Marketing Automation &

Business Transformation

The challenges with implementing marketing automation

Master's Thesis

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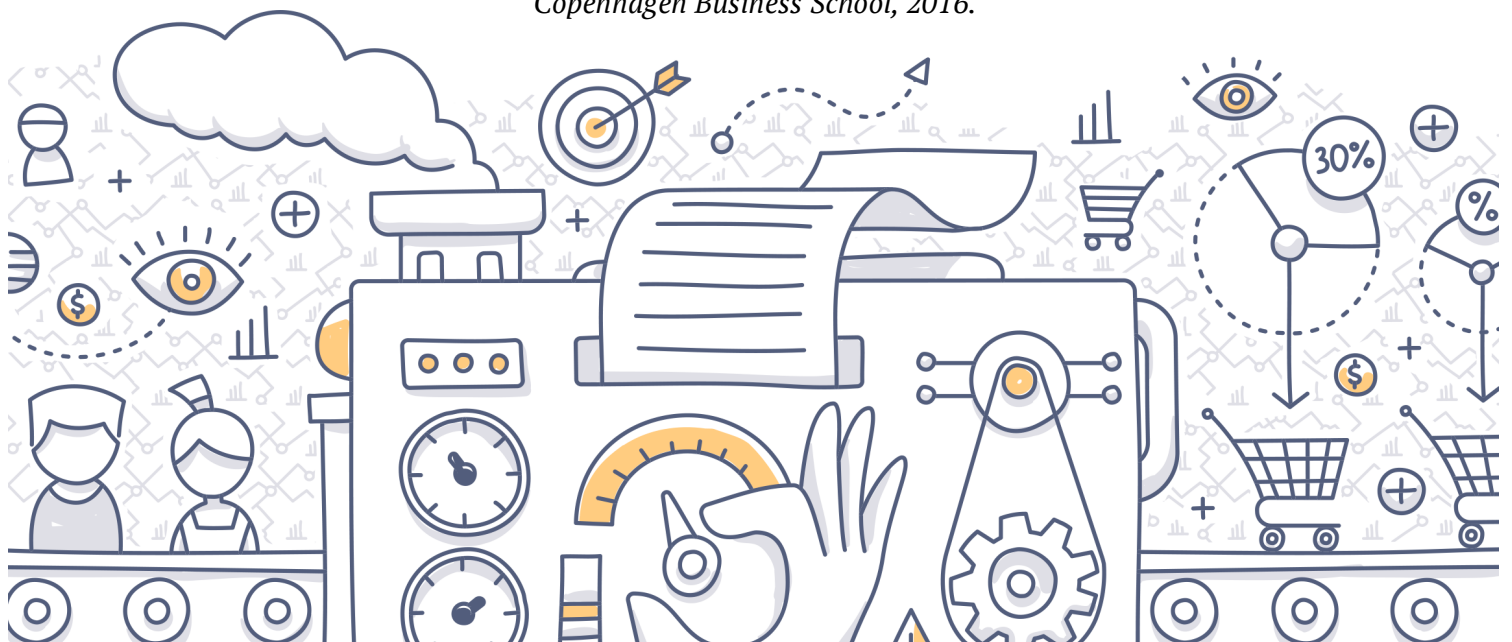
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ABSTRACT

In today's digital transformation, delivering meaningful customer experiences for organizations across different channels including social media, web, mobile is a must. Marketing departments are changing and becoming the most data-driven functions in the organization. The increasing amount of data available can bring brands and customers closer than ever before, but in order to satisfy customer demands and expectations, technology and process alignment is critical. (Sklar C., The Guardian, 2015.) The technology has broken out of the marketing department to become essential to transformation projects and a strategic weapon in business. (Fernandez P., 2016.) In this study I focus on the marketing automation technology and how it is transforming and supporting the marketing department to face all their biggest challenges. This study aims to explore the business transformation needed in order to successfully implement marketing automation in an organization.

For this, the theoretical framework was set give an overview on business transformation, information technology in organizations and marketing automation technology. A qualitative research was conducted in order to gain a holistic understanding of the issue. The data was collected via semi-structured interviews with experts and consultants in the field of marketing automation. The data is analysed and reflected on according to Venkatraman's (1994.) model describing the different levels of IT-enabled business transformation. Based on the analysed findings from the interviews and supported by secondary data, the discussion reveals that organizations need to go through a radical business transformation when implementing marketing automation, affecting their business processes, strategy and team structures. The study also provides valuable insights into the challenges and implications of implementing marketing automation in an organization while also discussing in details the need for transformation to utilize the full potential of this technology. The research bases its arguments mostly on the collected data from expert interviews using marketing automation every day, relying on and accepting the information they provided.

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I.   INTRODUCTION

Background & Motivation

The world of Marketing is changing at an unbelievable pace. The constantly evolving technologies, the way people are using them is all transforming not just how we access information, but also how we interact and communicate with one another on a global scale. (Ryan D. and Jones C., 2009) One of the biggest factors in the revolution of communication is the rapidly growing popularity of social media which is undoubtedly empowering consumers all around the world. Marketing is no longer a one-way communication where organizations define their brands and show a message out to consumers on different channels. It has become a two-way street, where buyers engage and disengage with brands at their own will. (Levine S., n.d.)

Not just how we communicate, but also the way we choose and buy are products and services is changing. (Ryan D. and Jones C., 2009) Consumers are turning to their personal networks and search for publicly available information to self-diagnose their problems, and form opinions about solutions. There are more brands to choose from, more places to buy from, and more opportunities to source, compare and challenge than ever before, which causes brands to compete harder than they've had to before. (Levine S., n.a.)

This change in the modern buyer's journey is affecting not just the way marketing works, but also how sales operates. Salespeople are being displaced by the mass of information available on different digital channels, and consumers tend to make most of their decisions before they get in contact with the vendor. According to a research that was conducted by the Marketing Leadership Council (CEB) and Google in 2012, buyers are traveling 57% of their journey without ever contacting sales. Sirius Decisions stated that 67% of the buyer's journey is now done digitally. (Levine S., n.a.) All these factors result in a massive change in the way marketing and sales teams need to operate in order to be there on the market.

A trend is starting to form, as one of the consequences of these changes mentioned before, that the marketing department's role and contribution to the organization is evolving. According to an Economist Intelligence Unit research, marketing is more and more positioned as a 'revenue-driver' in the organization, and will play a more significant role in shaping company strategy than it does today. (The Economist Intelligence Unit, 2015.) The pressure on the marketing team to have direct revenue accountability as part of their job is growing and becoming expected by all parts of the organization. (Qaqish D., 2012)

So how can organizations accommodate all of these challenges, and how can they use technology to help them optimize and boost their performance to grow the company in markets with ever increasing competition? Marketers need to be able to understand, analyse and gain insights from big data, which they try to accomplish via a mix of technologies brought into the organization (e.g. analytics tools) which is affecting its culture and processes. (Kern R. M. and Levine S., 2014.) A great number of organizations are turning to marketing automation to increase Marketing's contribution to the sales pipeline and optimize their entire sales funnel. (State of Marketing, 2015.)

In order to understand better the reasons, challenges and implications of implementing and using a technology like marketing automation in an organization, a qualitative study is conducted. I will be focusing on the need for a business transformation in the organizations.

Structure

This section serves as a guide to the reader presenting the structure of the paper and an overview of each chapter.

Chapter 1 aims to set the stage for the research and to give a broad understanding of the field. I introduce the background of the study and explain the relevance of marketing automation technology today.

Chapter 2 presents the theoretical background, which allows the reader to better understand the fundamental concepts used in the the study around business transformation and marketing automation. In the first part I, give an extensive overview on business transformation then, to narrow down the focus, I explain in more details the background and implications of IT-enabled business transformation. The second part describes the marketing automation phenomenon, looking at the background, market space, characteristics and main functionalities of the technology.

Chapter 3 is an important follow up to the previous chapter, as it presents the research question and sets the goal for this study based on the previously presented theoretical background.

Chapter 4 describes the methodological approach including the research design, and how the qualitative study was conducted in order to answer the research question. It first describes the qualitative research approach, then explains in more detail the data collection and data analysis methods. It also briefly presents the validation and limitations of the study.

Chapter 5 organizes the findings that were collected via the primary and secondary data collection methods. The findings are then analysed and grouped in order to prepare them for the discussion.

Chapter 6 consists of a discussion of the analysis and key findings in relation to the literature review. I will be discussing the most crucial insights from the study and finally answer the research question.

Chapter 7 aims to give a comprehensive summary of the research to provide a take-away to the reader. It also includes further research recommendations in the field of this study.

II.   LITERATURE REVIEW

Introduction

The theory presented in this chapter will be the basis for the analysis, which will finally help me to answer the research question. The main theory of this thesis is problems linked to business transformation, organizational change and change processes. It is really important for this study to better understand the notion of business transformation, and also to understand the role of technology in organizations. The reader will need the context from the above mentioned fields to understand the way we will be looking at marketing automation as a technology and a driver for business transformation.

First I will introduce the basic characteristics and the role of business transformation in organizations, then I will focus on technology induced business transformation frameworks and lastly I will describe the model used in the final discussion of the project.

Business Transformation

Most, if not all companies, will go through some sort management transformation procedure at some point. All changes can be collected under the umbrella-term "business transformation ", but in a context like this, business transformation can also be considered a radical form of organizational development. (Uhl A. and Pimmer C., 2011, p1)

Managing business transformation is vital for organizations to stay competitive in today's business environment. This kind of transformation implies complex and multi-layered changes that could not only happen inside the organizations, but also across the full length of the value chain. (Uhl A. and Gollenia L. A., 2012. p1)

These transformations can also be quite radical in nature, and thus highly resource intensive. They affect all the core values of an organization, and are affected by the

immediate and broader environment, such as customers, competitors, government, regulators, and investors. In other words, transformation is usually executed within an entire ecosystem. (Uhl A. and Gollenia L. A., 2014, p91)

Starting a change process like this could reposition an organization within its broad economic and social environment, and change its relationship with it in several ways. Mergers and acquisitions, (inter- or intra-) organizational restructuring actions, business model changes or business process outsourcing are typical examples of business transformation related changes. (Uhl A. and Gollenia L. A., 2012. p1)

Business transformations can be initiated for several different reasons. Examples would be shifts in the markets, technology innovations, economical changes such as globalization and changes of soft factors. (Kotter J. P., 1996) It's important to note, that both of these could have unforeseen effects, and can lead to such a large-scale transformation, that it could cause disruptions in the workplace. Organizations need to have excellent transformation processes to be able to maintain their competitive advantages and prevent disruptions. (Uhl and Gollenia, 2012. P3) Even though there are many frameworks and methodologies in existence, the management of business transformation remains one of the key challenges for organizations wanting to develop and keep their competitive edge. (Uhl and Gollenia, 2012. p146)

So far we have looked at how we can define business transformation in a broad context, as a complex and multi-layered series of changes that happen inside the organizations, but also across the full length of the value chain. It is a process that nearly all organizations go through in some shape or form (to gain advantage over their competitors). In this research I will focus on the business transformations that are induced by implementing an IT technology.

IT-enabled Business Transformation

Information technology was increasingly viewed from a general management and strategic perspective in an organization since the 90s. (Venkatraman N., 1991. p124) However, Doherty N. F and Coombs C. R. (2013.) argues that in the recent years information technology has become a highly undifferentiated commodity, thus organizations cannot use IT strategically to gain competitive advantage anymore.

Leveraging the benefits of using information technology for business is a standard practice and a must, its ubiquity makes it an equalizer as the same technology is available for purchase for everyone. (Gilbert et al. 2012) Keeping this in mind it could easily be expected that IT solutions deliver similar organizational impacts and economic returns no matter of the organizational context in which the technology was implemented. However, some literature argues that many of the human and organizational impacts of IT cannot be easily predicted prior to the system's implementation, as it is dependent on various organizational factors. (Doherty N. F and Coombs C. R; 2013.)

As IT is now so easily accessible and affordable for all organizations, it cannot easily deliver sustainable competitive advantage anymore, as it cannot make an organization's activities distinctive. The organizations that want to achieve competitive advantage will have to develop a strategy that gives their activities distinctiveness and will serve their customers better than its competitors. (Doherty N. F and Coombs C. R; 2013.)

Thus information technology is now a ubiquitous and increasingly important part of the modern organization – various IT solutions are supporting the day-to-day operations, the decision making process and in some cases its strategic positioning. (Doherty N. F and Coombs C. R; 2013.) Therefore the implementation of a new technology or information system can be seen as an effective way to deliver significant changes to an organization. (Markus M. 2004.) At a macro level, such a change can affect the organization's structure, its culture and its business processes, while at micro level, it can be used to make radical

changes to working practices, job roles and behaviours. (Doherty N. F and Coombs C. R; 2013)

Ward J. and Elvin R. (1999.) argues that majority of the benefits resulting from an IT project can be associated with the organizational change, rather than the result of the new functions and features offered by this newly implemented technology or software. IT projects will almost always induce organizational change, which should be actively managed by the organization to ensure that they are leveraging all of the benefits derived from the technology itself. (Ashurst et al. 2008.)

It is also important to add that when IT tools are newly implemented there is often an unrealistic expectation that just via installing a new software it will immediately start to deliver organizational benefits and will drive immediate results with little or no proactive support or intervention. (Doherty N. F and Coombs C. R; 2013.) Doherty N. F. and Coomb C. R. (2013.) argues that as IT becomes more and more a general commodity, organizations using IT solutions should shift their focus from the design, development and implementation of these IT solutions, to focus on the exploitation of these systems via ongoing business transformation.

It is more and more perceived that the effective exploitation of the power and capabilities offered by the IT solution can induce significant organizational change in terms of the strategy, the management structure, systems and business processes. It is the alignment between the organization's strategic context and its IT infrastructure that contributes to increased efficiency and effectiveness. (Venkatraman N., 1991. p124) The challenge for most of the organizations is how to exploit IT capabilities and how to develop a strategy. IT alignment in this case means focusing on not just the successful exploitation of the benefits of the technology but also to differentiate their operations from its competitors. (Venkatraman N., 1991. p127)

"IT changes the way we do business" says Venkatraman N. (1994.) in his study at MIT in 1994.

Venkatraman is using a model that breaks IT-enabled business transformation into five levels. He suggests that each organization must first determine the level at which the benefits are in line with the costs or efforts of the needed changes and then proceed to higher levels as the demands of competition and the need to deliver greater value to the customer increases. (Venkatraman N. 1994, p73) These levels are not conceptualized as stages of an evolutionary, model but as distinct levels of business reconfigurations with an explicit focus on the role of IT. (Venkatraman N. 1991, p125)

This framework is based on two dimensions: the range of IT's potential benefits and the degree of organizational transformation. The theory is that the benefits from IT deployment are low if they are only based on the existing organizational conditions (especially strategies, structures, processes and culture). So the benefits occur in those cases where investment in IT functionality is accompanied by corresponding changes in organizational characteristics. (Venkatraman N. 1994, p74)

In the framework in Figure 1, the five level of IT-enabled business transformation is presented. While the higher level of transformation indicates potentially greater benefits, they also require a correspondingly higher degree of changes in organizational routines – structure, reporting, performance assessment, informational flow, etc. (Venkatraman N. 1994, p85)
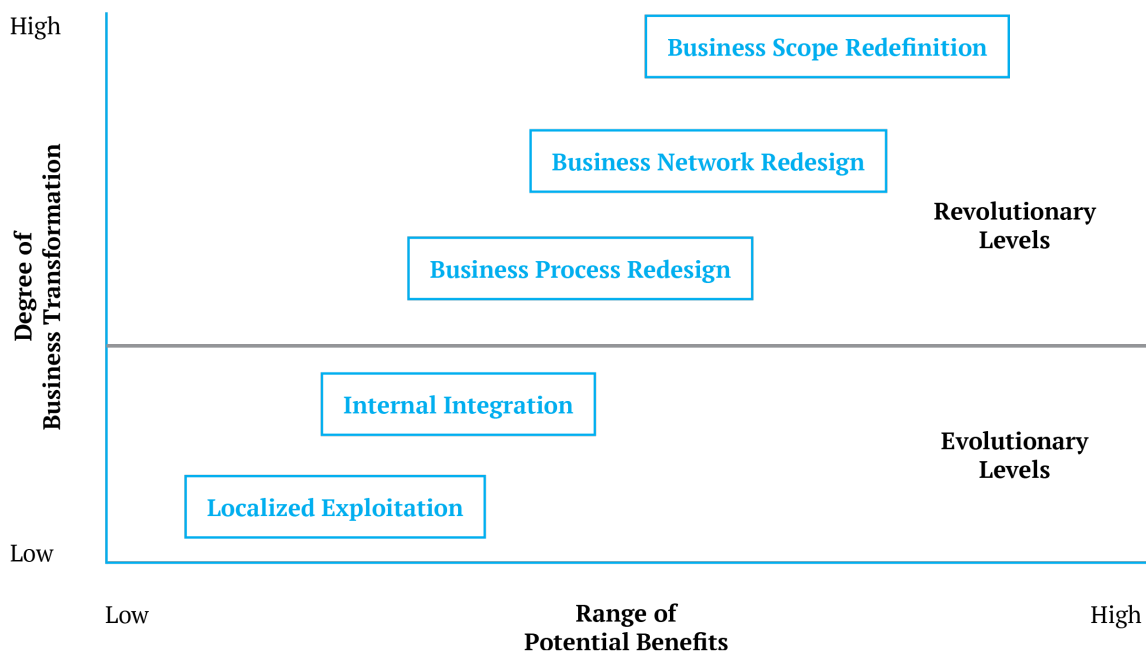
Figure 1. Five Levels of IT-Enabled Business Transformation [Venkatraman N. 1994]

Level 1. Localized Exploitation

The first level can be characterized as localized exploitation. In this current phase, IT is exploited within several already existing, but isolated business processes, or within one function in the company, like marketing. (Venkatraman N. 1991, p123) This could mean for example the implementation of applications that improve the efficiency of repetitive tasks, contributing in the end to reach function-specific targets, without influencing the grander areas of operations. (Venkatraman N. 1991, p127) Essentially localized exploitation is the basic way for leveraging IT functions within the organization. It could also be described as the introduction of standard IT applications with minimal impact on business processes. (Venkatraman N. 1994, p75)

Localized exploitation usually under-utilizes IT's potential capabilities. It also fails to provide the organization with several of the many advantages that would come from

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changing and restructuring its business processes, and while doing so, making the most of the existing or the new technical solutions. (Venkatraman N. 1994, p75)

At this level of business transformation, the application is typically introduced to reduce the cost of a certain process, or to increase response time (when measured against past performance levels). Most of the IT systems on this level use off-the-shelf functionalities with minimal changes required in the organization's routines. (Venkatraman N. 1994, p75) When it comes to staying competitive in an industry, we also have to note that competitors can easily follow suite when working with standard IT systems. However, let's not forget that even standard applications, when paired with the right structural and business initiatives, can lead to significant advantages. (Venkatraman N. 1994, p75)

Benefits of Localized Exploitation

As I mentioned above, localized exploitation aims to improve efficiency and effectiveness in repetitive tasks. Good examples of this would be order entry and customer support systems. We can see that by automating order entry or ticketing, the IT system takes a series of tasks off the shoulders of the employees, freeing up their time from administrative tasks to concentrate on what gives more value to the organizations, and on more creative parts of their work. According to research though, it seems that LE is more prone to generate efficiency related benefits for companies, instead of upping effectiveness. (Venkatraman N. 1991, p129)

Level 2. Internal Integration

Level two can characterized as the building of an internal infrastructure (platform) that allows for the integration of recurring tasks, processes and functions. (Venkatraman N. 1991, p123)

This level is the natural follow-up to the previous, showing a more structured attempt at making the most of IT's capabilities throughout the whole business. In this level, there are two types of integrations discussed. Both types are insufficient without the other: technical interconnectivity and business process interdependency. While *technical interconnectivity* deals with the connected nature and interoperability of the different systems through a common IT platform, *business process interdependency* describes the interdependence of organizational roles and responsibilities across functional lines. (Venkatraman N. 1994, p76)

Level 1 works by making isolated processes within the organization more efficient, without intrusive change to the business processes. It usually achieves this with the implementation of generic IT systems. In contrast to this, in level 2 transformation each company should design, plan and implement IT platforms that cater to their very own needs, and can interconnect their business activities along a chosen direction. (Venkatraman N. 1991, p133)

A technical team is usually in charge of making sure technical interconnectivity exists, while a cross-functional team addresses the challenges that exist around business process interdependence. The aim of this is to be able to take advantage of a seamless and interoperable technical platform. The importance that different organizations allocate to these two types of integrations varies significantly, but one thing is for sure: giving less importance to constructing interdependent business processes weakens the organization's ability to reach its full potential, and reap the benefits of its IT platform. (Venkatraman N. 1994, p76)

A level 2 transformation can be best understood by looking at one of the most prominent case for internal integration. This also helps us understand how Localized Exploitation and Internal Integration combined can create sustainable and long term benefits and competitive advantage for organizations. Venkatraman describes the example of the

transformation of the US tax return preparation business (Venkatraman N. 1991, p133). In the late 1980's the Internal Revenue Service (IRS) introduced the possibility for US citizens for filing tax returns electronically.

As you can imagine, their goal was to create efficiencies by receiving a big part of the already huge pool of tax return paperwork in electronical, easily manageable, digitized format. For the IRS, this would be a case of a level 1 transformation, meaning better accuracy and greatly reduced the costs.

On the other hand, the tax return preparation business, with the development of interconnected platforms, has also been able to leverage the benefits of the aforementioned IT-based change. By being able to index, track and get more insight into the aggregated data flowing in from private tax filing, American Express and its competitors offering tax return preparation services were able to realize strategic benefits by for example offering new financial products and closely tailored financial advice to their clients, creating a competitive advantage that is sustainable. All this is only because of the integrated IT platform that is based on the IRS' electronic filing system. (Venkatraman N. 1991, p135).

Enablers and Inhibitors

The first two levels of the transformation described above require only minor changes to the business processes, and because of this, are called 'evolutionary' transformations. Here, a typical example would be the automation of existing processes, while at the other three transformational phases, often called 'revolutionary' levels, fundamental changes are needed in the organization's work-routines. (Venkatraman N. 1994, p77)

On these "evolutionary" levels we distinguish between technological and organizational enablers. The technological enablers are keen on increasing the availability and affordability of technologies that can be used across different platforms, time-zones and physical boundaries. Managers are typically the organizational enablers: they are the ones

who assess the costs and benefits associated with these levels of transformations. (Venkatraman N. 1994, p78)

On the other hand, there could exist inhibitors of the transformation in the organization. Typically, they are also divided as technological and organizational inhibitors. The technological inhibitors are usually connected to the absence of generally accepted standards for protocols and applications, while organizational inhibitors are the managers showing resistance when their operational freedom may be disrupted or reduced by these new business processes. Another reason for someone acting as an organizational inhibitor could be the fact, that they are unwilling to take the risks associated with investing in the new technical platform that supports the internal integration. (Venkatraman N. 1994, p78)

Level 3. Business Process Redesign

Level 3 in this model represents the fundamental rethinking of the way to conduct business. (Venkatraman N. 1991, p123) IT is used as an enabler to reconfigure the business, without treating the existing business process as a constraint, via redesigning the business process to maximally exploit the available IT capabilities. (Venkatraman N. 1991, p128) IT functionality should not be simply overlaid on existing business processes but should be used as a lever for redesigning the new organization and associated business processes. (Venkatraman N. 1994, p78) This can only be achieved by aligning the business process with the IT infrastructure according to Venkatraman N. (1991)

Before attempting this type of business transformation, it is important to understand first the strengths and the limitations of the current business process as well as creating a careful analysis of the costs and benefits of the current design. Business process redesign is often initiated when ascertaining significant changes in the company's key competitor's' business processes. (Venkatraman N. 1994, p78)

A well-known example for Business Process Redesign comes from the US based mexican food chain, Taco Bell. Taco Bell has reconstructed their business, by concentrating more on

the retail service aspect and centralizing the manufacturing area. Rather than preparing all of their ingredients locally in the stores, the K-Minus program was created and the meat, corn shells, beans, lettuce, cheese and tomatoes for their restaurants are now prepared in central kitchens outside the restaurant. At the restaurants, the ready-made ingredients are assembled - when ordered by a customer.

This led to better employee morale, increased quality control, fewer accidents and injuries, bigger cost savings and more time for focusing on customer business processes. Taco Bell has gone from being a $500 million company in 1982 to a $3 billion company (early 1990s).

Even though the realized efficiency benefits from business process redesign, it is still limited in scope if the processes are not extended outside of the organizational boundaries. Thus it usually won't reach the potential to restructure the basis of the competition in the marketplace. (Venkatraman N. 1994, p78)

Level 4. Business Network Redesign

The first three levels discussed previously are focusing on the business transformation in an organization only, where the boundaries of the organization are fix and given. The next level on the other hand represents the effective deployment of IT capabilities in a business network. (Venkatraman N. 1994, p79)

At level four, the organization uses IT to include suppliers, customer or other third parties who can contribute to the company's effectiveness. (Venkatraman N. 1991, p123) In other words, to creatively exploit IT capabilities, to change and strengthen the relationship between the key players in the marketplace. The main difference from the previously discussed levels is that here we mostly deal with the reconfiguration of the scope and tasks of the business network involved in the product or service creation and delivery, including tasks both within and outside of the boundaries of the organization. (Venkatraman N. 1991, p128)

Usually the view is that IT functionality allows for efficient information exchange. The potential benefits stemming from the redesign of the nature of exchange among the players in the network are obviously much broader. When we talk about the benefits from level 4 transformations, we talk about 4 hierarchically related roles.

Computerized transaction processing generally means improved administrative efficiency, by cutting down on data-entry costs, mailing costs, paperwork, etc. This means it can become the basic pillar of interconnectedness between companies, as long as they agree on shared standards. (Venkatraman N. 1991, p143)

Inventory movement means the relocation and movement of inventory between 2 or more organizations. It is based on the above mentioned transaction processing, and requires no intervention from the related organization's managers. It is mostly governed by standard contracts, that specify the parameters and conditions of the cooperation. (Venkatraman N. 1994, p80) A good example would be the distribution of airline seats to travel agencies, where the price, availability and other relevant factors are governed by the agreement the agency has with the given airline. Here, the potential benefits are not limited to administrative efficiencies, but also include operational improvement throughout the value-chain.

The next role for level 4 transformation we need to discuss is *process linkage.* In this stage organizations further expand the definition of BNR by interlinking different stages of production between two distinct companies. To illustrate this, we can look at Ford Motor that has process links with Goodyear Tire, where they can both leverage and benefit from the overlapping engineering work they would otherwise both do themselves. As you might think, specialized contracts and strategic alliances govern these kinds of cooperations between willing organizations, so that all parties can benefit without the need of costly vertical integration. (Venkatraman N. 1991, p143)

Leveraging *knowledge sharing* means that the participants of the network can access specialized sources of knowledge through supporting IT based solutions. The information shared through these networks is usually more unstructured and richer than what you would see under transaction processing. A very interesting example of this is doctors logging in remotely to view and participate in operations, without any time zone related, geographical limitations, and "giving access" to their expertise to solve unexpected complications. Apart from doctors, other, highly specialized areas are also profiting from this way of knowledge sharing, like law, finance and geology. (Venkatraman N. 1994, p82)

Level 5. Business Scope Redefinition

In level 5, the organization decides to break out and exploit the new technology in the marketplace or in products. According to Venkatraman (1991.), the contention in this section is that no single organization has yet been able to exploit the ultimate potential of this stage. (Venkatraman N. 1991, p124) (Keeping in mind that his study was created in 1991.) On this level of business transformation, the focus is on IT's role in influencing the business scope as well as influencing the logic of business relationships within the extended business network. (Venkatraman N. 1994, p83) It also involves the possibilities of enlarging the business mission and also completely shifting the business scope in the organization. (Venkatraman N. 1991, p128)
"What role — if any — does IT play in influencing business scope and the logic of business relationships within the extended business network?" asks Venkatraman N. (Venkatraman N. 1994, p83)

Examples of companies that went through business scope redefinition are American Airline and its famous SABRE (ticket reservation) system and Otis Elevator and its remote elevator monitoring (REM). Both companies have profited significantly by charging a usage fee on their proprietary systems.

In addition, a number of dot-com companies introduced a new way of doing business and have redesigned activities in a value chain. Amazon.com for example is the biggest online bookstore that expands on the scope of a brick-and-mortar store. It provides customers with not only a book itself but also related information such as the book review and other related books, in an attempt to sell more, related products to their customers.

Conclusion

We can see by the examples discussed before, that IT without a doubt has a profound effect on how businesses operate. For a company to be successful, they need to be able to assess and visualize their environment, and leverage IT as the underlying motivator to change their organizational structure for it to support a new or updated business logic. (Venkatraman N. 1994, p86)

From the evolutionary to the revolutionary phases, Venkatraman's 5 levels of IT-induced transition each offer something new to broaden the potential benefits of the level immediately before. It covers the plane from simple automation of recurring tasks to complete business vision reconfiguration.

The main challenge for transitional management here is to keep the organization moving in the right direction, by utilizing IT and technological capabilities to adapt to and align with their chosen business vision.

Marketing Automation

Marketing Automation Technology

In the old days, the traditional marketing channels, including advertising via newspapers, magazines, radio, television and direct mail were the only options for marketers. With these communication channels it was very difficult to target specific buyers with personalized messages. (Scott M. D., 2013. p16) The goal was to get consumers to stop what they were doing and pay attention to the marketing message they are exposed to. These messages were mostly product focused and emphasized the benefits and traits of using that product. (Scott M. D., 2013. p17-18)

But the web has changed the rules of marketing, it has created a tremendous opportunity to reach buyers directly with targeted information for less cost. Marketing cannot cut through the noise anymore with standard messaging about their amazing products when an average person sees hundreds of commercial messages per day. Nowadays people don't trust these messages, they will just turn it off, or ignore it if even notice at all. (Scott M. D., 2013. p17-18) Organizations must transform to make the most of the web-enabled marketplace and shift their thinking from the mainstream messaging to a customer centric approach, where the main focus is satisfying the unique desires of the consumers at the precise moment they are online. (Scott M. D., 2013. p31) Marketing is not about generic ads anymore, where a neon colour or wacky movement is enough to grab attention, it is about better understanding your consumers, understanding the keywords and phrases they are using and creating a content right for them at the moment they need it. It's about interaction, information, education and choice of the empowered buyers. (Scott M. D., 2013. p32) Here it is important to mention that some sources argue that buyers are not the ones who became empowered, but it is the organizations who suddenly possess numerous channels to use, different IT solutions to gather data with, systems to analyse it and use it

to constantly influence consumer behaviour and increase the consumers urge to buy and consume. (Gibbs, M., Network World, 2016.)

Already in the 1990's an evolution of technologies to support marketing processes started: initially with the release of campaign management systems. (Doyle S. and Georghiu J., 2000.) The notion of marketing automation refers to the automated marketing decision support on the internet according to John D.C. Little, who was one of the first one who introduced this term at the 5th Invitational Choice Symposium at UC Berkley in 2001. He tried to explain the phenomena with the following phrase: "What do we tell X to do when customer Y arrives on Monday morning?". To be able to answer, he suggested to analyse the digital footprints[1] of customer Y to come up with meaningful managerial implications for the whole purchase funnel. (Heimbach et al. 2015., p129)

The challenges faced by marketers back were very similar to today's issues, firstly to process the huge amount of data automatically collected online, secondly to be able to adaptively react to customer choices on the web. Using marketing automation enhances productivity, decision-making, promises higher return on marketing investment, while increasing customer satisfaction and loyalty via the personalizing of the marketing messaging. (Heimbach et al. 2015., p129)

Marketing automation is often associated with related terms such as Customer Relationship Management (CRM) [2] or mailing list based promotion campaigns management (e.g.

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[1] A digital footprint is the body of data that exists as a result of actions and communications online that can in some way be traced back to an individual. (Source: "What Is Digital Footprint? - Definition from WhatIs.com" 2016.)

[2] Customer relationship management (CRM) is a term that refers to practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle. (Source: "What Is Customer Relationship Management (CRM) ? - Definition from WhatIs.com." 2016.)

newsletters) and could be confused with other related fields such as database marketing[3], interactive marketing[4], one-to-one marketing[5] or email marketing[6]. However, marketing automation is different, as it utilizes multiple data sources to design the communication real-time for all kinds of different channels, be it a website, mobile app, email, ads, etc. (Heimbach et al. 2015., p130)

The process of marketing automation is very close to the traditional marketing management process. First, marketers start with evaluating, analysing the data, define the objective, then define the actions needed to be implemented and finally measure the outcome and optimize accordingly. As the first step is analysing the data, data availability is crucial from the very beginning of the process. This information on the consumer could be stored in a database, or be tracked behaviours and activities such as clicks and website visits. In marketing automation data remains an important element through the whole process. All automated actions are based on the available consumer information and simply defined rules. For example, if a customer shows a certain behaviour, a marketing action is initiated at a set pre-defined time. (Heimbach et al. 2015., p130) A great visualization of the marketing automation process is done by Heimbach et al (2015):

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[3] Database marketing is a systematic approach to the gathering, consolidation, and processing of consumer data (both for customers and potential customers) that is maintained in a company's databases. (Source: "What Is Database Marketing? - Definition from WhatIs.com." 2016.)

[4] interactive marketing is the ability to address the customer, remember what the customer says and address the customer again in a way that illustrates that we remember what the customer has told us (Source: Deighton, J. A., 1996.)

[5] One-to-one marketing is a form of direct promotion where a business representative communicates directly with a targeted or interested consumer. (Source: "What Is One-to-one Marketing? Definition and Meaning." 2016.)

[6] Email marketing is the promotion of products or services via e-mail. (Source: "What Is Email Marketing? - Definition & Information." 2016.)
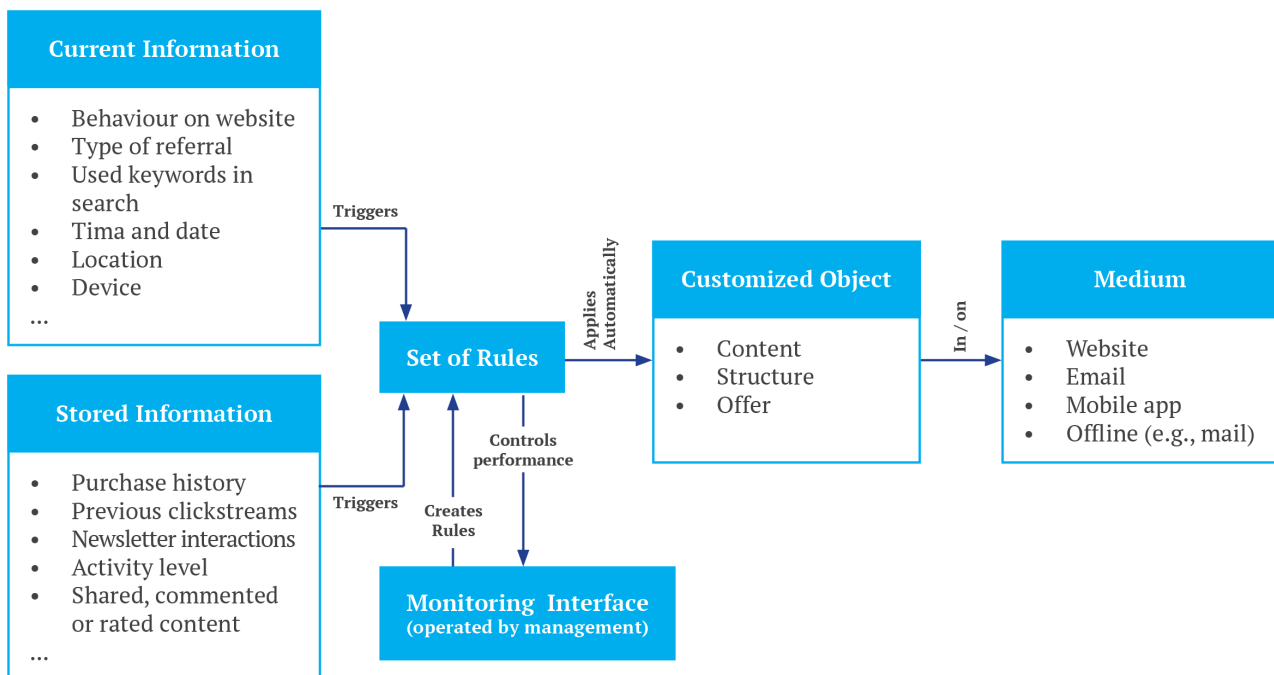
Figure 2, Source: Heimback et al., 2015. General framework of marketing automation (p131)

An automation process can be initiated based on several triggers: either stored information on the consumer, e.g. purchase history or a current activity of the consumer, e.g. downloading a case study on a website. All this information can be used to formulate rules, which is usually done via a monitoring interface, e.g. marketing automation tool. Once the stored information meets the requirements of the rules or a required activity happens, the automated process applies and sends the pre-defined marketing message (e.g. an online offer or a content piece) to the audience via different channels, like email, push notification, display ad, etc.

In order to be able to source all the information needed for automation, a well-conceived data storage is necessary to collect and analyse data on the consumer behaviour. Several external data sources can be integrated, which enables utilizing behavioural data from different sources and leveraging them across channels. For example, generating online recommendations based on social media activities, or to reach new people who are similar

to your customer base – via the Facebook LookALike audiences[7]. In order to handle the increased amount of data (referred to as 'Big data') the adoption of a well-designed technological infrastructure is required to effectively store, process and apply the data. (Heimbach et al. 2015., p131-132)

Marketing automation software can have different functionalities, their strengths and weaknesses vary as well as their focus in the marketing automation process, but most of them provides a combination of data analysis and execution tool which usually has a quite intuitive interface that does not necessarily require a technological background from the user. However, expertise in both IT and Marketing is beneficial and could be an advantage to leverage the full potential of such tool. (Heimbach et al. 2015., p132) These technologies and systems evolved in the last decades and are still expanding at such rate, that the term does not really describe the full extent of integration with other elements such as:

- Workflow
- Behavioral analysis
- Decision support
- Content management
- and Channel management.

(Doyle S. and Georghiu J., 2000)

Marketing Automation Vendors

The marketing automation space is a relatively big market, rich in solutions with functionality that usually outpaces the execution requirements of most companies. (Forrester, 2014)

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[7] Facebook Lookalike audience are a way to reach new people through Facebook who are likely to be interested in your business because they're similar to customers you care about. (Source: Facebook https://m.facebook.com/business/help/164749007013531?_mref=message_bubble)

Forrester Wave evaluates the automation platform vendors taking into account their current offering and their strategy. The graph below represents the biggest vendors for Large Enterprises in the marketing automation space, also visualizing the different vendor's market presence.
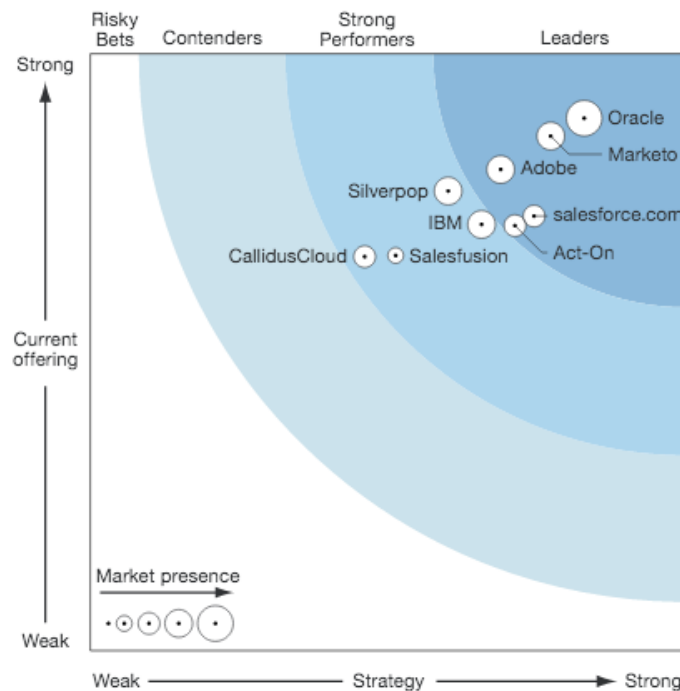
Figure 3: Forrester Wave - L2RM Platform Vendors For Large Enterprises, Source: Forrester Research, Inc. (2014.)

The Enterprise level evaluation reveals five Leaders and four String Performers in the market: Oracle's Eloqua and Marketo leads the group, where Eloqua have been in the field the longest (since the early 2000s), Marketo was founded in 2006, but still is a top performer as an enterprise solution. Other big players in the Leaders category are Adobe, Act-On and Salesforce.com's Pardot and they also deliver excellent multichannel campaign management capabilities on par with the before mentioned. (Forrester Research Inc., 2014)

Risky
Bets   Contenders   Strong
Performers   Leaders

Strong

⊙ Oracle   Marketo ·

⊙ Adobe   Silverpop ·   Act-On ·
IBM ⊙   salesforce.com ·

CallidusCloud ·   Salesfusion ·

Current
offering

Market presence

· ⊙ · ·

Weak

Weak ——————— Strategy ——————→ Strong
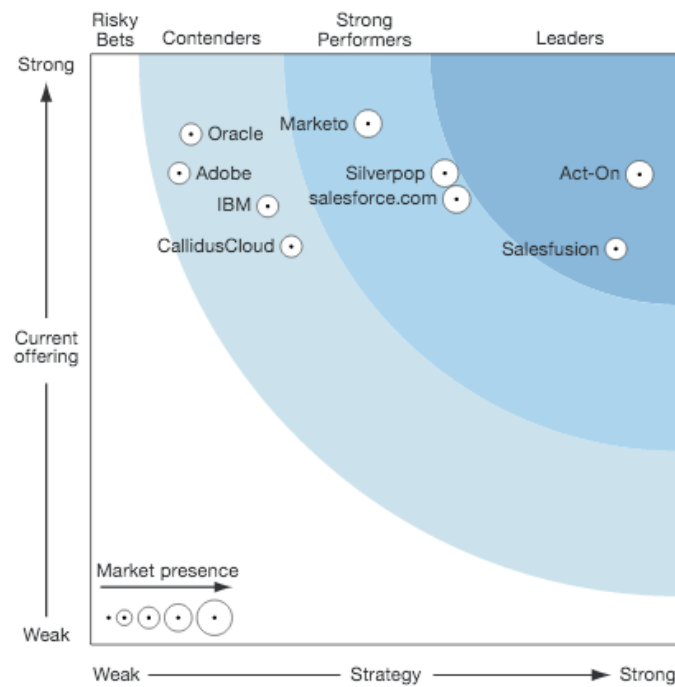
Figure 4: L2RM Platform Vendors For Small Marketing Teams,
Source: Forrester Research, Inc. (2014.)

Forrester separates the vendors based on the business sizes (Enterprise or Small Marketing teams) as the requirements are mostly different in these cases. While there are vendors that provide enterprise level solutions on a high level, they might not be an optimal fit for a smaller marketing team's needs. In the graph presented via Forrester Research, it can be seen that the Leaders and Top Performers are indeed different from the previously discussed Enterprise vendors. Here, Act-On and Salesfusion were rated best, as they provide a robust, but simple solution on a lower entry price point. (Forrester Research Inc., 2014)

The vendors listed above drive the majority of their revenue from B2B companies, rather than B2C, and buy-in is increasing fast in sectors where the purchase is highly considered (e.g. Insurance or financial advisors) or loyalty driven, such as sports brands or entertainment (Forrester Research Inc., 2014). It can be stated that some companies have a greater incentive to implement marketing automation processes than others. The potential also gains a momentum with the number of online customers and sales, follow-

up purchases, products & brands, communication channels and competitors. For this reason, online retailers are also more interested in marketing automation than others. (Heimbach et al., 2015. p131)

Marketing Automation Features

Lead Management

Marketers have to work with data to be able to define trends, to measure effectiveness at key points in the consumer decision journey, and to understand how and why they move along these journeys. (Dahlström P and Edelman D., 2013.) A marketing automation system can also serve you as a marketing lead database, where marketers store their most important marketing asset: lead and contacts data. This marketing database goes beyond the company's CRM data and includes more information about all marketing interactions, the leads interaction with the brand across channels, data updates and history. (Miller J. 2012.) And this is where tracking and measuring online behaviour gets important.

Behavioural tracking and measurement has come a long way in the digital marketing space. It is a powerful way of learning more about your consumers by tracking impressions, website visits, clicks to conversion and even analyse where the visitor lave the process and take steps to optimize the user experience and improve performance. (Ryan D.,2009. p254) By tracking and measuring, marketers are able to easily identify what is working and what is not, they can run live tests and make changes in their campaigns real time, while making their decisions based on real data. The collection of this data allows them to be more accountable for their work, and prove the value of their investment and efforts, thus being a very important area for digital marketers. (Ryan D.,2009., p254)

In many cases, systems also offer full integration with CRM systems which enables companies to sync information in real-time or at certain times, so the information

generated in the marketing team can be shared and leveraged across departments. This also ensures transparency in data handling and lead communications.

Usually marketers want to store in their marketing database the following information (Tapp, A. et al.; 2009., p35):

- Primary data, that is more personal for the contact – e.g. First Name, Last Name, Address, Company Name
- Secondary data, that is used to qualify primary data – e.g. geographical profile (Market or Country), life-style information or level of penetration into market
- Performance data, that is the list of actions done by the contact – e.g. Purchase history or which campaign the contact interacted with
- External data, that is sourced from external databases to enrich the missing information on the contacts

Helping to maintain data quality in the lead database is key to most marketing and sales programs. Marketing Automation systems provide solutions for deduplication, cleansing and appending. *Deduplication* is the process of recognizing leads and contacts that you already have in your database (e.g. same contact under two different email address or the same contact with personal and professional profile) and merge their data into one profile. *Cleansing* is the process of standardizing data, such as titles and company names, and removing the information that is not valid anymore (e.g. contacts that are no longer working at the same company). Connected to this, *appending* means filling in missing or incomplete data, such as adding additional contacts to an account (e.g. finding the decision maker at a company) or filling in missing information such as a phone number or industry. (Miller J. 2012.)

Part of the lead management functionality, automation systems also offer *Revenue Cycle Modeling* which has the ability to define stages for how leads flow through the revenue cycle and automates rules for the leads to move from one stage to the other, providing a clear overview of the sales and marketing framework and processes. (Miller J. 2012.)

Lead Scoring

One of the features that is the most responsible for aligning marketing and sales teams is Lead Scoring. (Hanington J., 2015.) This functionality enables companies to find out who are the best prospects are for the business. Building a lead scoring model is done by the company so it is completely tailored to the organization's needs. This model automatically qualifies leads based on demographics (such as job title, company size, country, etc.) and BANT criteria[8], as well as specific behaviours like website visits, clicked links in emails, downloaded PDFs etc. The model also includes details about the recency and frequency of these interactions. (Miller J., 2012.)

Each profile attribute and behaviour assigns a score for each lead by tracking each of the above mentioned factors. (e.g. If a lead opens and clicks an email, the lead score is increased with 5 scores or if the lead has Manager in his title, the lead score is increased with 2 scores) The allocated Lead Scores can then be used to trigger alerts to the sales teams or trigger email campaigns after reaching a certain score level, or help companies to identify hot, warm and cold leads. (Creech C. 2014.) The lead scoring model can be altered and optimized over time, after knowing more about the ideal prospect's behaviours and traits.

Lead scoring is the base for creating lead management workflows, including automated data field updates (e.g. updating lead statuses based on changes to the lead score); automated list management and lead routing. Via CRM integration marketing can create a task for sales after a lead reaches a certain score to reach out and convert hot opportunities. It can also support lead recycling processes, where sales leads are passed back to marketing for further nurturing when the lead is not ready to buy at that moment but could hold a future opportunity. (Miller J., 2012.)

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[8] B.A.N.T. criteria, it is a method of assessing the quality of prospects and tracking them through the sales qualification process. B – Budget, A – Authority, N – Need, T - Timeframe – (Source: "B.A.N.T. - A System for Scoring & Ranking Leads." B.A.N.T.; n.d.)

Lead Nurturing

Lead Nurturing programs are automated campaigns that help prospects or customers to move from one stage of the buying cycle to the next. (Creech C., 2014.)

This requires a lot of content creation and also defining the different personas interacting with the brand, to be able to use tailored messaging in these campaigns. (Creech C., 2014.)

The idea behind a nurture program is to take leads who are with the right buyer's profile, but not yet ready to buy the products or to talk to a sales person, and instead, via nurturing these leads, deepen the relationship with them through different channels until they are ready to buy and talk to sales.

Segmentation

Segmentation is also an essential feature to the success of all marketing activities. It can be used to create micro-groups of leads and contacts from the company's database by using filters including a combination of demographic and firmographic attributes (e.g. job title, company size, location, etc.) as well as behavioural filters and other industry specific CRM information. (Miller J. 2012.) The more information you have in your database or CRM, the deeper you can go with your segmentation and as a result, you can deliver well targeted messaging to the right audience.

Segmentation can be used to build one-time and dynamic lists based on any number of criteria which allows you to perform certain marketing and sales actions based on criteria that you specify: 1. Creating lists for sales to reach the right prospects who are most likely to close, including high-score leads in a particular region who visited a product focused page in the last seven days. 2. Creating a list of contacts for sales to reach out to including leads who attended a webinar and then followed up with your brand by visiting your website. 3. Creating a list of prospects who has been visiting your blog pages around a certain topic to send them more content recommendations or offers around that topic. (Miller J., 2012.)

Targeted email campaigns

Taking the traditional email marketing software functionalities to the next level, marketing automation allows you to send relevant messages to a targeted audience at the right time. Marketers can identify different audiences, based on different segments they have created, where their content could have the biggest impact, and send them personalized emails based on that content, instead of blasting generic emails to the full marketing list. (Creech C., 2014.) Tailoring your message to specific prospects can boost click through rates, and increase engagement rates. So called dynamic content can be used not just in emails but on the company's website where marketers can personalize the web experience by customizing forms, landing pages, layout templates too. (Hanington J., 2015.)

Marketing Performance Reporting

In the new era of marketing accountability, to be able to show the ROI of the marketing investments and support decisions with hard data, it is essential to be able to prove that the marketing team's efforts are working. (Hoffmeister M., 2013.) Via integrating with the company's website and CRM system, marketing automation allows you to track behaviours and determine what marketing efforts work the best, and helps you generate true ROI reports. (Creech C., 2014.) Visitor tracking, and the ability to track prospect activity are the most powerful capabilities of marketing automation. (Hanington J., 2014.) This way, prospects can be tied back to the marketing campaigns that originally created them and even if the prospect did not convert at that point, tracking can later identify the initial touch point and attribute the lead back to its source. (Hoffmeister M., 2013.)

The tracking and reporting capabilities, next to helping marketers justify their marketing investment, can also be used to provide information to improve the marketing efforts. (Hoffmeister M., 2013.) With better understanding where the best and worst leads are coming from, marketers can better prioritize their marketing channels and spend,

(Hanington J., 2015.) can also monitor them live, and keep them updated via regular automated reports.

Security

Larger enterprises or more complex organizations sometimes need additional infrastructure capabilities such as security and user roles. With user roles, the system administrators can assign different permissions to each users in the platforms aligning with the specific pieces of functionality or tasks. Team leaders can have supervisor roles where they can approve campaign assets (emails, landing pages, etc.) before adding it to the campaigns, also they can limit the access to activating/ editing campaign settings from other users. In big enterprises with several offices across the globe a so called *lead partitions* can be set up, which gives different parts of the organization access only their own lead database, campaigns and marketing assets (e.g. Europe has a separate workspace from the United States teams, where they run their own localized campaigns), completely separating the user interface while eliminating the risk of interfering with each other – while still supporting sharing as appropriate across functions. (Miller J., 2012.)

Process Change Model

Organizations put a lot of effort into evaluating and selecting these technologies, like marketing automation, with little recognition of the importance of change needed for the success of these projects. (Doyle S., Georghiou J., 2000, p176)

For the purpose of this study, looking at marketing automation, the technology is changing at such a rate that most marketing organizations cannot cope, and the technology is not being deployed effectively, with only a few organizations realising the full potential. According to Doyle S. and Georghiou J. (2000) this is due to the fact that little serious effort is going into managing the organizational, people and process change implications.

To enable this transformation, a framework for the management of change is required. Doyle S. and Gerghiou J. (2000) define the three pillars of implementation as: human resources, business aims and IT processes. The key to success is a balanced transformation that takes into account the three elements (Doyle S., Georghiou J., 2000. P177):
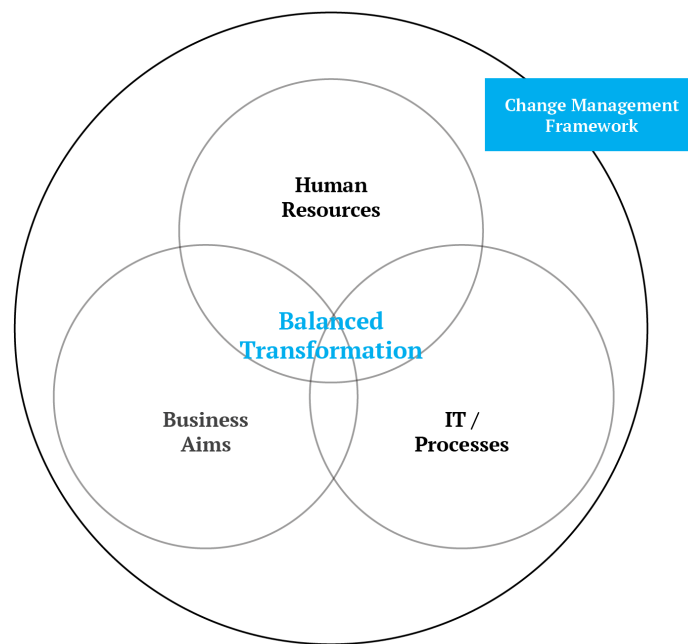
Figure 5: A process change model to meet the Enterprise Marketing Automation (EMA) vision, Source: Doyle S. and Georghiou J., 2000. P177.

The following list compiles the change activities that should be conducted while implementing marketing automation technology (Doyle S., Georghiou J., 2000. P177-178):

- Planning marketing business requirements and involvement in the technology procurement process
- Understanding the use of technology and the cost of its ownership: exploiting it to meet the business objectives stated
- Defining clear roles and responsibilities for the project and its management after delivery

- Changing processes to enable teams to concentrate on high-value activities and transferral of learning
- Training, development and user support through clear communication structures across IT and EMA users
- Flexible tools that reinforce marketing business objectives

Via successful change management, the members of the organization should shift from the current organizational structure to a more customer-centric approach that concentrates on using the full potential of the marketing automation capabilities, puts emphasis on understanding data, and focuses on the new marketing business objectives. (Doyle S., Georghiou J., 2000. P178)

III.   RESEARCH QUESTION

Facing with a constantly changing customer behaviour, businesses are required to communicate with prospects in different stages, by delivering content that is personalized to their needs, role, level of interest and stage of problem-solving. (Ernst J, 2011. p1) To manage this depth of engagement at scale, more and more businesses are realizing the need for a solution, a tool that helps them in delivering their messaging.

At the same time, Marketing Officers are also pressured internally to deliver high volumes of leads while at the same time ensuring they are high quality and will convert into sales opportunities. In order to overcome these challenges, automation of processes to optimize the marketing-sales pipeline is rapidly becoming a standard practice in many modern businesses. (Doyle J, 2011. p2)

Marketers have a record-high number of technologies and channels available for them to choose from. All these technologies at their disposal demand substantial time and effort, so it is important that marketers evaluate which tools are the most effective for their unique

business goals. (State of Marketing, 2015. p4) Marketing automation as a technological enabler plays a strong part today in this conversation, as a lot of people argue that automating these before mentioned processes can help marketers improve purchase behaviour, manage customer loyalty and eventually increase revenue. Like most IT technologies, marketing automation should serve as an enabler, and the business has to be prepared to internally support the transformation needed in order to successfully implement the technology. This idea drives me to define the research question that this study will focus on - I am interested in finding out what companies need to do and how do they need to prepare before starting to use a technology like marketing automation. How much does the business has to change and what is initiating this change. What needs to be changed and why.

In this study I would like to take a look at Ventkatraman's 5 levels of business transformations and investigate what level of business transformation is needed to successfully implement marketing automation in an organization. Venkatraman (1994.) says that there is no one best level for all companies, the pace of transformation is dictated by several factors, both internal and competitive. (Venkatraman N. 1994., p86)

Thus the study will focus on finding the best answer to the following research question:

> **How radical is the business transformation required for the successful implementation of marketing automation in an organization?**

To answer the question above, I am conducting a qualitative research, which is explained in more details in the methodology section of this paper.

IV. METHOLOGY

Introduction

The purpose of this chapter is to give the reader an overview of the research approach and research design of this paper. It provides a description of the methodology chosen and a detailed discussion of the methods used to gather and analyse data in the research. This part should cover three areas, beginning with the scientific direction that was chosen to follow in the study; following that the description of the research process and research design; and closing with evaluating the reliability and validity of the study, while also touching upon the limitations of this research.

Research Approach

Several sets of assumptions underline a social science research; in their most basic form they describe the dichotomy between the positivist and interpretivist paradigms. (Daymon, Holloway; 2010.; p101) Kuhn (1962:175) defines a paradigm as an entire *'constellation of beliefs, values, techniques and so on, shared by the members of a given community'*. (Daymon, Holloway; 2010.; p101)

In *positivism,* social reality exists independently of the perceptions of the individual, where the aim of the research is to uncover universal laws and give an objective picture of the world. The findings of this research should be generalizable, where the researcher seeks patterns and regularities to explain certain behaviour. (Daymon, Holloway; 2010.; p101) On the contrary, *interpretivism* believes in the existence of multiple realities and truths which are open to change because the social world is socially constructed. The aim is to uncover the meanings by which people understand their own experiences and behaviours. The researcher interprets the social world through investigators and research participants who

are involved in constructing social reality. (Daymon, Holloway; 2010.; p102)

As the study prioritises understanding over scientific explanation, the interpretivist paradigm is followed further in the methodology. The research focuses on understanding marketing automation better, as well as the challenges and processes around it. As this phenomenon is relatively new, there are very few academic resources around the topic, thus the research will focus on using experts' believes and experiences to be able to answer the research questions. Due to the nature of the research questions, the individuals' own experiences can provide valuable and valid information, and also a good understanding of their challenges and perceptions on marketing automation.

Research Design

First I give an overview of the different research design theories, then I explain in detail the chosen research design and its main purpose in the paper, as well as outline the steps needed to be taken in order to answer the research question. Afterwards I describe the used data collection techniques and finally what approach was used to analyse this data.

The research design should serve as a plan for collecting and analysing data that will make it possible to answer the before described research question and to achieve the goals of the research. (Flick U. et al, 2004.) According to Malhotra N. and Birks D. (2007.), research design may be broadly classified as exploratory or conclusive, where the primary objective of exploratory research is to provide insights into an an understanding of a phenomena. Usually the subject of the research cannot be measured in a quantitative manner and the research design is characterized by a flexible and evolving approach. On the other hand, conclusive approach usually tests a hypothesis or examine relationships, where the focus is on measuring a clearly defined phenomena. (Malhotra N. and Birks D., 2007.) In this study an exploratory research design is used in order to get a better understanding on the

challenges and implications connected to marketing automation as well as the implementation of this technology in an organization. The research should focus on gaining insights based on real life experiences and cases, rather than testing a hypothesis or proving a defined concept.

Method – A Qualitative Research

Researchers working with the interpretive paradigm, the approach that is more focused on meaning than on measurement, will usually choose qualitative methods for their study. (Daymon C. and Holloway I., 2010.)

Qualitative Research is about recording, analysing and attempting to uncover deeper meaning of human behaviour and experience, where the researchers are more interested in gaining a rich and complex understanding of people's experience. (Rasmussen E. et al., 2006.) It describes the world 'from the inside out', from the point of view the people who participate, while providing a better understanding of social realities, processes, meaning patterns and structural features. (Flick Uwe et al, 2004.)

The qualitative research method was chosen for this study, as its main focus is to develop familiarity with a new phenomenon: marketing automation. Through the study the researcher would like to find answers for a set of questions such as what is marketing automation, why is it important and why are organizations implementing this technology in their processes. The study will rely mostly on expert's experience and knowledge, while using broadly accepted academic or online resources to support their theories.

Data Collection

Having explained the nature and purpose of Qualitative Research, this chapter explores the methods of data collection, focusing on the selected method used in this study.

There is a broad range of different ways to collect data in a qualitative research, all focusing on the significance of the information that derives from the data collected. Here it is important to understand the difference between *qualitative* methods and *quantitative* methods: the *qualitative* methods' main characteristic is that the aim of the data collection is to understand the subject better, while the *quantitative* method focuses on measuring the subject. With *qualitative* method the work is concentrated on a few respondents, where the data collection is made via flexible and tailor-made techniques, e.g. interviews. The ultimate goal is to go in depth with a problem or theory and learn from the selected respondent's perception and understanding. (Rasmussen E. et al., 2006., p 93-94.)

In this study a selection of data collection methods were used, where a distinction was made between primary data, created by the researcher, and secondary data, created by others. According to Rasmussen E. (2006.) the primary data should be collected in order to solve a specific problem or to understand better a specific issue being worked on. Due to its nature, the primary data is more up to date, while secondary data can easily lose its relevance with time. On the other hand, collecting primary data requires considerable time and effort, but accessing secondary data, which is already created for some purpose other than the problem at hand, with today's available resources requires less effort from the researcher. (Rasmussen E. et al., 2006.)

There are a variety of methods of data collection in qualitative research, starting with observations, textual or visual analysis (e.g. from books or videos) and interviews (individual or group). (Gill P. et al., 2008) The most commonly used methods are interviews and focus groups. According to Briggs (1986) approximately 90 percent of all social science investigations rely on interviews. Interviews provide a qualitative method of gathering evidence, data or information. (www2.open.ac.uk, 2016.) Interviews, as qualitative methods, are believed to provide a deeper understanding of the examined phenomena than if the information would have been obtained from purely quantitative methods, such as

questionnaires. (Gill, P. et al., 2008.) Taking all this into consideration, interviews were chosen as the most convenient method to collect my primary data.

Interviews are most appropriate where little is already known about the study phenomenon or where detailed insights are required from individual participants. (Gill, P. et al., 2008.) As the research focuses on marketing automation, which is relatively new in the business world with very few academic resources available, it is a logical choice to source primary information from expert interviews.

Interviews

In this chapter I would like to explore in more details the interview process, the chosen primary data collection method, describing what is an interview, what is the purpose of it in this study, how should it be planned, executed and organized by the researcher.

Interviewing can be defined as a verbal interaction that is both purposeful and direct, in which one person takes responsibility for the development of the conversation. (Molyneaux D. et al., 1982.) It is also described as a guided question-answer conversation, or an 'inter-change' of views between two people conversing about a theme of mutual interest. (Kvale and Brinkmann, 2009., p2) According to Tracy, Sarah J. (2013.) qualitative interviews provide opportunities for mutual discovery, understanding, reflection, and explanation via a path that is organic, adaptive, and oftentimes energizing. Interviews elucidate subjectively lived experiences and viewpoints from the respondents' perspective. (Tracy, Sarah J., 2013., p152) What is similar in all definitions is that interviewing is a conversation with structure and purpose. The interview is guided and controlled by the interviewer, whose aim is to obtain knowledge on a specific problem, topic that he defined in the beginning of the conversation. (Kvale S. 1996.) The purpose of the interview in this study is to get a better understanding on why organizations implement marketing automation, what are the advantages of this technology. The study focuses on why is this technology

getting important now, what has changed in the landscape where marketing and sales are working, how is it now and where is it going. The research will also describe the business transformation needed in order to successfully implement this technology in the organization.

Semi-Structured Interview

There are three types of research interviews: structured, semi-structured and unstructured interviews. (Gill, P. et al. 2008) The table below summarizes these three types of interviews, listing the the main characteristics of each types:

Structured Interviews	Semi-structured Interviews	Unstructured Interviews
• Interviewer follow scripted questions; no deviations from the question order. • Wording of each question asked exactly as written. • No adjusting of level of language. • No clarifications or answering of questions about the interview. • No additional questions may be added. • Similar in format to a pencil-and-paper survey (although the latter almost always uses fixed responses).	• Assymetrical structure • IR initiates questions and poses probes in response to IE's descriptions. • Questions may be re-ordered during the interview. • Level of language may be adjusted. • Interviewer may answer questions or make clarifications. • Interviewer may add or delete probes to interview between subsequent subjects.	• Free-flowing conversation. • Completely unstructured. • No set order to any questions. • Both IR and IE initiate questions and discuss topics. • Level of language may be adjusted. • Interviewer may answer questions and make clarifications • Interviewer may add or delete questions between interviews.

Figure 6, Source: Berg, B. L. (2004). Qualitative Research Methods for the Social Sciences (5th ed., p.79) Boston: Pearson.

For this study, a semi-structured interviewing method was chosen, which is more flexible and organic in nature. This type of interview is meant to stimulate discussion rather than dictate it. This approach also encourages interviewers to be creative, adapt to ever-changing circumstances, and cede control of the discussion to the interviewee. (Tracy, Sarah J. 2013)

Interview Guide

An interview guide (Appendix 2) was created before the interviews. An interview guide refers to a less formal lists of questions, which are more flexibly drawn upon depending on the situation and the participant. This tool represents *what* questions will be asked, the interviewer's general *manner*, and the *order* in which to ask them. (Tracy, Sarah J. 2013) In the interview guide, 4 areas of questions were defined: Marketing Automation definition, Marketing Challenges in 2016, Your Organization and Marketing Automation, and Implementation of Marketing Automation. In this type of research interview the interviewer has the flexibility to change the order of the questions or to pursue an idea or response in more details. (Gill P, et al 2008.) This flexibility allowed me to discover new areas and challenges connected to the research topic which opened up new directions for the findings.

Expert Interviewees

When planning the data collection process a set of important questions had to be answered in the very beginning, such as how many interviews are enough to find all the information need for the study. The sample size is a very important aspect of planning the interview, as not enough interviews could result in shallow and stale contributions. (Tracy S. J., 2013.) As I was conducting a qualitative research I have concentrated on the quality rather than the quantity of the interviews and planned to conduct ten interviews with industry experts working directly with marketing automation.

Finding the right profiles for this research was a very challenging tasks, as marketing automation is not necessarily something people put in their job title on LinkedIn, while finding information in the company profiles that they are using marketing automation is also not a possibility. My strategy instead was to search for thought leaders in marketing automation, keynote speakers in the area and to find experts form different marketing

automation vendors from all around the world. After contacting a number of professionals mainly via LinkedIn, Twitter or email, I have managed to gather a qualified and diverse group of experts from Denmark, Sweden, Ireland, United Kingdom, United States and Canada. The respondents all have different profiles; thus they approach marketing automation from a different point of view. The diversity of the profiles also shows how complex and widely used this technology is. The total number of respondents was 10, all of them participating a 30 minute long, semi-structured interview, conducted in person, via Skype, phone or an online meeting platforms (GoToWebinar). This sample size is considered to be a sufficient sample size for this study. See in the table below the summary of the information on the respondents (Figure 7).

In my interview process I have discussed the topic of marketing automation with various thought leaders and experts from around the globe. Throughout the process I identified several groups into which I can categorize my sources. Even though they come from different backgrounds, and some of them have overlapping profiles, these are the categories I have selected to use: the biggest group, 5 of my interviewees are internal users of their organization's marketing automation systems, and mostly have a digital marketing background. They are, among other activities, responsible for managing their marketing flows, ongoing campaigns, setting up business oriented goals and benchmarks and making sure that their respective automation systems are aligned with the business needs of their companies.

The second biggest group consists of automation consultants, working for either marketing automation system vendors, or consultancies specializing in helping their clients choose, implement, maintain and develop their respective tools and solutions. Their responsibilities include educating the users of these system at their clients, making sure that they are implementing the best fitting systems for their needs, and that they are making the most of them.

I also had the chance to discuss the challenges and requirement of marketing automation with the CEO of an automation consulting company and to interview a founder and principal product developer of a marketing automation solution provider company.

Name	LinkedIn Profile	Organization	Country	Job Title	Notes
Josh Hill	in /jhill2	Marketing Rockstar Guides	USA, Los Angeles	Marketing Technologist and Demand Generation Expert	R1, GoToMeeting, Mar 7. 4.00 PM CET
Byrony Seifert	in /byronyseifert	TechTarget	UK, London	Senior Director of International Product Delivery	R2, Skype, Feb 23. 6.30 PM CET
Sonja Vranic	in /sonjavranic	Increase A/S	Denmark, Copenhagen	Customer Success Manager, Eloqua & Responsys Consultant	R3, Live meeting, Feb 25. 5.30 PM CET
Emma Storbacka	in /emmastorbacka	Avaus Marketing Innovations AB	Sweden, Stockholm	Business Development Director, Head of B2B	R4, GoToMeeting, Mar 1. 5.00 PM CET
Gary Stewart	in /oraclemarketingae	Oracle	Ireland, Dublin	Account Executive, Marketing and Sales Automation	R5, GoToMeeting, Feb 24 7.30 PM CET
Jenna Molby	in /jennamolby	Traction on Demand	Vancouver, Canada	Manager of Demand Generation	R6, Skype, Mar 25 7.00 PM CET
Denys Lund	in /denys-lund-30943412	Danske Spil	Denmark, Copenhagen	Campaign Manager	R7, Live meeting, Feb 29. 3.00 PM CET
Richard Fallah	in /richardfallah	Vbout.com	USA, New York	Founder	R8, Skype, Mar 1. 9.00 PM CET
Christa Watson	in /christa-watson-4b20a554	Agreement Express	Vancouver, Canada	Marketing Operations Manager	R9, Skype, Apr 9. 6.30 PM CET
Inga Romanoff	in /ingaromanoff	Romanoff Consulting	USA, New York	CEO, President	R10, Skype, Apr 17. 6:00 PM CET

Figure 7. Interviewees

To summarize, the personas included in my research are Internal Users of Marketing Automation, Marketing Automation Consultants, a CEO of one of these consultancies, and a founder / C level executive of a software company specializing in offering a Marketing Automation tool.

Through interviews I was able to:

- Generate rich and timely data
- By conducting personal interviews, I had the chance to gain insight into the participants' perceptions and values, and got a better understanding of the language and keywords used in this field;
- Had the flexibility to analyse the data as most convenient for the study

All interviews were digitally recorded and saved for further analysis upon the consent of the interviewee and later a transcription was prepared for all interviews to better prepare the findings for the analysis.

Secondary Data

Secondary data has some advantages compared to primary data. It is easily accessible, inexpensive and quickly obtainable. On the other hand, it is rare that a secondary data can provide all the answers needed to answer the research question, however it is still valuable for a timely study, where possibly other people are looking into similar questions and problems and their information can be useful addition to the data generated by the researcher. (Malhotra N., Birks D., 2007., p96) In this study a selection of recently published market research papers, whitepapers provided by Marketing Automation vendors and publications from relevant industry experts were used to complement the primary data, and also to validate, question and support the information generated through the interviews.

Data Analysis
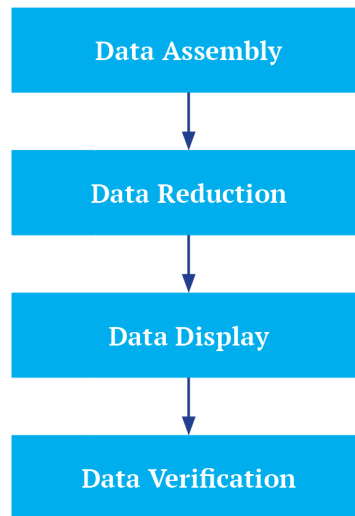
Figure 8. Generic Data analysis process, Source: Malhotra N., Birks D., 2007.

Data assembly means the gathering of data from different data collection techniques, such as the recording and transcripts of the interviews or the theoretical support from the secondary data and literature sources. (Malhotra N., Birks D., 2007., 238p)

Data reduction starts when the researcher starts to handle the data gathered, including organizing and structuring the data. This is the time to also get rid of some of the unnecessary data, and decide what is relevant for the research. (Malhotra N., Birks D., 2007., 239p)

To be able to reduce the data available, the process of coding data comes as a crucial part of the data analysis. "Coding involves attaching one or more keywords to a text segment in order to permit later identification of a statement, whereas categorization entails a more systematic conceptualization of a statement, opening it up for quantification" (Kvale S. and Brinkmann S., 2009.; p202). Here the data is broken down into discrete chunks and different labels are assigned to them to create a meaningful categorization. This way the big mass of data is turned into analysable units. (Malhotra N. and Birks D., 2007., p239)

As Malhotra N. (2007.) defines, coding is a process that enables the researcher to identify what she sees as meaningful and to set the stage to draw conclusions and interpret the meaning. (Malhotra N. and Birks D., 2007., 242p) In this research I defined 7 codes and organized my findings under these seven pre-defined categories. When selecting these categories, I rank them in order to create a natural flow and show an obvious connection between the different codes.

After coding the data, the next step is data display, where the data gets transformed into organized and compressed format, that permits conclusion drawing and action. (Malhotra N. and Birks D., 2007., 242p)

Assessment

Reliability

In order to ensure the quality of the research, I have collected a solid amount of primary data via expert interviews, representing different industries from different countries around the world. Collecting and preparing the data as well as the data analysis took a several months' work.

Potential sources of errors

There are potential sources of errors that can affect the research design. First the sampling error, which occurs because the particular sample is an imperfect representation of the population, or in this case if the selected interviewees are not the right profiles to interview in order to reply the research question. (Malhotra N., Birks D., 2007, p83) In order to avoid this potential error or to reduce the possibility of this error, a detailed background checks were done via online resources like LinkedIn, company websites or online activities (e.g. online publications, participation in conferences about marketing automation). Another

potential error arises when respondents give inaccurate answers because they are unfamiliar, they do not have the information needed or their answer is misrecorded, misanalysed. Recording error occurs in hearing and interpreting the answers. (Malhotra N. and Birks D., 2007., p85) In this research I used quality recording tools that were tested before the interviews to check sound and recording quality. In the online interviews, where possible, a video call was conducted to be able to read facial expressions and avoid misinterpretation of the answers.

Errors can also derive through questioning by asking the wrong questions or by not probing, when more information is needed. (Malhotra N. and Birks D., 2007., p85) Here, the experience of the researcher is essential, to be able to act and prepare for the interviews and to be able to react fast if the conversation goes the wrong direction throughout the interview. To better accommodate to this new experience, I have done extensive research on interview techniques and behaviours to be able to tackle these challenges the best possible way.

Validity

The researcher has no real way of knowing if the respondent is lying or remembers things right and might have imperfect recall of what happened. The general attitude of the interviewees, and their professional interests could also influence the answers. The researcher cannot control the respondents in these aspects, but can make sure to ask relevant questions connected to his/her expertise.

Limitations

Limitations are influences that the researcher cannot control.   They are the shortcomings, conditions or influences that cannot be controlled by the researcher that place restrictions on the methodology and conclusions. ("Develop a Research Proposal - Planning the Methodology - Limitations and Delimitations." n.d.) Here I should mention as a limitation

of the study the skills of the interviewer, the ability to think of questions and drive the conversation to the right direction. It is also important that the interviewer stays neutral to the topic, and do not guide the respondent to give answer expected by the interviewer. These can happen through unconscious signals or wrongly formulated, ad hoc questions. Another limitation of this study is the sample of interviews, where the researcher has to consider how many interviews can be fit in the schedule considering the time needed for finding the interviewee, conducting the interview and transcribing the answers.

V.   FINDINGS

In this chapter I will analyse and present the findings of the qualitative research. The findings are presented as my own interpretation of the data collected from the 10 expert interviews that I conducted in the previous months. Each interviewee has a different relationship with the subject and have a different level of experience in working with marketing automation. To support this analysis, the transcription of all the interviews can be found in the Appendix.

The analysis of the findings is completed with an assessment of the interviews and the collected secondary data from industry reports and relevant publications from valued sources. The findings were organized and analysed in groups in order to get a better understanding of the phenomena of marketing automation and the use of the technology. The second part focuses on the challenges around the implementation of marketing automation, especially on the degree of business transformation needed in an organization. This section should gather all information that is needed to answer the research question and to support the discussion on the subject. The findings are backed up with quotes from the interviews, which exclusively represents their own interpretation of the subject relying completely on their own experiences and knowledge about the topic. The purpose of this

section is also to analyse the different perspectives of the interviewees and identify the differences and common beliefs amongst the respondents.

Code 1. What is Marketing Automation?

Code One is focuses on discovering different perceptions on marketing automation. It is essential for the study to be able to define this phenomenon and also to set the boundaries on what do we mean by marketing automation.

There is no clear definition of marketing automation in the academia, mostly because of it being a relatively new area that is interpreted in various ways by industry experts, the users of the technology or by the different vendors providing marketing automation as their main solution offering. Therefore, throughout the interviews I asked every participant to give a definition in a few sentences of what is marketing automation. Their responses are summarized in the table below.

R1	"automating key processes that a marketer needs in order to deliver good leads." "to be able to automate and track kind of content you can deliver to leads to accelerate them through the sales funnel." "ultimately it's about revenue generation
R2	"it's the process of utilizing an online software tool to help you mitigate and nurture responses to a stage of engagement."
R3	"it's basically automatizing your marketing by using Marketing Automation tools" "its smart marketing ... using the contact person's digital body language to send marketing info out"

R4	"a set of business rules aiming at maximizing the output of marketing using smart technology and data, in a multichannel environment."
R5	"marketing automation enables you to communicate at scale and genuinely automates sales processes to drive revenue"
R6	"helps marketing add value to the business"
R7	"Online is a big window of opportunity. it's a digital tool that helps to qualify leads. It's hitting the customer with the right message at the right time, at the right place or the right channel"
R8	"Marketing automation is the ability to automate your marketing tasks that allows you to generate leads, nurture leads and maintain your lead's post-purchase experience, or post-acquisition experience."
R9	"Marketing automation allows to automate a lot of manual processes that had previously taken marketers a long time"
R10	"Database marketing > CRM Marketing > Marketing automation: "marketing automation sort of encompassed everything that we were able to do manually"

The above listed definitions represent the respondent's personal opinions about marketing automation at that moment of the interview. It can be said that these definitions are highly dependent on the person's experience and relationship with the technology. To support this and find the best possible definition for marketing automation I have also gathered some explanations from our research studies and from marketing automation vendor companies. Forrester Research Inc. (2011) defines marketing as:

"*Tooling and process that help generate new business opportunities, improve potential buyers' propensity to purchase, manage customer loyalty, and increase alignment between marketing activity and revenue.*" (Ernst J. 2011, p2)

In a research conducted by Marketing Sherpa in 2011:

"Marketing automation is a highly sophisticated set of rules and processes for lead scoring, nurturing and management that move prospects through the various stages of the marketing-sales funnel. Marketing automation processes are commonly established prior to, or during the implementation of an automation software solution, and the software acts as a support system for the execution and measurement of these processes." (Doyle J., 2011., p2)

Marketo, one of the biggest marketing automation solution providers, describes the phenomena as the following:

"Marketing automation is a category of technology that allows companies to streamline, automate, and measure marketing tasks and workflows, so they can increase operational efficiency and grow revenue faster." (https://www.marketo.com/marketing-automation/)

Using all the listed definitions form various sources, one can have an overall understanding of what is exactly marketing automation and can develop a definition for the purpose of this study mixed together with the most used terms and explanations.

Code 2. Why the Need for Marketing Automation?

What changed?

In order to better understand the need for a technology like marketing automation in an organization it is important to look at the main drivers behind the growth of the technology and why companies need to look for a solution.

Throughout the interviews the participants stressed 4 important points here: the changing consumer behaviour, a more demanding sales organization, the increased number of available communication channels, and a shift to a more accountable and revenue driven marketing.

A lot of discussions around digital marketing and customer experience management talk about the **changing consumer behaviour** and how businesses need to switch focus in order to stay on the top of the competition in today's digital world: *"The world of the marketer has changed... consumer journey is changing... they are looking for information online. "(R4)*

Buyers are looking for information online, where they can compare solutions, check prices and share their experiences via multiple channels at the speed of a click. *"the thing that drives any technology is technology itself, so users themselves are engaging themselves further and further in their buying cycle. I don't need to talk to anyone to decide what I'm going to do until I'm almost ready to buy, I research online... Brands needs to engage with me while I'm making my research, engage with me while I'm going through my buying cycle." (R2)*

People today have the ability to easily do their research via **different channels** and get in relationships with different brands online: *"there's a growing list of channels out there that you need to exist on or integrate with." (R8)*

Marketers had to substitute the old ways of doing marketing with a new approach, where they have to be omnipresent across channels - *"there's so much more technology and different channels" (R10)* - and they have to find a way to stand out in the sea of competition out there: *"So basically before, when companies would be shouting their own names on TV, but now we're just used to see other different channels and everyone is doing it on that channel. I think it's important for consumers today to be able to see that the company knows you or in some way understands you... if you send very broad communications towards the consumer, it might not have a very high effect. It's important for customers to know that the company is actually cares about them in a way, and knows them. I think the way to stand out is to show that you know your customer." (R7)*

The buying cycles are getting longer, but at the same time a smaller number of people in the marketing database will be in an active buying cycle at any one time. (Ernst J., 2011., p2) *"it's a very active environment, we live in a very interactive and engagement world...We see*

how many ads a day, we download how many content piece a day. You need to engage first, then you know if you want to buy it" (R2) Buyers will make their decisions much faster based on their previous experiences and relationship with the brand, so marketers need to be able to listen for buying signals, kind of predict if a buyer is in buying mode, and send those worthy of sales attention to sales. (Ernst J., 2011., p2)

These changes in the consumer behaviour have a huge effect on the work of the marketing department. Many of the interview participants mentioned these circumstances to be the primary driver behind searching for a solution like marketing automation: *"Technology advanced the buyer so much, that we don't necessarily want to engage with someone until we are ready, but usually it's pretty far down the buying cycle. So marketers need to understand this, and need to change according to this."* (R2)

Next to the changing consumer behaviour and changing the landscape where today's marketers are working, there is also a shift in the role of the marketing department, where the marketer's work needs to be **measurable**, and they collectively need to **contribute to the revenue** more than ever before: *"Marketing's role is becoming much more sales driven, marketing is not about doing nice videos or banners or just creative advertising, but it's becoming measurable, and a really critical part of the business." (R4)* *"Old school marketing as an everyday thing is only a cost centre and there is very little attribution of marketing activities to actual outcomes." (R10)*

R10 also stressed the need to have visibility on the performance of the marketing team: *"I think companies need more visibility to their marketing activities, so how it's performing…I think that companies want to have transparency, complete transparency into how much activity is actually performing and you can only do that with Marketo or more marketing automation tool." (R10)*

The marketing department has to be prepared for **revenue and data driven** marketing: *"There is much more focus on data driven marketing, on basing our communication on data. So*

we are predicting, like predictive data. We are able to to target our consumers based on an action that they did or will do. That's kind of the driver behind the technology" (R7); while they are also pressured by the sales teams who are demanding more and better quality leads: *"Sales has become more demanding about the kind of leads that they're willing to accept in a call." (R1)*

Why do companies look for MA?

I have asked the interview participants to share their experiences on why companies turn to marketing automation, and what is the main reason they look for a solution like this on the first place. I would like to identify a few main factors that can play an important role in this question.

As mentioned before, marketing leaders are under tremendous pressure to increase their marketing team's contribution to generating revenue: *"clients are realizing the importance of marketing automation because they cannot really measure their ROI (Return on Investment) with the old methods" (R3)* But with using a marketing automation tool *"for the first time marketers were able to properly track the activities marketing is doing, and tie it back to specific activities, and if it's done correctly you can really see how your efforts have impacted the pipeline and the revenue generation" (R1)*

At companies servicing buyers that make high-consideration purchases, marketers need to communicate with potential buyers at every stage of their problem-solving cycle, providing them with information that is targeted to their needs, role, intent, and interest level. To manage this depth of engagement at scale requires marketing automation. (Ernst J., 2011. p2): *"marketing automation enables you to communicate at scale and genuinely automates sales processes to drive revenue especially...what marketing automation is doing is, giving you more channels and more marketing channels means more leads" (R5)*

There is also a big focus on **increasing efficiency** and saving time via using automation tools, which is many times a primary reason organizations turn to this technology: *"Because of the competition, people want to be more efficient ... important time saving factor... we are able to increasingly focus on analytics, understanding which pieces ae working better, and be more creative by creating more content in areas and we have time for that now.* "(R1) Also being able to do more with less people: *"there's so much more that marketing can do, but it's this smaller number of people is less, so you kind of have to become more efficient"* (R10)

There is also emphasis on shaving down the amount of manual work via these systems: *"saw the challenges of deduping lists, uploading records from a marketing event or how do you get your data you are looking for and it was very difficult and very manual... MA solves many of those manual labour problems in marketing. Things like lead scoring, adding leads, deduping, adding lists ... nurturing and automate all sort of tasks like delivery of content.... things that were not done before because there were not enough people"* (R4) R10 also mentions here the need for more and better personalization which, at a certain scale, can only be done via automation: *"There's probably a huge need for personalisation as well in different channels, email, web personalisation, as well as personalisation with sales or within sales channels."* (R10)

Another reason mentioned for companies to look for an automation tool is when marketing realizes that they need to increase the quality of leads they are passing to sales: *"when they start seeing that sales and marketing are not in line, so sales are always complaining that they don't get qualified leads form marketing... So MA system can bridge that gap, so marketing and sales are working together to follow upon leads, to provide quality leads"* (R6)

Code 3. Marketers Biggest Challenges

The before mentioned change in the face of marketing also results in new challenges for the businesses.

One of these challenges mentioned a lot nowadays is the successful maintenance of the customer experience. Companies no longer have a local advantage, in the digital world customers can switch to the competition with a click of the mouse, therefore customer engagement becomes a constant and growing concern (The Economist Intelligence Unit Limited, 2015. P5) One of the interviewees mentioned a great personal example of this happening: *"in betting, if we have a Champions League match on a Tuesday, in the email, and in the SMS space, a betting customer will probably be hit about four or five emails with similar offers, so it's getting crowded out there. ... you need to focus on building loyalty." (R7)*

As the relationships that customers have with brands is increasingly mediated through digital channels, the marketing team will take greater responsibility for that relationship than ever before. (The Economist Intelligence Unit Limited, 2015. P7) While more and more marketers understand that nurturing the customer journey is crucial to growing a business, reaching this ideal state of **customer satisfaction** and business success can be highly challenging. (State of Marketing, 2015. P6-7) Sending engaging messages at the right time was listed as a top marketing challenge today by 6 out of 10 interview participants:

R1	*"the other big challenge is continuing to find and create content that matters to the audience or the target audience."*
R3	*"main concerns are reaching the right target at the right time"*
R5	*"people don't want to buy the old-fashioned way anymore."*
R6	*"Finding a way to communicate to the customers that is really engaging, that they are engaging with your company"*
R7	*"It's hard to get people's attention."*

R9	*"It is about positioning and having the right message at the right time to the right person"* – it has been around for long!

While marketers need to take greater ownership of the customer experience, they begin to receive greater recognition **as revenue drivers**. (The Economist Intelligence Unit Limited, 2015. P1) *"they have to change both the mind-set and how you do your job"* – in order to be able to provide revenue" (R4) But some interviewees claim that this is a big challenge for marketers today: *"to track leads properly, that takes the burden off marketers and allows them to show that their efforts are having an actual, meaningful revenue impact on the company. That's still a challenge for a lot of companies" (R1)*

The challenge of **staying up-to-date with current technologies** and trends also makes sense as a top obstacle, as well as educating their teams on how to perform new functions and develop their marketing technology skills. (State of Marketing, 2015. p 6-7) Technology today is an essential glue that connects various moments along the customer journey to create one-to-one experiences. (State of Marketing, 2015. p11) Here is how the interviewees look at the need for tools and technologies as a challenge:

R5	*"is it is a technology and that does involve a learning curve. So I would say that in terms of the challenges of actually just changing with the way that the world of sales and marketing is changing."*
R8	*"There's a growing need of tools, there's lot of options and just like anything in this world the more options you have the more problems you have."*
R7	*"there are a lot of different tools available easily, It's difficult to stand out"*
R8	*"we had to manage so many different tools, some of them are automation, some of them are just random email tasks like mass emails, lead intelligence, tracking analytics"*

R10	*"And for companies to stay competitive you actually have to do it [have MA tools] because everybody else has it."*

The way my interview participants see today's biggest challenges can differ quite substantially with marketers working in different industries and with different priorities. Thus here I found it important to add some other insights from my secondary data research.

Generating high-quality leads were listed as one of the biggest challenges marketers have in a study done my Marketing Sherpa in 2011, where they interviewed a number of CMOs about their marketing challenges. (Doyle J., 2011. P6)

Next to sales demanding the high quality leads, marketers are also faced with a challenge due to the lengthening buyers journey. Successfully marketing to this lengthening buyers cycle requires a great deal of precision in **lead scoring and management processes**. (Doyle J., 2011. P13)

Code 4. Implementation Challenges

As with most IT solutions, implementing marketing automation in an organization is not without risks and challenges. I tried to explore this question more in my interviews to better understand what marketers need to be aware of when making the decision to implement marketing automation into their daily work.

One of the risks and challenges many of the interview participant mentioned is the **readiness for the technology**. According to some of the consultants, who helped implementing marketing automation several times in different organizations, a lot of companies are not prepared in terms of strategy, processes and alignment inside the organization – this was mentioned through many of the interviews especially by those from the consultancy side of the business:

R1	*"If they didn't think of it as kind of a technology project ad much as a marketing project, and you get into trouble and you don't see the promised results, because they didn't have a plan...they didn't' go through the technology maturity process, which is really about understanding your processes and your people and getting the sales alignment ready first and the starting to automate some of those processes"*
R3	*"one challenge comes from after they chose to go for a MA tool, and that is that the employees need to be ready for the change"*
R4	*"One risk companies have is that they don't resource and plan well enough so they kind of just get the technology, but they don't ensure that they actually get some value out of it. "*
R10	*"Often times I see that the marketing automation tool is picked up and dropped onto the head of the marketing department and they're just trying to not to drown."*

More than half of the interview participants also mentioned the price of marketing automation software as a risk as it is considered to be a **sizeable investment** for most companies:

R3	*"they would probably say it's expensive, it is a big tool, it is indeed expensive, but there are a lot of possibilities in it"*
R5	*"high price, so it has to be a considered purchase, with the requirements clearly defined"*
R6	*"it's a big cost for companies"*
R8	*"at a small company you would spend 100usd/month for MA that is one client a month, it's a no brainer. If you buy an expensive tool like Marketo, your investment is bigger and you need return on it in a measurable way."*

R9	*"There is a risk of purchasing the wrong system for your company" – "is a huge risk, because it is generally an expensive cost for marketing"*
R7	*"You need to show some financial value of doing it. it can be very expensive. "*

So marketers have the challenge to be able to prove the ROI of the investment at this scale: *"you have to prove the cost of the system, so proving the ROI and marketing activities." (R6)*

For many companies finding the right talent to handle this technology can also be a big challenge as effectively using marketing automation tools requires deep understanding of the functionalities and marketing strategies:

R3	*"its still left to the individual users to learn how to use it properly, so they can take the best advantage of the tool" (R3)*
R6	*"the other thing is finding talent, who actually can execute on those marketing activities... finding someone who knows the system, who knows multiple systems, not just MA... People usually hire agencies, because they don't know what skills are needed" (R6)*
R9	*"it is hard to replace the person (especially at a smaller company) who is the pro user of the MA tool and because of that understands the whole company a lot" (R9)*

Code 5. Technology as an Enabler

"I would caution that you can't just drop it into an organization, a company regardless of the size and expect for it to work." (R10) Technology is not the solution it is just an enabler, so before jumping into a technology evaluation or implementation, marketing leaders need to take a step back and make sure that they prepare their organization for the changes required to fully leverage marketing automation. (Ernst J., 2011. p3) - *"They all start saying, "which*

software will we use?" an it's absolutely wrong, because it does not matter what software you use.. it's about kind of the organizational readiness. As in, is the organization ready for this change to start targeting the customer based on data, based on, to analyse data, to work with data." (R7) While it is also important to understand that it can take long until the first results can be seen: *"it's not just like you switch on the system and straight away you get results. It takes about six to seven months really before you actually start seeing the benefits from implementing." (R5)*

The whole organization needs to have a clear understanding of where they want the automation to take them and need to prepare the process, content, data and people that are required to get there and generate the result they want. (Ernst J., 2011. p3) For example, some of the interviewees mentioned the role of having enough content available, as without content you can't start nurture flows, can't plan triggered campaigns as you do not have enough resources to work with: *"A lot of companies have embraced the idea of content marketing which, in many ways, is a precursor to getting marketing automation" (R1) "Marketing Automation is a great tool, but you really need content for that, otherwise it won't work." (R7)*

They also emphasized the importance of collecting and accessing data: *"the MA tools will be nothing if you didn't put data into them...it's all about the integrations that you get, sort of the data feeds that you get into the software. Because how would the marketing automation tool would be able to respond to something if there's no data to respond to? "(R7)*
Marketing automation is not necessarily something that feeds into the strategy, it's more an enabler that needs to backed up with the right strategy by decision makers:
"MA can really influence a process, it can make it a lot better, it can enable you to do it more efficiently, but in the end of the day you still need to have a business person decide on the process, create the process, and make decisions on processes based on what is good for the business. It is an enabler but it is not a decision maker at all." (R9)

Code 6. Business Transformation Needed

After taking the challenges of implementing marketing automation technology it became clear that a certain level business transformation and a change in the business processes is critical: *"if you are using marketing automation you have to manage it properly and you have to do change management."* (R10)

The interview participants mentioned three main areas here: Processes, Strategy and Mindset and People.

Processes - *"processes have to change because now you have one more player and it's a disruptive one."* *(R10)* Effective automation requires marketing to shift from a volume producer of leads to being a leader in supporting sales activity with an integrated lead management process (Ernst J., 2011 p4): *"Typically one change is that marketing usually is a project organization, and once you start working with these tools, it has to become a process organization."*
A lot of interviewes mentioned how marketing and sales need to connect and work together to define goals, metrics and activities: *"Marketing and sales have to become more aligns personally and at a process level so that there is clear handoff point, clear understanding of when a lead is handed to sales, what defines a marketing-qualified lead versus just someone we should nurture, what sales is responsible for when they receive a lead and how to communicate between the two" (R1)* And also how they need to partner up to make their workflows more effective: *"The kind of divide between marketing and sales becomes less visible and in some cases even smash these two functions together and call it Revenue function." (R4)* Respondent R6 also found that it is more the sales processes that should be changing rather than the marketing ones: *"the processes that will change will probably be mostly the sales processes" (R6)*

Marketing strategy is definitely something new adopters need to consider when it comes to marketing automation, where marketers need to start to think more long term and create an infrastructure that is easily scalable (R10): *"But you also need to change the whole company's strategy in marketing. It has to be more automation focused" (R3)*

"They need a new organizational model, new strategy, new ways of working, new budgeting method, new KPIs." (R4) So with the new processes in mind, marketing departments need to set new KPIs according to the new goals set after implementing automation. Suddenly, working for new KPIs requires a change in the marketing strategy and departmental goals which can be a *"very big change. It basically means doing quite a big transformation of your marketing department, and also your sales." (R4) "It basically changes marketing our team or marketing as a function in organizations from a cost centre to revenue centre." (R10)*

People and Mind-set. It was really interesting to hear how implementing marketing automation also has an effect on the marketing team itself. *"I think it's really important to do change management and also evaluate your talent." (R10)*

A lot of interview participant mentioned the possible changes in team structure and also possible down-scaling in the marketing department: *"Sometimes, it can mean that people get fired because (…) with a marketing automation system if you have a team of 20, can probably do the equivalent work with half of them. (R5) All this because processes that were done manually before now can be done by the automation tool: "seen some of the companies we worked with they scaled their team down because they were able to automate these processes" (R8)*

Those who need to adapt to the new processes and strategies need to change their mind-set: *"it's kind of like a paradigm shift sort of in the heads of the people working there." (R7)* and get ready for the change: *"You definitely have to be ready for change, in the mentality of the people using the tool, or in the mentality of the people who do marketing" (R3)*

Code 7. Results of Implementation

To answer the research question it is also important to look at the results of implementing marketing automation and list the benefits that using this technology gives to the organizations. Without asking about the benefits of using Marketing automation tools in the interviews these answers came along through the whole interview, listing different points that the different interview participants found as a potential benefit of using a marketing automation tool, describing their own experiences:

"I don't think we were ever seen as people that could help them make a sale until we started doing more automation in the last couple of years. So it was really nice to able to be like, I handed you that person and they mad a purchase and you wouldn't have called that person unless I handed them to you. So we can actually attribute our why to what we are doing as part of it and that makes a huge difference." (R2)

Many of the interviewees also talked about the ability to track lead activity from through their buying cycle across different channels: *"you can track the lead all the way from when you put the display ad in front of them, to when they clicked on it, to when they converted to it, to when they visit your website for the first time and give you the information, to when they converted the business." (R10)* So they can better optimise their marketing and continue doing the activities that work and stop doing thing the ones that doesn't.

Next to this a lot of other benefits were listed that organizations can achieve via marketing automation:

R3	*"MA tools give a clear overview and analytics - "how much it cost to set up this campaign, did it require different agencies or not, did they do the website themselves in the MA tools itself, or did they have to use an external agency to create the website? how much time did they spend on it, and did it result in the*

	expected interaction with the customers, or purchases or whatever their purpose was. they can clearly see that from the tool."
R4	*"decreased cost per lead, or cost per sale, and of course being able to spot leads much earlier in the buying cycle. "*
R6	*"you get more qualified leads to your sales team"* *"so they can report on marketing"*
R5	*" using a scoring methodology to actually make sure that they're quality leads means sales is going to get, not only more leads but also better quality leads."*
R5	*better attribution of revenue between projects, efforts and departments.*
R9	*"it will help us run more campaigns, faster and cheaper, which really means more leads"*
R9	*"it allowed marketers to be a lot more accountable for what they were doing a day to day basis"*
R9	*"scalability – A company that is expecting to grow, they need to have these processes in place anyways, like campaign tracking, campaign measurement, qualified leads vs. disqualified leads"*
R5	*"Sales is going to be able to have better, warmer conversations with prospects."*
R10	*"Marketing automation breaks down the barriers, makes it [processes] completely transparent. Marketing sees which leads and campaigns can form because we can see all the way until opportunities open and close as well Sales knows how many leads they've got and what scores they have"*

VI. DISCUSSION

The purpose of this study is to understand what kind of change and transformations an organization has to go through in order to successfully implement marketing automation. In order to understand the need for transformation and its scale, first I will try to find the main challenges of implementation and then look at the required changes the organization has to go through. Finally, based on the found information and data I will try to define the level of business transformation needed in order to implement marketing automation in an organization based on Venkatraman's Five Levels model.

Marketing automation is a broad phenomenon. Listening to industry experts talking about what marketing automation means to them really showed how complex and diverse this area is. Using the most frequently mentioned characteristics and combining the different perspectives, I would like to give a definition that should be understood as what marketing automation means in the discussion part of the study:

Marketing automation (MA) is automating key marketing processes and workflows, using digital body language and smart data, to communicate at the right time with the right messages in order to deliver better quality leads and to contribute to the business revenue generation.

It is becoming clear that the growth of this technology is in a large extent due to the *changing environment* in today's digital world. Based on the information collected I can determine the main factors of why the need for a technology like marketing automation has emerged in the recent years.

Firstly, marketers need to take into consideration the changing consumer behaviour, and the changing buyers journey when they are planning their next campaign and messaging. Buyers do more research online, while businesses are talking to their peers and colleagues about their pain points or challenges. They try to find the solution for their problems on

their own before engaging with vendors or sales reps. As consumers find mass amounts of information from various sources, including competitors, therefore, it is more and more difficult for organizations to stand out and deliver unique experiences through their messaging. The only way to keep up is to monitor which offer or messages buyers respond to, what content they consume, and to deliver additional information that helps buyers to move forward in their buyer's journey. (Ernst J., 2011., p2)

For this, they need to know what their customers are looking for and what are their pain points. Web behaviour tracking thus becomes an essential tool for companies: it is the primary way to collect the needed information on customers to be able to deliver the right message at the right time via the right channels. This also leads to the fact that the buying cycle is getting longer and buyers are making their decisions alone, without getting in touch with the brand before the actual purchase intent. Thus building trust and driving engagement around the brand is key for companies.

Furthermore, there is a trend that the marketing department needs to be more transparent in what they do, be measureable, be able to justify their spending and prove their contribution to the company's revenue. These all part of the reason why marketing is becoming more and more data driven, with marketers basing their decisions more and more on insights.

All the before mentioned factors create numerous *challenges* that today's marketers have to face with every day:

- Firstly, creating content that matters to the audience and drives engagement. Delivering messages that grab people's attention is a great challenge for companies today. The same person is being exposed to hundreds of different messages every day via different channels, so in order to grab their attention, companies need to deliver personalized communication. At the same time the competition is getting harder, and marketers are expected to provide higher quality leads to the sales organization, which requires them to break from their traditional mind-sets and metrics and shift their focus to their organizations' bottom line. (Doyle J., 2011. P6)

- Secondly, marketers find it very challenging to keep up with the ever changing technologies and trends, which is undoubtedly needed in order to stay competitive and provide an outstanding customer experience across channels. They need to manage a lot of different tools which requires constant learning and training in the marketing teams.
- Thirdly, as marketers are pressured to contribute to revenue, they need to focus on accountability and reporting, which appeared to be a highly challenging task according to my interviewees.

I have talked a lot about how challenging it is for marketers to provide relevant, personalised and timely messaging today, but less was mentioned about how organizations use all the suddenly available channels and opportunities to reach and interact with buyers, or even manipulate buyer's decisions every day. We have talked about the concept of the "empowered buyer" several times throughout my paper. Interestingly enough, by looking at the evidence above, one could argue that it is the marketers that who are genuinely empowered. While the users have access to vast amounts of information online, a great percentage of this information is crafted by the brands themselves, is subject to the subjective interpretation of the user and is not structured. On the other hand, marketers have access to prioritized, structured and cleaned insights, tailored specifically to be used to influence to prospect to commit to buying.

More and more organizations find marketing automation as a solution for a lot of the before mentioned challenges. More and more companies are realizing the need for a tool like marketing automation in order to **generate more quality leads**, measure and prove their **revenue contribution** and to **increase efficiency** in their day to day work to be able to keep up with the ever increasing competition.

To increase the quality of leads they are passing on to sales, marketers, via marketing automation, can define a lead scoring model that helps them to qualify and categorise leads to treat them according to the stage they are in their buying cycle in an automated manner.

This also helps them to open up the conversations with sales and determine common rules and processes between departments.

With the old marketing methods, it was difficult to measure ROI, but with marketing automation, marketers can properly track their activities and prove their contribution to the revenue, while they can increase efficiency via understanding which tactic and messaging works better and make their decisions based on data. The system also helps marketers to automate a lot of manual work which enables them to focus more on performance.

However, the implementation of a technology like this requires a lot of management efforts and comes with numerous challenges the organizations have to be prepared for. Lot of these were mentioned throughout the expert interviews I conducted for this study.

Many organizations start using the platforms without establishing a strategy or planning the implementation process properly, which leads to not utilising the technology at its full potential, and not reaching the expected results and improvements. It is stressed numerous times that a certain level of technology maturity is required to reach these results, and also the employees need to be ready to implement changes in their daily work.

Especially after the interviews, it became clear that when investing in technology, like marketing automation, IT is just an enabler for the organization, the results and improvements are highly dependent on the implementation process, the organization's maturity and the readiness for changing their processes.

This is especially important as marketing automation can be a sizeable investment for the company, thus marketers have to be able to prove a comparable ROI.

In order to achieve the expected results and really benefit form marketing automation, a certain level of business transformation is needed. According to the literature, business transformation can be initiated because of numerous reasons, like technology innovation, economical changes and shifts in the markets. (Kotter J. P., 1996.) Uhl A. and Gollenia L. A. (2012.) talks about business transformation as a vital tool for organizations to stay

competitive and describes it as a series of complex and multi-layered changes, that can be quite radical in nature, and highly resource intensive.

So organizations need to have excellent transformation processes to be able to maintain their competitive advantages and prevent disruptions. (Uhl A. and Gollenia L. A., 2012. P3) In order to get a better understanding of the level of organizational change involved with marketing automation implementations, I look at this correlation via the already discussed Venkatraman model on IT-enabled business transformation. Venkatraman (1991.) describes five levels based on two dimensions: the range of IT's potential benefits and the degree of organizational transformation. In order to answer the research question, I would like to find the optimal level in this model for marketing automation implementation and to ultimately better understand the depth of transformation required.

I am looking to answer the question, **how radical is the transformation required for the successful implementation of marketing automation in an organization?** As described in the findings there are three main areas where certain level of transformation is needed: processes, strategy and people.

Changing the marketing strategy in an organization in general is already quite a radical transformation. It means setting up new goals and KPIs for the marketing team: suddenly the marketing function turns from being a cost centre to a revenue centre. What does this mean? Marketing has to set up a longer-term strategy, that ultimately aims to increase the company revenue.

For this, in terms of processes, both the marketing and sales teams need to adapt and change the way they work. They have to be more aligned at a process level to be able use marketing automation properly. They need to agree on what they call a qualified lead, who needs to be further nurtured by marketing, and what it means to disqualify a lead. Sales needs to understand all marketing tactics in order to be able communicate properly with the different leads coming from marketing, thus transparency and clear communication is essential between these two teams. This is a must for companies in order to be able to use

marketing automation effectively and increase their lead qualifying processes and ultimately generate more revenue. This change is very much dependent on how mature the organization was before in these practices, but still in most cases, it requires a lot of planning and education internally for various stakeholders. It also means a radical change in the way people work and in some cases how the teams are structured.

So what are the benefits of using marketing automation? With marketing automation, marketers can track lead activity through the whole buying cycle and across all digital channels. This enables them to know what their customers are doing, what kind of content they are consuming and what are they looking for. With this information, marketers can create personalised content and nurture leads until they are ready to buy and can be passed on to sales. This way sales receives more qualified leads who are actually ready to buy, while marketing can prove its contribution to the sale after the deal is closed or the purchase is done. Marketing can afterwards report on the costs and performance of its campaigns and determine the best performing channels and sources.

To sum up, marketing automation helps marketers to generate more quality leads, to track lead and customer behaviour across all channels, to evaluate and measure campaign performance and to increase visibility in its contribution to the revenue generation in the eye of the organization.

Looking at the before mentioned points on the needed business transformation and the potential benefits of using marketing automation, now I would like to determine what level of business transformation is needed on Venktarman's five levels of IT-enabled business transformation model:
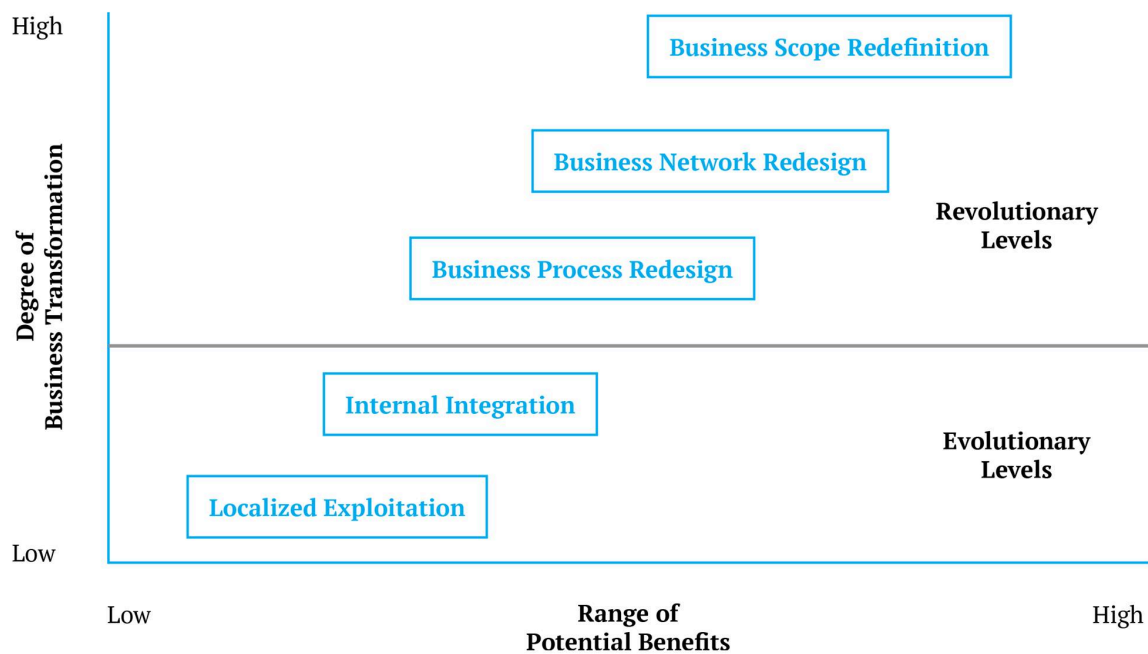
Figure 9. Five Levels of IT-Enabled Business Transformation [Venkatraman N. 1994]

Looking at the first level, **localized exploitation,** the business transformation is concentrated in one function in the company in order to increase the efficiency of a repetitive task without influencing larger areas of operations, or requiring changes in the organization's routines. (Venkatraman N., 1991., p 127). Here it is safe to say that the presented business transformation is going to live on a higher level, as marketing automation goes beyond just being an IT solution with minimal changes to business processes.

The second level, **internal integration**, follows a more systematic approach, and focuses more on making the most out of the IT capability through the whole business in order to make certain isolated processes in the organization more effective. (Venkatraman N., 1994., p76) This level can be understood as an extension of *localized exploitation*, which also deals with technical interconnectivity and process interdependency. This means concentrating on operability across IT platforms and interdependence across different departments and functions in the organization. As discussed before, implementing marketing automation

does require multiple departments aligning their processes, responsibilities and data – concentrating here on the sales and marketing departments – thus this level could be a potentially optimal level for marketing automation implementation. On the other hand, internal integration is focusing on making specific existing processes more effective, while we discussed previously how exploiting marketing automation at its full potential requires a more substantial change in the processes, strategy and team structure. In some cases, however, organizations are not necessarily implementing marketing automation at its full scale and start using all of its features. Some interviewees mentioned cases when organizations are only using the system to automate some of their email campaigns, track performance and create basic reporting. This way the transformation is without substantial change to the strategy and rather focuses on making their already existing processes more effective. In this case, internal integration can be seen as a possible level for business transformation. It is important to state that this way the IT capabilities are not fully exploited and the benefits of using this technology are lesser than if the organization would take the transformation to the next level (revolutionary levels) and re-think its processes and routines.

At the next three levels we see a much more radical change, where we differentiate between transformation within the organization's boundaries and transformation outside of the organization's boundaries.

At level three, **business process redesign**, the transformation is more focused on redesigning business processes to maximally exploit available IT capabilities. Venkatraman N. (1991) stresses that the IT functionality is not fully realized if its only building on the existing business processes. This type of business transformation can easily build on the previously described findings on implementing marketing automation. Organizations need to change and transform the way they are working, adjust their processes and strategies to reach the new business goals and KPIs needed to stay competitive in the new digital environment they are working in that is led by the empowered customers.

Business process redesign is still limited as the processes are not extended outside of the organizational boundaries. At level four and five however, the business transformation represents effective deployment of IT capabilities in a business network, leaving the boundaries of the organization, and maybe also involving the creation of new business activities. (Venkatraman N., 1994., p79) Level four, **business network redesign**, concentrates on exploiting the relationship between key players in the marketplace, while on level five, **business scope redefinition**, the focus is on IT's role in influencing the business scope as well as influencing the logic of business relationships within the extended business network. (Venkatraman N., 1994., p83) Level four and five undoubtedly represent a more radical change in an organization than implementing marketing automation, as based on my findings, the business transformation and change occurs within the company's boundaries and concentrates on the marketing and sales departments, creating and optimizing processes in order to increase efficiency and explore new ways to contribute to the revenue generation.

After discussing the five levels of Venktraman's model I have the required information at hand to answer the research question of this study:

How radical is the business transformation required for the successful implementation of marketing automation in an organization?

Taking all the before mentioned points into consideration, I would like to argue that implementing marketing automation at its full potential, a business process redesign (level three) business transformation is required.
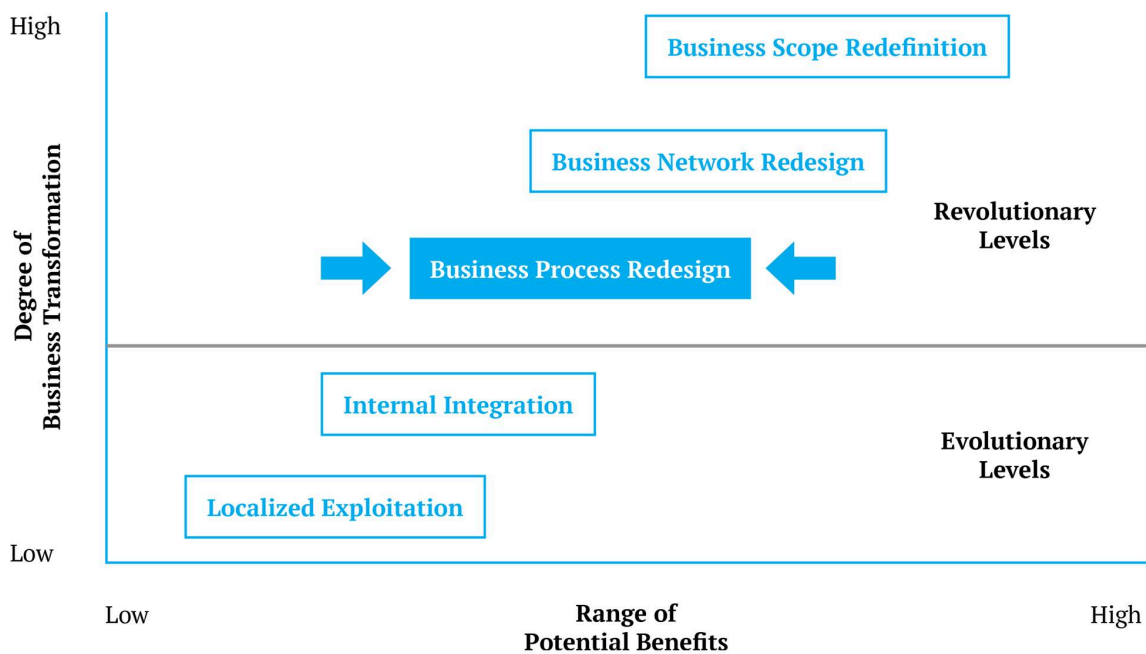
Figure 10. Five Levels of IT-Enabled Business Transformation [Venkatraman N. 1994]

This type of business transformation enables the organization to exploit the IT solution to its maximum potential, while supporting it with new business processes, workflows and team structures that tie into a strategy that is elevated to the next level in order to stay competitive and increase the revenue.

However, I would also like to add that this level of business transformation is needed only when an organization would like to implement marketing automation at its full potential. In previously mentioned cases internal integration could also be used in order to use marketing automation to increase efficiency in existing processes, while integrating with the company's IT infrastructure and interdepartmental connections.

Although Venkatraman's five level model gives a good categorization of transformational levels, focusing on the radicality of the change. By definition, models try to simplify our perceptions of the world, and I would like to argue that the reality I'm analysing can hardly be represented in such a simplistic way. In real life, every business case is different. Businesses come in different sizes, maturity levels, with different goals and needs. One can

argue that in real life you can not choose one level that fully represents how marketing automation requires business transformation in an organization, but it is rather a mixture of localized exploitation and business process redesign.

It is also worth to mention that although Venkatraman's five levels and their characteristics are still very much relevant today, due to the nature of information technology and the changing role of it in enterprise settings, some aspects of it could probably be re-thought or re-evaluated to reflect the myriad of changes in the business and IT sectors – taking into consideration that the model was created in the early 1990s.

VII. CONCLUSION

Technology is transforming the way consumers communicate and interact with brands, driving fundamental changes that are moving marketing departments to a more central position inside the organization. (Fernandez, P., The Huffington Post, 2015.) Marketers today are using different tools and technologies to help them make decisions based on data, focus more on customer experience and ultimately drive more revenue to the organization. The study was set to explore the concept of marketing automation and discussed the need and purpose of this technology in an organization. It also sought to know the implementation challenges of this IT solution, and identified the required business transformation levels to fully exploit its capabilities. The study sought to answer the question: **How radical is the business transformation required for the successful implementation of marketing automation in an organization?**

The empirical findings support the discussion of the topic with relevant and timely information, that helps to formulate the arguments in order to answer the research question. For organizations to make the most of the 'technology-fuelled marketing revolution', or just simply to stay on top of the competition, they will need to change and rethink their marketing departments. (Fernandez, P., Forbes, 2015.) Here it is important to

mention the explosion in the number of touch points and interactions companies need to handle every day; to keep up, marketing needs to be able to monitor, measure and analyse tremendous amounts of information. That is why technologies like marketing automation play an integral role in today's digital transformation.

But there is more to this. Companies investing in these technologies can't just sit back and watch their challenges disappear. On the contrary, technology fragmentation, recognition of marketing technology in the organization and underutilization of IT solutions can subsequently reduce the benefits that these solutions offer. (John E., Forbes, 2014.) Organizations thus have to invest in changing their processes and even alter their strategies to fully exploit marketing technology. But how radical is this transformation they need to go through to achieve their goals? The discussion of this study revealed that the transformation primarily happens in the boundaries of the organization, mostly between the marketing and sales departments. The transformations are affecting existing processes and strategies but in many cases also look to create new workflows, new goals and KPIs, which ultimately requires a new mind-set and way to work from the people in the organization. In this study, using Venkatraman's (1994.) IT-enabled business transformational levels, we identified level three, business process redesign, as the most convenient transformation level for organizations who are implementing marketing automation technology and seek to exploit its capabilities to their full extent. The transformation organizations have to go through is radical and holds numerous benefits. It has to be added however that most business cases are different, and one can not say that this is the only way to implement marketing automation in an organization. I would not limit the answer to this one level. Business process redesign allows companies to maximize their efforts with the IT solution, so following this level's requirements holds the most benefits, but also requires a more radical change in the organization. However, level one and especially level two could also be used when the marketing team is looking to make several processes more efficient via automation.

It is also important to add that Venkatraman's model on IT-enabled business transformation is a model that looks at transformation on only two axes: the radicality of

the change, and the extent of the possible benefits. One could argue that this model simplifies the real world problems to two very inclusive and high level concepts. Thus it is understood that the theoretical model chosen is not necessarily the best one to fit all needs, and could be extended to include other dimensions like time-frame or the internal complexity of the organization under research, keeping in mind, that this could raise the complexity of the model by several magnitudes.

Further Research

Arguably, there is infinitely more to explore in this area. Unfortunately, the scope of my research doesn't extend to these areas, but I would recommend readers interested in the topic, to follow speculations on future trends in the following disciplines. One of the main topics that I have run into while doing my research, is the broad concept of data privacy of the consumers, and how these technologies are using data that they have collected via tracking behaviour, and indexing personal information on online channels.

Several ways of using data can be evident to users browsing the net, like PPC (Pay-Per-Click) advertising or the specific branch of Social Media Marketing (SMM), but there are some fields like big data mining that happen completely behind the scenes, and could be the basis of some interesting questions, like how the widespread implementation of marketing automation affects the laws and regulations regarding online data privacy.

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IX. APPENDICIES

APPENDIX 1. Introduction of Interview Participants

Short introduction of *Internal users of Marketing Automation:*

- **Byrony Seifert,** *Senior Director of International Product Delivery, TechTarget (KONF)*
Byrony is Senior Director of International Product Delivery at a B2B media publisher organization. Her job includes being responsible internally for lead nurturing flows and also working with clients in a service agency model, and encouraging them to invest in marketing automation systems to make their marketing processes more efficient. She got involved with Marketing Automation 7-8 years ago through realizing the importance of lead and client nurturing, and the potential business benefits involved. She now lives in the UK, but is originally from the United States.

- **Emma Storbacka,** *Business Development Director, Head of B2B at Avaus (KONF)*
Emma is a Management consultant specializing in B2B Marketing in the digitally connected world. She works for Avaus, a consultancy / customer engagement agency out of Stockholm, Sweden. She heads up their B2B offering, working mainly with global B2B organizations, developing digital marketing initiatives and bringing marketing and sales closer to each other. She describes herself on LinkedIn as a doer, a thinker, a leader and a driver of change, and through her PhD studies she is also involved with Marketing Automation on an academic level.

- **Jenna Molby,** *Manager of Demand Generation, Traction On Demand*
Jenna has worked with companies of all sizes from SMEs to the Enterprise. Her role doesn't just include setting up marketing automation systems for clients, but also various digital marketing related task like running campaigns, setting up reporting and

other integrated projects. She has experience working with Pardot, Salesforce and Marketo systems. On her blog, she describes herself as having a strong background in design and development. and CRM integrations for marketing and sales alignment, and also shares her MA related knowledge with her readers. She lives in Vancouver, Canada.

- **Denys Lund**, *CRM Campaign Specialist, Danske Spil*

Denys is a CRM Campaign Specialist at Denmark's biggest gambling firm. He is developing their marketing automation systems to cater to new initiatives, and translates business requirements into marketing automation (and IT) related projects. He also manages all (approximately 1500/year) CRM based campaigns for his organization. His function was handled by an external agency before, so bringing him on-board was part of a cost-cutting and streamlining process form Danske Spil's side. He joined Danske Spil about 2 years ago, right out of Copenhagen Business School after finishing his master's degree in MSocSc in Management of Creative Business Processes. He lives and works in the capital of Denmark, Copenhagen.

- **Christa Watson**, *Marketing Operations Manager, Agreement Express*

Christa comes from a consulting background within marketing automation. At Agreement Express she is in charge of tech operations, which includes setting up campaign benchmarks and goals for their clients (AE is a B2B firm), revenue stages and life-cycle models. In a professional sense, she has been working with marketing automation for approximately 2 years, especially with the systems Marketo and Salesforce, but she is also a Bachelor of Business Administration in Marketing Management graduate. She lives and works in Vancouver, Canada.

Short introduction of *Marketing Automation Consultants:*

- **Sonja Vranic,** *Costumer Success Manager, Increase A/S*

Sonja is an experienced Costumer Success Manager and Eloqua / Responsys Consultant at a consultancy (Increase A/S) that specializes in marketing automation exclusively. Her responsibilities include making sure that their clients are trained and educated at using the platforms they are working with. She has been working with Marketing Automation for about 3,5 years first at a company that was implementing MA at the time, and then, switching side, working for sever companies that were starting the process of MA implementation. On LinkedIn, she describes herself as a results-oriented team player with international work experience. She works out of Copenhagen, Denmark.

- ***Josh Hill,*** *Marketing Technologist and Demand Generation Expert*

Josh is a Marketing Technologist and demand generation marketer, working at the intersection of Sales, Marketing, and Technology. He builds marketing lifecycle systems using teams, content, and automation for firms ranging in size from startups to multinational enterprises. He's been working with MA for years, and has been in various positions form tech support, product development to demand generation consulting. He is located in the USA, Los Angeles.

- ***Gary Stewart****, Account Executive - Marketing and Sales Automation, Oracle*

Gary is an experienced sales and marketing Account Level Executive at one of the leading firms offering marketing automation solutions, Oracle. He has worked with Marketo, Eloqua and Responsys and several other CRM systems as well. He joined Oracle to take his work with enterprise MA systems to the next level and help businesses grow their top line. He also previously designed his own cloud based Sales and Marketing application and is very passionate about everything MA related. He is based in Dublin, Ireland in Oracle's European headquarters.

Short introduction of ***CEO of a Marketing Automation Consultancy:***

- ***Inga Romanoff,*** *CEO and President, Romanoff Consulting*

Inga is the CEO/President of a boutique NYC-based consultancy. RC Solutions works across industries and continents and specializes in quickly deciphering clients' business model to deliver successful solutions (including strategy and technologies or tools) to help clients achieve their business goals. Inga has 20 years of professional experience in the US and internationally, holds two Master's degrees and a Bachelor's in Database Administration. She is also a Marketo and Salesforce Certified Expert and the Marketo User Group Leader in New York City.

Short introduction of ***Founder of Marketing Automation software company:***

- ***Richard Fallah,*** *Founder and Product Developer, Vbout.com*

As founder of Vbout.com, Richard and his company focuses on the automation of email, social, lead intelligence processes. In 2013 the company started out as an agency to handle their clients' automation needs, but slowly pivoted into a SaaS solution, a software package to to connect and manage all the various automation tools their clients would want to use, in one place. Richard takes an active role in the daily life of the company, and as the lead product developer is responsible for determining market fit, build and test processes and sales strategy. He likes to describe himself as a products dev. geek, and lives in New York, USA.

APPENDIX 2. Interview Plan

Warming up

1. Could you just shortly introduce yourself and What do you do?

2. Can you also explain since when and how closely are you working with Marketing Automation*? (if not explained through previous question)* How do you work with Marketing Automation – what are the day to day tasks?

Also maybe why did you decided to work within this area?

Marketing Automation

3. How would you define Marketing Automation with a few sentences? What does it mean to you? What impressed you the most? Really exciting example? Can you give me an example from another field?

4. What do you see as the most important drivers behind the grow of marketing automation technology today? Where is coming from? Is it all about digitalisation?

Marketers Challenges

5. What do you think are the biggest challenges marketers have to face in 2016/ today? (Can you give me an example, what challenges from your experiences?)

6. Does Marketing Automation help you overcome these challenges? If Yes, how?

7. Generating high quality leads is many times listed as one of the biggest challenge marketers have. Do you consider this a primary challenge of the Marketing Department? And something marketing automation can completely solve?

Your Organization and Marketing Automation

(Is your organization use Marketing Automation?)

8. What was the reason for going for this technology? / What is the main reason organizations are going for this technology?

9. What kind of companies Marketing Automation is suitable for? (no)

10. What are the most important functionalities of this technology for you/ for your organization? And why?

11. If you should mention risks / disadvantages regarding using the automation in your company what might these be?

12. How would you position this technology? Is is belonging to the marketing department/to sales/ to IT?

13. Does Marketing Automation generate competitive advantage?

Implementing Marketing Automation

14. On what organizational level should the decision of acquiring marketing automation be made?

15. What kind of changes the organization go through while acquiring a technology like this?

16. What are the main challenges they have to face ?

17. How does marketing automation affect the roles of the marketing and sales department on their own as well their dynamic together? Can you give me an example?

18. How radical of a change do you see in implementing marketing automation in terms of company strategy, do you need to radically change the strategy of the marketing team or the whole company?

19. What about team structures, processes and culture?

Is there anything else you'd like to add before we end?

APPENDIX 3. Interview Transcription

R1, Josh Hill, March 7. 2016.

Dora: Hey, I would first like to ask if its okay if I record this interview?

Josh Hill: Sure, are you going to post the recording, or are you just taking notes?

Dora: I'm only recording it for myself so I can transcribe it for my thesis.

Josh Hill: okay, that's good

Dora: So first it would be really great if you could shortly introduce yourself, and your area of expertise, what do you do.

Josh Hill: I'm Josh Hill, I am a marketing technologist and a demand generation marketer, and I like to think I work at the intersection of sales marketing and technologies. so I worked in all 3 departments, over the years, and because of that I'm able to talk the right language to each department, and I think that's important for someone in a demand generation role in marketing, or as a marketing technologist, because you can leverage all the tech you want, but if its not delivering the result sales are looking for if tis not automating the tasks marketing needs and if the tech is not set up correctly, you don't get anything you want out of it. so its really important to understand the business processes and the drivers that determine how you set up something like marketing automation.

Dora: that's great, can you also explain since when, how closely, and why are you working with marketing automation? how you got started, and why you wanted to work with it closer.

Josh Hill: I started a long time ago, I started out in technology in tech support and the product development. Then moved into sales to really learn how to sell something. its important for a business to generate revenue, how do you do that if you want to become an entrepreneur? and then decided I move into marketing because I thought it was more analytic, the things I was hearing in the field as a sales person I felt I could deliver at a larger scale in marketing. so I switched to marketing, and I learned demand generation. and saw the challenges of dedupeing lists, uploading records from a marketing event or how do you automate some of these things to get the data you are looking for. and it was very difficult and very manual, and part of that was because of the tools of the time part of that was just the company and one day I learned about marketing automation, and started to understand that this could solve a lot of my pain points, I was able to do RFP with Eloqua, Marketo and some other companies, in 2010 and brought on Marketo to solve many of those manual labor problems in marketing. things like lead scoring, adding leads, dedupeing, adding lists, and learning to do that lead to the whole idea of marketing operations at my comp at the time. I really saw how this could be leveraged even further

to do lead nurturing and automate all sorts of task, like delivery of content. Things that we just weren't doing before because there weren't enough people. So I said this was a great place, and I decided to move into technology companies to do this as well, and I learned it so well apparently that I became an expert. Decided to do consulting as well as demand generation for a lots of different companies. So that's what I have done over the years.

Dora: That is great, thanks, now I would like to learn more about your view on MA in general, like my first question would be, how would you define MA with a few sentences?

Josh Hill: Tricky question.

Dora: Take your time.

Josh Hill: I guess to me MA is about 2 or 3 main things: one is automating key processes that a marketer needs in order to deliver good leads. so the basics of data management, dedupeing, data normalization, as well as just collecting leads, and then being able to route them to the sales teams at the right moments. and that's really about time savings. lot of companies only hire one or two marketers especially in early stages. they need to be able to make the most of their time. second part of that is to be able to automate and track kind of content you can deliver to leads. to accelerate them through the sales funnel. and that's partially about time savings, because its hard to load and send lots of different kind of content to lots of different kinds of people at the same time, but its also about, how can I determine which content is the best, or better, to help someone to move forward, as well as to be able track that effectively. and then ultimately its about revenue generation, because once you automated all those processes you can optimize the content the lead segmentation, the timing in a way that, can provide more of the better leads to the sales team at the best time, I think why people get caught up when they think about it that way is they don't realize that takes time. so I developed the marketing technology maturity

model, which I think you may have seen on my website, and it really tries to help marketing operations people as well as executives that this is a journey. you can buy Marketo, Eloqua or any of these tools, and hope that you are going to generate more revenue, and that's a worthy goal, but the reality is that you will never get there if you don't take the time to develop it correctly. A lot of people think, ow wow, its been 6 months, where is the revenue

Dora: yeah

Josh Hill: and the first 6 months is really about the time savings, so I hope that answered your question.

Dora: It does its great! What do you see as the biggest driver behind the growth of MA today, why is it becoming more and more important now? what's changing in the way marketing is working?

Josh Hill: I think it all goes back to the whole idea of revenue, you know, just about 8-9 years ago when a lot of these system started becoming more prevalent, the messaging really changed to from time savings (which is very important but) to about getting more revenue. And showing more importantly that marketing is contributing to that growth. to profitability and revenue, and help the marketer get to the seat at the table, and its really true, because for the first were able to properly track, the activities marketing is doing, and tie it back to specific activities, and if its done correctly you can really see how your efforts have impacted the pipeline and the revenue generation. its very important that marketing talk about there contributions, or their influence, and not try to claim that they are creating revenue necessarily, because the sales team is obviously very jealous, of generating revenue, of course, it goes to their commissions, so you know the idea is that it is important that sales and marketing are aligned, and that marketing is helping sales reach the right leads, at the best moments, that marketing is influencing people to think

of this company earlier and more often. but also be able to show that, so something like Marketo, is designed to help marketers show that hey, those 5 white paper were involved with 50% of the deals, this quarter. that's the kind of thing that we try to make happen in Marketo. or other tools. so that very important in regards to this idea of revenue. that's at executive level. for marketers like us, who you could say are really doing the work, maybe who aren't CMOs yet, its also an important time savings factor, so we are not spending our time dedupeing leads, or managing lists, we are letting the system do that. we were able to increasingly focus on analytics, understanding which pieces are working better, and be more creative, by creating more content in certain areas, and we had time for that now. it comes own to revenue and time savings and I think because of the competition, people want to be more efficient, but also want so show that they are doing their jobs. And for the first time, we can do that with these tools. That's the summary.

Dora: Okay. Cool. You mentioned this but, what do you think are the biggest challenges that marketers have to face right now or in the future?

00:40 **Josh Hill:** Like as a day-to-day marketer? Or...

Dora: Well, if you work... Where you're working... If you're working with B2B, yes.

00:50 **Josh Hill:** Yeah. I mostly work with B2B. Biggest challenges... Well, I think some of the biggest challenges is being able to build a system that does all of those things I mentioned. The tracks, leads properly that takes the burden off marketers and allows them to show that their efforts are having an actual, meaningful revenue impact on the company. That's still a challenge for a lot of companies. I have not come across many companies that have gotten close enough to that success.

01:35 **Josh Hill:** Maybe, that's just the people I work with, but very few companies have truly achieved that. And I think that's still a challenge over the next three or four years, is

to get your company to that level. I think the other big challenge is continuing to find and create content that matters to the audience or the target audience. A lot of companies have embraced the idea of content marketing which, in many ways, is a precursor to getting marketing automation. But usually, what people end up doing is they buy marketing automation and then they forget that they need to have content. So they end up with very few emails...

Dora: Yeah.

02:17 **Josh Hill:** Or taking advantage of the system's capabilities to send out and track content because there is no content. So, I still think those are big challenges. I think maybe the third big challenge is fully understanding and taking advantage of predictive as well as, maybe, account-based marketing, which are closely related. There's a lot of talk about these things but the systems, the thinking around it for account-based marketing and predictive aren't fully fleshed out and they're all very, I guess, what they call Shiny Object Syndrome that marketers have. There's a new concept, a new idea that claims that things are going to help them do better and more with less. And the reality is, most marketers haven't even mastered marketing technology or marketing automation or even content marketing. So I think people have a big challenge as well. Maybe, the fourth big challenge is just finishing what they started before they move on to the next level.

Dora: Okay. Yeah. That's really great. Now, I would like to learn more about your experiences on implementing marketing automation in your organization. So, what would you say, what are the main reasons companies go in for this technology? What's the point when they realize they need this to have better processes to save on time, as you said? Or what's the main reason?

04:02 **Josh Hill:** That they look for marketing automation?

Dora: Yes.

04:08 **Josh Hill:** Typically, it depends a little bit on the stage of the company but in general, they don't have enough staff to manage all of what they're doing. They usually have two or three pain points before they get marketing automation. One is they're doing a lot of manual de-duping or manual reporting like I was, going into Salesforce and Excel and plugging in the numbers from the latest events, trying to track each month's, did an opportunity come from the Salesforce campaign? That's one pain point that I think a lot of people start to think about automating. I think the second point is sales has become more demanding about the kinds of leads that they're willing to accept in a call. And in a lot of organizations, sales and marketing don't necessarily get along or like each other, right?

05:13 **Josh Hill:** Marketing thinks they're getting a lot of leads and Sales says, "Hey, these leads didn't buy." And part of that is maybe sales sent leads that weren't really interested, too early. Part of that is also sales kind of expects to be able to close the deal in a day and as a former sales person, I understand that mentality. But, the reality is for these B2B organizations, it's rare for anyone to come in and close within a month. If that happens, that's really a fluke. And as a sales person, you really have to be willing to put in the effort over 3, 6, 9, 12 months, sometimes even longer, to build that relationship and trust. Marketing can help automate part of that process now.

06:00 **Josh Hill:** If you think about account-based marketing or even think about just basically nurturing. But if sales doesn't believe that the leads are really ready, then the marketer has to say, "Well, maybe it's time to do something about that." Marketing automation offers a lot of good solutions. So that's usually when people start to think seriously about marketing automation, is they want to automate manual lead processes and reporting and they want to score and rank and route leads more automatically.

Dora: Okay. What would be the most important functionality for you? Or what is your favourite part of it?

06:45 **Josh Hill:** What's my... [chuckle] Well, at this stage, I would say the lead life cycle is probably my favourite part because it doesn't automate the lead ranking and routing but it also helps to track leads as they go through the funnel. And the funnel is an artificial concept, but it's one of the better ways or, at least, easiest ways, I suppose, to track how leads are coming in and moving through down to an opportunity or what do we decide to do with the lead? I enjoy setting those up. I think they aren't fully taken advantage of at many organizations. So I enjoy that a lot.

Dora: And what kind of companies is marketing automation suitable for? Is it only for big enterprises or are they for everyone?

07:50 **Josh Hill:** Generally, it's available to everyone. However, different vendors provide different types of features, packages, scalability and what not. So I would say that while marketing automation is probably good for almost every business that can afford it, different vendors are going to offer different solutions and for small businesses, medium businesses enterprise. Yeah.

Dora: Okay. If you should mention risks or disadvantages of using this technology, what would that be?

08:39 **Josh Hill:** Well, there's some risks in that if you didn't really think out where you wanted to go with it and you didn't think of it as kind of a technology project as much as a marketing project, you get into trouble very quickly and you don't see the promised results from the vendor. A lot of companies have come to me, maybe six months after they purchase an automation tool, usually Marketo, and they say, "Hey, we started using this but we don't think we're getting a lot out of it or we think we didn't set it up

correctly." And usually they're right, they didn't because they didn't really have a plan. They didn't go through the technology maturity process, which is really about understanding your processes and your people and getting the sales alignment ready first and then starting to automate some of those processes.

09:41 **Josh Hill:** I think there's always that famous Bill Gates quote about, "You can automate something to be very fast, but if you automate the wrong process, you get a lot of bad things very fast." I don't think that's quite how he said it but if you didn't really think about it that's a big risk. And then what happens is you either have to hire another consultant or you end up scrapping it and going to another vendor only to have the same problem and then you think marketing automation is bad. And it's not the tool's fault, necessarily, it's kind of your fault for not thinking harder about how to process it or how to build a system that's going to deliver what you hope to achieve.

10:24 **Josh Hill:** I think the other big risks are mostly in larger companies where you have lots of different systems and there wasn't more IT project management. Marketing tends to go off and do it's own thing, which is fine, but a good marketing technologist or operations person understands that there are a lot of pieces moving, especially in a larger company, that have to be tied to the automation system or considered before changing things.

11:00 **Josh Hill:** For example, I had a client very recently where I thought I had gone through all the discovery and understood the system impacts for Salesforce and for their website. And we were going to rebuild their lifecycle because it was clearly not working quite right. And I developed everything in Marketo. It was tested. They were about to complete the process and only then did someone on their team say, "Hey, if you change this one thing, it might break the finance system." [chuckle]

11:39 **Josh Hill:** So without knowing that, I might have gone off and done something that

would have brought down their finance system by mistake. Right? So it's important to have these conversations early enough so that you can take the right precautions. Obviously I stopped doing what I was supposed to do and asked them to start testing something.

Dora: Okay.

12:07 **Josh Hill:** Those are the kinds of risks you can get into.

Dora: Yeah. So where would you position the technology in an organization? Does it belong to marketing or is it sales or IT?

12:20 **Josh Hill:** Well, definitely not sales. [chuckle] Sales usually doesn't want technologies although that's... If you're looking into these things, there's a new category called Sales... I don't know what exactly we're calling it. Kind of Sales email automation. Some of these smaller companies let sales teams create trip follow-ups and you can do that in Marketo. But it lets the salesperson do it and kind of is geared towards the salesperson. We could have a whole conversation about that but generally something like marketing automation is going to be owned by Marketing...

Dora: Yeah.

13:00 **Josh Hill:** Or partially owned by IT. Very large organizations it tends to be owned by Technology or IT but strongly involved that someone like me or a marketing technologist would be heavily involved in kind of managing the day-to-day of the system. So it could be shared. Smaller organizations like start-ups, tech firms, some media firms... It would be typically be owned by marketing.

Dora: By marketing, yeah.

13:32 **Josh Hill:** Yeah.

Dora: And on what organizational level the decision is made to acquire this technology? Is it usually the marketing manager who realized that it's needed or higher C level decision?

13:54 **Josh Hill:** I think it depends a little bit on the organization. Usually the marketing manager and the director of demand gen. are the ones driving the purchase. Usually, CMO or VP is going to have to make the final decision. But the people who care are usually the manager and the director.

Dora: Yeah. And what are the... The reason why I'm asking is because, I would say a lot of things has to change in an organization to successfully implement this technology. So what kind of changes an organization has to make and has to accept to make in order to make this work?

14:37 **Josh Hill:** Yeah, there's been a lot written about that. Usually it comes down to what I was saying before. Marketing and sales have to become more aligned personally and at a process level so that there are clear handoff points, clear understanding of when a lead is handed to sales, what defines a marketing-qualified lead versus just someone we should nurture, what sales is responsible for when they receive a lead and how to communicate between the two. And that can start just in the CRM. You don't need marketing automation. You just create... You define those things, you come to an agreement and you communicate regularly about the number of leads, the events, the activities you're doing as a marketer and then sales through the CRM as well as your conversations gives you the feedback to say, "Yeah, that event worked" or "This is why we think it didn't work." And then you look at the data, whatever you can find out of the CRM to say, "Well, you didn't open any of the leads, how do you know it didn't work?" or "Okay,

that's great. We see you got 10 opportunities. How could we do better for you?" So once you have that relationship down, then you can start to automate portions of that.

16:04 **Josh Hill:** I think that's been my experience and I think that's been the experience of a lot of other companies. It can take a couple of years in some cases. And I think the challenge is in some places is really to say, "Maybe marketing automation, we're not ready for yet" and to not buy it until we've kind of resolved these internal issues. Anyway, I've got time for one more question, sorry.

Dora: Yeah. So by now, just how would you say how radical is the change in a one to five scale that the company has to do?

16:42 **Josh Hill:** How radical the change. Well, it really depends where they're starting from.

Dora: If they had no automation or system like this before.

16:52 **Josh Hill:** Oh. Hmm. Well, I think it would probably be a four or a five in that case. It's a pretty radical change for marketing to think about the tools to really go and be friends with sales. And sales have to be really comfortable with marketing too. I've worked in an organization where it turned out sales was not on board with the changes and even up to the very senior level. And it became a disaster. The project essentially became cancelled after years of work. So you really have to be very careful and it can be a radical change for people. Just in the way they think, not even in the process just to understand marketing can help sales and that they should be doing that. And...

Dora: Okay. Well, thank you so much for your time. I will let you go and have a really nice day.

17:54 **Josh Hill:** Yeah. Absolutely. Let me know how it goes. I'd love to see your thesis if you're willing to share it at some point.

Dora: Yeah. Definitely. Yes, and thank you, thank you so much. It was very valuable for me.

18:05 **Josh Hill:** Okay. Well, I'm so glad. Thanks for being patient with me.

18:09 **Josh Hill:** Thank you.

Dora: Alright. Have a great day.

R2, Byrony Seifert, February 23. 2016.

00:00 Dora: Okay cool, thank you so much. So I wanted to first give you a little bit of background what I'm gonna write about and what's the purpose of the interview. So basically to get a better understanding on why organizations implementing marketing automation, what are the advantages of this technology. Also it really interests me why is this technology getting more and more important? What is the changes in the landscape where marketing and sales is working? How's it now? How's it going to be in the future? I also want to learn more about the business transformation needed in order to successfully implement this technology in different organizations and I know that you have a lot of experience in this. So in the beginning, maybe you could just shortly introduce yourself and what are you doing, what is your area of expertise.

00:56 Byrony Seifert: Yeah, of course. So, I'm Byrony Seifert. I actually, what is my job title? I work for a company called TechTarget, so we are a B2B media publisher and what that means is we publish worldwide, a hundred and... I think it's 140 websites now,

something like that, for B2B professionals. So they come to our sites, it's free for them to be a part of our sites, and our sites help them do their job. So it's very technical oriented work, very B2B focused I might add, less B2C focused, even though I have worked in B2C, mostly B2B. My job is actually, I publish our French and German sites and then I am in charge of all delivery and list strategy for Aimia and APAC. So my job is to help clients with their actual delivery methodology. And lately a little less client-side focused and more internal focused to help, but as far as the Marketo and the nurturing goes I actually handle all of that.

02:17 Byrony Seifert: So I do meet a lot with clients to help them work through it, to help them understand what they should and shouldn't be doing. And our strategy for implementation of nurturing is a little bit different, meaning that we will do full service for a client, like a service agency, but we don't like to. It's not our core business, it's not something we make a lot of money off of. But we do it if a client needs it because it's better for us if they do have marketing automation. So mostly my job is to encourage them to use their marketing automation, to purchase it less and more to, I should say I talk less about purchasing it because most people actually have purchased it, or know, or want to purchase it. It's more like, "You can use this system you purchased, and here's how". And, yeah, that's essentially how and why I'm involved with it so much.

03:16 Dora: Okay, that's really cool. And since when are you working closely with marketing automation? Is it something that in the last few years or that it was always part of this company's profile?

03:30 Byrony Seifert: I... So obviously I'm from the US, although I've lived in Europe for five and a half years now. I started using marketing automation, or it started coming up when... I used to... I started a department at TechTarget called our Custom Department which is more like a... In Europe you would call it a bespoke department. Essentially we were there to create products that are out of the box to help clients with larger scale, more

creative type implementation. And one of the reasons, one of the things behind this was nurturing.

04:20 Byrony Seifert: So one of the things that we came across, this is like how long now? Seven years ago, eight years ago, seven years ago? Yeah, we came across it, meaning that clients were starting to engage with it a little bit more, to understating you needed to nurture prospects. We're like, "Well... " And with anything like clients, our clients are the slowest people for implementation possible, especially larger companies 'cause they just get caught up in themselves, they just can't move themselves forward a lot of times. And so we were like, "Well, how can we do this for them?". So we started exploring via Eloqua actually, we used Eloqua for the first year and we did all this in beta via Eloqua. And once we started doing supplementation with Eloqua we were like, "Okay well, let's actually make a product out of this, or at least let's come up with a strategy to help certain clients and just learn more about it". And so at that time we were introduced to Marketo, who was a newer vendor. And this was yeah, almost seven years ago, they had only been around for like 18 months at that point. And yeah, so we started using Marketo at that time and ever since then I've just been really involved with it, actually because as a product it wasn't like our best selling product but, as a discussion point in what I was doing in my job it came up a lot.

05:53 Byrony Seifert: And so the discussion in implementation and discussion of marketers and helping them know what to do or how to look at it or if anything just to let them know that they're not alone, they're not alone in the universe, came up a lot. And so I still have a lot of those discussions, I just had like three this week already. Yeah, it came up a lot recently in the last week for some reason. It goes in waves, but yeah, it's more like, "Hey, we know you need to do this. We can do it for you and help you figure it out, and then when you're ready, I'll hand you all the information and you can go do it yourself. We don't really care." Like I said, it's not our bread-and-butter business by any means, it's more that, "Hey, we know you need to do this because it will be a better

turnout and you'll be a better customer for us. Therefore, let us help you."

06:47 Dora: Yeah, that makes sense. Now I would really like to learn more about the, just in general your view about marketing automation. So how would you define it with just a few sentences?

07:04 Byrony Seifert: Marketing automation is... I believe it's a... I don't know, I guess you could call it anything, it's a service, it's a product. But I do believe it is a process actually, so it's a software obviously, but it's a process, it's the process of utilizing an online software tool to help you mitigate and nurture responses to a stage of engagement. And what that engagement is can be a variety of things, but yeah, that's kind of how I would define it.

07:42 Dora: Yeah, that's great. And what do you see the most important drivers behind this technology being more and more important for companies, and more and more companies are looking into implementing this technology. Like where is this coming from? Is it just because of the decentralization or is there something else behind it?

08:03 Byrony Seifert: There is a lot of things, I think there's two parts to that. One is that I think the thing that drives any technology is technology itself, so users behind themselves and engaging themselves further and further in their buying cycle. I don't need to talk to anyone to decide what I'm going to do until I'm almost ready to buy. And that goes with anything really, like the last phone I bought I researched the iPhone 6 for six weeks and finally decided on my color, and then I just walked into Apple and bought it. They didn't help me, they literally helped me for five minutes, but I made all the decisions myself, I researched everything online. And how do you engage with me while I'm making my research, how do you engage with me as I'm going through my buying cycle, whether it's my... It took me six weeks, it only takes people like three days. [chuckle] But it took me six weeks to go through an iPhone buy, all the way to a huge purchase, like my clients buy

these multi-million up to billion-dollar product sets or they have them to sell, that's like a year-buying cycle.

09:21 Byrony Seifert: So how do you nurture people through that? How do you engage with them? How are you always there for them without being in their face? Is like the first thing, because technology has advanced us so much that we don't necessarily want to engage with someone until we're ready, but usually it's pretty far down the buying cycle. And again that can be with any product really, it doesn't matter if you're B2B or B2C. So I think technology has made us self-sufficient and because of that, we as marketers need to help clients be self-sufficient whether they know it or not, we are helping them be self-sufficient. And that is something that's very hard for us to understand and hard to engage and hard to do, so marketing one of the tools that we need to help us with that to understand...

10:23 Byrony Seifert: Portion is how much sales and marketing are, can you hear me?

10:28 Dora: Yeah, yeah. It stopped for a minute, it stopped for a second, but yeah.

10:32 Byrony Seifert: There's a little flash there. The other thing that comes up a lot is sales and marketing and how much they work together now and how much they're interconnected, and so sales, marketing is part of the sales, they're an extension of sales, and more and more they are. So that change has led us to really have a benefit of just not being like, "Okay, I made something, here you fix it," or, "Here, you deal with it." It's more that, "Hi, I did something, and I created it and I put most of it together, you finish it now." Or even, "Hey, I finished it. Here you go." [chuckle] And that interconnectivity makes us need to be able to do these things more and more. And because we can't engage with the user right away and we have to get the most of the way there, we need tools like this to help us. And not just marketing automation, there's a lot of other things obviously in the marketing world that help with this, but this is a big part.

11:42 Dora: Yeah. So you would say that first there's a need for marketing itself, to work together and then this is a technology that can help to achieve this, or first comes the technology and then this is something that the marketing teams can offer kind of this to the sales team. That hey, this is what we have. We can provide you with all this information, all this data. We can give you quality leads, you can talk to people who you already know. So what is the order?

12:15 Byrony Seifert: Well, technology first and then...

12:18 Dora: Technology first.

12:19 Byrony Seifert: Technology leads to everything. And the merging of us needing to do more. So, yeah.

12:27 Dora: Okay. So what would you say is the main reason you would suggest for another organization to go for this technology?

12:40 Byrony Seifert: To purchase... Sorry, say it again.

12:44 Dora: To go for this marketing automation, why would you suggest to another organization, for example, that you have these challenges? Hey, this is marketing automation. You should do this because...

12:58 Byrony Seifert: Yeah. Well, usually it comes up when I'm talking with clients and they say, "Oh well, we got a list of responses, or we got responses from you." Because we generate active responses for clients a lot. And the number one thing that comes up is, "Oh, we called them and they didn't answer. So, sorry. It didn't work." Okay. I'm like, "I never answer my phone, so don't call me." Yeah. And the number one thing that we

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always talk about is like, "Okay well, what are you doing as an online nurturing to them? How are you engaging with them?" And they usually say, "Nothing."

13:42 Byrony Seifert: And that's the number one thing that comes up, is well, listen, it's a very active environment. We live in a very interactive and engagement world. We see how many ads a day, we download how many content pieces a day. And there's different stats everywhere about that. But you're not gonna remember one thing and, or engage with one content piece, and know that you're going to buy it. And that goes with anything, like a new lipstick, or [14:20] ___ or anything. You have to at least engage with it, or try it, or really work with it at some stage. And that requires a lot of messaging, and that requires multiple engagements with media and advertising of some sort. And so, when we talk to our clients a lot, I'll say, "Well, calling them and nurturing them is important. If that's your strategy for a follow up via phone, then you should know that the average calls that you have to make to reach a person on the phone is 10, it's 10 to 15." They usually don't like that answer.

15:02 Byrony Seifert: So I'll be like, "Okay. Well, instead of making someone call something 10 times, why don't you try and engage them further? Try and rank for your sales team the best order of engagement. And that requires email, that requires nurturing." And there are a lot of different tools and ways to do that, but you have to know that you probably have to get them further along yourself before you pass them off, if this is the feedback from your sales team. And it always is the feedback from the sales teams. Yeah. "I called them, they didn't answer. I don't like them." Okay. [chuckle] Good discussion. So yeah, that's usually how it comes up, is you have to be the multiple touch point before that person. It's pretty rare that unless you hand someone a product to try, and even a lot of times if you hand someone a product to try, they don't even try it. Like I get Birchbox every month, and there are probably at least 20% of the products I don't even try out of it. And it's literally handed to me [chuckle] every month. So yeah, it requires multiple touch points and media engagement in order to grab someone's attention.

16:14 Dora: Yeah. And what would be the most important function, let's say, of this technology for you? Or for the organizations that you are talking to? Like what is the main functionality? Is this that you can integrate it with the CRM, so you have a better understanding of the whole database, or is it more that you can use email, social in one place, and is it the behavioral tracking or which part of it?

16:43 Byrony Seifert: I guess that would depend whether you were gonna be able to say there's different ways of thinking about it. However, overall I would say that it's probably the collection of data and monitoring of that user. So it is best to be able to use in multiple functions and formats like connecting it with your social, connecting it with your website especially. Having all those touch points of that user, because that's the hardest part, is that you're doing all these other thing all over the place, and you can't connect the dots. Like the person could get to a buying power, but you don't know how. Like you're like, "Oh, they engaged with this one thing over here. That seems odd." But really they've done like three social touches and two website touches, and four campaign touches. And like that user is collectively looking at you, but it's hard to grasp and understand everything that they're working with unless you know. And I would say that the behavioral is really important, like being able to track and understand how to message to that user next is really important. I would say, to be honest though, that maybe 2% of the companies we work with actually get to that point, though.

18:04 Dora: Oh, okay.

18:06 Byrony Seifert: No one sets it up very well, or can set it up very well. And so, we're still... Even though we have a lot of people who haven't purchased, this is my number one thing, where I'm like, "Okay, well you're spending how much buying it?" Tons of people have it implemented, No one... Maybe, of every 10 people that have it implemented, one is using it. And one is using it pretty good.

18:33 Dora: Okay.

18:34 Byrony Seifert: One out of every 100 is maybe using it good. Yeah, so we're still in really infancy in understanding and actually utilizing it correctly. And that's gonna take a long time.

18:49 Dora: That's interesting. And how would you position this technology as just a simple question of, do they belong to the marketing department, is it IT, or is it more handled by sales? I guess out of his name, it's coming from marketing, but is it happening in companies that it's also the sales persons coming in, and have a user, and then maybe do the lead management part of it, or it usually sits with the marketing team?

19:24 Byrony Seifert: I would say it's probably both. It's funny because I think all three have to be involved with... And that's very similar to any IT purchase lately, is that all three do get involved. So, I'll give you an example, our Marketo set up for our internal use at TechTarget 'cause we... I have a... I was in marketing all morning, actually, setting it up. We have a pretty complex set up right now for our sales team for nurturing. And my manager happens to be the, also manage the sales team, right? So he's VP of Aimia, but he specializes in managing the marketing and the sales teams, right? So his interests are sales related. He has a sales number to hit. And I am setting up for the sales team, and so, we're presenting to them, and their interests are very important to me on how I present, right? But, the marketing team sets it up and runs it, because we know best on how to engage users, and do all the work, etcetera. But I had to have a really long discussion with my IT team, and put in a project because I want...

20:33 Byrony Seifert: My Marketo system isn't set up with Salesforce yet, and that has lot to do with the fact that we just got Salesforce.

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20:40 Byrony Seifert: So, I'm trying to have long discussions with them on, how do I connect the two together, and how do I best present what I'm doing into Salesforce for them? And our Salesforce set up just isn't there yet, to where our Marketo set up is, so I have to work with that, as well. But I'm having long IT discussions with them, right? So... And with my Salesforce team, which happens to be a sales department. So, there's a lot of different connectivity, and I think all three have to be engaged and manage it. Otherwise, one, you're not get the budget for a system like this, 'cause it's probably not gonna come out of your marketing budget. Probably come out of your sales budget. Mine does. Mine comes out of my sales budget. And, you're also not gonna implement it unless you have marketing involved, because sales can't do this kind of stuff, the engagement stuff. You have to have all three involved. Otherwise, it's never gonna work.

21:35 Dora: Makes sense. And, you already talked about this a little bit, but how does marketing automation affect the role of marketing and sales department, and their dynamic together? And, I'm asking because, for example, in the company that I'm working for, before implementing marketing automation, the marketing and sales team did not talk to each other. They had a separate database. It was running completely next to each other, and then now, suddenly, they're all working together, and then they have one long process, from person coming through a website until becoming a customer. And we have this whole view of one person going through the whole funnel. So, obviously, I saw that this is a big change in the dynamics between these two teams, but maybe it's not necessarily the same in other companies, where sales and marketing were initially working together. So how do you see this?

22:38 Byrony Seifert: No. I mean, you're right on the money. It's so funny you say that, because I literally just went through both databases. So, we just did an exercise where we went through our Salesforce database, 'cause our Salesforce has finally been setup. They put the database in. That was funny. So we pulled ourselves first database to marry to our database, to make sure we had cross... That, and we needed to know what companies

people were managing, and so we were going through a big clean up at the beginning of the year. And I think over half of our data wasn't in theirs, and over half their data wasn't in ours. We're like, "Wow. Wouldn't it be fun if we combined data. Wouldn't that be great?" So, yeah, trust me. You're not the only company that's... It's pretty... Probably very normal. Though, we work with sales a lot, actually, and we're very, very close. But, I would say that the one thing that... And we help sales mostly... Let me preface this. We help sales mostly on the sales front to help them with sales, to help them get a sale, because we have to do a lot of background information for them to get a sale. So, a lot of... Probably more like sales development type stuff, actually, is considered and classified into marketing. So, we do work with sales quite a bit, on that front, but I don't think that we were ever seen as people that could help them make a sale.

24:00 Byrony Seifert: Or hand them a sale until we started doing more automation in the last couple of years. So it was really nice to be able to be like, I handed you that person and they made a purchase and you wouldn't have known to call that person about that product unless I had handed them to you, unless I emailed them and told them. Like, they wouldn't have known, right? And the sales can actually full admit that, that like, "No, I would have never asked that person." So we can actually attribute our why to what we're doing as part of it and that makes a huge different and sales like is all about it. Like, until you can actually prove to them that you'll help them make money they can kinda be, you know, semi-involved and how we were engaging the users and things that we started to try when they started working and so their involvement and engagement is really important now and is I think only gonna grow the more sophisticated we get.

24:55 Dora: Yup. And then how would you say how radical is the change that an organization has to make in order to successfully implement this technology? Talking about strategy, structure, processes.

25:13 Byrony Seifert: A lot. It's a lotta work. I think that's the number one thing that

people, the marketers themselves... That sales don't understand, is how much work it is. That was funny, we just did a huge set up for the 2016 plan. We have a pretty robust plan this year actually with our marketing automation and we just did initial set up and I just turned it on this week funnily enough. And gosh, I was only one third of the people working on it, 'cause I do most of the complicated marketing setup, but like email stuff, we have an associate that does like all the kind of layout stuff and mark it up, and then all the email writing was done by my director of products. And I mean, between the two of us, we probably put in, for the first wave, we just did the wave one. I did like 120 hours of work. It's a lot of work, right?

26:10 Byrony Seifert: Especially when you're doing re-initial setup because one minor mistake can lead you back several days and that's hard, that's hard to tell people who aren't working on it. And so, I think that that's probably the hardest thing is that, and the thing, I think that is the number one thing that happens when people get an automated system, is they get into hour 120 and they are like, "I am so backed and I'm so screwed. [chuckle] It's not gonna work out." And so, just telling marketers, like you know what? It's okay to start from scratch 10 times [chuckle] because you'll get there and you'll be really happy. But it's fairly frustrating if you're the person doing it.

27:03 Dora: Yeah, and also about the process of like how to convince sales that, "Oh, this is going to be good for you. Now, you're gonna have to work a little bit differently but trust me, this is going to be good for you." Like, what are the, what can you list to the sales team or other departments that has to invest in this technology?

27:26 Byrony Seifert: I always start with sales teams listing the frustrations that they have. Like what if you didn't have to cold call people that you, that hung up on you or weren't interested? Like, what if instead of cold calling 10 people, I handed you one person that probably was ready to buy and/or at least you could have a good conversation with? And they say, "Yeah, that would be great." I'm like, "Well, listen I have an idea."

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Yeah, I mean that's mostly the idea is like, "Let me help, help me help you" mostly and that discussion, I mean, sometimes it can be a little bit different but it's taking 30 minutes to prove to them like, "Hey I... Here's what I think I can do to help you, if it doesn't work, you're no better off. So let's give it a shot." As far as budget is concerned that's by far the hardest part, right? Is trying it out and getting budget. I think that's why we get a lot of client who do it with us at least a couple times. And I do get a lot of clients who do it one-off or maybe they'll try it for six months and that's fine 'cause I think they do it and they prove that they can at a cost that isn't continuous.

28:45 Byrony Seifert: It's not part of a contract with them. It's not, they're not stuck on it, they can change things around, they can learn from it and they take those learnings back and they can go, get their own automated system then. And I think that's where most of our larger clients, actually it helps them because they kind of get a free start working out some of the kinks where they don't have to do the setup, they don't have to do the work, but they get to learn about it, they get to know how it is, how it works, what's [29:18] ___ and then get results that they can go back and show their team to say, "Listen, I did this, I spent part of my marketing budget to go do this and it worked really well, can I get the budget from the sales team for it moving forward?" And this is how it worked for the sales team now. So sometimes you kind of have to spend a little money in order to get what you need to do. That happens a lot.

29:44 Dora: Yeah. [chuckle] And how can you measure the results? Like, how can you say, "Hey, this is the number, this is what shows that this worked"?

29:57 Byrony Seifert: We do it through our output. We do a lot of it through scoring, and we do a lot of output scoring for MQL. Is this truly how we measure for our clients? How we personally measure in our nurturing is based on actual ROI. So we track it back to ROI. When we work with our clients we actually do it by a scoring algorithm to show them the MQL output and then we talk to them about how much money did you make or what's the

pipeline? And if we still have problems then we'll even help them with calling or confirming or pulling additional information that we have on our users to give them a little bit further background. But most of it is to work with them on an algorithm to say, "Okay, what are... " Usually to clients I say, "Okay, what are the seven questions? I'm gonna ask you seven questions, give me seven answers and we'll back up from there. What's your output in order to figure out how you're gonna set it up." That usually works the best way.

31:02 Dora: Okay, that makes sense, yeah. Okay, well, actually that's my last question. Is there anything else that you fee like adding before we end?

31:16 Byrony Seifert: No, I don't think so. I could read the paper I'm sure, or good project.

31:21 Dora: Yes, this was my first interview so...

31:24 Byrony Seifert: Oh, good.

31:25 Dora: So I was really nervous about it but thank you, thank you so much for the information and I actually learned a lot.

31:32 Byrony Seifert: Oh, good. I'm glad it helped. No, I was saying... Trust me, I did my masters in Marketing.

31:37 Dora: It's not easy and I just started on the journey, so... [chuckle]

31:40 Byrony Seifert: Well, good luck. [chuckle]

31:42 Dora: Thank you so much and have a wonderful afternoon.

31:45 Byrony Seifert: All right, thanks, Sara. Bye.

31:46 Dora: Bye.

Sonja: Hi

Dora: Hi, okay so first, I'm Just going to give you an overview of what the interview is about, then ask you a few questions. So the focus of this is interview is to get a better understanding on why companies use this technology marketing automation and also why is it getting important now what's changing in the landscape where marketing and sales is working, what was before, what is now what's going to happen in the future. Also I want to learn more about the business transformation needed in order to successfully implement this technology in the organization.

Dora: But maybe first you could introduce yourself, and what you're doing.

Sonja: My name is Sonja, I'm a costumer success manager at a little consultancy who specializes in marketing automation only. My responsibility is to make sure that our clients are trained and educated at using the platform the best way possible. The marketing automation platforms that we have both Loquat, Oracle's Eloqua and Oracle's Responsys is the two we are using, and this company that I work for is actually the leader in the Nordics for Eloqua.

Dora: Okay, can you also explain since when are you working with marketing automation?

Sonja: I've been working with marketing automation for about 3-3,5 max 4 years. I first started working with Marketing Automation as part of a company who implemented Marketing Automation and then I moved to the other side as they say, working for companies who wants to implement MA.

Dora: Okay thank you. Now I would like to learn more about Marketing Automation in general, so can you just define Marketing Automation with a few sentences?

Sonja: In a few sentences I would say when it comes to Marketing Automation the name says it all its basically automatizing your marketing by using Marketing Automation tools could go on explaining but…

Dora: I think we're going to get into the details later

Sonja: Its smart marketing in another way of saying it

Dora: And what would you say what impressed you the most in this tech. where you decided to work with it?

Sonja: I think its fantastic, I think its great that we went from batch and blast mentality of using tech. or marketing systems to ah, system that actually uses the contact person's digital body language to send marketing info out so I think it's a great way to move forward in the marketing area.

Dora: So one more question for Marketing Automation: what do you see is the most important driver behind the growth in this technology, where is this coming from, why is it getting more important?

Sonja: I think the most important drivers behind marketing automation are definitely the end customers we are becoming more and more aware of why and what we want to receive when do we want to receive it, and how do we want to receive it and companies are starting to learn this maybe the hard way and therefore they are starting to implement Marketing Automation

Dora: No we should talk a little bit about the current challenges that marketers are having, and in your case your clients are having and when they turn to you. What do you think are the biggest challenges marketers, or the companies coming to you have or face in 2016?

Sonja: I think their main concerns are reaching the right target at the right time, and finding a tool that helps them to do this I think the biggest challenge they find inside their own organizations is implementing it within the ORG. so maybe they have heard of this new and fancy Marketing Automation tool, but the employees are not ready to implement. it. so their challenge is come after they decide to go for a new tool.

Dora: a lot of times generating high quality leads is listed as one of the most important challenges marketers are having right now, are going to have, because they have to more and more contribute to the sales funnel. what's your view on this, and what's your experience with your clients? Is this the case for them? or they are coming with other issues?

Sonja: we see different approaches to this: you have clients who are focused on using the LPS tool there is a possibility of using the LPS tool for example in the Marketing Automation platform that we are using witch actually ranks the client as a high quality lead or potential lead and so on. And this can actually be integrated with the sales dept. so that the sales dept. gets the highest and best quality leads to call up.

Sonja: Some companies are implementing these others are having challenges implementing it, or don't have an LPS or yet on their platforms, which is a shame because there is the possibility and I think they should have it. if they want to improve their sales. in this Marketing Automation tool at least the ones we are using actually can help you create or understand which leads are good quality leads.

Dora: And what is this based on, is it website behavior, or there are other aspects of it, or it depends on the company itself?

Sonja: Its combination of whatever the comp. defines the client defines, what they want to measure on, it could be website behavior, its all the digital body language, its email interaction, clicks, website visits, purchases, or online history, social media interactions, its whatever the client defines. its different form client to client.

Dora: now let's talk about that about your experiences in implementing this tool in different organizations, so what is the you already kind of had this area but, what is the main reason orgs are going for this tech.? so they must have some big problem first before they even go and search about what can I do with this, and than they find Marketing Automation?

Sonja: yeah I think clients are realizing the importance of Marketing Automation because as I said they are they cannot really measure their Return on Marketing Investment with the old methods they used the batch and blast approach. it doesn't help, or gives satisfied

clients and they probably also hear it from their own customers that people are complaining for being spammed or receive info that is not relevant to them, or receiving info to often so definitely I think it takes some time for companies to realize that but we see a change like for instance my company has been there for 9 years now and in the beginning not many people knew what Marketing Automation is. And I knew about it long ago. But just a few years ago it started picking up significantly. People started to slowly realize the importance of having a smart tool to target your customers.

Dora: What kind of companies do you think Marketing Automation is suitable for? Is it only an enterprise solution, or is it for everyone?

Sonja: Its for everyone, we have both enterprise clients, well more like B2B clients, and we also have B2C clients, both can use it of course. We even have clients who use it other than B2b or B2c, they use it as internal communication. Where they create flows for the new staff that has to go through a certain amount of emails so that they can make sure they know what the company is about. So there are a lot of possibilities for this tool.

Dora: what are the most important functions of this technology for you? In your opinion.

Sonja: If I had to list 3, the LPS, the possibility of having an LPS is important, the possibility of segmenting, filtering your contact list based on their digital body language, and for ex we can create filters based on whether they opened, or didn't open or clicked or didn't click, or visited a specific website, or were part of a specific flow, or not, exclude or include these and so on. To sum up, then segmenting, the LPS and the possibility of creating automatic flows / programs - depending on what the software calls it. It can follow a contact's life time, lifecycle flow, activation flows. These are really important

Dora: Thanks, if you need to mention risks, or disadvantages of this tech, what would you say?

Sonja: If you ask some clients, they would probably say its expensive, it is a big tool, it is indeed expensive, but there are a lot of possibilities in it. It might cost a lot of money, but the return is greater then the cost. And a risk could be that its still left to the individual users to learn how to use it properly, so they can take the best advantage of the tool. instead of just spamming and mailing people, or using it as batch and blast still. Because you can still do that with an expensive tool.

Sonja: Unfortunately. And some people do this.

Sonja: Its hard to change their mentality

Dora: This is interesting, my previous interviewee also mentioned this that some people use for ex. Eloqua and they are using it as if they would use mail chimp.

Sonja: Exactly

Sonja: Segment, email, segment, email, done.

Dora: Yeah

Sonja: Shame

Dora: And how would you position this technology, would it belong to marketing or is it cross-functional or sales, IT?

Sonja: I think its definitely cross-functional, there is a lot of IT involved if you integrate it with CRM, or with your company's CRM system, there is marketing because marketing is responsible for creating the emails, LPs or forms, and there is also maybe a sales aspect to

it because you can actually create emails that are sent to sales based on specific client's behavior, contact behavior (body language). So its definitely cross functional.

Dora: And what organizational level does the decision of acquiring this tech has to be made?

Sonja: I think it probably starts at the ground-floor, at the individual marketer's desk, but it ultimately purchased by the big bosses, and top management, so I guess it is first the marketing department that notices that there are problems with their leads or its maybe customer service who gets a lot of complaints, so these people probably flag it for top mgmt. and then based on this they take the initiative.

Dora: yeah

Sonja: They are the ones responsible for the budget

Dora: How radical of a change is needed in order to implement this technology? If you want to have the full package? Company strategy, processes, the comp culture, everything

Sonja: You definitely have to be ready for change, in the mentality of the people using the tool, or in the mentality of the people who do marketing, because they are used to batch and blast they are used to the old system. Its always hard to get used to a new system. I also had this experience in my previous job, where a company implemented Responsys, as the new marketing tool, and I had to train employees around the globe. I was always met with the response: OH it was so much easier with the other tool...

Sonja: Yes, but it was also so much simpler, and you could do so much less, now you have a smart tool, and its about changing people's mentality. But you also need to change the whole company's strategy in marketing. It has to be more automation focused.

Dora: And who's responsibility is it to convince these people because you have to convince these people oh this is going to be good for you, it seems like a lot of work, you will have to change the way you work now, but how do you tell these people: you need to do this, in order to move forward?

Sonja: It comes from top management. I experienced before, even though it comes from top management you will still have people on the ground floor who are complaining and are whining about their good old previous tool. So its top managements responsibility to make sure that employees are aware of this tool, that they know why we are using and implementing it but at the end of the day its the individual person who is either going to be stuck in the old system and the old ways, or not.

Dora: How is it changing the sales and marketing relationship? in a lot of companies, sales and marketing work completely separately…

Sonja: Yeah they might even hate each other…

Dora: If you want to use this tool these two departments have to work together. How is this possible to achieve?

Sonja: They have to be aligned, and you have to have the sales manager and the marketing manager talk together to understand what are the possibilities with this new tool, what is it doing for us, what is changing with it.

Sonja: Everyone knows that marketing complains that sales is not following up with the leads that marketing creates, and sales complains that they are getting crappy leads. but with this news tool, and especially if the LPS core is used you actually can send good quality leads to follow up on. And those should be prioritized in sales. Than its the sales

manager's responsibility to tell their team that those leads get priority first. than its again at the individual level if the guy or girl is going to follow up, hopefully they will do their job. these two departments definitely need to align and work together.

Dora: Ok, and how long does this take? Basically marketing and sales have to change all their processes they have to come up with a new business strategy. How long does it usually to for it to start working, so they can just enjoy the flow of leads?

Sonja: It probably takes at least a few months, if not half a year and sometimes it requires a change of personnel. Companies will probably change their departments in regards to employees because they can see that its not really working. its really hard sometimes to change people's mentality to make them adapt to the new tools. hopefully with the newly educated marketers out there they only know Marketing Automation. They are born into automation unlike the old-school marketers who are batch and blast stock.

Dora: And then just one more question here: how can than the platform, the Marketing Automation tool prove that its working, what are basic KPIs here?

Sonja: They have their own return on marketing investment measures: how much it cost to set up this campaign, did it require different agencies or not, did they do the website themselves in the Marketing Automation tools itself, or did they have to use an external agency to create the website? how much time did they spend on it, and did it result in the expected interaction with the customers, or purchases or whatever their purpose was. they can clearly see that from the tool. both tools we work with have good reporting, very detailed reporting actually where you can see the marketing return. or return on marketing.

Dora: Okay I see, is there anything else you would like to add?

Sonja: I think its a great area to focus on and I think we definitely see a change in the Marketing Automation environment whereby there is more and more people jumping on the bandwagon, if you call it that... We have completely different clients, both very-very B2C focused and B2B focused ones, it goes throughout all industries. it means that people are starting to see the potential in the tools, it serves them a purpose, and that is why they are buying it. Its the way forward.

Dora: That's great, and yes hopefully that's the case. Okay, thank you so much for your thoughts and time!

Sonja: You're welcome.

R4, Emma Strobacka, March 1. 2016.

Dora: Can you please briefly introduce yourself, what is your area of expertise?

Emma: My name is Emma Storbacka. I graduated in Economics in Helsinki, I have a masters' degree in Marketing. I have been working as a strategy consultant in Finland and after that for the last 3 and a half year I am working for a company called Avaus. Avaus is a Customer Engagement Agency, which means we are a marketing agency working with data and technology for marketing, where marketing automation is a very central part of it. I work with Marketing Automation especially in a B2B point of view, but I have quite some experience from the B2C side. I mainly work with large manufacturing industry companies trying to form their marketing, marketing automation amongst other marketing tools. I am actually also pursuing a PhD, so I also have an academic interest in the topic.

Dora: How would you define marketing automation with a few sentences? What does it mean to you?

Emma: I would define marketing automation as a set of business rules and processes aiming at maximizing the output of marketing using smart technology and data, in a multichannel environment.

Dora: What would you say, what impressed you the most, why did you start working with this technology?

Emma: Personally I'm very interested in digitalization. The world of the marketer has really changed so before especially B2B… So what has happened in the market place is that consumer and B2B buyers their consumer journey is changing and being more and more focused on the online sphere, so people are no matter if they are buying shoes or cell phones or even power plants, a big super complex product, but even they are looking for information online. And that means that online is becoming more and more essential for the marketer's success.

So that means that a lot is happening in the demand of marketing and also marketing's role is becoming much more sale driven, marketing is not about doing nice videos or banners or just creative advertising, but its becoming measurable, and a really critical part of the business. And that's why I wanted to be involved in that, and also to research that, in the academia there is very little written about marketing automation as you might have noticed, so this is also why I want to contribute to the academics. And it is very relevant to what marketers are actually doing today, working with.

Dora: What is the most important driver behind the growth of this technology? Why is it becoming now more and more important?

Emma: So there is a couple of reasons for that. One reason is the demand side, that customers are increasingly looking fro information online and that means also that companies are need to be more adapting and they need to understand what happens online. That's one side.

On the other hand, what really helped the development of this area this quickly is the fact that... the availability of data is the first thing, so we have the opportunity to collect data on our customers on a much greater extent than before, then the second thing is is the availability of both cheap and user friendly software, which basically the enable of the technology, so because of the development of the cloud, it's not that expensive anymore, it much more user friendly, you don't have to be a developer to be able use it, as a marketer you can do your automated campaigns, programs and do the tracking, and set up thing that are quite complex. So if you look at Amazon, Amazon is known for their great personalization and triggering and automated campaigns, but they have a lot of developer working on it, making it happen and today most companies can afford to have a system that can enable them to that. Any can company can have this technology and use it for their benefits. This definitely a key driver... the availability of data and the availability of user-friendly software.

Dora: What do you think are the biggest challenges that marketers have today? What are the challenges now, maybe that they did not have before?

Emma: Connected to Marketing Automation?

Dora: Digital Marketing in general, and of course also connected to Marketing Automation and how maybe this technology can help you overcome these challenges? If they can

Emma: I think the biggest challenges marketers are facing is that all of a sudden you have to think a very different way. So marketers are typically not used to being measured, most

marketer only have a budget and costs that they never had to provide any revenue and that is something that kind of a sudden is demanded, for marketers to contribute to the revenue, that has to change both the mindset and how you do your job, also managing and coping with the pressure, so marketers are not necessarily used to being under pressure in the face of the organization. Also having them work with data, to optimize, etc., something that is now required from marketers, so a whole new, or different set of skills is needed. That's kind of an overall challenge, then of course learning the new processes...

Dora: Generating high quality leads is usually listed as one of the biggest challenge marketers have to face. Something they did not provide before, how marketing automation helps you generating more high quality leads?

Emma: So Marketing Automation can help you to qualify your leads. Before for example if you had a complex form on your website, then usually there is a lot of different leads are coming in, some students, and there might some really valuable sales leads and it is really difficult to tell the difference. And marketing automation can help you, you can score leads and track their web behavior, and identify what they are really interested in and if they are really interested in. And this way marketing automation can make sure that you don't send all of your lead directly to sales for example but rather nurture them, to make sure that they are actually the right people you want send to sales.

Dora: And what would you say what is the most important functionality of marketing automation? Maybe for a company that you are working with, what do you think what is the most important part of it?

Emma: I think that depends very much on the company so if you are B2B being able to track the web behavior would be probably the most important stuff, if you are B2C, might be the fact that you can do triggered campaigns because triggering at the right time might

be much more important for B2C, for example let's say imp looking for a type of shoes, then I might buy that shoes in the next hour, while if I'm looking for power plant, I'm not goanna buy those power plants in an hour or day or even year, so for a big company it might not be that essential to be that agile. So that really depends on the industry you are in. (12:30)

Dora: (12.47) And personally for you, what's your favorite part of it?

Emma: I think my favorite is really the web tracking. I think it provides so much insights into so many things... That's because I use MA myself for collecting data. So that's why I found it to be the thing that I value most. in my work, knowing what our customers are actually doing that's... So yes, I would say that is the one that I personally feel the strongest for.

Dora: okay, cool, thanks. If you need to mention risks, disadvantages, regarding using this technology, what would those be?

Emma: Disadvantages, well its hard to learn, so I mean its, I don't see there being so much risk or any risk coming from the MA platform itself per-say, one risk that companies have is that they don't resource and plan well enough so they kind of just get the technology, but they don't ensure that they actually get some value out of it. I think that's kind of risk wise one of the bigger issues.

Dora: yeah that's okay...

Emma: but of course you know marketing automation will never replace the work of a human being so, but I don't think its a risk either, that companies think that that will be the case. I think its rather the other way around, they often don't realize the value of the online dialogue.

Dora: okay, and how would you position this technology, where does it belong? does it belong to the marketing department, or sales, or IT?

Emma: typically, it belongs to marketing. in some cases, if you have an IT department that is pretty forward thinking and not very traditional, then it can be the IT department. and in some cases its with sales. but I think that would be the most uncommon case.

Dora: and especially in the companies you are using, its mostly sitting with marketing, but employees form sales and IT might have accounts in the system, so they manage part of it, for example sales might manage the lead management part of it...

Emma: yeah yeah, everyone needs to be involved, but the owner is usually in marketing. and I think that's the it should be as well.

Dora: yes. on what organization level is the decision usually made to acquire technology like this?

Emma: definitely not on the highest level, I think its usually around the 3rd tier, depending on of course the size of the company, but the companies that we are working with usually are fairly big global companies, so marketing automation is not a top management issue. even tough it should be, but the next tier, division management are usually the ones that are involved.

Dora: and, um, what kind of changes does the organization face, or has to go through when they decide on acquiring a technology like this? if they have never used it before.

Emma: well typically one change is that marketing usually is a project organization, and once you start working with these tools, it has to become a process organization, so instead of having marketers that are divided between campaigns, areas or product lines or something like that, instead of that you have someone taking care of the early funnel, and someone the late funnel, and someone doing analytics, someone content. for all of those aforementioned marketers. so it becomes more of a you know specialized organization instead of marketers doing the same things but for different areas.

Dora: yeah, so what do you think, how radical is this change?

Emma: Very big...

Dora: Its very big right? As I understand, they need a new strategy basically, and ...

Emma: And a new organizational model. New strategy, new ways of working, new budgeting methods, new KPIs. It basically means doing quite a big transformation of your marketing department. And sometimes also your sales, so that they have the capability of taking these leads and doing something with them. If you don't have that its going to be

very difficult for you to have any success with marketing automation. So, yeah, that is surprisingly complicated to find those people to make these transformations.

Dora: So yeah, how do you think this affects, marketing automation affects the dynamic between sales and marketing? The way they work together? From here on out they have to work completely together....

Emma: Yeah they have to partners together... The kind of divide between marketing and sales becomes less visible, and some cases even smash these two functions together and call it for example Revenue function. So ash not taking into account any of... Marketing becomes just the top of the funnel and sales the bottom of the funnel.

Dora: Yeah, so there are basically 2 departments that have to change. Change strategy, and structures and processes, how can you convince these people, that they should want these things, and they need to do these changes because it is going to be good for them?

Emma: Usually its done with the results I think. That's the best way of doing it. Of course you can show them PowerPoint slides, and show them that this is how it should be, but either piloting yourself, of researching and seeing what someone else has achieved would also be methods...

Dora: What would be good selling points for sales?

Emma: Well, decreased cost per lead, or cost per sale, and then of course being able to spot leads much earlier in the buying cycle. When running a pilot, it becomes obvious pretty early pretty fast, if it really makes sense...

Dora: And you mentioned that you could convince people with results, how can you measure the ROI of marketing automation?

Emma: Well ROI is quite easy to measure, you just have a look at your current bottom sales, or your current revenue, start running marketing automation, and see if you are getting better results. Either on the cost side, or on the income side. That's pretty straightforward. Typically, its quite important that you have some kind of control group, so for example you don't nurture all of your leads, some of them you don't, so that you can afterwards say: these leads that we did nurture are X percent likelier to convert into

clients then those we didn't nurture. Its important to set this up also as soon as you are starting, or planning your marketing automation implementation.

Dora: Okay great, and my last question: I asked all my interviewees. Could you please grade on a 1-5 scale how radical this change that is required is? The implementation across the organization.

Emma: 4, maybe, complete transformation would be the next step, when computers can do much more of the reasoning, behind what content we should show to whom, at what point.

Dora: Yeah

Emma: But we still have to have people to decide that.

Dora: Okay, well, thank you so much for doing this interview with me, especially on your way to the airport, it was very helpful.

Emma: No worries.

Dora: Have a great trip!

R5, Gary Stewart, February 24. 2016.

00:01 **Dora**: Thank you. So the purpose of the interview is to get a better understanding on why organizations implementing this technology, marketing automation; what are the basic advantage of this technology? Why is this technology getting important now? What change in the landscape where marketing and sales is working? How is it now? Where is it going, in your opinion? And also, focusing a little bit on the business transformation that's needed in order to successfully implement this technology and organization.

00:35 **Gary Stewart**: Okay, okay.

00:37 **Dora**: But first, it would be really great if you could introduce yourself, and what are you doing, and what are your area of expertise?

00:44 **Gary Stewart**: Oh, okay, so I am, as you probably know from my LinkedIn profile, at the Account Executive level with Oracle specializing in sales and marketing, but obviously, considering my background, mainly marketing.

01:03 **Dora**: Yep, that's great.

01:05 **Gary Stewart**: Okay? So that's what I do. And I'm pretty passionate about the topic, and I had my own application, which was also kind of like a sales marketing application, and then, obviously, working with Marketo; and now, with Oracle, really, at the next sort of level in terms of what you could really achieve with marketing automation. So obviously, what Marketo had was very good, but this is really at the sort of the next level in terms of not just B2B, but also B2C, and just being able to do things at a much, much bigger scale. So I'll tell you about that as we get into, maybe, the interview and the different questions that you want to ask me. So this is for a Masters, is this?

01:58 **Dora**: Yes, exactly.

02:00 **Gary Stewart**: Okay, okay, Masters in Business Administration? Or what was it again? Oh, marketing automation.

02:05 **Dora**: It's actually Innovation and Entrepreneurship, but the program is really open, so basically, I chose this topic because I'm working close to this, and I just wanna learn more, and I think that really makes sense for me.

02:19 **Gary Stewart**: Oh, okay, okay, so it's for your career as well?

02:22 **Dora**: Yeah, yeah, so I'm basically doing a little bit more marketing automation task for Falcon Social now.

02:28 Gary Stewart: Ah, very good, very good. And obviously, you know I told you that solution, right?

02:34 Dora: Yes, exactly, and really, everyone liked it. Yeah, and we just actually acquired... Not acquired, but started using Salesforce, so we're really excited about getting the integration, and then, see the additional function, which is that we can have.

02:52 Gary Stewart: No, you'll be able to do an awful lot of stuff there. Obviously, I won't be able to say too much about how great that solution is 'cause I work for somebody else now, and I'm actually in the office here, so I think I'll be getting some strange looks if I start telling you how great Marketo is.

03:10 Dora: Okay, it's a bit nervous but Marketo is... It's about the topic itself, and the technology, and how great that's... And so...

03:16 Gary Stewart: Yeah, I understand. Yeah, yeah, no I know what you mean, I know what you mean.

03:20 Dora: Yeah, so now, I'd just like to ask a very basic question in marketing automation, in general, and how would you define marketing automation with a few sentences?

03:32 Gary Stewart: Okay, well, I actually think if there wasn't such a thing that was called "sales automation," that marketing automation would actually be called sales automation because more and more, it's about the marketing technology going into the sales pipeline, which of course, traditionally, was managed by sales people. Marketing was just sitting at the very top and around, sort of on the outskirts in terms of design and branding, and trade shows, and these sort of things, but now, marketing has really become responsible for driving sales within the organization. Not just for the first half of the sales

funnel, but throughout the whole sales funnel. So that's how I would describe marketing automation. It is really the new sales automation. It is sales automation in the true sense. Sales automation, which is traditionally associated with CRM is not true automation. It enables you to put in process, but marketing automation enables you to communicate at scale and genuinely automates sales processes to actually... To drive revenue especially when you have a large number of customers that you're trying to communicate to.

05:05 **Dora**: Yep, that's great.

05:06 **Gary Stewart**: So it's sales facilitation software. That's really the way I see marketing automation.

05:13 **Dora**: Yep, thank you. And what do you see is the most important driver behind the grow of this technology? Where is it coming from? Is it all about digitalization? Or there's other drivers behind it?

05:25 **Gary Stewart**: So what was it is that you said, is it all about?

05:28 **Dora**: Digitalization? The digi... You know, the...

05:31 **Gary Stewart**: Yeah, you know, what's driving it, primarily, **Dora**, is really... And we see this again and again and everyday in terms of talking to different sales organizations, it's the way that people want to buy. And initially, it was, maybe, for larger purchases; but now, even for smaller purchases. People want to go online more and more, and do purchase online more and more, and if they get marketing material, they really want it to be very, very personalized.

06:06 **Dora**: Yep. So you already mentioned a couple of challenges here that marketers are having nowadays. So what would you say are the biggest challenges? And you can also say

examples like you hear from customers, from your previous experiences, what are they saying? And also how is marketing automation comes into the picture there.

06:31 **Gary Stewart**: I think it's an exciting time for marketers because there is such a huge focus on marketing automation. I suppose the challenges that they face is, from what I'm seeing, is it is a technology and that does involve a learning curve. So I would say that in terms of the challenges of actually just changing with the way that the world of sales and marketing is changing, that's probably a big challenge is to come to terms with the new way of doing business and the way that their role has changed. But really, I suppose the biggest challenge that they have internally, especially the more educated ones like your colleague. I've forgotten his name now. Very smart guy.

07:21 **Dora**: Jesus.

07:21 **Gary Stewart**: He understood of course, the value of market automation, but it's really getting the buy in from management, from the boards of the organization that marketing automation is going to genuinely have an impact on revenue. So it's just actually helping them with the business case to make to the business. And is often a challenge for, also as a supplier, but also for the internal marketer.

07:54 **Dora**: Yep, yeah. Totally makes sense. And also what I read about a lot is how is this technology helping generating high quality leads and that's what's getting more and more important from the marketing department.

08:09 **Gary Stewart**: Absolutely. And that's going back to sort of what I was saying at the start. Marketing now is more and more involved in the sales role, and they are actually becoming responsible for driving X percentage of quality leads to the business that are accepted by the sales team as qualified leads, but then also turn into business. So marketing is more and more getting pulled in to the revenue gain. So talking about being

responsible for revenue figures and deliverables in terms of their high quality leads to the sales team.

08:47 **Dora**: Yeah, exactly.

08:49 **Gary Stewart**: So is that a challenge? That is one way of looking at it because again, that's not the way it always was. So often in a lot of businesses that I talk to, it's more about just generating leads, whereas now it really is about quality leads. So using the [09:07] ___ that they have to generate high quality leads, not just a number of leads.

09:13 **Dora**: Yeah, exactly. And so you already mentioned a couple of things about this, but what do you say what is the main reason organizations turn for this technology? So is it generating more and more people to get the database bigger or to connect with the CRM or behavioral tracking? What would you say?

09:37 **Gary Stewart**: There's many reasons. So really that there's so many different reasons that you can have to invest in a marketing automation system. If you look at a system like HubSpot, it's all about just getting new names into the system. And if you look at Marketo or if you look at Eloqua via the Oracle solution, it's about getting those new names. So it's about the inbound piece getting the new names, but also then nurturing and taking those leads through a process or through a journey until they're ready to be sales qualified and then taken through a sales process.

10:14 **Dora**: Alright. So what is the, if you would have to say one, what would be the most important functionality for you?

10:24 **Gary Stewart**: I would say the most important functionality... It depends if it's B2B or B2C. But really, in a B2B environment, it's about getting more leads, so increased leads, but also that there are to make sure that those leads that are coming in are also high

quality leads that turn into sales qualified leads. But the B2C market, it is about really personalizing the actual journey that the customers are on. So if you think about it, like the Amazon model. So if you purchase something, making sure that you're actually... You're upselling and cross selling them according to that person's digital signature, and the way that they behave online, the types of things that they're interested in. So I think the best way to look at it is the ones that are best known for doing it really well are Amazon, but also other companies like Vistaprint.

11:36 **Dora**: Okay. That's great.

11:38 **Gary Stewart**: Does that answer your question? It really depends on the business obviously, but those two reasons are typical. Like I said, a B2B example, the first one and the second one, the B2C example. And that's why, just to maybe expand on the B2C example a little bit more, what's really happening in the B2C market when you're dealing with large amounts of data is the absence of DMPs. I've forgotten what DMPs stands for but basically it's the ability to take data from lots of different systems, analyze this data and turn it into something meaningful that you can use to help to you generate more revenue. Kind of like the Amazon model right? So somebody bought... For example in... One of our customers they sell a barbecue so the fact that they sell barbecues there's also other products that go with that so these customers will receive an offer for the other products that go with the barbecue that are... And also other things that customers bought that also bought a barbecue.

12:52 **Gary Stewart**: So that's what's happening in terms of them... The analysis of the database and getting big data, different data sources together and to be able to deliver something that's of real value to the business that can ultimately turn into revenue. Does that make sense, **Dora**? Or am I being too high level?

13:15 **Dora**: No. It does make sense and this has a very close connection. And I would

really like to hear your opinion about that as well... The way that customers are now collecting information and the fact that they are entering... They're actually just getting to contact with the companies just like very end when they actually already made the decision... They just need kind of a reinforcement that they actually want to buy.

13:44 **Gary Stewart**: Mm-hmm. Okay so you're... Are you asking me how are our companies typically collecting data to be able to market to their...

13:52 **Dora**: Yeah.

13:53 **Gary Stewart**: To different end customers in new markets.

13:54 **Dora**: And also what kind of things they can do in order to get more and more people... The point without actually talking to them directly... To go to their website and purchase.

14:08 **Gary Stewart**: Okay, okay. So first of all just the easy answer is how to get more... So the traditional way that it's done and the more basic way that it's done as typically done by HubSpot or also Marketo is that you basically put together a really strong content strategy right? So a strategy initially... That is where you have content that is general and that will interest the masses so it will interest people in general but then as you pull them in... So hopefully with that content you'll get their email and then you can start marketing to them based on what you're learning about them and create different nurturing streams to again... 'cause like I said earlier it's not just about getting the names.

14:57 **Gary Stewart**: It's about turning those names into revenue so the actual process involved in that. But in terms of getting new names... Obviously there's the way... Strong content but upfront and personalization. So anonymous and personalization is also really important so if you look at what Marketo has in terms of their OTP tool. So where

customers just come to the website but based on what sector they're from, based on what country they're from, you can already create a personalized journey. So that's really about getting those new names in and trying to get more new names for your database that you can market to. Now but the technology is moving on from that and so that's one way of doing it.

15:50 **Gary Stewart**: Another way of doing it is to use tools like I mentioned earlier on, a DMP tool and in this case I'm talking about, I suppose, the Oracle tool specifically which allows you to communicate with people outside of your database that look like the people that are in your database and you can buy this data. But when I say you buy this data you don't buy email addresses 'cause that's illegal but what you can buy is the digital signatures of people and these people, even though they will not get direct correspondence, different marketing channels can be used to communicate with them. And in this case I'm talking about a product called BlueKai.

16:38 **Gary Stewart**: So imagine you have customers that you want to communicate that are rugby fans that live in Ireland and are of a certain age group and have a family, for example. You have a product for that group. So what you can do is... Is you can actually say, "Okay this product group is very lucrative for us so we're actually going to use other data sources from other companies that are not competing with us but we know from these other countries who have this information of people that we don't have in our database." So we're talking about third party data here that you can then communicate with and basically market to on a much bigger scale than if you're only using your own database.

17:25 **Dora**: Yeah. Wow that's great.

17:27 **Gary Stewart**: Yeah so that's obviously really powerful technology. That's the technology that's owned by Oracle called BlueKai.

17:39 **Dora**: That's amazing. Thank you so much.

17:42 **Gary Stewart**: No not at all. Not at all.

17:45 **Dora**: Now let's talk a little about implementing this technology in an organization who didn't use it before. What kind of changes does an organization have to go through while acquiring this technology and now I'm talking about the company strategy or a strategy between marketing and sales, structures, processes, how radical is this change and how do they do it, basically?

18:17 **Gary Stewart**: Okay, so with any change that's involved with this level, really the higher level of buy in that you get and the more chance of success that you have. So you really need... Like the amount of complaints that I've come across that are only using marketing automation, like a MailChimp type tool is unbelievable. So you really like... To get the full benefit of marketing automation, you need it coming from the top. So you need to say, "Okay, we're going to change our sales and our marketing processes. And what our marketing department does today is going to be fundamentally different to what it does after we implement the marketing automation system."

19:05 **Gary Stewart**: So really, the change that you need first of all, is just the change needs to be driven from the top, but it's going to involve at a business level, a business strategy. And that business strategy needs to be very, very concrete and in terms of how they're going to use the marketing automation platform to actually drive that strategy. So what I always ask new potential customers first of all is, "Okay, what is your strategy around marketing automation?" And then, once they have their strategy, then it's a question of getting the different stakeholders, obviously the marketing department, but also the sales department, aligned with what the business is trying to achieve. So, in terms of the changes that are involved, they're quite drastic and... And I think you probably

noticed yourself, it's not just like you switch on the system and straight away you get results. It takes about six to seven months really before you actually start seeing the benefits from implementing a best in class marketing automation system.

20:22 **Dora**: Yeah, that is really true. And most of the times, I guess and correct me if I'm wrong, these technologies coming from the marketing department and then they go to sales to, "Hey, let's do this together because it's going to be good for you." Is this the case? I guess you have more experience in it.

20:48 **Gary Stewart**: Yeah. No, I would say, it's a project that is typically driven by the marketing department getting by and probably first, through a COO or a CEO and then pulling in sales later on. But most of the conversations that you will have in terms of implementation and what's going to be involved are for sure through typically a marketing manager or a marketing director and then a CMO.

21:24 **Dora**: Yeah, right. And then if you would need someone, maybe you do for your work to help the marketing department to actually convince the rest of the business and especially sales to work together with them, what should they list, how to sell this to the rest of the organization?

21:46 **Gary Stewart**: Okay, so if you're talking about selling it internally, it's like what's really going to what... The reason sales are going to bite the hand off you and say, "Look, let's get this implemented because people don't want to buy the old-fashioned way anymore." Sales always want more quality leads so when you show them typically how the technology is going to help achieve this objective 'cause ultimately, marketing, as you know, is about getting more channels, right? So what marketing automation is doing is, giving you more channels and more marketing channels means more leads. And then also using a scoring methodology to actually make sure that they're quality leads means sales is going to get... And the research shows this, not only more leads but also better quality

leads.

22:36 **Gary Stewart**: And they're going to be able to have through the insights that the marketing automation system is going to give them, they're going to be able to have better, warmer conversations with prospects. So once the business has decided to do it, there is very little kickback from the sales department. Sales people, they just want more quality leads so if marketing is coming up with something that will actually show that, then for them that's fantastic. Sometimes, it can mean that people get fired because if you have people that were maybe responsible for generating leads, a marketing automation system if you have a team of 20, can probably do the equivalent work of half of them. Just as an example, so you might end up saying, "Well, we don't need as many people." But hopefully, they would be promoted or you'd have something else for them, but that may be some resistance that you could get maybe somebody being a bit selfish, but that really depends on the business or the sales leader, what way they think. But generally though, I would say you're not going to get much kickback from sales. Is that something you people experience [23:51] ___?

23:53 **Dora**: No, I'm just generally interested in how... Because sometimes, what I still feel, and obviously, I'm not in the management of the business but if that sales looks still a bit down on marketing and whether the guys are really doing, they're the ones actually selling.

24:15 **Gary Stewart**: Yeah.

24:15 **Dora**: The guys just doing all the fancy stuff and then suddenly they have to work together and then I'm just interested if there's a conflict here or not or they are just happy because they're getting more and better profile leads.

24:29 **Gary Stewart**: Yes, well. It depends on the company. For sure you're right. And in

the past sales and marketing, it's a well known conflict right? Sales aren't doing anything with the leads we're giving them and sales are the same, we're not getting good leads from marketing. Marketing automation takes all the guess work out of that, right? Because you actually have data to back up on what you're doing and so in terms of... Sales will actually be much more, if you like the word, kind or grateful, towards marketing because they're simply going to get more leads. And when they implement a marketing automation system. So, the actual... The respect that comes out of that, if you have a good digital marketer, somebody who knows how to get the most out of a marketing automation system and you've got the buy in from higher level management to change the process to enable you to generate more higher quality leads then sales is only going to be very very happy. And really, like I said, it's really more, marketing is becoming more and more ingrained in terms of generating revenue, right? So, numbers are being attributed to marketing activities through automation. So...

25:57 **Dora**: Yeah, that's a very important part of it.

26:00 **Gary Stewart**: Sorry, it's a bit noisy here. I couldn't hear you there **Dora**.

26:02 **Dora**: Yeah, yeah. I just said that it's a really important part of it.

26:05 **Gary Stewart**: Yeah.

26:06 **Dora**: To be able to actually show contribution and business lead that's coming through our tactics and you closed it. And we actually get...

26:16 **Gary Stewart**: Yes, exactly.

26:17 **Dora**: A lot of positive feedback. So, that's really great.

26:19 **Gary Stewart**: Yeah. So, that revenue attribution is really, really important to most marketers so they can actually see, "This is where... You want this deal but we were involved before you even knew about the deal."

26:35 **Dora**: Yeah, exactly. Yeah. So, in general, with this implementation, it's a... There's a lot of processes and structures and strategy that the company has to change but at the same time, the benefit of it is going to make up for the work and the overtime...

26:54 **Gary Stewart**: Exactly.

26:55 **Dora**: That has to be done.

26:56 **Gary Stewart**: And to be honest, not every company need it as soon as some others need it. Companies that typically need this are companies that are more higher value goods. We would call it like a considered purchase. So, where you're sort of... If you're purchasing a CRM system, you don't just Google search a CRM and then go, "Oh, I like the look of that CRM." or "That looks like a pretty picture in my interface so I'm gonna buy that one." You actually do a lot of research, right? You might do research for 6 to 7 months and it just... Sometimes it's the same as consumer goods so people may be researching and holidays are researching what car they should buy so you need to be aware that this is what people are doing and how you can maximize the opportunity of them buying with you and it is true, not through a salesperson talking to them. It is through providing them with information that is coming to them through whatever marketing channel be it Facebook, be it LinkedIn, be it SMS message that actually engages them and reminds them of why this brand or this product is the one that is best for them.

28:16 **Dora**: Right. Yeah. Okay. Thank you. Well, actually, this was my last question. So...

28:24 **Gary Stewart**: Okay.

28:24 **Dora**: We're gonna skip all of them. Is there anything else that you maybe would like to add?

28:34 **Gary Stewart**: I suppose that the last thing I would add... I think we've gone through a lot but really keep your eye on what's happening in the big data space, especially for companies that have large data and the value that and different marketing automation solutions can bring like I mentioned to you earlier on BlueKai and I can tell that you liked this. So, imagine what you can do if you got a lot of customers and a lot of potential customers having access to this type of technology to engage in a personalized manner with people that don't even know that you exist yet. It's very, very powerful. So, if I were... I don't know what way you're going to take this but that's something that I would definitely keep my eye on because that is the next wave of marketing automation technology. It was sales and marketing alignment, automation of marketing campaigns, and then it was revenue attribution. But the next big thing is really going to be around the big data piece so keep an eye on that.

29:51 **Dora**: Yeah.

29:51 **Gary Stewart**: I suppose that would be the only thing I'd add to our conversation.

29:56 **Dora**: Yeah. I will definitely do. Thank you so much Gary for your time and all the information was really, really valuable for me.

30:04 **Gary Stewart**: No, not at all. Not at all, **Dora**. Did it help? Was it useful information for you?

30:08 **Dora**: Yeah, definitely. I got all of the answers that I needed.

30:12 **Gary Stewart**: Okay, okay. No, that's great. And if there's anything else you wanna ask me, just feel free and we can do another call or whatever. But in the meantime, I wish you the best of luck and if you're in need for another marketing automation system, then give me a call.

30:29 **Dora**: Definitely. I will. [chuckle] Thank you so much.

30:33 **Gary Stewart**: Okay. Not at all **Dora**. Have a lovely evening.

30:35 **Dora**: You too. Bye.

30:37 **Gary Stewart**: Take care. Bye-bye.

R6, Jenna Molby, March 25. 2016.

Dora: But maybe for the beginning could you just shortly introduce yourself and your area of expertise? What do you do?

Jenna: ...I worked with clients of all sizes from small companies to enterprise companies, helping them, not always setting up their marketing automation system, but run campaigns, do reporting systems, integrations with different systems.

Dora: Can you also explain since when and how closely are you working with Marketing Automation? Why did you started working with this technology? What impressed you the most?

Jenna: I just love technology in genereal, so the MA space really intrigued me. As its pretty new, there is not a lot of experts on this systems, so there is a lot of opportunity there to really become an expert. I share my knowledge and the tools that i use. From the

business side, i have seen a lot of clients wanted to use the technology because it is so new, and they want to be in the MA space.

Dora: What kind of platforms are you using? I have seen on your Linkedin, that you are certified in a lot of platforms.

Jenna: The two main ones that i use are Parda(? – 01:22) and Marketo. And for like a CRM, we integrate Parda and Marketo with Salesforce.

Dora: Yes, i am working with Marketo too.

Jenna: Do you like it?

Dora: Yes, very much. I started working with it 6 month ago, so it is still a little bit new and every day there is something new that you can do. We can also do some integrations with Salesforce, so that is going to be really exciting.
Now i woud like to ask some questions really in general on MA. How would you define Marketing Automation with a few sentences?

Jenna: I think the way that it is that you can integrate multiple systems what really works on that marketing adding value to your business. And it can help sales, because you get more qualified leads to your sales team.

Dora: What do you see as the most important drivers behind the grow of marketing automation technology today? Where is it coming from?

Jenna: It is usually marketing and sales working together to determan what program should be set up in the MA system, but the leads are important to sales, that is really going to be the driver, couse at the end of the day, the marketing team will need to give the sales leads that are actually going to turn into a sale.

Dora: So what do you think, what is the point when an organiyation realizes they need this technology, in order to work more efficiently?

Jenna: I think when they start seeing that sales and marketing are not in line, so sales are always complaining that they don't get qualified leads from marketing, and marketing is always complaining that they give qualified leads, sales just don't follow up on them, or whatever the case may be. So MA system can bridge that gap, so marketing and sales are working together to follow upon leads, to provide quality leads, that kind of things.

Dora: Now that you mentioned the connection between the two departments, what do you think, how willing the sales changing their processes? Because if they implement this technology, they basically need to change the way they have been selling, so there is no more real cold calling, they can use nurtured leads, and leads from all different sources, and they need to change the way they were working.

Jenna: I think couple of years ago it was more push for sales, but now there has been so many articles and knowledge in the industry about how MA helps sails. So I think there has been a shef(? – 5:14), because of the education. So i dont think that now sales is pushing back a lot, it is more about change management, how marketing communicates all the changes that they are making with the sales team, versus the sales team just not knowing what is going on.

Dora: So it is really important to be able to show the benefits.

Jenna: Yes, communicating the plan and really involving the sales team, so they dont feel that you just changed the whole business without talking to them first.

Dora: What is mainly that you measuring whit this technology, what you can provide and prove that this is working?

Jenna: That comes down to the tracking. If we are doing a social campaign i want to know how many leads are coming from that social campaign, and how many leads are actually converted, how many actually did the sale, and what a dollar value on that sale is, so if we did one lead and a close one lead and it costs 10 000 dollars, measure that how much money it costs to run that campaign. So we can measure stuff, based on (---- 6:39) the company.

Dora: The next question wouldbe around the challenges that marketers are facing, and this new era. What is the biggest challenge for you in 2016?

Jenna: Like i mentioned, there are a lot of MA platforms, so i think the first challenge is to find wich one your company needs, so actually doing a lot of research on cost, what the features are, figure out which one is best for your business. You have to prove the cost of thet system, so if you are spending 3000 dollars a year on MA system, you reall need to prove that 3000 dollars worth it. So proving your ROI and marketing activities. The other thing is finding talent, who actually can execute on those marketing activities because now these campaigns are really digital and strategic that are going out to costumers, so finding somebody who knows the systems, who knows multiple systems, not just MA, but know how to work on the social platforms and knows how to advertise online. So finding someone who knows that whole package.
And then targeting a diverse customer segment, so there are tons of different customers around the world, who are all connected through their social devices, connected to Twitter, Facebook, they got tons of email marketing, emails. So just finding a way to communicate to the consumers that is really engaging, that is actually engaging with your company.

Dora: You mentioned finding talent and finding the right person who can actually handle this technology is important. So you think that usually companies has to change the sturcture of the team, hire more people or let go some people?

Jenna: Most people who have been used to marketing before, kind of have to relearn the new srategies, MA or digital marketing space. Which is kind of an issue some time, that is why people usually hire agencies, like i work for, because they dont know how to hire those people, they dont know what skills they need, and its not something what is usually thaught in school right now, like MA, there are not too many courses out there, so most people are learning on the job.

Dora: Now there are a couple of questions on how are you implementing MA in an organization? When companies approach your company to help them, what are the main ponints and challenges that they are coming with?

Jenna: The first thing that use to happen is that they need to actually set up the system directly.

Dora: What is the first reason why they go to you?

Jenna: The first reason is that they cant find anybody else who knows the technology very well. Usually that is why they come to us, because they need help. Maybe they company just decided they gonna get Marketo, but nobody knows actually how to run Marketo. So the first thing what we do is to set up their system for them, and probably do some training on it. So probably working with the client, to teach them how to use Marketo, we would do the integration with watheever their CRM is, we would add tracking codes to their website, and make sure that everything is tracked. And if they didnt want they own team to learn to use the system, we actually help them come up with the strategy for a denurtured campaign, lead scoreing, figureing out what they reporting structure should

be. Its really just depends on what level the client whant us to engage, if they want to build up their own team, or if they want us to be their team, do their campaigns for them.

Dora: What kind of companies MA is suitable for?

Jenna: I think it is for all companies. It just depends on the level what you go to, so for example i worked with a football team to do their MA, so they had things like automated birthday emails that went out to their fans, or every time there was a game there were an automated email about cupons for the game, where you could go and download them and gain different freebies at the game. Then i worked with companies that are the traditional B2B model, that are more about getting leads and working (---?? -12:48) leads. So pretty much anything.

Dora: Yes, its really depends on the compeny profile. What are the most important functionalities of this technology for you? Or in general for the organization that you are working with?

Jenna: I think that the most important is to help qualified leads to nurture the leads, so actually making them lead to sales, is really important. Also providing quality leads to sales, so usually leads scoring ability is really important, the lead nurturing capabilities are really important, triggered emails, so just following up your contacts automaticly is really important. Then i think integrations are really important, when your CRM, your social, and you are having all that information available in the system is really important. And then, reporting on the data, reporting how many people are coming in from social, how many coming in from your adwords campaign, that kind of thing.

Dora: And it is also really important to know how to handle this data afterwards. If you would need to mention risks or disadvantages regarding using automation, what yould this be?

Jenna: I think that it is a big cost to companies, so they can think Marketo costs a lot of money. Event it costs a lot of money you also have to have someone who owns the system, so someone has to be in charge of either working with an agency to help build up the campaign, or there has to be somebody internally who has to own it and manage and maintain it, understand it. Another thing is you work with sales in order to set it up corectly. And it is a new technology to use, so figureing out how its going to work.

Dora: You mentioned that it can be really costly to do this. How would you convince a company that they need this technology, and that it is going to be good for them if they buy in, even though it is really really expensive?

Jenna: That is the tricky part. Usually we do a lot of case studies on how it affect your business, so we present that kind of information to the client, and see what they thouhts are on that. If they dont want to pay 30 000 dollar per year for Marketo they can also go for a smaller MA tool that affects their business first, and maybe if they see a good ROI on that, they can go extend and go for a more enterprise level platform, like Marketo.

Dora: How would you position this technology? Its beloning to marketing strictly, or is it hared by sales and marketing or is it IT?

Jenna: It is shared by sales and marketing. I dont find IT too involved with it, mostly just with the set up of this system, sure they have to be involved with that, but othervise it should be marketing and sales who makes the decisions.

Dora: Usually who is the decision maker when it comes to aquiring this techology, on what organizational level it is decided?

Jenna: I think it depends on the organization. Mostly it is the CMO, the Chief Marketing Officer, that makes a decision, because they get allocated budged for the year, so usually the system would come out of the marketing budget. And for bigger companies, it is probably the CTO, the Chief Technology Officer, that probably takes a look in all the technology they are using in the company, and figures out if its the right fit.

Dora: How does MA affect the role of marketing and sales working together?

Jenna: The important for sales that they get quality leads, and it is really important to marketing that sales follows up on those leads, and actually closes them. So the first thing is that through lead scoring in marketing they can figure out which leads are engaging the most and which has the most potential, and then pass them on to sales. Then sales is very happy because they don't have to follow up with a 100 leads a day, they only follow up with the ones that are high quality...

Dora: Yeah, so they kind of need to agree on a framework that they are going to set ruled and define what do we for example call as a qualified lead.

Jenna: Exactly, so thats part of like the initial step, of figuring out what actually is a quality lead, and working with marketing to actually set that up in a system, and then once they figured that out, they can do their lead scoring to figure out which ones are the most important for sales. And sales loves it because they don't have to follow up with a bunch of leads at once, they only follow up with the ones that are interested in the product.

Dora: Yeah, and i guess its always a continuous communication, because they get feedback, and then marketing needs to optimise...

Jenna: Yeah so for lead scoring its not just you set it up once and you're done, but its continuous feedback to the marketing team. For ex: hey we got a lead and they weren't qualified, you need check your scoring because as it turns out they weren't interested in our product yet.

Dora: With this system marketing can also, basically justify the value of their activities, and contribution to the revenue.

Jenna: Exactly, so they can report on marketing. So if you did like a social campaign for example, and then that lead got closed, so that they bought the product, you can say we were beneficial, as the lead came from our social campaign. It came from a trade show or... a webinar

Dora: If you need to explain to a company who wants to start on this journey to implement MA, what would you tell them, what kind of changes do they need to make in order to successfully implement this? In terms of strategy, processes, structures...

Jenna: So the processes that will change will probably be mostly the sales processes, so working with the sales team again to find out what their challenges are, and how MA can fit into their current processes, and just working with sales as much as you can to figure how the business actually works. And figuring out how to fit MA in to help them.

Dora: And how much should this be included in the company strategy? I guess it should be a big part of it, because they need to kind of switch to this life-cycle view to lead. Going form unknown to being a customer. And that holistic view didn't necessarily exist before.

Jenna: Mostly we see the changes, when using SalesForce for example, where they need to restructure their system, we need to work with them to understand their business, to make sure that all the systems are set up to do what ... Its basically to make your life easier. So how can we make their life easier by implementing these systems?

Dora: Okay, if you would need to rate this on a scale of 1 to 5, what would you say, how radical is the change that needs to be done in these organizations?

Jenna: It depends on the business, and what they are currently doing. I'd say its probably a 3-4 maybe. Depending on how they are already set up. Especially if they are already using lets say SalesForce, and they just want to add the MA system to the top of their funnel. Than its not going to be that big of a change for them. It depends on the type of company and how their structured and how their systems are set up.

Dora: Okay, thank you, that was actually my last question.

Jenna: Cool

Dora: Soo thank you for reply to all of it :)

Jenna: No problem I hope that was helpful!

Dora: It was really-really helpful.

<u>R7, Denys Lund, February 29. 2016.</u>

00:01 Denys Lund: It won't make a difference for me, but is this confidential or is it open or how is it?

00:06 **Dora:** Well, I can decide if I want to upload it somewhere.

00:10 **Denys:** Okay, but, I mean, I'm sure this topic is not like too sensitive.

00:14 **Dora:** Yeah, so I'm not going into details...

00:16 **Denys:** Like with figures and...

00:16 **Dora:** What are you actually doing in your company, so this is why I didn't make you wanna sign anything.

00:24 **Denys:** Alright, but that part is...

00:26 **Dora:** Because it's only your opinion and it has nothing to do with your company.

00:28 **Denys:** Yeah.

00:28 **Dora:** But just you share your experiences, what you do and...

00:31 **Denys:** Yeah, okay.

00:34 **Dora:** How you generally feel about this topic.

00:36 **Denys:** Yeah. Definitely... I mean usually everything doesn't... Nothing really needs to be confidential. The reason I asked is because if there's certain figures that you wanna go into, then sometimes that usually has to stay confidential.

00:46 **Dora:** Yeah, yeah, definitely.

00:47 **Denys:** But other than that...

00:48 **Dora:** But I'm not asking anything like that.

00:50 **Denys:** No, no, no. Don't worry. But yeah, no, go for it, I mean...

00:55 **Dora:** Yeah, so the whole purpose of the interview is to get a better understanding on why organizations go for this technology marketing automation and advantages for you or for your company. Why did you choose the provider that you're using? What are you using?

01:15 **Denys:** Eloqua. Oracle.

01:18 **Dora:** Eloqua, yeah, of course Increase. And also talking a little bit about the landscape in marketing and sales is working and how they're working together, how was it before, where is it going in your opinion, and also I'm really interested in the business transformation that's needed in order to implement this technology. What kind of process that you need to change, what new strategy you need, but it would be great if you would just introduce yourself in the beginning.

01:45 **Denys:** Sure.

01:46 **Dora:** What you do?

01:49 **Denys:** Well, I work as a CRM specialist and basically what my main responsibility is sort of the... I have to take care of all the CRM campaigns within the year. Meaning from start to finish, and last year we had around 1500 CRM campaigns. So it's everything from very, very small ones to very, very big ones and very complex ones and before I came, that process was actually outsourced. That process was outsourced to Increase. However the...

02:31 **Denys:** However, the reason we started insourcing some of this was it was too costly to keep outsourcing it, that's one. And there was a lot of knowledge that was lost, a lot of know-how that was lost when you outsource to consultants especially, consultants can change, the business changes and when the business side of things, meaning, like, the client-side, when that changes consultants can't always keep up unless they're the same ones and they keep up with you. Having, you know, sitting in-house gives me an advantage because I know the business. I know which needs we have and I can implement them in the CRM campaigns, or, you know, on any level, basically. So that's basically my main responsibility is to execute all those campaigns and of course with 1500 campaigns it's impossible to do it alone.

03:25 **Dora:** Yup.

03:25 **Denys:** So that's why we still have collaboration with Increase.

03:27 **Dora:** Okay.

03:29 **Denys:** And apart from having responsibility for those, I'm also responsible for

developing our marketing automation system. Meaning if there are new initiatives or new functions that we wanna develop, I also work with that. Also I need to translate the business side or the business requests of Danske Spil into marketing automation, and that's us. So basically, kind of translate CRM business needs to more IT and technical needs. So those are like our main, those are my main responsibilities.

04:19 **Dora:** Yeah, well are you working close with marketing in this? Is it part of the marketing department or...

04:23 **Denys:** No. The way that it's organized here within the company, is that CRM has ownership of everything that's... Everything that has to do with one-to-one marketing or direct marketing. So anything that says "Hi Dora", CRM owns those campaigns, so that means SMS, push, letters; like physical letters which we still use. And emails, of course, and maybe one day we'll also own social but currently social is in it's different department. But, other than that, if it is not a one-to-one campaign, then marketing owns the campaign. So meaning if you see like TV campaigns, radio campaigns, and all those big, big campaigns, that's marketing, and that's kind of the division you have in here, in the house. I know, I've seen... I mean I've been into other departments in other companies where I've experienced that they have a completely different organization. Maybe they have... They're divided by brands and they have one CRM person for each brand, or, there's many, many, like, many constellations of that. But in here, that's usually how it works, so we have a CRM manager for each brand. Some of the CRM managers have several brands.

05:53 **Denys:** But the reason CRM is centralized, meaning it is kind of sitting by itself is because if everyone had their own CRM person or everyone had a CRM department each brand, then there would be no sort of holistic view on the customer, meaning, because the way a customer sees is, they see us as Danske Spil. They don't see as the individual brands that we have like Atsu and lotto and Keno, Quick all those things. They just see us as

Danske Spil, meaning, let's say with an email, if Keno has to send an email, and lotto has to send an email, and Atsu has to send an email, the customer would just see that everyone... That basically Danske Spil is just spamming them. However when you centralise, you need to coordinate these things and you need to think holistically, so you need to kind of think across the different brands that we have. And that's why its centralised. Plus there's other certain safety precautions in terms of data, data protection, and also some... Well, since we are in the gambling industry there's a lot of safety requirements.

[background conversation]

07:14 **Denys:** Meaning, if you also again, if you were to outsource this to any agency or something, you would need to meet certain requirements and that's why we've kind of decided to centralise everything in here. So, maybe that's me, I don't know. I think that is...

07:29 **Dora:** No, it wasn't you.

[background conversation]

07:41 **Dora:** And since when do you work with marketing automation? You just started working here or you come from more of CRM side?

07:49 **Denys:** Well, basically, I have worked here for a year, close to a year and a half, before that I was studying. I was writing my masters thesis and I was writing my masters thesis on customer loyalty and within the sports betting industry. So, basically, after that I found a job within... Yeah, 'cause usually CRM and loyalties is well, it complements each other, so...

08:15 **Dora:** Okay, that's great.

08:17 **Denys:** I mean of course I have had some student jobs before, but nothing particularly within marketing automation or CRM.

08:24 **Dora:** Okay, that's cool. Now just a few more questions like really in general about marketing automation and how you see it. So can you define marketing automation in few sentences?

08:37 **Denys:** I would say, marketing automation is sort of the definition of CRM, in the sense that it's hitting the customer with the right message at the right time, at the right place or the right channel. That's kind of like the general definition of CRM but those two kind of go hand-in-hand. I think it's... The other part of it, of marketing automation is being able to manually let go of certain things and let some systems take care of those things, without any person actually sitting and physically doing a lot of things. Of course the smarter the automation, the more work it actually gives you. So it's not that you can just buy a marketing automation tool and then you just lean back and let go. Obviously there is much more, there is a lot to it. And the more you implement marketing automation, the more work there actually is for a lot of people, because the more complex it becomes.

09:51 **Dora:** Yeah, exactly.

09:52 **Denys:** But in terms of definition, I would say the first one was what I would say was the right definition, the way I see it.

10:00 **Dora:** That's great. It's pretty interesting how different people from different company sees it. Like you are already focusing on the CRM side, and other companies not at all.

10:10 **Denys:** No no no, because the other part of... There is also something called general automation, process automation, which is not maybe the marketing tunnel, it's more the physical automation of things. I know that, actually my girlfriend she works in Danske Bank. She just got a job there, and they are focusing on process automation, where they actually focus on automating a lot of physical processes but that is not the marketing side. And that's the thing, when you say marketing automation some people will see it from this very specific CRM perspective and others will see it from a very holistic business perspective or so they will think, focus more on the automation part maybe rather than the marketing side.

11:00 **Dora:** Yeah yeah. What do you see as the most important driver behind the growth of this technology, like why is it becoming more and more important?

11:06 **Denys:** I think the reason it's becoming more important is that there is much more focus on data driven marketing and that's basically the fundamental behind it. Because this is actually what's sort of happening in this house is that the marketing budget, even though it's pretty big, it's getting smaller and smaller. It will not be wiped out completely, but it's just getting smaller and smaller and the CRM budget is increasing pretty steadily. And that's kind of the trend because with our new strategy, there's much more focus on basing our communications on data. So we're also predicting, like predictive data. That's kind of the sole reason behind this growth and behind this focus. Because being able to target our consumers based on an action that they did or will do, that they maybe haven't even done but we can predict that they will do. That's kind of the driver behind that technology.

12:10 **Dora:** Do you also use marketing automation for nurturing so that side of the thing?

12:16 **Denys:** Yeah.

12:17 **Dora:** I obviously don't know your customers, but do you, is that part...?

12:21 **Denys:** We do, yep, we do.

12:22 **Dora:** That's cool.

12:27 **Denys:** So lead nurturing, or something.

12:28 **Dora:** Yeah, exactly, exactly.

12:28 **Denys:** Yeah, we do.

12:29 **Dora:** Because a lot of people mentioned that one of the biggest drivers is that more and more people spend more and more time on the internet, so this source of information they don't talk to the salesperson until they really almost made their decision.

12:46 **Denys:** Exactly.

12:47 **Dora:** So you need to educate them on the web or any other places.

12:49 **Denys:** Exactly, yeah.

12:52 **Dora:** And this is also where marketing automation really help you with and be able to tracking and all those things in one place.

12:58 **Denys:** Exactly. I think the other driver is actually just like you mentioned is tracking, because you can, every time we do a CRM campaign, within the hour, we almost know how it performed. So, meaning we already see if this has been a success or not. And

that you don't have that exact result in broad marketing terms. So you know when you do TV campaigns you can't attribute the direct value of doing a TV campaign. I know there's a lot of agencies have made a lot of calculations, but it's still an estimate. It's not 100%. This person you saw an ad for lottery and you went and bought a lottery ticket.

13:47 **Dora:** Yeah, you can't really prove that.

13:49 **Denys:** You can't really... Of course there's ways of doing it because people have gotten much better at it, but within, if you talk about marketing automation, and through tools like Oracle Eloqua you can easily, not easily, but you need a certain process to set it up but once you have set that up, you can measure pretty much any campaign and you can see how successful it's been. And that's part of the data driven marketing that you just know the effect immediately.

14:20 **Dora:** And now, a few questions about the current marketing challenges. I'm not sure if you... 'cause I don't know if you see yourself as a marketer, but how do you see what are the biggest challenges marketers have to face this year or in the future?

14:39 **Denys:** I think the way I see myself is I do see myself as a marketeer but I guess partially one of my feet, or my foot is partially in the IT door. So it's kind of a half-half, but I have a business background so I kind of see myself as having a commercial background, and I think just for me, my main part is the business needs or the business drive of things. And the way I see the future or the challenges, one of them I think is that a lot more people, or a lot more companies are starting to use marketing automation, meaning that with a lot of different tools it becomes quite easy for even the smallest of business to have the CRM strategy. Meaning that if you talk about email or SMSs or push through apps, it's kind of the market space is becoming very crowded. It's very condensed.

15:53 **Dora:** It's hard to stand out.

15:54 **Denys:** It's hard to get people's attention. So basically before when companies would be shouting their own names on TV, now we're just used to some other different channels and everyone's doing it on that channel. But I definitely know as a fact that so many companies are moving towards marketing automation, data driven marketing and CRM because it's just much more targeted. I think it's important for consumers today to be able to see that the company knows you or in some way understands you. And meaning, if you send very broad communication towards the consumer, it might not have a very high effect, actually it won't have a very high effect.

16:46 **Dora:** Yeah, exactly.

16:49 **Denys:** And I think, so one of the challenges is definitely kind of the crowded market space. If you take an example of betting, if we have a Champions League match on a Tuesday, in the email, and in the SMS space, a betting customer will probably be hit about four or five emails with similar offers, so that's kind of basically getting crowded. And then of course, I think it's important for customers to know that. They see that you actually, that the company actually cares about them in a way, and knows them. I don't know if "care" is the right word. But definitely it shows that they know them.

17:42 **Dora:** And what kind of tactics do you use for this?

17:46 **Denys:** Tactics...

17:48 **Dora:** How do you stand out? You said the customer gets five of these emails? How do you make sure that they can choose you?

17:55 **Denys:** I think that the way to stand out is, one, to show that you know the customer... I'll get more into how you can do that. And two is, through really good

concept like solid, solid concept. And that part, it cannot just be... That's hard to outsource, and it's hard to just have some program, or software to create that. One thing is marketing automation is a great tool, but you need really, really, really strong content for that. Otherwise it won't work. So what... Amongst the other things we have... We try to make, for example our emails, we try to make them very lively. So we use video, we use a lot of things that count down, and count ups, and sort of timer that counts down. And we try to stand out kind of like being more lively in our emails, in our communications. We also, the text like the copyright, we try to have really, really good copyright because we know that a lot of our competitors, because they work in a global environment, they write very generic emails, they write very generic texts. They can just... You can just see it's a translation. And the thing is, the consumers aren't, they are not stupid. They can easily see, "Okay. This is like a Google translator or robot or whatever wrote this." So in that sense, just that makes us stand out.

19:28 **Denys:** The other part of it is trying to involve people in your content. So one thing is that you don't just create content. You can get tons of great content on the web. You don't need to... You actually don't need the company to give you all this amazing content. But what we do try to do is that we try to involve them through content. So through competitions. The thing is that what we are really like in the entertainment industry. So I think the competition side of things is very interesting for our clients or our customers.

20:03 **Dora:** They also reflect that. [chuckle]

20:05 **Denys:** And they like free competitions. So we try to involve them by creating campaigns where they can win something, or they have to compete for something, they actively participate in something. And the other is of course to give the right message to the right customer. In sales you kind of call it... What do we call it? Like lead generation or you kinda, you don't score your leads but you qualify your leads. You qualify before the sales process, so you know when you actually talk to your person, or to the person that

you need to talk to, you're talking to the right person, you've already done a lot of the work. And it's basically the same thing here because if we communicate to a certain person about a certain, let's say a certain offer, like 100 krone free bet. I don't know how much you're into like the industry. But I guess maybe you...

21:09 **Dora:** Well, I made a short research. [chuckle]

21:12 **Denys:** Okay, okay alright. But that's fine. Basically in Atsu which is the sports, we offer lot of free bets and we try to... A really bad example of... Or actually a really good example of bad CRM would be to send an email or an SMS to a customer who's already taken the free bet, who already used the 100 krone that we gave them. Saying, "Here. Use the 100 krone." It'll only confuse the customer, and it'll show that you don't, that you're not showing that you know the customer. And that's just a very kind of low level example of what's bad CRM, or bad marketing automation. I think... A great example of CRM for me, like I think it was during the winter, was I go to the stadium quite often, this was not our company. This was someone else. But I go to the stadium, I have a season ticket to go see FCK, and then I remember that it was a Sunday where it was snowing quite a lot. And out of nowhere, I've never gotten any SMSs from them before. But I got an SMS saying, "The weather is bad. However, the match is still on because we've put on a roof."

22:48 **Denys:** And I was like, "Wow." They actually...

22:50 **Dora:** That's really cool.

22:50 **Denys:** That was something I was thinking... Like a few hours before I was actually thinking, "Is the match gonna be played because the weather is... " Like there was a lot of snow, I said, "The weather is terrible." But that wasn't a sales message. It wasn't like, "Buy me." It wasn't anything like, "Buy this or that." It's just basically informing you. So it was like informative saying, "You know what? The match is still on." And it wasn't even like,

"Buy your tickets." Not even like that. It was just kind of helping me in my everyday in some ways. So it's just showing that you know the customer.

23:27 **Dora:** Okay, for building trust.

23:28 **Denys:** Yeah, exactly, exactly. And for some people maybe that message would be irrelevant, but then of course you try not to target those people. Maybe you don't need to... Let's say you target a person that doesn't go to the match, or that doesn't go the matches very often, maybe they wouldn't need to get that message. So hopefully, what I hope they did was that they could see, "Okay, this person goes to... Last year he went to 10 games or above. That's why we're gonna target him." The others don't need to know that. 'Cause if you go to one game last year if you have that data in your system then you don't need to send that message.

24:11 **Dora:** Yeah.

24:13 **Denys:** And I think that's kind of how you need to differentiate yourself. You don't... There's actually a lot of things that you don't need to send out or you don't need to communicate to consumers and sometimes it's just about picking those battles. Well, why would they need to know this?

24:25 **Dora:** Yeah. Exactly what you said before, just to send the relevant message at the right time.

24:29 **Denys:** Exactly. Exactly.

24:30 **Dora:** Cool. One of the challenges that a number of listings you can see is you already kind of mentioned that generating high quality leads. Do you consider this the primary challenge for your company? I'm not sure how are you qualifying leads here or

there is actually calling and sales here?

24:54 **Denys:** No. There's no calling or sales because it's a, what's a B2C. So it's a different industry. This is kind of like a fast moving consumer goods industry. Maybe not directly, but we sell a high volume of let's say lottery tickets, we're talking about several million each week. And the thing is that in that sense it doesn't make sense to call people.

25:22 **Dora:** Yeah.

25:23 **Denys:** But we do generate leads through our campaigns, through our free campaigns. So we do kind of nurture our leads. I think we use more effort on nurturing our clients or our customers... So the existing customers. And that's also the big part of the CRM because you focus on the loyalty of your existing customers. Of course, you do lead work and you try to gather some new leads, but it's basically about increasing the lifetime of one customer. That's CRM.

25:54 **Dora:** Yeah, exactly.

25:56 **Denys:** And marketing automation helps CRM doing that. For example, if you are a new customer, we have certain life cycles that automatically... It's something we've set up once and we've pretty much kind of let it go. So when you sign up as a new user, you will get an email saying, "Welcome, Dora". This is what you can do, this is who we are. And if you have put money into your wallet on the site but maybe haven't made a bet, then we'll send another email saying, "Okay, maybe this would be interesting for you." Or if you haven't been active at all, we might send you a free bet to kind of activate you to show you that actually this is a good product. And that's something that happens automatic and it's a pretty complex life cycle.

26:58 **Dora:** Okay. Now a few questions more on the implementation side of it. And the

reasons behind choosing this technology. So what was the main reason for your company if you were actually here, or what are the main reasons right now using this technology?

27:18 **Denys:** As in just the technology or the actual software? Meaning, why we chose Eloqua or why just marketing automation?

27:24 **Dora:** No. In general, why you decided to go for marketing automation and why did you feel that it's needed?

27:30 **Denys:** I think, well it was kind of before my time that that decision was made, but the main reason... We started this right after the internet era. And I think when you have the internet kind of evolving as a big sales channel, you obviously needed to have something with an email marketing or kind of that direction.

27:56 **Dora:** Yeah.

27:57 **Denys:** And I guess that was kind of the main reason for going at it because there was a... Online is a big window of opportunity. That's why you have marketing automation, that's basically a digital tool that helps, what do you call it... Qualify your leads.

28:17 **Dora:** Yeah. And what are the most important functionalities for you?

28:23 **Denys:** As in me personally?

28:24 **Dora:** Yes, for you. If you look at Eloqua, it has a lot of functionalities. Which one is most important you think?

28:34 **Denys:** So if you think software wise, I would say obviously a big, big, big

importance is usability. Just general usability. Another thing would be the quality of the data. The data quality. Maybe that's not specifically for Eloqua, because the data quality is something you control, something the company controls.

29:02 **Dora:** Yeah, yeah.

29:03 **Denys:** But the thing is often people talk about marketing automation tools or investing into CRM tools. So if a new company was gonna go into this, they all start... And I feel that's actually wrong. They all start saying, "Which software will we use?" And that's absolutely wrong because it doesn't matter what software you use. Obviously you have maybe three categories of software. This is the low end, like survey monkey. There's the medium and then there's the premium. And often people talk about "Which technology do we choose? What's gonna give us a strong result of our investment in CRM?" But it's absolutely wrong because what it's about... One, is kind of the organizational readiness. As in, is the organization ready for this change to start targeting the customer based on data, based on, to analyze data, to work with data.

30:07 **Denys:** So it's kind of like a paradigm shift sort of in the heads of the people working there. I think that's the first and most important. And second is, the marketing automation tools will be nothing if you didn't put data into them. It's just a platform for something. Because if you've actually done your research and you put the right data into those tools, then you have a really, really strong machine. Then you have a really strong motor for doing your campaigns. And that's the other thing that... When I came here, when I started here it was... I think I often talked about all this Eloqua and is Eloqua as good as IBM's SugarCRM, whatever it's called. And it really doesn't matter because it's all about the integrations that you get, sort of the data feeds that you get into the software. Because how would the marketing automation tool be able to respond to something if there's no data to respond to? So...

31:19 Dora: So you use another CRM system, right? And then you connect it to Eloqua, or you store everything in Eloqua? Local databases in all that.

31:28 Denys: No. No. Not the entire database. We do have a... I wouldn't say it's exactly a CRM system, it's not like Salesforce or something like that. It's more of a... It's a player database, and it's very industry specific. So it's very... What's basically made for the industry. But it's not a CRM per se. That we actually don't really have. But we do have... But we have an integration from this software. So that's called Betware, and Betware, that's where all the transactions and players are kept. And for Betware, this data goes to a data warehouse, and from the data warehouse it goes into Eloqua. And based on that, I think we have in Eloqua around 250 parameters that we can segment on. Meaning, one parameter is first name, second parameter is last name, and so on and so forth. And then, how many brands have you played within the last month? Do you only play one brand? Do you play several brands? How much do you have in your wallet? Have you taken money out? It's a lot of parameters that you can segment on.

32:53 Dora: Yeah. If you would have to mention risks or disadvantages of using automation, what would that be?

33:05 Denys: Disadvantages?

33:07 Dora: Or other risks? I think it's easier...

33:10 Denys: I think maybe more risk because I don't think there's disadvantages. If you decide... If you agree with your leaders or managers that you're gonna do this, then I don't think there is disadvantages per se. But there are definitely some risks. The problem with marketing automation is that if you make a mistake, there's gonna be a big response because it's kind of customer facing. So your mistake will be felt by all the customers. If you send the wrong email, or send the wrong SMS, you put some wrong content in the

wrong language. Luckily we don't work in a global market, we only work in Denmark, meaning that a language error won't happen. But that happens a lot and I'm sure you might have experienced it. If you get some wrong email in the wrong language, it happens all the time. I think that's definitely one of the risks that if you make a mistake it's gonna hurt, like a lot.

34:15 **Dora:** Yeah. Yeah.

34:16 **Denys:** And usually what... CRM and customer service, there will always be a clash there. Because if CRM makes a mistake, that means customer service is gonna suffer.

[chuckle]

34:30 **Denys:** And there will always be that silo. No matter how well you inform your customer service and how well you work with them on a campaign, if you make a mistake it's gonna be felt by customer service. So I think the companies that can actually break down that silo between customer service and CRM, or marketing automation, they have a huge advantage. But, yeah... So definitely, like also I think you can definitely create some silos in-house or in the organization, because well, one thing is that customer service is probably gonna hate you because you've messed up, so... Which happens, it does happen. The thing is that you will, within marketing automation you will make mistakes. You cannot avoid making mistakes. You'll definitely send some wrong information or some wrong email to someone. It's just gonna happen. Especially with the volume that we have, it's just inevitable. So you will make some kind of mistake.

35:34 **Dora:** Do you have to do a lot of ad hoc campaigns, like really fast?

35:39 **Denys:** Usually we kind of plan. We plan on a quarterly basis, but we also plan on a weekly basis. But of course we do have the flexibility to act fast because we need that in

this industry. Because the thing is is that the product that we have is very dynamic and it's very fast. For example, if you sell TVs, you can predict if you sell TVs online that if they buy a TV they might most likely buy a play station or most likely buy something else.

36:16 **Dora:** Yeah.

36:16 **Denys:** Those kinda sales models you can't do in the same way in this industry, because the product will always be different, everyday the product is different. So the lottery will change every single day because the number will be different. The sporting events or the events around betting will change every single day. So you need to have some form of agility to act fast, so you must be able to act if we had a huge winner, say a winner, say someone has won 350 million DKK you want to act fast and you want to communicate that as soon as possible, obviously to the person. It's great PR. So you want to communicate that and I think you want your customers to hear it from the source, from you rather than maybe read it in the newspaper. Not that that's a bad thing, that's of course also really good if they read about it in the newspaper, but you need to act fast, so we can move pretty fast on campaigns.

37:26 **Dora:** How would you position this technology in a company, to which department it belongs to, who is the owner of it, IT, sales or marketing?

37:37 **Denys:** So, marketing automation like Eloqua for example?

37:40 **Dora:** Yeah, Eloqua.

37:41 **Denys:** Well, it belongs to CRM and it is more marketing, it is a marketing tool, it's not an IT tool. Of course it's technical in a sense that anyone working with it would need to have some kind of technical knowledge, but it's definitely a marketing tool. But in this house it belongs to CRM, it's kinda owned by CRM.

38:06 **Dora:** Yeah, it's a little bit of a special case.

38:09 **Denys:** Yeah.

38:10 **Dora:** Because of the industry.

38:12 **Denys:** I would think so, but I don't know how it is in other industries. From what I hear, it's usually CRM is kind of, I have heard of a lot of companies centralizing CRM or they just have it under marketing, or something like that, but I think it's different from...

38:30 **Dora:** Yeah, I work in B2B, it's really different a little bit.

38:35 **Denys:** Yeah. I could imagine.

38:39 **Dora:** Now just a little bit about, and that's the last part, to talk about the actual implementation of this, because there's a lot of things that has to change in an organization and a lot of departments has to agree on it. So how were they called? Could you say? 'Cause change has to be in a company in order to really implement this successfully. Like let's say it was not there...

39:07 **Denys:** It was not there yeah, and we had to implement it.

39:10 **Dora:** So in terms of company strategy, processes, culture and the dynamic between the different departments.

39:17 **Denys:** I think that it could never really be done if management or some leader didn't enforce it. Or basically if the strategy didn't support this, then I don't think marketing automation can happen per se. You can't really start it up as a pilot project in a

big company. Especially in a big company, you can't just say, "Oops, we're just gonna start from the bottom to top, bottom to top." It has to start at the top to bottom. Because you need that support. It does take some resources, it takes manpower to implement. And of course the most important part that comes with having support from top down is that you change your mindset, you change your perspective, meaning you force a lot of the employees to change their perspective and kind of be open towards that, towards implementing that. I think again that's the other really, really important thing, both with marketing automation and CRM is that the change comes in mentally. I think it's super easy to buy some Ferrari of a system from marketing automation, but the hard part is changing the mindset of how you use things.

40:45 **Denys:** What I know a lot of company do is they buy some really expensive software and all they use it is to blast people, so they take all their contacts, don't segment them and they just blast them with some email, and that's not marketing. Then you don't need a Ferrari to drive it, you don't need a premium piece of software. Then you can the cheapest of them all and you'll be successful in that part. But again it's really not about the software per se, it's about the mentality and the capability of the people working with it or around it, and it takes some time to build up that know-how, you have to do a lot of trial and error, you have to try certain things. I would say that I kinda had a clean slate when I started and I didn't know much, I knew a lot about the increasing customer loyalty and CRM but I didn't have that knowledge of "What can you really do with marketing automation? And how do you use it really well?" but it's still a learning process and even today I sit with other people who've worked with marketing automation for many years and then I get like, "Wow, you could also do that."

42:06 **Denys:** There's a lot of ways of doing it, but I think it's really about having the mentality of openness towards that. So because it isn't innovative, in a lot of companies maybe it's a bit of an innovative initiative, it is part of innovating, changing certain processes.

42:26 **Dora:** And how can you convince the rest of the organization? Let's say it starts from someone and then it must be a big challenge to go to the other departments, "Hey, we need to work on this together. Let's do this, it's going to be good for you." But why? And what would you say?

42:46 **Denys:** I think if I was to go about it, in a company that didn't have this, the first thing you need is you need someone to buy into the concept of it. So you need to buy in, in the sense that you need some kind of stakeholder that has influence across the organization, not just in one department. But someone that has influence all across an organization, it can be a manager or someone higher up in the hierarchy. Because you need them to buy into that, once they've bought in and you do that very practically, you probably do some sort of business case or something like that. You need to show some financial value of doing it because if you don't then people will always...

43:38 **Dora:** It can be expensive.

43:39 **Denys:** It can be very expensive. So you need to show some financial value because it's a big investment. But then again, it can still start as a small investment and you can build it up. But no matter what, you need someone to kind of support your cause if you... We could say that. And once they've bought it, they will most probably... You'll need to work with them to kind of spread the message of implementing that technology and how you'd use it. And I think it's important for people to see, really feel like, "Okay, how are we gonna use this?" Because one, you can approach people and say, "Well, here's this is an amazing technology and this is what it can do." But you need to show like, "Okay, how are we going to use it?" So how the company exactly it's going to solve some problems using this. And I think people really need to see it, they really kind of need to feel it.

44:43 **Dora:** And also, isn't it part of it, when you create, when you start to implement

that, something like this. There's a new strategy coming and then maybe some of the functionalities going to disappear because we don't do this anymore, but you do this because it's so much better. So in terms of this, this can potentially be, especially in a big company, a really really big change where you also have to educate not just your...

45:11 **Denys:** Absolutely.

45:12 **Dora:** Not just your department, but basically the whole organization.

45:14 **Denys:** Absolutely. I think a lot of the... I spend a lot of my time educating, and that's in parenthesis or quotation marks. Educating the rest of the building. And I don't do it in the sense that we kind of have a course, it's more of that... I constantly have to make them understand that we're not just doing broad marketing, we don't have marketing automation just to communicate our message to everyone. It's quite the contrary. It's what you don't communicate to the rest, but you try to convert the very small part, to the very small percentage of customers. And that's really, really hard because... And I fight this battle almost every single day. If marketing has decided on some form of campaign, the only question I get often is, how many people will we be able to reach? That's pretty much all. I really answer that question a lot and basically I'm almost used to doing a copy/paste because it's not about how many people you target.

46:26 **Denys:** Because what marketing wants is they wanna target 100,000 and then they want to convert or sell to 2% of those 100,000. But what about the 98,000? The 98% of that segment? That message maybe is irrelevant. And CRM or marketing automation helps to just find those 2%, target those 2%, but then convert or sell 100%. That's in a theoretical world, you'd sell 100%. But that's kind of the goal of it is to hit the... Maybe a much smaller segment, but then convert all of them rather than send completely irrelevant stuff to 98% or 98,000. And that's kind of the difference between marketing and CRM, and that's kind of the... I feel like that tension, not tension, but I feel that difference

everyday because that's all they ask me about. They say, "Well, you know what? Actually the 2,000, there's only 2,00 people in this campaign but they're exactly the people you need." They're maybe high value customers and they're the ones that you need. And you can convert them almost 100%. Yeah, so I actually, I try to not make people look at how many people we target like the classical marketing of things.

47:51 **Dora:** Yeah, so it's also a change of mindset...

[overlapping conversation]

47:53 **Denys:** It is, absolutely. And often, people don't know what CRM is, or what marketing automation really is. That takes some time to build, and that takes time to teach people that and how they can use it.

48:09 **Dora:** In a one to five scale, how radical would you say the change has to be done in an organization?

48:16 **Denys:** The thing is that I would not say a five. I would say it's a four because you can still have the two disciplines together, so you can still have the classical marketing department and you can have the marketing automation department. Of course, to get a really, really good result, you do want them to work together. The innovation, it's not 100% radical, but I would say it's a four. You need that change of mind.

48:52 **Dora:** Okay, actually this is my last question.

48:53 **Denys:** Okay, sounds good.

48:54 **Dora:** Is there anything that you would like to add? We talked about quite a few things...

49:00 **Denys:** I'm not sure. No, I think we've covered quite a lot of it. I don't know. Do you have any questions, like in particular? Anything you're in doubt about? I just keep talking so...

49:13 **Dora:** I think I have all my answers, and I also added a few noted so, it's really cool.

49:19 **Denys:** Yeah, perfect. It's good timing.

R8, Richard Fallah, March 1. 2016.

00:01 **Dora:** The beginning, maybe you could shortly introduce yourself, and what is your area of expertise?

00:07 **Richard**: Sure, you probably read in my profile through LinkedIn, we have a marketing automation startup. We focus on email, social, lead intelligence. By the way, quick disclaimer, I have my baby next to me so she might be making some noise.

01:26 **Richard:** Alright, sorry about that, Dora...

01:27 **Dora:** It's alright. It's alright.

01:28 **Dora:** We have a marketing automation startup called Vbout.com. We started building this technology as an agency first because we wanted to manage our client's automation processes. And we had to manage so many different tools, some of them are automation, some of them are just random email tasks like mass emails, lead intelligence, tracking analytics. So what we ended up doing is we built out our own technology to

manage our own needs. Soon enough we realized that this technology could be wrapped up in a software as a service, and this is what we have done. We launched Vbout 2013 as a soft launch, and since then we just got around the funding to grow this out, mainly to target the MENA region, and as well as the ESS region. And the ESS is a very competitive market, but it's a huge market in the Middle East. It's a very new market, so there's a lot of challenges that comes along with it, but it's a good market to be early in.

02:39 **Dora:** Yeah exactly, that's great. And now I would like to hear a little bit more in general about marketing automation and how you look at marketing automation itself. Can you define marketing automation with a few sentences?

03:02 **Richard:** Marketing automation is just the ability to automate your marketing tasks that allow you to generate leads, nurture leads and maintain your leads' post-purchase experience, or post-acquisition experience. Meaning, marketing as a whole was made so that you can acquire users online. Offline and online but let's just assume that it's an online mechanism. So part of it is you gotta acquire those people, so you have to use a set of tools that automate the acquisition. Then you have to nurture those people and lead nurturing process and every business has a different cycle. Some businesses have a long cycle of nurture others have shorter cycle of nurture. Like if you're a restaurant, you don't need to nurture a lot. People get hungry they wanna eat but if somebody is buying a house they might wait for a long time. You need a set of tools to do that as well and then at the end, after you close a deal or you acquire somebody, how are you gonna maintain that relationship. You need a set of tools for that as well. That's what marketing automation is, is just deploying these different tools across all the channels needed so you can acquire, nurture and close leads.

04:19 **Dora:** Yeah, great. What did you see was the most important driver behind the grow of this technology? Why is it needed now and not before?

04:31 **Richard:** More and more businesses are realizing that they need to automate their processes, tools are becoming more abundant and easier to use. Back in the days things were very bulky, very difficult to understand, they required time. Now, it's much easier to actually set up and implement. Plus, I think there's a growing list of channels out there that you need to exist on or integrate with. What do you do when somebody comes to your site and does action A? Is there a follow-up sequence that needs to happen? What do you do when somebody makes... After they make a purchase? In modern days you had a local store or business so you need to do all that stuff manually. People felt comfortable doing that, but now that we're in a new era of things could be fully automated and personalized at the same time, people are realizing that they could use it, they could benefit from it.

05:27 **Dora:** Yeah, okay. And what do you think are the biggest challenges marketers have to face in 2016?

05:38 **Richard:** There's a growing need of tools, there's lot of options and just like anything in this world the more options you have the more problems you have.

05:50 **Dora:** What could be the biggest challenges that marketing automation can help you with?

05:57 **Richard:** Marketing automation can help you save time by automating some of the manual tasks that you have been doing. Obviously, it comes with the word, so marketing automation. So it's mainly saving yourself time, by automating some of the tedious long time processes, long time tasks that take long time to process.

06:21 **Dora:** Okay. When I was reading about what are the biggest challenges and how marketing automation comes into picture. I read a lot about generating high quality leads, how it's becoming one of biggest challenge of the marketing department. How is

marketing automation can help solve this problem?

06:44 **Richard:** Okay, that's a very good question. I think nobody has a formula for how things needs to be done. Everybody assume that leads that are coming in, and the problem with them is that these are not as good of quality, leads. But the fact is, if you didn't have some of those automations in place, you couldn't even get those leads to begin with. So, I think the part of automation, and if set up properly, if you serve people content that are relevant to them, and you trigger the action at the right time when they are interested, then you have a higher chance of closing or getting this person as a hot lead versus a random lead. So, some of the tools or one of the features in marketing automation is called lead scoring, automated lead scoring. So, this will grade your users based on the activity they do and it will serve you a lead, as they get more engagement with your brand. Now this is fully automated that you need a sales person to do it in the past manually. So now we can actually just set it up and let it notify you when this things happen. Of course, there's always margins of error, things might not be accurate or things might fall into the cracks, but all in all this is fully automated, so you got to respect that aspect of it.

08:13 **Dora:** And endlessly scoring, you can always go in and optimize it, get the threshold higher and lower, depending on the needs, right?

08:21 **Richard:** Yes.

08:24 **Dora:** Okay, now I would like to hear more about your experiences in implementing this solution to organizations. So what do you see the main reason is for the company to maybe come to you to purchase your tool? So when is that they realize "Oh, we needed this"?

08:49 **Richard:** When is it that they realize that they need this, is that what your asking?

08:53 **Dora:** Yes.

08:56 **Richard:** Okay. Companies have been receiving a lot more follow ups, and I think one of the reasons that people realize they need it is that, they know their competition of using it. So it's more like a domino effect. So, you start getting those follow up emails, once you go to shopping cart and you don't make a purchase. Or you sign up to a software and suddenly they send you an automated five emails over 10 days. And people are opening those emails and engaging with them, and they feel like "Well, actually this is working of me, maybe I could put that to work for my business". And also the growing needs of things. Marketing, I think the new generation, new era of marketers, they know what marketing automation is. So when they start with new companies... 'Cause I have companies that are really old-fashioned, they don't wanna do this. They just don't wanna do it, period.

09:52 **Richard:** But new companies with new generation of marketers, they understand that they need marketing automation, they understand they need processes in place, they need workflow, they need sequences. So I guess that's the time when they come in, is that when they're realizing, okay, so we have our competition are doing it. We have a growing list of follow ups that we need to do manually, right now, we can automate. The tools are relatively affordable, and you can actually save time, save your marketers time by automating some of that stuff, which can save you money.

10:29 **Dora:** Yeah, exactly.

10:30 **Richard:** It's also more consistent, because even us or any company they wanna do things and they have things in pipeline. They wanna send an email once a week, they wanna follow up with this person at least once a day or once a week. But, if you're not automating this process, you will never be consistent if you're busy. So automation helps with that.

10:52 **Dora:** Yeah. And what kind of companies this is more suitable for? Is it small big companies? Is it more B2B, more B2C, or is it for everyone?

11:07 **Richard:** No, no, no, marketing automation applies for anybody. I think there's different level of implementation that you can deploy in different case scenarios. I would say it's almost for any kind of business targeting a consumer, and even a business targeting business. Because if I'm selling to marketers, my tool is made for marketers. Marketers need also to be nurtured. We need to provide value to them, we need to provide education, and its tool set, and the support. So with that growing need for them, obviously they're... You can sell B2B, which is what we're doing. And in their turn, these marketers are working with companies they are targeting consumers. So they need to nurture these consumers in their own automated processes. So, to answer your question more concisely, not to be so general, any company who has to be on multiple channels of communications, they need to have the follow-up and need to be consistent, they need to be on marketing automation.

12:31 **Dora:** Okay. And what are the most important functionalities, for you, of this technology? Maybe if you had to pick the top three most important part of it?

12:47 **Richard:** Of marketing automation, right?

12:48 **Dora:** Yeah. Or maybe the platform... Your platform, what is the main three functionalities that you would have to list?

12:58 **Richard:** So, drip campaigns, these are probably some of the areas that have been growing a lot. We see a lot of businesses that, whereas before they were only using email, now they've started to ask us about automation and how they can use it for them. So I think drip campaigns is extremely important. Email is always there, so that's not... I don't

wanna discount that, but drip campaigns I think is very exciting, linking both sequences and automated processes, even across multiple devices. So I think very soon we will be able to do, through Vbout, is if somebody interacts with you somewhere, you can send them an email, you can send them a push notification, you can send them an SMS message, you can even send them a postcard in the mail. So this type of sequences, they're personalized and they're really, really highly targeted. You will never be able to reach them if you don't do that. So I think a drip campaign is important to... I think it's my favorite feature.

14:05 **Dora:** Okay.

14:07 **Richard:** Progressive profiling is an important aspect of growing your data, because anybody who's doing marketing, they're actually in the data business, because they're collecting data on their users. So I think being able to set up that scoring, being able to set up that rule and triggers, and audiences segmentation is the second important part.

14:34 **Dora:** Okay.

14:35 **Richard:** And you have social media automation, so that's where you just automate your posting, which is a silly thing, but I don't...

14:42 **Dora:** That's also part of the platform?

14:44 **Richard:** That's part of our platform, yes.

14:46 **Dora:** Okay, that's great. So you can just post from the platform directly to social, to Facebook or Twitter, or LinkedIn?

14:56 **Richard:** Yeah, we have an integration with those channels.

14:58 **Dora:** Okay, that's great.

15:00 **Richard:** So, you're from Falcon Social?

15:00 **Dora:** Yeah.

15:02 **Richard:** Okay. Are you working with them, or you're an intern?

15:05 **Dora:** I'm working with them, yeah, full-time.

15:08 **Richard:** Okay. So are you doing this for your thesis, or...

15:13 **Dora:** Yeah, it's my masters thesis, yeah, I'm doing it at the same time.

15:17 **Richard:** Okay, so it's not for Falcon Social, right?

15:19 **Dora:** No, no, no, no, no. No. It has nothing to do with my company.

15:25 **Richard:** Alright. So I guess part of what's... I never really tried your platform, but you do integrate with social media and you post, right?

15:33 **Dora:** Yeah, yeah, exactly. Well, Falcon Social is only social media management.

15:37 **Richard:** Right. We do have a social media suite that integrate with social media channels, and you can publish to, and you can listen to some of the stuff. I don't think we're as robust as you guys are, but we do have publishing, listening, replying back to comments and retweets, and running reports.

16:00 **Dora:** That's actually really good, to have all those things in one place.

16:05 **Richard:** Yeah, yeah, absolutely. We've built so much. We even have a landing page builder, so you can build out your landing pages.

16:11 **Dora:** That's amazing. If you would need to mention risks or disadvantages, regarding using automation, what might these be? Maybe more risks, not disadvantages.

16:29 **Richard:** Risks. You risk not having engagement with the end consumer directly. Users are getting more and more of these messages, so the risk is that they might know that this is automated, and they might... If you're used to doing personal interaction, they might see the change to an automated processes. Obviously, the risk of not measuring the results, and just be running a campaign that you think works, but actually it probably not producing enough results. I'm just trying to think of an actual risk, not... Are you talking about the cons and pros, or are you talking about something risky that your business could get into?

17:24 **Dora:** Oh well, some other interviews mentioned that basically you control a big database from one place, and then if you make a mistake in one of your campaigns, let's say, then the effect of it can be really big, like for example, sending the wrong message to the wrong audience, or when you do a personalization, make a mistake there and... I received emails with "First-name", and then the personalization just didn't work, and stuff like that. But maybe these are just small things.

18:06 **Richard:** Yeah. I would say these are more of... Yeah, this is the setup part of it. And if you set it up wrong, then this might happen. And there's always margins of error, so you might trigger a message, mistakenly, to somebody who matches all your rules. Yeah, I understand that. But everything is the same. You can be sending out a direct email, even in mailing, you can have the person's name wrong.

18:33 **Dora:** Yeah, of course. Of course. And how would you position this technology? Is it going more to the Marketing Department, or is it IT, or it belongs to sales?

18:43 **Richard:** No, this is definitely marketing. There's a lot of content production, by the way, in doing this. You have to create content inside your email campaigns, you have to create some sort of graphics, you also have to create the landing pages that you send people to. So there's a lot of the marketing content that goes into it, and of course, they need to work in synergy with their IT on making sure the setup is correct, as far as the landing pages. For instance, with us, if you're a marketer, you don't really need an IT person, as long as you know how to create a graphic and content.

19:23 **Dora:** Okay. And on what organizational level is the decision made to acquire this technology?

19:30 **Richard:** I'm sorry, can you repeat that please?

19:32 **Dora:** Yeah. So, what organizational level the decision is usually made to acquire this technology? So, is it a marketing manager? Or is it happening on a higher level, maybe with the CMO, or even higher?

19:48 **Richard:** I think CMOs are the ones who really make that decision.

19:53 **Dora:** The reason why I'm asking this is because one of the area that I'm looking into is that, how big of a change needed in your organization to implement this technology. I'm talking about the changes that the company has to make in terms of strategy, structures, processes, in the marketing team, between the marketing and sales team, in order to fully use all the functionalities of this platform.

20:22 **Richard:** So if you're talking about very large organizations, we don't really work with very large organizations. So I can't tell you. The teams that we work with are under 20 people in the marketing department, in which case, they do have sales people. So I think the way that this can bridge... So some of them, what they do, is they create different users, and accesses, and then they just have their sales access their email marketing lists, or the lead scoring feature. There's more of a synergy between them, more now, because they're depending on technology, both. Now, CMO will need to make... They come at a smaller scale. Most of these companies, they decide to move to automation, and I think they're testing before they move to full implementation. So they might be testing certain processes, and automated, and then, they'll be moving the full processes.

21:27 **Dora:** Yeah. So this process is, it can take up to six months? Even more, a year?

21:33 **Richard:** No, no, no, no, no. Honestly, I mean [chuckle].. Again, I don't, I don't have experience with big teams.

21:39 **Dora:** Yeah. No, no. I'm more interested in your experience. So if we're talking about small companies...

21:46 **Richard:** In two weeks, you can get up and running, and you have your processes going. It doesn't really take much. It takes creating the content, so if you're writing up emails and landing pages, obviously, it could take you one week, it could take you five months, it depends on your speed with that. But the implementation part... From the moment you say, "Alright, we have the content, we need to implement it," the tour can take a few days. And it's up and running. Even one day, in some cases. It doesn't, that doesn't take that long. Now if you have, obviously, if you have sales teams and you have marketing teams in different countries, and regions, and you need to implement different divisions, and groups, and permissions, whatever... Then it's a completely different story. That could take much longer.

22:30 **Dora:** But it's definitely needed, a new kind of strategy or at least partially, to set up, for example, lead scoring as you were talking about and then also sales has to look differently for these leads, from that point... Because they're gonna be put into different categories.

22:52 **Richard:** Yeah. So if you're an old company, you probably have your own old ways of doing things, and you might be comfortable with it. You might be a superstar at what you do, and you're selling $1 million a year. How are you gonna convince that guy to go in and start using marketing automation...

23:06 **Dora:** Exactly.

23:06 **Richard:** And he doesn't know that this marketing automation's gonna make him sell $2 million? He's gonna be skeptical, right?

23:12 **Dora:** Yeah.

23:14 **Richard:** Now if you're a company, and you have a salesperson who's not selling, and you're gonna implement this, it's gonna be so much quicker for you. [chuckle] You have nothing to lose, really. People are lazy, too. They don't wanna change. So if you have teams, train the teams, you're gonna train them once or twice, you're gonna implement, make sure it's implemented right... So, yeah, it takes that.

23:35 **Dora:** Okay. So how would you convince the more skeptical ones?

23:40 **Richard:** The more skeptical in using marketing automation?

23:43 **Dora:** Yeah. So let's say, "My processes are fine, and I don't need this."

23:50 **Richard:** So I think it really comes for the time management and return on investment. So if somebody's skeptical, and if you come to someone, and they say, "My marketing is perfect, I don't need to do anything with it," then obviously there's not much you can do unless, I don't know, you figure out if there's something wrong. But if come to see somebody and he says, "I like my processes but I have problem with this," then maybe he can take that problem and see how it can be automated to be resolved. Now, the skeptical, you need to save time, you need to be consistent, and you need to obviously have the ability to measure much effectively and to have a loop where you can take all that data, and reiterate the cycle. So if your processes are already in place that are doing that efficiently, then you don't need marketing automation because you probably are doing it somehow.

24:55 **Richard:** But if you're not doing it, it's definitely taking up a lot of your time, so why not save some of that time? You're definitely not collecting data the right way, so why not collect more data you can use? And of course be consistent. And the return on investment, if you're spending, I don't know, depending on how much you're using but let's say you're spending $100 per month, and your sale is, I don't know, $1,000, so it's a no-brainer. Because you need it to close one lead per year to make up the money. If you're spending on Marketo or expensive stuff, $5,000 a month and then $10,000 in implementation, so now you're talking about 150K a year in investment, or whatever that may be. A completely different story.

25:47 **Dora:** Yeah. So in a one to five scale, how big, or how big, how radical the change would you say happening in an organization when they implementing this tool, just if you have to put it into a scale?

26:06 **Richard:** So from one to five, the changes, I think... So let me think. I'm trying to think about those companies we work with that were able to set this up effectively, versus

those who didn't do it effectively. So, I've seen some of the companies we worked with they scaled their team down because they were able to automate these processes, so that was for them that was a five immediately. And you have some companies who are in between where they're really seeing better results because they're more consistent, so that's more like a four.

26:43 **Dora:** Okay, that's great.

26:46 **Richard:** So let's do it, let's say a four, it's a drastic change.

26:49 **Dora:** Okay. Yep. Great, actually that was my last question.

26:56 **Richard:** Alright.

26:56 **Dora:** Yeah. Thank you, thank you so much for your answers. It was really, really helpful for me.

27:02 **Richard:** Yeah, no problem. So you're out of what country?

27:07 **Dora:** Denmark.

27:08 **Richard:** Oh Denmark, okay. So is the need for that marketing automation growing in the region, in Denmark?

27:14 **Dora:** Yeah, yeah, definitely, definitely.

27:18 **Richard:** Do you have big players in the market right now doing it in your region?

27:23 **Dora:** Well, those companies that I know and using marketing automation mostly

using big tools like Eloqua or Marketo.

27:33 **Richard:** Oh okay.

27:37 **Dora:** But I don't necessarily know how much they are using it, I am more in the picture of the market and the social media management tools.

27:46 **Richard:** Got it, got it.

27:48 **Dora:** And that's a bit different.

27:50 **Richard:** I'm looking for partners in Europe, if you know somebody interested in becoming a partner with us to resell our platform, because we have very competitive pricing. So we start at $100 entry level so that's very good. So if you know somebody who is interested in becoming a partner and potentially growing a business in Denmark and in Europe let me know.

28:15 **Dora:** Okay. Definitely. Thank you, thank you so much for your time again.

28:20 **Richard:** Yeah, no problem. Any other questions or anything just feel free to email me, happy to assist.

28:26 **Dora:** Oh that's great, thank you, thank you so much.

28:28 **Richard:** Yeah, no problem.

28:29 **Dora:** And have a great afternoon.

28:31 **Richard:** You too, take care.

28:32 **Dora:** Bye.

28:33 **Richard:** Bye bye.

R9, Christa Watson, April 9. 2016.

Dora: Maybe for the beginning could you just shortly introduce yourself and your area of expertise? What do you do?

Christa: I also used to do consulting for companies. Partially around automation and partially around just business processes in general, specifically with revenue generating programmes. In terms of my expertise, I only worked directly with one automation tool in terms of marketing and that is Marketo. All the way I also with a CRM system I implemented a lot of automation with, which is Salesforce. So they work very complimentary. In terms of what I actually do at Agreement Express, I am in charge of all the tech hack (X – 00:51) operations, including setting campaign goals and campaign metrics, having a structured life cycle, setting up revenue stages, measuring time to revenue. Agreement Express is an enterprise sales company and our customers are large financial institutions, and our deals are not B2C transactions. It is really important, because there is a huge differentiation between consumer marketing automation and B2B marketing automation and even B2B enterprise marketing automation.

Dora: Can you also explain since when are you working with Marketing Automation?

Christa: I would say I am acquainted with it for 2 years. I worked with it previously, but not the level I am at now, so I would say 2 years.

Dora: Now I would like to learn more about your view on Marketing Automation in general. How would you define Marketing Automation with a few sentences?

Christa: Marketing automation allows to automate a lot of manual processes that had previously taken marketers a long time, either actually implement or sit down and do. Allows them to automate a lot of daily tasks that marketers had to do and what is really marketing automation is.

Dora: What impressed you the most? Really exciting example?

Christa: What really impressed me about marketing automation is the ability to get so much data set up for you, even such a way that you can take action really quickly. In some previous roles I had, it would take me 3 or 4 days to figure out the same amount of data that now take me 2 minutes with marketing automation, so really the reporting mechanisms. The reporting mechanisms are the second part of automation, but because the automated system is actually executed in these processes, it's a lot easier to gather little bits of information a lot faster. Something as simple as whether they click on email, it is hard for me to look through individual people you can have a summary of what happened with people who clicked on the email, post clicking on the email.

Dora: What do you see as the most important drivers behind the grow of marketing automation technology today? Where is coming from? Is it all about digitalisation?

Christa: I think it is part digitalization, in a way that a lot of marketing are done online now, especially for B2B it's a lot higher than it has to be in the past. The other component that I see is that, when MA were first introduced, back in 2006, it allowed marketers to be a lot more accountable for what they were doing a day to day basis. There was a famous quote that said 50% of marketing spent goes to something that you don't know what it does. So that is not really the case anymore and I think entire organizations are voting

marketing more accountable and the way that marketing can help to be more accountable is through tools like MA.

Dora: I'm also really interested in the current challenges marketers are facing every day. What do you think are the biggest challenges marketers have to face in 2016?

Christa: I think the challenges are the same ones marketing has been dealing with for a long time. It is about positioning and having the right message at the right time to the right person. And this challenge has been around, I think it is going to continue like this, because that is the most challenging part of marketing. Automation is really helping with that, because e.g. you can set up targeting the right audience. My team's biggest challenge is positioning, because of our product, you can't really say that your product is better, it is an enterprise software what is a lot harder to explain than an average product in its own category as well. It is extremely challenging that we are basically a brand new category, similar to how advocate marketing was a brand new category a couple of years ago.

Dora: Does Marketing Automation help you overcome these challenges? If Yes, how?

Christa: Like with ABM marketing, because we have such a small target audience, which is the financial services space, we can't sell to every single industry, so we are really looking at automation that can help us target certain people at certain companies at the right time. The other thing is using message testing, so whether potential customers are (X – 9:28) with saying that it is automated onboarding, or automated client on boarding, or automated new account opening and to test those certain messages across a lot of automation platforms and we can figure out through data, instead of guessing, which one works the best.

Dora: Now I would really like to hear more about your experiences on implementing marketing automation to an organization..

Christa: I inherited my automation system, but I have worked on it a lot since so I can tell you my experience with that.

Dora: What was the reason for going for this technology? / What is the main reason organizations are going for this technology?

Christa: I can't really answer why my company did it, but in conversation what I had before was really that they had a small team, and they have the option to hire someone else or implement an automation tool, and the other reason is that they needed a stronger understanding on what is going on in their market, with their database, behaviour on their website, behaviours with advertisement, and also they wanted to have more investment from BCs (X – 11:46) … and they want to know how marketing contributes to the revenue. So there is a wide variety of reasons, I think one of the big reason why it is adopted recently is because the standard of how people are behaving has changed so companies are getting more benefit out of it. The expectation that you have to fill out a form for content or that websites are going to be tracking your behaviour through cookies is quite expected now. So it is a lot easier to justify that spend and MA is in terms of costs is a decrease substantially. The standard license for Marketo for example, is the same price as two years ago, but the amount of services you get for that price increased exponentially.

Dora: What kind of companies Marketing Automation is suitable for?

Christa: Every kind of company. Depends on their purchases and what kind of reports they need, and even they buying cycles, as simple as it is, if they have an e-commerce website, or having some sort of automated email system, or an automated email tracker can really increase the customer experience, as well as your revenue and your knowledge of your customers. For enterprise companies, they really need to track how much each

campaign is bringing in, make sure that each campaign is optimized, and their processes are running efficiently, and it is on brand and it is consistent. So you are not sending out an email, that you custom built in html two weeks before and it is not matching your brands guidelines. All companies can benefit from automation in some format.

Dora: What are the most important functionalities of this technology for you/ for your organization? And why?

Christa: I did talk about reporting. And that is a big one, because its help us not only justify marketing spend, but helps us understand where the gaps are in our sales for the future, so if we run a campaign in February, how is that impact our closed deals in October. Because we have MA, we have all that tracking, we can actually time our campaigns, so that our ---- constantly filled, and that's affect the rest of the organization. Because if we are constantly booking, selling companies and closing deals at same period of time every year, it is going to cause giant waves for the entire organization, in terms of professional services, development time, our support team on boarding new clients. So that is an organizational impact. The other thing is that it is a huge time saver, I don't have to manually do most things, most things are automated, and every time I work on the system, it makes the entire team faster. Which I think is a huge benefit, its not a one time task, it is an ongoing benefit.

Dora: How many people are working with the tool in your team?

Christa: Beside me there are two people who go into the automation system, basically for reporting, just looking for numbers. And I have two content people who are working only in assets, so landing pages, emails, and then I do everything else. So in terms of actual automation and building or making a function, its only me.

Dora: If you should mention risks / disadvantages regarding using the automation in your company what might these be?

Christa: There is a risk of purchasing the wrong system for your company. As much as I love Marketo, it is not necessarily the right system for everybody. So it not necessarily the right system for a small ecommerce company, it might not even be the right choice for a company that is really focusing on inbound marketing. So that is a huge risk, because it is generally an expensive cost for marketing. The other big disadvantage I have is that the amount of employees who can actually work with automation, not just be able to do things with automation, like build programmes and build processes, but actually build them for the business, that is a very in de--- market. If you would try to hire someone to replace me, it is not going to be the easiest thing in the world, it is easier to hire someone in an intern level and train than find someone with the right experience.

Dora: How would you position this technology? Is is belonging to the marketing department/to sales/ to IT?

Christa: It belongs to marketing, entirely. In terms of positioning it, I am trying to keep it away from the rest of the business, because although it is a great automation tool, having too many hands in the pocket can sometimes mess things up. Because I work at a software company, I am lucky that they don't really need to use my tools that often, because either they can build their own tools or they have their own systems.

Dora: Do you think Marketing Automation generate competitive advantage?

Christa: I don't think for my company specifically. I think it can help us with our positioning a competitive advantage, but it wont help our product any more.

Dora: On what organizational level should the decision of acquiring marketing automation be made?

Christa: The time when it was originally purchased, it was the Chief Revenue Officer. For ongoing justifications, or why we either keep or remove different automation systems, that is Me, and then I have to have it singed off from the current Chief Revenue Officer.

Dora: How does marketing automation affect the roles of the marketing and sales department on their own as well their dynamic together?

Christa: I am super lucky to be a part of a team, that are super smart marketers and sales people, and we actually work on processes together. Usually our CRO would bring an idea forward and than I would try figure out the best way to do it, then propose it to the rest of the team and then we work out the things together. So MA can really influence a process, it can make it a lot better, it can enable you to do it more efficiently, but in the end of the day you still need to have a business person decide on the process, create the process, and make decisions on processes based on what is good for the business. It is an enabler but it is not a decision maker at all.

Dora: How radical of a change do you see in implementing marketing automation in terms of company strategy, structures, processes and culture?

Christa: I think it would depend on what the company already had before. If they already have thing like a lead life cycle, if they already have revenue stages, if they already have expected service level agreements, and if there is a data driven marketing team, then there isn't going to be much change. If they have none of that, then it is a radical change, because you have to adopt certain standards to be able to use MA properly. But they are all best practises for all kind of growing companies so it is something that should have been adopted regardless.

Dora: How would you convince the sales team of using MA?

Christa: The easiest one is that it will help us run more campaigns, faster and cheaper, which really means more leads for them. At the end of the day it is more sales goals and more commissions. I think that is the biggest one. And any other arguments are really have to do with scalability. A company that is expecting to grow, they need to have these processes in place anyways, like campaign tracking, campaign measurement, qualified leads vs. disqualified leads, they need all that anyways, so the sales team would need to adopt that at some point.

Dora: How do you prove the advantage of it before, or after using the program? How do you really measure the ROI?

Christa: I inherited it, so don't have much about before vs. after, but the way that I justify it is both saved time and I have a few campaigns that are entirely depend on automation, things like lead scoring, responsive content, nurture streams, that are entirely automation based, we couldn't have them. And just through straight numbers I am able to justify the automation costs, just through those programmes.

R10, Inga Romanoff, April 17. 2016.

Dora: Okay, so I think it would be great if you could first just introduce yourself and what you do?

Inga: Absolutely. I am CEO of a Marketing Information Consultancy. I've been in business for about 5 years now, a little bit over 5 years. I started to practice more as a consultant

which meant that I worked with clients directly, designed everything and then outsourced certain portion of implementation to the network of expert consultants. Made me very efficient, I was able to build the brand and [unclear-00:06:05] of expertise and, as of last year, we converted to be a company. So now my job is to continue to step out of the process and to build the company rather instead of doing things.

Dora: Okay.

Inga: I'm still kind of in the process of that. I'd like to be a practitioner as well and maybe 25% of my time devote to doing something and being part of client meetings, but then 75 focus on what this company is, where we're going, what's important.

Dora: That's amazing. And, what was the reason why you wanted to work more closely with this technology, and how long have you been working with it?

Inga: Well, technically, actually marketing automation itself is a very new term. However, I started more than 10 years ago, I worked with large brands like Victoria's Secret, [unclear-00:07:06] body works, their US brands, large databases. It was back when it was called Database Marketing. Then a few years later [unclear-00:07:18] their name to CRM Marketing, then it became marketing automation, but marketing automation sort of encompassed everything that we were able to do manually. If used to take twice as long, twice as many people, and we did sort of a quilt off … you know what a quilt is, right?

Dora: Mhm.

Inga: Quilt of different technology, and did a lot of things manually. Now, technology today allows for you just one person do everything, almost everything we did with a ten people staff, 10 years ago.

Dora: Yeah.

Inga: Maybe not the same level of accuracy but that's a completely separate topic. The reason I ended up where I am, and I'm very happy and passionate about my occupation, is I am both left and right brain person and if I end up on the one side versus another I get bored. So, for me, marketing automation allows for me to be, to serve, be a creative thinker that I am and think outside the box and interview the business and figure out how they run the business so we configure the systems to carry that and to fulfil what the business is trying to do, while I can log into Marketo and code the most complex nurture programme.

Dora: That's great. Okay, so next I would like to learn more about beyond marketing automation in general. So how would you define marketing automation with a few sentences?

Inga: Marketing automation, well, I should share we were just at the Marketo Summit and the session that I presented was called 'More Marketo, More Money.'

Dora: Okay.

Inga: And we actually talked specifically about marketing automation industry and why is it even important. Marketing automation industry, if you look at the research, according to series decisions there's nearly eleven times more [unclear-00:09:22] organizations using marketing automation compared 2011, so only 5 years later.

Dora: Okay.

Inga: Because penetration rate is estimated at about 49% of overall businesses, which is up from 3 to 5% back in 2014, so actually the industry's predicted to grow at about 9.75% (*s.l. quicker*), so from 1.8 billion in 2015 to 7.24 billion, 2019.

Dora: Wow.

Inga: Which is huge. Yeah, so basically penetration is less than half and it's growing at a rapid speed. The penetration of marketing automation is definitely a lot higher among bigger companies, so we put together research so we said, I think it is about 60% in companies larger than half a million. If you go all the way to small business, like 5 to 20 million, it's only at 5% micro which is less than 5 million, it is 3%.

Dora: Okay.

Inga: So it kind of tells you that we're sort of in the beginning of this and it's going to continue to grow, it's going to continue to morph, consolidate, and add on more functionality. So it's kind of an exciting industry to be part of, but it does require certain DNA, somebody who can learn quickly, adapt to new practices because nobody knows how to do this right. Talent is so scarce, why wouldn't you go to an industry where there's not very many people who know how to do it and even fewer who know it well.

Dora: Yeah, exactly.

Inga: We ran a survey, there were over ... I can send you the link if you want to take it.

Dora: Yeah.

Inga: Everybody who submitted their survey will receive a copy of the survey itself, and basically we looked at, we wanted to prove several hypothesis, one being if your regular

marketing versus marketing automation you make more money. The longer you know it you make more money. The deeper you know it so you are, let's say, on the client side or you're a consultant, the deeper you know the more money you make. So, I think it was basically supporting what we knew already but data is data, so …

Dora: Yeah. That's great. And what do you think what is the most important driver behind the growth of technology, why is it growing so much right now?

Inga: Well, you know, the large companies to do more than less. It basically changes marketing our team or marketing as a function in organizations from a cost centre to revenue centre. For example, old school company were marketing just as everyday thing. It simply a cost centre and there's very little attribution of marketing activities to the actual outcome of the business.

Dora: Yeah.

Inga: With marketing automation, however, you can track the lead all the way from when you put the display ad in front of them, to when they clicked on it, to when they converted to it, to when they visit your website for the first time and give you the information, to when they converted the business. Now, with that you can actually optimise your marketing, not to gain how many leads they will bring but how many revenue [unclear-00:13:00] they will bring, and you can therefore just stop doing less of the things that don't work and start doing more things that work.

Dora: Okay. And what do you think our biggest challenge is marketers have to face right now, not necessarily connected to marketing automation but generally in marketing?

Inga: Well, generally marketing organization became more flat. Several countries kind of had to tighten their belt and a lot of people got a cut, so I'm going to give you an example

where I worked for monster.com. When I first started with them our marketing organization was 283 people.

Dora: Wow, that's a big team.

Inga: Globally. Yeah, yeah, yeah, globally. In … when I did leave them? In 2009 their marketing team was 125 people.

Dora: Okay.

Inga: Plus we had access marketing agencies but that's a separate topic. I'm sure now there's probably 50 people. So over time …

Dora: And this is due to the technology?

Inga: Well, yeah. So companies continue to cut staff, companies continue to look for ways to automate and become more efficient. The volume, sheer volume of things that happened in companies today, even though they are fewer people doing these initiatives, the volume of initiatives is not lower, it's actually higher. So what is done is a lot higher, there's so much more technology and different channels – think about it 10 years ago we just had advertising, TV advertising, we had a radio and we had some digital. Now, among digital there's so many different channels. You have social media, you have the regular [unclear-00:15:02] versus you can do lead gen cards. You have Snap Chat, there's so much more that marketing can do, but it's this smaller number of people is less, so you kind of have to become more efficient and look for productivity packets, and I think marketing automation is where it's plugged in right into the need of the companies to do more with less resources.

Dora: Okay. So, what do you say what's the main reason companies going for this segment. You mentioned to be more efficient, but apart from that, one is that they feel like, okay now, we need to do something to be better and to be more competitive.

Inga: Yeah. I think companies need more visibility to their marketing activities, so how it's performing. Specifically in the US market there was that year when we had a pretty severe economic downturn and we needed to know attribution of all the marketing campaigns that were out there. We wanted to know whether they worked or not at the least. I think that companies want to have transparency, complete transparency into how much activity is actually forming and you can only do that with Marketo or more marketing automation tool. Like for example, you know this because you work with the tool, what pages are visiting on the website. If they're visiting the key pages and pricing pages, like they're ready so we need to send them to sales. There's probably a huge need for personalisation as well in different channels, email, web personalisation, as well as personalisation with sales or within sales channels. Emails sent on behalf of the sales reps, you can only do that with a marketing automation tool, there's no other way to do it.

Dora: Yeah. And what kind of company is marketing automation suitable for. So big or small companies or … I mean, you mentioned already that more enterprises are using it than small companies, but in general is it for everyone?

Inga: It is definitely for everyone, but not one size fits all. There is no such thing as a Walmart for marketing automation. A larger company has more complex requirements, much more complex organizational structure, so there's a need for managing the process, and they have a lot of competent workers that have some sort of specialisation with … but return investigation in larger organization, if it's done right, is counted in millions. There's small and tiny companies, start-ups, that are primarily focussed on bringing leads and converting them. They don't have much money but whatever money they spend they want to make sure that it's actually bringing the business and a lot of start-ups are still in

the stage of figuring out what is it that really drives the business as opposed to just leads. And my answer would be any company needs it but there is no one solution fits all, therefore you see that there's very, many different offerings in the market and yet newer ones are coming every month. And there's, right now, a place for everyone because different company size has different needs. I want to say that, to take that further, probably different industries have very unique special needs. For example, take higher education, they take forever to make the decision but once they did the cost of switching to another tool is so costly that they will never leave. Healthcare, Utilities, they're laggard or sort of behind everybody else adopting it, but not because they don't need it, it's because they have special needs that have not yet been met by current offerings.

Dora: Okay. And if you would need to mention risks or disadvantages, short of using marketing automation, what would that be?

Inga: It just sharper technology. I can say it's entirely disadvantage, there is no disadvantage to using marketing automation but if you are using marketing automation you have to manage it properly and you have to do change management. Often times I see that the marketing automation tool is picked up and dropped onto the head of the marketing department and they're just trying to not to drown. I think it's really important to do change management and also evaluate your talent. You will love marketing automation but it's not for everyone. It requires a certain kind of DNA and if it's not for these people you should actively manage that as a company and push them out and put the people that would love it and give them resources and tools to learn it, manage the process to set of their architecture round them so that they can achieve their goals. So it's not a disadvantage per se but I would say, I would caution that you can't just drop it into an organization, a company regardless of the size and expect for it to work. It's probably a little bit more mandatory for a larger organization because generally marketing and processes are more complex, but I would say it's probably true even for tiny companies.

Dora: Okay. And, now I would like to talk a bit more about implementation of marketing automation in a company, so for companies that didn't use it before and now they have just start using it. So what kind of changes an organization needs to go through while acquiring this technology. You already mention that, yeah, this is a technology that they start using but a technology's more just kind of an enabler and the company itself has to change. What needs to change first?

Inga: Yeah. There's process, data, people, and maybe a marketing campaign. A first process … I'm going to make a note here.

Dora: Okay.

Inga: I'll send you an article on my blog that I wrote for like how executives need to manage an implementation.

Dora: That's great.

Inga: But in general the processes have to change because now you have one more player and it's a disruptive one. Processes means before leads were dropped in somewhere, let's say selfscore.com, and then they would directly sent to Sales. Let's say now you have scoring, lead prioritisation, leader rating, these must go into Marketo first for the duplication, proper scoring, and then maybe sink or no sink. So that's one example. Data; every time you put marketing automation in the mix it will uncover issues with your data. Sometimes there is a perception that Marketo or the tool, whichever that might be, created these problems, but the truth is that the problems were already there but they did not mess up. So, it's almost like putting this just to get a tool in the mix to reveal issues but they require immediate attendance. For example, duplicates; if there were duplicates themselves verse dot com in sales process, it was not a big deal because it's a human process, so every sales rep can search for duplicates, figures out which one to talk to and

update that record. Marketing automation is automated and their scoring processes think sending leads to certain nurturing campaigns and, in that sense duplicates are evil. And Marketo can tell the difference, you know, they're duplicated best in an email address but if leads originated CRM, it will always treat CRM as the master [unclear-00:23:43], so data has to change as well, not just the one time sweep but also certain processes to ensure data quality that have to happen at implementation, and that's where a lot of company's actually fall through. And just so you know, so if we talk about data quality as a concept there is a measure on how dirty data is and an organization can be called a high performance organization if they have 10% or less duplicates.

Dora: Okay.

Inga: So some will happen anyway, they're inevitable, but if you can have 10% or less you're in good shape. Most companies, most big organizations have about 25% bad data, bad for dirty duplicates, inactive, inaccurate, incomplete, etc. If you're working with a consumer based business it can be as high as 50%. If there is an e-commerce channel, like Victoria's Secret has stored catalogue and e-commerce, I'm going to tell you one person, one actual physical person has about five records. And it costs company money because you pay for every new lead you acquire. You're trying to score it and you can't really score, distribute between all the leads so you don't know if it's a hot lead or not, so it costs company's money. I think the third beside the process and data is talent. If you were the CEO of the company and you got a marketing automation tool and you plugged it in and the entire team knows how to do it, that never happens. Never, not once. Maybe they heard about, maybe they have some experience, maybe there's even some with experience, but then the rest of the team will have no clue. So some change in management is required to ensure that your team has proper orientation and training, that there is an internal champion that's assigned that you are in charge of Marketo and you own all the knowledge and you share it with everybody, maybe even in a staggered fashion because, let's say we have a multi-national company that has offices in the US as

well as in Germany and France and England, you would probably create a centre of excellence for best practices centre in the US, implement it, complete it, train everybody, and then roll it out to Germany who then roll it out to France, the roll it out to England. So these are very important and. All three then have to evaluate, it's not for everyone, not everything is for everyone, and if you have your digital marketers here and now you made them do marketing automation and they hate it, maybe it's not for them. And you kind of need to evaluate that and either move them around in the organization and a role where they will happy, teach them and see if they would pick up the skill, or just not have them in the organization, in this role, because chances are you may be paying over 150 thousand dollars a year for this fancy tool and if this person hates it and is not willing to learn it's basically money thrown out the window, you're just not going to realise the full potential.

Dora: Yeah. Thanks. I read a lot about how marketing automation affects the roles of marketing and sales and those departments, how they work together. So, what would you change, how are the dynamic between these teams are changing and how it has to change and how sales has to accept the change?

Inga: Mhm. Yeah, well, basically, remember I said that it change from marketing being cost centre to being a revenue centre?

Dora: Mhm.

Inga: Marketing automation brings about incredible transparency to what's happening in both cycles, self and marketing. In old school prior to marketing automation there is marketing matrix, marketing will do activities, let's say run around a lot, bring a lot of leads and what we call in America 'throw them over the wall.' At the end of the month and quarter when sales have to reach their goals they will complaint how crappy the leads are or that there's not enough. And it's the same thing every month, every quarter, every

year without fail because there is no transparency. Marketing will set out in email with Gisele [Name] and everybody will open it, and they were like 'oh my god, our campaign performed amazing.' But then they're selling marketing automation stuff for us, so Gisele had nothing to do with marketing automation software, even though email campaign was amazing it's never brought any business. So that's like an example of old school marketing saying we've done a brilliant job and Sales say there's nothing to sell to. Marketing automation breaks down the barriers, makes it completely transparent. Marketing sees which leads and campaigns can form because we can see all the way until opportunities open and close as well Sales knows how many leads they've got and what scores they have. Now, Marketing also can kind of have some accountability from sales for their best leads because we've had them before. Yeah, marketing worked really hard [unclear-00:29:21] leads, 40, 60, 100, 50 dollars for them, send them to Sales and Sales doesn't do anything.

Inga: It happens, it's just part of life. But with marketing automation you can set up (*s.l. SLA*), you can track how well and if Sales is actually following up, and you can communicate that to Sales Management easily.

Dora: Okay. So, what would you say, how radical is the change that has to be done when implementing marketing automation in terms of the company strategy, or is it actually the company strategy that's involved or it's more just a Marketing and Sales strategy?

Inga: Company strategy is set up regardless of marketing automation. Company strategy is we want to become the best provider of consulting services in [unclear-00:30:12]. Then there's marketing strategy that gets translated out of business strategy. If you want to become the best provider of services next, it's how big the market is, it's how much share we can get, it's how much it will cost to get it and the recompense it will get us there. So marketing automation is not something that feeds into the strategy, it's more of an

enabler, architecture platform to make it happen. And for companies to stay competitive you actually have to do it because everybody else has it.

Dora: Yeah. So it's more the change in the way people work in the company.

Inga: Mhm.

Dora: Okay, cool. So, when you have a new client and they want to implement and need your help to implement, marketing automation make sure what you think, what are the main challenges that they're going to have to go through in the next, following month?

Inga: I'd probably say all the same things that we talked about in terms of change of management. I would add one more thing, they do have to choose the right platform because every company knows where they are today, where they want to be in 1 year, where they want to be in 5 years. So I would probably just say that companies need to think long-term and try to create the infrastructure that is easily scalable. You don't want to get a cheap tool today and then migrate your data in 1 year if you're expecting rapid growth. It's stupid and will cost you more money, will lose some of the internal, like the IP, the internal knowledge, and you're probably going to lag behind just for that transition. So if you're thinking you're going to be expanding rapidly choose the tool that will support you in 1 year, 2 years now, invest a little faster into the future so you can move very quickly and stay competitive.

Dora: Okay. You mentioned before that this can be very expensive for some companies, so how can companies prove they are alright between this after implementing …

Inga: That's probably the toughest question to answer. I think there are tools now that I would say are improving. I'm going to say analytics is one of the most underutilised features, analytics is still rudimentary. We have all these beautiful complex tools, and it

will offer us to see everything but we're not really using it to its full extent. I think the tools are still clunky as well and probably about this year is when we should expect a lot of improvement in that area.

Dora: Yeah, exactly, because companies and marketing teams, as you said, needs to prove that they are attributing to delivering, they need to show numbers.

Inga: Yeah. Yeah, exactly. But's it's the toughest one to prove.

Dora: Yeah. Okay. Well, that was my last question.

Inga: Okay.

Dora: So thank you so much, you gave me a lot of very, very useful information.

Inga: Oh, it's my pleasure. Good luck with your paper, I would love to see the final version. If there's any confidential information I can sign a confidentiality agreement, but would definitely love to see that.

Dora: Thank you, thank you so much

Inga: Yeah, no problem.

Dora: I will definitely send it to you when I'm ready.

Inga: Okay, sounds good.

Dora: It's still a long journey to go. Well, thank you so much for your time again and have a really nice day.

Inga: No problem, take care.

Dora: Bye.

Inga: Bye, bye.

APPENDIX 4. Other Inspirational Readings

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