



NATIONAL ASSOCIATION OF  
ELECTRICAL DISTRIBUTORS



## Executive Guide #11 The Changing Roles of Information Technology and Marketing

*Developed by the NAED Strategic Technology Committee*

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## PURPOSE OF THIS DOCUMENT

NAED's Strategic Technology Committee created *Executive's Guide #11: The Changing Roles of Information Technology and Marketing* to assist distributor executives in understanding how technology innovations are intertwining their marketing and information technology (IT) departments and changing their roles. The importance of addressing this trend, a framework for clarifying IT and marketing's roles and goals, recommendations and recommended resources are also presented.

In 2012, NAED's Strategic Technology Committee began publishing a series of Executive Guides about current technology issues distributor executives should consider. These guides are available for download at [www.naed.org/strategictechnology](http://www.naed.org/strategictechnology).

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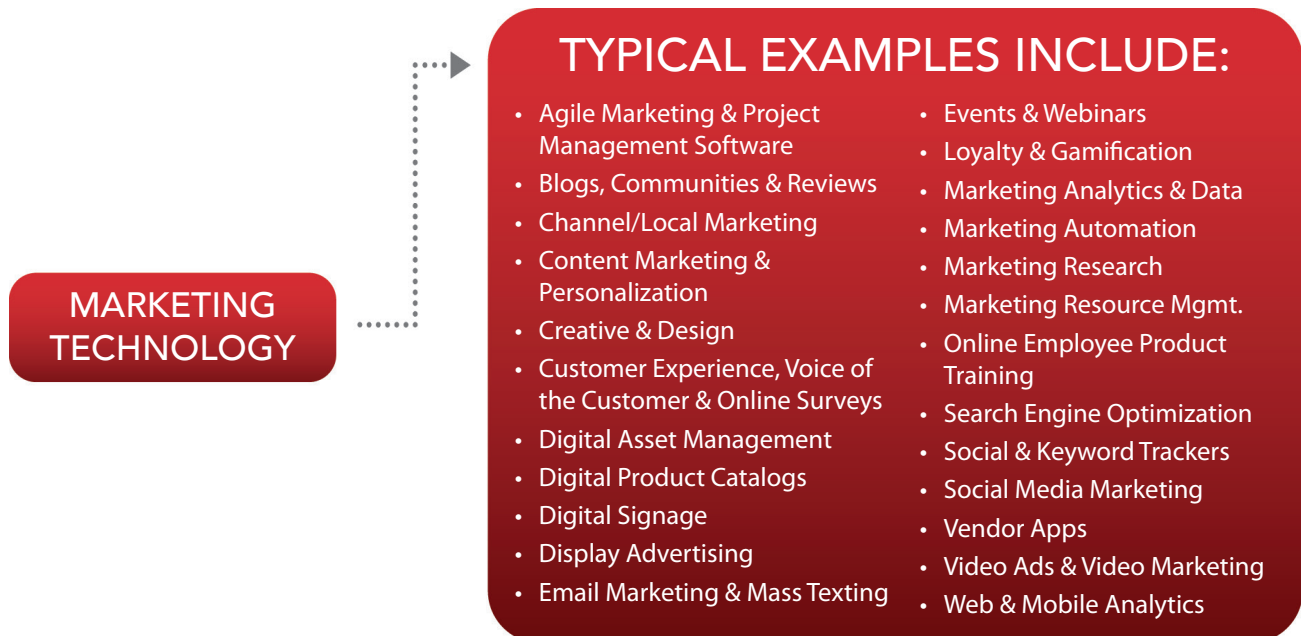
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## INTRODUCTION

Mobile technology, social media and e-commerce are changing how electrical distributors communicate, interact and conduct business. The demand for real-time information and personalized, data-driven interactions with customers is mushrooming. As a result, many traditional departmental roles and responsibilities within electrical distributors are being upended, perhaps none more so than Information Technology (IT) and Marketing.

Traditionally, IT has been responsible and accountable for all things technical—*ranging from ERP systems and software to telephones*. Marketing, on the other hand, was focused on brand-building, creative endeavors and strategy. However, in today's digital world, marketing is now also responsible for the customer experience across multiple touch points and platforms. This requires the use of technology including databases, digital assets, e-commerce platforms, keyword analytics, mobile apps, search engine optimization (SEO), social media, web analytics and web content management to name a few examples (See Exhibit 1).

Exhibit 1. Examples of today's marketing technology



# WHY THE CHANGING ROLES OF INFORMATION TECHNOLOGY AND MARKETING ARE IMPORTANT TO ELECTRICAL DISTRIBUTORS

The proliferation of technology has increased marketing's decision-making responsibilities. It has also set marketing on a collision course with IT. Not only do Marketing and IT have different departmental goals and attitudes towards technology, but the integration of marketing technology into existing business systems and safeguarding customers' data and privacy in a multi-channel, multi-device world cannot be underestimated.

## Top 3 reasons to address the changing roles of IT and Marketing

1. Marketing and IT have different roles and goals
2. Most marketing technology must be integrated into existing systems
3. Customers' data must be safeguarded

## Marketing is from Mars; IT is from Venus

Marketing has traditionally been responsible for customer facing activities and outcomes. Creativity, calculated risk-taking, experimentation and the evolution of functionality has been marketing's norm. Marketing is also accustomed to having full control over the design and implementation of creative campaigns and the strategies necessary to achieve its desired goals—*increased sales, greater market share, enhanced customer loyalty, profitable growth, etc.*

Today, however, many of marketing's traditional tasks are now powered by technology—*enabled by a mobile app; the "cloud"; or off-the shelf, easy to implement software*. Much of the newly available marketing technology allows marketers to differentiate the company by becoming faster, more agile and creating a better experience for customers while at the same time being ever present and gaining customer mindshare. Marketers are hesitant to wait to adopt technology that will help them achieve their goals quicker, much less seek the approval of, or vie for the attention of, another department. If Marketing happens to purchase technology<sup>1</sup> without consulting IT, it believes it isn't going rogue, just doing its job of enhancing the customer experience.

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***Marketing wants speed, agility, innovation and differentiation.***

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IT's job has always been to handle all things technical. (See Exhibit 2) Its role continues to be ensuring all technology—including *mobile apps, cloud services and off-the-shelf software*—can be integrated

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<sup>1</sup> Spending trends are on marketing's side—a 2012 Gartner study predicted that by 2017, Chief Marketing Officers (CMO) will spend more on technology than the Chief Information Officer (CIO).

into existing business systems while providing adequate data security. IT has vast knowledge and experience managing and integrating a myriad of technologies into the company's existing business systems. Ensuring data security, stability and standardization requires careful thought and investigation.

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***Information Technology wants security, stability and standardization.***

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Requests to integrate marketing technology into existing systems must be prioritized and balanced against the needs of the entire company. It's more than a budget issue; even if Marketing has the wherewithal to pay for new technology, rushing ahead or taking shortcuts will lead to disaster—*system crashes, data security issues, unexpected costs, lack of standardization, special “fixes,” workarounds and so on*. The risks are too great not to take a methodical approach.

When different technologies are brought into the company without integration, they very quickly become difficult to manage. Maintaining different, unconnected technologies requires additional resources, due to duplicate work being done on different technologies. However, when technologies are well integrated, resources are optimized.

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***Technology integration and data security must be paramount.***

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Exhibit 2. Examples of technology handled by IT

**TYPICAL EXAMPLES INCLUDE:**

- Cloud based collaboration software, cloud storage services, and ERP/Business system and software, etc.
- Communications Technology/ Infrastructure including email; Instant Messenger (IM); telephone (*Landline, VOIP, etc.*); text messaging; voice mail, web conferencing, etc.
- Contact note applications
- Data Security & Information Privacy
- Internal Dashboards
- Integration of Technology within existing systems
- IT Disaster Recovery
- Master Data Management
- Mobile Apps for Internal Company Use
- Mobile Device Management
- Mobile Device Security Policies
- Online skills training for employees
- Password managers
- Portable Office Technology
- Punch-out Integration
- Social Media (for communicating inside the company)
- Source for product and pricing information
- Time tracking software
- Vendor Managed Inventory (VMI) for customers

**INFORMATION  
TECHNOLOGY**

### Areas of shared IT and Marketing responsibilities

In addition to the tension of balancing differing goals and determining who is going to pay for the new technology, there also exists a gray area—*technology requiring shared “ownership” by IT and Marketing.*

Exhibit 3. Examples of technology shared by IT and Marketing



Melding the now intertwined worlds of IT and Marketing requires distributor executives to formulate guidelines and ground rules for the implementation of technology-based marketing tools. This will reduce the likelihood of Marketing and IT working at cross-purposes. In some companies, management has set the general guideline that IT maintains the infrastructure while Marketing manages and supports the technology.

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***Distributor executives must formulate general guidelines for “ownership” of technology-based marketing tools.***

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## RACI: A FRAMEWORK FOR CLARIFYING ROLES AND GOALS

NAED's Strategic Technology Committee recommends the use of the IT Infrastructure Library's<sup>2</sup> RACI model as a collaborative framework for distributor executives to clarify the roles and goals of IT and Marketing with respect to marketing technology (See Exhibit 4). The acronym, RACI, stands for the four roles in any undertaking—who is **responsible**, who is **accountable**, who needs to be **consulted** and who needs to be kept **informed**.

Exhibit 4. RACI framework for clarifying responsibility and accountability

Source: IT Infrastructure Library (ITIL)

### R = WHO IS RESPONSIBLE FOR "DOING" THE WORK?

One or multiple departments/parties

### A = WHO IS ACCOUNTABLE, I.E., "OWNS" THE WORK?

Only one department/party/person

### C = WHO SHOULD BE CONSULTED?

Provide input to the person accountable

### I = WHO NEEDS TO BE KEPT INFORMED?

Need to be aware of what is going on

### R = Who is responsible?

The responsible party ensures the work gets done, i.e., specific tasks are completed. The responsible party can be any number of individuals or departments—*"We" are doing this together*. When multiple parties are responsible for completing the work together, all involved must understand their individual roles.

As shown in Exhibit 3, examples of technology shared by IT and Marketing include business intelligence & analytics software (BI), the company website and e-commerce capabilities, customer relationship management (CRM), mobile apps for customers, online training, etc. While each company may assign different responsibilities, typically, information technology's responsibilities include implementing and maintaining the technology's infrastructure, while marketing is responsible for content creation and the user experience.

<sup>2</sup>Itil.org

### A = Who is accountable?

The person accountable is the “owner” of the work—*“The buck stops there.”* Successful implementation depends upon only one person being held accountable; otherwise decision making can be slow and contentious, exactly what we are trying to prevent. The person accountable is ultimately answerable for the correct and thorough completion of the work, and has the final say on how the work should be done as well as how any conflicts are resolved.

Distributor executives must establish which department in their company—*Marketing or IT*—will be accountable for marketing technology based on company culture, strategy, talent and so on.

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***Responsibility can be shared; accountability cannot.***

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### C= Who must be consulted?

Every company has subject matter experts whose input is invaluable. These are the people whose opinions are sought by the accountable party before making a decision.

### I= Who needs to be kept informed?

Periods of technical innovation and change require intentional, concerted, on-going and multi-directional communications effort with multiple communication methods. After the decision is made, the person accountable must inform everyone affected by the outcome and keep them updated on progress. Communicate, communicate, communicate. Then communicate some more.

## STRATEGIC TECHNOLOGY COMMITTEE RECOMMENDATIONS

With technological innovation becoming an electrical distributor’s new, constant reality, a strong relationship between Information Technology and Marketing is a critical success factor moving forward. Organization structures and proven methods from the past will not work going forward. The first step in any technological innovation is updating company culture—including *values, mission and vision*—and organizational structure to reflect current and future business realities.

While some electrical distributors have hired marketing technologists to serve as a liaison between the Information Technology and Marketing departments, most electrical distributors do not have that luxury. It is crucial for distributor executives to focus IT and Marketing on the importance of mutual

support of both departments to advance the company's mission. Use the RACI model to document responsibility and accountability. Work with IT and Marketing to create a technology roadmap for the company...**together**. Reinforce new responsibilities by aligning incentives to encourage a collaborative relationship, united around the customer experience.

1. Unite IT & Marketing around the customer experience.
2. Use RACI model to clarify responsibility and accountability.
3. Incentivize collaborative relationships.

Be on the lookout for additional white papers from NAED's Strategic Technology Committee, including technology for warehousing and delivery, as well as considerations for using managed information technology services.

## Appendix 1: Example of the RACI model for Marketing technology

*Note: Example only; technology and responsibilities vary by company.*

| Marketing Technology   | Marketing Responsible | Marketing Accountable | Who's Consulted    | Who's Informed |
|--|-----------------------|-----------------------|--------------------|----------------|
| Agile marketing & project management software                  | ✓                     | ✓                     | Executives         | All            |
| Blogs, communities & reviews                                   | ✓                     | ✓                     | Executives & Sales | All            |
| Channel/local marketing  | ✓                     | ✓                     | Sales              | All            |
| Content marketing & personalization                            | ✓                     | ✓                     | Sales              | All            |
| Creative & design  | ✓                     | ✓                     | Sales              | All            |
| Customer experience, voice of the customer, and online surveys | ✓                     | ✓                     | Sales              | All            |
| Digital asset management                                       | ✓                     | ✓                     | Sales              | All            |
| Digital product catalogs                                       | ✓                     | ✓                     | Sales              | All            |
| Digital signage  | ✓                     | ✓                     | Sales              | All            |
| Display advertising  | ✓                     | ✓                     | Sales              | All            |
| Email marketing & mass texting as a marketing tool             | ✓                     | ✓                     | Sales              | All            |
| Events & webinars  | ✓                     | ✓                     | Sales              | All            |
| Loyalty & gamification   | ✓                     | ✓                     | Sales              | All            |
| Marketing analytics & data                                     | ✓                     | ✓                     | Sales              | All            |
| Marketing automation   | ✓                     | ✓                     | Sales              | All            |
| Marketing research   | ✓                     | ✓                     | Sales              | All            |
| Marketing resource management                                  | ✓                     | ✓                     | Executives         | All            |
| Search engine optimization (SEO)                               | ✓                     | ✓                     | IT                 | All            |
| Social & keyword trackers                                      | ✓                     | ✓                     | IT                 | All            |
| Social media marketing (external to the company)               | ✓                     | ✓                     | Executives & Sales | All            |
| Testing & optimization of marketing tools                      | ✓                     | ✓                     | IT                 | All            |
| Vendor apps & industry calculators                             | ✓                     | ✓                     | IT                 | All            |
| Video ads & video marketing                                    | ✓                     | ✓                     | Executives & Sales | All            |
| Web & mobile analytics   | ✓                     | ✓                     | IT                 | All            |

## Appendix 2: Example of the RACI model for Information Technology

*Note: Example only; technology and responsibilities vary by company.*

| Information Technology & Infrastructure  | IT Responsible                         | IT Accountable | Who's Consulted   | Who's Informed |
|--|--|----------------|-------------------|----------------|
| Cloud based collaboration software, cloud storage services, and ERP/Business system software, etc.   | ✓                                      | ✓              | Users             | All            |
| Communications Technology/Infrastructure: email; instant messenger; telephone (landline, VOIP, etc.); text messaging; voice mail, web conferencing, etc.                                       | ✓                                      | ✓              | Users             | All            |
| Contact note applications  | IT shares with Sales                   | ✓              | Users             | All            |
| Data security & information privacy  | ✓                                      | ✓              | Users             | All            |
| Internal dashboards  | ✓                                      | No—Executives  | Users             | All            |
| Integration of technology within existing systems  | ✓                                      | ✓              | Executives        | All            |
| IT disaster recovery   | ✓                                      | ✓              | Executives        | All            |
| Master data management   | IT shares with Operations & Purchasing | ✓              | Users             | All            |
| Mobile apps for internal company use   | IT shares with HR                      | ✓              | Users             | All            |
| Mobile device management (MDM)   | ✓                                      | ✓              | Executives        | All            |
| Mobile device security policies  | ✓                                      | ✓              | Executives        | All            |
| Online skills training for employees   | IT shares with HR                      | No—HR          | Executives        | All            |
| Password managers  | ✓                                      | ✓              | Users             | All            |
| <b>Portable Office Technology:</b> Anywhere connectivity; remote access to enterprise software; secure network tools; smartphones and tablet computers; voice transcription applications; etc. | ✓                                      | ✓              | Users             | All            |
| Punch-out integration  | ✓                                      | ✓              | Marketing & Sales | All            |
| Social media (for communicating inside the company)  | ✓                                      | ✓              | Executives & HR   | All            |
| Source for product and pricing information   | IT shares with Executives & Purchasing | ✓              | Users             | All            |
| Time tracking software   | IT shares with HR                      | No—HR          | Executives & HR   | All            |
| Vendor managed inventory (VMI) for customers   | IT shares with Operations              | ✓              | Marketing & Sales | All            |

## Appendix 3: Example of the RACI model for technology with responsibility shared by IT & Marketing

*Note: Example only; technology and responsibilities vary by company.*

| Shared Technology Responsibilities              | Marketing and IT Responsible | Who's Accountable         | Who's Consulted | Who's Informed |
|---|------------------------------|---------------------------|-----------------|----------------|
| Business intelligence & analytics software (BI) | ✓                            | Marketing                 | Users           | Users          |
| Company e-commerce capabilities                 | ✓                            | IT                        | Users           | Users          |
| Company website                                 | ✓                            | Marketing                 | users           | Users          |
| Customer relationship management (CRM)          | ✓*                           | Marketing                 | Users           | Users          |
| Mobile apps for customers                       | ✓                            | Marketing                 | Sales           | Users          |
| Online training for customers                   | ✓                            | Marketing                 | Sales           | Users          |
| Online employee product training                | ✓                            | IT                        | HR & Users      | Users          |
| Sales Enablement                                | ✓*                           | Sales                     | Users           | Users          |
| Sales force automation (SFA)                    | ✓*                           | Sales                     | Users           | Users          |
| Sales performance & productivity applications   | ✓*                           | Either Sales or Marketing | Users           | Users          |

\* Responsibility may also be shared with Sales.

## RECOMMENDED RESOURCES

### [NAED's Electrical Industry Dictionary](#)

Translate computer speak and talk tech like a pro with this glossary of commonly used words and acronyms.

### [IT Infrastructure Library \(ITIL\)](#)

ITIL® is the abbreviation for the guideline IT Infrastructure Library. ITIL is the worldwide de-facto-standard for service management—*how to plan, deliver and support Information Technology*.

### [Gartner Digital Marketing Transit Map](#)

The Gartner Digital Marketing Transit Map shows the relationships among business functions, application services and solution providers. Electrical distributors can use it as a guide in creating a technology roadmap for their businesses.

### [Accenture's "The CMO–CIO disconnect: Bridging the gap to seize the digital opportunity"](#)

### [American Marketing Association \(AMA\)](#)

The AMA offers a host of information, expert insights and educational opportunities on the full spectrum of digital marketing topics, from social media and mobile marketing to online research and programmatic buying.

### [NAED's Strategic Technology Committee](#)

NAED's Strategic Technology Committee developed a series of guides to provide distributor executives industry applicable advice and best practices for making good use of technology in your business.

#### **Executive Guide 1: Strategically Managing Your Company's Online Presence**

Create an online presence that aligns with your company's strategic priorities using this guide, offering sample questions to ask when determining how customers find and use your website.

*(Updated June 2012)*

#### **Executive Guide 2: Checklist for an Effective Online Presence**

Transform your website into a competitive advantage with this second Executive Guide, offering a checklist of topics to discuss with your IT team.

*(Updated September 2012)*

#### **Executive Guide 3: Strategically Managing Your Company's E-commerce Capability**

Build an e-commerce platform that helps you increase sales, improve efficiencies and cut operation costs.

*(Published June 2012)*

#### **Executive Guide 4: Checklist for an Effective E-commerce Website**

Examine many of the details required for an effective e-commerce website and elaborate on ways to push your website to the next level.

*(Published August 2012)*

#### **Executive Guide 5: Mobile Device Security Policy**

Setting up a Security Policy is important for electrical distributors because it mitigates risk exposure, limits liability and damages and reduces operating expenses.

*(Published January 2013)*

#### **Executive Guide 7: Selecting Tablet Computers**

Since the introduction of Apple's first generation iPad®, tablet computers have become essential business tools. This guide defines why mobile devices are important in the industry.

*(Published April 2013)*

#### **Executive Guide 9: Innovating with Mobile Technology**

Review mobile technology innovations and the importance of mobile technology for the future of the electrical distribution channel.

*(Published October 2014)*

#### **Executive Guide 10: Mobile Technology for the Distribution Sales Force**

Recommends technology for today's mobile sales force, including productivity tools, tips for implementing mobile technology and a technology and tool checklist for sales personnel.

*(Published October 2014)*

### **Interesting Articles**

[How to avoid a CMO vs. CIO war](#)

[CIO and CMO at omnichannel crossroads](#)

[How the CIO role is changing as business needs evolve](#)

## **WHAT YOU CAN DO**

This white paper was written from the information technology viewpoint. For it to be truly collaborative, we need to incorporate input from marketers too. Please help us leverage the collective knowledge of the industry by giving us your feedback. Share your insights and input with the Committee by contacting NAED Member Services at 1.888.791.2512 or [memberservices@naed.org](mailto:memberservices@naed.org).

Be on the lookout for additional tools from NAED's Strategic Technology Committee in late 2014, available for download.

### **UPCOMING TOPICS INCLUDE:**

- Technology for warehousing and delivery personnel
- Considerations for using managed information technology services