Think Like a CTO

How today's successful CMOs are
thriving in the digital age

ZUORA

Contents

Introduction

In today's digital publishing industry, marketers are pretty vocal about their reliance on technology, and their dependence on data to connect with customers on a deeper level. In 2022, <u>30% of marketers</u>[1] said they would prioritize technology over creativity when determining where and how they engage with their customers.

This follows a common trend from 2020, where **<u>83% of B2B marketers</u>**[2] confirmed they are investing more into data analytics of the future (according to a survey by Dun & Bradstreet).

As marketing teams become increasingly reliant on technology to drive business, the need for collaboration and understanding between chief marketing officers (CMOs) and chief technology officers (CTOs) becomes more critical than ever. Building this relationship can be difficult as CMOs and CTOs often have different priorities. With a lack of communication, inefficiencies and even outright conflicts can occur.

That's why in digital publishing today, CMOs must keep up with the changing role of technology and learn how to adapt their thinking. When a CMO can learn to think like a CTO, solutions to industry-specific marketing problems can be solved much quicker and easier, saving time and wasted effort in the process.

In this guide, we'll explore how CMOs can thrive in a world of technology and data by bridging the gap between commercial and tech teams to achieve business goals effectively.

Let's dive in.

[1] https://www.digitalmarketing-conference.com/the-impact-of-new-technology-on-marketing/
[2] https://www.forbes.com/sites/louiscolumbus/2019/12/08/10-charts-that-will-change-your-perspective-of-marketing-technology/?sh=1668030d5c92

01 Change perspectives

A significant factor in making a modern CMO effective today is understanding the thought pattern of the business. In the past, CMOs were solely concerned with generating and overseeing the implementation of marketing strategies, while CTOs were considered a separate entity, responsible for all technology-related decisions within the company. If digital publishers continue to silo roles in this way, it will lead to conflicting opinions, as CMOs want to invest in new marketing technologies, while CTOs are often more skeptical or reluctant to adopt unproven technologies.

To help bridge the thinking gap, today's CMOs need to understand the technology viewpoint and adopt a more holistic view. Tracking areas of focus for the rest of the business (e.g., customer experience teams, contact centers, and automation) will allow CMOs to understand the many different team priorities and adapt their strategy to implement technology that suits the business as a whole.

When choosing new marketing technology (martech), CMOs can often assume technology teams will intuitively understand their needs. It is worth bearing in mind that technology teams have an entirely different skillset, and CMOs should present marketing technology proposals in terms that are easy for technical employees to understand.

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> Understanding whether the resources can handle the demand is essential. Bringing teams together is not a simple task, however it is more of a work in progress. Having a deeper understanding on both sides makes a significant impact.
>
> **Andrew Franklin**
> Vice President,
> Canadian Digital Operations,
> Black Press Media

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> Make sure the marketing department becomes more tech-savvy, and the IT department better understands marketing. Coming together around the consumer and customers will help to break down internal silos and align agendas. Upgrading their skills will help both departments make better decisions about technology and understand its impact on business outcomes.
>
> **Glen Hartman**[3]
> Global Managing Director,
> Accenture Interactive

[3] https://hbr.org/1992/09/managing-price-gaining-profit

02   Tech teams: an extension of marketing

To coordinate successfully with tech teams, CMOs should have a clear communication strategy in place to ensure everyone is on the same page. This means not only establishing regular communication channels (such as weekly meetings or email threads), but also making decisions alongside technical teams and collaborating on objectives and strategy collectively.

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> Choosing technology to solve a business problem is typically the wrong way to do it. Firstly, identify what you want to achieve as a business. Do you want more customers, subscribers, or visitors? Using this as your desired outcome, work out what you need technology to do. Then using this as a set of requirements, select the best technology to fit your requirements, and in that process, you should be able to identify what the right technology solution is [for your business].
>
> **Shorful Islam**
> CEO, Be Data Solutions

Here are three steps to ensure your marketing and tech teams are aligned:

Clearly define your strategy-acquisition focused, retention focused, or both

Martech (marketing technology) solutions boil down to two main areas of focus; acquisition and retention. Depending on your business objectives, your focus will shift as you progress, and will have a heavy impact on the technology you choose.

What do acquisition and retention mean for your technology stack?

Acquisition: Involves gathering data, nurturing leads, converting, and selling. The subscriber journey begins with acquisition, and so too does your need for technology. Technology solutions are needed to collect, store, and act on data insights at scale, automating interaction with leads to move them along the path to purchase. If your business strategy focuses on acquisition, you will likely need a tool to connect and sync various software to establish a central hub from which to deploy personalized conversion strategies and track progress. A tech stack built for acquisition:

- **Marketing automation platform:** creates new opportunities through email, social, PPC, etc.
- **CRM (customer relationship management) platform:** enables collection of data on leads as they move from cold to qualified
- **Paywall and subscription journey platform:** allows for testing, iteration and deployment of effective paywalls that convert

Retention: Focuses on personalizing the user experience, reducing churn, and maximizing customer lifetime value. Once you have a customer, your primary focus is to keep them happy, connected and paying for as long as possible. In this phase, your aim will be to continue to form an understanding of your subscribers and to use this information to cater to their content needs. A mixture of CRMs, IDAM (identity and access management), and analytics tools allow you to track your customers' engagement, uncover potential upsell opportunities, and identify churn risks. Your business strategy will focus on using these insights to extract maximum lifetime value from all your readers whilst avoiding subscribers falling through the gaps.

A tech stack built for retention:

- **Subscription experience manager:** helps to personalize experiences and keep giving customers what they want in terms of content and UX

- **IDAM:** controls access to content to turn it into a commodity and offer cross-sell and upsell opportunities

- **Billing & payments platform:** keeps subscriptions consistent and transparent

Once the fundamental business strategy is defined (acquisition, retention, or both), technology teams can consider which new tools are being developed to fit the main objectives.

Remember, tech teams have a holistic view of technology across the business. As well as purchasing new solutions, they will also be able to share if there is tech currently used in other areas of the business that might help. Knowing what technology is in use throughout the organization can enable the CMO to think more creatively and discover new ways to utilize the technology.

Objective	Capability	Zuora Technology	Outcome
Extract value from event based spikes in traffic	Move visitors from anonymous to registered stated via dynamic data walls and custom registration	Analytics Platform + Customer Data Platform (CDP)	**Understand your customers**
Optimize subscription offerings	Create and A/B test conversion journeys at speed using paywalls to monetize valuable content	CRM + Payment Gateway + CMS + Subscription Management Platform + Analytics Platform + CDP	**Enhance conversion rates**
Manage churn	Gain a 360-degree view of the consumer to establish triggers for churn and intervention mechanisms	CDP + CRM + ESP + Single Customer View + Propensity Model	**Reduce churn**
Drive subscriber stickiness	Use 360-degree customer view to serve relevant content every single day and build positive habitual interactions	CDP + CRM + CMS + ESP + SCV Propensity Model + Data Lake + Analytics Platform	**Maximize LTV**
Build valued customer relationship	Fully understand customer joy, pain, needs, and behaviors	A flexible, best-of-breed customer-centric tech stack which is responsive to shifts in market dynamics	**Short-term volatility to long-term profitability**

Define the capabilities and outcomes you want

A potential conflict between marketing and tech teams is "tech for tech's sake." It's easy to get wrapped up in a new solution that seems essential, when in actuality, it produces little ROI. To help avoid this issue, CMOs should think solely about the capabilities and outcomes they're looking for and work backwards from there. Tech teams and leaders are interested in a more comprehensive view of how software impacts the business, so CMOs need to think and speak in terms of impact and present the "big picture" to them.

Starting with the outcome you want and defining the capabilities required will give tech teams a better understanding of what you need. For example, suppose the desired business outcome is to understand customers better. In that case, you'll need technology that's proficient at moving users from an anonymous state on your website to a registered state (i.e., a registration or paywall solution).

Working backwards from the business outcome is a great way to reach mutually beneficial decisions on the technology stack and present proposed solutions in an agreeable manner.

Focus on automation

Tech teams think in terms of automation and delivery. Ultimately for the future of the business, there's no point employing a new technology solution if it's going to result in more work and manual analysis.

Automation can help save time and money, and it can also solve otherwise impossible challenges. When considering new technology, thinking about how it can help make your business more efficient can be a great way to rule out solutions that don't serve the greater functions of the company.

It then becomes easier to propose the right tech to CTOs once you can demonstrate the ROI the business will get and the time or resources it will save.

Ultimately new technology solutions should be able to handle big data and enable you to run small tests quickly and with ease. Adopting an agile approach where it's possible to fail early and learn from mistakes will mean that big data delivers actionable insight.
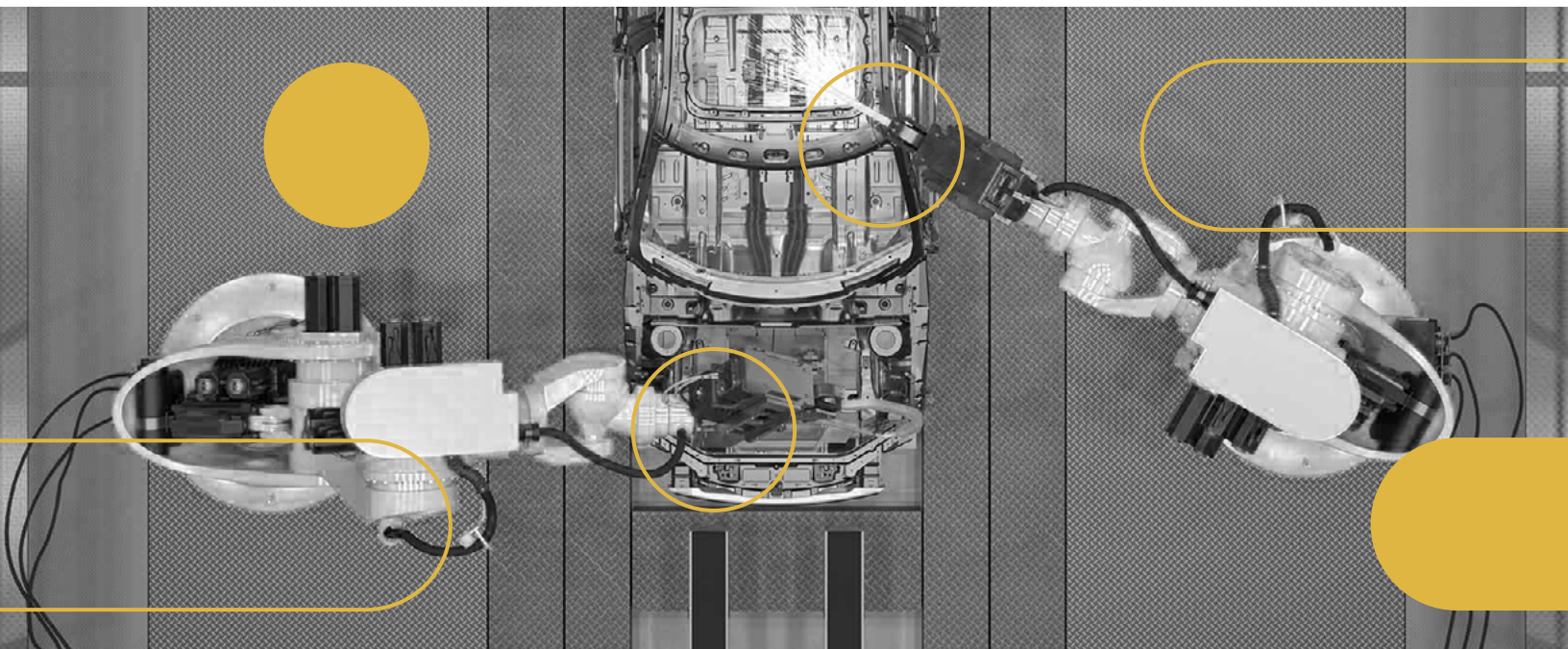
03 Cut the jargon

CMOs and CTOs can often seem like they're speaking entirely different languages. To foster smooth collaboration between teams, it's important to break down any jargon. Commercial and tech teams can better understand each other's concerns and objectives by using the same language.

A few key terms to be aware of in publishing and martech are:

CRM

Customer relationship management is a process in which a business or other organization administers its interactions with customers. Typically customer success and sales teams run this tool internally.

CDP

Customer Data Platform is a collection of software that creates a persistent, unified customer database that is accessible to other systems. Data is pulled from multiple sources, cleaned and combined to create a single customer profile. This structured data is then made available to other marketing systems.

DMP

A data management platform is a software platform used for collecting and managing data. They allow businesses to identify audience segments, which can be used to target specific users and contexts in online advertising campaigns.

ID MANAGEMENT

Identity management, also known as identity and access management, is a framework of policies and technologies for ensuring that the right users have the appropriate access to resources.

Understandably it's easy to get lost in a sea of acronyms, so if you struggle with any of these terms, we invite you to **download our guide The Ultimate Digital Publishing and Media Glossary**.[4] Inside you'll find a list of all the tech and marketing terms you might need to help you communicate effectively. We encourage you to share this with tech teams and CTOs too.

[4] https://www.zuora.com/resource/the-ultimate-digital-publishing-and-media-glossary

04 Understand what data needs to be tracked

In marketing, it's easy to get lost in the weeds with data that doesn't serve the business. We call these sorts of data vanity metrics.

Vanity metrics are data that do not contribute to revenue or company goals. Many marketers in digital publishing can become fixated on reporting things like page views, article likes, ad impressions, and so on. While these statistics are fascinating, they're often low-value data measuring sticks that don't accomplish much in the way of helping a business achieve its actual objectives.

Page views don't tell us where viewers come from, what they interact with, or how many viewers convert into registered or paying subscribers.

Instead of vanity metrics, performance data is perhaps the most important and fundamental layer of data that marketers should be concerned with. This data depicts broad positive or negative reader interest patterns, such as buying, registering, and churn measurements, and insights from these can influence business decisions.

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I've seen marketing and tech teams waste a lot of time and effort tracking things that ultimately aren't important to the goal. More data isn't necessarily better. Know your goal — and work backwards to determine what you need to understand to get there. And, if possible, don't use just the quantitative data; add any qualitative insights you can get before making decisions.

Lisa Sealey
SVP of Marketing,
Digital Content Next

For example, depending on what your performance data says, you may need to change content, subscription, or paywall strategies. Performance data helps digital publishing businesses understand the ways subsequent actions impact overall subscriber experiences for different segments.

This is an important consideration when looking at your tech. It's important to understand what type of data you'll be getting from a new solution and whether you can actually take action on the insights it provides.

For more help with defining data and getting clarity on what metrics you're reporting on, download our guide **Are Your Metrics Meaningful? 4 Types of Data Publishers Should Be Making the Most Of.**[5]

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The whole reason to have data is to achieve something; vanity metrics don't do that. They are not helpful because the data requires a lot more effort to make them truly useful. To understand a vanity metric, ask if the data actually enables or allows you to take action for your goals. If the data is not actionable and holistic, then it really has no value and is likely just a vanity metric.

Chris Scott
VP/GM, Product & Engineering, Subscriber Experience | Customer Primacy, Zuora

05 Think about the speed of testing

Not all of your technology solutions will be focused on running tests. But for those that are, ask yourself if your infrastructure is in place to rapidly and efficiently get useful information from a test.

If the answer is no, your tech stack likely needs a rehaul. The ability to run tests in a short time frame allows companies to move the needle by focusing on quick wins that deliver big outcomes. A media company may, for example, test numerous methods to offer registration forms to readers and pick the best one that results in the most sign-ups.

Marketers who can do this quickly (thanks to their tech choices) will have a leg up on their competition that may not have such solutions.

When considering new tech, think about whether its implementation will speed up your testing, or slow it down.

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> It's about data. It's about speed & efficiency. It's about connecting with customers through platforms they use and creating an environment where interaction can be in the moment.
>
> **Andrew Franklin**
> Vice President,
> Canadian Digital Operations,
> Black Press media

06 Look to the future

Often marketing teams can get distracted by short-term wins — looking to boost conversion rate for the next month, or looking for the next best tool that can boost paid ad results or SEO.

While these are important, today's CMOs need to think about how the technology they choose now will impact the future of the business in the long term.

Since CTOs are concerned about choosing technology that's going to serve the business as a whole (not just the marketing functions), being able to provide them with a plan of the future will serve in good stead for getting them onside.

One key characteristic to demonstrate the "future-proofing" of your tech is its ability to integrate with other platforms. According to a recent marketing technology survey, most marketers reported that technology integration is their biggest obstacle to achieving objectives, so finding a platform that won't limit you in the future is a must-have.

This is why it's important to consider your approach when it comes to your marketing tech stack as a whole. There are two main types of technology platform: best-in-breed and all-in-one.

Best-in-breed solutions are made up of a collection of individual marketing technologies that work together to provide a comprehensive marketing solution. These types of solutions offer more flexibility and customizability than all-in-one solutions, with the ability to swap and change integrations depending on business needs. This is why many businesses decide to go this route, as they can choose the individual marketing technologies that best meet their needs and then integrate them into a cohesive system.

On the other hand, some businesses choose all-in-one solutions. These are integrated marketing platforms that include all the current functionality a business needs to run marketing campaigns. These types of tech solutions are often quicker to implement and lower priced than best-in-breed, but they can lead to difficulty in future if the business ever wants to swap out an integration. This causes issues for both marketing and tech, with marketing wanting the latest technology to allow for the best functionality, and tech teams wanting to make data management easy.
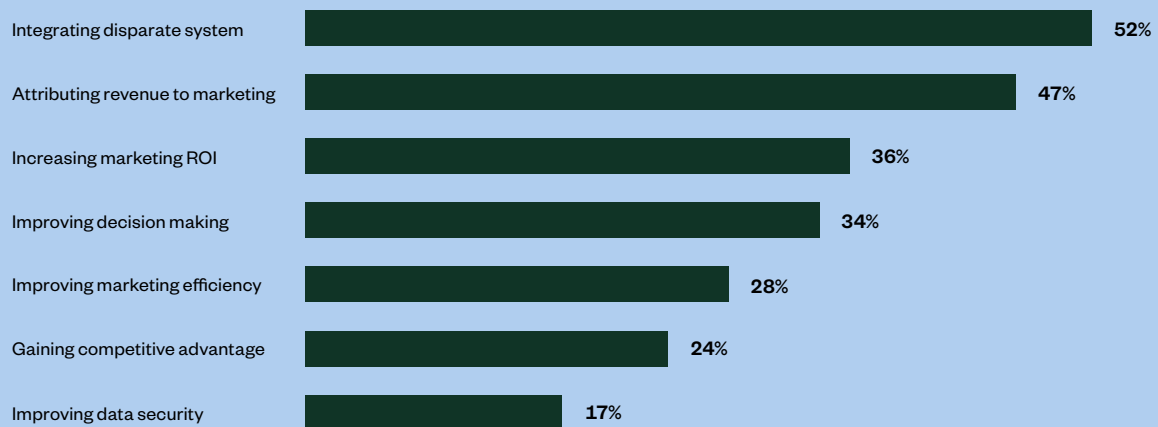
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Marketers have a plethora of new technologies that are available to them and tend to focus on what is available now versus what makes sense for their objectives. Ending up implementing expensive technologies that don't work for their long-term needs and ultimately abandoning them. The key is to clearly define the customer journey and then map key objectives within in order to identify the technologies that are required to achieve these objectives.

Sibel Ugur
Sr Director, Marketing,
Zuora

[6] https://chiefmartec.com/

52% of marketers identified integration is their biggest obstacle to success with martech.

Category	Percentage
Integrating disparate system	52%
Attributing revenue to marketing	47%
Increasing marketing ROI	36%
Improving decision making	34%
Improving marketing efficiency	28%
Gaining competitive advantage	24%
Improving data security	17%

Source: *Marketing Technology Trends Survey 2018*, Scott Brinker, **Martech**[6]

07 Build vs. buy

You don't always need to look externally for technology in your stack. Sometimes internal developers can create a custom build, but there are challenges ahead.

The consideration depends entirely on the capabilities of your organization, the number of developers you have in house, and whether they have the capacity to build something extra. *The New York Times*, Axel Springer, and *Financial Times* all have technical resources to create, implement, and iterate new solutions quickly, but many digital publishers do not.

The New York Times, Bloomberg reported, spent **14 months** and **$50 million** on their paywall system over 10 years ago — time and cash most publishers don't have to spare.

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> When we choose any tech partner it is always focused on results. Can the tech partner deliver on what was promised? Even more importantly, can the tech company evolve in a rapid efficient way? The digital business is always transitioning, and a great tech partner must be thinking about future needs and be ahead of the curve and avoids catch-up mentality.
>
> **Andrew Franklin**
> Vice President, Canadian Digital
> Operations, Black Press Media

In-house builds are also slow to move and make iterations and experimentation very difficult. It might take weeks, if not months, to develop a new tool as a result of commercial strategy changes, and this is simply not feasible for publications with smaller development teams.

With that in mind, many media companies decide to choose external vendors to provide the technology stack they require. If this is the case for your business, there's a few things you'll need to consider before you buy:

COST OF LICENSING AND IMPLEMENTATION

If the solution you're implementing runs on an SaaS business model, you'll likely have recurring monthly or annual costs. Make sure there are no hidden fees or surprise onboarding costs.

ADDITIONAL SUPPORT

Check there's adequate support in place should you face any difficulties implementing a particular solution. Note: There may also be costs associated with this.

R&D

Consider asking the vendor if there are any new developments they're working on, and whether those developments will be open to you to try out. Aim to be ahead of the curve and always think about future expansion.

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> No one-size-fits-all answer exists in this space, because every company is different. What works for one brand may not be the best option for another. If you don't have adequate resources or expertise, it probably doesn't make sense to build the technology internally. I've seen far too many martech infrastructure projects fail because of a lack of these necessary factors. Therefore, working with diligently selected vendors is most likely a better option in the long run.

Parry Malm[7]
Co-founder and CEO,
Phrasee,

[7] https://www.forbes.com/sites/forbestechcouncil/2020/01/27/how-cmos-can-master-martech-to-drive-disruption/

08 · Cut through the noise

According to [Gartner Inc.'s CMO Spend Survey](#),[8] **a CMO's top priority for the 2021 marketing budget will be technology, accounting for 26.6% of the total average budget.**

And we're already seeing a spike in the number of technology solutions digital publishers are employing. Scott Brinker of Martech says the average size of tech stacks continue to expand with estimates such as:

- **217 apps average**
  Small-to-midsize companies

- **330 apps average**
  Enterprise companies

- **609 apps average**
  Large enterprise companies

With those stats in mind, how can you ensure your budget is used wisely? We've mentioned the importance of avoiding "tech for tech's sake." With companies employing so many different technology solutions, it becomes essential to make sure you only take on those that make a difference, so you don't end up with an overload of different solutions that make life extremely complex. As an effective CMO, you need to think about what tech will actually help your teams move the needle.

The martech landscape is only going to increase. Since **[2019 it grew by 13.6%, up to a total of 8,000 solutions](#)**[9] on the market. To navigate a landscape like that can be a nightmare, so to save countless hours in demos and intros from vendors, it's important to choose the essentials that can give you an ROI.

Having an air of skepticism when considering tech will prove useful. VC-backed technologies will all claim to be the best and drive your conversions sky high, so keeping a level head will help you make informed decisions with the CTO.

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> Technology solution providers will always tell you that their solution will solve all your problems. However, though there are some amazing technology solutions out there, note that they were never built to answer your specific business challenges. Instead of asking 'Can your solution do x, y or z?' explain your challenge or problem, and let the solution provider demonstrate that their technology solves it.
>
> **Shorful Islam**
> CEO, Be Data Solutions

[8] https://www.gartner.co.uk/en/marketing/research/annual-cmo-spend-survey-research
[9] https://chiefmartec.com/

Conclusion

To summarize, the role of today's CMO is changing. If you want to achieve success in your digital marketing efforts, it pays to think like a CTO. To help make sure you're aligned with the new role requirements, here's a recap of the points we covered in this guide:

Change perspectives

Get to know the responsibilities of the "new CMO." Develop a greater focus on customer feedback and front-facing teams to ensure your tech stack fits with customer needs, not the other way around. Break down the customer journey into smaller processes (e.g., acquisition and retention) to pinpoint the value exchange at each level.

Marketing doesn't stop with your team

Consider tech teams as an extension of marketing, ensuring everyone is on the same page by working backwards from outcomes. Make sure each tool you consider and propose to tech is actually going to help reach company goals. Finally, cut the jargon and learn key terms to help bridge the communication gap and speak the same language.

Choosing new tech

Understand what data needs to be tracked, look to the future, and think about the speed of testing. There are many questions to answer when thinking about new technology solutions, but the answers become a lot clearer when you know what the end goal looks like. Focus on moving the needle so you don't buy tech for tech's sake.

See how we can help your technology
and marketing teams thrive together.

Speak to an expert

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Komatsu, Rogers, Schneider Electric, Xplornet, and Zendesk.

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