

Q&A With Liz Allen, Chief Marketing Officer, At Home Group

As a marketing professional with extensive experience in partnering with CIOs to build alignment and drive business performance, Liz Allen discusses some of the successes she has experienced in this area throughout her career.

How do you think CMOs will be partnering with CIOs, and what experiences have you had in this area?

I've had really collaborative, cooperative and fruitful relations, those that are a little more self-directed and siloed, and those where the IT department is the house of "no," looking for alternatives everywhere they can find them. Obviously, it works better when everyone is working toward the same goal and really collaborating. I have taken my approach to fostering those relationships to many companies, particularly based on different cultural aspects of the companies and different types of personalities within CMO and CIOs in general.

Part of it is that the organization needs to have similar goals across all functions, and if the CIO or CEO has to set what the objectives are, that doesn't always happen. It is really incumbent upon the CIO and the CMO to get together and talk about what their individual objectives are and what the strains on the relationship could be. So, for instance, in my current role, I interviewed the CIO candidates. It's obviously part of the hiring process, and that's usually one of the first people that I shake hands with in a new organization just because of the way the world has changed. In the past, your paths may never have crossed. It's important to have an ongoing conversation, so we have a bimonthly meeting to address any issues, but if there's nothing to talk about, there's nothing to talk about. I find that having those conversations breaks the walls down a little bit and makes it easier to have the tougher conversations when they come up.

What, in your experiences, have been the triggers that require you to sit down with IT?

It's interesting because it could be anything from figuring out how to share assets with various partners to getting around firewalls. If we need to re-platform a website, we would work in concert to make sure we provide what they need and that the goals are addressed on both sides. It could also be a matter of figuring out how to integrate new technologies and make them more seamless for the customer. Some of these things can put a little strain on their

organization. That's where I find you have to really work together to prioritize and do a little bit of ROI analysis in the beginning so that you know what is required from both sides, and you can then assess whether or not the effort is worth it in the end. Sometimes we might decide to watch somebody else do it and see if it picks up traction. We'd be a second-tier follower—we won't be cutting edge, but at least we won't have wasted resources if it proves not to drive revenue.

If you had to prioritize your IT needs from a marketing standpoint, historically how would you stack them up?

Those would include some of the infrastructure items that are baseline-important, such as the reports and data that we need to operate. I've really seen some successes in working on an initiative together by keeping the scope really clear, collaborating back and forth, and figuring out how we can enhance our efforts. Keeping a very clear scope is definitely a priority, but it's something that's project based. If something is too pie-in-the-sky and we just want everything to feel great and seamless but it's vague, they're not going to understand what that means. You have to take it down to a really tangible level. When you can do that in concert with each other, that's when you'll win.

Do you find that CIOs tend to want to get into marketing, understand marketing needs and requirements, and try to figure out how can IT make their function run more efficiently or be more measurable?

I understand the IT organizations have a lot of customers, and marketing is just one of them. They're much more closely aligned with finance and maybe even store operations or data automation. Marketing ranks a little lower for IT whereas from a marketing perspective, it's high just because of the sheer nature of our workload and how IT could automate it and help.

I find that a lot of the CIOs still have an executional aspect where they're trying to keep the systems running. That's still a good 50 percent of their job, and they'd love for that to be less so that they could do some of the company-building type of things. But in some organizations, it could be as much as 80 percent, so doing the fun stuff or really making an impact is much more project-based. That's where it still gets overwhelming for them, in my opinion.

I actually talked to my CIO the other day, and IT's definition of "customer" includes all of the internal departments. It's store ops, finance, facilities, store planning, merchandising, inventory management, etc.. They don't think about the end customer. We had this really great conversation, and he said I need to think about that more and about how they use the tools that

we provide for them. That's the first step, and then I need to think about how it affects the customer. But I go right to them and I say, "I want a seamless experience in all these channels."

How many of the CIOs that you work with are actually bringing ideas to you?

I would say probably 50 percent, in my experience. Usually, it's nice that they came up with these ideas or that they tell me about a vendor they heard of, but it seems more marketing-oriented. That's where I appreciate when we bring them crazy ideas and they say, "Okay, the juice isn't worth the squeeze here" due to everything that will be involved. And again, they're not always customer-focused or facing and they're not always revenue-oriented.

What do you think should be the main IT-related projects that companies should be embarking on?

Obviously, ecommerce should be a project that's handled in tandem. I think CRM, loyalty and all those programs where you really learn about the customer should be joint efforts. I think the reporting and data are interesting because sometimes that happens through different teams, but being able to pull that data or find easy mechanisms where people could do it themselves is what we love, and I know it drives them a little bit crazy. I'd also say that some things are pretty much off limits, such as the pure-play marketing channels like email; I love their help and support, but I got a very clear, "Here's what our systems can do. Here's what our systems can't do. If you can find somebody you can marry into this, then great."

What example of success can you provide from a marketing/IT partnership from your experience?

At Cost Plus, we had 6 million people enrolled in our loyalty program after a year and a half, and it accounted for 60 percent of the company's sales. It transformed the company and was an amazing example of IT partnership because they were all acquired from transactional data.

When I got to Cost Plus, 90 percent of the marketing was the Sunday circular. It was 2008, the stock was at 89 cents, and we were in the middle of the housing crisis, so we needed to do something fast. Email was owned by the e-commerce team, which I didn't know when I first came in. They would send out an email once a month supporting e-commerce. We basically took that channel into marketing and really started turning it on. Building that database was job number one. We made email signups a priority, and we made it a clean and safe process with great data, and we worked with IT to get the right input so we could really try to transform the business through email.

A couple of months later, we did some testing and looked into alternative media solutions. One of the things we tested was direct mail with the back-end CRM model to find out how to capture additional information about customers and turn them into what we called World Market Explorers. It started out as a test. We basically took to the entire fleet in six weeks because we worked collaboratively as a team—store ops, IT and marketing. We worked to identify every hole, every deficit and every opportunity and began working it so that we could get into play before the holidays because that's our biggest season, and we made it all come to fruition. If we had a different kind of IT department, they would have said, “No, we don't have time,” but everybody saw the business need and how it could work to help transform the business.

What third parties do you feel most try to bring marketing and IT together? Does the CEO typically lead this process?

I think if there's a COO who sets a great vision and says, “Here's what we're focusing on, and here are our priorities for the year,” then that's helpful. That often doesn't happen before we all have to start running. I really think it's incumbent upon the leaders in the marketing and IT departments to walk across the hall, shake hands and figure out what the realities are, what can happen and—quite frankly—what can't happen. Then have an open conversation about what is imperative to get done. I don't know that third parties are going to add a lot of value. They often don't understand how the business works and all the little intricacies.

What advice would you offer CMOs regarding CIO partnerships?

Listen. I think so often the relationship has been that marketing will come up with a vision and have certain plans because we're thinking about the customer. We feel very righteous about that, and I think we're entitled to feel a little righteous. But handing over an assignment to IT and expecting that they're going to execute in this day and age? These guys are pros in different ways. They have different concerns, and I totally respect that—the security, the safety, what's going to integrate with our systems, etc. You can't just work in a silo and then hand it over. You have to work collaboratively. I would say drop your weapons, walk down the hall, and figure out a way to really make this work on a weekly or bi-monthly basis. Just open the dialogue and know that they're bringing a lot to the party that you may not anticipate. They also want to win, and they want the company to win. You may pull them into being a little bit more customer-focused, and they may pull you into being a little bit more safety-aware and looking at the demands of the business. If you do it right, you'll both develop better business acumen as a result.

Bio

Liz Allen is a versatile, innovative multi-channel marketing leader with more than 25 years of experience in building high-profile consumer brands on global, national and regional levels. She is an expert in developing and executing successful integrated marketing strategies for companies including Apple, Gap, LucasArts, Boston Market and Cost Plus World Market. She is adept at driving business results, creative problem-solving and rapid restructuring through fresh ideas, effective team management and building collaborative partnerships. She is a dynamic leader and team builder with experience managing cross-functional departments with as many as 160 professionals.