

LAUNCHING INTO 2018

Don't Skip These Questions When Talking to Martech Vendors



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The importance of marketing technology is growing by the day. At the same time, marketing budgets are under ever-increasing scrutiny. In this environment, marketers cannot make marketing technology purchases decisions lightly.

Marketers must come to the table prepared when speaking with vendors about prospective purchases. The challenge, however, is “not knowing what you don’t know,” which can lead to overlooking essential questions during purchase

discussions. Fortunately, martech vendors prefer that their customers make smart decisions, so they succeed with their solutions (and stick around) — and, that means ensuring that prospective customers are well informed when they make that weighty purchase.

With all that in mind, MKTGinsight asked several industry experts: As marketers plan their 2018 technology purchases, what’s the most important question they should ask the vendors of solutions they’re considering? Here’s what they advise.



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ASK THIS:

How will this help me understand my customers holistically?

HERE'S WHY:

As marketers plan their technology investments for 2018, they need to ask how the technologies they're

considering will help them understand the customer holistically, not in siloes. Without this comprehensive understanding, companies will struggle to provide customers an excellent on-brand experience across all channels, digital and physical.

Driving more comprehensive customer understanding requires two types of technology: technology that connects with your other tech solutions to drive integrated customer data and insights, and technology that connects you directly to your customers.

In recent years, marketers have invested heavily in technology, especially digital tools — solutions for better A/B testing, analytics, and personalization, to name a few. Their promise is to unlock value and revenue potential through improved customer understanding: Add technology, deepen your knowledge of customers, fine-tune your marketing activities, and then unleash explosive growth.

It hasn't worked perfectly. Although these technologies certainly have yielded more data, they haven't always generated more insight — in part because most of them don't integrate well (or at all) with other solutions. When technologies don't connect, the insights they yield don't connect either. Disjointed insights can keep companies from truly understanding customers holistically.

Additionally, some technology solutions, by replacing direct customer contact with customer behavior analysis, can actually undermine companies' customer understanding. To learn why customers abandon e-commerce journeys, for example, it's often easier to ask them than to analyze click patterns. Companies that rely on analysis rather than interaction may develop false confidence in the accuracy of their customer understanding.

Understanding customers holistically, through integrated technologies, is essential to ensuring accuracy and avoiding false insights.

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ASK THIS:

How will implementing this solution affect my teams' work processes?

HERE'S WHY:

When investing in new or upgraded marketing tools, it's important to not solely focus on the benefits of the tool itself, but to also consider how the change will affect your teams' work processes.

As marketers, we all understand technology's benefits, as well as the costs of implementing new or upgrading existing tools. But to maximize those benefits, it's essential to determine what must change in your employees' roles and activities. This change management is a process in itself, and one that will require deep planning before, during and, perhaps most important, post implementation.

Whether you're exploring a new CRM system, marketing automation platform, social media technology, or other tool, getting teams to buy in to the new processes related to those tools and getting them to adopt those new processes can be challenging. It may take a significant amount of time to help users realize how the tools are actually helping them to work smarter. It requires what I call "hyper critical care" after implementation to solidify their commitment to the new way of work. This includes ongoing reinforcement and continual communication to demonstrate the tool's benefits and to acknowledge how their contributions are positively impacting the project's success.

Change management is nothing new to us marketers, but we sometimes overlook or underestimate the need for post-implementation reinforcement. This component is crucial to success. Simply put, if you don't get the behavioral changes needed for success, you're not going to see the maximum ROI.



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ASK THIS:

Does your technology support my goals and use cases, complement my existing tech stack, ensure data integration, and generate ROI?

HERE'S WHY:

Technology is expensive and it's constantly evolving. From data collection to customization to support and training, there are many questions that a marketer should ask when considering a new technology solution. To avoid making a purchase that you'll regret, these four questions are a *must*.

1. Have we outlined our goals and specific use cases?

There are so many clever new technologies being developed that it is easy to jump into discussions before you've determined your needs. A critical first step is to properly outline your business needs and create a few use cases. Then, you can ask prospective vendors to demonstrate the tool according to your business cases. You'll get a much better sense of a technology's applications by viewing it through your own business lens.

2. Does the technology complement our current marketing technology solutions?

Take an inventory of the technology you have currently and how you use it. Just as important: Identify the features and functionality that you have but don't use. This is a good way to determine what you actually need. From there you can ask questions that will show whether a specific new technology will enhance the technology what you already have.

3. Will we be able to integrate our data in a way that provides a single view of the customer?

Interacting with buyers



across channels provides an opportunity to track their interests, needs, and intent. So, new technology you're considering should integrate to create or be a part of that single view. If it doesn't, you risk asking customers for information more than once, offering them irrelevant information, or breaking their journey during the buying process.

4. How will we determine the ROI of the technology solution?

It's essential to have a clear view of how you'll monitor success. Ask prospective vendors for customer success stories. Learn how other customers have implemented and utilized the technology to achieve the successes they're seeing within their businesses. This will help you determine whether the solution will provide a return on investment that aligns with your goals.

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ASK THIS:

How well does your organization's culture and strategy align with ours?

HERE'S WHY:

Before marketers even begin to think about evaluating a technology solution, they need to think carefully about their strategic goals. Too often, marketing teams lack a clear, agreed-upon strategy when evaluating technology.

So, before assessing any technology solution and asking vendors any questions, ask yourself, "*What is it that we're attempting to do?*" The answer will help avoid the temptation to look at technology as a shiny new object, and instead focus intently on understanding how it will help achieve your strategy.

Then, before you start down the path of presentations and demos, it's essential to ensure that prospective vendors align with your organization's culture and strategy. Here are some questions that will help make that determination:

- How long has your company been in business, and how many people does it employ directly?
- How many clients do you have? How long have you had them as clients and what do you do for them?
- Have clients left your company recently; if so, why?
- How is your revenue distributed among your client base?
- Where is your R&D performed and managed?
- What security and disaster recovery policies, procedures, and controls do you have in place to keep data safe?



These types of questions can also help you evaluate a vendor's long-term viability and its ability to fully support your operations. For example, asking about a vendor's revenue concentration and whether it can meet your specific SLAs will provide insight into whether other customers will always get attention before your company does.

Starting with these fundamental questions makes it possible to quickly and efficiently narrow the field of potential candidates, not only based on the answers themselves, but also on how quickly vendors respond to you.

It's also important to ask for three or four reference customers with whom you can engage directly. Dive in and ask tough questions to ensure the vendor is worth the time and energy to pursue a relationship.

Additionally, it can be extremely valuable in the decision-making process to ask about best practices from a vendor. Their experience in the industries they serve exposes them to creative use cases and allows them to see what different companies are doing with their solution. Their willingness to share this information will help determine their likelihood to support you beyond the transaction. Plus, their insights might cause you to push outside your comfort zone and reevaluate your organization's strategy — improving your strategy and its execution.

Finally, check for candor from prospective vendors. If they say they have 24/7 support, call the number at 2 a.m. and see if anyone answers. If not, cross that vendor off your list.

The reality is that most salespeople can deliver perfect demos of their solutions. By going through this prequalification process, you'll create a list of potential technology partners that have the capability to help you reach your strategic business goals and that align with your culture.

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Continued





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ASK THIS:

How can you help us beat ad fraud?

HERE'S WHY:

Getting clean, reliable, and verifiable data is crucial to achieving success in any targeted marketing campaign. Yet, typically, marketers accept vendors' guarantees of

open and click rates without delving deeper into how they'll actually achieve these numbers. Without verifying that the results are legitimate, marketers are wasting their time and money on campaigns that accomplish nothing but boosting campaign stats.

With emerging and advancing technologies, ad fraud has gained momentum over the past several years, invading every layer and channel of advertising — with bot traffic, for example, affecting everything from email to social to display advertising. Among digital advertising, specifically, fraud in 2017 was predicted to cost businesses \$6.5 billion, according to the third annual Bot Baseline Report.

Ad fraud, in any of its various forms, is big business. All of us in the marketing and advertising industries are *all* consumers, and therefore, have a vested interest in seeing instances of fraud abated. So, what can you do? Start by asking your data vendors these five questions:

1. What steps does your company take to ensure that the data you provide is clean and verifiable?
2. What anti-fraud measures does your company have in place to ensure the integrity of your data?
3. Can you guarantee click rates on my email campaign? (It's a warning sign if they can.)
4. Can you give me real-time access to the reporting from my campaign?
5. What is your procedure should we suspect possible ad fraud connected to our data or campaigns?

As an industry, we must pursue aggressive vigilance and be agents of change within our industry, holding vendors, marketing and data agencies, and our peers accountable for standards that include security, transparency, and integrity. When you question vendors about their data practices, you not only benefit your company, but also the industry as a whole.

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ASK THIS:

Can you not only serve my immediate needs, but also scale to meet my longer-term goals?

HERE'S WHY:

When considering a new technology solution, two of the most important questions marketers should ask vendors include:

- How can you serve my immediate needs, as well as longer-term goals?
- And, how will you scale with, and across, my organization to meet our marketing goals and our desired IT infrastructure?

Purchasing the right technology takes time. You don't want to buy a quick fix while you create a long-term plan. You should be establishing a partnership that will help you evolve from your current state to your next desired state now and your future desired state (even if you haven't quite conceptualized what that will be yet). As a result, your technology needs to be flexible enough to keep up with your evolving business.

Therefore, scalability is a crucial factor in "speed to value" — the measure of how quickly a product will have an impact on an organization in a positive way. Crystallizing how a vendor will deliver on scalability is vital because it's something that both marketing and IT care about, despite viewing it through different lenses. For example, the CMO thinks technology shouldn't create friction; it should be invisible in the customer experience and the cloud is going



to help to do that at scale. The CIO, on the other hand, thinks the cloud is going to provide an infinite canvas for managing the infrastructure to have better provisioning around access to information and security, and increased transparency into the types of products being used and how they're used.

Although marketing and IT teams have their own sets of goals and priorities that they're considering when vetting a new technology, they should work together to determine not only whether that new technology can help them meet those goals, but also whether it can scale with and across their organization. If the solution is scalable from both a marketing and IT perspective, then it's worth the investment.



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ASK THIS:

What is the ongoing cost for support, maintenance, and evolution/growth of this technology?

HERE'S WHY:

Too often, marketers go through detailed processes to scope out technology needs, they review vendors and platforms, and then they go through months of challenging build cycles. When it's all done, the people who lived and breathed the project move on to the next project. '

What's generally overlooked is the need for ongoing support and maintenance. Who will manage these systems? Who will enhance them? Rarely is technology a "set it and forget it" proposition, so — as the adage reminds us — when we fail to plan for what happens once a new technology is deployed, we plan to fail.



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ASK THIS:

What is your immediate product roadmap and vision for future releases?

HERE'S WHY:

When purchasing software, marketers should, of course, be clear about their requirements in terms of functionality, workflow, data and the like — and should do this in part-

nership with IT. This exercise is critical to ensure that the software will satisfy their current marketing needs.

The problem here is that this is only focusing on the marketing needs for today.

The world of marketing is moving at “digital light speed” and evolving at an ever-increasing pace. So, the questions marketers really need to ask when purchasing a marketing technology platform are, “What is your product roadmap?” and “What is your vision for marketing technology in your future releases?”

Armed with this knowledge the marketing team, in partnership with the technology department, can evaluate the software’s roadmap against their combined marketing and IT roadmap.

Marketing technology is rarely implemented quickly and, in most cases, requires some level of configuration and customization. Sadly, it’s not unusual for a marketing technology implementation to take place months after the requirements were gathered, maybe even years after (yes, years). If so, the resulting marketing platform might be based on old requirements.

To prevent “building for the past,” use short-term milestones and incremental platform releases that launch increased levels of functionality along the way. At the same time, revisit and update the requirements targeted for future releases of the platform while incorporating updates from the software vendor. By using this approach marketers are positioning their digital capabilities for the future and taking advantage of the most current releases of the marketing technology platform. The challenge is to stay as close as possible to the current digital marketing trends in this fast-moving sector.

Marketers need to aim for the future when purchasing marketing technology. They need to take control of their destiny. Wayne Gretzky summed it up best: *“I skate to where the puck is going to be, not where it has been.”*

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ASK THIS:

How does the technology integrate with my existing solutions?

HERE'S WHY:

Before marketers even engage a technology vendor, they need to ask themselves, "Should I build it or buy it?" The basis of the question ultimately comes down to, would you rather be one of 2,000 customers, or one of one? Marketers need an honest assessment of their organizational strengths and capabilities.

For those who want to build, perhaps they just need guidance from a consulting partner to get started. For those who want to buy, they need to make sure they understand how much consultation is available post-purchase. A lack of service after the sale is not ideal.

That said, whichever direction marketers decide to go, they need to raise the question, "How does the technology integrate with my existing solutions?"

We live in a world where brands need to have meaningful interactions with their customers. Often, disparate technologies get in the way of accomplishing that goal. Solutions that integrate seamlessly make it easier to break down silos, coordinate across channels, and measure success.

Innovation and technology can be a great thing, and early adoption of new technology can move a business forward. But the technology should always create a clear line to enabling meaningful conversations with a target audience. If the technology doesn't accomplish that goal, marketers need to discard it and find one that will.



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ASK THIS:

Is it possible to conduct short-term tests prior to installation? (If not, why not?)

HERE'S WHY:

CMOs now have almost too much technology at their fingertips. It's all designed to help their teams be more efficient and effective, but is it? The beginning of the year is a great time for marketers to review their current tools and determine which marketing and advertising functions could benefit from a technology facelift.

Today, modern technology stacks include core platforms essential to the marketers' day-to-day, such as CRM and marketing automations systems, as well as additional tools for email marketing, online and offline advertising, and more. But true innovation tends to happen on the edges of these underlying systems. It's not about simply "tweaking" the core anymore; it's also about adding new technologies that enhance collaboration and facilitate interactions with customers and prospects at every stage of their journey.

Functionality, however, isn't the only aspect to consider. Marketers must also ensure that a new tool works in tandem with existing solutions in their marketing stack. It's therefore critical for marketers to pilot new software prior to a full-scale implementation. So, marketers must always ask prospective vendors if it's possible to conduct short-term tests prior to installation. Most will comply; if they say no, ask why.

This move towards testing will also drive a shift in how martech vendors sell their solutions: They'll "push and sell" less and instead do more to work hand-in-hand with CMOs to determine if their solution is the right fit for a prospective customer's organization. The pilot shouldn't be daunting to



WAYNE ST. AMAND

Continued



a marketing department, either. It should be a fast-tracked, low-overhang process with a set timeframe to measure impact.

Even if it's a paid pilot program, testing will help CMOs make the best possible decision about which new technology to incorporate in their martech stack. Here are three reasons why:

EACH BUSINESS HAS UNIQUE CHALLENGES

Every marketing team faces challenges that are unique to their organization. There is no such thing as one-size-fits-all in martech, and each organization's stack must be flexible enough to meet a variety of different needs. Just because one marketing technology benefits one business doesn't mean it will benefit another. And just because one technology integrates well in one organization's marketing stack doesn't mean it will be so easy for others.

THE MAKEUP OF MARKETING DEPARTMENTS DIFFER

Each marketing team is structured and staffed differently. A marketing department might not have the people or resources required to support an implementation. The ability to test and prove an application prior to implementation (through a pilot program) allows teams to be flexible in their approach and more successful in hitting their goals.

THE STAKES ARE HIGH

Although marketing technologies are designed to save teams time and money in the long run, they require an upfront investment — and CMOs need to carefully choose where they spend their budget. Every purchase a CMO makes must map back to an organization's overall strategy and business objectives, and the technology they select should lead to improved performance.

Pilot programs can give the CMO more confidence that a technology will ultimately deliver on its promised returns. Additionally, by being able to test a solution, marketers can identify potential implementation challenges early, so that the larger-scale adoption runs more smoothly, saving the organization time and money.

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ASK THIS:

How will this solution help drive revenue?

HERE'S WHY:

The most important question marketers should ask is whether a solution can actually make them money, rather than just costing them money. And, I'm not talking about time savings and ROI. I'm talking about actual revenue generation.

Certainly, there is value in a product that helps you save time, reduce effort, or improve productivity. But, how does that translate into a direct revenue increase? As marketers remain under pressure to generate more than just leads — to generate sales and revenue — vendors should be able to articulate exactly how their product will directly contribute to their bottom line. Yet, most companies still lack the ability to quantitatively measure the impact of their marketing spending, which means many are not asking the vital question, “How does this product make me money?”

Technologies offered on a revenue sharing model are a perfect example of products that can actually help marketers make money — and not in a “time is money” kind of way, but by generating direct income. For example, maybe you're a digital marketer who runs a successful online program, but you also have a highly engaged email subscriber audience. That opt-in audience is extremely valuable, but your emails are probably costing you money. Monetizing your email program with native ads placed inside your emails can generate a substantial income stream, from something you're already doing — and that was previously just costing you money.





Change Happens.
Take Change.

MKTGinsight catalyzes change in marketing organizations.

It equips marketers to take charge of the staggering changes in customer experience, data analytics, and marketing technology. Our unique, immersive content helps marketing leaders not only confront the elephants in the room, but also escort them out to make space for better, more customer-centric, and more profitable marketing strategies.

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