Indicators to Choose a Suitable Marketing Automation Platform

[1] Florian Berghofer, [2] Günter Hofbauer, [3] Anita Sangl

[1, 2, 3] Department of Marketing and Sales Management, Business School, Technische Hochschule Ingolstadt, Germany

Abstract: Marketing automation platforms are an efficient tool for the collection, analysis and the processing of customer information. As a consequence, they are a highly relevant aspect of modern marketing, both for the practical and academic discussion. The rising demand implicates a more complex vendor land-scape, whereby the comparison and selection of marketing technology are getting increasingly difficult. This article is an analytical and conceptual paper. The research question deals with the identification of indicators regarding the selection of a suitable marketing automation platform. Initially, the increasing necessity of marketing technology is pointed out. A general understanding of marketing automation as relevant subarea of marketing technology will be enabled. For this reason, a definition, relevant features as well as chances and risks are presented on the basis of a critical literature research. A holistic decision model for choosing a marketing automation solution complements the basic information and shows a selection procedure as well as the most essential selection and evaluation indicators. The specific contribution for academic discussion is twofold: Firstly, the key aspects of marketing automation are presented, and its basics are introduced. Secondly, this paper describes a framework that serves as recommendation and orientation for the selection process of marketing automation platforms and marketing technology.

Keywords: Marketing automation, Marketing cloud, Digital transformation, Marketing technology, Technology selection, digitization

1. Introduction

The progressing digital transformation stimulates a considerable growth of digital data. Consequently, the data volume is forecasted 44 trillion gigabytes until 2020 (EMC Digital Universe 2014). This results in an increasing information basis for marketing executives. The accessibility of customer information is an enormous opportunity for analysing, developing and controlling marketing processes. On the other hand, it is highly challenging to keep track of more and more complex customer relationships. In order to synchronize the amount of data and create costumer-oriented solutions, marketing departments increase their investments in marketing technology. According to the Gartner CMO Spend Survey (2017) it is even predicted that Chief Marketing Officers (CMOs) will have to spend more money on technology than Chief Information Officers by the end of 2017. In this context the Marketing Technology Landscape Supergraphic (Figure 1) from Scott Brinker illustrates the fast-paced development of this trend (Brinker 2017).
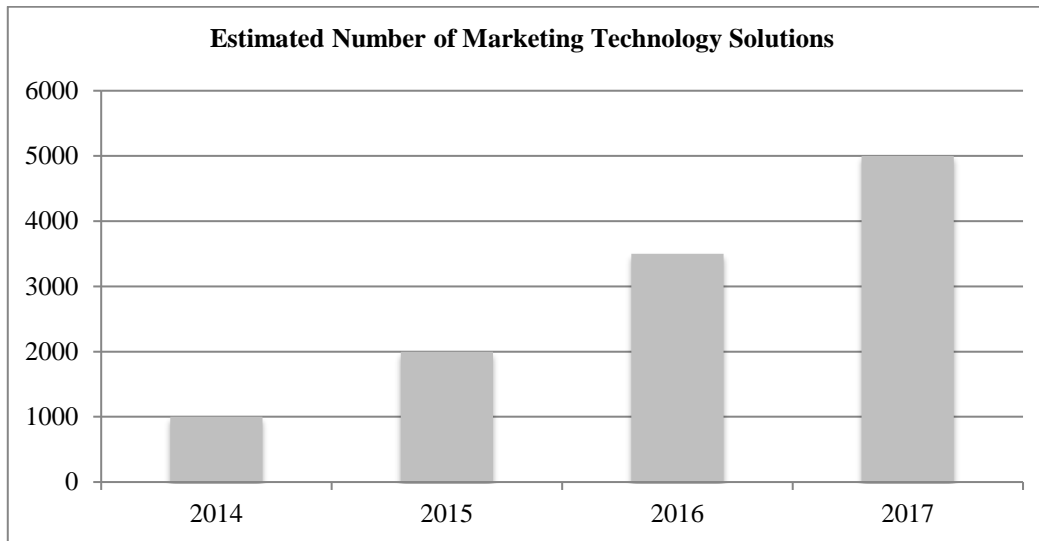
Estimated Number of Marketing Technology Solutions

Figure 1: Growth of the marketing technology landscape over four years (by Brinker 2017)

2. Initial Situation and Problem Formulation

Marketing automation platforms are a highly relevant subarea of the marketing technology landscape. As there are a lot of options to choose and many vendors to select, it is difficult for marketing executives without expert knowledge to get an overview of the marketing automation market. Consequently, help from consulting companies, sales teams or current literature is needed, to invest efficiently in marketing automation. Even though each of these information sources contributes to select the suitable marketing automation tool, all of them also have disadvantages (Table 1).

Table 1: Disadvantages of different information sources

Consultancy	Sales	Literature
• Expensive	• Non-transparent	• Not holistic
• Limited attentiveness	• Subjective	• Too unspecific

Based on an objective and scientific study, this article complements the current information with a tangible and holistic decision model. Although individual business needs influence the selection of a marketing automation platform, a solid information basis is essential for attaining the final decision. For this reason, this article's objective is the evaluation of relevant indicators that are based on qualitative and quantitative research. By the following results, marketing executives are enabled to select quickly the right marketing automation platform.

3. Methodology

The applied methodology consists of literature analysis and an empirical research. Chapter 4 focuses on the findings of the literature analysis and gives a general understanding of marketing automation, out of which conclusions for the decision process can be drawn. Current whitepapers, online articles and specialized literature serve as sources. The empirical results are based on 12 expert interviews and an online survey. They will be specified in chapter 5, which summarizes the empirical findings in a holistic decision model.

4. Findings of Literature Analysis

The selection of a marketing automation platform requires a basic understanding of the subject. Consequently, marketing executives need to make sure that the marketing automation solution delivers value for their marketing processes. For this purpose, the findings of the literature analysis contain the definition, features as well as advantages and disadvantages of marketing automation.

4.1 Definition of Marketing Automation?

When talking about marketing automation, the rapid development of technological capabilities needs to be considered. In such a fast-paced environment, one is not supposed to get lost in the variety of upcom-ing features and possibilities, but should be aware of the basics of marketing automation (Grimm 2016, p. 65). At its heart it is all about the standardization, repetition, and automation of marketing processes:

Figure 2 shows the integration of the marketing automation workflow in a company's customer relation-ship management (on the basis of Biegel 2009, p. 204 f.; Avance 2014, p. 4; Heimbach, I./Kostyra, D. S./Hinz, O. 2015, p. 131; Born 2013, p. 26; Hofbauer/Schöpfel 2010, p. 325)
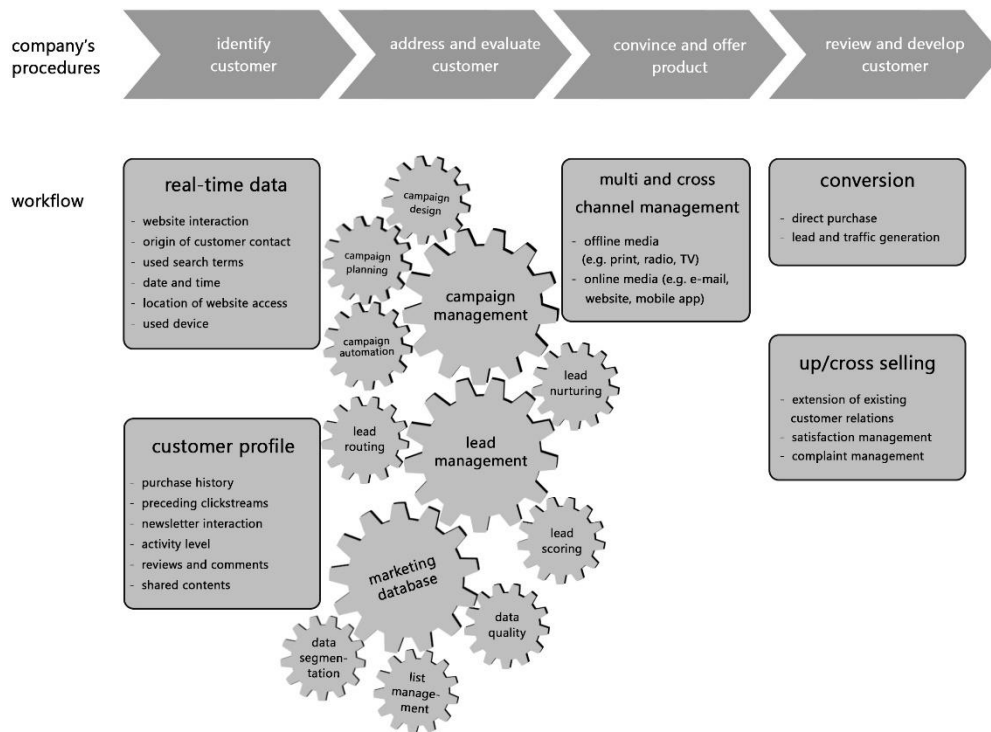

Figure 2: Integration of the marketing automation workflow

Based on IT systems, marketing automation enables the repetition of marketing tasks with the objective to improve the efficiency of marketing processes and facilitate marketing decisions regarding various media channels (Bvik 2015, p. 16 and Wob AG/IFSMA 2016, p. 3).

4.2 Application Possibilities of Marketing Automation?

Marketing automation solutions are offered as platforms. As such, their concept is the compilation of several features that interact with each other. Due to the fast-paced environment, there are many up-coming and new features. Regarding the selection process of marketing automation solutions, it is initially important to get an overview of the different possibilities and to classify the various characteristics (see Figure 3). The following figure is based on the CRM dimensions by Hofbauer and Schöpfel (2010, p. 128; on the basis of Schöpf 2017, p. 89 f.; Research NXT 2017, p. 24 f.; Marketo 2013, p. 38 ff.) and serves as an overview and guide of the central tasks.
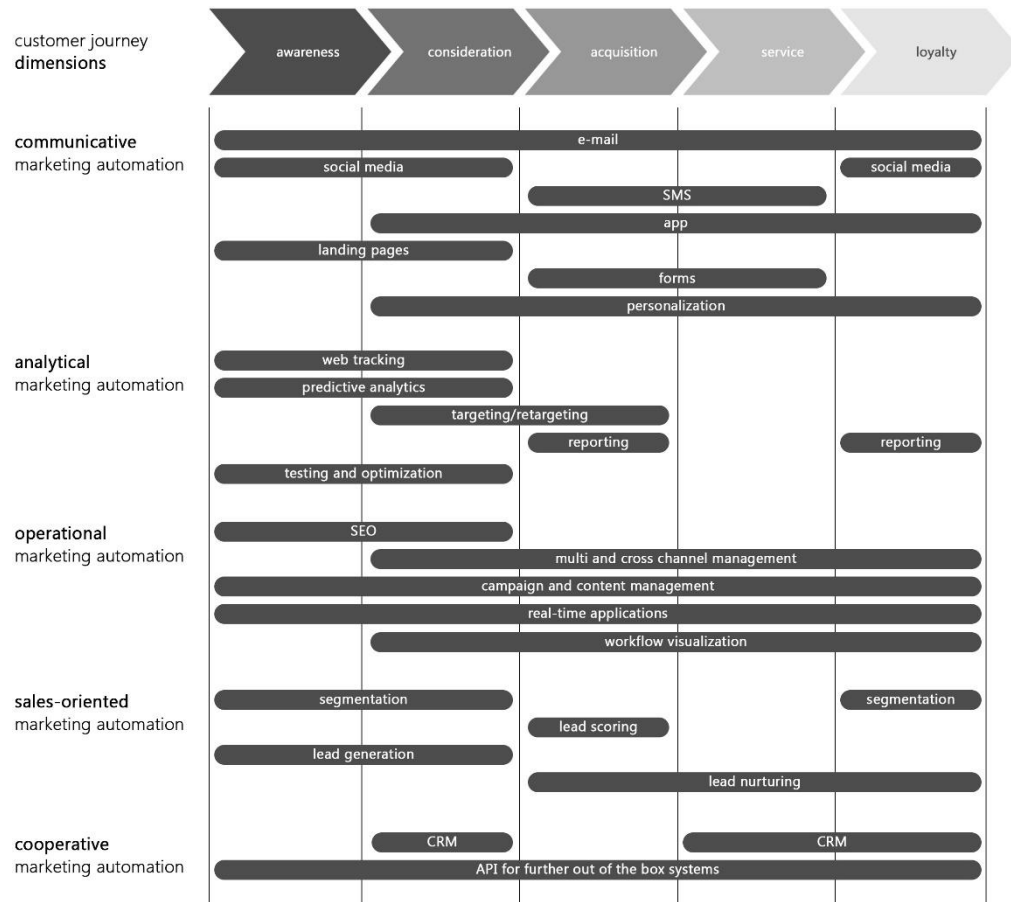
Figure 3: Overview of the central features of marketing automation platforms

4.3 Chances and Risks of Marketing Automation

Investing in marketing automation technology can implicate many benefits as long as it is a reasoned decision that supports the individual business needs. In order to avoid mistakes or undertake an investment with wrong expectations, chances and risks help to obtain a complete understanding of the subject. Furthermore, the selection of a marketing automation platform should be considered as a long-term investment. Consequently, the following chances (Figure 4) and risks (Figure 5) will generally show their impact after a certain period of time (Avance 2014, p. 7).
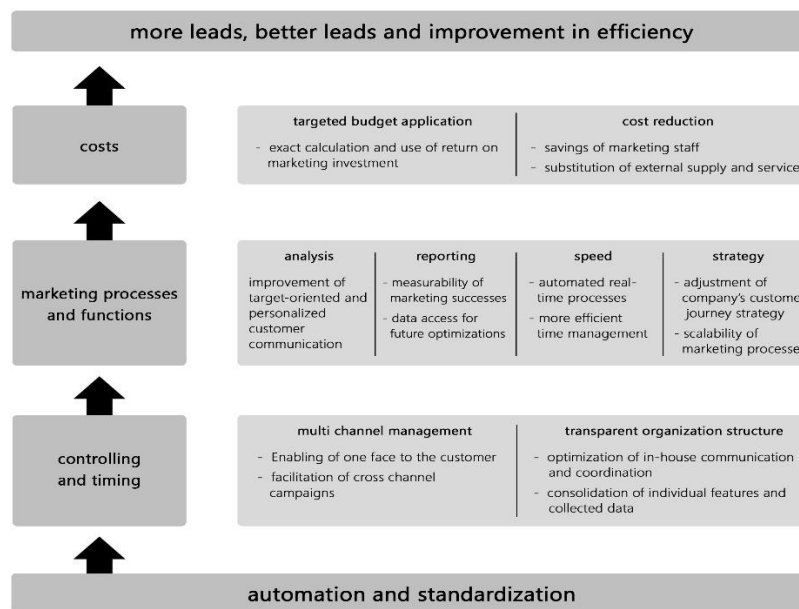

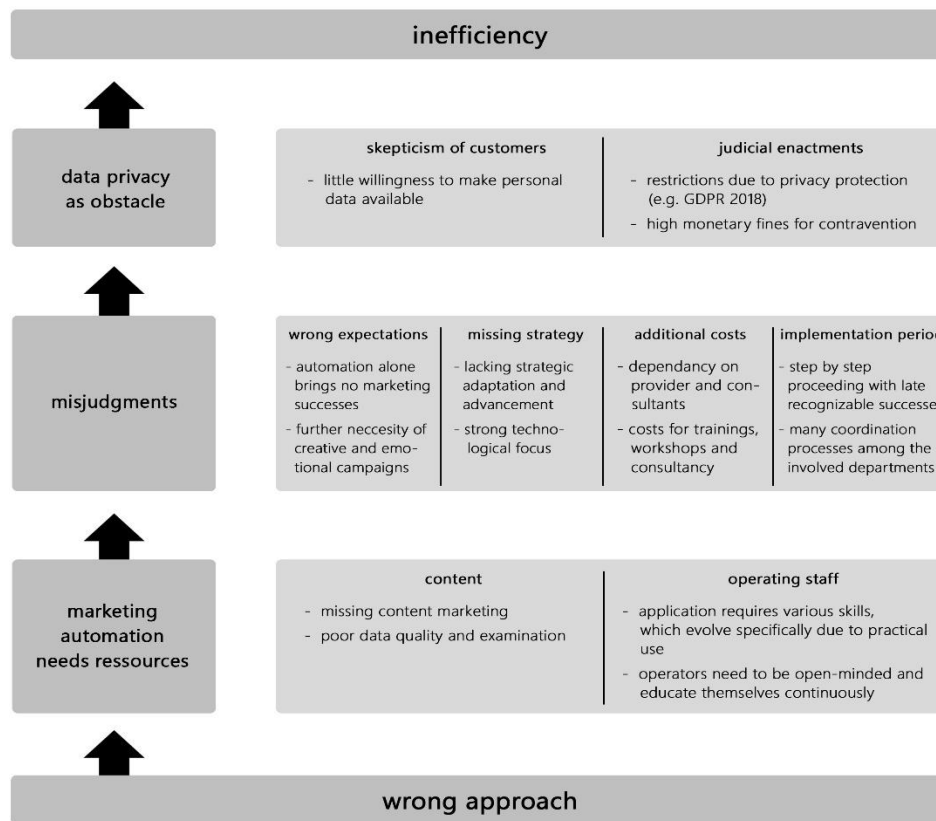**Figure 4:** Chances of marketing automation platforms

Figure 5: Risks of marketing automation platforms

5. Decision Model

To support the decision process from the beginning to the end, the following information and graphics will focus on different aspects of choosing a marketing automation platform. Primarily, a guideline for the selection procedure includes helpful hints for a structured selection procedure. Secondly, the most relevant selection indicators are collected and explained. On the basis of several expert interviews, these indicators were brought into focus by an online survey, which questioned marketing executives after their preferred selection and evaluation criteria regarding marketing automation platforms.

5.1 Selection Procedure

The selection process starts with a requirement analysis. By a general understanding of marketing auto-mation and the analysis of the company's current marketing processes, executives can answer the ques-tion, if a marketing automation solution offers value for the specific business needs (Martech Today 2017, p. 10). Additionally, use cases help to reassure the worked-out results and test them with practice-related customer information.

For the case that the company requires a marketing automation solution, the next step is the organisation of the structural change among the in-house business departments. Thereby, the definition of objectives and detailed requests facilitates the project coordination and serves as preparation for the vendor communication. Further conditions are the project's acceptance and establishment within all participating teams (King 2015, p. 19). For this purpose, the different stakeholders (e.g. management, operating team, IT-department) need to be convinced and involved equally during the whole selection process (Hofbau-er/Schöpfel 2010, p. 329). Another aspect of the internal organisation is the development of a time frame with individual milestones. These support a target-oriented working style and can be relied on for orientation purposes (King 2015, p. 19 f.).

As a third step the results of the requirement analysis need to be specified. Due to internal analysis like the business process analysis, the profitability analysis or the strategic gap analysis, influencing factors can be examined and filtered. Additionally, an external analysis helps to collect detailed information about the target state of marketing automation solutions and their coherent business processes. As a consequence, executives have access to more general evaluation

and selection criteria. Finally, the specified internal and external analyses end with a detailed elaboration of the further proceeding, which includes a definite deadline (Hofbauer/Schöpfel 2010, p. 339 ff.). Regarding the negotiation with different vendors the three-step process of software selection in Figure 6 can be referred to:
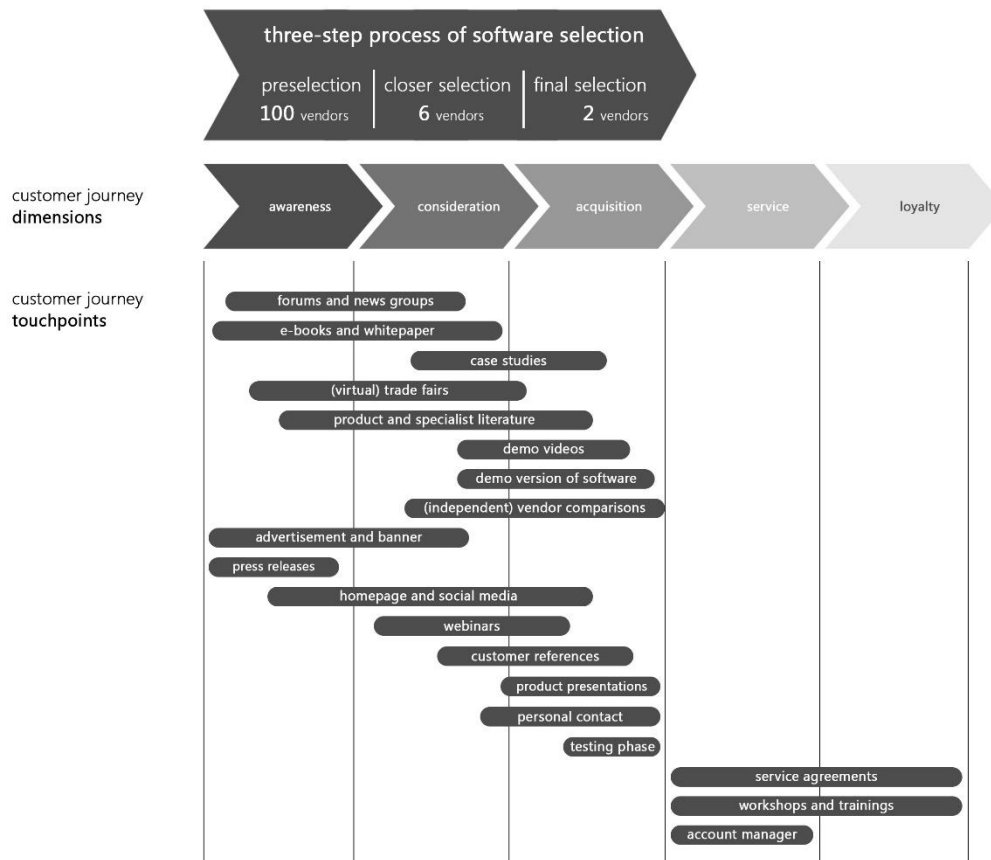
Figure 6: The Three-step process of software selection regarding marketing automation solutions

5.2 Selection Indicators

The following indicators serve as assistance and orientation regarding the selection of a marketing automation platform. As not all results of the empirical research can be presented subsequently, only the most relevant indicators will be brought into focus. Figure 7 illustrates the worked-out results in detail. Subsequently, the individual indicators will be explained briefly:
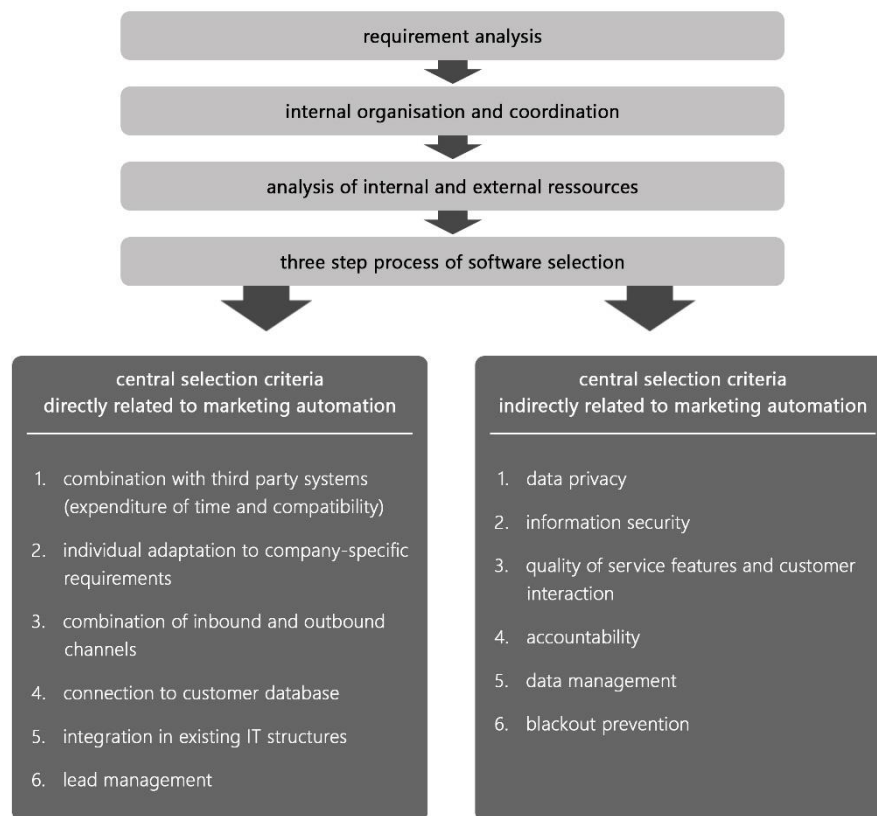
Figure 7: Decision process with the most relevant selection and evaluation criteria regarding marketing automation platforms

The Combination with third-party systems: One single marketing automation platform cannot extensively fulfill various company needs. For this reason, a system needs external support. In this context, an unobstructed and short-term implementation of external systems needs to be considered as relevant selection indicator.

Individual adaptation to company-specific requirements: The usage of a marketing automation tool is not supposed to be completely standardized. In this context, the customization and adaptation to individual business cases deliver an important additional benefit for marketing executives.

Combination of inbound and outbound channels: Customers want to communicate and interact with a company across various inbound and outbound channels. For this reason, a coherent customer experience and consistent data handling are key requirements. To what extent campaigns can be executed and adjusted across several channels should be considered during the selection process.

Connection to customer database: The marketing automation tool is based on a multifunctional data flow that is transmitting a lot of customer information. Consequently, the bidirectional data exchange between the marketing automation tool and the customer database is a highly relevant process and needs to be considered as relevant selection indicator.

Integration into existing IT structures: In most cases, companies already possess a complex IT infra-structure. A marketing automation tool in also needs to be compatible and cooperative with the existing system environment. An integrating procedure that is not considered as a single solution is essential. Lead management: The marketing automation tool does the preliminary work for the sales department. Hence, the quality of a marketing automation solution can be valued by the supported cooperation and synergies between marketing and sales. That is why the lead management and the provision of information out of the marketing history is a key indicator.

Data privacy: A stricter European data privacy law will enter into force as from the 25th of May 2018. Vendors should be reviewed regarding their conformity with data privacy regulations, to save unnecessary costs, time and effort for infringements.

Information security: Marketing automation solutions work with highly sensitive customer data, which should not be forwarded for any unauthorized uses. For this reason, information security guarantees that a vendor commits to data encryption, data accessibility and data transparency regarding its users.

Quality of service features and customer interaction: Generally, the marketing automation solution comes with a basic service pack. Depending on the vendor, clients benefit from service upgrades or additional features. Quality differences can exist in the availability of service teams, the variety of service languages or outsourced services.

Accountability: By a vendor's accountability conclusions about his reliability and guarantees can be drawn. If a vendor is promises high compensation for the case that he is not compliant with the arranged Service Level Agreement, he will be considered as more trustworthy.

Data management: Data management refers to a structured organization and storage of data. The way a vendor handles data flows and how he cleans and prepares data should be considered during the selection process.
Blackout prevention: An emergency management including distinctly defined processes and plans can prevent system failures or blackouts. Exemplary preventive measures are continuous backups or alternative data processing centers that could serve as relevant selection indicators.

6. Conclusion

This article offers a framework and a first orientation for the selection of a marketing automation solution. As marketing technology evolves quickly and each company has its individual business needs, it is necessary to keep the indicators in general. Summing up, the openness of a marketing automation plat-form regarding third-party systems is a key success factor as well as the combination and cooperation of all features and systems. Aside from this more technical aspects, the service quality of a vendor and the security and reliability of his solution are further relevant selection indicators.

An often-underestimated aspect regarding marketing automation platforms is the operator, who is working with the solution. He needs to be trained and prepared as well as supported by a reliable network of service features and third-party systems. In general, most mistakes or wrong decisions in the context of marketing automation can be avoided by a precise analysis of the customer journey and the marketing processes, so that requirements can be adjusted to the future marketing automation platform.

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