

DEVELOPING A DEMAND CENTER: ESSENTIAL CONSIDERATIONS AND KEY BENEFITS



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WHAT IS A DEMAND CENTER?

As pressure on senior marketers grows in terms of reaching global yet acting local, the need for scale, disciplined processes, specialist skills and a tenacious appetite to measure everything and spend wisely is top of the C-suite agenda.

It's these operational pressures that are driving investment in marketing operations and Demand Center capabilities. This applies to both large organisations hungry for scale and smaller businesses re-evaluating spend and centralizing activity to encourage efficiency and effectiveness.

SirusDecisions defines a **Demand Center** as, "[A] central or regional hub of shared marketing services, infrastructure and processes that enables organisations to efficiently bring programs to market by leveraging key corporate assets and best practices. It's a hybrid structure between centralisation and decentralisation, leaning towards a pragmatic "center of excellence" approach".

Anyone reading this article will be very familiar with the ever-changing purchase behaviour in B2B sales. It can be fast, it can be drawn-out, it's multi-decision-based with lots of stakeholders, competitive and very complex. At the same time, marketing and sales has evolved to dovetail the cycle – marketing throughout the purchase journey, adapting marketing to each stage of the process and empowering Sales with insights to help close the deal.

Marketing Operations				
Demand Center Services				
Demand Technology Management	Teleservices	Marketing Services	Data Services	Project Management
Localisation	Sales and Marketing Alignment	Content Services	Reporting and Analytics	People and Skills

This complexity has meant B2B marketing has exploded into a hot-bed of technology, best-practices, opinions and thought-leadership, regional disparities and of course, content, content, content – many programmes, many stakeholders and big expectations. Yet, time is still limited and resources short leading to inefficiency, ineffectiveness and misalignment (across several departments).

The Demand Center, raises its head above the parapet to encourage better leverage of program investment; to address the changing skills requirement; improve marketing and sales performance; enhance the buyer and customer experience; and elevate marketing contribution and performance. In a nutshell, to bring relative order to chaos.

WHAT ARE THE CORE COMPONENTS OF A DEMAND CENTER?

There tends to be many components to a Demand Center, at its core, the Demand Center comprises of infrastructure, marketing services and teleservices. These are supported by people and skills, complementary partners (such as creative and data agencies) and are all managed by holistic marketing operations processes. All of this could be managed and delivered in-house, via a specialist partner or in most cases, a coordinated mix of best-of-breed suppliers - the best of outsourced and internal support.

Marketing Operations

Underpinning today's modern Demand Center is marketing operations, a hybrid role that brings discipline and best-practice expertise:



Enabling Marketing

Recommends, deploys and manages the marketing technology ecosystem.



Cross-business alignment and strategy development

Facilitates the alignment process, oversees the development of customer-centric marketing approaches that ensure all touch-points and supporting functions are aligned against business objectives.



Strategic and tactical decisions from actionable marketing metrics

Drives the development of the measurement and reporting framework to report on marketing's value, impact and contribution – manage the mechanics of measurement, perform the analysis and publish the performance results.



Multiple Programme Management

Becomes the epicenter for marketing campaign configuration, testing and deployment – people, process and technology management.



Continuous Improvement

The marketing executive team and stakeholders set the strategy and vision, marketing operations conducts the benchmarking and assessments to determine what standards, best-practices, processes, technology and skills are needed to deliver – the center of excellence

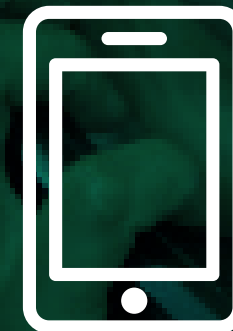
MARKETING SERVICES

The engine supporting the central configuration, assembly and deployment of campaigns as well as the essential link for local marketers and in many cases, channel partner execution. This is where the highly skilled technical resources reside. The web optimisers, the marketing automation power users, the best-practice consultants and the data management superheros. The essential link between corporate and field marketing teams who collectively orchestrate demand generation programme design, delivery, measurement and optimisation.



TELESERVICES

Whether it's inside sales teams or external telemarketing resource, this is one channel that has stood the test of time. Professional teleservices support remains an essential ingredient for inbound response management as well as outbound markets - however. It does require significant scale especially in European markets. A network of regional best-in-class organisations or a few dominant global operators make it possible to evaluate both insourced or outsourced options. In each case, teleservices is an essential ingredient in providing an end-to-end Demand Center process to expedite speed-to-revenue.



INFRASTRUCTURE

No Demand Center operates optimally without its technology backbone. Essential components are marketing automation, CRM, website and digital marketing optimisation tools, data management and analytics platforms. Ideally, all integrated together.

Central infrastructure enables local teams to apply their specialist insight in a region with platforms that are hosted centrally. When working in an overtly top-down organisation, local empowerment creates regional agility (essential for localisation) yet encourages process discipline and control (common language for example) essential for measuring the effectiveness and efficiency of global operations.



PEOPLE AND SKILLS

Let's not under-estimate the human effort required to run a Demand Center. Considering the demands for marketing services, the specialist technology skills, a clear understanding of marketing best-practice principles, project management skills, analytical superpowers, keeping a Demand Center running optimally requires investment in people and skills.



WHAT'S THE BUSINESS IMPACT OF THE DEMAND CENTER?

Whilst a Demand Center is not for everyone and it's not the magic wand to fix all your marketing programme needs, it should be a topic of discussion for most CMOs. Like all journeys, they're not quick to set up and there are many components to consider, yet impact and quick-wins can be experienced in a number of areas:

Cisco is one such well-known exponent of Demand Centers. It wanted to be able to better understand customer accounts and make sure its campaigns were able to reach prospects and customers with content most suited to their needs.

Better data segmentation improved web interaction and offer management. It also informed teleservices how best to interact.

According to [Joseph Puthussery](#), VP Marketing, Global Demand Center at Cisco, the result is that the company can now predict with an 80% accuracy which accounts are about to see a 'booking event' and click-throughs are five times higher than before.

This benefit of telesales working seamlessly with digital channels is also apparent at corporate software and hardware supplier, [Softchoice](#). It reported the biggest leap forward in having a Demand Center has been knowing where customers are in their renewal cycles. This has led to getting the most relevant content in front of customers at the right time as they approach a period where they are likely to be renewing equipment. Crucially, it's also led to far better informed agents calling customers with relevant upgrade details built around that specific organisation.



1. Improved return on marketing investment – improved lead quality and conversion



2. Closer alignment between sales and marketing



3. Improved productivity and agility in demand generation delivery – reduced time to market and campaign delivery



5. Standardisation around performance reporting metrics



6. Skills development and human scale

WHAT ARE THEY GETTING FROM IT?

Cisco can now predict with an 80% accuracy which accounts are about to see a 'booking event' and click throughs are five times higher than before.



SKILLS GAP

Do you have the people and do these people have the skills required to investigate, plan, commission, set up, run and then refine a Demand Center?

Research published last year into the well-documented marketing skills gap revealed that only 9% of marketing leaders believe their teams are strong in all skill areas. A further 22% believe they are strong in most areas, leaving more than two out of three marketing leaders to admit there are significant skills gaps within their organisation.

If you are in the 91% of organisations which are not confident they have all the skills they require, a key consideration will be where these skills will come from. It could be a case of hiring the right people, which will obviously take time and be costly if their skills are in high demand.



The answer may well be in **outsourcing** some or all of the work involved in building a Demand Center with a partner with previous experience in building Demand Centers. It may also be to take the hybrid route and combine in-house skills and tools with a trusted partner.



MARKETING READINESS

Technology is available to make things easier for marketers, however it's only ever there as a support for activity, it is not the activity itself. Organisations that succeed the most from a Demand Center already have tried and tested marketing processes in place that deliver on a strategy that has been determined by deep market insight.



CULTURAL PROCEDURES

Communication is vital because trust is a major issue with setting up a Demand Center. If an organisation has always been heavily centralised, it may struggle to trust local teams to be more independent, accessing centrally stored collateral and building campaigns around globally held customer data. Likewise, an organisation which has always had highly independent regional teams may find those executives may at first be resistant to running campaigns through a central hub.

Another issue to consider is that organisations are reporting that Demand Centers often lead to transformation of how markets are approached. A typical observation is that marketing and sales are required to work much closer together on developing a better understanding of the lead management process.

This obviously requires an organisation's people to be open to change and embrace it, particularly around sales and marketing working more closely together.



TO CONCLUDE

Getting a Demand Center right...



Delivers scalable demand creation programmes to drive efficiencies and speed to market **ALIGNED** with responsive sales follow-up



Scales support for partner communities



Operates as an innovation hub



Brings discipline and structure to the demand creation and tele-services process



Provides sales enablement



Enables accurate, consistent cohesive storylines for sales and marketing



Drives expansion into new markets, new offerings and new buying centers



Achieves scale and agility without additional budget and resources



Enable any organisation to act global, regional and local

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