What's a Digital Marketing Platform? What Isn't?

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The rise of digital marketing has amplified provider hype, clouding definitions at a time when organizations need clarity. The CMO/CIO relationship is particularly vulnerable as they seek common ground. This research provides the basis for a common vocabulary.

Key Findings

- Heightened interest in digital marketing technologies has brought new entrants, new investment and new hype as providers try to gain attention in a crowded market.

- Many providers have inflated their value propositions by claiming to be a "digital marketing platform" or a "marketing cloud," which can inflate expectations with digital marketers (or buyers).

- New digital pressures on CMOs coincide with a CMO/CIO relationship in flux, and a lack of a unified technology strategy to guide the digital marketing transformation.

Recommendations

- Use Gartner's Digital Marketing Transit Map and taxonomy to frame the provider landscape, and define a reference model and road map to support your digital marketing strategy.

- Further refine your understanding by reviewing the following digital marketing taxonomy, which defines the attributes of point tools, platforms, suites and hubs.

- Use these tools to simplify communication with IT organizations as you collaborate and make decisions among internal, hosted, agency and sourcing arrangements.

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Analysis

Any complex operation, whether it's the rise of a civil society or the creation of a digital marketing strategy, depends on a common language. And a common language where words come together to create meaning depends on a common vocabulary for the building blocks.

Digital marketing has put pressure on marketing leaders to define a clear path forward for digitalizing marketing strategies and execution. Clouding this path are overlapping and inconsistent definitions that make it hard to know where one provider offering ends and another begins. It's also difficult to know how to create a technology foundation that addresses today's requirements while helping you scale over time. For example, marketing leaders may say that they need to achieve:

- Integrated and coordinated offers and experiences across all channels and media

- Predictive models for matching next-best offers with the right customers and prospects

- Rich, interactive content experiences to feed the social graph and engagement efforts

- Multiple levels of analytics across all campaigns, tactics, assets and channels
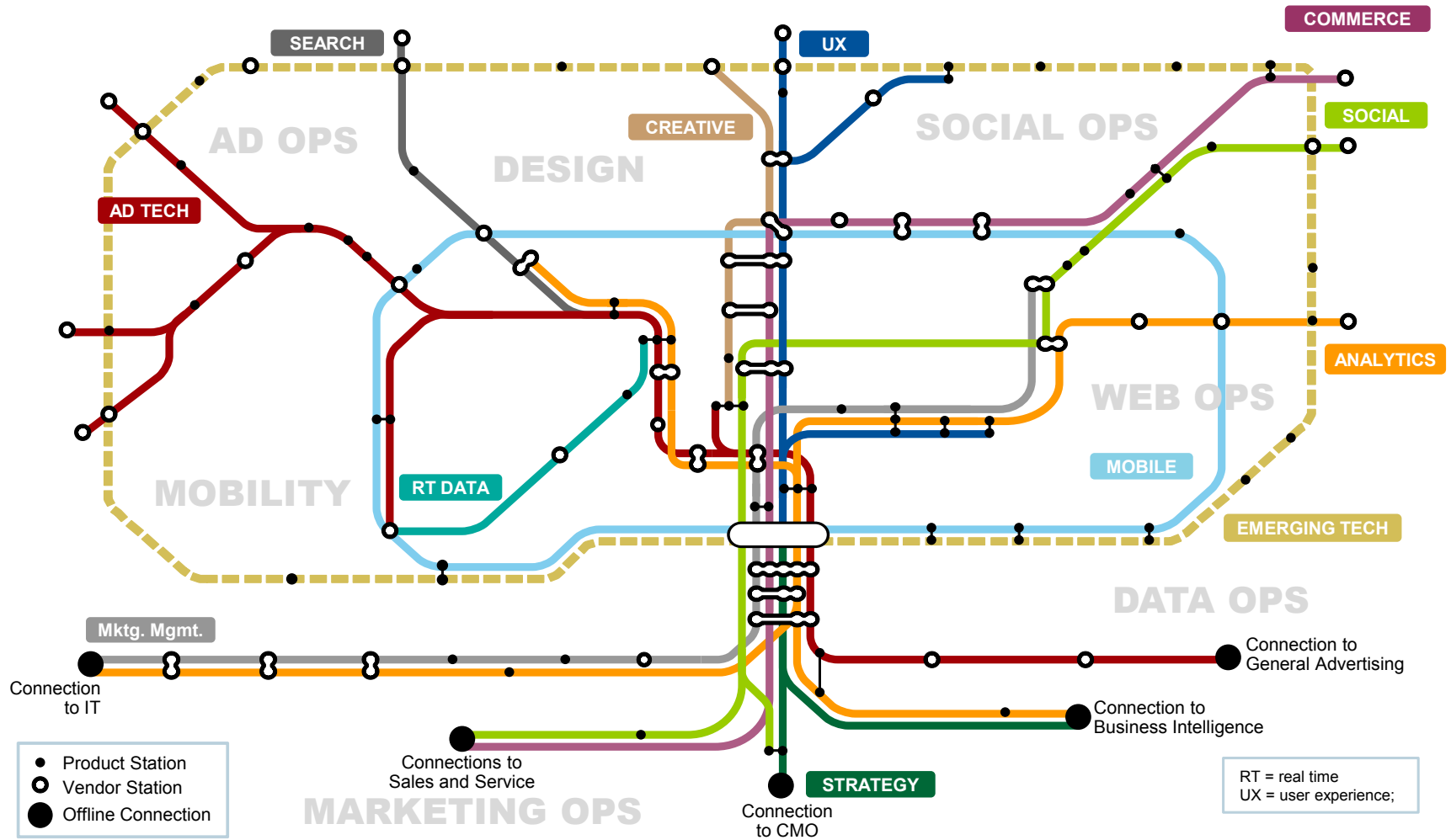
It's unlikely that any single provider will deliver a best-in-class solution on all of these requirements. More likely, they'll be enabled by a combination of custom and commercial point tools, platforms, suites and hubs. Before we describe the high-level characteristics of each of these elements, let's begin with an overview of the digital marketing landscape as illustrated by Gartner's Digital Marketing Transit Map. This transit map represents the universe of digital marketing activities for which technology must be selected.

Gartner's Digital Marketing Transit Map

Gartner portrays the digital marketing landscape based on a transit map metaphor, organized around the analogy of neighborhoods, tracks and stations (see "Toolkit: The Digital Marketing Transit Map"). Figure 1 provides a simplified illustration of this transit map. Neighborhoods are

thematic domains, tracks are logical groupings of technologies that serve one or more neighborhoods, and stations are provider or product categories. As you engage in conversations about the digital marketing landscape within and outside of your marketing organization, use the transit map to set context and to understand the relationships between technology and provider categories. Next, use the following taxonomy to understand the attributes and scope of enabling technologies.

Figure 1. Gartner's Digital Marketing Transit Map

Figure 1. Gartner's Digital Marketing Transit Map

Legend:
- Product Station
- Vendor Station
- Offline Connection

RT = real time
UX = user experience;

Labels in map: SEARCH, UX, COMMERCE, CREATIVE, SOCIAL OPS, SOCIAL, AD OPS, DESIGN, AD TECH, ANALYTICS, WEB OPS, MOBILE, MOBILITY, RT DATA, EMERGING TECH, DATA OPS, Mktg. Mgmt., STRATEGY, MARKETING OPS

Connection to IT
Connection to General Advertising
Connection to Business Intelligence
Connections to Sales and Service
Connection to CMO

Source: Gartner (June 2013)

A Digital Marketing Taxonomy

The following should not be viewed as fixed or codified definitions. Terms and identifiers are likely to continue to change as functional capabilities are shared across elements of the digital marketing technology landscape. These definitions, while well-formed, are not necessarily atomic. In other words, there are bound to be examples of provider offerings that span these definitions, encompassing attributes of multiple categories as they expand and mature.

Gartner's digital marketing taxonomy consists of point tools, platforms, suites and hubs. Figure 2 illustrates how these capabilities map to two dimensions:

- **Extensibility —** The extent to which these capabilities can be extended via custom integrations and applications that tighten alignment with existing tools and processes.

- **Breadth —** The variety of digital marketing "neighborhoods" supported by these capabilities.

Figure 2. Digital Marketing Solution Maturity
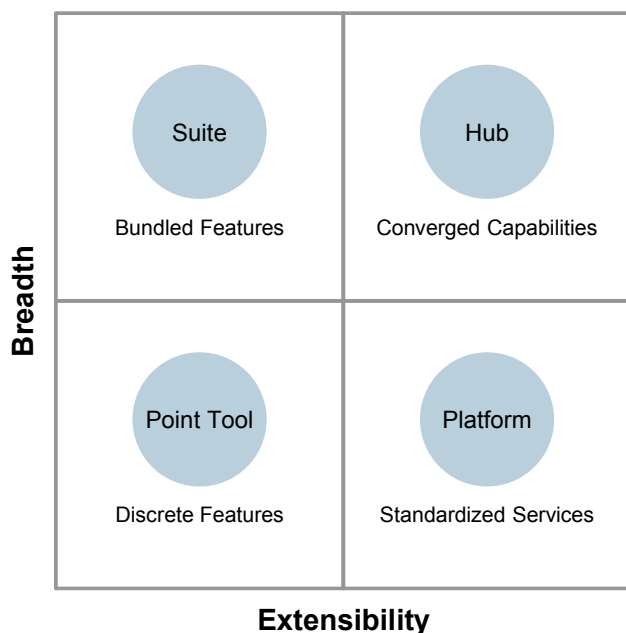
Source: Gartner (June 2013)

Digital Marketing Point Tools

Digital marketing point tools focus on one primary marketing function in a single neighborhood and are typically limited to standard off-the-shelf functionality, which may be configured but require custom development to modify built-in functionality.

Advantages:

- Rapid time to value for simple, well-defined tasks

- More likely to be best of breed

- Easier to make product selection

Disadvantages:

- Can slow or add risk to multichannel efforts by creating automation or reporting silos

- Adds yet another provider to manage

- May encompass functionality that's provided more economically by a platform, suite or hub

Examples: Social listening tools, email marketing tools

Digital Marketing Platforms

Digital marketing platforms are designed to support an extensible set of requirements within a single neighborhood or two. A digital marketing platform exposes key elements as standardized services via a programmatic application programming interface for building custom applications, extensions and integrations with other custom and commercial applications and data sources. Some offerings claim to be digital marketing platforms that address virtually all digital marketing neighborhoods, but the methods and objectives of each neighborhood vary widely. Any platform sufficiently general to span them all would take the form of a general-purpose tool such as a spreadsheet or a browser with applications outside of digital marketing. So any platform in digital marketing needs to address requirements specific to a limited number of neighborhoods or domains.

Advantages:

- Process optimization by automating and integrating multiple sequential use cases

- Custom applications and extensions create a tighter fit with your environment

- Support for innovative differentiated functionality

Disadvantages:

- Can create lock-in risks as you become dependent on a single-provider specialized platform

- Longer implementation cycles slow time to value

- May not be cost-effective to buy a platform for small subset of functionality

Examples: Mobile marketing platforms, data management platforms

Digital Marketing Suites

A digital marketing suite brings multiple products from a single provider under a single product line, sold as a collection or core functionality with add-on modules. Integration is engineered across products rather than based on a common set of services and will vary from common launching menu, to common look and feel, and to shared data.

Advantages:

- Integration, while limited, is engineered by the provider

- Cost to procure multiple products is usually lower

- Fewer support organizations exist to work with

Disadvantages:

- Add-on modules may not be best in class or even competitive

- Integration techniques may be proprietary, making it difficult to extend the suite with other provider's products

- Uniform administrative and usability features, such as single sign-on, common role-based access control and provisioning and consistent user interface design may be absent

Examples: Eloqua (acquired by Oracle), Marketo, ExactTarget

Digital Marketing Hubs

A digital marketing hub supports many use cases across more than one neighborhood, providing a unified portal with access to multiple applications and workflows. It integrates with existing systems of record and, optionally, may expose programmatic application programming interfaces for building custom applications and extensions to core features. However, it differs from a platform (although it may overlap) in that its design is not necessarily focused on domain-specific extensibility. A digital marketing hub unifies four key capabilities:

- Collaboration — Workflow, enterprise social, task or project management features

- Data integration — Combines and, where possible, integrates data across all relevant applications

- Analytics — Reporting and analysis across channels, campaigns and assets

- Operations — Security and authentication, campaign and program design, and implementation

Digital marketing hubs fall on a spectrum between two different architectural styles:

- Open hubs — Provide open application programming interfaces and/or source code for extensibility and integration with other tools. Open hubs preserve flexibility and choice and mitigate lock-in risks.

- Closed hubs — Are monolithic environments that may lock you into a long-term relationship with a single provider, but often provide faster time to value.

Digital marketing hubs are delivered in one of three ways:

- On-premises — as licensed software installed behind the firewall

- As a hybrid cloud service — combining elements hosted in the cloud with other elements, such as data sources, hosted internally and by other service providers

- As a managed service — where an agency or marketing outsourcer delivers an integrated digital marketing hub that it uses as the basis for outsourced campaigns

Examples: Adobe, HubSpot, Lyris, Neolane, Aprimo (acquired by Teradata), Unica (acquired by IBM)

Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"Toolkit: The Digital Marketing Transit Map"

"Introducing Gartner's Marketing Maturity Model"

Evidence

Data for this research was gathered from provider briefings, client inquires and combined perspective of Gartner analysts.

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