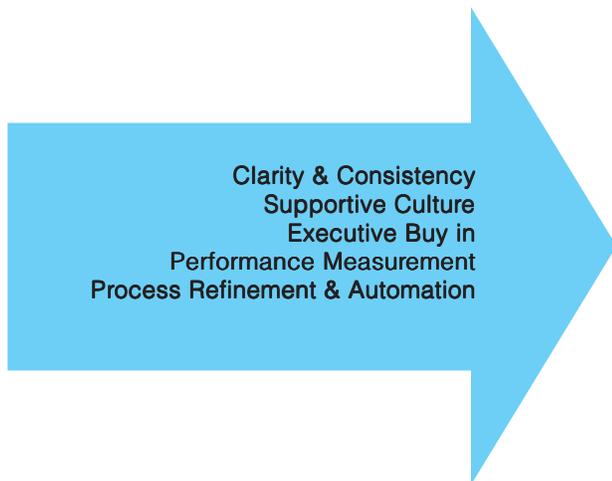


Figure 12: Top-level support with clarity and consistency, followed by performance measurement and process refinement and automation, are the reasons for most companies' Marketing Operations successes.

Implications:

The key drivers of MO success—clarity and consistency, executive buy-in, and a supportive culture—are well within the control of senior management. Effectively optimizing such drivers can unleash the power of MO.

Key Finding #8:

Unsupportive culture, lack of follow-through, penalties for risk-taking, and infrequent delegation are obstacles to Marketing Operations success.

Survey Findings:

Obstacles to MO success are generally the inverse of the success factors, although questions about success and obstacles were both open-ended in this study. Typical obstacles are unsupportive culture, lack of follow-through, penalties for risk-taking, and infrequent delegation. Example comments include:

- **Unsupportive Culture** – Progress is slow as the corporate culture is not so Marketing-oriented and everyone has lots of work on their plate so it's hard to create leverage; change management is inhibited by culture that's in a rut to "do-do-do" without looking at "why"; buy-in at grass-roots level requires fundamental shift in Marketing's behavior; internal forces both inside and outside of Marketing are trying to maintain the status quo; constantly changing scope and executive strategy require continual re-adjusting to resource appropriately; legacy systems and internal full-time positions are not enough to move forward.
- **Lack of Follow-Through** – Leadership discipline: ability to say "these 5 things are important and we'll manage to them and stick with them"; consistency; geographic spread impacts timely response by business units; no closed-loop system; no track-ability on account-by-account basis to close loop; no consistency and way to reinforce; continued reinforcement with the CMO and lead team; execution problems and process constraints are highlighting pain points in the organization which are caused by insufficient resources and staffing in MO.
- **Penalties for Risk-Taking & Infrequent Delegation** – No cascading accountability from corporate goals; drive, ambition, ownership, reward; company is by nature conservative and engineering-oriented, so bold steps and big changes are against the culture; ability of Marketing to get its act together, power-play between centralized Marketing and decentralized Marketing; matrix organization limits MO decision authority an influencing position; CMO doesn't allow delegates at C-level, so a big issue is one source of truth and corporate memory.

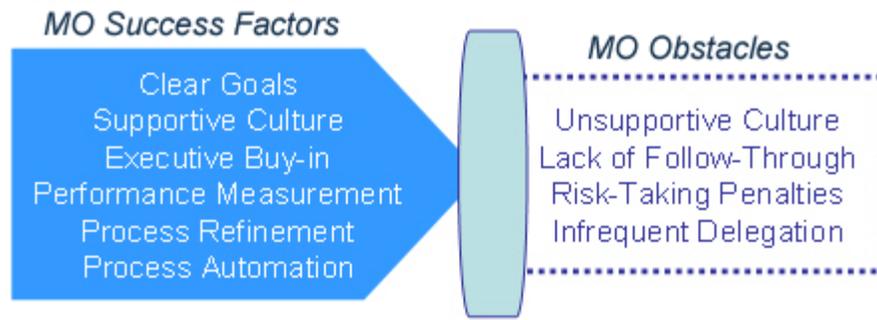


Figure 13: Unsupportive culture, poor follow-through, discouragement of risk-taking, and infrequent delegation are obstacles to most companies' Marketing Operations successes.

Other obstacles mentioned by study participants include the following:

- **Cultural Factors** – Anticipating future trends or needs, customer-focus, demonstrating value of a functional area or program, long-term view, and balance.
- **Information Factors** – Access to the right data at the right time, IT resources, best practices management, and automating formerly manual processes.
- **Interaction Factors** – Follow-through, executive buy-in and support, and cross-functional alignment with Sales.
- **Process Factors** – Refining processes and measuring performance or using a dashboard.

A balanced approach is recommended in which both success factors and obstacles receive careful management attention. Giving balanced weight to both success factors and obstacles helps companies develop strategies to propel them toward their vision and simultaneously prioritize and remove hurdles that would otherwise prevent realizing their vision.

Implications:

Once the obstacles to MO success are recognized, senior executives can take steps to deal with them. However, an effective change management approach is needed (a) to prioritize these barriers in terms of scope, strength, attitudes, and timing, and (b) to develop action plans and monitoring mechanisms to overcome the barriers. Many of the drivers from Key Finding #7 can be utilized here.

Furthermore, companies must avoid taking a one-dimensional approach to dealing with obstacles. Some managers may prefer to focus only on the positive, making it difficult for the team to take a thorough and objective look at the obstacles that are inhibiting success. Conversely, other managers over-focus on the obstacles and thus become disempowered to make necessary changes to get out of the rut.

Key Finding #9:

Accountability plays a key role in the journey to Marketing Operations maturity.

Survey Findings:

The “journey to MO maturity” was measured via participating companies’ self-assessment of their performance since the inception of their MO function. Additionally, expectations for near-term performance improvements were scored for the one-year period from mid-2007 to mid-2008. Performance levels for MO function inception, current practice, and near-term targets were measured on a scale from 0% (“never practiced”) to 100% (“always practiced.”)

At the inception of the MO function, the following MO objectives were practiced about one-third of the time:

- **Marketing Accountability**
(setting specific commitments; tracking and adjusting performance; rewards, penalties)
- **Optimal Balance between Strategy and Tactics**
(maintaining the big picture while making day-to-day marketing execution decisions)
- **Group Memory Management**
(enduring repository of marketing information despite movement of individuals)
- **Fact-Based Decision-Making**
(using data from reliable sources as key inputs to marketing decisions)

Figure 14 shows the journey of the interviewed companies for each of the key MO objectives from the inception of their MO function to their expected performance level by mid-2008.

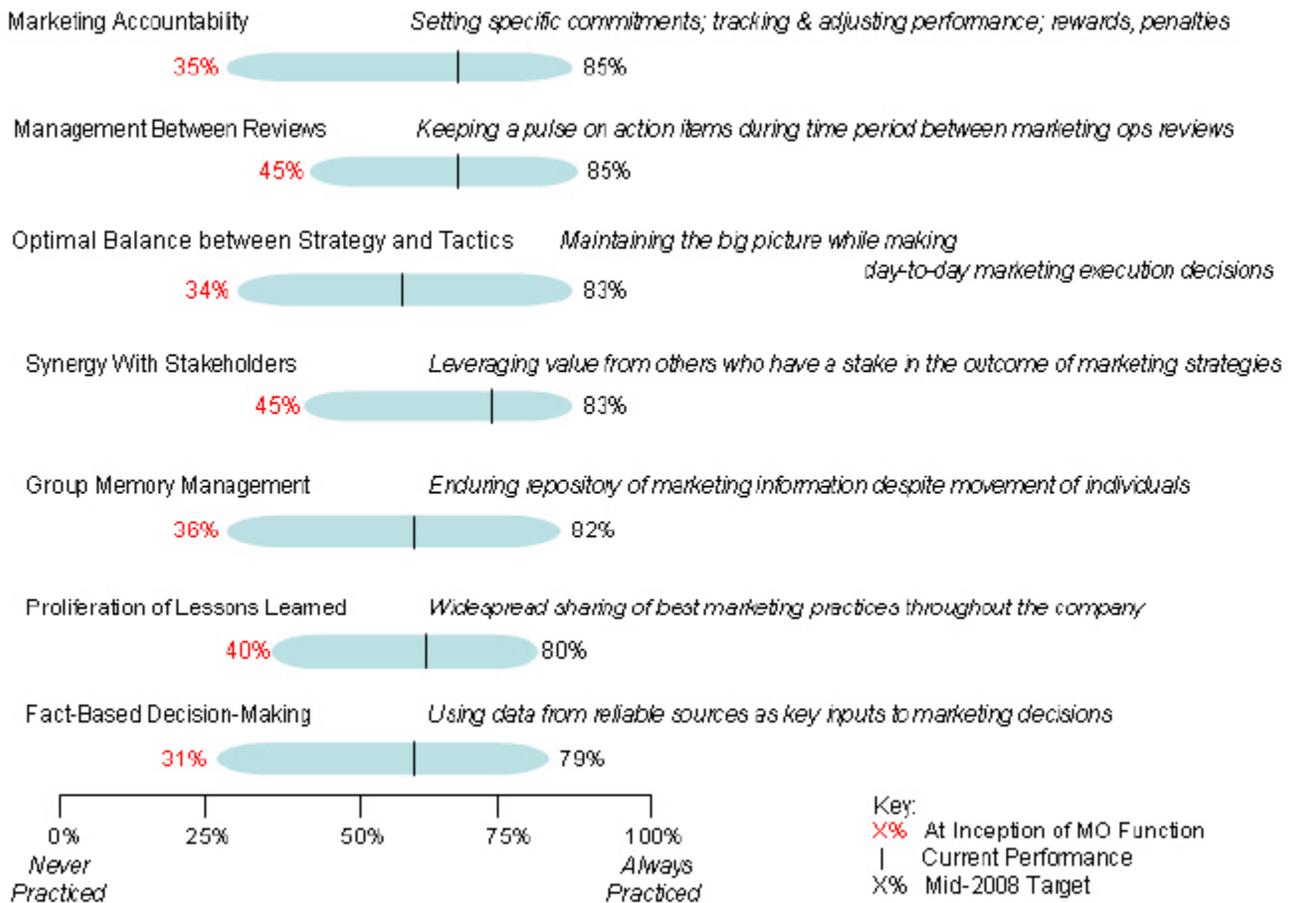


Figure 14: On a scale of 0% (“never practiced”) to 100% (“always practiced”), the lowest starting point at the inception of the Marketing Operations function is shown on the far left. The target performance by mid-2008 is shown on the far right.

Exceptional improvements are underway. While the average starting point for all MO objectives included in this study was practiced less than 50% of the time, it is encouraging to note that the mid-2008 performance target for all MO objectives is within the range of “practiced 79%-85% of the time.”

More than half of the participants say they have progressed 30 percentage points or more in Marketing Accountability.

- Marketing Accountability has the widest gap between current performance and near-term improvement expectations, indicating that it has the greatest potential for improvement.
- Within the coming year, one-third of participants are expecting a 30-percentage-point improvement in Marketing Accountability and Proliferation of Lessons Learned (widespread sharing of best marketing practices throughout the company).

- While Marketing obviously needs effective self-management, it also relies on cross-functional contributions across the company to deliver results, and, hence, Marketing Accountability is tightly linked to Synergy with Stakeholders (leveraging value from others with a stake in Marketing strategies).
- As discussed previously, too little focus on strategy leads to poor decision-making and too little focus on tactical execution leads to poor follow-through. Consequently, Marketing Accountability cannot be separated from seeking an Optimal Balance Between Strategy and Tactics.

A best practice for companies seeking to improve their Marketing performance is to view its objectives in an integrated, rather than isolated, way.

(For additional information, see Gary Katz’s article, “Marketing Operations: Solving Marketing’s Seven Deadly Sins.”)

Implications:

Marketing Accountability is central to the MO function’s purpose, so it is no surprise that Accountability is the number one MO objective for most companies surveyed. As described in Finding #5, the primacy of Marketing ROI as the top priority MO challenge underscores senior management’s concerns about Marketing Accountability.

It is essential to acknowledge that “Marketing Accountability” cannot be achieved in isolation. For example:

- There is a strong dependent relationship between Marketing Accountability and Fact-Based Decision-Making, Group Memory Management, and Proliferation of Lessons Learned. Without the right information and the ability to learn from experience, accountability cannot be achieved.
- Managing between Reviews—keeping a pulse on action items between MO reviews — is effectively a subset of Marketing Accountability.

Key Finding #10:

Marketing Operations maturity journey is driven by clear goals, formal reviews, and cross-functional interaction.

Survey Findings:

Reasons for MO maturity were described by study participants, who also described the tools in place for near-term improvements. Clear goals, formal reviews, and cross-functional interaction were the most frequently mentioned as fostering maturity improvement. Other factors mentioned often were follow-up, alignment with Sales, striving to understand others, anticipating future trends, employee development, access to reliable and useful data, electronic information repositories, and business process mapping.

Instrumental for advancing a company's MO maturity journey are the following:

- **Clear Goals**
 - Marketing Accountability
 - Management Between Reviews
 - Group Memory Management
- **Formal Ops Reviews**
 - Proliferation of Lessons Learned (also noted as instrumental for Management Between Reviews and Optimal Balance between Strategy and Tactics)
- **Cross-Functional Interaction & Communication & Alignment**
 - Synergy With Stakeholders
 - Group Memory Management

- **Striving to Understand Others**
 - Synergy With Stakeholders
- **Anticipating Future Trends**
 - Optimal Balance Between Strategy and Tactics
- **Follow-Up**
 - Management Between Reviews
- **Employee Development**
 - Optimal Balance Between Strategy and Tactics
- **Access to Reliable & Useful Data**
 - Fact-based Decision-Making
- **Supportive Culture**
 - Fact-based Decision-Making
- **Business Process Mapping**
 - Group Memory Management
- **Electronic Repository**
 - Group Memory Management

Figure 15: shows participants' existing success factors and their success factors underway as organized by seven MO objectives.

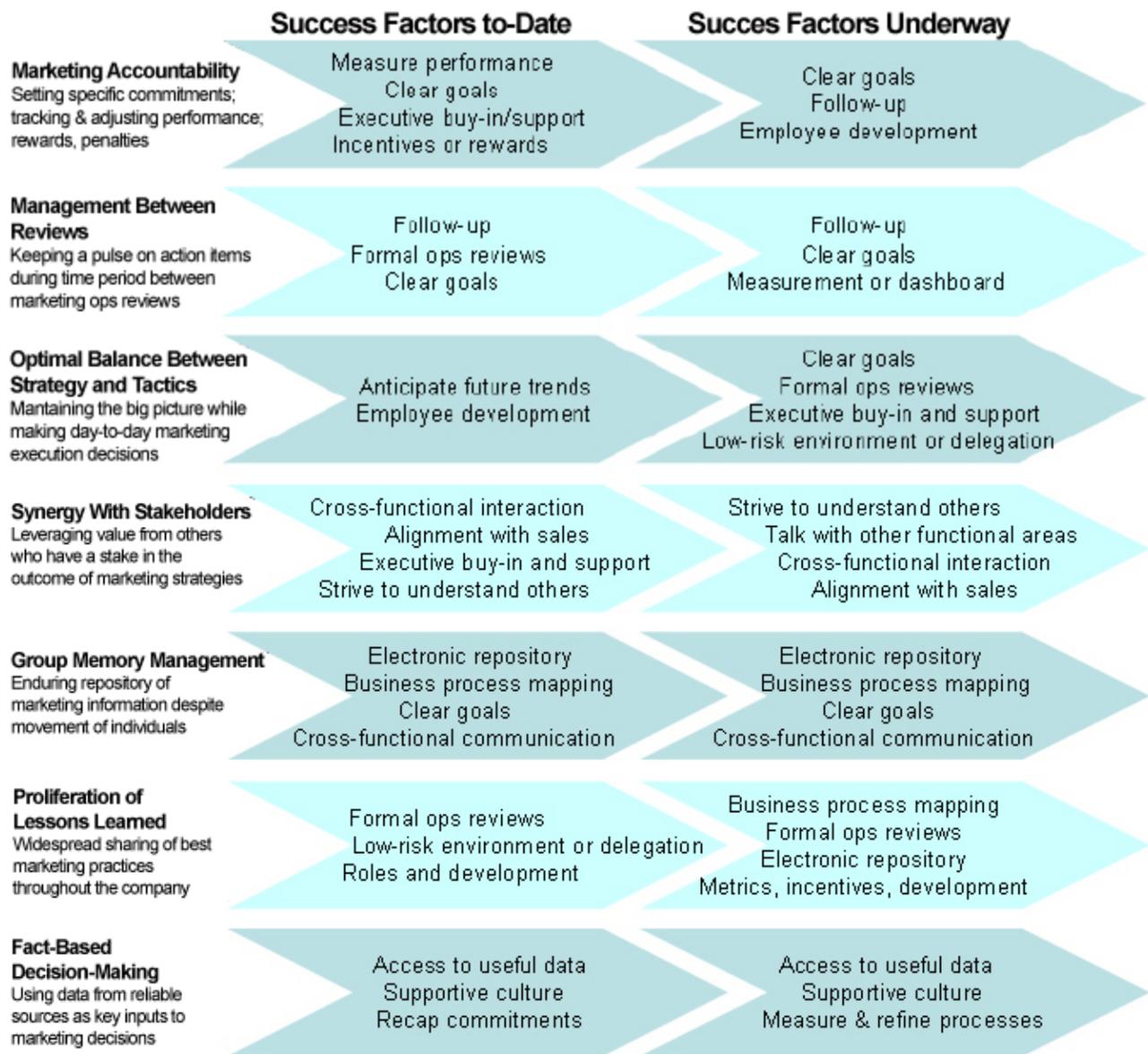


Figure 15: Success in “Marketing Accountability,” for example, is due to performance measurement, clear goals, executive buy-in and support, and incentives or rewards. The primary methods in place for improving “Marketing Accountability”

Companies that appraise their current performance at 100% say they got there by:

- **Marketing Accountability** – “We don’t sign up for what we can’t schedule.”
- **Management Between Reviews** – “We address this through standing weekly meetings.”

Companies that are targeting 100% by mid-2008 say they plan to get there by:

- **Marketing Accountability** – “A career management initiative is underway; competency assessments are tied to mandatory management-by-objective (MBO) plans; we’re coordinating old-timers and new people.”
- **Proliferation of Lessons Learned** – “Improvement will be enforcing a process.”
- **Optimal Balance Between Strategy and Tactics** – “There is a strategy group within Marketing.”

- **Synergy With Stakeholders** – “We need to teach people how to take input in order to be more collaborative.”

Implications:

As discussed in the previous section, Accountability is the major focus area for companies seeking to improve their MO performance. Clarity of purpose and a disciplined approach for managing commitments are keys to achieving Accountability. When such clarity and discipline are lacking, everything becomes a priority, focus is overly dispersed, and people are overwhelmed with more commitments than they can possibly fulfill.

Naturally, follow-up and measurement are essential for Accountability. So, too, is a formalized review process, which can range from regular tracking against a plan to a critical diagnosis of the effectiveness of MO and Marketing function health. To increase the impact of tracking Accountability, it is advisable to set objectives in a cascading fashion, from enterprise-level targets to department-level, team-level, and individual-level targets, all aimed at supporting corporate goals.

D. MO Reviews and MO Maturity

Key Finding #11:

Marketing Operations reviews are instrumental to Marketing Operations maturity.

Survey Findings:

Formal reviews play a major role in companies' journeys to MO maturity. Formal reviews are instrumental to achieving substantial MO improvements, in particular for Proliferation of Lessons Learned, Management between Reviews, and the Optimal Balance between Strategy and Tactics. (See Key Finding #10 for further discussion.)

MO reviews are a focused process that consists of regularly scheduled meetings conducted by Marketing and aimed at bridging the gap between Marketing strategy and execution. The meetings are typically conducted on a quarterly or annual basis and often roll up to C-level review processes. Some of the typical areas of focus of MO Reviews include:

- Annual or quarterly marketing planning
- Budgeting and resource allocation
- Business strategy
- Competitive differentiation
- Creative issues and brainstorming
- Education and team development
- Functional issues (e.g., campaigns, programs)
- Go-to-market plans and policies
- Information exchange and lessons learned
- Key issues analysis
- Leadership council
- Market opportunity management
- Marketing portfolio investment evaluation
- Marketing roadmap change management
- Operations optimization
- Regional issues
- Stakeholder alignment, integration and mobilization
- Tracking against plan

In most of the companies surveyed, MO reviews are conducted by the Vice President of Marketing or the Chief Marketing Officer (CMO). In large and midsize technology companies, reviews are most often conducted quarterly; frequency of reviews for other companies ranges from quarterly to monthly, with annual, biweekly, weekly, and ad-hoc timeframes also mentioned.

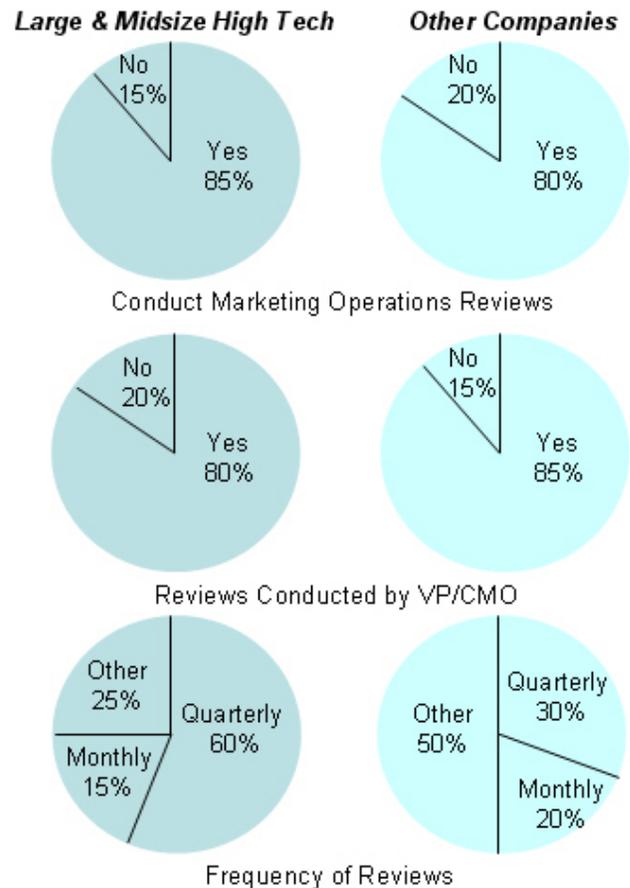


Figure 16: Most technology companies conduct quarterly Marketing Operations Reviews, which are led at vice president or CMO level.

The duration of MO reviews ranges from one-half to 2-3 days, with large and midsize technology companies most often having 2-3 day review processes. Reviews are typically conducted onsite at corporate headquarters; some companies conduct reviews in regional offices or offsite. Attendees typically include VP and/or CMO, directors of Marketing, managers, and some analysts.

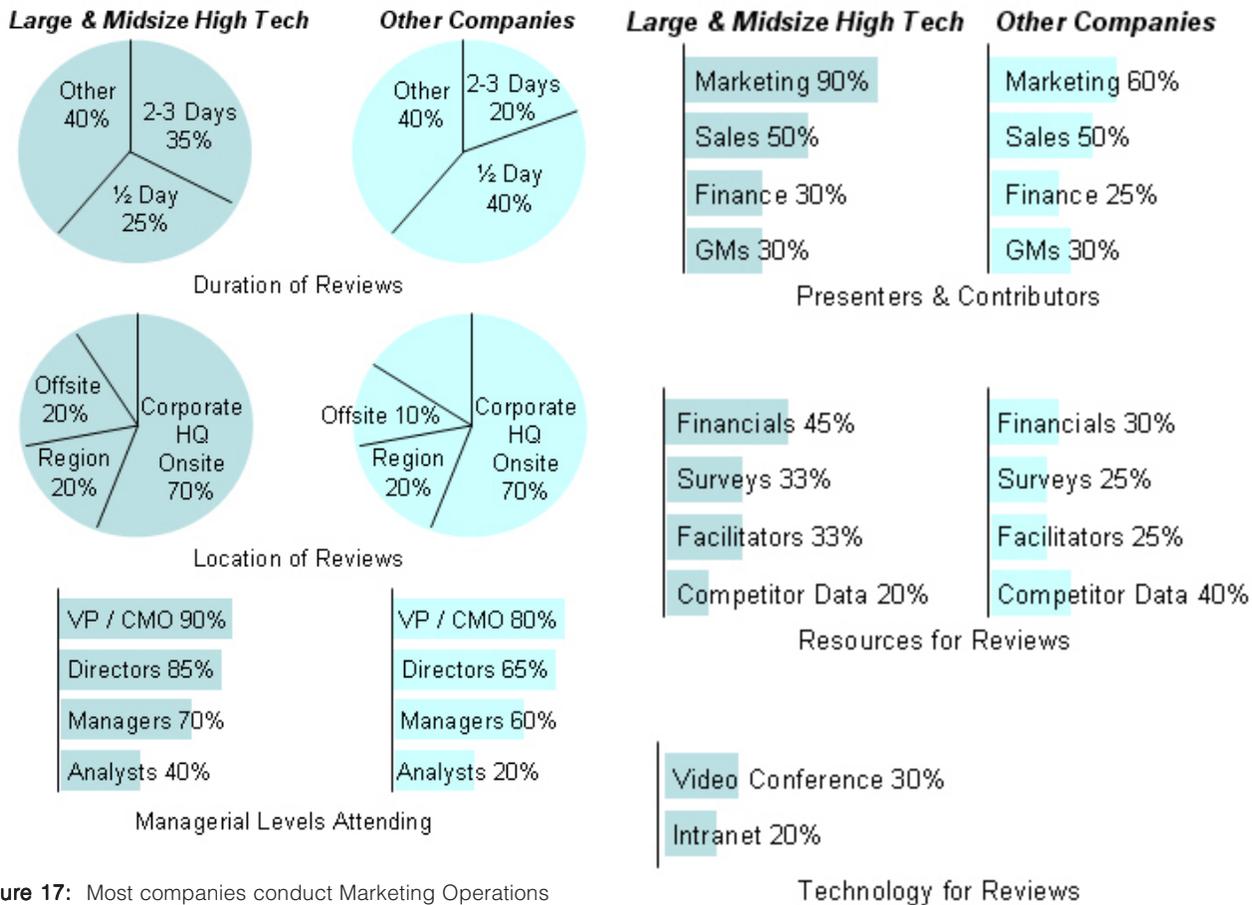


Figure 17: Most companies conduct Marketing Operations Reviews onsite at corporate headquarters for half a day to three-days and have a full range of managerial and staff levels in attendance.

The Marketing function, including Sales, is responsible for presentations and key contributions a majority of the time. Other key contributors may include Finance and General Managers. Occasionally, the following functional areas also contribute to MO reviews: Operations, Services, Human Resources, Engineering, Manufacturing, Information Technology (IT), Quality & Reliability (Q&R), Safety and Facilities.

In nearly every case, these reviews are conducted in-person, rather than using Internet-based meeting technology, although 30% of respondents said they use video conferencing and 20% use their corporate intranets to facilitate the process. Additionally, resources such as facilitators, dashboards, financials, and competitor data are leveraged in MO reviews.

Figure 18: The Marketing function provides presentations and contributions to the Marketing Operations Review, using inputs from the Sales and Finance functions; resources such as financials, surveys, facilitators, and competitor data; and videoconference and intranet technologies.

Implications:

While most companies conduct some type of regular MO review, there is a lack of standard practice and hence, much opportunity for companies to learn from one another. For example, non-technology companies were considerably more likely to:

- Hold the MO reviews offsite, probably to eliminate the distractions of being at the office and to improve the group’s focus and commitment.
- Retain external facilitators to conduct the MO review process, most likely to free the CMO and/or VP, who might otherwise lead the process, and thereby potentially increase objectivity and participation.

Marketing Operations Partners recommends that both of these practices be carefully considered by companies motivated to run more effective MO review processes. Precedents exist for both of these recommendations. For example, Sales meetings and many C-level planning events are often held offsite in a neutral location, leveraging the talents of professional facilitation.

In addition, a handful of companies seemed to recognize the benefit of viewing the MO review process as a “health check” of their Marketing function. This diagnostic point of view expands the focus of the process from strictly tactical and/or strategic to one that is more holistic and in which participants develop a deeper understanding of both the driving and restraining forces that propel them toward or away from achieving the agreed-upon mission of the Marketing organization.

IV. Key Differences & Commonalities

Differences and commonalities in MO practices were analyzed for 26 companies by a number of characteristics, including size of company, industry focus (hardware, software or other), level of company maturity, and financial performance.

Marketing-oriented factors were also analyzed, such as sales channel usage, tenure of the current Marketing Officer (CMO), focus on strategic versus tactical marketing, and relative stature of Marketing and Sales organizations.

MO function characteristics were analyzed as well. Companies were scrutinized to see whether they had a formal or informal MO position, centralized or decentralized placement of the MO function within the company, and broad or narrow MO scope.

All of the following characteristics should be considered in combination with each other.

A. Impact of Key Company Characteristics on MO Effectiveness

Key Finding #12:

Large companies build Marketing Operations sophistication through process, automation, measurement, and change management.

Key Finding #13:

Midsized companies build Marketing Operations sophistication through resource optimization and processes addressing lead generation or compliance challenges.

Key Finding #14:

Financial performance enables broader scope and more sophisticated Marketing Operations.

Key Finding #15:

Company maturity phase may not determine Marketing Operations effectiveness.

Key Finding #12:

Large companies build Marketing Operations sophistication through process, automation, measurement, and change management.

Survey Findings:

Large companies were defined as those with more than 5000 employees and \$2 billion in revenue.

▪ **Large Hardware Companies**

- More inclined to place a high priority on the MO challenges of balancing strategy and tactics and justifying Marketing's role to C-level executives.
- Typically use technology tools such as collaborative software, CRM, MRM, and knowledge management libraries, as well as deliver metrics in the form of dashboards and KPI tracking.
- Challenges are achieving consistency and continuity in the guidance process and addressing culture change.
- In the Mature company phase, process bottlenecks are being identified and resolved.
- In the Young or Evolving company phase, major change efforts such as branding initiatives or M&A plans are being leveraged as processes to support MO.

▪ **Large Software Companies**

- More inclined to place a high priority on the MO challenges of measuring Marketing ROI and establishing common goals for Marketing success across other groups.
- Training and metrics are key to establishing processes, driven by the search for better metrics in the software business as a whole.
- IT management often lags behind MO, causing tension and issues with MO implementations.
- Efforts are underway to implement effective dashboards and utilize advanced tools for knowledge management and sharing.
- Blogs, repositories, and predictive analytics are used to supplement and strengthen the MO metrics approach.
- Growth and buy-in are key challenges as many of these firms struggle to break out of a siloed information mindset; managing change and simultaneously scaling systems to support such change is tough.
- In the Mature company phase, beachheads for process work are being established, yet there is a struggle to synergize and expand across the firm.
- In the Young or Evolving company phase, process implementation has begun, but strong beachheads may not yet be established.

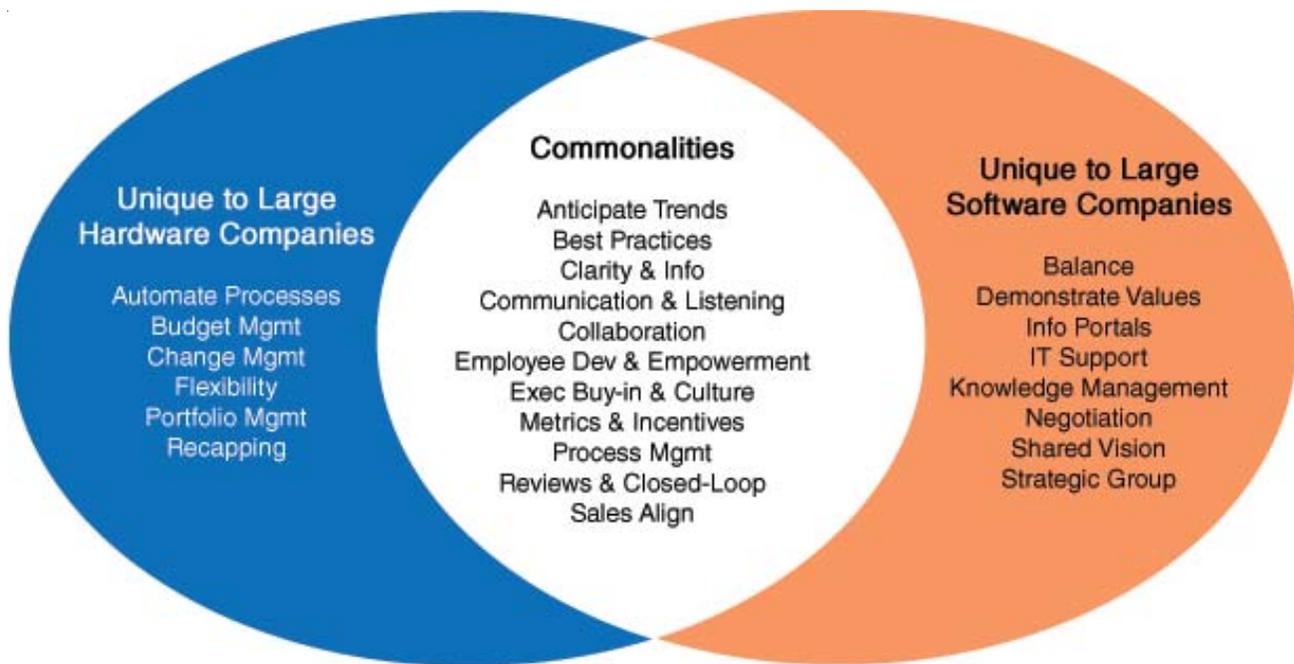


Figure 19: Key differences and commonalities between large hardware companies and large software companies.

Implications:

The primary mechanisms used by large companies to build MO sophistication are process management, automation of formerly manual processes, performance measurement, and change management. Use of these mechanisms is spurred by the scale and complexity of large companies' customer management and cross-functional coordination. Additionally, large companies have typically been in existence longer and may have more well-established habits and attitudes that deserve periodic scrutiny and modification for systemic optimization through these mechanisms.

Key Finding #13:

Midsized companies build Marketing Operations sophistication through resource optimization and processes that address lead generation or compliance challenges.

Survey Findings:

Midsized companies were defined as having fewer than 5000 employees and less than \$2 billion in revenue.

- **Midsized Hardware Companies**
 - Resource availability tends to be a major hurdle.
 - In the Mature company phase, a strong centralized headquarters strategy typically helps facilitate change; the process for establishing cost-effective value is core to success, as it allows MO to establish a discipline for both rolling out new processes and eliminating old processes that do not add value.

- In the Young or Evolving company phase, the focus is typically on tactics, guidance, and metrics efforts to establish control over processes; Sarbanes-Oxley or quality compliance imperatives drive process establishment and integration among existing internal systems such as Oracle (including Peoplesoft and Siebel), Agile, and Remedy.
- **Midsize Software Companies**
 - These are more inclined to place a high priority on the MO challenges of measuring Marketing ROI and establishing Common Goals for Marketing Success Tied to Other Groups.
 - This group comprises firms in the Young and Evolving company phase.
 - Tactical focus is on the sales and revenue generation processes, particularly on collaboration between Sales and Marketing and generation of leads and demand.
 - Portal-based dashboards and closed loop marketing tools such as Eloqua are key technology elements to support process establishment.
 - A common challenge is the sharing of knowledge across geographies, since knowledge management processes are often still rudimentary.
 - Resource constraints slow the establishment of standards via IT and process development; rollouts of Marketing IT tools are less well established, although tool deployment is often under discussion.
 - Culture change and the fast pace of businesses are the biggest threat to MO success in this area.

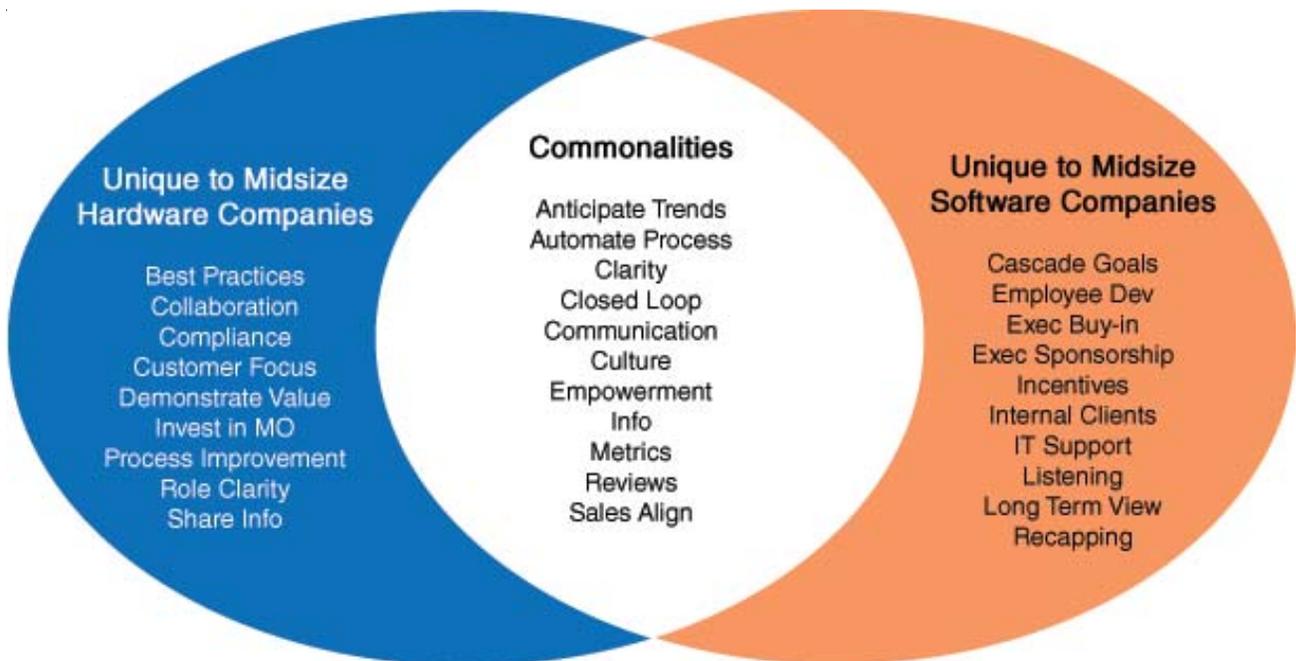


Figure 20 Key differences and commonalities between large hardware companies and large software companies.

Implications:

Since midsize companies may typically be in the young or evolving company maturity phases, their primary marketing emphases are likely to be lead generation and compliance. Accordingly, midsize companies leverage lead generation and compliance processes to optimize resources and processes as keys to MO implementation.

Key Finding #14:

Financial performance enables broader scope and more sophisticated Marketing Operations.

Survey Findings:

Companies were analyzed on five dimensions of financial performance: five-year compound annual growth (CAGR), market share, market share trend, gross margin, and revenue trend. The companies were scored on a scale of 1 to 10 points, with scores in the 7-10 range considered High Performers, scores between 3-6 Average Performers, and scores of 2 or less Poor Performers.

- **High Performers**
 - More likely to emphasize effectiveness, productivity, resource management, and scorecards.

- **Poor Performers**
 - More likely to emphasize campaign management and process, as well as dashboards, incentives and lead management.

 - None of these companies emphasized accountability, buy-in, clarity, focus, executive sponsorship, or cross-functional alignment with Finance or IT.

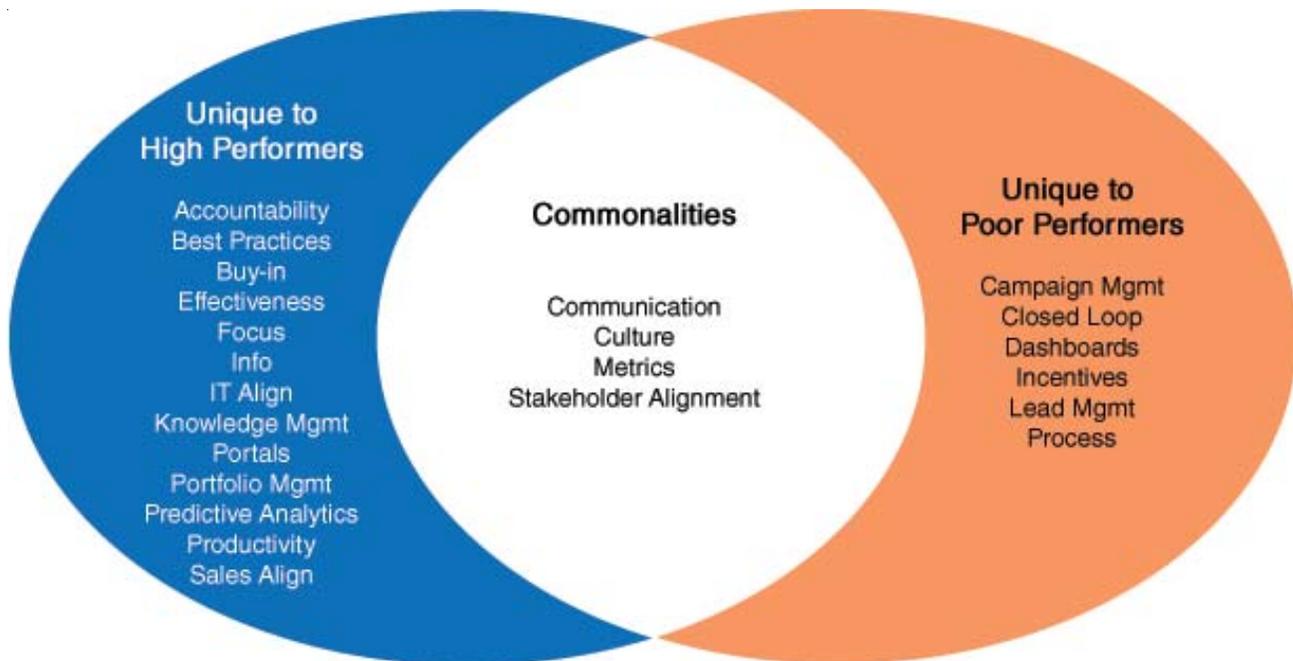


Figure 21: Key differences and commonalities between High Performers and Poor Performers.

Implications:

High Performers tend to use more sophisticated MO practices than Poor Performer companies, which are more likely to experience ongoing resource constraints and frequent organization changes.

Key Finding #15:

Company maturity phase may not determine Marketing Operations effectiveness.

Survey Findings:

Mature or Renewal companies are defined as having been founded before 1990. Young or Evolving companies are defined as having been founded after 1990.

- **Companies in a Mature or Renewal Company Maturity Phase**
 - More likely to emphasize process and quality of information, as well as buy-in, executive communications, and sponsorship.

- **Companies in a Young or Evolving Company Maturity Phase**

- More likely to emphasize campaign management, lead management, and integration of disparate systems.

Implications:

As companies mature, they tend to increase emphasis on process, standards, sponsorship, governance, and knowledge management. Younger companies tend to leverage the Internet and current Marketing thought from inception, avoiding the need to automate or transition legacy systems and processes.

Company maturity may not in itself serve as an accurate reflector of MO maturity or effectiveness. In any phase of the company life cycle, firms can utilize the full spectrum of MO functionality according to the scope of their business.

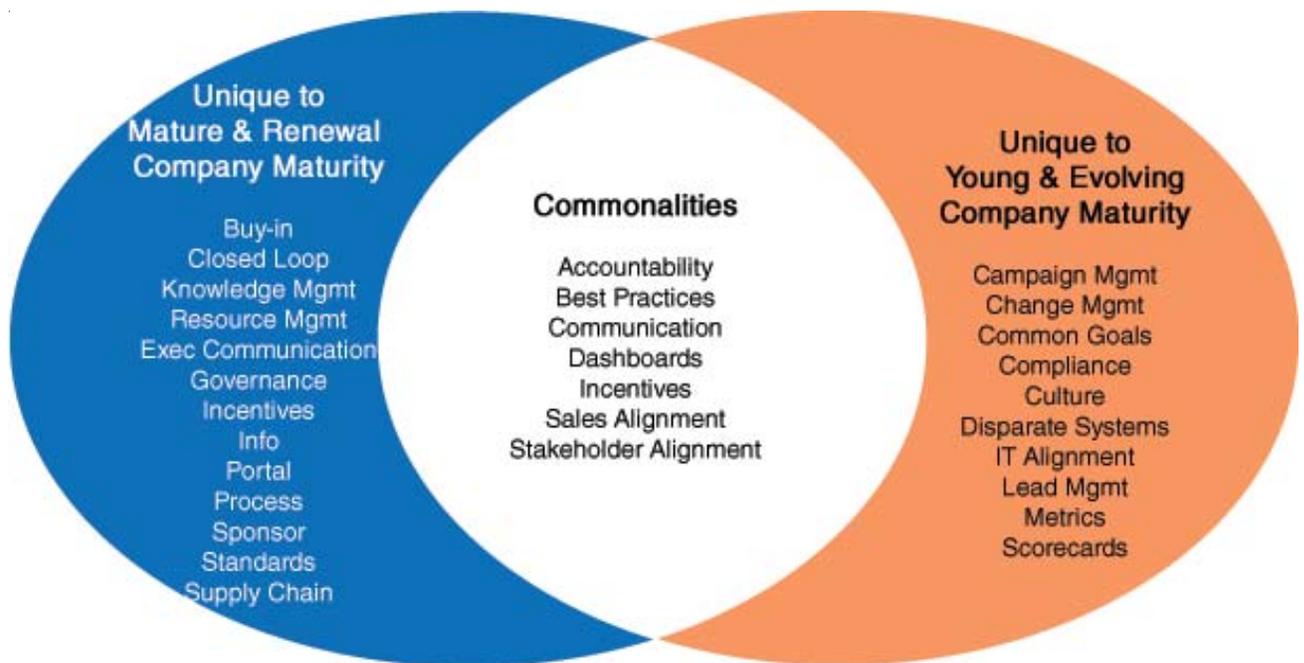


Figure 22: Key differences and commonalities between companies in the Mature or Renewal phase and companies in the Young or Evolving phase.

B. Impact of Marketing Stature and Charter On MO Effectiveness

Key Finding #16:

Relative stature of Marketing and Sales organizations improves Marketing's ability to operate strategically, share knowledge, and leverage processes.

Key Finding #17:

The balance between MO strategy and tactics relies on stakeholder alignment, knowledge management, and accountability.

Key Finding #18:

Length of CMO tenure improves ability to move forward with key Marketing Operations initiatives.

Key Finding #19:

Selling model breadth provides opportunities for Marketing Operations added value.

Key Finding #16:

Relative stature of Marketing and Sales organizations improves Marketing's ability to operate strategically, share knowledge, and leverage processes.

Survey Findings:

Companies with a Marketing-dominant organizational structure were compared to companies with a Sales-dominant organizational structure and to companies in which neither Marketing nor Sales organizations are dominant.

- **Marketing-Dominant Structure**
 - More inclined to place a high priority on the MO challenge of balancing Marketing strategy and tactics and establishing continuity to maintain institutional knowledge and expertise.
 - All stated that process is important; were twice as likely to see process as important as were Sales-Dominant companies.
 - More concerned with development of shared vision and cross-functional alignment with Finance.
- **Sales-Dominant Structure**
 - More likely to emphasize campaign management, portfolio management, and roles and responsibilities.
 - Highlighted accountability, common goals, and culture.
 - All Sales-Dominant companies cited cross-functional alignment as important.
- **Marketing & Sales Structure of Equal Dominance**
 - More inclined to place a high priority on the MO challenge of establishing common goals for Marketing success tied to other groups.

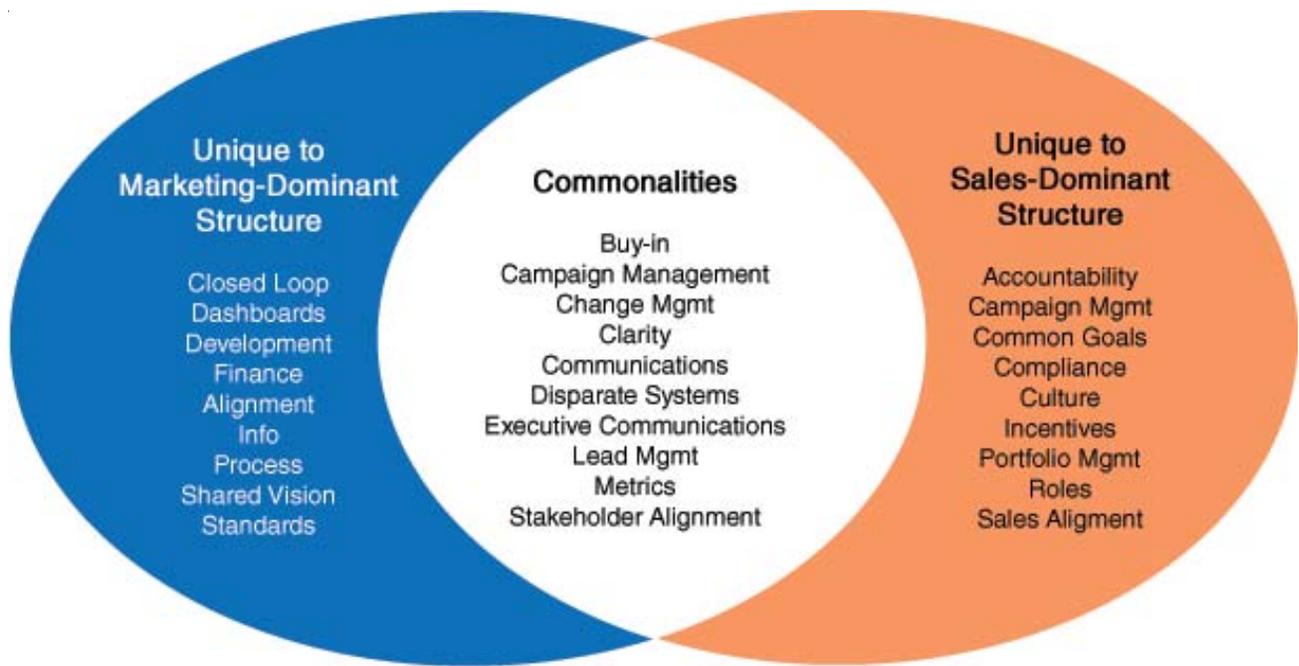


Figure 23: Key differences and commonalities between Marketing-Dominant companies, Sales-Dominant companies, and companies with Marketing & Sales of Equal Dominance

Implications:

Marketing groups that are either dominant or equal to the Sales function in organizational stature seem to be engaged in more sophisticated and broad MO practices than companies in which Sales is king.

In a Sales-dominant culture, Marketing is more likely to spend time justifying its existence, clarifying roles, and establishing common goals. In such companies, Marketing' alignment with Sales and aligning incentives to performance are quite important.

The relative stature of Marketing and Sales organizations relates to Marketing's ability to operate strategically, share knowledge, and leverage processes.

Key Finding #17:

The balance of MO strategy and tactics relies on stakeholder alignment, knowledge management, and accountability.

Survey Findings:

Companies that emphasize strategy were compared with companies that emphasize tactics.

- **Companies with Strategic Focus:**
 - More inclined to place a high priority on the MO challenge of balancing Marketing strategy and tactics and establishing common goals for Marketing success tied to other groups.
 - All considered metrics important; most said MO is responsible for the enterprise-strategic planning function.
 - More likely to employ change management, LEAN Enterprise, Six Sigma, or other advanced processes as part of their scope.
 - More likely to emphasize competency development, alignment of incentives with performance, metrics, and process.

- **Companies with Tactical Focus:**
 - MO is often in the position of taking on tactical responsibilities from other Marketing functions.
 - More likely to emphasize best practices, budget management, compliance, CRM, roles and responsibilities, reporting, and communications.

Implications:

A strategic focus typically leverages capability-building initiatives such as change management, competency development, incentive programs, and a long-term metrics alignment process that aligns Marketing's goals with other stakeholder objectives.

Strategic marketing, however, demands effective execution. Tactical activities such as budget and resource management, optimization and tracking tools (e.g. CRM and dashboards), and proliferation of best practices are essential for effective execution.

The key is maintaining a balance between day-to-day activities and longer-term strategic marketing vision. Stakeholder alignment, knowledge management, and accountability may be keys to achieving this balance.

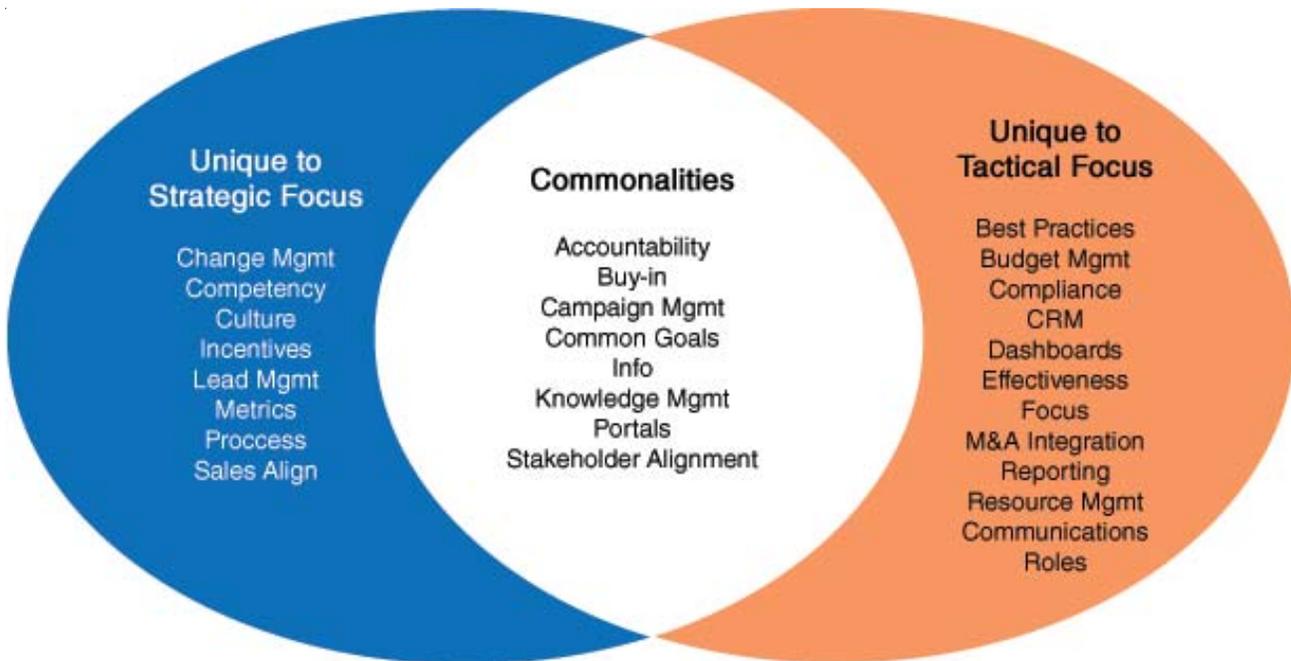


Figure 24: Key differences and commonalities between companies with a strategic focus and companies with a tactical focus.

Key Finding #18:

Length of CMO tenure improves ability to move forward with key Marketing Operations initiatives.

Survey Findings:

According to an article in BtoB¹, the average tenure of a Chief Marketing Officer is 26.8 months. Companies with shorter CMO tenure were compared to those with longer CMO tenure to identify differences in the MO function.

- **Companies with a Longer CMO Tenure:**
 - More inclined to place a high priority on the MO challenge of measuring Marketing ROI.

 - More likely to emphasize process, competency, compliance, dashboards, governance, lead management, M&A integration, and predictive analytics.

- **Companies with a Shorter CMO Tenure:**
 - More inclined to place a high priority on the MO challenge of coordinating shared processes across functions.

 - More likely to emphasize accountability, executive sponsorship, and cross-functional alignment with IT.

 - Cross-functional alignment with Finance was not mentioned within this group.

¹Spencer Stuart Study finds CMO tenure is up over last year, BtoB, June 12, 2007.

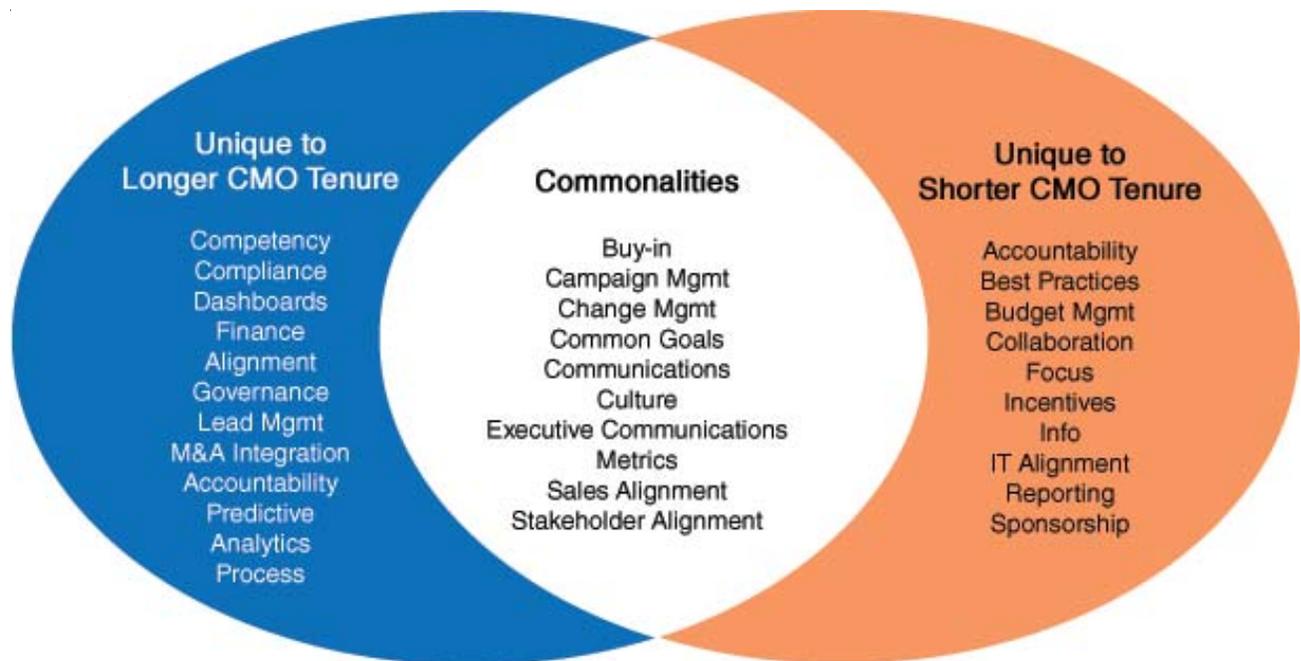


Figure 25: Key differences and commonalities between companies with longer CMO tenure and companies with shorter CMO tenure.

Implications:

The typical CMO (or equivalent) has about half as much time as the average CEO to make his or her mark.

Marketing executives who expect to be out the door quickly are more likely to focus on near-term “quick fixes,” rather than on long-term, sustainable solutions. They are motivated to act in an extreme way—either by being overly conservative and risk avoidant or overly aggressively and excessively risk-taking. The more changes to the organization, the harder it is to stay-the-course on multi-year initiatives.

Key Finding #19:

Selling model breadth provides opportunities for Marketing Operations added value.

Survey Findings:

Companies that sell their products and services through a direct sales force were compared with companies that sell exclusively through channels, companies that use a direct/channel mix, and companies that have an OEM/bundling model.

- **Companies Using a Direct Sales Force Exclusively:**
 - More likely to emphasize communications, common goals, cross-functional alignment, and the importance of process.
- **Companies Using Channels Exclusively:**
 - More likely to emphasize standards.
 - Highlighted cross-functional alignment as important.
- **Companies Using a Combination of Direct Sales & Channels:**
 - More likely to emphasize collaboration, incentives, and predictive analytics than companies selling through other types of selling models.
 - Highlighted cross-functional alignment as important, including both executive sponsorship and cross-functional alignment with Sales.

- **Companies Using a OEM/Bundling Sales Model:**
 - More likely to emphasize best practices and roles and responsibilities.
 - Highlighted buy-in and metrics as important.

Implications:

As the sales channel increases in complexity, Marketing programs and initiatives to support the Sales effort must also increase in complexity. This represents a prime opportunity for MO to play a key role in efficiently leveraging resources to address disparate sales channel needs. Marketing Operations Partners believes that Sophisticated MO scope is likely to have a strong impact on profitable management of sales channels.

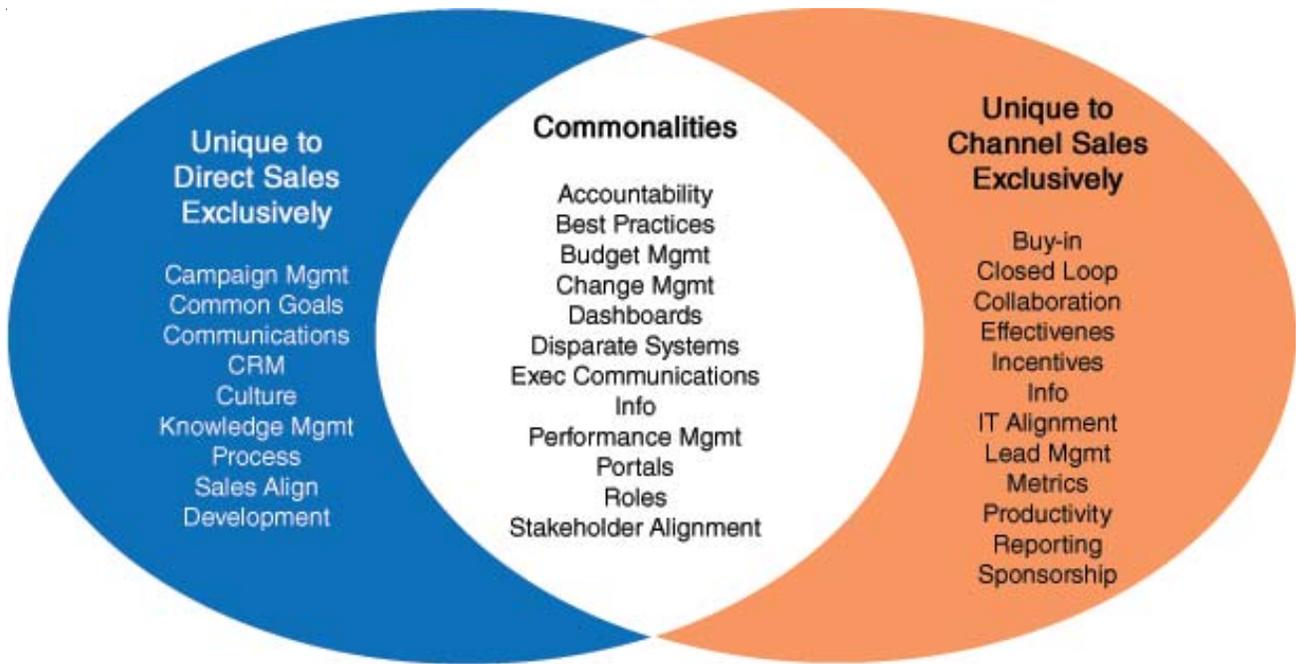


Figure 26: Key differences and commonalities among companies using direct sales, channels, and/or OEM and bundling sales model.

C. Impact of Structure and Scope on MO Effectiveness

Key Finding #20:

Formality of Marketing Operations function plays a role in Marketing's effectiveness and overall contribution to enterprise success.

Key Finding #21:

Centralization of Marketing Operations function relates to the degree of balance between corporate control and local authority.

Key Finding #22:

The scope of Marketing Operations function relates to Marketing's self-reliance.

Key Finding #23:

Marketing Operations maturity stages evolve to embrace more strategic mechanisms.

Key Finding #20:

Formality of Marketing Operations function plays a role in Marketing's effectiveness and overall contribution to enterprise success.

Survey Findings:

Companies with a formal, explicit MO function were compared with companies that treat MO informally, including some that may conduct MO activities under another name.

- **Companies with Formal MO Function**
 - More inclined to place a high priority on the MO challenge of measuring Marketing ROI.
 - More likely to emphasize campaign management, dashboards, information, budget management, competency, and collaboration.
 - Almost exclusively, companies with formal MO functions mention dashboards and campaign management.
- **Companies with Informal MO Function**
 - More inclined to place a high priority on the MO challenge of common goals for Marketing success tied to other groups.
 - More likely to emphasize CRM and effectiveness.

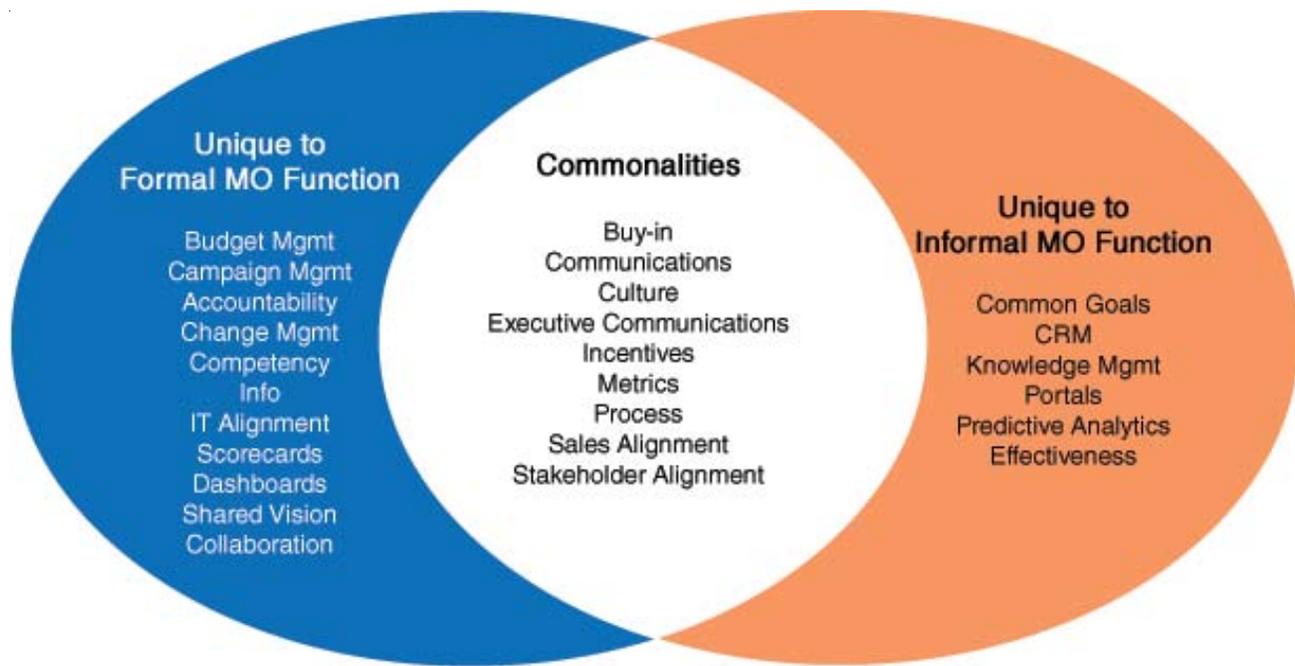


Figure 27: Key differences and commonalities between companies with formal Marketing Operations function to companies with informal MO function.

Implications:

Companies that have established a formal MO function appear better equipped to develop effective and comprehensive integrated solutions to Marketing challenges. These solutions leverage advanced processes and implement automation tools that minimize repetitive manual tasks.

In these organizations, change management initiatives produce shared vision, buy-in, and a deeper sense of ownership and accountability. These companies are less likely to over rely on point technology solutions, such as CRM or knowledge management portals, perhaps recognizing the limitations of such solutions to “fix” problems.

Companies best positioned to benefit from a dedicated MO function typically have significant Marketing organization complexity, substantial Marketing investment, and a high correlation between Marketing success and enterprise success.

Key Finding #21:

Centralization of Marketing Operations function facilitates balance between corporate control and local authority.

Survey Findings:

Companies that centralize the MO role at the corporate level were compared to companies that decentralize the MO function at the business unit level within a division or region.

▪ Companies with Centralized MO Function

- More inclined to place a high priority on the MO challenge of establishing common goals for Marketing success tied to other groups than are decentralized companies.
- Exclusively centralized companies cited campaign management, portfolio management, and scorecards.
- Cross-functional alignment with Sales was mentioned twice as often in centralized companies than in decentralized companies.

▪ Companies with Decentralized MO Function

- More inclined to place a high priority on the MO challenge of balancing Marketing strategy and tactics than are centralized companies.
- More likely to emphasize information, lead management, closed loop marketing, roles, and responsibilities, standards and supply chain management than are centralized companies.
- More concerned with buy-in, clarity, executive sponsorship, shared vision, and cross-functional alignment with Finance than are centralized companies.

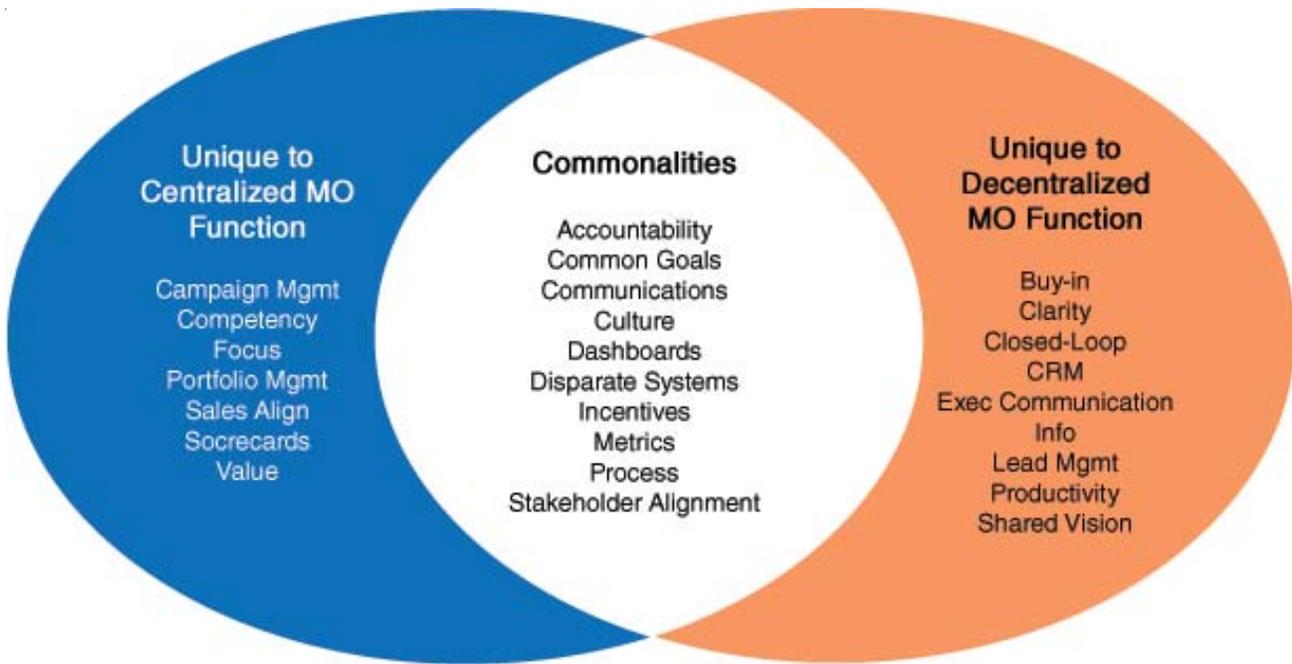


Figure 28: Key differences and commonalities between companies with centralized Marketing Operations function and companies with decentralized MO function.

Implications:

Marketing Operations Partners believes that the MO function needs to deliver centralized services to support common initiatives and to effectively align with enterprise objectives, while being attuned and empowered to address the needs of decentralized groups. Accordingly, optimal organizational placement of the MO function may match an organization’s overall structure.

Key Finding #22:

The scope of Marketing Operations function relates to Marketing's self-reliance.

Survey Findings:

Companies that define the scope of MO broadly were compared to companies with narrow MO scope.

- **Companies with Broad MO Scope:**
 - More inclined to place a high priority on the MO challenge of balancing Marketing strategy and tactics than companies with narrow MO scope.
 - Typically include a full range of Fundamental, Expanded, and Sophisticated MO elements (Figure 8).
 - More likely to emphasize metrics, process, budget management, and collaborative technologies than companies with narrow MO scope.
 - Almost always cited process and metrics as important.
 - More concerned with change management, culture, employee development, and cross-functional

alignment with Sales than companies with narrow MO scope.

- **Companies with Narrow MO Scope:**
 - Usually limited to DAM, PM, metrics, or budgeting/planning.
 - More likely to emphasize best practices, CRM, effectiveness, mergers & acquisitions integration, reporting, and common goals than companies with broad MO scope.

Implications:

Companies with a broad MO scope have the perspective and resources to tackle many of the challenges that firms with a narrow MO scope are constrained to keep on the shelf.

A broad MO scope enables companies to weave together a variety of disparate activities into a unified solution rather than rely on discrete activities, such as CRM implementation or short-term priority resource redeployment, e.g., M&A integration.

Broader scope enables unified solutions with less reliance on functions outside of Marketing. In contrast, companies with a narrow MO scope are less self-reliant and may therefore find themselves overly dependent on other organizations, such as IT, to accomplish their goals.

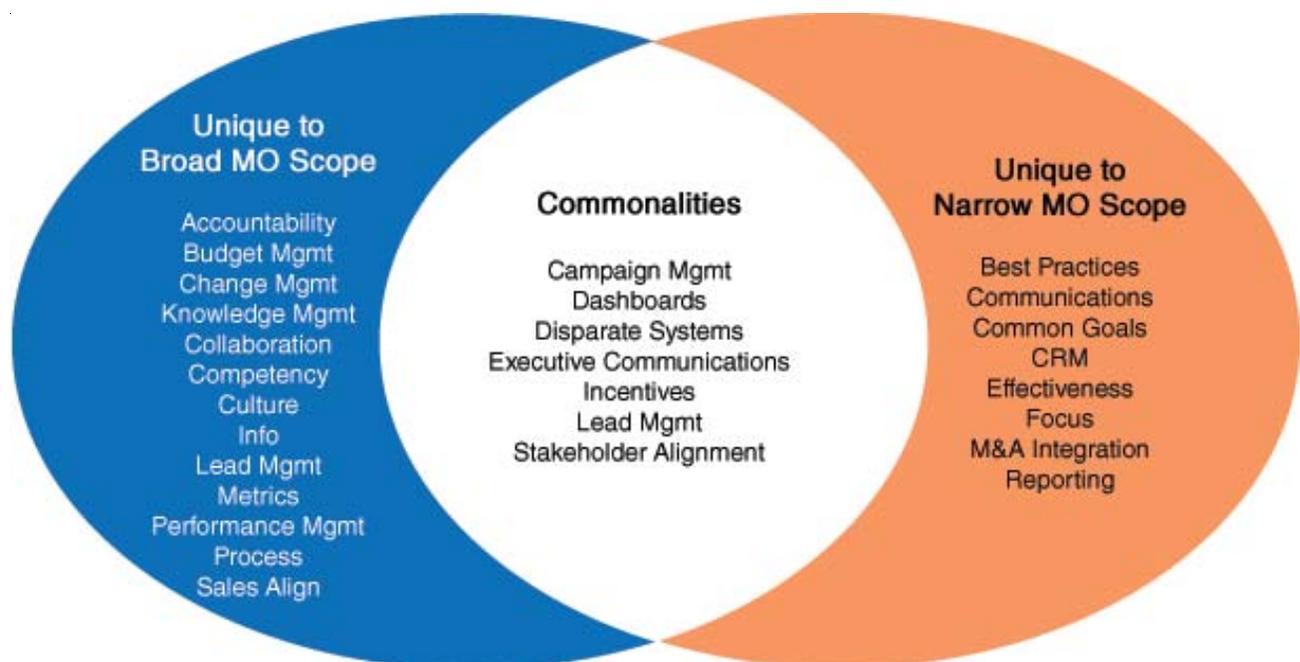


Figure 29: Key differences and commonalities between companies with broad Marketing Operations scope and companies with MO narrow scope.

Key Finding #23:

Marketing Operations maturity stages evolve to embrace more strategic mechanisms.

Survey Findings:

Companies with Expanded or Sophisticated MO functions were compared with companies with Nascent and Fundamental MO functions. (For more information, see Key Finding #4.)

- **Companies in Expanded or Sophisticated MO Stage:**
 - Focus on governance, metrics, portfolio management, and supply chain management.
 - More likely to emphasize buy-in, grass roots communications, executive communications, cross-functional alignment with Finance, and shared vision.
- **Companies in Nascent or Fundamental MO Stage:**
 - More inclined to place a high priority on the MO challenge of measuring Marketing ROI and justifying Marketing's role within the organization.

- More likely to emphasize budget management, integration of disparate systems and incentives, as well as cross-functional alignment with Sales and executive sponsorship.

Implications:

As MO functions evolve, companies place much greater emphasis on strategic mechanisms relative to tactical efforts. At the same time, it is important to note the commonalities among the various MO maturity phases: accountability, common goals, dashboards, knowledge management, process management, and stakeholder alignment. Such a high degree of commonality implies that companies in any MO maturity phase can utilize strategic aspects of MO scope.

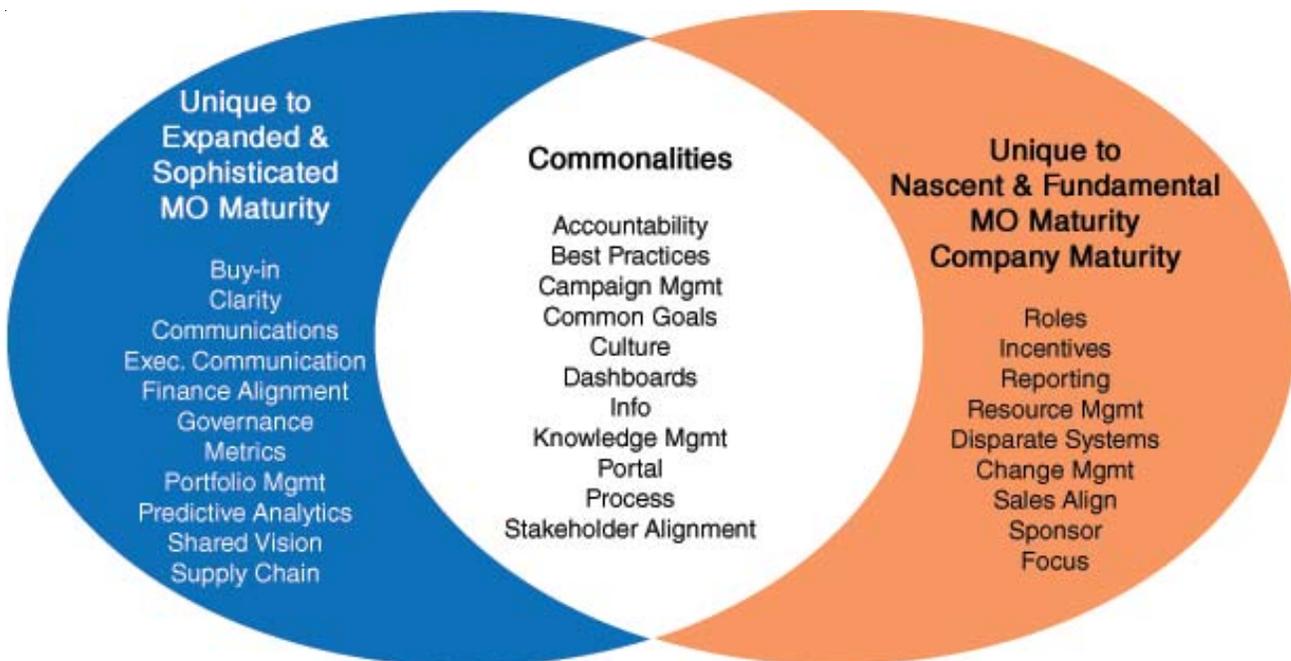


Figure 30: Key differences and commonalities between companies with Marketing Operations in Expanded and Sophisticated stages and companies with Marketing Operations in Nascent and Fundamental stages.

V. Insights

A. MO Best Practice Framework Provides Vision

Key Insight:

Marketing Operations Partners' Best Practice Framework provides a clear vision of Marketing Operations value and broader vision of MO scope.

The preceding analysis of MO scope, priorities, and maturity factors leads to a model framework depicting a clear and broad vision of MO value to organizations. This closed-loop framework highlights key elements that executives must take into account to optimize effectiveness of the MO function.

The Marketing Operations Partners' Best Practice Framework foundation consists of an Ecosystem and an Infrastructure. This foundation's major influence on MO effectiveness is Strategy. In turn, Marketing Strategy leads to Management Guidance, which drives Marketing Processes, which are evaluated via Metrics that provide feedback, looping back to Strategy. Finally, all of this can benefit from support by 21st century Technology.

The foundation of the model comprises the Marketing Ecosystem and Infrastructure:

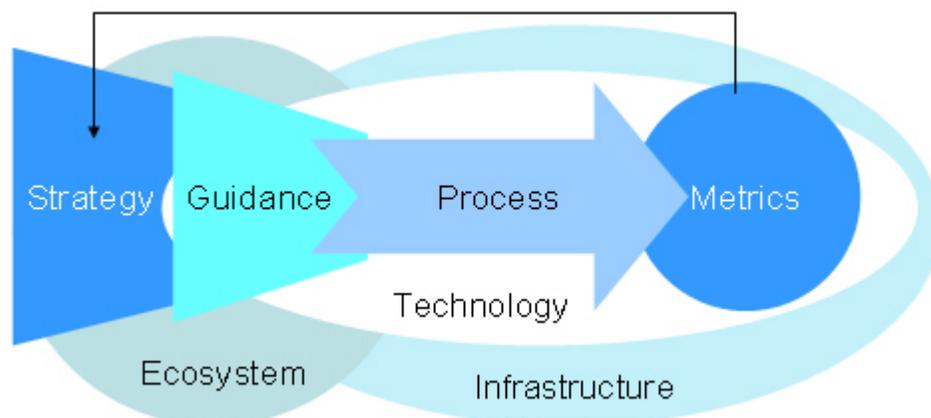
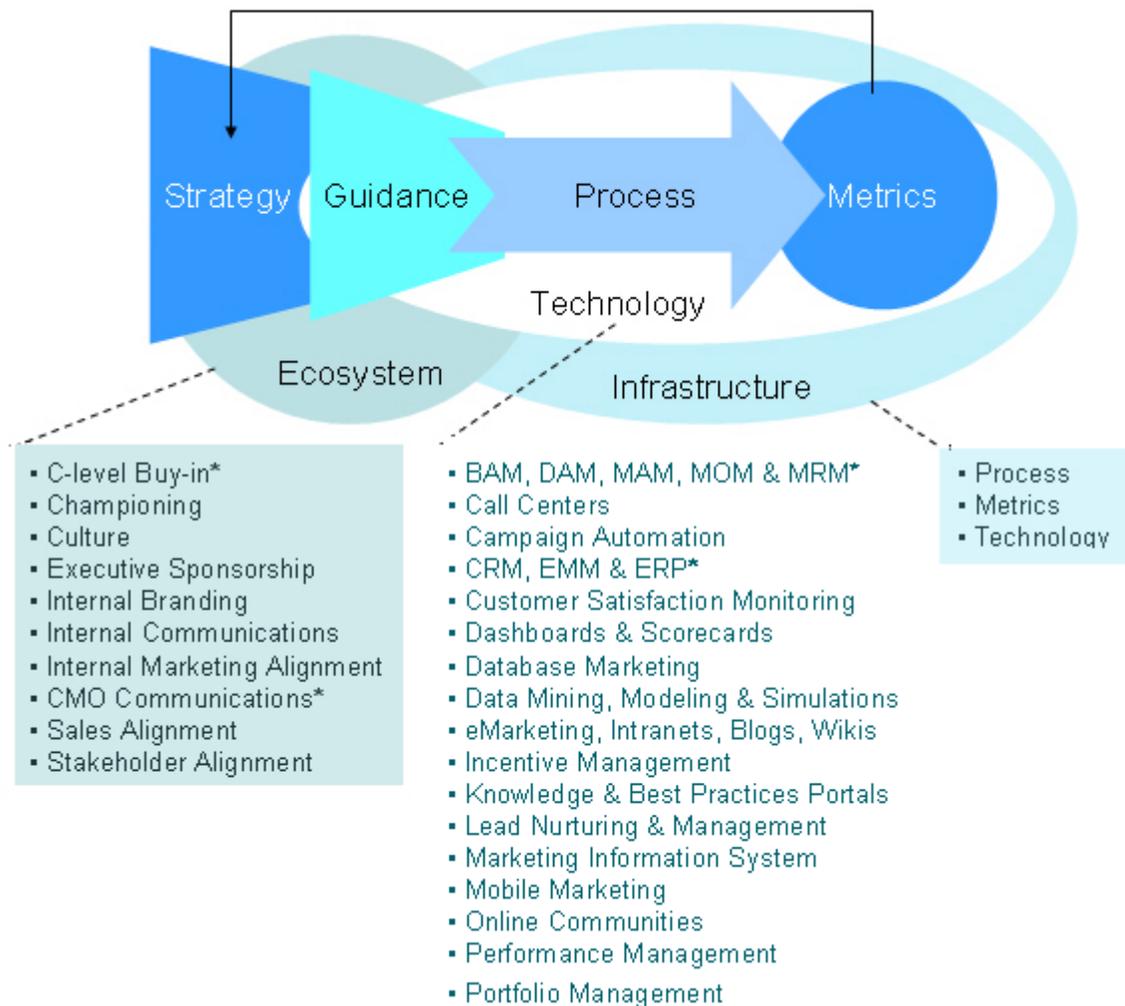


Figure 31: The Marketing Operations Partners' Best Practice Framework shows how successful Marketing Operations processes, driven by strategy and guidance, is assessed via metrics, supported by technology, and nurtured through continuous interaction within a healthy ecosystem and enabling infrastructure.

- **Ecosystem** is the environment within which the MO function operates, particularly the cross-functional interactions necessary for Marketing success.
- **Infrastructure** is the combination of process, technology, and metrics, which provides the means to improve the efficiency and effectiveness of the Marketing function, optimize Marketing, and achieve Marketing excellence.
- **Technology** includes the individual, departmental, enterprise, and inter-organizational tools that support the MO components.



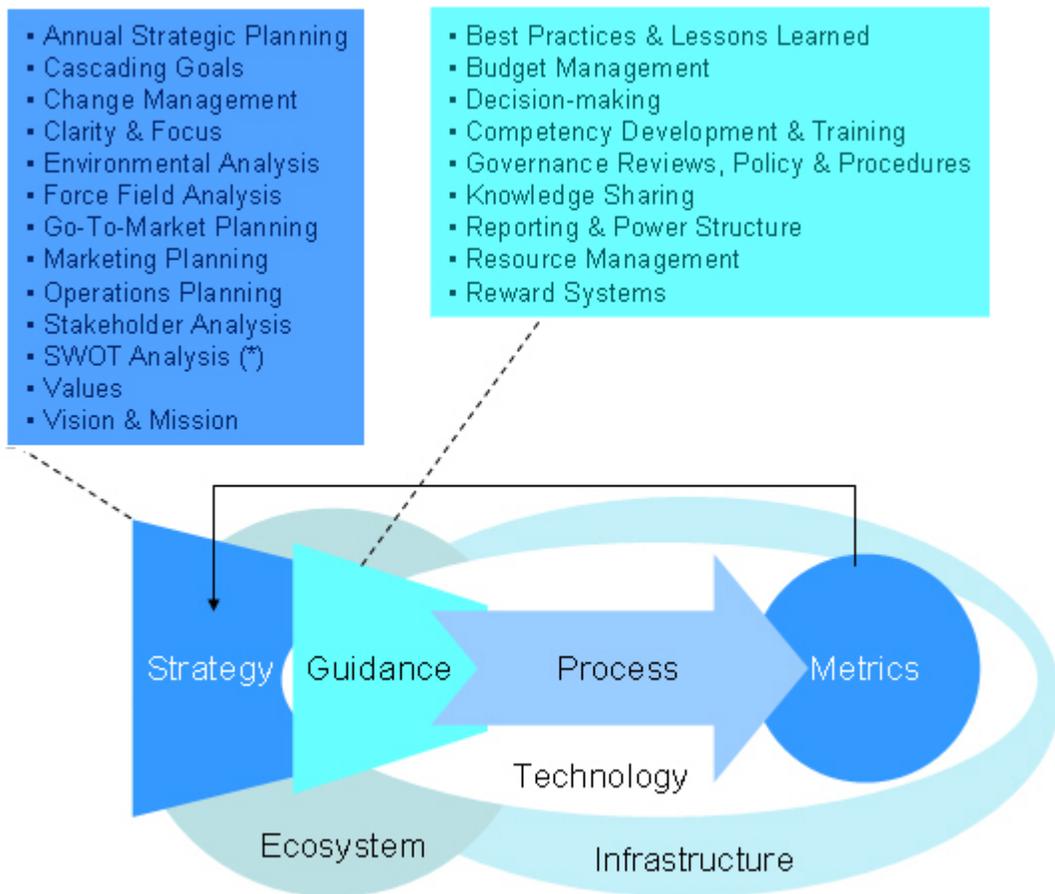
Acronyms above are defined as:

- BAM = Brand Asset Mgmt
- C-Level = CEO, COO, CFO, CMO.
- CMO = Chief Marketing Officer
- CRM = Customer Relationship Mgmt
- EMM = Enterprise Marketing Mgmt
- DAM = Digital Asset Mgmt
- ERP = Enterprise Resource Mgmt
- MAM = Marketing Asset Mgmt
- MOM = Marketing Ops Mgmt
- MRM = Marketing Resource Mgmt

Figure 32: The Ecosystem, Technology and Infrastructure components of Marketing Operations.

Within the Ecosystem, Strategy and Guidance provide direction for MO Processes and Metrics.

- **Strategy** refers to the planning processes.
- **Guidance** comprises the underlying direction, knowledge, norms, policies, procedures, systems and structures that feed the development of process and metrics.



Acronyms in the table above are defined as:

- SWOT = Strengths, Weaknesses, Opportunities, Threats

Figure 33: Strategy and Guidance components of Marketing Operations.



Figure 34: Process and Metrics components of Marketing Operations.

Led by Strategy and Guidance, Process and Metrics are the most visible aspects of the MO framework.

- **Process** is an organized series of transactions that convert inputs to outputs (or results). In its recent book¹ on Enterprise Marketing Management, the EMM Group describes process as “a defense against chaos.”
- **Metrics** are standards of measurement against a specified level of performance. In her recent book on measurement², Patterson describes metrics as “performance parameters.”

- The feedback loop from Metrics to Strategy enables continual improvement and ensures new insights are leveraged.

¹ Hunter Hastings, Gordon Wade, Gordon, and Sat Duggal, Sat, *The New Marketing Mission: How Process, Metrics and Technology Can Unleash Growth* (Kalamazoo, Michigan: Association of National Advertisers, Inc., 2004).

² Laura Patterson, *Measure What Matters: Reconnecting Marketing to Business Goals* (Austin, Texas: VisionEdge Marketing, Inc., 2004).

B. Best Practice Firms Embrace MO Framework

Key Insight:

Survey results validate Marketing Operations Partners' Best Practice Framework.

Overlaying the study participants' rank order of MO scope definitions on the Marketing Operations Partners' Best Practice Framework reveals that Ecosystem, Technology, and Guidance are emphasized in current practice.

Listing of the most frequently mentioned MO scope elements, in ascending order, reveals the importance of the core elements: Metrics (#1 Measurement), Strategy (#2 Planning), Guidance (#3 Budget & Finance), Process (#3 Process Improvement), and Technology (#3 Marketing IT).

See Figure 6 for another view of MO scope elements as prioritized by study participants.

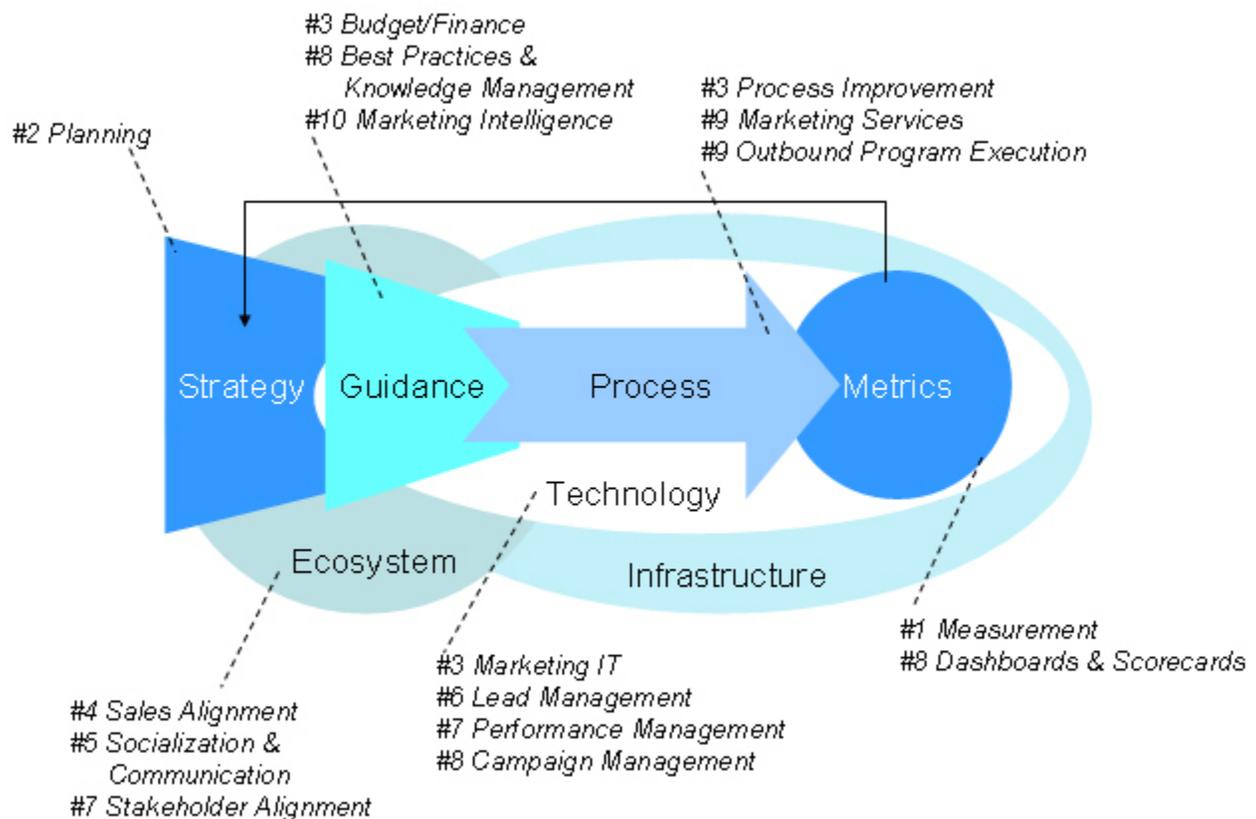


Figure 35: A rank order of Marketing Operations scope definitions reveals study participants' emphasis on ecosystem, technology, and guidance elements of the Marketing Operations Partners' Best Practice Framework. The most frequently mentioned scope element was Measurement, followed by Planning, and so forth (See also Figure 6.)

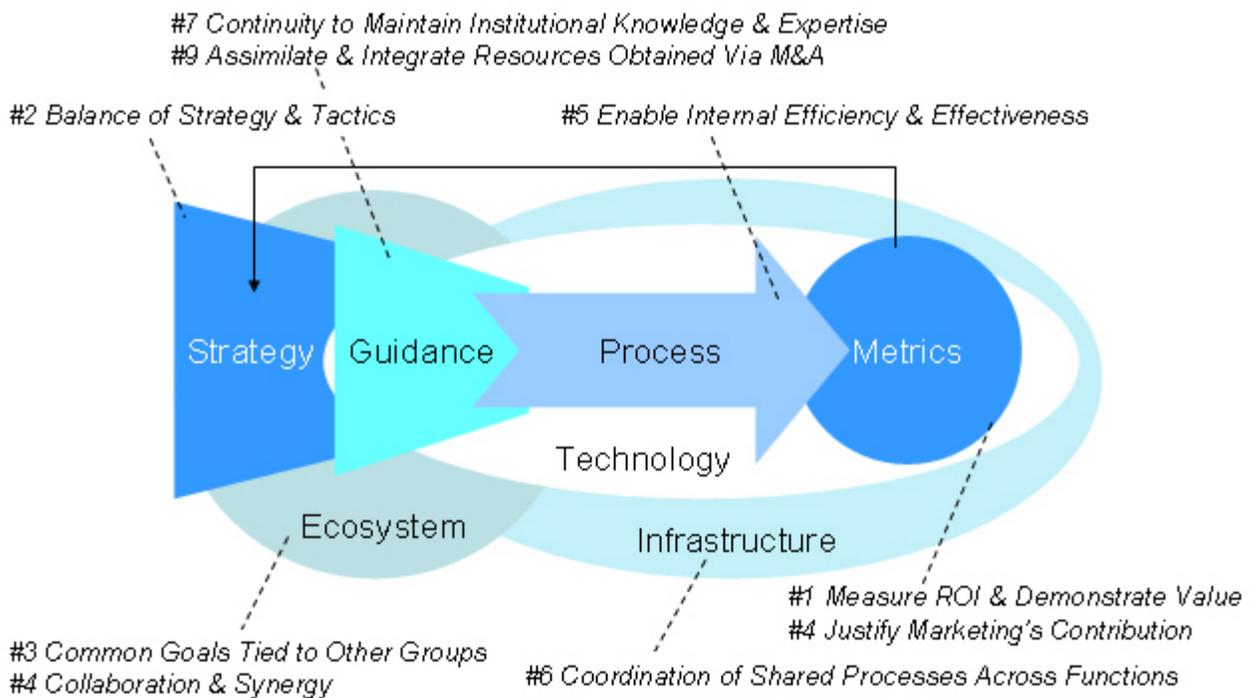


Figure 36: The study reveals an overlap between participants' high-priority Marketing Operations challenges and Marketing Operations Partners' Best Practice Framework. The highest ranked challenge was Measuring ROI & Demonstrating Value, followed by Optimal Balance of Strategy and Tactics, and so forth (See also Figure 11.)

Likewise, overlaying the study participants' high-priority MO challenges on the Marketing Operations Partners' Best Practice Framework reveals an emphasis on Metrics, Strategy, and Ecosystem. A company is well advised to consider whether its own prioritization of MO challenges depicts an under-utilization of Guidance and Process or superior functioning of its Guidance and Process components.

See Figure 11 for another view of high-priority MO challenges reported by study participants.

C. The Gap between MO Best Practice and Current Practice

Key Insight:

Few companies have yet reached the Sophisticated level of Marketing Operations Partners' Best Practice Framework.

A small number of participating companies mentioned the following Sophisticated MO elements, shown as relating to the Marketing Operations Partners' Best Practice Framework:

- **Strategy** – Fact-based decision-making.
- **Guidance** – Competency development and Marketing governance.
- **Process** – Advanced processes.

- **Ecosystem** – Change management and shared vision.
- **Technology** – Enterprise marketing management and portfolio management.
- **Infrastructure** – Customer profitability, enterprise metrics alignment and predictive analytics.

This is explained, in part by the newness of MO and in part by the level of company maturity in this study's sample. Nevertheless, it is clear that evolving to the sophisticated level of maturity heightens effectiveness of the MO function.

See Figure 8 for another view of Sophisticated MO elements.

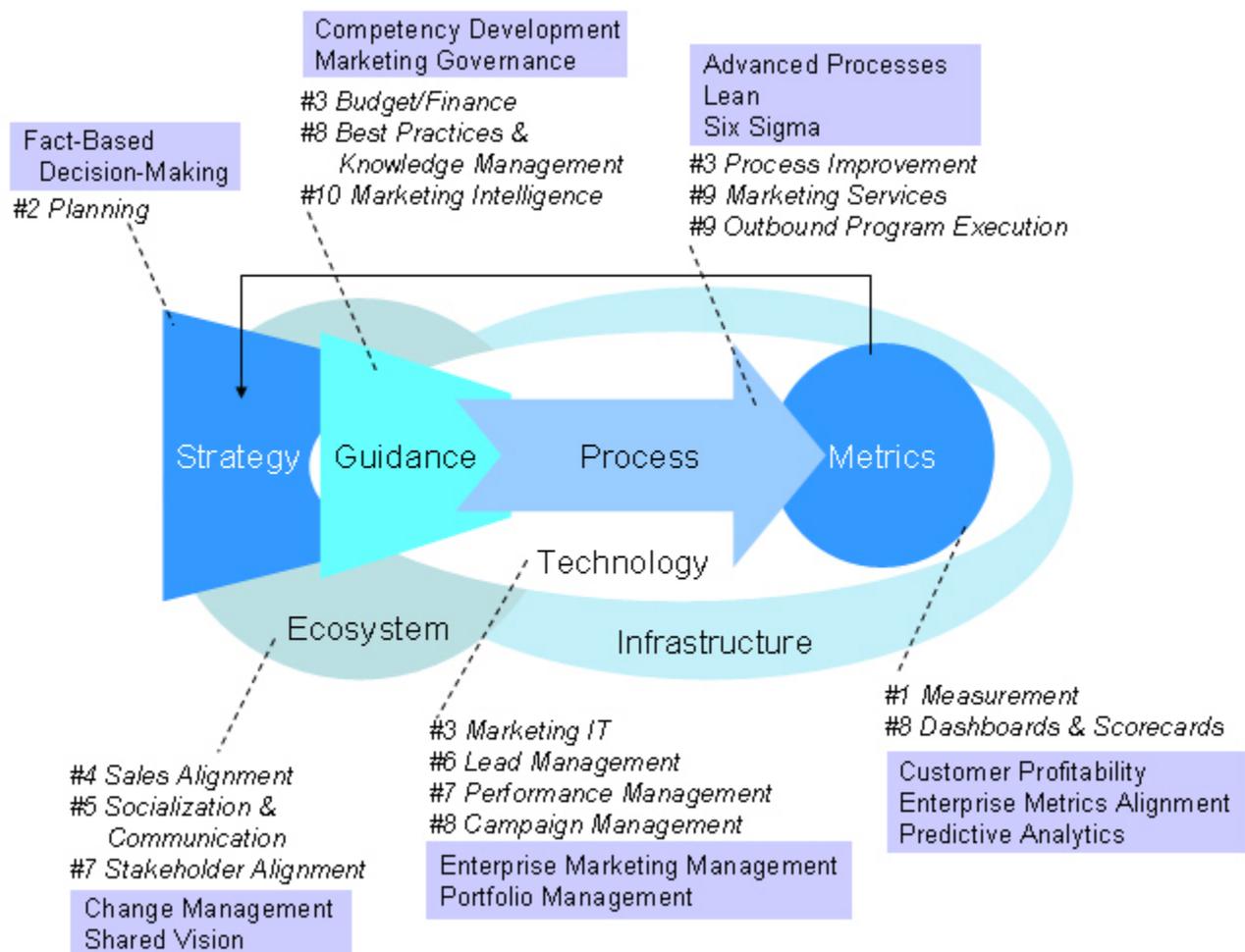


Figure 37: Study participants infrequently mentioned Sophisticated Marketing Operations elements (shown in blue boxes).

D. MO Best Practice and Future Marketing Success

Key Insight:

The future impact of Marketing Operations depends on its ability to drive strategy, change, shared vision and enabling processes, measurement, accountability, and results.

Survey participants commented on a variety of strategies that have improved or are expected to improve their MO function. Figure 38 summarizes these strategies and focus areas as key drivers of Strategy, Ecosystem, and Infrastructure within a higher-performing MO function. Each strategy may be viewed as a best practice with ready application to most complex Marketing organizations.

The key lesson is that these strategies, tools, and actions are fully within the purview and control of senior executives. What is needed is management will to evolve to a sophisticated scope for MO and the commitment and discipline to follow-through on strategies and tactics that advance towards a Sophisticated scope.

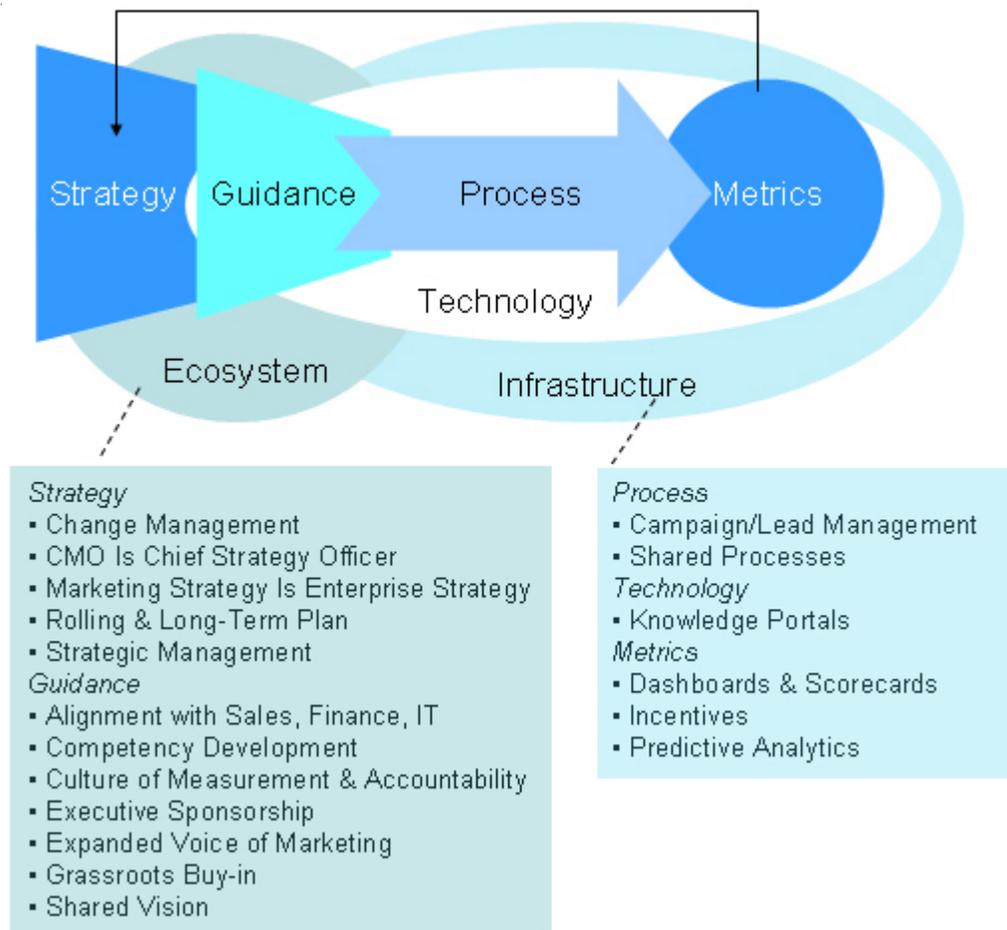


Figure 38: Summary of key drivers of Marketing Operations progress.

VI. Next Steps

A. Steps for Companies to Take to Improve Marketing Operations

MO, when defined broadly, encompasses bodies of knowledge from a wide variety of fields both in and outside of traditional Marketing. Examples of knowledge bodies used in holistic marketing include change management, quality, manufacturing, organizational reengineering, IT, statistical analysis, customer experience management, enterprise resource management, knowledge management, and sales pipeline management.

Few companies have the dedicated resources, subject matter expertise, and objectivity to address the full realm of MO completely on their own. Yet clearly, as evidenced from this study (and other studies from leading research firms such as International Data Corporation), companies need to evolve into new areas consistent with the Sophisticated MO scope. Some of the areas for maturation are highlighted in Figure 39, which depicts a broad vision for MO:

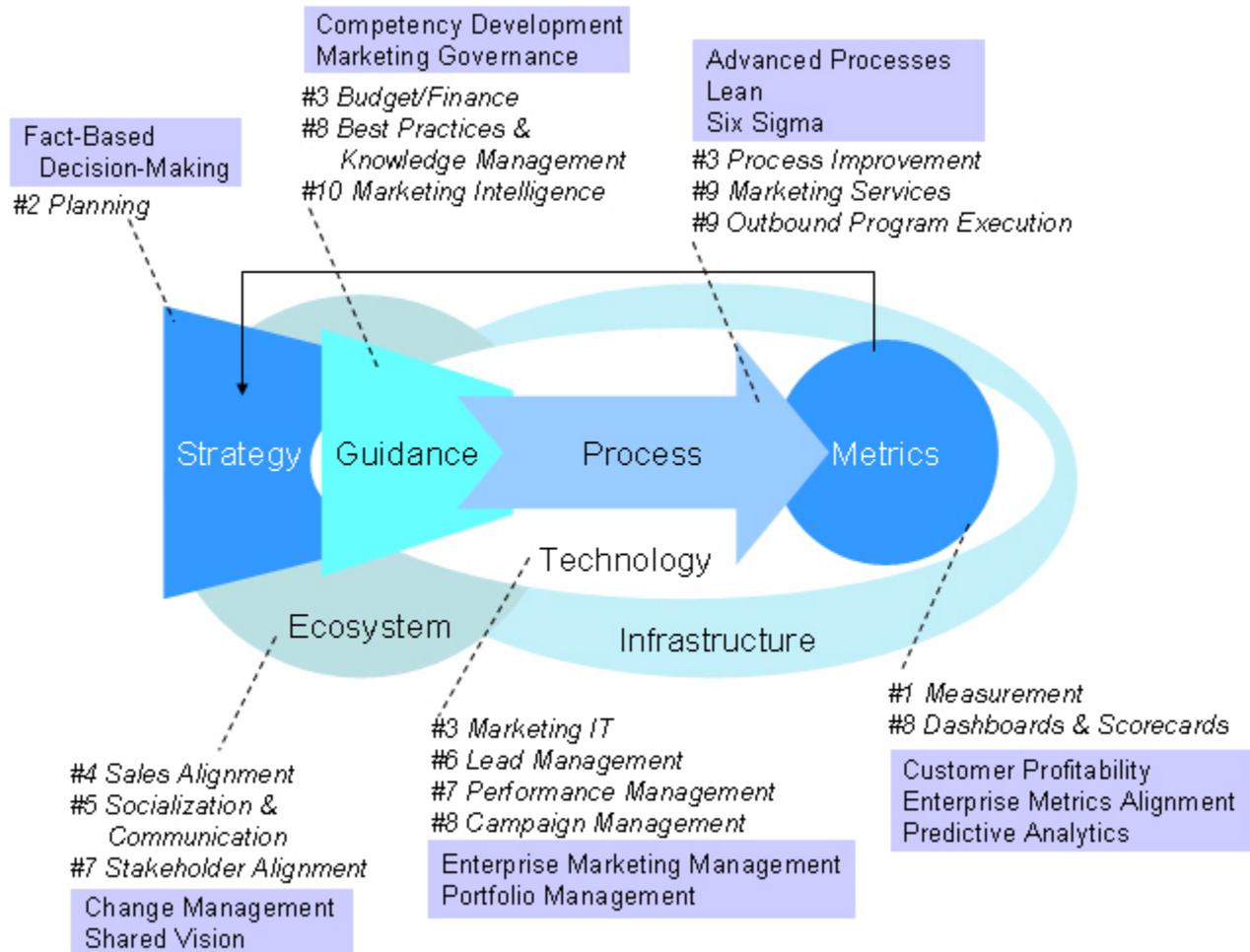


Figure 39: Vision for Marketing Operations, shown in lavender highlighted boxes, identifies "next steps" for a superior Marketing Operations practice.

As Figure 39 illustrates, proficiency in the more sophisticated practices of MO indicates a more mature MO function and a more comprehensive MO vision. These Sophisticated components address the entire discipline of MO including:

- Strategy (fact-based decision-making).
- Guidance (competency development, marketing governance).
- Process (LEAN Enterprise, Six Sigma, supply chain).
- Metrics (customer profitability, predictive analytics, enterprise metrics alignment).
- Technology (enterprise marketing management, portfolio management).

They also address the key drivers (change management, shared vision) that enable a Marketing Organization's successful collaboration and alignment with the key stakeholders that comprise its enterprise Ecosystem.

It is important to emphasize that none of these strategies or focus areas should be implemented in isolation, positioned as "magic bullets" or "quick fixes," or viewed from a "one-size-fits-all" perspective. In evaluating for potential implementation insight from this and future MO studies, Marketing Operations Partners strongly advocates consideration of the following:

- The objectives of the enterprise
- The role Marketing will need to play to achieve those objectives
- The organization's culture, including its readiness for and tolerance of change
- The optimal leverage points (hottest or most visible issues, greatest pain)
- The availability of people and budget resources to tackle the problem
- C-level support for whatever initiatives MO will undertake

B. Steps for Future Research

MO is a rich topic that offers many potential avenues for future research. This study identifies two areas of focus that may be major obstacles to MO success:

- Unsupportive culture and environment that penalizes risk
- Infrequent delegation and lack of follow-up

Alternatively, a future study may identify best practices related to Sophisticated MO scope, including fact-based decision-making, competency development, marketing governance, change management and shared vision.

Another avenue for future investigation is an in-depth look at the core elements of the Marketing Operations Partners' Best Practice Framework – strategy, guidance, process and metrics – and how companies are implementing these elements in practice.

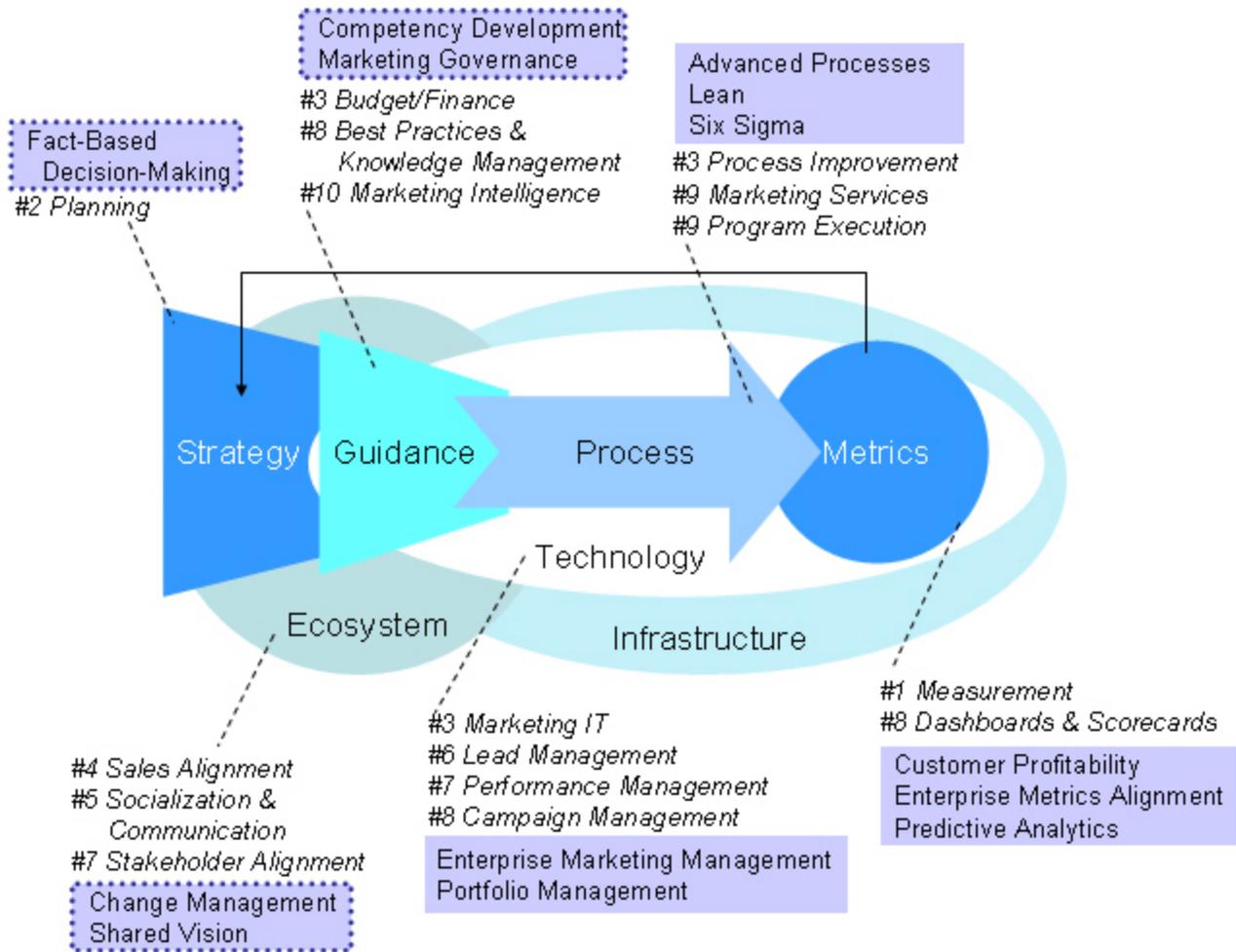


Figure 40: Sophisticated elements of Marketing Operations scope, shown in outlined blue boxes, offer potential for overcoming participants' reported obstacles to continued MO success.

VII. Appendix

A. Methodology

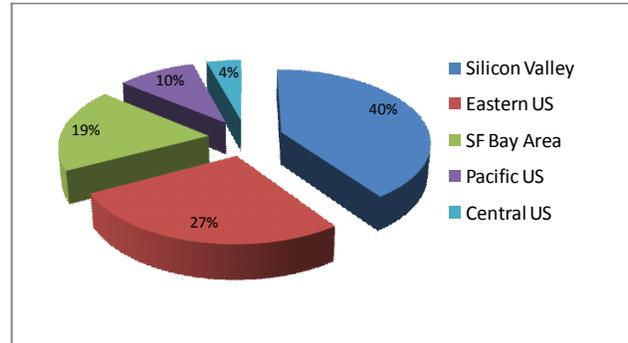
Both large and mid-size business-to-business technology companies were interviewed for this study. Face-to-face interviews involved the interviewee in hands-on exercises that encouraged rich, in-depth responses. Exercises included word sorts, continuum plots, and diagrams. In addition to and separate from the in-depth interviews, a set of quantitative questions was administered online to collect additional data points and involve participation from a wider group of companies.

Topics covered the scope and challenges of MO as well as various aspects of operations reviews, including the following: frequency, duration, levels and functions of attendees, use of internal versus external resources, use of technology, accountability, group memory management, proliferation of lessons learned, onsite versus offsite venues, and formal and informal management between reviews. Exercises addressed MO drivers such as manageability of complexity, balance of strategic and tactical elements, demonstration of value, synergy with stakeholders, retention of staff and customers, fact-based decision-making, and marketing's role in innovation.

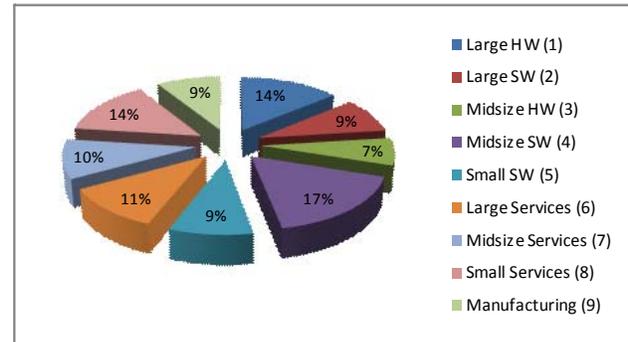
B. Profile of Participants

Participants in this study were 81 organizations, characterized in the following ways:

Geographic Representation

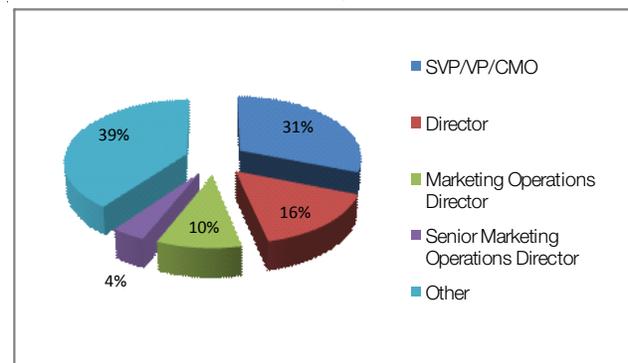


Industry/ Size



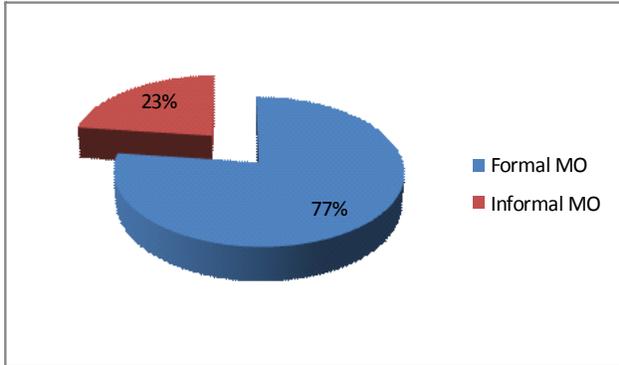
- | | |
|------------------------|-----------------------------|
| 1 (5K+ employees) | 6 (500 – 10000 + employees) |
| 2 (5K+ employees) | 7 (10 -499 employees) |
| 3 (100-4999 employees) | 8 (1-9 employees) |
| 4 (100-4999 employees) | 9 (100 – 10000 + employees) |
| 5 (1-99 employees) | |

Titles of Respondents

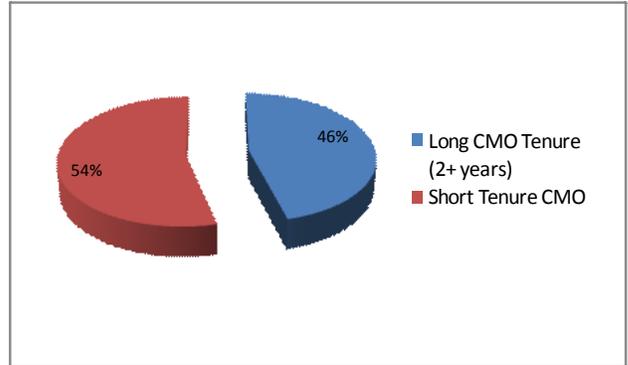


Data was collected from 26 identifiable technology companies from face-to-face interviews with 20 companies and 6 online surveys in order to analyze the following organization characteristics:

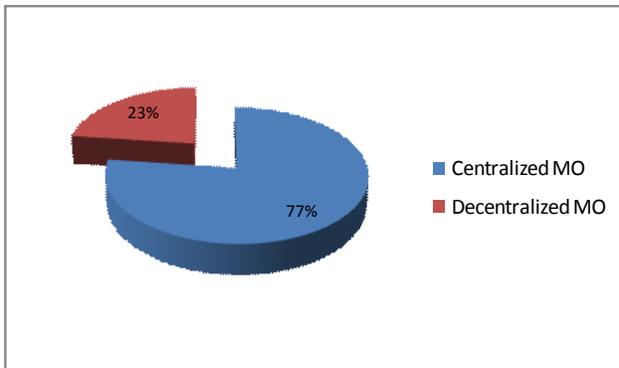
Formality of MO Function



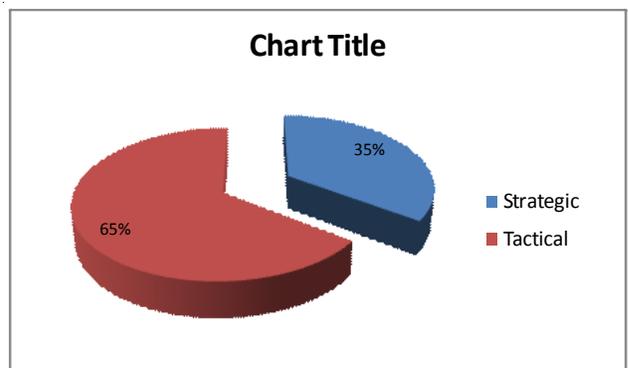
Length of CMO Tenure



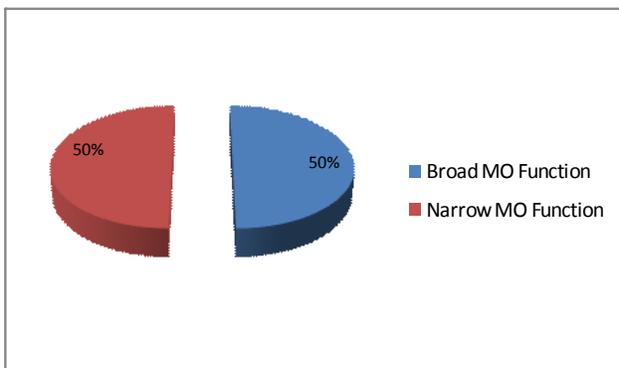
Centralization of MO Function



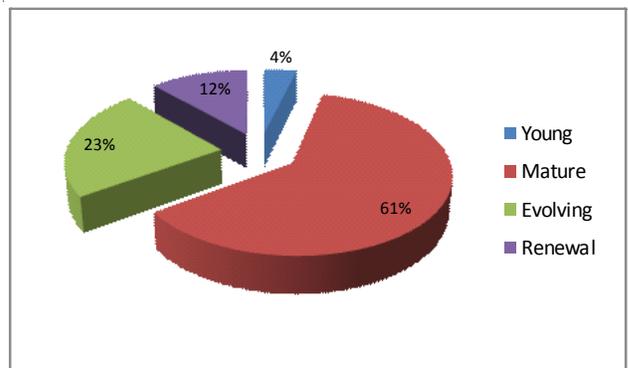
Strategic Emphasis of MO Function



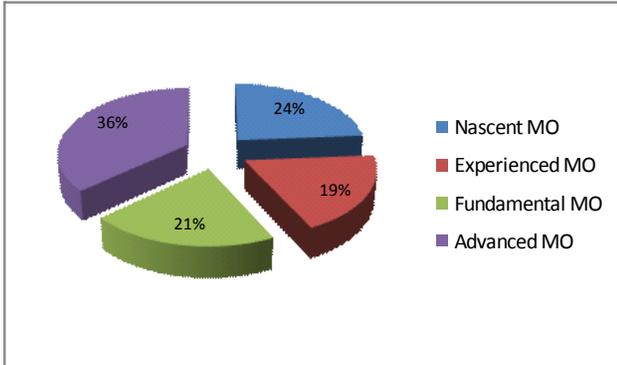
Breadth of MO Function



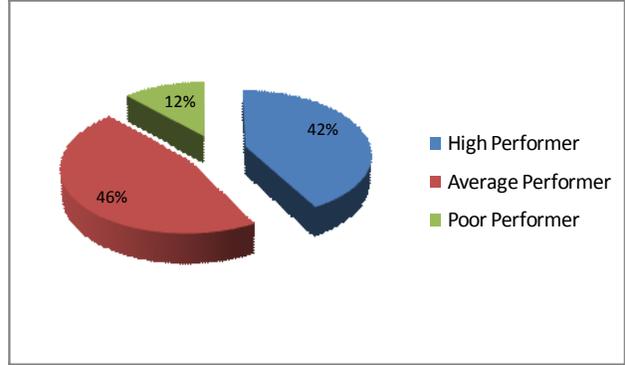
Company Maturity



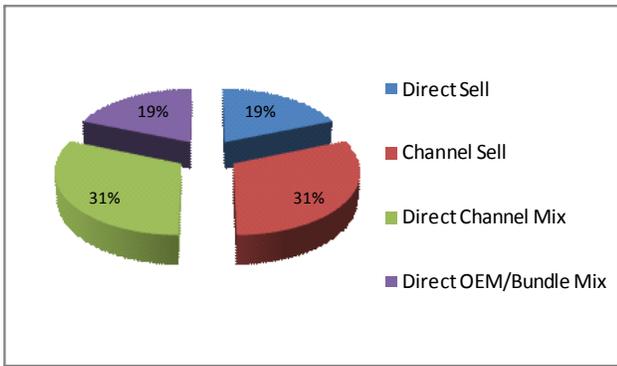
MO Maturity



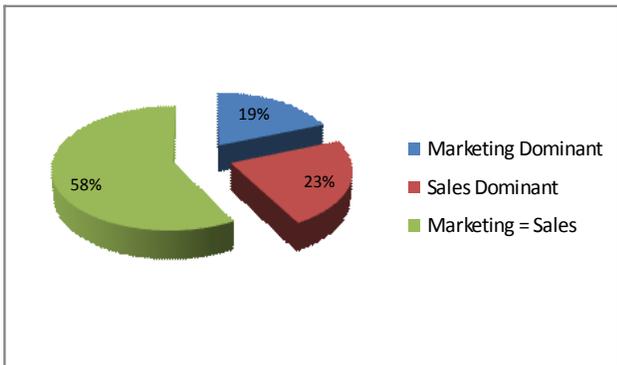
Financial and Market Performance



Selling Model



Marketing Stature Relative to Sales



C. Marketing Operations Partners & the Research Team

Marketing Operations Partners is an organization that works with CMOs and their teams to change the MO of marketing by leveraging process, technology, guidance, and metrics to run marketing as a profit center and fully accountable business. Think of us as a COO and change management team dedicated to enabling CMOs to operate like CEOs.

Marketing Operations Partners provides a ready-to-go, seasoned team of subject-matter experts and thought leaders in all areas of marketing operations to help solve complex marketing organization challenges and optimize the use of corporate resources. Our integrated team approach is ideal for complex marketing organizations that are navigating turbulent change while challenged with conflicting demands from a variety of stakeholders, both inside and outside of marketing.

We help our clients:

- Accelerate the sales process
- Build a scalable Marketing infrastructure
- Maximize customer profitability
- Cultivate an ecosystem of stakeholder support for strategic initiatives and
- Demonstrate measurable return on marketing.

Marketing Operations Benchmark Study Team

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For more information on Marketing Operations Partners' [services](#) and [team](#), call 408-243-7881 or visit www.mopartners.com.