



BUILD VS. BUY

**A GUIDE TO CHOOSING
THE BEST OMNICHANNEL
MARKETING PLATFORM**



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THE WORLD IS OMNICHANNEL

RETAILERS NO LONGER HAVE A CHOICE. *Omnichannel capabilities will be table stakes, and those brands that continue to find organizational or technological excuses will disappear.*

NewStore Inc.
2018-2019 Omnichannel Leadership Report

Sources:

Omnichannel 2018-2019 Leadership Report, NewStore Inc. | 2019

Marketers Struggle to Deliver Omnichannel Personalization that Consumers Crave - article by Blake Droesch | May 11, 2019

GartnerL2 Omnichannel Intelligence Report | Feb 12, 2019

26%
Offer buy online and pick-up in store

63%
of consumers in North America/UK expect personalization from brands and retailers

3%
US companies said they had true omnichannel personalization

1533%
Google search volume for "Store Near Me" - 2018/19

26%
Do not have any of their marketing channels connected

80%
Omnichannel strategies drive a higher rate of incremental store visits for local businesses

40%

of marketers report having the right quantitative tools to demonstrate the impact of marketing spend on company performance

86%

of digital display spending to be served programmatically by 2020

57%

of CEOs are prepared to invest more in marketing, but budgets are at risk if marketers continue to prioritize measures such as awareness over ROI

DETERMINING YOUR BUSINESS NEEDS

Enterprises are masters of growth, but with enterprise growth comes enterprise problems - ones that small businesses don't face. In particular, a substantial and growing number of marketing channels as well as the need to report on marketing performance to a range of stakeholders - executives, boards, shareholders, customers, and more. Here are the factors businesses must evaluate to determine the optimal solution for their business needs:

DATA INTEGRATION



The data silo is one of the biggest marketing hurdles enterprises face. Having each marketing department or channel be its own island is ineffective and inefficient.



Striking a balance is critical. You want your teams to be able to work independently - but also to be in good communication and accessible to business leaders. The same goes for data and reporting.



It's important to be able to track all channels separately, but if you have, say, a dynamic multi-channel campaign in progress, you'll need to be able to pull all appropriate data and report on it from a centralized location.

Sources:

US Programmatic Ad Spending Forecast 2018 - Report by Lauren Fisher | Apr 5, 2018
Gartner - CMO Spend Survey - 2018-2019





60%

of US brand professionals said that a lack of transparency was a strong threat to their digital ad budgets in 2019

WHY A MARTECH STACK?

DATA CONTROL

Integration is necessary, but so is control. That means the ability to gain visibility into channels to evaluate performance and visualize data in a manner that is functional for the marketing team as well as, customers and other stakeholders.

The ability to manage data visualizations is also important. Knowing how to present data most effectively is a key skill, but what if you need to compare the relationship between data points? If you need these kinds of insights, make sure you have a solution that is 'click-of-a-button' easy so marketers can focus on marketing instead of data science.

OMNICHANNEL SUPPORT

Omnichannel support is key. When you're walking your audience through the various channels and touchpoints along the customer journey, it's important to note bottlenecks or fall out points in real time. Omnichannel support will be able to help you not only determine what works and what doesn't, but how all of your channels are working together to bring your customers to you.

SHOWING PROGRESS

Some things are obvious to track. For example, you can easily look at your Instagram and see how many more followers you had than the week before.

But some stuff isn't so easy to track or requires an expert eye and insights to show the progress that's being made.

For instance, if you're tracking SEO progress, it can take months to see a visible increase in traffic or search rankings. However, that doesn't mean you can't show your client improvements in domain authority, keyword rankings, conversion rate, and other indicators of the improvements you're making in those areas.

BUILDING YOUR OWN MARKETING CLOUD

GENERALLY SPEAKING, THE QUESTION IS SIMPLE:

Can I build a cost-effective solution that will provide measurable results that other solutions can't?

WHY BUSINESSES BUILD

It affords them more control, a higher level of accountability and dependency, and, presumably, more flexibility. For organizations like this, building your own data analysis and reporting software is attractive. But it's not always that simple.

WHAT RESOURCES ARE REQUIRED?

Business must consider the resources needed to build their own reporting solutions. These include, but are not limited to:

- **Staffing:** Are engineers in place to strategize, design, and create the solution?
- **Resources:** Do you have the office space and supplies ready for new hires?
- **Software:** Do you have access to software tools, like visualization tools and business intelligence software, that integrate with the system being built?
- **Industry relationships** and partnerships with data providers

While on the surface a marketing operations platform seems simple enough, it's more complicated under the surface. There are a number of hurdles companies typically face with their own reporting and marketing infrastructure.





OBSTACLES WITH BUILDING

Just like with any other in-house department, project or objective with your business, building your own marketing operations platform in-house comes with its own set of hurdles to overcome. While these hurdles might not be dealbreakers up front, the key is to dissect them down to see if they support or hinder meeting primary objectives your in-house team has to cover.

LIMITED FLEXIBILITY

Unless you are building a solution from scratch, your engineering team will likely still need to use existing Business Intelligence (BI) software and visualization software within the build. So are you truly building your own in-house solution or patch working what could be a larger problem?

Considering the fact that BI and visualization tools are core pieces of effective data reporting, this isn't something that can be brushed under the rug. But that also means that your core elements of reporting will lack the flexibility and control you're really after with conducting an in-house build.

STAFF KNOWLEDGE

Unless you're looking to hire engineers and a team that specifically specializes in data reporting, orders and workflow management and analytics, the learning curve for such a robust and custom build is going to be steep.

You'll find yourself asking questions like:

- Does the team really understand what UI needs to be in place for both in-house presentations as well as customer facing presentations for them to be successful?
- Do they understand what's important with a project like this, in order to make it work, from a functionality perspective?
- Do they know what we're looking for? And if not, how much training is it going to take to get them there?

LACK OF INCENTIVE

It's likely that it won't be cost effective for your business to hire a team strictly to build, troubleshoot, and optimize in-house reporting software and marketing operations day in and out. It's far more likely that each of these engineers will have other tasks that take priority over something else.

WHICH BEGS A NEW QUESTION:

Is it better to hire in-house and have the team spread thin, or is it more effective to buy – thereby allowing a team of experienced, specialized professionals to focus solely on solving your data reporting and analytics problems?

THIS QUESTION ALONE USUALLY PUTS THINGS INTO A DIFFERENT PERSPECTIVE.

COSTS

Effective reporting can solve a lot of problems for businesses of all sizes but as resources, channels, and customers increases with business size, reporting, orders and workflows becomes arguably more important and complex for enterprise-level businesses.

With that being said, if building the software in-house doesn't propose any huge problems in relation to buying, the question boils down to return-on-investment. So let's look at some costs:

LABOR

Your predominant financial costs will be in labor, space to house the team (when applicable), and any supporting software your company will have to pay for. Obviously, this can easily stretch into high 6 to low 7 figures in a single year depending on the team size plus necessary equipment and supplies. Not to mention you will need to fill out tech leadership roles to help lead the build.

How large of a time investment will you, your colleagues, and your team be putting towards this project? How long will it take before you see a return?

And, since time is limited, how many hours are you taking from focusing on other important projects to put into this one? Is it worth it? Whatever timeline you're working with, make sure it doesn't get out of your control.

ENERGY

There's also the *energy* cost. How will the hurdles affect your team, and yourself, when trying to see them through? This breaks down into two main energy costs. Human capital and Technology Costs. With human capital you are adding overhead costs and investing in the people you hire to build your solutions. When you buy your solution you can keep the costs of human resources lower.

Same is true with the cost of the technology to operate a platform you build in house. You will need to manage the connections to the API to make sure your data is running smooth. You will need to make and maintain relationships with the companies providing the service. This alone grows into a separate department.

Buying a solution allows you to focus your time, energy and money where it will be most useful.

Sources:

Network Maintenance Myths Busted - CIO.com by Network World staff, Network World Business Benchmarking Time-to-Value Study - IBM market study

On average, more than

70%

of IT budgets are spent on operations and maintenance

2/3

of organizations fall behind schedule when deploying new IT capabilities





BOTTOM LINE CONSIDERATIONS FOR BUILDING

These are the most important factors to consider when building your own marketing operations platform.



CUSTOMIZATION

A huge benefit you're looking for is more customization and flexibility. To actually achieve that, you'll need to build a from-scratch visualization tool. *Are you willing to fork over the resources to get that done too?*



MANAGEMENT

If not, what can you do to remedy the problem? What preventative measures can you put in place?



CONTROL

Without that, you still get a high level of control over what you'll have built.



SPECIALIZATION

Is it cost-effective to hire on a specialized team to focus solely on reporting?



BANDWIDTH

With that high level of control comes a high level of responsibility. Will the team you have in place currently have the bandwidth and knowledge base to support that?

BUYING A SAAS REPORTING SOLUTION

THE BIG INCENTIVE

Businesses seek out SaaS solutions because they offer the advantages of hiring a specialized team with a pre-built solution and the maximum level of support without the overhead. There is less of an associated learning curve than with building an in-house solution. Costs are consolidated, budgeting is simplified and the ROI is faster and measurable.

WHAT'S GREAT ABOUT IT

While there are some perceived benefits of building, there are also some hidden benefits of buying that you might not have considered.

- 1 Costs.** Ease of meeting financial goals and budgeting. Your SaaS team doesn't come with a load of salaries, plus supporting software, plus budgeting in extra time investments necessary to handle bug fixes.
- 2 Specialization.** Since your SaaS team essentially eats, breathes, and lives reporting software, the level of dedication provided to optimizing the solution actually delivers a more flexible outcome for you than most in-house solutions that are essentially built on "extra time".
- 3 Support.** With the high level of support you get when starting an enterprise account with a SaaS company, you can also expect to feel like they're an extension of your team. One that cares about your feedback, and optimizing the solution to suit your needs.
- 4 Omnichannel focus is built into the solution.** With the right company, you'll have a tailored solution that focuses on building customer journeys and relationships through omnichannel marketing. With building, this would be incredibly time consuming and expensive to implement.

CONCERNS WITH BUYING

There are two primary concerns when considering their buying experience.

SIZE OF THE COMPANY

Ultimately, smaller companies are at a higher risk of being bought out by larger corporations. This could mean their accounts could be transferred over and the solution could be heavily affected. This is definitely something to consider when going into a contract agreement with any SaaS company you'll be relying on heavily for service.

DATA OWNERSHIP & PROTECTION

This is something else you'll want to make sure you consider. *Is your data safe? The data of your patrons? Does the company you're looking into have a reputable track record and adequate security measures in place to protect your best interests in alignment with their own?*

HOW TO BUY THE RIGHT REPORTING SOFTWARE FOR YOUR ENTERPRISE

Buying SaaS software for one of the most important processes your business must perform in order to reduce churn, prove value to buyers, and even to use data to develop and support company initiatives shouldn't be taken lightly.

WHAT TO KNOW IN ADVANCE

Before you buy, you should have a clear list of objectives and needs for your business.

- The number of reports that need to be generated in a given timeframe
- The level of support or services needed
- The necessary capabilities to suit your business.
- Budget for software
- Specific integrations needed

Knowing this ahead of time will help determine if the solution you've chosen is going to be the best fit for your company. It's also important, however, to know what to look for in the providers you're considering.

WHAT FEATURES TO LOOK FOR

Most providers you look into will have a list of standout features on their websites and demos. All you have to do is make a list of what to look for and see which companies look the most promising by checking off the most boxes.

DATA VISUALIZATION

Data is nothing if it can't be used to actually inform and influence the average individual. While you might be a pro at reading numbers, most of the people you interact with and need to explain data to, to prove the value of your company won't necessarily understand the metrics you're reporting or what the numbers mean.

With that being said, the cure for this is data visualization. Being able to visualize a clear upward trend in performance is much better, and easier, than crunching numbers. This is a crucial key to any tool you look into.

COMPLETE VISIBILITY

You're running a big show, so it's important that you're able to dig into all of the nooks and crannies of what's happening on your stage at will and without a struggle. With that being said, it's important that you double-check feasibility to access and use data for your business's objectives.

SCALABILITY

When on the call with your rep for your chosen SaaS solution to go over what all goes into it, it's important that you keep the overhead to a minimum. Of course, you'll need to do this without affecting the quality of service that you receive from the company, but it's an important thing to consider nonetheless. It is, for this reason, you will want to seek out a scalable solution that can grow with you and also keep your operating costs low.

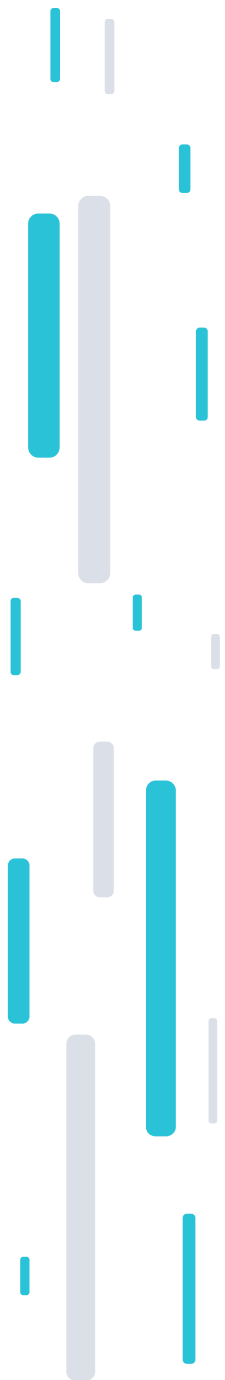
INTEGRATION SUPPORT

This one might seem like a no-brainer, but you definitely want to know going into the deal where you'll need to pull data from and if your chosen solution can handle that level of input. Generally speaking, the more data sources supported by the SaaS company, the better.

PRECISE KPI MEASURING

While plenty of data reporting companies will move data from one software to a centralized space for you to see it, what you're really looking for is the ability to measure KPIs and ROIs. Remember, not all data points are created equal. Just because a YouTube channel gained 10,000 net views in a month doesn't mean you are actually earning an ROI for what you're putting in.

This is why it's good to make sure that whatever SaaS company you use understands not just how to create software that moves data, but has also built a solution that helps you dissect the data to demonstrate performance. There is a huge difference between the two.



CONCLUSION

Now you have the good and the bad on both sides of your decision, but there's a lot to consider.

- ✔ Remember, you're looking for an integrated approach to data collection and analysis for the greater good of all involved.
- ✔ With that being said, you're also looking for flexibility.
- ✔ Is a fresh build really more flexible than a trusted and reputable SaaS company that is dedicated to optimizing this solution for you - if the build team isn't as dedicated?
- ✔ If your team is going to be dedicated, trained, and specially focused solely on data reporting software, is that a cost-effective solution for your objectives and budget?
- ✔ Remember to look for solutions that know how to measure the KPIs that really matter, and use Data Visualization as a tool to help you tell the story the data is measuring
- ✔ Make a list of personal company requirements and talk to a SaaS rep about them. Compare with the ability of your own team to deliver on the list.
- ✔ Set realistic goals, budgets, and deadlines when considering the build your own option. How much money, time, and energy is it really going to take your team?
- ✔ Is it ROI-positive and sustainable?

If you keep this list in mind, you're off to a good start when choosing between building your own data reporting solution and buying a SaaS solution for your enterprise business.



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