Today's CMO Challenge – Managing Technology

Background

Over the past ten years the marketing function has greatly expanded. Today the CMO role has moved way beyond brand building and lead generation and now has a symbiotic relationship with sales with accountability for revenue generation. To enable that role, we see a huge proliferation of technology. Our research shows that most large groups deploy between 50 to 250 marketing and sales technology products. On average we find CMOs spend 25% of their marketing budget on the MarTech stack. This marketing technology (MarTech) stack can bring deep insights and the ability to measure achievements against corporate objectives. However, for this investment to be effective the CMO requires an operational plan executed by the right team with the right tools to simplify the complex signals.

Managing the technology

The marketing technology stack does not exist as an independent set of building blocks, it more closely resembles a jigsaw puzzle where each product is tightly integrated with others. Products are integrated to ensure that the customer data that is essential to delivering an effective marketing campaign can travel from one product to another and is accurate across the technology stack. Managing the complexity and evolving the stack to address new marketing requirements is challenging and companies are struggling. In fact, Gartner reports that only 18% of brands have mastered their technology stack and that only 58% of the average marketing technology stack is fully utilized.

Getting the technology mix wrong can have negative consequences for both top line and bottom-line growth. The wrong technology choices can make it difficult to achieve revenue objectives and poor utilization of technology can lead to bloated costs.

CabinetM and the CMO

To solve "managing the technology" challenge, CabinetM has built a unique management platform that enables a marketing department to visualize their technology, adoption rates, interoperability of the components, stage of implementation, and importantly whether the team are achieving corporate objectives.

This allows CMOs to review the technology plan against business and marketing objectives, and to understand how well all that technology is serving those objectives.

Questions every CMO must answer

With CabinetM in place the CMO is able to communicate to the leadership team answers to essential questions:

Strategy and budgets

1. What is our marketing strategy to support the strategic plan?
2. How well does our technology stack support our business and marketing objectives?
3. How are we spending the MarTech budget and how is it allocated functionally?
4. What is the ROI of MarTech for each phase of the customer journey?
5. What levels of MarTech can we justify given our strategic priorities?
6. Is there an opportunity to lower CAC by evolving the technology stack?
7. Can we reduce the technology budget?

Technology Choices and KPIs

1. What technology is being deployed to support each step of the sales funnel or customer journey? What technology is most important to driving revenue?

2. Are we collecting the right data and is it accurate, complete, secure, and compliant across our systems?

3. How is the technology stack supporting the customer experience, revenue growth, CLTV?

4. What's our spend by vendor and are we taking full advantage of their products?

5. How successful is our technology implementation? How optimized is our stack from a spend, utilization, and performance perspective?

6. Where are there security risks or potential data compliance issues within the technology stack?

7. How well is the tech stack being used? Where are the performance issues and gaps?

8. What technology are we missing? What skills are we missing?

9. What are the priorities for evolving the stack?

Summary

The ability to manage the right technology to achieve strategic objectives will give companies a competitive edge and nowhere is this more important than attracting and developing customers. CMOs are facing a significant challenge to simplify the complex and to harness the power of new technology, but a solution that visualizes the effectiveness of MarTech is key to the solution.