

# Case Study: GE Digital



GE Digital

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*"I don't want to get stuck in the game of marketing needing to do more with less. I want to evolve the game so that marketing gets more because of how much we return on our investments and deliver on business objectives."*

– Neenu Sharma, VP Marketing Operations & Analytics, GE Digital

### Introduction

GE has been leading the charge for innovation for over 125 years, and GE Digital's marketing organization is no exception: they've implemented a revolutionary new investment hierarchy to address spend attribution. They are tackling difficult questions like how ROI and spend are mapped to campaigns, where is double-spending occurring, and how do department priorities overlap?

They found that the traditional way of tracking spend against campaign wasn't giving them the insight they needed – so GE Digital built a new method. Their goal was to show the level of impact Marketing has on the overall business and use this as leverage to gain a bigger budget with which they can drive even more success.

### Changing the hierarchy

The first noticeable difference to GE Digital's strategy is their investment and operations overview. At the investment level, the Marketing budget is broken into three buckets: market analysis, enablement, and customer acquisition and nurture. Under the investments sits the strategy layer, which is the various high-level strategies that GE Digital is focused on for the fiscal year. In order to make each strategy a success, there are marketing activities that are dedicated to a specific high-level strategy – they refer to these as tactics.

In using this outline, GE Digital noticed that there were individual tactics that could be tied to multiple strategic initiatives that they are trying to drive. The idea of then ascribing the return from this investment to only one strategy didn't sit right. For example, every marketer knows that a piece of content could be used multiple times and the benefits are not solely connected to one campaign. A traditional investment model would be focused on funds flowing from Finance to different geographic regions. In looking for a better way to show true ROI, GE Digital has flipped the matrix on its head and instead funds flow according to corporate strategy.

Allocadia was one of the first foundational steps that GE Digital took during this radical change. GE Digital was developing a common language structure as well as an activity



and impact hierarchy. Once this was laid out, they determined they needed a better way to measure impact and began looking for a solution that would help them do just that. Allocadia provides the structure and backbone that GE Digital needed to build their new strategic hierarchy.

### **The idea behind the change**

GE Digital had three reasons for wanting to make a change. First, there are never enough marketing dollars – something every marketer can empathize with – so this was a way to control cash flow. Secondly, they wanted to find a way to maximize the investments they were making. For example, if you've invested a certain amount of time and money creating a piece of content, you would want to see if you could use it again in another region or context. The third reason is that it gave them better visibility into spend. Previously, people were spread across companies and double-spend was an increasingly large issue. With everything under one umbrella, GE Digital can now see how funds are being managed and reorganize as needed.

### **Measuring results across channels**

Previously, ROI could only be applied to one program, which isn't how most marketing programs actually function. Now GE Digital can apply ROI from a tactic across multiple campaigns and have a more holistic view of the impact of their activities. Currently, they are measuring for two types of ROI: ROMO (Return on Marketing Objectives) and ROMI (Return on Marketing Investment). ROMI is the more traditional ROI to measure, based on the pipeline and opportunities metrics that most companies report on. ROMO is different, as it isn't tied to closed-won deals, but shows the company's impact on broader goals through marketing; for example, getting qualified leads in a certain industry.

In order to apply attributed spend to multiple campaigns and see the ROI, GE Digital needed to build customized ROI options. Everything starts in Allocadia when they align budget to strategic priorities. Within the budgets, line items are created for specific tactics and can be connected to more than one campaign. Using Salesforce IDs, they split the spend across the campaigns. However, they needed to connect both totals across platforms. The solution Marketing Operations arrived on is to construct a customized data architecture within a data lake allowing them to connect insights from multiple systems, with the goal of attributing more accurate spend to their marketing influence amounts on opportunities and closed-won deals. To create this optimized data layer, the Marketing Operations team leans into their IT partners for the dataset build.

GE Digital has also invested in benchmarking, and through it is able to look at one section of marketing activities, like advertising, and see how that is doing as a whole. It gives a level of granularity to where they are spending, what the ROI is, and they are able to pivot more effectively based off that information. They are able to cut spend on



certain activities, but the net result is better outcomes because their spend has become more strategic.

### **What is the outcome?**

This shift has given the Marketing team much more confidence in the impact they are driving for GE Digital. Now that they are able to talk about what is going to net the best return for the company, the dialog and discussion are more constructive, and they are no longer fighting for budget. Their conversations with Finance and other business leaders have become more strategic.

Framing the conversation around strategic objectives has not only improved conversation with other departments, but Neenu Sharma, VP of Marketing Operations and Analytics, noticed that it's made it easier to accommodate requests from within the Marketing team as well.

GE Digital has been working to solve efficiency in order to improve the way the marketing team runs their part of the business. By flipping the traditional structure of establishing hierarchy around budget coming from Finance into a strategic hierarchy, GE Digital has also moved away from a geographic or regional based focus. This change to a strategic hierarchy has increased visibility into how the teams are spending and gives a cohesive overall picture. The increased visibility has led the team to be able to move faster on items that will support GE Digital's strategic goals.

This year, their marketing organization was able to report a 2.55x ROMI. In solving spend efficiency with spend attribution, GE Digital is demonstrating Marketing's impact on the business, and showing how they can advance corporate goals and strategies.