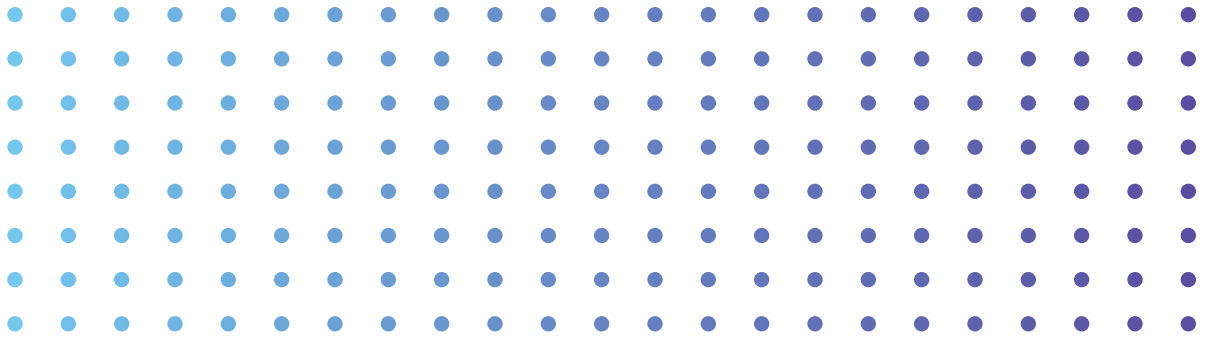


The Hidden Cost of Doing Nothing

5 WAYS YOU PAY A HEFTY PRICE FOR INACTION



In 2000, Netflix came to Blockbuster proposing a \$50 million partnership aimed at leveraging the strengths of the two companies.

Blockbuster leadership reportedly mulled the deal over, and then chose to do nothing.

The rest, of course, is history. By 2010, Blockbuster had filed for bankruptcy as the number of its stores dwindled from 9,000 to less than 300. Today, only one Blockbuster store remains open. And that store in Bend Oregon is as much a quirky destination for those seeking a last look at a relic from their past as it is a place to rent a DVD.

Meanwhile Netflix, is well...Netflix.

It's perfectly normal to be cautious about a major decision. And obviously it's essential to do your homework. Yet allowing FUD (short for fear, uncertainty and doubt) dominate your decision-making can pose more risks than actually taking action.

This holds true for a wide range of business decisions, including considering a new marketing platform. If you're not getting the results you want, failing to take action won't change that. In fact, with the fevered pace of innovation, it will only put you further behind your competitors.

In the following pages, we lay out the five key risks you take when you choose to do nothing.

Falling behind the competition

You're not the only one feeling the urgency to change. Your peers face similar circumstances, and many of them are pulling the trigger to upgrade their marketing capabilities.

A recent report from Forrester Research found that CMOs have the fastest-growing tech spend among C-suite executives, with projected increases of 9% to 11% on data and analytics, ad tech and marketing automation through 2022.

While it may initially appear to be more cost effective to maintain the status quo, there's a price to pay to limiting your ability to maintain and grow market share. Specifically, consider the opportunity cost calculation. Investopedia defines opportunity cost as a benefit that is missed or given up when an investor, individual or business chooses one alternative over another.

In other words, the benefits you could have reaped by having a more agile and robust marketing system in place

sooner rather than later may be impossible to calculate, much less recoup. And if you wait too long, it may get even more difficult to implement meaningful change.

Meanwhile, your competitors are taking action, leveraging new marketing technology to engage and land new customers, and help grow the business.

CASE IN POINT

Palo Alto Networks thinks about the prospect-to-customer experience as an opportunity to delight and inform every step of the way. The company is on the cutting edge of bringing AI into the realm of the marketer. Marketo is the hub at Palo Alto Networks for 100 marketers in more than 12 languages and was a critical pillar in helping their company achieve a 29 percent year-over-year increase in revenue in 2018.

The price you pay for inefficiency

Yes, upgrading your marketing platform can require significant investment. But over time, making an upgrade is considerably more cost and time efficient than constantly devising Band-aids and manual work-arounds to your current system.

What are the frustrations with your current marketing automation technology?

Outdated and inefficient marketing platforms exact a high price, stifling innovation by requiring your team and business partners to waste time on tedious tasks and rely too heavily on IT and agency support, while still not delivering a high-quality customer experience.

It's essential to consider the potential savings that can be generated by the speed, capabilities and power of a new platform.

CASE IN POINT

Lenovo. In 2018, marketing leaders at the laptop maker identified clear inefficiencies with their existing marketing program. B2B audiences were being served by three different marketing platforms. Each of them were managed separately, and supported by multiple agencies.

Lenovo marketing leaders saw an opportunity for big efficiency gains as well as a vastly improved customer experience by consolidating into one marketing automation platform that had the capabilities of engaging multiple audiences.

By upgrading to Marketo, Lenovo was able to reduce agency costs by 40%, and bring more programs in house giving them more control of timing and the customer experience. Meanwhile, they saw much better results. For instance, in the small business segment, open rates and click-through rates spiked considerably, generating steady increases in the revenue.

Marketing ROI: Pelco by Schneider Electric saw a 99.48% increase in Marketing Return on Investment when they upgraded their marketing hub to Marketo from a less sophisticated solution.

Speed to market matters

Today's business environment requires a fast and agile approach to marketing that simply can't happen with platforms that are inefficient or lack robust and nimble capabilities.

You can't afford to take several days or a week to get a simple email campaign underway.

Yet that was precisely the challenge VersionOne faced. The software company's legacy marketing system was so clunky and sluggish that simply building basic emails and landing pages required two web developers working with a marketing team of four. Marketers were frustrated by the inability to accurately track lead sources and pass campaign membership into CRM campaigns.

Meanwhile, strategically, the company was shifting its focus to larger enterprise accounts, a move that demanded a high degree of agility and scalability for marketing campaigns.

By taking action, VersionOne turbocharged its digital marketing strategy, enabling marketers to work smarter, generate more leads, and dramatically increase the number of business opportunities.

Switching to Marketo created unprecedented agility and efficiency to their workflow, allowing them to get more campaigns out the door faster. Within a few months of implementation, inbound enterprise leads spiked by more than 200%, while leads passed to sales more than doubled and the number of marketing-generated leads to the pipeline increased 65%.

You can't afford to take several days or a week to get a simple email campaign underway.

Innovation attracts—and retains—talent

The tight labor market means job seekers are in the driver's seat. Sticking with outdated and inefficient systems not only deters new talent from joining your organization, but also hurts retention as employees grow frustrated by technology that forces them to spend countless hours on low-value tasks.

Meanwhile, having state-of-the-art technology that's both powerful and easy to use, helps position you as a destination for top talent.

A recent survey from Accenture offers up some keen insights into the role that keeping pace with technology plays in attracting and keeping talent. According to the survey, 47% of Gen Xers and 42% of millennials say they would leave their current job for not only more money, but also for a "more innovative environment."

The reality is that your team is experiencing state-of-the-art marketing technology in their everyday lives as they interact with their favorite brands, companies, and organizations. If they have to come to work and deal with cumbersome and time-consuming technology, they're not going to stick around.

CASE IN POINT

Marketing Operations is one of the most sought-after roles in marketing today, and the good ones are experienced with, and expect to work with the latest marketing technology.

"Using Marketo makes me a better marketer. I'm more effective with my marketing programs and budget which enables me to engage customers in ways no other tools can do single-handedly. I wouldn't work at an organization that doesn't use Marketo."

– Sr. Manager Marketing Operations

Customer experience counts

There's a fundamental reason Blockbuster crashed while Netflix soared: Customer experience. Consumers wanted convenience, ease, and on-demand choice—not the multi-step process of going to a video store with limited choices, having to go back within a set period of time, and often facing late fees.

And so it goes with marketing. Your customers are increasingly expecting engaging experiences that delight and engage them in ways that keep them coming back.

To deliver that type of experience requires you have a fast and seamless way to gather key data, assemble your content, anticipate the next want, and deliver right now, in real-time—in the moment that matters, and in the place that's relevant.

A disconnect with customers is what prompted marketing leaders at FIS to

seek a new marketing solution. The global financial software provider found it was no longer connecting effectively and authentically with customers. The root of the problem: individual business units were defining their own marketing strategies and the company did not have a common voice going to market.

Backed by Marketo, the team reinvented its strategy, taking into account the best ways to reach people early in the buying cycle, identify where they were in the decision-making process, qualifying them, and quickly getting their information into the hands of sales reps.

Within a year of implementation, FIS marketers had launched global campaigns that blew out their stated goals - contributing 37% to the sales pipeline and 16% to closed business.

It's a job that's never done. Which means you need the capabilities to continually enhance and improve that experience, or your customers will find someone else who does.

The time to act? Now

Yes, maintaining the status quo likely feels more comfortable. And taking action often brings with it a degree of challenge and change. Yet, simply avoiding possible short-term pain can be a Blockbuster of a mistake.

The current marketing climate requires real digital transformation. Obsolete marketing tools, old data gathering and wrangling systems, outdated, fractured and disparate technology just won't cut it.

The time to act is now. Let's get started.

DOWNLOAD

Moving to Marketo



THE HIDDEN COST OF DOING NOTHING