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# What Dangers Are Lurking in Your Tech Stack?

The Costs, Inefficiencies, and Risks Hiding in the Shadows of Your Tech Stack

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# Introduction

For marketers, technology has become the purpose, not the means. We need to reverse that.

Many of us say we *have* tech stacks, but instead, we have become *consumed by them*. We have moved away from a focus on the human elements of marketing – the strategy, the content, and the creative elements – to instead tend to the machines: the tools, the platforms, the software, the widgets. Why? It's the ongoing search to assemble the magical tech stack that will help us get ahead of the competition.

Some marketers wear a complex, towering tech stack as a badge of honor. A giant stack is nothing to be proud of, though. In fact, it's inefficient, expensive, and introduces immense organizational risk.

In this whitepaper, we'll get into why you should use caution when constructing your tech stack. We'll also propose some ways to avoid the common mistakes today's marketing leaders make when it comes to technology.

# The Downside
# of a Giant Tech Stack

Before we get into the risks related to overgrown tech stacks, let's first take a look at what they are and how they came to be.

Over the past two decades, the influx of consumer data created the need for marketers to become more data-driven in their strategies and tactics. The problem was that over time, "more data" turned into "too much data." Marketers had more work than ever before and they turned to technology to help them get it done. To meet the demand from marketers, almost 5,000 companies offered marketing technology of some kind in 2017. It's a brisk business for a few reasons:

‣ **On average, marketers use between 6 and 10 different tools to manage campaigns and data.**

‣ **In 2017, 80% of marketing execs added between 1 and 5 new technologies.**

‣ **Nearly 60% of marketing budgets go to integrating, maintaining, and managing various technology tools.**

So what does all of this new technology mean for marketers?

On the plus side, it certainly provides several options to choose from. This means that finding the right tech for every specific need is not only possible, but often pretty easy to do. However, the challenge comes in determining how much tech is too much tech. And that challenge can lead to a lot of pains for the marketing org.

## Inefficiency

As we introduce more technology to our marketing organizations, we also introduce the need to manage it all. This has shifted the role of many marketers from creator and strategist to tech integration manager and data facilitator. Not only is this a frustrating and demotivating shift for many marketers away from what they envisioned for their careers, it is also inefficient and steals away time and energy that should be applied to creating content that actually converts customers.

The result? Marketers are losing more and more time every month, every year:

▸ 82% of sales and marketing professionals lose up to an hour a day switching between marketing tools.

▸ 75% of mid-level marketers spend an hour a day analyzing data from different technologies.

Think about it. How many platforms do you have to be fluent in to do your job? How many sales and analytics programs are you currently working in?

An average enterprise company uses 57 file-sharing services, and unless every employee is properly trained for each application, perhaps even certified, there will be serious barriers that prevent your staff from collaborating with each other effectively.

## Expensive

Additionally, the costs of all those niche tools and point solutions add up. While each piece may be affordable on its own, when the total running cost of a tech stack is calculated, it is often far more than marketing leaders would imagine. Here's the reality:

▸ 68% of marketing leaders will allocate bigger budgets for marketing this year.

▸ 59% of marketing leaders use 2 to 5 dashboards and reporting programs to gauge marketing performance.

▸ 70% of marketers believe the marketing tools they have to use include some redundancies, which is another needless cost.

▸ According to a recent EMC study, data loss, downtime and other inefficiencies cost a total of $1.7 trillion each year.

## Organizational Risk

Lastly, and perhaps most importantly in our time of data breaches and hacks, is something many marketing leaders don't often consider: the risk these tech stacks introduce to the business. As new technology is brought in by the marketing team, it's not always vetted by IT. Nor are the methods used to integrate it or the various data management systems and processes behind it all. This is Shadow IT, and it breeds vulnerability and risk for the organization.

# 6-10
## different tools

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# 80%

80% of marketing execs added between 1 and 5 new technologies in 2017.

# 60%

Nearly 60% of marketing budgets go to integrating, maintaining, and managing various technology tools.

# What Is Shadow IT and Why Should You Care?

Shadow IT is a term used to describe technology systems and solutions built and used inside organizations without explicit organizational approval.

This may sound complex, but it includes any and all software, tools, widgets, or tech that is brought into the organization without being vetted by IT.

Consider the possible ramifications your company could face if your data is breached or destroyed. Loss of revenue, even if it's short-term, is second in severity only to the damage to your brand's reputation. Having to pay for (and go through the grueling experience of) a thorough system audit is another possibility as well as then having to invest in a higher grade of security.

Shadow IT is already a critical problem that will continue to get worse:

- **Over 80% of retailers believe they are vulnerable to cyberattacks.**

- **65% of IT professionals say Shadow IT compromises cloud security.**

- **According to Gartner, by 2020, one-third of successful cyberattacks against enterprises will be achieved through Shadow IT applications.**

- **On average, a data breach costs a typical enterprise around $3.8 million.**

- **By 2021, damage from cyberattacks will cost $6 trillion annually.**

- **38% of companies around the globe claim they have processes in place to mitigate a serious cyberattack.**

Add to this that CIOs are often not included in officially approved software decisions. In a recent survey of CIOs globally, 90% say they are bypassed some of the time and 31% report being bypassed routinely. That is a trend that jeopardizes your company in ways you might not be aware of.

And the vast majority of organizations have it. In fact, on average, large enterprises use over 1,200 cloud services — and over 98% of them are Shadow IT.

And most of our CIOs, while they may not be aware of what tech we're installing behind their backs, know we're doing it.

## More Widespread than Decision Makers Think

You might think that if no one's talking about Shadow IT in your company, then you don't have a problem. But that's a very dangerous way to evaluate such a potentially devastating situation, especially when you consider these data points. While you and your team may not be aware of the term "Shadow IT", the stats below show that it's highly likely that it's happening in your organization:

- 67% of IT professionals think that Shadow IT exists within their companies.
- Shadow IT can account for 30% to 40% of what large enterprises spend on IT.
- 80% of employees admit to using unvetted software at work.
- 83% of IT staff admit to using unsanctioned software.
- Only 8% of enterprises say they understand just how much Shadow IT is being used within their company.
- Shadow IT cloud programs are 10 times more likely to be used within a company than the number of approved cloud apps.
- In a Cisco survey, CIOs, on average, who thought they had 51 cloud apps and services being used within their companies, were surprised to find that the actual number was 730.

## The Most Prevalent Kinds of Shadow IT

Tech stacks in and of themselves are not bad. They're necessary to process all that customer data so you can personalize the interaction between your brand and your audience. The problem is when they get too big and include unauthorized apps that open your company up to liabilities. And we're not talking about one-off programs that no one's ever heard of.

You've probably run across at least one or two of the following common ways that Shadow IT can show up in your company:

- Productivity and scheduling apps, like Trello, Slack, and Asana
- Messaging apps, like Snapchat and WhatsApp
- Physical devices, such as flash drives and other external hard drives
- Cloud storage, like Dropbox and Google Drive
- Communication apps, like Skype

These are very common programs that many of us use every day. They aren't "bad" tools. In fact, they are typically quite safe and secure

and favorites among many marketers. But remember that even widely recognized software and platforms like Salesforce, Amazon Web Services, or Rackspace can be Shadow IT. The problem does not lie in the tech itself, but instead in how unaware IT is of them. If they don't know that these or any other tech is being introduced to the organization, they can't manage or monitor it for potential risks.

## The Cloud Is Not Helping

As wonderful and accessible as distributed data storage has become, the easy-to-access, easy-to-install cloud and mobile technologies exacerbate the Shadow IT dilemma exactly because of how easy it is to get the software. All you need is a laptop or a phone and a browser.

To address the temptation to circumvent proper channels, IT must think more about integrating marketing SaaS and less about simply saying no because the proposed software doesn't meet a particular IT policy, a policy that may be out of date. Simply blocking access to Shadow IT through the company firewall will only lead to more marketers seeking necessary software on their own and then become even more covert about what tools they use to get the job done.

# So, What SHOULD Marketers Do?

Consolidate your tech stack by choosing a fully integrated unified marketing platform.

We need technology, but we don't need myriad different — often redundant — tools that devour our time, cost more than the results we're getting from them, and prevent us from delivering the truly personalized interactions our customers expect.

So how should you go about finding the tech solution that best fits the marketing goals of your company?

### Step One: What Do You Want to Accomplish?

The first thing to do is understand the goals your marketing team wants to achieve. Whether it's to drive engagement, retain existing customers, or find untapped sources of revenue with things like abandoned cart campaigns, you must establish a strategy for each goal and then look for the tech that will best help you get there. All too often marketers get their hands on the tech and then map goals to each tool. That's how you end up with a massive tech stack that overlaps in features and cripples your efficiency.

### Step Two: Self-Audit Your Stack

Rather than contract a third party to tell you what they think about your stack, evaluate your own stack first by asking these questions:

- Are you effectively executing an omnichannel marketing strategy? How many tools does it take?

- How much time are you spending managing your technology?

- How much money are you spending on your entire tech stack?

- Are members of your team spending their time managing technology? Or are they leveraging tools to be more strategic, creative marketers?

- Where is your team growing in effectiveness? Are you getting better at making your technology work together? Better at integrating it all? Or are you putting your technology to work for YOU so you can focus more on strategy, on content, and on creative work?

## Step Three: Seek Out the Right Marketing Platform Partner

Here's where the hard work of research comes in, but if you go in already knowing your goals and the tools your marketers need most to achieve them, you will be able to cross off many vendors from your list early on. Above all, you should look for a unified marketing platform vendor that:

▸ Provides a centralized customer data platform that will consolidate and unify your customer data scattered across a range of sources.

▸ Gives you a single unified view of each customer so that you can properly segment and personalize interactions.

▸ Allows you to create, execute, and measure an omnichannel marketing strategy all from within the platform.

▸ Is developed internally by the vendor, not grown through a series of tech acquisitions. These "acquired clouds" deliver the same headaches as a home-grown tech stack, but they transfer the power of selecting and integrating all the piecemealed point solutions to your vendor instead of you.

Your tech stack must support your automation and analytics, as well as all the channels you work within. So you must find a vendor with powerful omnichannel tools. Make sure each channel feeds off the unified customer profiles that reside in your marketing platform so everything you do works together seamlessly.

## Step Four: Work with IT to Select the Right Vendor and Implement

Once you've narrowed down your list of prospective partners, it's time to bring IT into the process. Work with them to champion an official platform and software approval process that is both as swift as possible for your team and as controlled as possible for IT and the security of the organization. Marketing and IT should also be the leading advocates of customer data security, and together you should find the platform that will keep your most valuable asset — your data — safe.

# Final Thoughts

There is nothing wrong with a tech stack. Marketers today have the incredible advantage of leveraging technology to deliver exponentially better experiences (and results!) than ever before. But if your team relies on Frankensteined solutions, you're probably experiencing more headaches than effectiveness.

The edge that separates good marketing from excellent marketing is in how your company leverages that technology to achieve several objectives:

- A small, secure, and maintainable tech stack vetted and supported by IT
- Fewer vendors to coordinate, manage, pay, and go to for support
- An easy-to-use solution for marketers to efficiently complete their daily tasks
- A platform that allows your team to execute and measure an effective, personalized omnichannel strategy

Perhaps the greatest reason for stamping out Shadow IT is that it allows you to better serve your customers. Not only will you ensure that their data is secure, but the efficiency that platform vendors like Emarsys delivers means your marketing team has more time, more energy, and more strategic thought-power to focus on better ways to personalize the customer experience.

## Resources

https://www.adestra.com/resources/marketer-vs-machine/
https://www.cio.com/article/3188726/it-industry/how-to-eliminate-enterprise-shadow-it.html
https://www.computerweekly.com/opinion/Managing-shadow-IT
https://www.conductor.com/learning-center/marketing-and-technology-study-2018/
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https://www.quickbase.com/blog/5-shadow-it-statistics-to-make-you-reconsider-your-life
https://research.hubspot.com/tech-is-making-us-less-efficient
https://www.skyhighnetworks.com/cloud-security-university/what-is-shadow-it/
http://totalaccess.emarketer.com/chart.aspx?r=213630
http://www.winterberrygroup.com/our-insights

# Why Emarsys?

The Emarsys marketing platform offers the tools and functionality a modern digital marketer needs. Perhaps more importantly, our platform allows clients to reduce their tech stacks and enjoy these three areas of improvement:

## Tech Consolidation

This is where the Emarsys platform outperforms other marketing solutions. Many of our clients come from a patchwork of tech vendors, some with overlapping features which they pay for but do not fully use. Adopting the Emarsys platform solves the problem of having to deal with multiple third parties, but it also saves you money. Going from a long list of vendors to just a few dramatically frees up budget for other strategic and creative work.

## Marketing Efficiency

Technology should solve challenges, not create more work which is what happens when you're managing a range of point solutions. However, a single platform that allows you to effectively and efficiently manage and execute your omnichannel campaigns significantly reduces the amount of time marketers spend switching back and forth between tools, or worse, the countless hours spent manually segmenting and crafting campaigns. Even if your organization requires a couple specialized tools from other vendors, the Emarsys platform has many integrations in place for tech like Magento or Shopify. Anything that takes you from a towering stack of point solutions to a single unified platform with a couple complimentary apps is a tremendous step forward for your brand and the efficiency of your marketing team.

## Measurable Results

Improving the bottom line is often what convinces a marketing leader to do something as dramatic as replacing the tech stack in place today for an entirely new platform. Over and over, our clients have seen the Emarsys marketing platform deliver those increases within a few months of implementation. Our platform has been built with omnichannel in mind, enabling our clients to maintain a consistent channel presence online and off.

**See how the Emarsys unified marketing platform can help your marketing team. Visit Emarsys.com/demo.**

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