Agile Marketing

How Agile Marketing Enables Organizations to Deal with Rapid Changes in Modern Markets

WE LIVE IN AN ERA WHERE BUSINESSES THRIVE AND FALL FASTER THAN EVER, WHEN CONSUMER'S DESIRE FOR A WIDER VARIETY OF PRODUCTS AT A COMPETITIVE PRICE IS DRIVING THE MARKETS AND CONSUMER'S EXPECTATIONS ARE INCREASING. SUCH A DYNAMIC ENVIRONMENT IS A CHALLENGE TO TRADITIONAL MARKETING PROCESSES AND DRIVES THE NEED FOR MARKETERS THAT ARE FAST-REACTING AND CAPABLE TO QUICKLY ADAPT MARKETING CAMPAIGNS TO THE EVER-CHANGING CONSUMER EXPECTATIONS.

The "fast fashion" business model is just an example of how companies need to adapt to faster ways of developing and marketing new products and to handle shorter product life cycles. Technological advancements are also progressing every year at a faster rate, increasing the number of channels through which marketing campaigns can be launched, particularly since the spread of social media. This created new challenges such as the ability of customers to review products and services publicly, or the short life of certain categories of information: today's hot trending topic can become old news very quickly. Is your organization's marketing team capable of capturing short-lived information? Can they respond quickly and properly to a negative review? Are they proactively using reviews and topic trends as a precious source of information to define marketing campaigns? A negative answer to any of these questions means that your organization's marketing team is not agile.

"In such a rapidly changing environment, Marketing – like other business functions – cannot afford to do things the old way, however, in most cases, they do", says Patrick Wiebusch, Co-Founder and Managing Partner at Four Principles. Marketing teams continue to roll out large campaigns that take weeks or months to be developed and deployed. Quite often these campaigns are released too far apart, which leads to lost sale opportunities. Other times these campaigns are organized the old way, for example by geography or product, missing the opportunity to leverage on the synergies that a more holistic approach could deliver.

Unfortunately, the high volume of work, tight deadlines and frequent changes in the marketing plan are not compatible with the traditional organization and processes of Marketing departments. This raises the need for workflows to be as streamlined as ever in a Marketing organization. When any delay happens in the process, for example between creative brief and production or when a campaign budget needs to be approved, then the campaign launch times are affected.

The ability of Marketers to move fast enough to keep up with rapid market changes and a wider number of competitors is becoming crucial for the success of their work and Agile Marketing arose as a means to solve this problem. Agile Marketing aims at streamlining marketing processes using Lean methods, so that challenging deadlines can be met easily. Agile's practices allow Marketing teams to focus on collaboration and rapid iteration, rather than on managing issues and process inefficiencies.

Origins of Agile Marketing

The term Agile is a concept that has its origins in the software development world, with its inception dating back to the early 1990s, when software developers began facing new challenges driven by the need to quickly adapt their products to rapidly changing protocols in the early years of the Internet: it was challenging for them to predict what was going to work in the future. Due to this, they had to evolve from the traditional waterfall planning process that was based on their ability to confidently plan into the future. This led to the development of Agile practices and methods, which were eventually structured and defined in February 2001 with the publication of the Agile Manifesto by a team of 17 software development practitioners.

The Agile Manifesto arose in response to a need for programmers to quickly release software products that met not just product specifications, but also customer needs. To achieve this, Agile replaced the traditional top-down organization structure, with an approach based on small cross-functional teams, derived from the Lean way of thinking developed in Japan by the car manufacturer Toyota.

Agile software development is an iterative approach to planning and guiding project processes, that breaks them down into smaller cycles called sprints, or iterations. The end result is that software is developed and delivered faster and with less effort, mainly by removing the inefficiencies embedded in the non-Agile approach and improving the ability to respond to change.

As Agile software developers started involving Marketing teams into their product development cycles, it became clear that the Marketers could also greatly benefit from the application of the same practices in their work, as the traditional marketing methods were not able to cope with the rapid introduction of new software products. This led to a customization of the Agile practices for the Marketing industry and the creation of a dedicated Agile Marketing Manifesto.

What is Agile Marketing

Agile Marketing is an approach to Marketing that utilizes the principles and practices of Agile methodologies. The goals of Agile Marketing are to improve the speed, predictability, transparency and adaptability to change, of the Marketing function. This is achieved through a data driven iterative workflow implementation that maximizes performance.

Agile Marketing has its own manifesto which is based on the following ways of working:
- Focusing on customer value and business outcomes, over activity and outputs
- Delivering value early and often over-waiting for perfection
- Learning through experiments and data over opinions and conventions
- Cross-functional collaboration over silos and hierarchies
- Responding to change over following a static plan

The ways of working defined through the Agile Marketing manifesto are deployed through smaller, self-organizing, cross-functional teams, performing work elements in frequent iterations with continuous feedback. This is implemented in practice by using analytical data and efficient team interactions to continuously identify opportunities, to rapidly derive solutions to problems, to quickly test these solutions, to immediately evaluate results and to take action, thus effectively enabling the Marketing teams to quickly test new ideas and run multiple campaigns simultaneously.

How Agile Marketing Works in Practice

There are seven important characteristic that make an Agile Marketing implementation successful:

1. Commitment to the Agile Marketing Manifesto: Agile Marketing teams operate by adhering to the ways of working listed in the Agile Marketing Manifesto. These ways of working are implemented through the tools and processes that will be described later in this article in the section "Agile Marketing Process" (e.g., stand-ups, sprints, and kanban boards).

2. Planning: As in the traditional ways of marketing, Agile Marketing also requires a strategic vision, however, it adds 3 levels of planning: long, medium and short-term. The vision is the big-picture and it describes the ambitions for the marketing program, for the brand or for the product and service being promoted, which is typically fine-tuned on a yearly basis. The vision is implemented through planning, and the plan is constantly adjusted in companies that embrace the Agile Marketing principles, based on the data-driven feedback received from the market and on the performance of the campaigns.

3. **Customer-focused collaboration:** Agile Marketers put the customer at the center of everything they do, an approach derived from the Lean philosophy. This may sound obvious as the target of marketing campaigns is the customer itself, however, in the traditional ways of working, it is easy to lose focus due to inefficiencies, poorly managed changes in the schedule and working in silos. Furthermore, it is important to remember that the definition of customer, should go beyond that of the entity purchasing the goods or services of a company and should be extended to the internal stakeholders as well (e.g., CEO, New Product Development team, Sales team etc.).

4. **Data driven decision making:** Agile Marketing uses a data-driven approach to marketing campaigns. Data is continuously collected before, during and after a campaign in order to make informed decisions about how to drive performance. Even though traditional ways of Marketing also rely on data, Agile Marketing teams are driven by it.

5. **Collaboration through teamwork:** People are the most important elements of an Agile Marketing framework. An Agile Marketing team is a group of individuals with complementary skills, required to plan and execute marketing campaigns that help their organizations to boost sales and build a better market presence. This is achieved using Lean and Agile processes to increase the speed and efficiency of task completion. The team size needs to be small enough to ease communication and maintain accountability: research shows that the optimum number for a high-performance team is between 5 to 10 people. Teams are divided into project teams, which are dedicated full time to be part of a single project, which are used as in-house marketing. A project team is collocated in a dedicated "war room", which is a space dedicated to the team itself, hosting the team members and visual management tools used for planning and tracking the activities.

6. **Experimentation, iteration and small releases:** Agile Marketing teams often use sprints, defined as short periods of time, typically 1 to 6 weeks, in which the team agree that an amount of work will be delivered. Sprints enable the teams to tackle small amounts of work within the timeframe agreed and produce iterative releases of work. There are two main reasons that working in sprints is effective. The first is that when an ample availability of time is given, work tends to dilute, while setting a clear deadline helps to focus on the right deliverables. The second reason is that working iteratively leads to shorter feedback cycles, hence, gives the ability to adjust the plans of action more frequently.

7. **Prioritized activity backlog:** Once the overall strategic direction is set and clear, Agile Marketing teams need to be able to autonomously prioritize the work from the standpoint of what is most valuable to the business and to the customers of the process. This is usually achieved by creating a 'backlog' for the team, which is essentially a prioritized 'to do' list of everything that needs to be delivered by the team. The backlog is a dynamic plan, continuously adjusted based on the team's priorities and may include activities of different sizes: large campaigns, small daily tasks, experiments, data collection etc.

Agile Marketing Process (Framework)

Agile Marketing does not have a standard implementation approach however, two main methodologies are typically implemented: Scrum and Kanban. The method chosen by a company depends on the goals it wants to accomplish, the culture, the teams' size and the type of teams. In general, large companies coming from a traditional culture, often prefer Scrum because it's closer to how they're already accustomed to working. Quite often companies decide for a hybrid approach, that takes elements from both Scrum and Kanban or to define their own custom methods. Both Scrum and Kanban include planning meetings, daily stand-ups, and retrospectives to make sure a project is on task and continually refined.

Scrum was created by the software development community as the framework for Agile Software development. Scrum includes three roles: A Scrum Master, a Product Owner and a Development Team. The team works in sprints, with the goal of generating deliverable elements of work at the end. The continuous cycle of sprints is meant to ensure collaboration, transparency, adaptation and focus on priorities.

Kanban originated in Lean Manufacturing and was popularized by Toyota as a Pull System for optimizing workflow and efficiency. Kanban was introduced as a method of process management for knowledge work much later than Scrum. Kanban is used as a visual management tool that enables Marketing teams to visualize all stages of the marketing process and every work item that passes through it, thus empowering people to be leaders, to streamline the process and to maximize efficiency. Kanban also enables to manage workload allocation by establishing "limits", for example on the size of work items and on the timeline to deliver, which avoids overloading team members and allows for workload balancing.

Digital Tools for Agile Marketing

According to Deloitte's recent survey of 405 C-level executives, 41% said they hoped to implement more digital technology in order to respond more rapidly to customer needs. As Agile derives from the software development world, several digital tools are also available to support Agile Marketers: having the right type of technology for Agile Marketing Automation is crucial for collecting data and conducting analytics.

A well-designed CRM (Customer Relationship Management) platform can help an organization collect, organize, test, and manage data about their customers and sprint iterations. It can automate campaign delivery, for example by sending messages to customers or feeding tracking and performance metrics back to the Marketing team. Above all, automation improves an organization's ability to react to customer requests. Some of the most known providers of Agile Marketing digitals tools include: HubSpot, Marketo, Agile CRM, NetSuite and Pardot for Marketing Automation; ProofHub for team & workflow management; MindMeister for brainstorming and sprint planning; Chanty for team communication; TimeDoctor for time tracking & boosting productivity.

How Industries can Benefit from Agile Marketing

Research by McKinsey found that Digital Marketing organizations using Agile have seen a 20-40% increase in revenue. Agile has also cut down the time it takes for companies to turn an idea into an offer, from months or weeks to less than two weeks.

"Some may think that shorter lead times to deliver Marketing work elements, may affect the quality of the work produced, however, the opposite is true: Agile Marketing drives performance and quality, while reducing costs by leveraging on streamlined processes, clear goals, defined work elements, frequent iterations, frequent testing and structured feedback cycles" says Mehdi Chelhi, Partner at Four Principles.

Agile Marketing allows companies to perform tests, measure results, iterate, and deploy solutions rapidly, therefore, they can run multiple campaigns simultaneously. Agile Marketing offers several benefits to the organizations:

- **Priority management:** stakeholders requests are prioritized in the "war room" and handled accordingly.
- **Speed, productivity, measurability, and transparency:** team members are focused on what really matters and are enabled to work efficiently through processes that are streamlined, measurable and accountable.
- **Internal communication:** Agile Marketing teams are co-located and cross-functional to include all the skills required to produce a deliverable, this improves communication not only within the Marketing team, but also with other departments and key stakeholders.

- **Ability to adapt to change:** a portion of the Marketing team capacity is reserved to handle unforeseen changes in the plan. Marketing teams can run rapid iterations to see what works and what doesn't, or to evaluate if-then scenarios.
- **Customer satisfaction:** customer needs are met quickly and customers are more involved in the definition of deliverables.
- **Quality of deliverables:** campaigns are data driven and delivered through robust processes, thus improving the quality of the work produced.
- **Competitiveness:** the ability to deliver faster and better quality campaigns increase the overall customer satisfaction, which leads to increased competitiveness.
- **High morale and satisfaction:** by enabling team members to have more control over what they're working on, while reducing the stress that arises from unmanaged changes in priorities, Agile Marketing teams become more motivated, engaged and satisfied.

Proven Results from Agile Marketing

Santander is a Spanish multinational financial services company based in Spain. The traditional marketing cycle of long booking times and lengthy review cycles with agencies wasn't working for Santander anymore. In their place, they decided to try the Agile approach on a pilot project, releasing small, low-risk campaigns in two-week sprints: those that were successful got more budget and more attention. After understanding that the Agile way was the right way, Santander has expanded its Agile approach to all Marketing activities. Recently measured results are impressive: customer loyalty increased 12%, NPS (net promoter score) is at its highest in 17 years and account satisfaction increased 10%.

Semrush Inc is an American public company that offers a SaaS (Software as a Service) platform. Semrush's Marketing department strives to be Agile at all levels and they have gotten as close to a purely flat structure as they can, which has allowed them to fully empower their various teams. According to their Head of Global Marketing, Olga Adrinko, leadership clearly identifies what needs to be done, but the team gets total control over how to do it. This doesn't, however, lead to chaos. Their Scrum approach and daily standup meetings ensure people are staying on track, and the trust placed in the teams makes them both highly creative and deeply invested in their work. Scrum-style sprints also allow the Marketing teams to experiment rapidly, testing and learning on an ongoing basis. Enabled by Agile Marketing, year on year average revenue growth from top 10 new markets was greater than 90%, and Semrush gained 500,000 users in just 8 months.

Northern Arizona University is a public research university based in Flagstaff, Arizona. Their small four-person Marketing team once followed traditional marketing practices, creating an annual budget, goals and designing highly specific projects. With the outsourced support of freelancers and agencies, they could deliver around 50 pieces of marketing collateral a year. Then, digital happened and the team could not cope with the workload surge any longer, until they discovered Agile Marketing. Instead of individuals taking on an entire project themselves, they now structure work in 2-week sprints. Tara Cobourn, Marketing Manager, says this new approach allows them to break projects down into smaller pieces, which are in turn given to team members based on skills and availability. Now they can get an entire project done in two weeks, instead of waiting months for outsourced work to come back, get edited, get revised, and finally get released. In their first year as an Agile team, content production increased 400% (50 pieces to 200 pieces), sprint tasks have nearly 95% completion rate, 20% cost savings have been realized and used to hire more writers and designers, and client satisfaction ratings increased by over 30% in six months.

Kraft Foods is an American food manufacturing and processing conglomerate. Kraft used to rely heavily on television as the main media to advertise its products, however, with the growth of the internet and particularly social media, along with a gradual switch of the consumer base to millennials and a growing Hispanic population in the U.S.A., represented strong challenges to this approach and required a swift change as the customer base was getting harder to reach. When Kraft management realized that they needed to become flexible in getting to the consumers, with the right message and the right medium, at the right moment, they adopted a heavily data driven Agile Marketing approach. The choice was right and currently Kraft serves up to 6.6 billion ad impressions digitally every year. As consumers engage in that content, an impressive amount of data is collected and used to define new customer interactions. For example, Kraft increased customer interactions by becoming a content provider: it has developed over 27,000 professional recipes for its consumers (Kraftrecipes.com). Consumers have submitted another 30,000 recipes to Kraft, and over 1 billion times a year, those consumers tap into and engage with the recipes. The result is that the Kraft Foods name is now used in social media and on blogs over 100,000 times a day, achieving four times better return on investment (ROI) than traditional advertising, according to the company's management.

"Agile is the most successful approach for Marketing organizations that want to stay ahead of competition in this rapidly changing world, where product life cycles become shorter, markets change rapidly and customers are empowered to publicly review products and services" says Seif Shieshakly, Co-Founder and Managing Partner of Four Principles.

GET IN TOUCH

Should you be interested to know more about our Lean services regarding this topic, then please contact us:

Tel: +971 4 368 2124
Email: info@fourprinciples.com

UAE Office Address
Dubai Media City
Building 8
Office 212
P.O. Box 502621
Dubai, UAE

KSA Office Address
Office 2902
Olaya Towers (Tower B)
Riyadh 12213-8022
Wasel Building number 3074
Riyadh, Saudi Arabia