

COLLABORATION: HOW MARKETING CAN WIN THE TRUST OF THE ORGANIZATION

INTRODUCTION

The AMA brought together 45 marketing executives on March 29 for a Roundtable on Marketing collaboration. This follows the Marketing Innovation Roundtable held on October 3, 2006. The March 29 discussion centered on why collaboration is essential to gain competitive advantage, and what is Marketing's role in collaborating with the rest of the organization in building competitive advantage. The Roundtable panel consisted of six marketing industry leaders, listed on the last page.

The Roundtable premise was that competitive advantage comes from customer focus and is now an organization-wide endeavour. Marketing must lead by fostering cross-functional collaboration, helping the organization to a deep understanding of customers.

This was indeed what the Roundtable determined. In fact, three main findings emerged:

- 1. Customer experience depends on collaboration and trusted relationships – actively built not just departmentally but right across the organization**
- 2. Marketing's traditional role is understanding the customer and the market, so must lead in building enterprise-wide customer-focused relationships**
- 3. Marketing must ensure: sufficient structure in place, all the players at the table, responsibilities clear and accepted, and customers' needs served**

This calls for many Marketing executives and departments to act differently in future, especially in influencing how decisions are made about the customer.

The Report summarizes for each of the three findings why the Panel considers it to be important, the overall themes, and their key insights. We conclude with some collaboration approaches suggested by the participants.

- 1. Customer experience depends on collaboration and trusted relationships – actively built not just departmentally but right across the organization**

WHY WE HAVE TO MAKE PROGRESS ON THIS: The customer comes first! All marketers can agree on this, but it is not always easy to sustain. Internal issues – our job, our department, our organization – can all too easily relegate the customer to the back of

the bus. As marketers we need to remind ourselves continuously that it is all about the customer experience and the relationships that support it.

Customer experience depends on trust

The Panel's consensus is that teamwork is part of collaboration, and not the other way round. This recognizes that many different specializations must be brought together from the value chain to create the customer experience – design, sales, operations, service, etc.

Overall themes:

- The need is to increase customer loyalty with customers equal partners at the table
- Collaboration means a shared common perspective of the customer
- Marketing sits at the center of the customer organization

Key insights:

- Connect trust and relationships to decisions
- Deal with conflict on the team with leadership transparently to keep trust
- Don't assume trust, it must be built painstakingly – and sustained

Collaboration is a necessity otherwise the impact can be fatal

Military strategy was cited as a vivid example of dealing with complexity in a competitive environment. The British army has changed its doctrine from four core competencies (infantry, armour, artillery, engineers – and each fighting their own battles) to an “all arms” battle with the best crafts expert put in charge. Taking a city is more complex than taking a hill and calls for different expertise. What binds the team is working to a common goal, overriding different functions' different objectives.

The army is not about telling someone to do something, but working very quickly under extreme stress – someone must make difficult decisions to deal quickly with dangerous situations – trusting all other team members. Collaboration must happen because security requires it. Situations can rotate from conventional battle when the discipline is still to ‘find the person with the flag and kill him’ to insurgency when the enemy is not always clear, just like in business – everyone looks alike and you may get distracted easily.

Overall themes:

- You must get away from silos of different craft expertise
- The right single person has to be responsible for leadership
- Turf wars must go away, it is now about what is best for the enterprise

Key insights:

- Foster respect as the person in charge
- Don't trash other team member's perspectives
- Be prepared as a team member that your recommendation might not be taken

Collaboration calls for good customer data

Profit goals can act against getting the right things done to address customer sustainability. Many collect data from several sources – focus groups, roundtables, etc. – but lack the tangible metrics that lead to action – instead offering just another ad hoc sentiment. In these circumstances, the customer never has a noticeable voice at table.

50% of business drivers are typically about the brand not about operations. Have a program to survey customers on key drivers that can then be dissected into what contributes to them. This facilitates planning for the next quarter's changes and beyond, to fix things that can be changed e.g. first time call resolutions.

Overall themes:

- Marketing must measure itself as a support function for sales, operations, etc.
- It is often difficult to see all the data from other functions to support Marketing
- Marketing has got a bad rap from having unclear metrics

Key insights:

- Build marketing evidence to support metrics measurement
- Collaborate with others since Marketing is tied to their results
- Produce specific metrics for brand importance, beyond an “I feel” approach

The Panel is very concerned that Marketing is in risk of being marginalized, calling into question the entire role of Marketing. This is explored more in the next section.

2. Marketing's traditional role is understanding the customer and the market, so must lead in building enterprise-wide customer-focused relationships

WHY WE HAVE TO MAKE PROGRESS ON THIS: The role of Marketing is a hot marketing topic, and certainly of great concern to the Panel. Sometimes viewed by non-marketers as merely a producer of brochures and advertising material, Marketing has work to do to re-entrench its central customer strategy role. The benefit to the organization from doing this is to reinforce the critical importance of the customer, the understanding of whom Marketing has traditionally been responsible for.

It is necessary to “bring marketing to table”

The Panel's perception is that many organizations view marketing as somewhat foreign. Marketing can be the last thing thought about in crafting operational processes, and not intertwined with front line functions in many organizations, both large and small.

Overall themes:

- The Innovation Roundtable said clearly that marketing has to redefine its role
- Marketing risks becoming fragmented – communication, product, customer
- Knowing our focus is on growth, we must start with business issues

Key insights:

- Look at the end-to-end customer experience being created
- Talk more to customers about transforming their experience
- Solve internally-focused silo issues with the team as well

Marketing's role is to bring customer collaboration skills to the team

Marketing must ensure the customer experience is not just pushed down to the front line. Rather, Marketing must take accountability for working with the entire organization, looking beyond the first phase to what really happens with the customers.

Overall themes:

- Marketers are not just marketing communications people
- Marketing must bridge understanding customer revenue and customer needs
- The collaboration role is based on the end-to-end customer experience created

Key insights:

- Link marketing to product/service, Marketing's greatest strength
- Help everyone in the organization create their own story and legend
- Wear multiple Marketing hats: market, product, risk, customer, etc.

Marketing must own the long view

Marketers are said to display attention deficit sometimes, being very good at what's in front of them. Sales people and financial markets evaluating results can be expected to be short term oriented, but if marketers only look at the short term, there will be consequences for sustaining customer loyalty and the intangible drivers of brand.

Overall themes:

- Marketing has to help management keep in mind long term strategy
- Marketing must help with operational risk management at the same time
- Operations e.g. procurement have short term needs but require advanced notice

Key insights:

- Make Marketing's job the end-to-end customer experience being created
- Make the link between today's stock price and sustained performance
- Help Sales maintain quotas by creating a robust customer franchise

Share Marketing knowledge across the group

Can Marketing being overhead really be taken seriously? Marketing must develop competencies that work for the organization's common good with shared learning. This extends beyond the organization's boundaries to partners, e.g. the advertising agency becoming proactive not reactive for client marketers, and other providers.

Overall themes:

- The need is for a shared knowledge culture, instead of hierarchical silos
- Marketers need to be both hunters (external) and farmers (internal)
- Collaboration does not happen in a vacuum, significant protocols are needed

Key insights:

- Leverage Marketing's incredible depth of client knowledge
- Mentor development partners who may not know what they don't know
- Use the HR director's common bond with Marketing – both are overhead

The Operations view on the Panel is that Marketing's expanding relationships can benefit from using someone from the outside as an enabler to connect the two groups.

3. Marketing must ensure: sufficient structure, all the players at the table, responsibilities clear and accepted, and customers' needs served

WHY WE HAVE TO MAKE PROGRESS ON THIS: the group can all too often come up with ideas without considering the full impact. Structural issues must be dealt with up front, for example who needs to be involved and who does not, and understanding what drives each other's division.

Create an umbrella customer strategy

A panellist cited their organization's performance management targets are 60% focused on the customer. This needs a supporting structure to be able to deliver on the performance objectives. Collaboration brings its own rewards – only about 15% of organizations are structured effectively, and 80% of them are top performers.

Overall themes:

- Marketing needs to define itself as the focal point for customer relationships
- Marketing must define roles in detail – dealing with conflict, decisions, etc.
- Execution requires someone at the back end to make it happen

Key insights:

- Ensure the design's significant downstream impact is recognized at the outset

- Define how Procurement and Marketing collaborate on proposals to customers
- Practice Marketing collaboration – with Marketing’s ability to listen

Marketing must acquire a project management discipline

Discipline is important, said a Panel member. Today, Marketing is widely perceived as scattered and never on time. Marketers are rarely being trained to be project managers, as emphasized in a crisis, e.g. requesting a quick change in IT infrastructure.

Overall themes:

- Marketing needs to be more disciplined to build respect
- The team must understand operational impact and how the organization works
- To be the hub of wheel the marketer must know what the spokes are doing

Key insights:

- Find out about problems at the start – the first meeting is the most crucial
- Speak the same language as the rest of the team, use same the same tools
- Assign a project manager to each discipline, and a program manager overall

Marketing’s own discipline could be customer experience scores

To bring a customer discipline to the entire team, Marketing must first establish its own discipline. This must be consistent over time, e.g. “likelihood to recommend” might be high after a single interaction but might be followed by a poor experience.

Overall themes:

- Relationship scores need a common metric that can be used enterprise wide
- Embed the metrics in everyone’s mandate, to signal senior management goals
- Tie a marketing metric to someone else’s metric so they don’t stand alone

Key insights:

- Look at micro behavioural markers, e.g. customer churn and propensity models
- Look at macro holistic customer experience data in the full customer base
- Measure scores over time to reflect the implications of multiple experiences

Should we establish control or share information unrestrictedly?

There is concern about anarchic data environments and control of information – lack of collaboration when “wiki” sites are self authored with no assurance of integrity of data or clear leadership, e.g. a university “wiki” site where all student notes and other materials are on the site but no longer in control of the professor. The panel is cautious on this topic, dedicated to collaboration but perhaps not yet ready for unconditional trust.

Overall themes:

- Trust should be regarded as the opposite of control

- The need is to create a trusting environment to manage the right risks
- It can also be important to allow for the right failures to happen

Key insights:

- Assume that everyone has positive intent, then trust will be much faster
- Ensure deadlines can be met – collaboration needs some boundaries
- Don't replace collaboration with your own opinions, losing control of what is true

Collaboration should be structured around customer needs

The Panel discussed Marketing collaboration structures. For example, agency proposals are proactive but very expensive so Marketing has formalized the process and drives the agenda using MS Office, setting half-hour meetings. The business case is organization sustainability as every body's business. Time is managed in three components: strategy, creation, production – time reporting being checked weekly. A “pay as you play rule” means abiding by decisions even if not at key meetings.

Another panellist recommended clear objectives, a pre-published agenda, clarity of roles and handoffs, one person to deal with conflicts, and one person ultimately responsible for making decisions. A panellist cut execution elapsed time by 30% by bringing everyone to table much earlier and setting check points. Another panellist uses a project management framework with a governance model for who is coordinating and who making decisions, and a plan working backwards from the delivery date. Priorities and weekly critical issue reviews and resolution are supported by measures and tracking.

Overall themes:

- It is easy for marketers to spin wheels if not trained in structural approaches
- Setting a marketing objective, e.g. driving growth, is a necessity
- The biggest enemy of collaboration is time

Key insights:

- Make clear what the overarching strategy is
- Articulate points to all parties for buy in to decisions – and get closure
- Have transparency of how to resolve conflicts

A Panel member suggested changing the chief marketing officer role to *chief sustainability officer*. This means keeping clients more than getting new ones, reflecting a fundamental change in the consumer market, from selling what people *need* to selling what people *want*. This has revolutionized corporate responsibility for sustaining brand, customer and market to get longevity in the market.

The bottom line: marketing is about making the other person look like a hero.

ADDITIONAL INSIGHTS

The participants formed into several groups to discuss ways in which typical collaboration issues might be addressed, summarized as follows:

1. Measurement
 - Customer experience data should address quarterly results challenges
 - Retention programs should recognize it costs 7x times more to acquire a customer
2. Inside the marketing department
 - Not every company has luxury of a project manager on team but the role is key
 - Dedicate an individual to take on that role and teach it to the marketers
3. Rest of organization
 - Marketing must ask the tough questions
 - Solution marketing has to get out and engage people – collaboration takes time
4. Sustainability long term
 - The soft side of marketing, marketing methodology, permeates everything done
 - It is not just marketing decisioning, but agreeing on metrics with all
5. Procurement and strategic sourcing impact
 - Procurement's role is save money and for governance, but often is left out
 - Involve procurement up front to contribute before problems occur

The participants formed again into groups to suggest ways in which typical issues might be addressed. An advisory approach was asked for: “have you thought about...”

Getting collaboration to deal with a complaining team member

- Get the complainer to put some skin in the game, champion aspects of the project
- Do a few small things first

Team learning: talk to two or three people with whom you have relationships to make sure issues are properly aired

Obvious tension between marketing and operations

- Get small agreements between groups
- Have each team ask each other team “what can I do for you?”

Sales not increasing quickly enough

- Hold a key stakeholder meeting up front
- Benchmarking should include asking the client the value of the relationship

Agency and marketing don't understand product

- Prepare a debriefing document
- Manage the time to get to market, ensuring the R&D phase is early in the project

Our thanks go to our panellists (and the audience) for their contributions:

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The **AMA Toronto Chapter** is a not-for-profit association founded in 1937. The AMA is the world's largest and most comprehensive professional society of marketers, comprising 50,000 members in 92 countries and 500 chapters. info@ama-toronto.com.



The Glasgow Group is a change management consultant in corporate strategy, customer focus, and enterprise brand strategy and implementation. Clients include some of North America's larger organizations. Focused on speeding up strategic and human change using existing resources, the work is widely influenced by the Solution Focus approach.

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