Marketing Transformation

A qualitative study on how companies should cope with an empowered customer in the digital era

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ABSTRACT

With the change in behaviour from the customers’ side, due to the increased use of digital environments, marketers have seen a value in customer related data. In order to fully benefit from the data, many marketing efforts have been brought back in to the own organisation. This study aims to further explain how the marketing department have been affected by the changing in-house trend and give practical suggestions on how to cope with the challenges. Previous research in the area has been reviewed and a summary has been conducted. The data collection consisted of semi-structured interviews with marketers from various industries. Respondents with insightful information in the modern marketing department was interviewed and the findings later analysed. The analysis was conducted with support of categories established from the findings in the literature review. The study resulted in a confirmation of the in-house trend in modern marketing departments and the challenges facing them. The findings of the study have contributed to previous literature by confirming and adding insights in a field where most research is made by trade organisations. An independent academic study in the field could be seen as an important addition to the existing literature in the area. For marketers in the area, a greater understanding of the problem will help make the marketing efforts more effective. Key findings include the importance in understanding the customer and what is required in order to make best use of the in-house marketing department.

Keywords – Marketing competencies; in-house marketing; customer insight; marketing capability gap; inbound marketing.
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1. INTRODUCTION

The digitalisation has influenced and transformed the way business and individuals are interacting and searching for information about each other in both business to business (B2B) and business to customer (B2C) contexts (Severi, Ling & Nasermoadeli, 2014; Fuentes, Bäckström & Svingstedt, 2017). This behavioural change has provided the online environment with an overflow of data, which later has created a shift in power between seller and buyer (Du Plessis, 2017). The customer is now able to create an objective evaluation and establish more well-grounded decisions, due to the amount of data available online. This empowered buyer is no longer depending on information distributed directly from the seller, due to tools and information available online (George, 2016). Studies done within a B2B-context shows that buyers rely heavily on the online source and completes nearly 60% of their buying process before engaging with a company (Adamson, Dixon & Toman, 2012). The B2C-context indicates the same shift in power and importance of online information, according to the customers is a large majority of customer buying decisions shaped by information available online (Lecinski, 2011). The change in customer behaviour has forced organisations to integrate digital tools and technologies into their existing business models in order to stay relevant on the market (Leeflang, Verhoef, Dahlström and Freudent, 2014). In this sense, modern marketing activities is required for having a strong customer relationship.

The change towards a more digital marketing and increased accessibility to digital tools and technologies have changed the required marketing capabilities. Marketing capabilities can be defined as a complex bundle of skills and accumulated knowledge exercised throughout organisational processes (Day, 1994). It enables organisations to coordinate activities and make fully use of their assets. Day (1994) also points out the uniqueness of each organisation’s capabilities, with every business developing and transforming their unique set of skills from their specific competitive market, past commitments and anticipated requirements.

Formerly, when marketing capabilities were common to outsource, firms were able to reduce costs and leverage from knowledge not available internally (Quinn, 1999). Due to customers’ changed buying behaviour and power position, marketing efforts today has a more decisive role on the brand perception (Severi et al., 2014). This has enhanced the marketing capabilities to the extent they now widely are considered to be core capabilities. Researchers suggest three tests to identify if processes are core capabilities, first it need to provide access to a wide variety
of markets. Secondly it needs to make a significant contribution to the perceived customer benefits of the end product and finally it needs to be hard to imitate (Hafeez, Zhang & Malak, 2002; Srivastava, 2005). Due to these aspects, Quinn (1999) suggest processes connected to core capabilities should not to be outsourced. A solution to secure these core capabilities is to move the marketing department in-house.

The goal when bringing the capabilities back in-house is primary to secure control over customer generated data and enhancing the organisation’s agility and cost-consciousness in a competitive fast changing digital environment (Bannerflow, 2019). Regarding marketing efforts and which capabilities should be considered to be core capabilities are not yet well understood. Despite this, companies are now desperately bringing their marketing departments back in-house (Association of National Advertisers, 2018). A recent survey showed a majority of companies having an in-house marketing department, with the trend escalating during the past five years (Association of National Advertisers, 2018). The lack of knowledge and understanding in the process of bringing a marketing department in-house will instead lead to lost opportunities in terms of more effective processes (Bannerflow, 2019).

Day (2011) identified that marketers are struggling with comprehending, process and analyse the available customer data and created a model illustrating this called the marketing capability gap. The intention was to illustrate the dissimilarity between organisations required and available marketing resources. Leeflang et al. (2014) later did an exploratory quantitative research on Day’s (2011) findings with the intention to identify actual digital parameters affecting the marketing capability gap. The study resulted in insightful information about what companies consider to be the greatest challenges clustered into ten categories, no past research is however actually enlightening how the marketing capability gap should be closed or diminished through an operative perspective. The most extensive gap presented is organisational challenges, which highlights the challenge of creating a structure to cope with digitalisation. Many organisations lack the knowledge in which competences and roles are needed in a modern marketing department. A modern marketing department can be defined as a company whose marketing department are based on digital efforts and are taking actions to cope with the digitalisation (Ryan, 2018). To successfully be able to benefit from the change in marketing trends, further insight in the challenges of the market department is needed. For this, the study will address the following questions;
**RQ1:** What competencies are vital for a modern marketing department?

**RQ2:** Which processes are required in order to understand the more digital customer?

With the increasing number of marketing departments moving their marketing capabilities in-house as a result of the paradigm shift within marketing (Bannerflow, 2019; Association of National Advertisers, 2018), the importance of the growing capability gap is more understood among marketers. As the evolvement of the modern customer has made the organisations’ traditional marketing capabilities insufficient (Day, 2011), marketers are now in need of a new marketing model. The numerus of possible marketing capabilities within an in-house marketing department is in need of further research and practical usability. By studying the current situation, the aim of the study is to describe and to some extent explain the challenges facing an in-house marketing department. Practical suggestions in how to handle the shift in power will be presented and further insight to the problem will help marketing managers to successfully make use of the in-house marketing department.
2. LITERATURE REVIEW

2.1. New customer journey

Improving the digital customer experience is a top business priority among companies and the main driver behind their digital transformation (Accenture, 2015). Despite this only a few marketers express their digital customer experience as being differentiated from their competitors (Accenture, 2015). Customer experience is generally acceptable as multidimensional construction, containing cognitive, emotional, behavioural, sensorial and social components (Schmitt, 2003; Lemon & Verhoef, 2016). Even if there is an increased focus on improving customer experience, existing customer decision-making models were established in the pre-web days and have mostly remained untouched and unquestioned throughout the digital era (Wolny & Charoensuksai, 2014).

Customers’ disrupted behaviour is a result of the increased usage of rapid growing internet-based platforms and social networks, which have increased the number of channels affecting the customers’ decision-making process (Lecinski, 2011). This have made it increasingly complex for companies to create, manage and control the customer experience today (Edelman & Singer, 2015). Researchers argue this development has reconstructed the nature of interaction and activities for companies as well (Lecinski, 2011; Budden, Anthony, Budden & Jones, 2011), due to customers’ ability to share knowledge, information and reviews more freely and to a larger extent than ever before (Budden et al., 2011). The ability has contributed with improved product research, price consciousness and product diversity for today's customers (Bayo-Moriones & Lera-Lopez, 2007).

Customers’ ability to share information freely has contributed with a shift in power between buyer and seller, buyers are no longer depending on the seller’s expertise. This evolvement in the buying behaviour is further shown in figure 1. Ratchford, Lee and Talukdar (2003) proved in their research that the internet as a source have shortened the traditional buying process. They also showed that internet act as a substitute for the time spent in negotiating price, discussing with the seller and accessing physical product information. Due to the increased customer power, Lecinski (2011) implies the traditional buying process have changed, and therefore introduced “The zero moment of truth”. The zero moment of truth refers to all research consumers or businesses do online before making a purchase, which emerge before the seller
knows they even exist (Lecinski, 2011). Further studies also show that customers are completing the majority of their buying process before even engaging a company (Adamson et al., 2011). How consumers tend to behave in their search of information is therefore vital for companies to understand and comprehend, in order for them to entice and capture new or existing customers (Lecinski, 2011).

![Diagram of customer buying process]

*Figure 1: The evolution of customers’ buying process, modified from Peterson et al. (2009)*

Through a company perspective, the arise of technology has contributed to great challenges and opportunities. They could for instance improve and differentiate the customers’ digital shopping experience, communication channels or entering new markets to a lower cost (Svenskt Näringsliv, 2016; Accenture, 2015). But due to customers’ empowerment and the large number of channels affecting organisations’ reputation, a holistic approach to the customer lifecycle is required by the organisations. This in order to establish a deeper sensibility on how sales and services are generated throughout the customer journey (Peterson, Gröne, Kammer & Kirschender, 2009). Building new strategies, structures, processes and tools to the existing ones gives companies an ability to deliver customer value across all digital channels (Peterson et al., 2009). This will create opportunities for companies to establish a deep understanding of customer behaviour and preferences without excluding any customer segment (Peterson et al., 2009).

### 2.1.1. Digital resistance

In an attempt to optimise customer profitability and especially the cost to serve customers in digital environments, organisations have developed online and automated interactions (Leung & Matanda, 2013). A common automated solution is technology-based self-service, it allows
consumers to utilise the service without personal interaction with employees or the organisation (Martins, Oliveira & Popović, 2014; Eastlick, Ratto, Lotz & Mishra, 2012). Successful and now commonly used systems are self-check-in at airports or mobile banking. Even though online and automated solutions are offering cost saving opportunities to organisations, can it also have a negative impact on the company’s performance due to decreased customer loyalty (Reinders, Dabholkar & Frambach, 2008; Shaib-Iqbal, Ul-Hassan & Habibah, 2018; Leeflang et al., 2014).

Companies need to have a detailed understanding of the customer journey for each segment (Peterson et al., 2009). A younger demographic with a limited budget may be most efficiently served through an online-based platform while it among other customers might create resistance and customer dissatisfaction due to the feeling of being forced into usage (Reinders et al., 2008). This is a frequent feeling throughout older and often wealthy customer segments with limited experience of digital solutions (Leeflang et al., 2014). Being forced into usage, customers will feel frustrated due to not having a choice, resulting in negative attitudes toward the brand and service provider (Curran, Meuter & Surprenant, 2003). These negative attitudes could lead to adverse behavioural intentions related to switching to other providers or spreading negative word of mouth. To avoid these negative effects, service providers must facilitate the transmission process. A personnel-based support has shown to have a positive effect on the perceived service quality of this option (Anselmsson, 2001). By identifying each segment’s most appropriate channel, companies can speed up the sales cycles, promote retention and reduce costs (Peterson et al., 2009).

2.1.2. Customer insights

Establishing insights about customers’ preferences and habits have an important role in order for companies to compete in the modern marketplace (Davenport, 2006; Havir, 2017). Companies, whom have established processes to systematically extract and analyse data are said to outperform competitors (Davenport, 2006). In an online environment where companies are able to use multiple-channels, the amount of touch-points contributing with information regarding consumers has increased. A touch-point could be seen as unique channel providing direct contact with the product or service itself, digitally or physically (Meyer & Schwager, 2007). Traditionally, customer insights were mainly established after a purchase had been made, but in the digital environment, there is touch-points before the actual purchase which provides the company with useful information (Edelman & Singer, 2015; Meyer & Schwager, 2007; Havir, 2017). This have enabled organisations to be more proactive in their work of
generating customer knowledge (Humby, Hunt, & Philips, 2008; Meyer & Schwager, 2007; Lecinski, 2011).

By using data generated throughout the different touch-points, companies can track and identify interactions, products in which the customers shown interest in and the offers their customer exploited when making the purchase (Hirschowitz, 2001; Edelman & Singer, 2015; Meyer & Schwager, 2007). Companies can later use this information to develop a deeper understanding regarding their customers, but also to streamline the segmentation processes and marketing campaigns (Hirschowitz, 2001; Peterson et al., 2009). The customer insight is often seen as the key foundation to build a successful customer relationship management (CRM) strategy, without a deep understanding about customers’ preferences and behaviour, the CRM manager will be running blind (Hirschowitz, 2001). The literature within customer insights have extensively researched what forms of insight companies are generating and from where, but few empirical studies review customer insight in practice (Wills & Webb, 2007; Langford & Schulz, 2006; Hirschowitz, 2001; Humby et al., 2008).

2.1.3. Importance of data in the digital era

As mentioned, customers have moved the majority of their interactions online, which have provided organisations with possibilities to extract powerful and insightful information regarding their behaviours and preferences. A highly competitive market and lower margins are pushing organisations to immediately deliver value for their customer, to do so their strategic choices become heavily reliant on customer data (Svenskt Näringsliv, 2016).

When companies first started to show an interest in data, much resources were invested in capturing and storage of data and not into analytics (Wedel & Kannan, 2016). The ability to make decisions based on the gathered data has however shown to provide competitive advantages and having a major impact on the financial performance (Wedel & Kannan, 2016). Xu, Frankwick and Ramirez (2016) argue that all modern companies will benefit from analysing data, but to what extent depends on the specific company and marketing model. Although companies have seen this opportunity, marketers’ skills in analytics were in a study made by Järvinen and Karjaluoto (2015) found to be lacking. The lack of skills was however not mentioned as a major obstacle by the participants. Too much time and money are invested in various tools for analytics rather than humanitarian resources needed (Chaffey & Patron,
Verhoef, Kooge and Walk (2016) agrees that the tools only work as a complement in the data analysis, the actual analyst is of greater importance.

2.1.4. Marketing automation

With the great amount of data available, a more effective analysis has become a necessity. Using automated processes is one method widely used by marketers, the more effective analysis often results in more accurate and qualified leads (Järvinen & Taiminen, 2016). The platform used has to support an open and flexible flow of information between the company’s different channels (Peterson et al., 2009). Even if automation of the marketing efforts can be of great aid, many companies fail to realize the importance of planning every aspect of the marketing campaign and customer journey (Bagshaw, 2015). Only then can organisations use predictive models or next best activity, which provide sales and service agents with analytically grounded suggestions of what will meet individual customer needs, to most effectively tailor offers and messages (Peterson et al., 2009). Without this planning, automation quickly becomes a waste of time, money and resource. Another benefit with marketing automation is the possible cost savings due to decreased human interaction, the investment is however often seen to be painful to implement (Peterson et al., 2009).

2.2. New marketing strategies in the digital era

In order to more efficiently capitalise on the digital touchpoints potential customers are visiting, a lead generation need to be established. A lead is a qualified potential buyer who show some level of interest in purchasing your product or service. Lead generation have later been divided into two main categories; inbound and outbound (Opreana & Vinerean, 2015). Outbound strategies focus on pushing a message to a targeted customer, for example through display ads, email marketing, loyalty program, events and newsletter (Vernuccio & Ceccotti, 2015). Due to customers behavioural changes, the outbound tactics has lost some of its persuasive power since customers are actively excluding unwanted communication through ad-blocks, spam filters, privacy issues and caller-ID:s (Teads, 2015). Instead, inbound marketing has become to set a predominant effect on the overall marketing industry (Patrutiu-Baltes, 2016). Customers are now relying on their own ability to retain information about prospected products or services through search engines, social media or blogs, which all is part of inbound strategies (Hallingan & Shah, 2009). Instead of just generating leads, which will not create more customers today (Bizible, n.d.), inbound marketing focuses on generating more qualified leads. Inbound strategies pull the customers in by meaningful offerings made on the customers’ terms, these
strategies are often utilised through a multilevel approach (Hallingan & Shah, 2009; Opreana & Vinerean, 2015).

However, Pulizzi (2012) states none of your differentiated marketing strategies will be effective without a compelling storytelling. In order to capitalise on content marketing efforts, companies need to set a clear content marketing strategy for their technological tools. Roughly around 90% of all companies employ some form of content marketing, despite an increased focus organisations are still struggling to engage customers and deliver results for the company (Pulizzi, 2012). In order to create compelling content, a niched target group have to be identified and the content be highly relevant to this customer in order to increase the shareability (Pulizzi, 2012). When todays average shopper is using approximately 10.4 sources of information before making a purchase decision, organisations with an insufficient content marketing could be left out of the buying process entirely (Lecinski, 2011).

2.2.1. Online metrics

Due to the establishment of new digital strategies, new tools and metrics are used in order to measure companies’ digital marketing efforts (Peterson et al., 2009; Davis, 2012). Common online metrics could for instance be; click-through-rate (CTR), cost per click (CPC), cost per action (CPA) or gross page impressions (GPI) (Davis, 2012; Agarwal, Hosanagar, and Smith, 2011; Ghose and Yang, 2009). All methods are measuring different aspects regarding your digital marketing, common for all these measurements is however that they are mainly established to determine how and to what extent the ad is enticing consumers to click to your website (Davis, 2012; Agarwal, Hosanagar, and Smith, 2011; Ghose and Yang, 2009). The researchers further state, among the listed metrics, conversion rate and CTR will have the biggest impact on your customer acquisition costs (Agarwal et al., 2011; Ghose and Yang, 2009). The establishment of new measurements require a new set of skills within your marketing department, but it also generates difficulties in order to compare traditional and digital marketing efforts since there is no common currency between these diverse measurements (Leeflang et al., 2014; Peterson et al., 2009). Despite the introduction of various new channels and measurements within digital marketing, Leeflang et al. (2014) show there is a widespread perception among marketers that digital marketing efforts are hard to translate into financial impact and compare to traditional metrics.
2.2.2. Social media as a marketing tool

Customers’ increased use of the digital interactive environments has encouraged organisations to implement social media into their business strategies, which provided organisations with new opportunities to build relationships, serve customers and customise offerings (Rowley, 2004; Ashley & Tuten, 2015). The communication between organisations and customers has due to this evolved from a single-sided to a two-way communication channel. Customers in the digital era have the ability to directly interact with organisations (Tiago & Veríssimo, 2014; Hennig-Thurau, Hofacker & Bloching, 2013). The interactive two-way communication channels have blurred the lines between internal and external company environments and customers are now considered to have an active role in organisations’ value creation processes (Hennig-Thurau et al., 2013).

Proof of the importance of interactions between professional and private actors is the impact of electronic word-of-mouth (eWOM). It can be defined as any positive or negative statement made by potential, actual, or former customers about a product, service or company, which is made available to a multitude of people and institutions via the internet (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004). eWOM from social media platforms have shown to have high credibility and creates a positive buying behaviour from the customer (Erkan & Evans, 2016). Even though there are advantages with eWOM for the sellers, the downside can be even greater, negative eWOM can harm the brand’s equity (Hsu & Lawrence, 2016). For the company, negative eWOM is harder to monitor and require more effort from marketers (Balaji, Khong & Chong, 2016). The companies’ task is to handle both positive and negative eWOM and also to provide a digital platform that stimulates eWOM. To be able to handle negative eWOM communication, a new set of skills might be required (Balaji et al., 2016; Chu & Kim, 2011). Apart from just handling the communication, Ashley and Tuten (2015) highlights the importance of frequent updates and incentives for participation in social media. The actions taken on social media must continuously be evaluated in order to allocate the marketing resources correctly (Kumar, Choi & Greene, 2017).

By getting the customers involved with the company, a relationship based on trust and commitment is more likely to occur (Pansari & Kumar, 2017). Using social media as a marketing tool is not a single product solution, in order to work effectively it has to be combined with other marketing efforts (Sajid, 2016). Social media can for example be used in order to raise the results in search engine lists (Durmaz & Efendioglu, 2016).
2.2.3. Search engines as a marketing tool

Approximately, 93% of all online experiences originate from a search engine (Ranga & Ranga, 2014). The search engines (e.g. Google.com, Yahoo.com) contributes with free information about products and companies for the searching customers in a time efficient way. By using specific keyword in their search, customers will be provided an organic, local and paid listing of websites. Organic listing refers to all the strategies and attempt to do your website search-friendly (Aggarwal & Carroll, 2010). To increase the website traffic, an optimisation of the website should be constructed on the common keywords within your targeted segments or favour the google algorithm (Aggarwal & Carroll, 2010). Local promotion refers to be included in the local category throughout the search. By claiming the organisation’s physical location on google, the business will be listed if a customer is searching for the specific location or if the customer if close to the specific position (Aggarwal & Carroll, 2010).

The paid search promotion (PPC) refers to when organisations set a price they are willing to pay for a certain keyword. A Dutch auction later decides the price point for the specific keyword. The winner of the auction will later be provided with a top listing within the searched word (Aggarwal & Carroll, 2010). In 2017, Google’s advertising revenue reached 110.8 billion dollars, where the majority came from AdWords (PPC) (Investopedia, 2018). The revenues have annually increased approximately 20%, which is a result of the effectiveness of search engine as a marketing tool (Investopedia, 2018). The effectiveness of search engines is something Chan, Wu and Xie (2011) examine in their report, highlighting that customers obtained from paid search engines generate higher revenues and customer lifetime value than customers acquired from any other online or offline channels. In order to convert clicks to paying customers, researchers state a high CTR, ad position and a clear idea about popular keyword characteristics are the most significant variables (Ghose and Yang, 2009; Agarwal et al., 2011; Rutz, Trusov & Bucklin, 2011).

2.2.4. Talent gap

The increased complexity of data serving companies’ marketing strategies require organisations to develop or acquire new marketing competencies in order to cope with the development (Day, 2011; Leeflang et al., 2014; Peterson et al., 2009). The academic research within organisations’ difficulties to acquire necessary talent to the modern marketing department is otherwise poor, it is mainly different trade associations who highlight this problem (e.g. Bannerflow, 2019; Association of National Advertisers, 2018; Digital marketing institute, 2016). Digital marketing
institute (2016) recently did a quantitative study within the area, showing 92% of the tested marketers failed to achieve entry level competency in digital marketing skills. This figure contradicts the perception many marketers had on their digital abilities, roughly about 50% of the respondents consider themselves as fairly competent in digital marketing (Digital marketing institute, 2016). About 62% of the respondents considered an increased focus in becoming more digital is vital for their organisation within the next two years. Despite their acknowledgment, only 41% of the respondents felt their organisation allocated enough resources for their digital transformation. Alongside organisational engagement being low, the support of training is lacking, 23% of respondents felt they received inadequate training within this area (Digital marketing institute, 2016). These findings indicate marketers today are insufficient or even incapable to cope with the increased data complexity, which creates a talent gap. With the increased importance of data, especially in decision making, a focus on developing analytical skill set internally should be prioritised by the organisations (Leeflang et al., 2014). The academic world is trying to close this growing skill-gap by introducing programming and digital related courses at an earlier stage, in hope to establish curiosity and understanding for future studies (Skolverket, 2019).

2.3. The in-house marketing trend

Outsourcing of certain processes has for a long time been the praxis in many organisations with the advantage of better access to skilled resources (Dinu, 2015; Quinn, 1999). With the digitalisation, marketers have however seen an advantage of having these skills in-house instead. Today 91% of companies have moved their marketing department in-house either fully or to some extent (Bannerflow, 2019). The in-house marketing trend is quite new with 44% of the marketing departments established during the past five years (Association of National Advertisers, 2018). The workload of the in-house marketing departments has during the past years also shown to increase drastically. Various studies have discussed the advantage and disadvantages of in-house marketing (e.g. Bannerflow, 2019; Hartman, Ogden and Hazen, 2017).

Recent studies have shown that the three top advantages with moving the marketing department back in-house is reduced costs, greater agility and increased transparency within throughout processes (Bannerflow, 2019). Greater effectivity, both in terms of monetary resources and speed and creativity will result in better marketing outcomes for the company. With the digitalisation of the industry, speed to the market has become an important factor which
marketing agencies cannot provide to the same extent (Association of National Advertisers, 2018).

With the increased availability to customer related data, there has been an advantage with taking control of this data rather than outsource the processes needed. With the ability to control the data and possess unhindered ability to store, access and use it, will prevent marketers to pay for data that should already belong to them (Association of National Advertisers, 2016). Marketing agencies are not always acting in the best interest of the client, but for the own company (Association of National Advertisers, 2016). This have to be considered when taking the decision to outsource or not.

On the subject of disadvantages, when first trying to bring marketing processes in-house, many companies may lose the advantages they get from outsourcing due to not internally having the skills needed. Hartman et al. (2017) argue that these companies fail due to lack of understanding of what factors should be considered when making the decision of in-house, and why those factors are important. The main barriers to in-house marketing have shown to be a lack of talent or skill, lack or resources and lack of confidence when making the decision to in-house (Bannerflow, 2019). In the search for higher level of control and a cheaper marketing option, companies have rushed towards an in-house marketing solution without being fully prepared (Bannerflow, 2019).
2.4. Theoretical framework

With the change in buying behaviour from the customers’ side, more of the marketing will be digital (Zahay, Schultz & Kumar, 2015). Just like in traditional marketing, the digital tools should be used to communicate with customers and determining their needs and requests (Durmaz & Efendioglu, 2016). When the customers’ actions change in an online environment, the organisations have to follow. Different changes in customer behaviour demands suitable solutions from the companies’ side, analysis of gathered data is one way marketers can cope with the changed behaviours (Wedel & Kannan, 2016). The digital world has made it possible to do analysis in real-time, an advantage for the marketers who understand the process (Humby et al., 2008). However, a new and simpler set of tools has also facilitated the analysis (Hanssens & Pauwels, 2016), and brought the process in-house in many contexts. The tools are however only a complement to the actual data analysts, whom is of greater importance (Verhoef et al., 2016).

Together with the lack in analytical skills in the modern marketing department, organisations are due to the change in customer behaviour also facing other challenges (Leeflang et al., 2014). New digital marketing strategies and tools like inbound marketing (e.g. search engines or social media platforms), have left marketers with new challenges similar to the ones within analytics (Saura, Palos-Sánchez & Cerdá Suárez, 2017). To successfully be able to benefit from the new strategies and create a successful in-housed marketing department, understanding is vital, and a new set of skills are required (Balaji, Khong & Chong, 2016; Day, 2011). By reviewing the literature, valuable insights in what challenges marketers face today have been made. The challenges marketing departments have been exposed to due to the digitalisation is presented in figure 2.
The identified problems from the literature divided into four main categories will be further explained below. Talent acquisition, which is closely related to the lack of competencies will be treated together.

2.5. Competence in new marketing strategies

A more online reliant customer has forced marketers into adapting more digital strategies. Customers today require more relevant and appealing content, inbound marketing is one-way marketers cope with the change in behaviour. In order to successfully make use of strategies such as social media or search engines, new skills from the marketers is required. (Day, 2011; Leeflang et al., 2014; Peterson et al., 2009)

2.5.1. Talent acquisition

Modern marketing departments affected by the digital revolution have a deficient workforce due to increased complexity. Generically firms do not have the ability to find the desired analytical competences, a gap between available- and required competencies have been identified by various institutions. (Bannerflow, 2019; Association of National Advertisers, 2018; Digital media institute, 2016)
2.6. Online reliance
Consideration has to be taken when being more digitally driven, some segments will still require more traditional marketing efforts. In the search for more digital solutions, the traditional ones must not be forgotten. Understanding how to best satisfy different segments will be vital. (Reinders et al., 2008; Peterson et al., 2009; Curran et al., 2003)

2.7. Customer insights
The escalating use of interactive digital environments and digital tools among customers have provided companies’ touchpoints with abundant data. Companies’ mission is to find suitable and effective processes to extract the desired insights from the touchpoints, to later enhance their marketing efforts. (Davenport, 2006; Havir, 2017; Humby et al., 2008; Lecinski, 2011; Hirschowitz, 2001)

2.8. Online metrics
There is expressed difficulties regarding converting digital measurements into monetary terms. Additionally, there is no common way on how to measure efforts in terms of traditional and digital marketing. This complicates for marketers, how to compare and analyse marketing efforts is not always well understood. How to measure the effect of different efforts is important in order to defend the monetary cost of the efforts. (Davis, 2012; Agarwal et al., 2011; Ghose & Yang, 2009)
3. METHODOLOGY

A summary of the methods used during the study is presented in Table 1, the choices for all decisions are then further explained.

Table 1: Summary of methods

<table>
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3.1. Research purpose

The research purpose of this study is mainly descriptory, previous marketing literature was used to gather information in order to help describe the problem. When conducting a descriptive study, a clear description in the area is required before collecting the data (Saunders, Lewis & Thornhill, 2009). There are two more directions the purpose can be classified as, exploratory and explanatory. The difference between the strategies depend on the object of the study. In an exploratory study, the aim is to put new light onto a specific phenomenon. This kind of research is typically common when background knowledge is scarce due to research in a new field. The explanatory method on the other hand is used to describe how phenomenon occur by explaining the relationships of causes. As the study conducted in this research not only aimed at describing the problem but also to some extent tried to explain the problem, it should be seen as a descripto-explanatory study. According to Saunders et al. (2009), a descripto-explanatory study can be seen as a precursor to explanation.

3.2. Research approach

When conducting a study, it can either be a deductive or an inductive one. In our case, the research approach was a deductive one. When conducting a study of this sort, the research is heavily grounded in theory (Saunders et al., 2009). Existing theory is used to anticipate the result and is tried against it (Saunders et al., 2009). An inductive study on the other hand is about understanding the nature of the problem and formulating the theory. The theory in an inductive study is a result of and follows the data, the opposite of a deductive one. As the aim
of the research was to study the current situation and explain the problems with the modern marketing department, previous literature was used to create a deeper understanding.

The literature review in this study was done by using relevant studies conducted within the area. According to Saunders et al. (2009), a literature study should be conducted to help generate and define the research ideas. Due to the great importance of up-to-date supports for the claims made in this field, recent academic studies were preferred to the extent it was possible. However, with the lack of research in some areas within the field of digitalisation, relevant reports from trade associations were used as a complement. Overall, more recent studies were always preferred due to the drastic and continuous changes in digital marketing.

3.3. Research strategy

There are a few different main research strategies to choose between depending on the kind of study that is conducted. Some strategies are more fit for a deductive study and others for an inductive one (Saunders et al., 2009). All the strategies are however relevant to both exploratory, descriptive and explanatory researches (Yin, 2009). The strategies available to choose between are experiment, survey, case study, action research, grounded theory, ethnography and archival research. In most studies, more than one strategy is preferably used, triangulation is one method widely used (Saunders et al., 2009). However, due to the limited extent of the study, only one strategy was used. The most relevant strategy for this research, case study will be further explained.

3.3.1. Case study

Case study is the strategy used in this research, as a qualitative method was preferred. This kind of strategy is suitable when more in-depth knowledge is required to understand a real-life problem (Riege, 2003). Methods used in a case study can be interviews, observations and analytical documentation. A case study can either be a single case study or a multiple. Single case studies are used when the situation is unique or in an extreme context (Yin, 2009). In this research, multiple cases were studied, the advantage of using multiple cases is the possibility to compare the cases and better generalise the findings (Saunders et al., 2009). This timesaving approach helps with avoiding extraneous variation, establishing a large picture of a complex phenomenon but also enables comparison of different studies between industries, countries or scholars (Stake, 2006).
A case study can either be holistic or embedded, for this study, a holistic was preferred. The holistic approach is used when the case in the analysis is treated as one (Saunders et al., 2009). None of the data collections in each of the cases for this study contained any sub-groups but was treated as a whole. Due to the nature of this study, the focus in the research was a case study. With the scarce knowledge in the area, a more in-depth research strategy was primarily preferred.

3.4. Data collection methods

In a case study, different data collection methods can include interviews, focus groups and observations (Saunders et al., 2009). The main data collection method used in this research was interviews. Primary data was preferred to be able to get more valid results. There are a few different methods interviews can be structured as, for this study, semi-structured interviews were used. Other interview methods are structured and unstructured ones. The advantage of using the semi-structured interviews is the in-depth knowledge that can be gained. The semi-structured method is categorised as freer than a structured, which may lead to a deeper conversation. Even more in-depth knowledge can possibly be gained in an unstructured collection method but might on the other hand not provide all the desired information (Saunders et al., 2009). The unstructured method is often seen as informal and a lot of specific insight might be lost using this method.

For the semi-structured interviews, a pre-constructed interview guide was created. The questions were created with support from the established literature review and theoretical framework. The questions represent the theoretical findings of the literature. Before the interviews, all questions were pilot tested and validated by an expert. The guide made sure all the topics were brought up and discussed during each interview. A total of five interviews were conducted during the study, information about the interviews can be found in table 2 below. A complete guide of the questions used for the interviews can be found in appendix 1. The interviews were later transcribed in full in order to facilitate the analysis.

<table>
<thead>
<tr>
<th>Interview nr.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length (min)</td>
<td>55</td>
<td>47</td>
<td>41</td>
<td>33</td>
<td>34</td>
</tr>
<tr>
<td>Interview method</td>
<td>Face to face</td>
<td>Face to face</td>
<td>Phone</td>
<td>Face to face</td>
<td>Phone</td>
</tr>
</tbody>
</table>
3.5. Sample selection

The sample in the study was due to the research strategy chosen to be a non-probability sampling. When conducting the interviews, it was not possible or relevant for the data collection to be randomly chosen. Instead, the method used to select the samples was mainly cell sampling. When using cell sampling, a set of desired categories are defined in which the respondents can be fitted in. The respondents can however in a cell sampling match more than one category (Robinson, 2014). The categories chosen for the study were insight to the in-house marketing department and company position of the respondent. The categories were chosen in order to collect the most valuable discussion and data from the interviews. The cell sampling would make sure the study got representation from marketers in a wide spectrum of industries. The broad representation would better reflect and help generalise the problem. To make sure we got representation from all the key groups desired, respondents were chosen in discussion with an expert in the field.

For which positions in the company for the respondents were mainly heads of marketing (CMO) or similar preferred, however was also lower positions regarded as insightful as a contrast to the more senior positions. Due to the evolvement of the study, with insight towards the sales force, also a more sales-oriented respondent was interviewed. Information about the cases can be found in table 3.

| Table 3: Information about the cases interviewed |

<table>
<thead>
<tr>
<th>Interview nr.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role</td>
<td>CMO</td>
<td>CMO</td>
<td>CMO</td>
<td>Marketing manager</td>
<td>Sales manager</td>
</tr>
<tr>
<td>Turnover (billion SEK)</td>
<td>0-5</td>
<td>0-5</td>
<td>10+</td>
<td>10+</td>
<td>5-10</td>
</tr>
</tbody>
</table>

3.6. Analysis method

Analysing a qualitative conducted research will always be questioned of its validity due to the great amount of human interaction (Miles, 1979). Being objective may be vital in order to find valuable results. There are mainly three methods used when analysing a qualitative research; summarising of meanings, categorising of meanings and structuring of meanings using narrative (Saunders et al., 2009). Due to the design of the framework, the categorising of
meanings method was most suitable. Categories were inspired from and created with help from the framework. Categorising of meanings is used to be able to find relationships between concepts and produce well-grounded conclusions (Saunders et al., 2009).

When conducting the analysis, the fully transcribed interviews from the data collection were thoroughly gone through. The answers could then be divided into the earlier chosen categories. With the findings divided in the right category, relationships between all the respondents’ data and further categorising could be made. With the insight from all the respondents could relevant findings be made and presented.

3.7. Credibility

3.7.1. Validity

A case study is generally perceived as being more subjective than qualitative research methodologies because researchers usually have close and direct personal contact with organisations and people examined. Hence, researchers need to make efforts to refrain from subjective judgements during the periods of research design and data collection to enhance validity (Riege, 2003). In order to reflect the real-world phenomenon in the best possible way, some actions were taken during the research. Since the problem within marketing and digitalisation is a modern trend, recent information and data was needed in order for the results to be more relevant. The literature study conducted constantly strived to make use of the most recent studies and findings available. However, since academic research not always were up to date, the study also relied on research from trade associations. The less objective studies from trade organisations could question the validity of the study, they were however carefully evaluated and benchmarked to academic findings. Together could the more proven academic findings and more up to date reports supply a proper picture of the problems within a modern marketing department. The validity of the research could also be questioned from especially one aspect, the literature study relies to a large extent on findings from a B2C-context. The findings from the study were however mainly from a business aspect, where conclusions have been made using data from the different settings, the results might not be applicable to a real-world setting. In order to validate the findings, the case company contributed with insightful information.
3.7.2. Reliability

Before the interviews were conducted, the questions from the interview guide (*appendix 1*) were pilot tested with an expert in the field. This made sure the questions were relevant and would be interpreted correctly by the respondents. During all the interviews, the same questions were used, this would make sure the study kept high quality and minimised the influence of the researcher during the interview. The reliability during the interviews was also increased by the fact they were recorded and transcribed in fully. This would eliminate any incorrect interpretations or misunderstandings due to mishearing. When analysing the data from the interviews, objectivity was key. With no personal evaluations from the researchers, the findings just depend on the attribute of their company and position. The study has also been peer-reviewed a several times during the research in order to keep a more relevant aspect of the problem and increase the reliability.

3.8. Ethical considerations

The interviews during the data collection were all kept confidential in order to foster a more open mindset. Some respondents showed an interest in their anonymity and were promised that no connection between the respondent and the answers would be possible. This would ensure the respondents to answer the questions without hesitation or making adjustments.
4. RESULTS AND ANALYSIS

To address the research questions, the insights from the data collection has been divided into the main problems identified during the review of the literature. The challenges and insights found in each problem are presented separately in order to address the main problem. Initially are however the results regarding the in-house marketing trend addressed.

4.1. Confirmation of the in-house trend

Since research in the area of the in-house marketing trend has been lacking, this study has instead been relying on reports from trade associations. Both Bannerflow (2019) and Association of National Advertisers (2016) have stated, several companies already have moved their marketing department partly or fully in-house as a result of the digitalisation. The studies showed that the top three reasons to move the marketing department in-house are reduced costs, greater agility and increased transparency (Bannerflow, 2019). The data collection has confirmed this with all the respondents having an in-housed marketing department. The main advantage has shown to be the greater agility in their marketing efforts. The reason for this is the shift towards shorter production cycles. Interviewee 2 highlighted the importance in quickly being able to change and update the marketing efforts as the process goes on. Also interviewee 3 and 4 agrees to this, when a process more adaptable to external changes is needed, an in-house marketing department is preferred. If the entire marketing process is kept within the same organisation, a faster and more agile process becomes available. This goes in line with the findings of Association of National Advertisers (2016), that argues speed to the market has become an important factor which marketing agencies cannot provide to the same extent.

For the question regarding which marketing efforts still being done by external parties, were the results dependent on the structure and culture of the companies. All the respondents stated that they still use external marketing agencies as a complement. Especially interviewee 4 stated that a lot of the marketing effort was made by external agencies. Within larger cooperation with a big marketing budget such as the interviewee’s, more power when negotiating with external agencies will benefit the own organisation. In the case of a smaller company, interviewee 1 explained money could be saved by doing the marketing in-house. Interviewee 4 also states that their marketing department is moving more and more in-house. Regarding more specific competencies that today are outsourced to be brought in-house in the future is highly possible.
When trying to bring the marketing department in-house, many companies do not possess or understand the skills needed in the department (Hartman et al., 2017). In the case of interviewee 1, this was the main reason for the outsourcing of certain marketing efforts, some are still outsourced due to the lack of internal competence. In general, the more basic competencies are often more established in the in-house marketing department and the more specific competencies often lacking. When not having these in-house, companies often fall back into old habits and outsource these efforts. On the other hand, both interviewee 2 and 3 highlighted the advantage of using external parties. Marketing agencies can be used to accelerate a process or set a strategy, with the possibility to put more pressure on the external agency, as mentioned by interviewee 3. The importance of using an external party to kick-start a process was mentioned by interviewee 1, 2 and 3. Interviewee 2 and 3 showed an advantage in setting up part of the processes with the help from external agencies but still handle the actual optimisation internally.

A big disadvantage of using agencies was stated by interviewee 4 as the transparency. The external agencies could prioritise their own agenda, before acting in the client’s best interest (Association of National Advertisers, 2016). To know what to expect and demand from the agency is vital, as stated by interviewee 1, 2, 3 and 4. Not being able to establish a requirement specification on outsourced jobs, it is impossible to convey the interests to the agencies. Interviewee 4 means that just like with the internal processes, a certain level of expertise is still required when outsourcing, in order to be able to challenge the external party to get the best results possible.

### 4.2. Competencies in online targeting

The importance to make use of customer data and inbound marketing strategies shown in the literature (Patrutiu-Baltes, 2016; Wedel & Kannan, 2016) can be confirmed by all the respondents in the study. Interviewee 1 and 4 have been moving from a more traditional marketing setting, in contrast to the other more digital oriented. The processes that have recently been moving into the own marketing department are content creation and search engine optimisation. “The strategies within social media are acting closer to the customer and is focusing on brand awareness” - interviewee 4. The advantage of inbound marketing strategies is by interviewee 1 shown to be the agility and rapid action towards the customer. “When we use digital marketing strategies, we can review the given effect instantly” - Interviewee 1. The importance of instantly being able to review and evaluate the marketing efforts in order to
allocate the resources correctly goes in line with the findings of Kumar et al. (2017). The importance of creating high relevant content (Pulizzi, 2012) was confirmed by interviewee 2; “The advantage when creating the content for a specific segment is that when it reaches the target, it will feel more relevant and authentic”.

Additional marketing efforts that were highlighted as vital by all the respondents was the importance of data analysis. Even if the awareness is widely spread among the respondents, they still express a lack of confidence and competence regarding the analysis of data. All modern companies will benefit from analysing data, to what extent depends on the marketing model (Xu et al., 2016). For respondents 2, 3 and 5, the main issue has shown to be the ability to use the analysis to make qualified decisions. Verhoef et al. (2016) argue that the tools only act as a complement in the process, the actual competence in analytics is of greater importance. Interviewee 3 agrees with the advantage of being able to provide the entire marketing department with valuable insights from the efforts. In order to make better analyses, the respondents expressed a need for more skilled competencies in the area of data analysis. To express the loss in effectivity, interviewee 5 expressed; “It has been like, we try this color and this shape, buy some media in TV and see if it works”.

“In order to make the process more effective, evaluations and proactive analysis must be included” - interviewee 2. Inbound strategies can be used to effectively create more qualified leads (Bizible, n.d.). This is the case of all the respondents, the digital efforts are used in order to generate more qualified and accurate leads. Interviewee 2 suggests that the leads journey should be more integrated all along the way in order to work properly. You need to have a clear view of the customers behaviour, from the first touchpoints enticing the customer to the one which finalised the sale. Interviewee 3 agrees and adds that everyone has to work using the same methods and understand the entire customer cycle.

“A marketing department can never slow down regarding new competencies, and what is seen as vital today may change until next year, the competencies needed is continuously evolving and changing” - Interviewee 2
4.2.1. Talent acquisition

The difficulties in possessing desired competencies in order to cope with the increased marketing capability gap has been highlighted throughout the literature (e.g. Lemon & Verhoef, 2013; Digital marketing institute, 2016; Day, 2011), this development correlates with all the respondents in the study. Interviewee 3 added insightful aspects to take in consideration regarding these problems; “The competencies we require can usually be matched to more senior positions. This means in some cases we can’t afford the talent, or it gets snatched by a more affluent consulting firm”. Interviewee 5 are handling the same problem in a different manner, by implementing internal education and through this, the respondent feels they can develop a more loyal and skilled talent for a lower cost. This is aligned with the findings of Chaffey & Patron (2012), more money and time were invested in various tools or analytics, rather than humanitarian resources. Respondent 1, 2 and 4, on the other hand, are relying on external recruitment help from specialised consulting firms to find desired competencies. The difficulty in order to recruit competent talent is something respondent 3 and 4 are pointing out. They mean today's digital marketer has a greater amplitude than ever before.

A digital marketer need to possess analytical skills to understand the outcome of the marketing as well as an artistic mindset to create appealing content. The difficulty in finding these resources is something Lemon & Verhoef (2013) also points out, by stating that employees with excellent quantitative and analytical skills often lack a strong background in marketing, which can result in problems with the interface between marketing and analytics. The lack of knowledge within digital marketing is highlighted throughout the survey from Digital marketing institute (2016) as well, where only 8% of the participants achieved an entry level knowledge in digital marketing.

4.3. Online reliance

A downside of being more digitally oriented is the risk of losing more traditional customers (Reinders et al., 2008; Leeflang et al., 2014). The reviewed literature mostly covers the B2C-aspect of the problem, with older customers’ lack of understanding in digital platforms. Interviewee 1 highlights the issue in being up-to date in the digital world, but still being relevant to an older segment. Being digital oriented is not a requirement, every company is unique which means future actions need to reflect the company’s id. This is confirmed by interviewee 4; “I would say that traditional methods are a decreasing trend, but it depends on what your company is selling”.

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Interviewee 4 argues there is no distinct difference between traditional and digital methods today. Methods that can be seen as traditional has with the help of technology become more digital. The advantage of digital methods is the ability to quickly take action depending on the reach of the efforts. Interviewee 4 states that more traditional methods still play an important part in the organisation. The most vital consideration to take is finding a suitable platform where the targeted segment is active and make use of this (Reinders et al., 2008).

From the respondents in a B2B-setting, the use of traditional methods, despite how digitally adapted the organisation is, have shown to be of great importance. “B2B is 15 years behind B2C in terms of e-commerce” - Interviewee 3. The respondent expressed that the customers in a business setting are not as ready for an all-digital sales setting. Interviewee 3 shows a downwarding trend in traditional methods like trade shows and event; “The desire to attend events is being expressed by the sales force, but how or if the effort is effective or not is rather unclear”. Peterson et al. (2009) show the importance of having a detailed understanding of each customer segment and to develop the model thereafter. Even if more marketing is becoming digital, in many contexts, a physical meeting is still required. The goal expressed from interviewee 3 is to push the customers further down the sales funnel and earlier provide information using digital platforms. The importance of relationships with the customers is highlighted by interviewee 1, 2, 3 and 5. Especially when a service is provided in a B2B-setting, is a well-integrated sales department of great importance.

Interviewee 3 believes the best practice right now is to have an integrated sales force which takes care of the leads generated by the marketing department; “In the end of a sales process, some sort of human interaction will be required”. The gap between the departments must be closed and everyone has to work in using the same tools. Interviewee 1 agrees that the traditional sales department will decrease in favour of the marketing department; “When the customers make contact later on in their sales funnel, the current sales department become less cost effective”. The finding can be confirmed by Adamson et al. (2012) and Lecinski (2011) that argues a majority of the buying process is completed before engaging with a company. For established companies to make adjustments between the sales and marketing efforts have shown difficult, “If a sales person is added, the increase in sales can be directly visible, for the marketing efforts to relate to the result is harder to understand” - Interviewee 2. The entire
Chain in the sales process has to be evaluated, instead of just the sales person. The importance of measuring the efficiency of the leads is by interviewee 2 stated as being of great importance.

Interviewee 5 argues the need for a sales force in close contact with the marketing department is the complexity of the product or services provided. Interviewee 4 agrees and add that it is a huge difference between a B2B- and B2C-context; “The sales process for the B2B segment is quite integrated with a flow from marketing automation, down with leads to the sales force”. Interviewee 5 also adds that for the process to work properly, it has to be backtracked as well; “If you are going to build a precise model, the ones working with the program constantly have to interact with the sales force in order to see what works and not”. Interviewee 5 also highlights the advantage with a well-established sales force in the sales process, the sales force is used as a complement to the digital efforts; “The sales force always tries to present something to the customer they had no idea we could offer them”. This way the sales force can keep up the relevance towards the customer; “9 out of 10 customers is positive to have a sales meeting with us”. Interviewee 5 also expresses the importance of being able to follow up on the sales efforts and learn from the actions.

4.4. Customer insights

The escalating use of interactive digital environments, and digital tools among customers have provided companies touchpoints with abundant data. Companies mission is to find suitable and effective processes to extract the desired insights from these touchpoints, to later enhance their marketing efforts. The literature shows this could be done differently depending on channels used (Edelman & Singer, 2015; Meyer & Schwager, 2007; Havir, 2017). This is aligned with the development interviewee 1 has identified through the evolution of digitalisation. Traditionally their primary focus were on analysing customers after a purchase was made, but due to the increased number of touchpoints today have the respondent become more proactive in their analysis. Interviewee 1 believes by extracting and analysing the data from each and every one of their touchpoints, they can create a justified picture of the customer, even if a purchase has not been made.

The interviews showed that there is no collective method in order to gain this customer insight, traditionally nor digitally and the literature reflect this as well. There is an extensively amount of literature treating the benefits of gaining customer insight, but no direct research of how to best practice it (Wills & Webb, 2007; Langford & Schulz, 2006; Hirschowitz, 2001). After all,
common denominators have been identified, interviewee 1, 2 and 5 are using supporting tools to identify behavioural patterns of consumers throughout their website. The intention with the supporting tools is to identify the customer's digital footprint throughout their website visit. This will provide them with information regarding the customers movements in the digital store. The respondent can later use this information to optimise and differentiate the website layout.

Respondent 5 on other hand is utilising personalised profiles connected to their web shop in order to establish insight, this helps them store valuable historic information which they later can use during the segmentation process or in the content creation. Respondent 1, 2 and 4 do not possess this ability, instead they have developed an integrated marketing platform. The respondent’s intention with this platform is to identify which touch-points brought the customer to their website and for how long they stayed. When knowing customers origin, companies can identify what content brought them to the website and therefore create a qualified idea about their preferences (Peterson et al., 2009). The importance and benefits of interconnecting touchpoints like this to create a storage of information about your customer is something Humby et al. (2008) shows in their research. Interviewee 3, on the other hand, are primary using traditional methods in order to establish an understanding of their customers (Hirschowitz, 2001, Edelman & Singer, 2015; Meyer & Schwager, 2007; Havir, 2017). Interviewee 3 further stated this is done through trade shows and private network meetings. Respondent 3 also pointed out they have identified a value in using digital efforts, but processes of doing so have not been established yet.

The data collection also showed that interviewees 1 and 3 outsourced their AdWords management. A contradictory move according to the theory if deeper knowledge of your customer wants to be established (Lecinski, 2011). Customers today are completing a majority of their buying process before even engaging a company (Adamson et al., 2012; Lecinski, 2011). Further studies within search engines also shows 93% of all online experiences originate from a search engine (Ranga & Ranga, 2014). Lecinski (2011) also highlight that companies need to understand in detail how consumers tend to behave when searching for information on the web in order to entice and capture new or existing customers, if not they could be left out of the buying process entirely. Even if the interviewees felt they received a kick-start from outsourcing this process, it could be questioned whether knowledge about customer search behaviour have been established or not.
4.5. Online metrics

The literature highlights the importance of measuring marketing efforts in order to identify profitable channels and campaigns (Davies, 2017; Leeflang et al., 2014). Peterson et al. (2009) on other hand states you need to add a holistic approach to all your channels; this will provide an understanding about how sales and services are generated throughout the customer journey. Such a holistic approach (e.g marketing platform) have according to interviewee 1, 2 and 4 been established recently. Interviewee 1 further explained the marketing platform provide them with a 360-degree view of their activated marketing channels which have simplified the way they measure marketing investments. This have resulted in “more bang for their marketing buck” – interviewee 1. Mutual among respondent 1, 2 and 5 is that they are relatively small companies or have been established in the digital era. “*If you are born digital you don't even consider traditional marketing, you rather start with digital*” - Interviewee 2.

Interviewees 3 and 4, which are either established before the digital era or consider to be a large corporate utilises both traditional and digital marketing to a greater extent. They also showed difficulties in finding a common currency between the traditional and digital marketing efforts, just as Leeflang et al. (2014) described in their study. Interviewee 3 pinpointed the problem by stating; “The problem with our marketing efforts is that we don’t have a clue of the correlation between leads finding our website and the actual cause behind the closed transaction. Especially when we are looking closely between traditional and digital marketing efforts. A salesperson could for instance argue he closed the sale due to a fantastic sales performance, but as a matter of fact it was an informative video at our website that brought the customer to the decisions to buy from us” - interviewee 3. The respondents further argued this makes it nearly impossible for them as an organisation to identify which channel contributed to the finalised sale. Interviewee 3 continued reasoning about this problem and came with an insightful conclusion. A better integration between sales and the marketing department would reduce or even eliminate the internal resistance. It would also make the salesperson more effective by providing them with more qualified leads.

Interviewee 4 on other hand, have accepted the difficulty to compare inbound- and traditional outbound marketing efforts. Instead they have established different purposes within their different channels. Interviewee 4 further explained, their outbound marketing is primarily utilised to increase brand awareness, while the inbound are rather used to stimulate direct sales. Even if the literature is highlighting that outbound strategies have lost some of its effects...
(Vernuccio & Ceccotti, 2015), it is nothing the respondent have identified. “We can see a difference in traffic to our website between the weeks we are doing television advertisement and not.” - interviewee 4. The decision of dividing their marketing efforts into two different purposes, clarified the respondent by stating it is easier to measure and optimise the outcome from purely digital efforts, which is aligned with the answers from interviewee 1.

The only recurrent way to measure marketing efforts among the respondents were to review the "conversion rate". The conversion rate illustrates the percentage of visits that resulted in a transaction. However, this measurement does not identify the underlying cause of why the actual customer bought from you, which then creates difficulties for the companies to actually measure and compare their different marketing channels (Davis, 2012). Although, both a vast majority of the respondents and the literature are showing inbound marketing have had a predominant effect on the marketing budget, it is remarkable how the conversion rate is the only common measurement used by the respondents, especially when the spectra of analysis opportunities is wider and more diverged than in traditional marketing (Patrutiu-Baltes, 2016; Hallingan & Shah, 2009; Davies, 2017).
5. CONCLUSIONS

5.1. Research question 1

What competencies are vital for a modern marketing department?

The results of this study as well as reviewing the literature highlights the advantages and importance of an in-house marketing department in order to cope with the changes in the digital era (Bannerflow, 2019, Association of National Advertisers, 2018). Even though most companies strive to keep the marketing efforts inside their own organisation, many processes will still benefit from being outsourced. When outsourcing, it has shown vital for the marketer to be a good client and know what to demand and expect from the agency. A modern marketer has to possess a broad understanding in different areas. When the efforts have become more digital, it is shown that an understanding of analytics but also a creative mindset is required. Even though developing certain skills internally should be prioritised (Leeflang et al., 2014), the efforts outsourced still have to be understood and evaluated. Only then can the marketing efforts be sure to benefit the marketing strategy and counteract the transparency from external agencies.

Even if the expressed lack of competence has shown to be in data analysis, in the use of certain tools or methods, the underlying problem is a lack in understanding of how to use the data effectively. Without the valuable insights into the customer journey, sales could be lost without being noticed. A broad understanding of how to evaluate the customer segment is a necessity in order to compete on the market. The use of data in order to create valuable insights should be used to create relevant content for the target segment. Competencies in creating and distribute content relevant for the customer has shown to be of great importance. Regarding the operative methods used and the constant change of the industry, the marketing department can never slow down in terms of new competencies.

In contrast, the search for a more digital marketing model has made many companies face the problem with becoming too depending on data and hard numbers. With the focus entirely on data, certain customers might be left out of the process. This was shown to especially be true in a business context, many customers still expect more traditional methods. In order to stay relevant for the customers, the digitalisation has to evolve at the same speed as the customers.
Key findings from the research include how to behave when outsourcing and the importance of understanding the data rather than just focus on the analytical competences.

5.2. Research question 2

Which processes are required in order to understand the more digital customer?

The importance of developing processes to generate customer insights has been highlighted throughout the literature as well as the empirical data (Davenport, 2006; Havir, 2017). Comparing the empirical data with the frame of reference, some similarities were found as well as some new insights regarding how companies should work in order to establish knowledge about their customers. Previous research has been highlighting the internet as an information- and proactive analyse source (Humby et al., 2008; Meyer & Schwager, 2007; Lecinski, 2011). Its extensiveness and importance as an information provider is something that has been proven in this research as well. How companies later extract customer knowledge and progresses their marketing work differs. As the literature pointed to, companies’ marketing capabilities are considered to be a unique set of skills created through the companies’ specific competitive market, past commitments and anticipated requirements (Day, 1994). Therefore, it has been difficult to establish a universal gathering-process, which could be applicable throughout different industries.

The first key finding within processes is to possess a holistic view of your communication channels. This importance has been highlighted throughout the literature as well (Peterson et al., 2009). When the number of channels has drastically increased due to customers disrupted behaviours, obtaining a holistic view has become more important. Whether the holistic approach is established through a marketing platform or a customised information-engine such as interviewee 5’s is irrelevant. What has been identified throughout the literature and the respondents is the absence of a universal tool or method to generate customer insight. The essential is rather to be able to manage multiple information sources cost-efficient with a high level of control. By being able to develop a collective picture of a large number of channels, companies will receive a deeper and neutral knowledge about their potential customer and their behaviour. It also creates an overview of which channels are profitable and what content entice the customers, this will simplify organisations’ marketing optimisation.

An additional key finding within the research is the internal resistance towards the digital transmission. The in-house marketing department is now able to generate qualified leads to the
sales force through data from the digital touchpoints. The salesforce has then later demonstrated difficulties in being transparent in return, either they selfishly claim the sales or they complicate the process to trace whom or what closed the sale. If the marketing department cannot prove to generate profits for the organisation, the in-house development could be ceased. So, because of a self-centred salesforce, the company can miss out on the benefits an in-house marketing department generates. The key finding and counteract to this resistance is to make sales and marketing operate as one unit, with unified goals are they forced to set their own interest aside.

5.3. Theoretical contribution

This research has added new insights and confirmations to the emerging discussion about companies securing control of their marketing departments. It has primarily been noticed by trade associations or different stakeholders capitalising on this movement (e.g. Bannerflow, 2018; Association of National Advertisers, 2018; Digital media institute, 2016). Therefore, it was of academic value to develop independent research about this movement. The actual movements of companies’ marketing departments have been confirmed, and behavioural variations among the sample selection were identified by the researchers. The in-house movement is an important factor that adds to the existing literature about digital marketing and marketing as a whole. Since this has been one of the first observations on how a proprietary marketing department affects the way organisations now operating their marketing, the theoretical contribution is of importance and has brought a new dimension on how marketing could be studied in the future.

This study also contributes to existing theory by highlighting the findings regarding an integrated sales force and marketing department. Findings have shown a shift in the relationship between the two departments is changing. Previous literature has shown to be scarce, just by pointing to the problem can be seen as valuable. This finding has however only been covered through a marketing aspect since the sales perspective have not been concluded in this research.

5.4. Practical implications

The struggle with understanding the processes needed in a modern marketing department has been highlighted throughout the study (e.g. Leeflang et al., 2014; Bannerflow, 2019; Association of National Advertisers, 2018). With more insight into the problem, a deeper understanding for marketers in different areas can be gained. The findings highlight the need for understanding the customer data and to take action on it. Furthermore, the findings showed,
in contrast to the research by trade associations that not all marketing processes will benefit from being outsourced. Key findings show companies advantage with an in-house marketing department, but that some processes still benefit from being outsourced. Efforts into competencies regarding understanding the processes will have beneficial effects on the company's overall result.

5.5. Limitations and suggestions for further research

Due to the complexity of the subject researched, some aspects of the problem have been overlooked. A deep insight into tools and methods used during the marketing processes is for instance one aspect overlooked by the researchers. With a large number of tools available and the fast-changing market, the aim was to focus on the underlying problems. By doing this, more relevant results could be accomplished. Further research could include benefits with using different tools and methods and their practical relevance.

Also, even if the literature research is targeting the B2C-aspect of the problem to a large extent, the findings from the study more rely on the B2B-setting. The reason is the lack of valuable findings from pure customer-oriented companies during the data collection. The respondents in both B2B and B2C settings tended to address the business context to a larger extent. With more traditional marketing towards business customers and with the scarce amount of previous research, the findings in this area can still be seen as insightful. Additional suggestions for further research would be to more extensively cover the B2C market and how it has been affected by the introduction of inbound marketing. During our research companies within a B2B market mainly argued for a mix of inbound and outbound, due to the importance of personal contact. When personal contact has become less prioritised throughout private consumers, how has B2C-companies’ focus on marketing changed?
6. REFERENCES


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APPENDIX 1 – INTERVIEW GUIDE

Introductory questions
What does the organisation do?
What is your role within the organisation?
What is the geographical area served?
What is the main target audience (type of customer)?
Who is the primary customer? Business or private?

General regarding digital marketing
Do you undertake your digital marketing in-house or do you employ an agency to do these tasks for you or both? For which tasks? What advantages do you see with in-house marketing?

What methods of digital marketing does your organisation primary utilise?
(search engine (organic/paid), inbound- vs outbound strategies, storytelling, what kind of data are they using)

What traditional (offline) methods does your organisation primary utilise?
(Pushing a valuable message or pulling customers? Direct, tv, etc.)

Do you utilise digital and traditional marketing with the same intentions? (segmentation, ROI-demand, budget etc.) How are you selecting marketing channels for a new product or service? On what grounds? Past experience? On your competences available?

What are the main priorities as a business in terms of digital/traditional marketing, what is your strategy with these?
- Now?
- Next year?
- Next five years?

Structure
How is the marketing department structured?

How many employees does the marketing department consist of?
Are there any specifically defined roles of the employees, which ones?

Do you think you and your team are well equipped (possess the right competencies) for your daily work and future trends?

Are there any tasks of the marketing department that have been suffering from not having the right skills in the team?

If the marketing department could be structured from scratch, without any limitations, what would it look like?

Questions regarding talent/competencies
What would you identify as the key competencies/skills of your current staff in digital marketing and how would you like to develop these?

What competencies do you think could help your digital marketing (not currently in your organisation), or be requested in the future?

When hiring new workforce, is there a gap between required competence and accessible competence available on the market? General difference or just temporary.

**Analysing**
Do you find it convenient to analyse your digital marketing efforts?

How do you estimate the ROI of your digital marketing tools? If not, how will you advocate a specific method? Or, why are you using your specific digital tools? (firms are having a hard time finding a common language, how have you solved this?)

What’s your primary data-source in order to understand your digital customer? How do you extract this type of data?
What do you consider to be the organisation's most “profitable” or “reliable” tool to drive your financials, in today’s digital era?