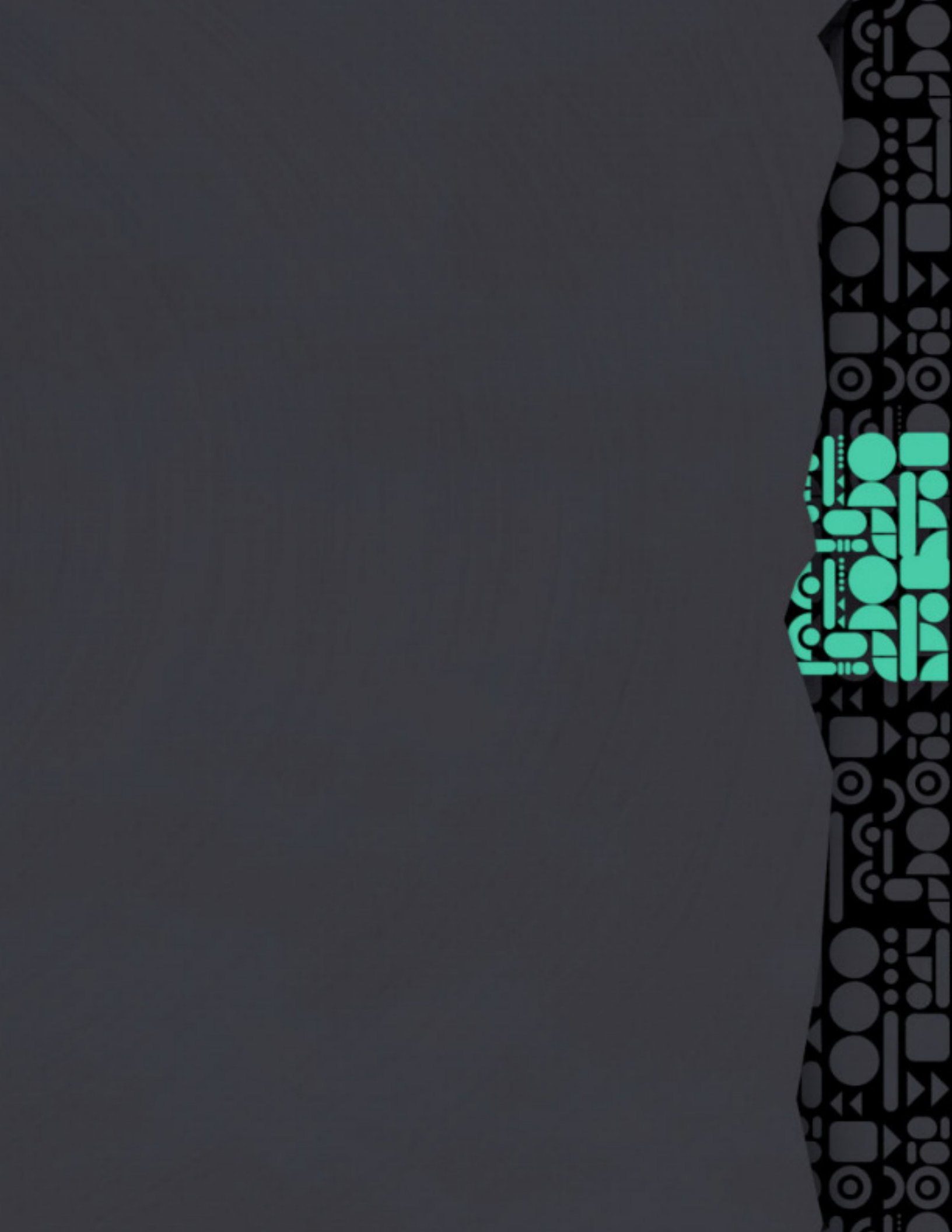**MPERATIV**

Revenue Marketing

Eliminating the Marketing Credibility Gap

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What is Revenue Marketing?

Revenue Marketing is a new category that advances the role of the Chief Marketing Officer to connect marketing strategy to their revenue operations engine by centering key marketing metrics around revenue.

Why is Revenue Marketing needed?

Marketing leaders are facing a significant credibility gap. Chief Marketing Officers (CMOs) have the shortest tenure of any C-level executive. A core reason for this is that marketing models are disconnected from sales and finance models and the metrics used to measure marketing contribution don't resonate with the CMO's peers. Marketing is currently centered around generating and converting leads, but the rest of the business cares about opportunities and revenue. The fact that marketing speaks in terms of leads makes it difficult to be consistently on the same page as the rest of the organization who speaks in terms of revenue.

Didn't marketing automation solve this problem?

Marketing Automation systems target very specific areas of marketing such as digital marketing and field marketing. In its simplest form marketing automation software allows companies to capture individual contact data and launch campaigns to deliver content to customers in order to generate marketing qualified leads for sales. Marketing automation is fundamentally centered around individuals, but buying decisions in B2B are made by groups. That's why CMOs don't login to marketing automation systems to inform their strategy decisions with lead-centric methodologies.

What about CRMs such as Salesforce or Microsoft Dynamics?

CRMs are focused on tracking and managing account information, maintaining and updating individual contacts, recording transactions and informing financial data. These systems provide a real-time view of your business. They do not capture data over time for analyzing trends, making predictions, and measuring growth. Essentially, CRMs do not capture temporal data.

Why is time series data important?

Time series means relating to time and is critical for painting a clear picture of how marketing investments contribute to overall company growth. Analyzing time series data enables marketing leaders to prioritize marketing initiatives and investments that lead to overall company success over time. In short, CMOs require access to time series data based on continuous snapshots of real-time operational data from customer relationship management and marketing automation systems.

So, what do CMOs do today?

Many CMOs are forced to use "old school" spreadsheets to pull data from multiple sources (e.g. – CRMs and marketing automation systems) to formulate executive insights, but this approach requires a ton of manual effort, and spreadsheets are not well suited for drawing reliable insights out of CRMs and marketing automation systems. In fact, according to a recent Salesforce survey that polled more than 1,065 marketing leaders across the globe, 43% of marketing leaders "spend a week or more every month preparing data. But only 31% are confident in their data accuracy."

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Could I build a platform using Business Intelligence (BI) Infrastructure?

"Build It" is one alternative, but it requires considerable time, effort, technical expertise and cost. According to a study produced by Segment, 62% of enterprises "will spend more than $100k building customer data platforms, with most (30%) spending between $100k and $500k." Building a marketing platform gets complicated very quickly, requiring data integration, data security, flexible data models, and scalable data architectures. It also requires weighing different technology choices (e.g.-- NOSQL, columnar databases, in-memory computing, etc.). A few wrong decisions and you end up with a "Franken-stack" rather than a valuable Revenue Marketing solution.

Why so much custom effort?

Marketing Automation (MA), Customer Relationship Management (CRM) and Business Intelligence (BI) solutions were designed to provide the utmost flexibility. To be viable across the multitude of different business models and corporate structures out there, they must be extremely customizable to meet all possible needs. While this has been wonderful for developers, the result is that there is often not a clear playbook for building a repeatable, scalable demand engine, because it may look different for every business. Business owners who want to adopt best-in-class practices are often forced to forge their own way ahead.

Why do I have to figure this out on my own when others have done so before?

Because of their flexibility, all of these systems implicitly assume that marketing and sales teams are operational savants that inherently know how to build best-in-class demand engines, have a clear vision on how to build a flexible revenue operations data model, understand what business rules need to be implemented, and have a clear vision on the exact reports and dashboards needed. More often than not, this open-ended model leads to a learn-as-you-go approach, with continuous customizations and the need for expensive consultants to brainstorm how to constantly "fix" your platform.

Is this a sustainable approach for the business?

An additional aspect of the learn-as-you-go approach is that it causes the GTM system to be reliant on the actual knowledge in individual's heads on how it is constructed. If there is any turnover or change in leadership, the demand engine and reporting systems can be set back months or broken entirely.

What does all this custom effort accomplish?

Despite all the time and money spent, there is still the question of whether custom platforms are centered around the right metrics. Research has found that almost all (91%) of marketing leaders encounter challenges presenting data to their executive team. A platform focused on analyzing leads and meetings is still speaking a separate language from the rest of the business, which is the root of marketing's credibility challenge.

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