

**OMNI**-What?

The CMO Solution Guide:  
Demystifying Omnichannel  
Marketing to Create a Winning  
Strategy for CMOs



The CMO Solution Guide  
Presented by:



## Everybody's talking Omnichannel, but is anyone listening (and acting on it)?

Where is the future of marketing heading? All signs point to omnichannel, a promising strategy that seeks **to create a seamless, personalized customer experience, online and offline, across multiple channels and silos**. Marketers who are implementing this approach are measurably winning customers and developing long-term, interactive relationships that are the foundation of brand success. But does the talk still exceed the walk?

The CMO Club, in partnership with Rakuten Marketing, recently set out to explore how marketing executives, heads of marketing and Chief Marketing Officers (CMOs) are executing omnichannel strategies, how widespread its adoption is, and the hurdles marketers face during implementation. What we found was simultaneously surprising and encouraging: a stunning **55 percent of respondents are not yet leveraging or implementing this strategy**, despite the fact that marketers who are implementing omnichannel approaches are clearly winning.

Through our global survey of 120+ leading marketing executives, we uncovered numerous roadblocks that keep marketers from leveraging an integrated, cross-channel approach. After all, **adapting a brand, an organization, and an infrastructure to meet the demands of today's borderless consumer takes time, foresight, funds and resources**. And with the pace of marketing moving so fast, marketers are struggling to integrate all of their data, tools and information into a cohesive strategy to lead the organization. So it is quite understandable that undertaking an omnichannel initiative is met with hesitation.

To help demystify this emerging approach, we also spoke one-on-one with CMOs from industry leading companies who are actually "walking the walk." What they told us was encouraging and inspiring. In this guide, we will share their insightful experiences, as well as a clear roadmap to building your own omnichannel strategy. (SPOILER ALERT: the first step requires organizational retooling.)

*A special thank you to the CMOs  
who participated in this research:*



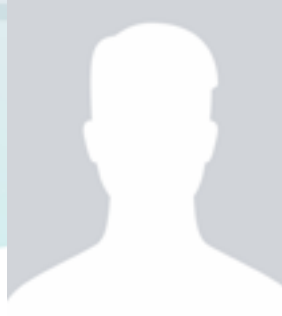
**Rose Hamilton**  
Executive Vice President,  
CMO & General Manager  
Pet 360



**Kim Salzer**  
General Manager  
Gifts.com



**Leah Robert**  
Executive Vice President  
Camuto Group



**Anonymous Contributor**  
SVP, Digital Marketing  
Major luxury retailer



**Mirjana Prokic**  
Recent Sales and  
Marketing Director  
for UK and Europe  
Valspar

## Executive Summary

Omnichannel marketing is a trending buzzword, but it is much, much more than that. It is a holistic strategy that leads to the Holy Grail of long-term customer relationships sought by every B2B and B2C organization. **By creating a frictionless, customer-focused world for your customers, they become your greatest advocate and, ultimately, they are your marketers.** Thus, keeping customers happy and engaged via omnichannel is well worth the investment.

If omnichannel is emerging as the nirvana of marketing strategies, how many marketers are actually adopting and evaluating this approach, and what are they finding? To unpack the disconnect, The CMO Club, in partnership with Rakuten Marketing, recently surveyed 122 Chief Marketing Officers across a wide range of B2B and B2C organizations. We asked specific questions about the state, scope, and success of omnichannel marketing in their current roadmap. Our research also included one-on-one conversations with CMOs who are leading the pack in the implementation of omnichannel strategies. What we learned confirmed our suspicions about the roadblocks, and reaffirmed our conviction that an integrated multi-channel approach is a winning strategy and competitive advantage.

### It started with a basic question: Where are you with your omnichannel strategy?

The first discovery in our research is that the majority of respondents are not yet implementing omni-marketing: 29 percent “plan to launch in the next 6-12 months” and 26 percent have “no plans to implement an omnichannel strategy.” Combined, that means a full 55 percent of CMOs surveyed currently are not utilizing this approach. Only 11 percent claim “sophisticated implementation.” (See Figure 1)

Those applying cross-channel marketing are experiencing success stories that give measurable weight to this emerging strategy. And that should make the rest of us sit up and take note.

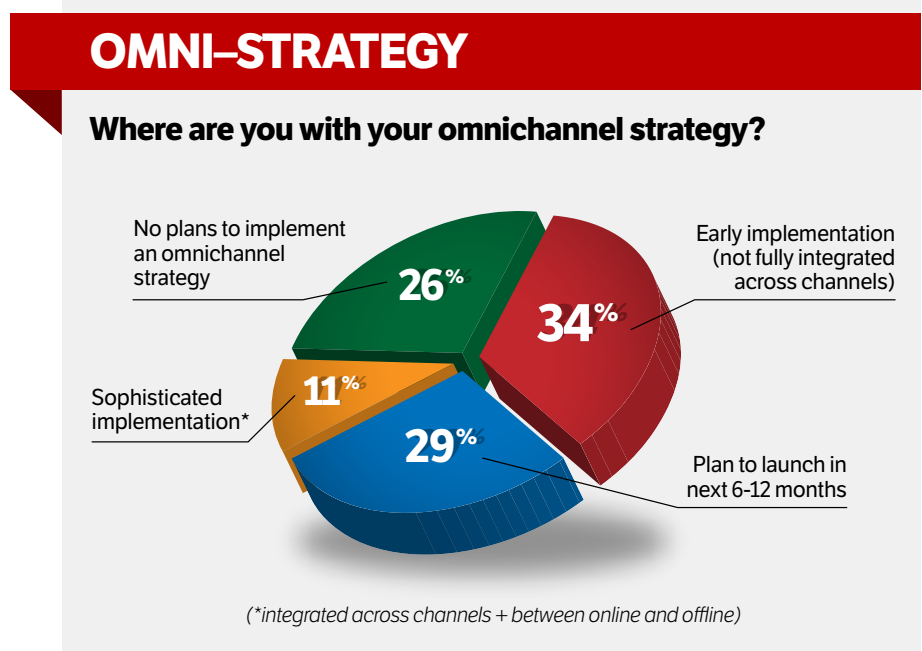


Figure 1

## What else we learned:

- **A marketing strategy that looks from the outside in demands a re-evaluation from the inside.** Multi-channel requires a multi-dimensional shift in the structure, strategies and budgets within an organization. This was a common theme in our one-on-one interviews and a key component of their successes.
- **Omnichannel is a natural extension of multi-channel. So agile marketers are closer to omni than they might realize.** Marketers are already employing cross-channel marketing, analyzing data, and pivoting to new strategies as needed. Omnichannel simply takes these functions to the next holistic level. Thinking like the customer is what generates lifetime value. Marketing from the buyer's journey – moving from a transactional relationship to an interactive one – lays the groundwork for coveted sustainable revenue growth.
- **Surprising answers prove there is more work to do.** Responses to two questions left us scratching our collective heads, revealing that marketers are making progress, but still have a long way to go. Case in point: nearly one-third of CMOs surveyed have no real plans to leverage their customer base for feedback.

## WALK THIS WAY

### Role model brands

*Marketers are putting omnichannel to work. We know because we see it every day. When asked to name one brand that is “doing a great job at omnichannel personalization,” CMOs in our survey cited:*

- Walmart
- Macy's
- Coach
- J. Crew
- Neiman Marcus
- Target

## Breaking Down Barriers And Breaking Into Omnichannel

An omnichannel marketing approach takes its view from the lens of the customer’s journey, rather than from inside of the organization. This allows you, the marketer, to see yourself as your customer sees you across multiple channels. While this strategy is guided by your customers’ needs, the real homework starts on the inside because that is where the challenges lie (See Figure 2).

The hurdles marketers face seem far and wide: a lack of resources, communication, and upper level buy-in; difficulty analyzing and integrating data; a disjointed organization. Upon closer examination, however, there is a definite causal relationship between many of these challenges and the siloed structure of marketing budgets, as seen in the responses to Question 3 (See Figure 3).

**Breaking out of these silos calls for a cultural shift from within.** Challenging, but not impossible. For example, Camuto Group, a leader in women’s fashion apparel, has taken a macro approach to marketing dollars, pulling together budgets from various departments to invest in the customer brand experience as a whole,

### OMNI-CHALLENGES

**What are your greatest challenges to executing an omnichannel marketing strategy?**

*(CMOs choose their top 3 challenges.)*

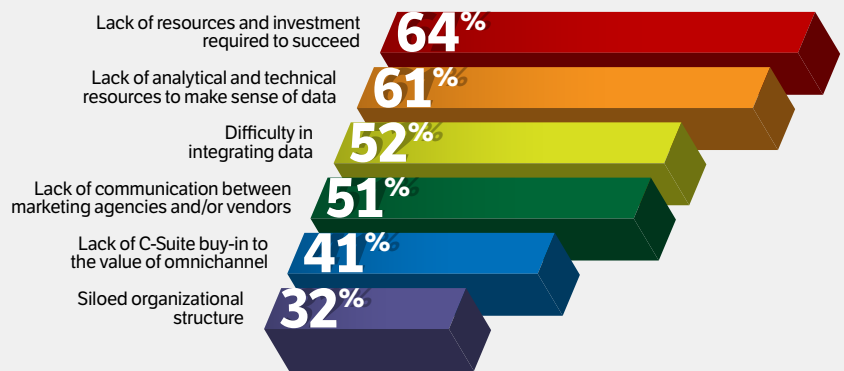


Figure 2

### OMNI-BUDGET

**How is your marketing budget structured?**

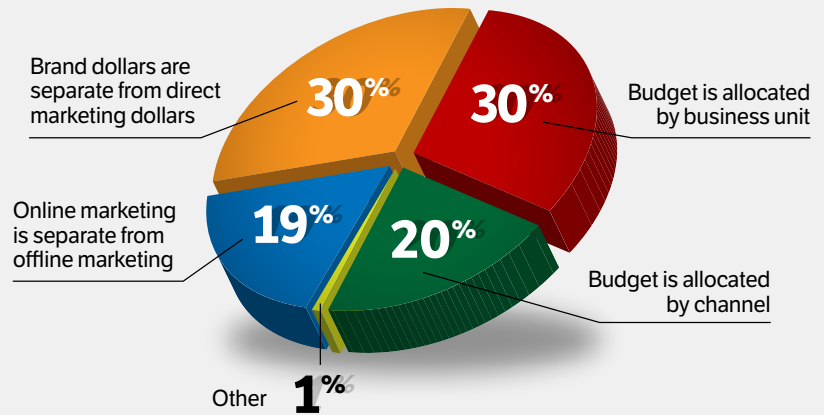


Figure 3

online and offline, rather than by individual channels. This allows business units to support each other's efforts for more effective brand promotions. "We are only as strong as we are as a group," explains Leah Robert, Camuto Group Executive Vice President. She believes the push toward omnichannel lies squarely on the shoulders of the Chief Marketing Officer. "The CMO is no longer just a CMO. Part of their job is to drive the omnichannel organization."

To address the data and analytical challenges that companies face in an omni world, many marketers like Kim Salzer, General Manager with Gifts.com, are reviewing talent within the organization to ensure that the right people are in the right positions. For example, instead of simply investing in data generation, she recommends investing in people on your team who can analyze and act on the data.

At Pet360, Rose Hamilton, Executive Vice President, CMO & General Manager, says redefining and reorganizing teams has helped optimize their omnichannel strategy. The company's marketing team is now considered a "customer engagement team," encompassing product development, marketing, CRM, content, social and PR functions. Information Technology (IT) is also part of the team. This allows the technical team to better understand and support marketing efforts, and eliminates the technical barriers cited by survey respondents. "What pulls us together is that everyone has a hand in the customer experience," Hamilton says.

## ***Make the Case***

*"Few marketers' budgets are increasing. People are spending more time online, but budgets are not flowing that way. The key is educating the organization to convince them that budgets need to flow that way. Digital marketing is 100 percent measurable, so you can use the data to make your case."*

***Senior Vice President,  
Digital Marketing  
Major Luxury Retailer***

## The Age Of Agility

Since the dawn of digital, marketers have quickly learned to adopt an agile approach to marketing with the use of digital testing and fail-fast systems. Armed with analytics, companies are able to determine what works, what does not, and how they can pivot to new channels and strategies in real time. **Omnichannel marketing is a natural extension of what marketers have been doing for many years, only now in a holistic and seamless way.**

But it is not an all-or-nothing proposition. That is the fastest route to paralysis. Why? As with any sophisticated journey with complex coordination and multiple parts, taking a crawl-walk-run approach breaks it down into feasible and palatable steps.

Rather, marketers can use tools already in place across multiple channels for a single promotion, or in response to a specific customer need (See “The Tale of the Trench Coat” side bar). This is perhaps the easiest way for reluctant marketers to explore the merits of omnichannel.

## OMNI-THIS

### The Tale of the Trench Coat

*Every woman loves a stylish trench coat that is functional but high on fashion. One such sophisticated coat, carried by a Camuto Group retailer, was a favorite among customers. But there was one small problem. Customers were losing the garment’s belt. If ever there was an omnichannel opportunity, this was it. The marketing team quickly launched a social/PR campaign that responded to customer feedback with stylish solutions. The effort included an online “create-a-trench-look” sweepstakes, digital content by three fashion bloggers, and engaged customers with a cohesive, cross-channel campaign incorporating email, social, web, and in-store promotion. By listening to the customer and leveraging their marketing agility, Camuto Group created one of its most successful omnichannel campaigns to date.*





A rapidly changing digital landscape requires marketers to keep up with the new tools and technologies that can be added to the omni mix. Salzer says she relies on her team to bring these to the table, and vendors to provide the support and expertise needed to implement them. Having the means to test emerging technologies is also the mark of an agile marketer. Camuto Group has an “innovative initiative fund” to test and improve new tools and initiatives.

Organizing a budget around different channels and across a global organization

is very complex. Mirjana Prokic, former Sales and Marketing Director at Valspar, believes that the key is to understand each region’s customer behavior, such as how they engage with social media and what technology they use. Nowadays, changes are so rapid, and customers and consumers are more advanced.

In order to keep up with the pace, Prokic allocates a small portion of money, what she calls a “secret budget,” that can be used when it is necessary to react, allowing the organization to be proactive and follow the trends of the consumer.

Evaluating cross-channel marketing, whether it is the tried and true or emerging technologies, is a core function in an omnichannel world. The good news is that a majority of marketers are already doing this (See Figure 4). Analytics make the case for each channel, giving statistical weight to next-step decisions.

Robert says attribution analysis at Camuto Group is taken down to the granular level. “We look at efficacy of every email,

## OMNI-EVALUATION

**How are you evaluating the success of your cross-channel marketing efforts?**

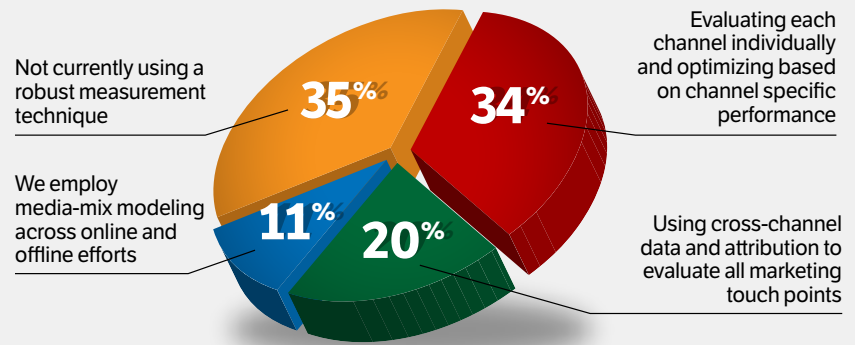


Figure 4

### Data Drivers

*“Data is a big part of the omnichannel story. It is intrinsic to our brand proposition. Millennials expect personalization in digital marketing, so Gifts.com is striving to customize our message across channels. That is generating a huge amount of data and a big demand for data scientists, not just here but across the board.”*

**Kim Salzer, General Manager  
Gifts.com**

cross promotional partnership, engagement of social, tie-ins with digital and social. At the end of every week, we recap the success of our offers, then lay out our plan for the next two weeks.”

## Think Customers, Not Channels

Omnichannel is omniscient. It means having an all-knowing understanding of your customers, their questions, and their problems. As the senior vice president of digital marketing of a major luxury retailer describes, “Omnichannel should function much like the consumers’ shopping experience. We should be communicating with them in a way that is relevant regardless of where they are consuming the media. Think of the media consumed and the action you want them to take. If the content resonates with customers, they will respond.”

Robert says the approach at Camuto Group is to put themselves in the consumers’ shoes. From that perspective, she is always asking, “How do I serve them best?” Striving to create a seamless customer experience, Camuto uses highly specific and targeted messaging based on what customers/prospects viewed, new product launches, and new store openings. This, Robert has found, is the “sweet spot” of omnichannel.

### *It's Personal*

*“We strive to make each customer interaction special and personal. It’s not a ‘go big or go home’ approach. Your customer needs to be invested in the brand first.”*

*Leah Robert,  
Executive Vice President  
Camuto Group*

**The best way to get in the mind of the customers is with an actual meeting of the minds and the majority of survey respondents agree** (See Figure 5).

From user groups and customer councils to co-creation with customer advocates, marketers are turning to the customer to lead them down the omnichannel trail.

In a B2B/B2C global company, Prokic believes that one way to learn about your customers and consumers is to start with your internal staff who are positioned around the globe. Employees who are native can be the best advocates for your brand's story. They can help to point out where the majority of people are that have an interest in your product, as well as what devices and what social media they use in the region. The next step is to reach out externally to your customers. In her previous role at U-Pol, an automotive chemicals company, Prokic used a variety of tactics to connect with B2B customers including surveys, dealer events, social media and golf outings.

Listening labs are instrumental in helping Pet360 understand customer issues and challenges. "The customer is one customer and they're trying to solve their one problem," explains Hamilton. She believes the entire organization needs to rally around the customer problem and

## OMNI-SHAPING

**How are your current customers helping to shape your omnichannel strategy?**

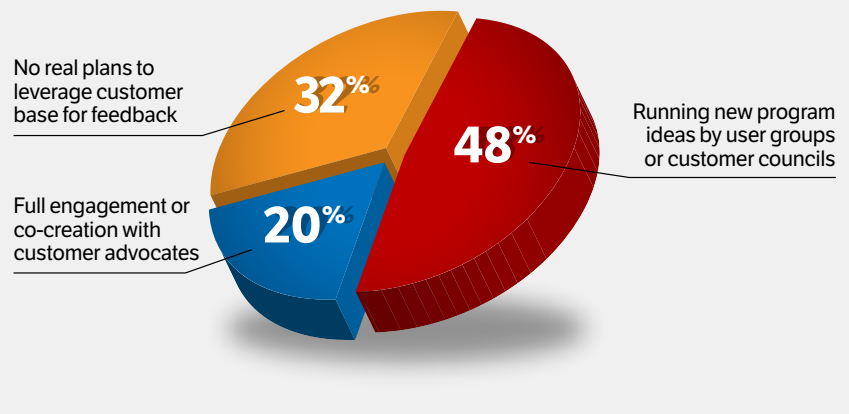


Figure 5

### Content is (still) King

*"Content is the core that allows and drives engagement and builds your brand. It is at the foundation of what we do at Pet360. Because we are in the business of helping pet parents to be great pet parents, it is critical for us to know what content is relevant to our customers at various times of need. The right content, the right engagement opportunities, and the right products create the seamless customer experience that builds value and brand loyalty over time."*

**Rose Hamilton, Executive Vice President,  
CMO & General Manager  
Pet360**

help solve it. “We feel passionately about knowing our customers’ needs and how they look to us as a brand. The big picture is all about building a relationship and giving away value over time so that people will remain loyal customers. But it all starts with meeting a customer when they have a need.”

Brand loyalty is indeed the brass ring of marketing. But it can be elusive in an environment where consumers are able to quickly and easily jump from site to site, competitor to competitor, with a variety of technologies at their fingertips. As Salzer of Gifts.com emphasizes, marketers need to “get past a transactional culture to long-term customer value.” A greater understanding of your customer, from their viewpoint, is a solid first step.

Our research indicates that CMOs are taking the strategy seriously. The challenge is getting there. In the next section, we lay out a roadmap with clear steps to help marketers who are either beginning on this journey or have yet to adopt true omnichannel marketing.

## WHOA.

### Honest answers speak loudly.

*After tabulating the results of our survey, two data points stood out to us. We felt they needed further exploration and explanation:*

**32 percent of respondents indicated they had “No real plans to leverage customer base for feedback.”** (See Figure 5.)

*You read that right. Nearly a third of CMOs are not interfacing with customers for input in shaping their omnichannel strategy. This is a real missed opportunity for marketers. As discussed in this section, the best means to understanding your customer – the crux of omnichannel marketing – is personally interacting with them.*

**35 percent of those surveyed are “not currently using a robust measurement technique” to evaluate the success of cross-channel marketing efforts.** (See Figure 4.)

*A possible explanation for this remarkably high number could be the word “robust.” Could it be that marketers interpreted that response choice literally? Without a unified view of the customer, a clear customer ID from channel to channel, measurement is not “robust.”*

*Or perhaps brands are only beginning to connect the touch points that lead to conversion. Once they move beyond the early stages of attribution, adopt emerging technology tools and begin to truly understand the performance of their marketing, their answer to this question may shift.*

## CMO Roadmap to Omnichannel



Omnichannel in action looks different depending on the brand, product, industry, season of the year, you name it. But there are a few basic steps, based on our research, any organization can follow to shift their strategy in this direction. We say “any” because omnichannel is not just for B2C; it is equally effective in the B2B space. After all, the destination is the same, and how you arrive there is not much different.

### STEP 1: Rally the troops across all silos and C-suite

It starts here. Securing buy-in from the entire organization to move in an omnichannel direction can help overcome many of the fundamental hurdles you face. It brings the necessary budgets and resources in alignment with a common goal. Bring your marketing agencies and vendors on board as well. To make your case, see steps 2 and 5.

### STEP 2: Set measurable goals and objectives

What do you want to achieve? In the near term? Long term? Establishing clear goals and objectives gives you a framework to approach omnichannel in your organization. For better direction, take step 3.

## **STEP 3: Be the customer, then listen and respond**

The omnichannel strategy works because you are viewing your efforts from the other side of the lens. Thinking like the customer requires listening to the customer via social listening, user groups, sentiment and listening labs, online buzz, and such. This can trigger new products, services and ideas for your next campaign, which leads us to step 4.

## **STEP 4: Start small, but think big**

Omnichannel does not mean you have to do it ALL. Rather, test the strategy with a short-term campaign, in limited markets, or during your slow season. Success here can reinforce your efforts in step 1.

## **STEP 5: Test, evaluate, adjust as needed**

The beauty of omnichannel marketing is that it is measurable. That means you can try new initiatives and technologies, and determine what does and does not work with the metrics to prove it. If you need some ammo for step 1, data will do the trick. As our research showed, most marketers are already evaluating cross-channel efforts, so this step is attainable. The other side of the coin is that the influx of valuable, actionable data can be all consuming without an attribution tool to identify what is driving conversions. Attribution is a key component to cross-channel approaches. Having a measurement system that maps back to goals and objectives will capture insights that will inform your omnichannel strategy from the get-go and as it evolves. In fact, the evolution of measurement may be the optimal approach, or, in the words of the adage, “measure twice, cut once.”

## About Rakuten Marketing

Rakuten Marketing is the global leader in omnichannel marketing, delivering its vision of driving the omni experience - marketing designed for a streamlined consumer experience. Offering an integrated strategy that combines consumer centric insights with e-commerce expertise, Rakuten Marketing aims to inspire better marketing. Rakuten Marketing's omnichannel services include Rakuten Affiliate Network (formerly LinkShare), Rakuten Display (formerly MediaForge), Rakuten Attribution (formerly DC Storm), and Rakuten Search.

Operating as a division of Rakuten, Inc. (4755: TOKYO), one of the world's leading Internet service companies, Rakuten Marketing is headquartered in New York City, with additional offices in Australia, Brazil, Japan, the United Kingdom and throughout the United States. Follow us on [Twitter](#) or learn more at <http://www.rakutenmarketing.com>.

## About The CMO Club

The CMO Club is the world's most engaged and inspired community of Senior Marketing Executives who help each other solve their biggest challenges, within a candid, trusted, and sharing environment. Collaboration fueled by inspiring events and within the members-only Digital Solutions Clubhouse raises the standard for what is required to be a successful Chief Marketing Officer. With more than 850 members, The CMO Club is the go-to center for today's Senior Marketer for peer-based personal and career success support. For more details, please visit [www.thecmoclub.com](http://www.thecmoclub.com).