

# Customer first thinking.



## The State of Martech

An Interview with Scott Brinker, VP Platform Ecosystem at HubSpot and Editor of Chiefmartec.com

### Scott Brinker:

Scott Brinker is the VP of Platform Ecosystem at HubSpot; Editor of the popular blog site Chiefmartec; and the author of "Hacking Marketing".



*Welcome to the Customer First Thinking podcast, Episode 19. My name is Stephen Shaw, the host of this podcast. In this episode we interview Scott Brinker, the VP of Platform Ecosystem at HubSpot and Editor of the popular blogging site Chiefmartec.com.*

Up until roughly a decade or so ago, most marketers felt ambivalent towards marketing automation. Too complex. Too hard to get help from IT. Not in their job description. But they certainly viewed it as indispensable for mail campaigns. So the technical work of pulling data, creating lists and targeting customers was usually left to a services provider.

All of that changed with the dawn of Big Data. Suddenly marketing automation became crucial for success. Even more so when omnichannel shopping became ubiquitous. Gartner famously predicted that CMOs would eventually outspend CIOs on technology. And sure enough, technology now accounts for the biggest slice of marketing budgets at 26%, greater even than media spending. Yet technological complexity remains the main

barrier to progress, especially now that the principal mission of marketers is to make the customer experience as seamless as possible across multiple touchpoints and devices.

Marketing technology has certainly come a long way over the decades, evolving from the standalone CRM systems of yesteryear, to the monolithic enterprise marketing suites of not-so-long-ago, to the cloud-based platform ecosystems of today, when there is an app for just about everything, including apps to connect the apps. What hasn't kept pace, however, is the technical acumen of marketers, no matter how digitally savvy they may be in their personal lives. Too few organizations have reached the stage of maturity where they're graduating enough marketing technologists to take command of these wobbly "frankenstacks". And too many marketers are still reliant on their IT staff to do the heavy lifting – the customization work, the application integration, the system connectivity, and so on.

Which is probably why marketers struggle to make optimal use of their current platforms, citing complexity as the top challenge. Nowadays most companies have opted for a single vendor solution as their marketing platform of choice, whether that's Adobe, Salesforce, Oracle, SAS or any one of a dozen other competing systems. But as Forrester observes, these are still made up of "separate components, deployed simultaneously".

Often these platforms have to be augmented by multiple point solutions, usually in the range of 5 to 20 different applications, which perform specialist functions such as social media management, sales enablement, event management, survey deployment and much more. And of course, these platforms also need to be tightly connected to various internal "systems of record" which store the precious source data. The integration of all these various systems has always been a

challenge. No wonder then that the vast majority of marketers lack confidence in their ability to deliver a truly unified experience: it's just too complex.

Recognizing the problem, the major martech vendors are broadening the scope of their platforms, seeking to natively integrate as many 3rd party applications as possible, connected through open APIs. The goal: personalization at scale. And making the integration of these disparate tools even easier are so-called "no code" development platforms that allow even non-technical users to create unifying processes across different applications using "drag and drop" interfaces.

HubSpot, the inbound marketing platform, is a great example of a hub-and-spoke system, with hundreds of third-party tools from certified partners, helping to make their solution one of the simplest to deploy with minimal involvement by IT for any small to medium-size business.

The Executive in charge of the Platform Ecosystem at HubSpot is Scott Brinker, best known as the wizard behind the Chiefmartec.com blog who specializes in demystifying the world of technology for marketers. His annually published Marketing Technology Landscape now features a total of 8,000 solutions, up from a mere 150 ten years ago when he first produced it. The author of "Hacking Marketing", Scott is an astute observer of the fast-evolving technology business and was once a co-founder and CTO of a successful interactive content developer before selling it to Toronto-based ScribbleLive several years ago. His blog site Chiefmartec serves as a window on the intersection of marketing and technology for 50 thousand readers, a consistent source of thoughtful perspectives on the state of martech.

I began the interview by asking Scott why he chose to make HubSpot his new home.

SB

**Scott Brinker (SB):** So I think one of the things that was very exciting for Ion is we'd gotten it over the 10 million ARR mark, which in, you know, I mean, SaaS businesses starts to become like a threshold where you're demonstrating genuine product market fit. But I think myself and my co-founders, we were the classic entrepreneurial founders, and this was the first time we had a SaaS business that was hitting that rate of growth. And so yeah, what we were actually looking for was a strategic partner who would be able to bring to us a lot of just the scalability associated with building up sales forces and reaching broader markets, and so yeah, we had very high expectations that ScribbleLive was

gonna be able to do that. For various reasons, ScribbleLive had a bunch of its own challenges that they ran into after the acquisition, nothing to do with Ion, I'm happy to say, but yeah, the story did not continue the way I'd certainly hoped it would.

But yeah, how I got into HubSpot was for this blog I'd been writing for a decade or so, of the Chiefmartec.com, one of the themes I kept coming into was this growth of all the apps in the martech landscape, right? I'd had that crazy chart. And believe me, that chart took off in ways that I would have never predicted when I began. But so one of the things that was really challenging for marketers was they had all these apps that were being created, but the major systems that they relied on, sort of their foundation of their martech stack, most of them didn't have really good integrations with these apps, and so I actually spent a number of years complaining that hey, listen, I mean, it's crazy. I mean, you should have companies like HubSpot, and Adobe, and Oracle, they should be, like, embracing this as a platform ecosystem opportunity and not, you know, like trying to just compete with all of it. Because I mean, you just can't compete with all of the things happening there. So, I kept complaining about this loudly enough, and then the founders of HubSpot actually reached out and they're like, "All right, well, you wanna put your money where your mouth is and help us make this, you know, more of a true platform?" And so yeah, for me, that was an opportunity to, you know, not just comment on the way I thought the industry should go, but at least with one company, be able to hopefully contribute to making that happen. So, it happened that the timing of that was at the same time that, you know, Scribble was acquiring Ion and so the transition just happened to work out well. But that was a year of many changes. [8.36]

SS

**Stephen Shaw (SS):** As you mentioned, you've had your blog going, "Chiefmartec," for over a decade. And, you know, I've been tracking you, I think virtually, that whole time. You've become the market's de facto translator for marketers trying to helping them keep up with all of this technology. Was your motivation, just going back to that period, to help educate the general marketer on what the possibilities and potential were of this whole very fast evolving landscape? Or were you more interested at that

point, in taking dead square aim at, you know, this new breed of marketing technologist that were starting to infiltrate the workforce?

SB

Yeah, it's interesting, it's a little bit of both. The way they connected is, you know, I started writing that blog, I'd already spent a number of years with a basically, like, a digital agency, one of the precursors to the Ion interactive SaaS business, you know. And so we'd get hired by marketing teams and then I'd lead a tech team that would then have to bridge the understanding with the client's IT team. There was such this gap between IT and marketing. You know, some people called it a hostility between them, but to be honest, I don't think it was so much hostility. They just lived in completely different worlds, they didn't understand, you know, what each other was trying to do, the incentive structures, the language. And so the idea of the "Chiefmartec" blog was to say, "Listen, if you could start to bring more technical talent into the marketing organization, you know, marketing would be able to better collaborate with IT, but also be able to, like, better manage its own outcomes with all these tools." So, it was interesting, on one hand, I was talking to the CMOs, the non-technical marketers to be like, listen, you really need to develop these capabilities in these organizations. You don't have to be a technologist yourself, but you better start to, you know, build that capability in your broader team. And then as that actually started to happen, I found myself yeah, as the champion of this marketing technologist professional, and so I started to dig, like, deeper and deeper into that content. Yeah, but the original goal was like, you know, this isn't technology for technology's sake. This is, how does marketing adapt to what is, quite frankly, a radically new environment compared to what it was 20 years ago? A phenomenal environment, like, a great environment. It's such a wonderful time to be a marketer, but there's a lot to learn.

SS

Yeah, it's the most interesting field I think you can be in today, for the very reasons that you're describing. We're going through this whole transformation and transition. Keeping up, though, is hard. I mean, it is a full-time job, practically.

SB

It's hard for me. Like, I love that stuff. I'm like, it's deep, and like, I can't keep up with all of it!

SS

Your passion comes through in your writing. And also you're quite visionary. I mean, you're able to synthesize really well. Let me touch on one thing, because we're, you know, we're moving at this phenomenal pace. On a number of different fronts, clearly, customer experience has risen to the top of the corporate agenda, I think, largely as a result of this crisis we're currently experiencing, this pandemic. And marketing, you know, is no longer an island anymore, right? It has all of these causeways to different areas of the company, to actually deliver against that promise of a customer experience. I'm just curious about your blog, now, do you see your - and I've noticed that somewhat, your editorial cover changing - do you see that audience widening to encompass other areas of the company that actually have some full or partial responsibility for the customer experience?

SB

Yes, I think in actual practice, that is very much happening. In fact, actually, there's been a lot of data this year, that for a while, like, for the past five years, there was this really, in fact, maybe even more than that, there was really this trend of marketing taking over more and more technology on its own, and actually relying on the IT department less and less. Which was probably a good thing at a certain stage, because marketing really did need to take more ownership of the outcomes. I mean, they just couldn't like, shrug it off. Like, they really had to understand this stuff. But what's been interesting is, I think, this year, in particular, we've started to see a lot of data of now that transferring back where the IT department has a much bigger role to play with the technology that marketing is engaged with, for the exact reason that the technology is no longer just for marketing, it's technology that really does need to enable the broader organization. And while there are definitely still pieces of this that are unique to marketing, yeah, this idea of these platforms and sort of, enterprise architectures that connect all the dots, is a lot of growth. I would actually say, I haven't done a very good job of my blog of even like, speaking to those broader audiences yet, so that's my bad, but, you know, actually out there, the world has very much the trend that I see. [13.55]

SS

Well, it's hard because it's such a work in progress. I mean, you referenced IT. I used to joke that the organization only moves at the speed of IT, which isn't very fast, its

glacial. And that's how marketers back from I think, really realizing, taking advantage of some of these technologies. I think in your book, "Hacking Marketing," you referenced the Hemingway quote, you know - well, he refers to bankruptcy - but you could refer to change, I think, as you say in the book, that change is gradual, and then it happens all of sudden. What we seem to be experiencing is this massive leap. I would say, particularly in the year of the plague, we've certainly seen that.

**SB** The year of the plague? Well said! Oh, my God, I'll be so glad when this is behind us!

**SS** Oh, my God. Well, maybe the year and a half of the plague.

**SB** Yeah. Yeah, we're not out of the woods yet, but I see light at the end of the tunnel.

**SS** So, just to go back to my point, the whole impetus behind digital transformation seems to have added some fuel to organizations' determination to overhaul that infrastructure and pay more attention, in fact, to that direct to customer relationship, would you agree with that?

**SB** Yeah, absolutely. I mean, you know, one of the things I've looked at before was what I felt was this paradox of, you know, this accelerating pace of technological change. And yet, from an organizational change perspective, you know, just nowhere near the exponential rate, the technology has moved, and that's actually been a, and, you know, terrible conundrum. You know, I mean, like, everyone feels squeezed by that. But I think one of the things that's been really interesting in 2020 is the expectation of how quickly could an organization change, if they really had to? I think it's been remarkable how many organizations have adapted significantly in such a relatively short period of time, just to deal with the crazy circumstances they found themselves in. And while I'm sure none of us want to repeat 2020, you know, and the circumstances that got us there, I think there's a lot of lessons that, you know, we will take away from this year, about how we have the ability to adapt and change more than maybe we gave ourselves credit for, you know, back in 2019.

**SS** Well, I guess it's organizational culture. Most businesses, I suppose, are just fearful or they're risk averse, let me put it that way, and don't really see the need to change what

seems to be working. And then this crisis comes along, and they realize, maybe it's not working as well as we thought it would work. But the vision thing is interesting, and I wanna come back a little later, if, hopefully you have some time for this, in terms of organizational structure, and how you see that changing. But you did reference, I think you earned a place in marketing heaven, in my view. You're a master of the two-by-two grid, when you introduced Martech's Law, as you called it, where you postulated that technology changes exponentially while organizations change logarithmically. That was a wonderful, incisive observation. I looked at it at the time and went, "Oh, my God, that's useful." Of course, I immediately started to crib that and use it in client presentations.

**SB** Excellent.

**SS** Just for our broader audience who may not be acquainted with Martech's Law, can you just take the time to explain it exactly?

**SB** Yeah, so if you imagine, you know, a graph, and you've got two curves. So, one curve is the pace, the rate of change in technology, which is generally like it's an exponential curve. It rises up and very far to the right. You know, and even if you're not a technologist, you've probably heard of things like Moore's Law, how like, computing power more or less doubles every two years or so. That's an exponential growth curve. But we see it in so many other, you know, dynamics. I mean, even what we're doing here together, creating these video podcasts and stuff. I mean, this technology has advanced so much in such a relatively short period of time. So, yes, very cool. Technology changes rapidly. But then, yeah, if you look at a separate curve of like, okay, well, how quickly do organizations change their processes, their internal structure, the incentives, the sort of, like, makeup, the culture, all those things? You know, companies change, but they tend to change very slowly. I mean, change management, it's like a whole field unto itself, for very good reason. You know, I mean, it's hard to do this and hard to do it at scale. But then if you take those two curves and you juxtapose them against each other, and you see like, okay, this technology curve is like, moving up into the right super-fast and the organizational curve is dragging along far below that, the distance between the two just keeps getting



wider. I think that does capture the sensation that so many of us have felt, you know, over this past decade of like, the things that are happening around us and our ability to react and adapt to them, just feels like woefully, you know, mismatched. I think a lot of people, like, take it personally. They feel like, oh, man, I just don't get this, or my company just doesn't get this." One of my takeaways from Martech Law was actually trying to reassure people that it's not you. I mean, this is like, pretty much everyone is wrangling with this, "I have one foot on this ferry and one foot on the dock, and you know, like, the two things are going in opposite directions." [19.46]

SS

Well, and there's a whole bunch of reasons for that as we know, and it ranges from the board having very few members of marketing on that, running marketing background on that board, but not really seeing the vision. That cascades, obviously, right through the organization, as we know. In this past year, as we were just talking about, though, do you see a sea change occurring now in the willingness of businesses and the conversations you're having, to effectively accelerate innovation and get ahead of change instead of always chasing it?

SB

Yeah. I think basically, what happened this year is incredibly stressful for everyone. But basically, you were told, like, change or die. And I don't mean, change or die in some sort of five-year, 10-year curve, that's, you know, like the frog in the boiling water myth and like, well, it's getting hotter all the time, but any given day, it's not that much different. No, this year is basically, it was like, you know, sudden. It's like, okay, just all these other channels we had for finding and engaging, you know, with our customers, they're just gone, you know. And so if we don't like, come up with some other way, like, we're not gonna make it through the quarter, much less the year. I think that really forced people to have to make change, and they did, you know. Again, I don't think any of us want to go back to this kind of a scenario where like, okay, the new approach to change management is just hold a gun to everybody's head and say, change now! Very uncomfortable. But at the same time, again, I think like, we've now demonstrated that significant change in a relatively short period of time is possible, you know? And so I think it puts into our toolbox, the ability to think moving forward, you know...

SS

I mean, when the house is on fire, obviously, you've got to put it out somehow. But I think the other side of the equation is if the house isn't on fire, you know, what's the motivation to invest in innovation, unless you see that change looming ahead? And isn't the problem in most organizations that that vision tends to be lacking? No one has an innovation department, it's a collective responsibility. And when it's a collective responsibility, it's no one's responsibility. And that marketing technology adoption seems to go hand-in-hand with that vision. I mean, am I out of step there? I mean, I see the DTC companies clearly, anybody without legacy systems and processes and thinking. But, you know, change I think, in organizations is a tough one.

SB

Yeah, totally. Although, again, I think like, it was interesting. So, when the pandemic hit, you could have bucketed companies into two categories. There was a set of companies that quite frankly, were already very digitally savvy. I mean, not just in how they engage with their customers, but even like how they would operate internally. I mean, like HubSpot, where, you know, I work, HubSpot had actually, for the previous year, really been leaning into supporting remote work because it was a way for us to, like, you know, bring in talent from a much broader pool, you know, worldwide. And so as a result, when the pandemic hit, and, you know, everybody had to go to remote, all the systems were in place, and the rituals and the mechanisms where basically, it was, frankly, hard to tell the difference in the way work was actually getting done from pre-lockdown to lockdown, versus a set of companies who like yeah, I mean, they just had never implemented any of those capabilities before. And it's to their credit, how many of them implemented it in a relatively short period of time, but it was really, really painful. I'm hoping that part of the lesson here is like, the reason we want to invest in some of these changes before we get into a life or death situation for our company is because, yeah, I mean, it might be another pandemic, or it might be a brand new competitor, or it might be some change in regulation of how we engage with a particular customer group. Or it might be some hot new consumer technology. I mean, whatever the disruption is, we don't know exactly what it's gonna be, but if we can invest and advance for some of these capabilities, it will let us adapt as the changes happen, whatever they may be.

SS

Well, it is interesting, because there are plenty of undercurrents, and trends that are, you know, portending immense change ahead of us. And it's not up to the technology folks – they can think and figure out emerging technologies - but to marry that to a change in the business model or significant changes in strategy whose provinces that today, and if not marketing, who? I think that's the other issue I see, is marketing, unfortunately, you know, many organizations that I see lack the gravitas to really take on that challenge. And so there's a bit of a vacuum in organizations from what I can see, between the need for that visioning and then the delivery mechanisms to really achieve that. Which takes me to another question. You also won fame, obviously, and you alluded to it earlier with your marketing landscape infographic, which I think you did the first one back in, what 2011?

SB

Yeah. [25.19]

SS

There were 150 vendors, I think on that infographic, as I recall. Your latest one has 8,000! Soon, you're gonna need an outdoor billboard to list them all. What accounts...so, this is a loaded question. I apologize for this in advance - what accounts for this astounding, what 5,000% growth?

SB

Yeah, I've spent a lot of time wrestling with that. I think at the end of the day, there's supply and demand, for any market. Basically, both sides, you know, are contributing to this. From the supply side, I actually think that is perhaps the more significant one in the sense that it used to be 20 years ago, if you want to start a software company, like, you need to get a bunch of capital, there's these long development cycles, you had to, you know, then figure out a go-to-market through all these traditional expensive channels. People then would have to like, install your software in their data centers that was you know, multi-year... I mean, basically, it was really hard to make a software business 20 years ago, you know, and if you fast forward today, we're now you know, everything's in the cloud, you've got, you know, like Amazon Web Services, or Microsoft Azure, or Google Cloud, like all these things that make it super cheap. Like, I can be in a coffee shop and in a matter of like, 10 minutes, turn up world class global infrastructure, you know, for an app for a matter. It costs me less than, you know, the coffee, I'm buying at the, you know, coffee shop. You know, all these open-source toolkits. People are standing on the shoulders of giants, and then

even from a go-to-market perspective, digital marketing, and all the advancements there have made it possible to say, "Okay, well, I can target a very specific segment, and I can reach them, you know, relatively affordably." And so, all these things that basically, essentially made zero barriers to entry in the software market. And you don't have to have the ambitions to build a billion dollar software company, you can be like a couple entrepreneurs who like, "Listen, we can solve this problem for this niche," and, you know, have a \$10 million business. Oh, my goodness, that'd be amazing. Like, those kinds of businesses just weren't even practical in the software space before. So that's changed. But, you know, again, supply is only one part of it. You actually have to have people who are willing to buy it, you know, to have anything happen. I think this is where, you know, there's been so much net new opportunity for how companies and marketers like engage with audiences, and frankly, that environment is continually shifting. I mean, even if you just look at all the, you know, like social, you know, tools and networks, and I mean, it's just constantly exploding. And so, there's always these opportunities for marketers to say, "Oh, I'd like to experiment with this," or, "Could I try this?" or, "Could I have something that's really targeted for the way my particular audience engages with A?" And so all these things combined, yeah, they create a relatively fluid market where there is a lot of supply and demand, it can operate at a much smaller scale, you know, than before. And then yeah, you know, software companies, they don't die, right? I mean, some of them do. You know, some get acquired, some truly go out of business, but frankly, the ongoing operating costs of these cloud-based services are so low, that yeah, you have a lot of these tools, like, okay, they were built for a specific purpose, they got a certain amount of traction with a set of customers who like it, and they may be never grew beyond that, but that doesn't mean that they're going away next year. I mean, they might stay in that mode, and they might have their happy set of customers, you know, for like five years, 10 years. So, all this feeds into, yeah, what's been a very expansive landscape. And I will just say one last thing, is it isn't just marketing. Like so marketing, as I was what I've studied and I've seen the stats and can market, but we now see the same dynamic across, you know, like fintech, and, you know, sales tech, and I mean, all this.

SS

So, this is retail e-commerce, Shopify, you know, we can go on. And that's been interesting development in and of itself, and very representative of the type of platform economy that you've been writing about, which, again, I go back to this conundrum, is 8,000 solutions out there. Mind bending, continually changing due to expanding one for sure, although there might be some contraction this year. Is there a need at this point to stop, step back and say, you know what? It's not all really about marketing anymore, it just goes back to the point I was making earlier, maybe I need to categorize these solutions. You know, one good example is the content marketing space in of itself is very confusing. All types of niche products serving different ends of the spectrum there, you know, Uberflip here in Toronto is a good example of one aspect of that, and there are others. At some point, do you stop expanding to listen and really re-categorize it? Is that maybe the next step? [30.39]

SB

Yeah, so you're like, reading my mind, here. So, we're just getting ready for 2021 and I'm, like, you know, for like, 2020, it got to the place where I had to hire a team of like, nine people that we spent three months working on that landscape. And I'll be honest, at some point, I'm like, okay, I don't know if the effort that's being put into this is worth it. Because let's face it, that landscape, it isn't really useful for like, you know, actually doing anything with it. I mean, it's a conversation piece. It's a way to appreciate the scale of this industry, which then maybe feeds into how you think about some of your approaches and your strategies, but you don't actually...I mean, I hope to God nobody is actually using the landscape as a way to throw darts and pick technologies. And so I do find myself wondering, like, okay, well, maybe we can just at this point in time retire it and say, "Listen, we all agree it's a huge market, there's always gonna be thousands of these things ..."

SS

Well, except your database that you've now created, that's hugely useful. I can think of a lot of ways you could expand that, makes it actually a very valuable tool for people to...a tracking tool or evaluation tool, if you will.

SB

Yep, that's definitely an option. And then also, yeah, I mean, what you said, which is to say, is there an opportunity to, instead of trying to do it all at once, you know, even maybe do a more like, category-by-category? I think you're absolutely right. Content marketing is great. Like, I have

this one big bucket for content marketing on that crazy landscape. And you're absolutely right, I mean, the number of things that are in there, and how different they are from each other, and their relationship to each other, I mean, like, none of that is being captured there. And so if you were to just do a landscape just focused on content marketing, and then all the categories and subcategories within that, I actually think that would be a much more useful tool for people to understand, okay, this gives me a much better sense of like, you know, what's actually happening in content marketing capabilities.

SS

And it's an interesting conversation point, because I think if you look at the current state of the enterprise marketing suites today, to some extent, they've almost backed into that, haven't they? I mean, Adobe is digital experience, and SAS is analytically driven marketing. And, you know, Acoustic is, I don't know, what Acoustic is. It was interesting when IBM dumped it. But it obviously, has a mission in mind, and I could go on. SAP is still very much operational marketing, and so on. So, to some extent, you know, that, if you will, roadmap, is playing itself out in real time here.

SB

Yeah, I think it's just hard for large companies with very expansive software footprints to cover all of the use cases within it, which is, again, the fundamental reason why I think the platform strategy is the way to go. Is because you do want one unified platform. You don't want all this stuff living in these, you know, fractured silos. But from a capability feature perspective, there's a lot of specialization that you wanna, you know, support. I mean, you mentioned Shopify, I think they're a fantastic example of this. Okay, so Shopify, for the platform they're selling, they're obviously doing a phenomenal job with that, but like, within their app marketplace, I think they've got something like, 5,000 apps listed in it. So, like, we talk about my martech landscape, like, oh, my God, 8,000 martech things worldwide. Heck, you could argue there's like, 5,000 things just specifically for Shopify. And it's one of Shopify's strengths, because it's not like a typical merchant is gonna like, scratch the surface of all 5,000, but whenever they want a particularly little piece of something, they can probably find it somewhere in that marketplace.

SS

And very quickly, they can do that. There was a great piece in the "New York Times," not last weekend, the weekend

before, on Shopify, and it described this, you know, the writer actually set up a location-based business in no time at all, using the Shopify platform. And she herself was a software engineer, so she was quite impressed by the speed at which she could actually then bring in these widgets, bring in these other, sort of, mini-applications to expand the capabilities of her platform in no time at all. So, to your point that were making earlier, that is the explosion. And you write about this, the explosion in those apps out there, it's becoming a galactic reach of value out there, that we just have to figure out what makes the most sense for our individual businesses. I mean, everything is possible now, is basically, the story. [35.37]

SB

Yeah, and I think it's really interesting. I've been in the software business for a long time, many, many decades, and I remember like, you know, in the 90s, I was involved in a number of like, deals that were trying to get VC or stuff like this. There was this saying that used to go around of like, "Oh, that's not a product, that's a feature." And it was this very dismissive sort of thing of like, yeah, that's not some multi-billion product. That's a little feature that should live in some other product. And it was treated as a negative, versus I think, yeah, if you look at this current state of modern platforms, you know, in the cloud age, and Shopify is a great example, they've got a marketplace of 5,000 features, and it's frigging awesome. You've got people in there who have created some features that are so valuable, like, they're running a multi-million dollar business just from that, like one feature. And so I actually think, yeah, it's like, yeah, it is a feature instead of a product, and frigging, it's great!

SS

There's a few other questions I wanna ask you around just that landscape, but I do wanna just switch to another great artifact, by the way, that you produce, and it's part of your MarTech Conferences, the Stackie Awards, it's a hilarious title, where, just for our audience's sake, you invite people to illustrate, you know, in quite creative ways, their particular version of a marketing stack. Now, at the same time, you know, Gartner says that most users are pretty happy with those stacks, but not taking advantage of full capabilities. Like, I think, you know, 60% say, "Yeah, I'm taking advantage of full capabilities." Why do you suppose that is? Why do you think that, you know, they go out and acquire,

assemble, piece together these stacks, and in the end, they don't use half of what they have? Like, why is that?

SB

Yeah, so I actually have a counter-perspective on this, which, you know, for what it's worth, I think utilization is the absolute wrong metric to measure for this. Because, who cares? I mean, like, all right, so, you know, I bought a new car a few years ago, and the car has the ability, I've been told, to go up to 120 miles per hour. I just don't go anywhere, like, I live in a little neighborhood where the maximum speed limit I end up being around is 30 miles per hour. So, am I looking at this and feeling like, "Okay, well, I've really underutilized this vehicle"? Well, yeah, I guess you could say that. But the vehicle does everything I need it to do, it does it wonderfully, and I love it, and I enjoy it. You know, I'm getting the outcomes I want. I mean, I feel like, you know, with martech, there are so many capabilities that get built into these products, which is awesome and it's wonderful, but frankly, to say, you know, if one particular marketing team only needs some subset of that to be able to execute what they want, does that mean, like, oh, well, if I'm only using 40% of the features in this product, then it was a bad choice? Because I don't think that works. I mean, don't get me wrong, I do think, you know, if there are things you should be doing, like, if there are things you feel like, hey, listen, we could actually improve our outcomes, you know, with acquisition, or customer success or happiness if we leverage some of these new capabilities, and you're not using them, then yes, I think that's fair to say, okay, let's look at, you know, how we solve that problem. But this abstract thing of utilization, I just, like, who cares? Like, what matters is outcomes.

SS

Yeah. No, and I think it's probably because you take the traditional IT mindset, you know, which is all cost focus, I think, and overlay that on that, you can see why somebody makes those kinds of conclusions. But there is this expression of "frankenstack", right? Where you're just adding stuff needlessly and creating, you know, all kinds of additional complexity, which I think takes me to my next point. Forrester says that the number one issue with marketing technology, the critical factor in its success, is integration. It's the number one driver. Doesn't that suggest that simpler might be better, that in this case, less is more? And does that also then back into an argument that actually



you should be looking at suites as opposed to best of breed? What's your philosophy around that?

SB

Yeah, I mean, there's a lot of really good things that are all entangled there. I think, yeah, the integration problem is like, I couldn't agree with that more. Again, this is what got me into the work I'm doing with HubSpot, is I don't think this integration problem should be the problem it is, right? Like, I mean, you know, I've got, I don't know, like, dozens of apps, you know, on my iPhone. Like, anytime I want one, I can get, and I know it will just work. The UX, it fits in, and the feature, and I don't have to worry about like, "Oh, my God, is this data not secure, and that one?" I mean, don't get me wrong, B2B, you know, like marketing stacks, B2C marketing stacks, they're not as simple as, you know, a mobile phone platform yet. But asymptotically, like, there's no reason why they shouldn't be, right? I mean, like, you know, if these platforms design, you know, the right sort of extensibility in APIs, and the people who are creating the other specialist apps adhere to them, these things should plug in. Integration should not be the barrier, you know, that it has been. I think, you know, like, if you're basically having to choose between, well, I buy one product, where everything works together, but it doesn't do exactly what I want, or, oh, I have to buy a whole bunch of products that in theory will do exactly what I want, but I can't get them to work with each other, I mean, that's a terrible frigging choice to be presented with! Like, neither one of those scenarios is great, I guess, you could argue, well, if I can't get the integration to work, then I can't ever take advantage of those best of breed features, so yeah, sure, just give me whatever you get in the suite, and I'll just be unhappy with it. But like, why should we limit ourselves? Like, why can't it be a platform that then basically, you can plug in specialized functionality, again, the example we just talked about with Shopify, and get the best of both worlds? And so, yeah, you're adopting stuff only because, hey, I need this capability. If I try the capability and it doesn't perform the way I want, I can pull it out. You know, it should be a lot more fungible than it has been. [42.17]

SS

So, it's an interesting challenge. And there is another one, too, and this may get solved in time. We're gonna talk about that, I think, shortly. But a few years ago, we went

through, ourselves, our company, had an exhaustive review of all of those platforms as they existed at the time. You know, with example, one of those Marketo. Of course, they got swallowed up. But, you know, we looked at Salesforce, Redpoint, Marketo, you know, the gang of six. And I have to say, it was mentally taxing. And I'm reasonably close to it, went in at least to that project with some familiarity with the underlying systems, comparing them, contrasting them, figuring out what differentiated one from the other, I think it all came down at the end, to figuring out who was gonna provide the best onboarding service. It was so complex, which takes me to a point I think you made in your book, "Hacking Marketing," where you say, I'm gonna quote you here, that complexity is the greatest operational challenge of modern marketing. Your book was written, what, four years ago? Would you still argue that complexity is the number one challenge here?

SB

Yeah, and it's gonna get more challenging for a whole bunch of reasons. But again, this is something where I feel like, we can fight this tide, you know. A big part of this is the responsibility of the martech vendor community. Again, I just think the platforms and app developers, we could be a lot better at this. I do think the industry is moving in that direction, I do think it's improving, but I also think we've got a considerably long ways to go. Because, right, I mean, you know, the full range of all the things that marketers might wanna do with some sort of software-mediated capability is just infinite. And so if you're having to make the decision for that whole range in one main decision of, "I don't know, do I get all these 5,000 features from Salesforce, or all 5,000 from HubSpot, or, you know, like, yeah, oh, my God, and once I make that choice, I'm stuck with it forever?" Yeah, it's like, yeah, who wants to be in that situation? You know, if you could be in a mode of saying, "Listen, I'm gonna make a choice of iPhone or Android, because there's a subset of reasons why I prefer one or the other. But then I retain the freedom after I've made that choice to, at whatever pace over time, pick up other little apps that I plug into it and not have it be such a big deal. I mean, again, I know that's a simpler world than the world we're living in with, you know, business tech stacks, but I need to be aspiring, you know, to make it more like that.

SS

I'll just make the example that we were faced with, because, you know, our primary constituency and our company are the marketing op folks who are actually executing on campaigns, to use that, you know, rapidly antiquated phrase. In their head, they had a mental model of the workflows that they would follow to execute - the question that they kept pushing back on was, how can I do this using that? Isn't the challenge to flip that question to say, how can you change what I'm doing for the better, based on your platform? And that conversation, by all of those vendors, was mostly about how can we fill your needs? Here's not how we can change the business outcome for you.

SB

Yeah, I have mixed feelings to that. I feel like on one hand, yes, like, you know, the vendors should be in a position of helping to educate and empower marketers to do better than they've had before, right? Like, here are things we will enable you with our product, that with a little bit of like, rethinking your organizational side of this, your operational side of this, you'll see these huge gains. And you see this. I mean, this is one of the reasons why, you know, like, Salesforce has that whole Trailhead program, and HubSpot has what we call the Academy is because I think the vendors recognized at the end of the day, you know, helping to teach marketers how to really harness the value out of these tools is a winning formula for everyone. That being said, there's this nerdy thing in computer science, called Conway's Law, which basically says, like, software reflects the team that built it. So, if you have, you know, three different teams building a piece of software, you will end up with a software that has three stages, because software reflects the team that builds it. I actually think there's an inverse to Conway's Law, which is like, you know, for those of us who buy software, very often, we get forced into changing our business to match the preconception of how the software creator thought we should run. That may not actually be a good thing, you know, so you have to be a little bit careful, like, okay, who's driving the shift here, is it me? Is it the CMO, or is it like, this marketing vendor, who, yeah, God bless him, he had a great idea, but frankly, it doesn't fit well with my organization?

SS

I mean, the sinking of the Titanic in the business was the CRM field in the 90s, when so many of those systems floundered because people simply rejected the implication

when those systems were adopted, oh, I have to change the way I do stuff, and, you know, sales forces were, of course, in those days, notorious for that. So, go back to this question of complexity, and it's not just the technology that's complex, it's the managing what we call here, the unified experience with customers. Those are easy words to say, darn difficult to pull off. There's inherent complexity in having to manage now, these anytime-anywhere interactions we're having with customers. The old days of pushing a messaging out through email, and you know, just dealing with the response paths that follow is one thing. Now, today, it's mesmerizing, how does anybody even, you know, be able to engineer and experience around all of the possible options of the way people interact with you? Isn't that at the heart of this challenge of complexity we're gonna have, going forward?

SB

Yeah, and just to add a little bit of fuel to that fire, what's actually going to make it a lot more complex in the short term is, frankly, all these things with like, AI and Machine Learning, and automation, that basically before the number of things we could have simultaneously operating in our digital environment were sort of constrained by like, the human contribution to that. So, there was an upper bound on just, like, how much of this stuff could be, like, running at the same time. Now as we are, like, embracing more and more automation and AI, like, the number of simultaneous things that are feeding in data, and reacting to data, and analyzing the data, and making decisions based on this is yeah, rapidly getting out of control. So, I do think this is going to be a very big challenge in the 2020s. In fact, I've been recently writing it in, like, okay, I feel like the past era was about big data, how do we get our arms around, you know, like, all this data that's coming into our organization? Versus like, I think now, the next challenge is gonna be what I call Big Ops, which is like, how do you manage the operations of the business with, like, all these operational elements all running in parallel? I think it's gonna be challenging, but I'm an optimist. You know, I think, in some ways, the very kinds of software that helped create this problem are also going to be some of the ways that we get through this. I think there is gonna be, like, another layer of technology that is really focused on helping us govern and manage and monitor all these other technologies, and translate them back to us in a way that, you know, we can regain some positive control. [50.37]

SS

Well, to your point I mean, expecting, you know, a pilot who learns to fly a Cessna to step into, you know, a modern jet today and fly it, is pretty unrealistic. AI, just as a jet plane flies today in a very automated way, where pilots virtually don't have to touch the controls, I rather expect that's the future. That's the real value to me that AI will relieve the complexity for marketers, going forward, managing all of the...you know, the idea that a marketer can sit there and plot out the interactions in some decision tree, and then, you know, drag and drop through an interface to figure that out, I mean, those were the presentations that we'll be giving those vendors a few years ago, when we were meeting with them. We're gonna have to have a whole different paradigm shift there. I do wanna jump into the deep end of the pool, now that we're warmed up.

SB

And now we get to the hard questions.

SS

Well, it's a hard question for me, it's not a hard question for you, because you've written about this extensively recently, and it's fascinating. You talk about this Second Golden Age of Martech, and the rise of platforms, and platforms within ecosystems, and it's horrendously confusing, even to somebody mildly acquainted with the subject. Maybe you can, for the audience, again, sort of simply...because this thinking is so profound here, can you simply simplify that concept for our audience? What do you mean by that Second Golden Age of Martech?

SB

Sure, so I would argue that in the first Golden Age of Martech, which we've come out of, and let's face it, if you have an explosion of 8,000 different vendors, and everyone's got, you know, marketing ops teams, I mean, this was an explosion. This was a golden age. But it's interesting that I feel like the golden age was largely framed with three dichotomies. You know, we were talking about this earlier, like, suite or best of breed. You have to make a choice, you know, and the trade-offs, you know, associated between that. The other two were around software or services. You'd have companies that were software companies, and you'd have companies that were services companies, but nothing in between. And then the third was, you know, these decisions of build versus buy. You know, do we buy a commercial product and just live with that, or do we build our own from scratch, and then take all

that overhead? And to be honest, those three dichotomies have been really painful. I mean, it's like, you look at those choices and a lot of cases, and you're like, well, I want a bit of this is and a bit of that. I really do believe this is what this next age, what I would call, the Second Golden age of Martech. Instead of, you know, suite versus best of breed, platform ecosystems, which is to say, have a "suiteish" platform as your foundation, and then augment it where you needed with best of breed features that sort of plug right in.

For the services/software thing, I think we already see software companies that are now offering more services, because, you know, if you can't make your customers successful with the software in a subscription-based world, this results in something called churn. But also in the other direction of services companies who, you know, we talked earlier about how there's no barriers to creating software, you know, that now you've got services companies that are realizing we can actually make our offerings more efficient, and more effective, and more differentiated by bringing some of our own magic, bottling it into some software. They're probably likely going to be offered in combination with our services, but it becomes, you know, a more sophisticated offering.

And then in the build versus buy, again, like, this gets us back to platform ecosystems again, which is to say, listen, you don't want to like to invent your own mail sending, like, protocol level. Nobody needs another one of those. You know, what you want to do is a platform that gives you, like, you know, all of those commoditized capabilities, and then you want to create your own little custom apps on top of that, that are very, very tailored to either the operational flow or the customer experience that is unique to your business. And so I think those three things combined, it's actually, I mean, you can tell, I'm an enthusiastic and optimistic individual, but I really do think this next 10 years is gonna be a pretty amazing time frame in marketing [55.09]

SS

Well, I couldn't agree with you more. It's an interesting intersection too, and our company is in the marketing services business, and we do end-to-end customer experience management to, you know, really make it easy for our client to be hands off and not have to worry about it,

just basically give us our marching orders and hit the “Go” button. But to go back to exactly what you were saying is it’s that, you know, what we’re starting to see, and you pointed out in some of your articles, are services being created around these platforms, where it’s fully integrated, and the hard thinking, which is experience design gets done by that services company. And it’s obviously, in sync with the client or, you know, what the ask is, and then is able to bundle that all together in a fully integrated solution. That, to me, would really accelerate this, what otherwise might be a very painful transition period, five and 10 years ahead, but a lot of pain along the way to get there.

SB

I think you’re absolutely right. I mean, again, at the end of the day, this is all about, like, you know, how do we make this easier and better? You know, I mean, certainly for businesses, but then, you know, through that for their customers, too. And I think the good news is, you know, we look at a lot of the challenges that we’ve wrestled with for these past 10 years, and we say, yes, this has been painful. But if you really look hard at all of them, and you’re like, okay, well, could this be better? The answer is, yeah, actually, it could be better. And it’s not a tremendous amount of rocket science. I mean, it’s not an effortless cakewalk either, but we can get there. I mean, if we can put a man on the moon in like, 10 years, I mean, surely, we can get some martech apps integrated in, like, a decade.

SS

I mean, it’s crazy. Your career started in the early 90s. I was actually running a marketing technology services company back then when client server was basically being uncrated, and, you know, drag and drop interfaces were coming in. I look with wonder and amazement to see the amount of change since then. It’s been absolutely unbelievable. I wanna cover two areas that I think are important, and one of them is marketing process, is one. You’re a real advocate for agile marketing. But agile to me, also spells tactics versus strategy, and maybe we can have a little bit of conversation around that - back to the vision question. And then the role of IT in all of that. You know, is IT a “frenemy” today, you know, are they an enabler? You know, what’s that relationship between the two? So, for marketing to achieve change, it needs to change. And it needs to change the way it thinks and its processes, etc., and IT, you know,

obviously, as well, to some extent. How or who drives those marketing process changes? This is back to does technology lead or does process lead, in the case of marketing going forward to manage this unified experience? You know, how does marketing just rip the covers off these old processes, which is push, push, push, and adapt to this new world, which is basically, you know, marketing in the moment, in a lot of cases?

SB

I look at a classic triangle where there’s, you know, technology, and then process, and then we’ll call strategy, the third piece of that. The technology side, really, at the end of the day, amounts to a set of technical capabilities. You know, things that okay, you know, we may not...it’s a big question about how we’ll leverage those capabilities, but the technology gives us a set of capabilities, you know. And then the process is very much about how we operationalize that, but I think the piece there that ultimately makes the difference is, you know, the strategy of like, okay, so what? How am I orchestrating those operational processes and those technological capabilities into something that actually delivers value to the business, to our customers? And so yeah, I’m definitely a big fan of, like, you know, these agile management processes because I think they’re a particularly good framework and methodology for dealing with rapidly changing environments, and being very adaptive, and very helpful for, like, learning and experimenting. They sort of set up a structure that’s designed to encourage and support that. But I’ll be the first to say there’s nothing about agile marketing that’s strategic. You know, agile marketing is sort of a process mechanism by which you can implement, you know, a strategy. To a certain degree, it also can become a mechanism to feed back to strategy, you know, some insights, you know, from those experimentations.

But, yeah, the people who say like, “Oh, well, you’re either agile or you’re strategic,” it’s like a false choice there. You’re like, “No, you should be agile and strategic. This is possible.” But then, yeah, for the capability side of it, and the IT side, yeah, I mean, I think there’s a high variance from one company to another today. Because what has happened is marketing has changed so much, frankly, IT has changed so much, and so in any given organization right now, the



particular combination of capabilities and talent, and process, and how that's split across IT and marketing, I mean, I've seen every variation of this, and some that are working great, and some that are, like, a total disaster...

SS

That's a perfect segue, because then for me, the corollary question is this, is martech governance. Is there a requirement here to relieve marketers of the pressure of having to think about all this stuff and create a marketing technology office that takes that load off them, sits there between IT and marketing, as sort of the Switzerland of the company, and arbitrates? You know, what do you need? What can we deliver? What makes sense in terms of the IT infrastructure? What do you see working out there? Is that a shared function? Is it sort of a hybrid thing? Is it run by committee? What model have you seen really functions well, in terms of establishing an MTO?

SB

Yeah, I think it's challenging because you're conflating two reasons you would want a group other than marketing, just totally running its own technology. One reason is because you want some governance. You want like, okay, I wanna make sure that we're, you know, staying compliant, you know, with data and privacy laws, I wanna make sure that the SLAs of business performance are in place, I wanna make sure we do the security reviews, so that this stuff doesn't create big gaping holes, you know. So, like how the finance organization has some very strict governance that it applies to how the rest of the departments in the business use money and spend money. IT, I think, has a very powerful role of providing a high level of governance over the technology used throughout the org, so that's one reason you want that.

The other reason you want it is what we were chatting about earlier, which is to say, okay, it isn't just a governance thing, it is an operational thing. Because there are some of these technologies that we want to operate across multiple departments. You know, like, we don't want our customer system of record to be siloed in the marketing department. It needs to be able to work across marketing, and sales, and customer success and feed back into ops and finance, you know. And so IT is, again, like a perfect organization, you know, to run that common platform across those teams.

That being said, you know, there is an incredible set of stuff that happens specifically in marketing that I just don't know,

you know, having a team in IT is close enough to the actual execution of, like, okay, well, how do I run an influencer campaign? Because if you're going to talk to me about, like, owning the technology to manage influencer campaigns, I mean, like, how much of you actually understand what those things need to do, and how they're gonna work, and how we're gonna learn them and experiment and try? You know, again, that doesn't mean like, hey, there should still be governance to make sure if you market and implement that, you know, influencer marketing solution, we're gonna vet it for, you know, security and compliance and performance, and we're gonna require that it integrates to the key systems we need across the company. But on the other hand, I just don't think IT wants to be in the business of like, you know, actually doing marketing and operations work.

SS

No, probably not. And I think maybe what I was suggesting earlier is that you have an MTO office, it's really a hybrid creature, if you will, that understands the marketing lingo and the tech lingo. And, you know, as opposed to hiring a marketing technologist to step into the marketing department and report to the CMO, there's a dotted line relationship there to the CIO and the CMO. Now, there may be a next generation of marketers that come along that potentially solve this problem where, you know, they're already aware of what those influencer solutions are, and the ask is go out and find the best one, as opposed to saying, well, I really need pursue influencers, but I don't know how to do that. You know, I rather expect that problem may solve itself in the long term. Or if your audience keeps growing, and people keep coming to you for the answers, you can point the way for them, I think.

SB

Funny, that whole, you know, like marketing technology office concept, so that was actually where my blog started. In fact, the reason the blog is called Chief Marketing Technologist, because I was like, "Oh, well, you'd have this team that crosses between both of them". And what was interesting, is, as this marketing technology movement really started to take off, it moved under marketing. I think, you know, one of the reasons why is because, like, one dotted line and one solid line, you can make work. When you have something that's almost two dotted lines, it's just hard. And still today, even while I think IT and marketing understand each other much better than they did, like, 10 years ago, still

in a lot of companies, the incentive structures between IT and marketing are still very different, like, what they're being held accountable, you know, up at the rest of the C-suite. And so again, I worry, like, if you get something that's too much in the middle. I mean, anything's possible. I actually have seen companies that, you know, even implement that today. It's certainly harder than I expected it to be 10 years ago...like, this is one of the dimensions of, like, organizational structure that I didn't have as much experience with when I was first like, "Hey, how about we just have this group in between the two?" But I've now come to like, appreciate, well, there might be some good reasons why not to do it. [1.06.26]

SS

The realpolitik of it is, yeah... And just associated with that, because, you know, we're out of time. Time has just absolutely flown by. Data is the new gold, clearly. That's a hackneyed phrase, but true. But yet a third of data that's collected by organizations today actually doesn't get used. It's certainly not optimized, and there's all of the oversight that you were referring to earlier. Is there a requirement, in addition to a marketing technologist, to have a data czar who wraps their arms around this precious resource and helps every part of the organization figure out how to make the most of it?

SB

I think that's helpful. Actually, I guess, you've seen now like, you know, there are these Chief Data Officers, you know, that's become a bit of a thing. Yes, and I feel like that is probably a role that is better affiliated with the IT department, partly because I think it ties into a lot of the governance issues, you know, and then partly because we probably wanna think of that as a resource that isn't owned by a single department, it's something that's actually, you know, empowered across the whole organization?

SS

Isn't that the knock on CDPs, customer data management platforms, for the people who don't know what that means? That, you know, they're great, they could provide a marketer with a unified customer profile, but they too are disconnected from other data repositories that could, you know, add value. I think Gartner says those are about to enter a trough of disillusionment. I don't know if that's true, but certainly, data in the end is, well, if we were gonna be data-driven marketers, it becomes really the alchemy behind this, isn't it? Scott, this has been an amazing conversation. I could talk with you for hours, I'm just gonna watch your, I think it's monthly videocast that you've got going on now, which are

really good. So, I encourage my audience to go to your site "Chiefmartec" and track, because it's the best resource out there. You still basically own that field. I haven't come across anybody like you so, you know, amazing work that you do and I'll continue to follow you. So, thank you. Thank you for being so generous with your time today, too. It has been a lot of fun talking to you.

SB

Yeah, well, thank you very much, very kind. And yeah, this has been a fascinating conversation. I really appreciate all the great questions on this. Yeah, there's a lot of cool topics. So thank you.

That concludes my interview with Scott Brinker. As we learned, technology continues to grow exponentially, while marketing keeps falling further behind, held back by legacy thinking, antiquated processes, data fragmentation and internal siloes which get in the way of unifying the customer experience. But as the technology becomes easier to use, and the pool of technically astute marketers grows, the complexity challenges of the past will almost certainly be overcome. Technology will act like a tractor beam, pulling marketers into the future. We are on the verge of a new era in martech. After decades of false starts, unmet expectations, disillusionment, IT resistance, underutilization, and futile attempts at integration, marketing will have reached the promised land: user-friendly technology which can be harnessed to transform the customer relationship.

You can find past episodes of this podcast on [CustomerFirstThinking.ca](http://CustomerFirstThinking.ca) where you'll also find articles, strategic frameworks, video and more on the transformation of marketing.

In closing, a big shout-out to Justin Ecock for his contribution to making this podcast happen. Until next time, thanks for listening.



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