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AGILE MARKETING: ESSENCE AND BENEFITS



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Abstracts. This article is devoted to the Agile Marketing methodology in such aspects as: essence, procedures and benefits. Agile approach was introduced as a flexible way of software development. By breaking down work into small mini projects (sprints), gathering continuous feedback, and allowing for flexibility to adapt to changes, agile helps software teams thrive. Last periods this approach has been so successful that a lot of disciplines, including digital marketing, have started to incorporate Agile practices into their processes.

Keywords: agile marketing Manifesto, Agile marketing, productivity, team work, scrum, sprint, Agile tools, principles, benefits, efficiency, digital marketing.

Introduction. Agile as the most appropriate development methodology is based on the three key elements that bring the success: collaboration; focus on business value; appropriate level of quality. “*Agile marketing*” term is borrowed from the software development practice (is declared by Agile Marketing Manifesto in 2012). Manifesto is considered as mindset on *delivering value* and interaction with customers on the base of four pillars [1,2]:

1. Individuals and interactions over processes and tools.
2. Working software over comprehensive documentation.
3. Customer collaboration over contract negotiation.
4. Responding to change over following a plan.

Agile methodology is referred to these *values* and use special tools and frameworks for implementing them: Scrum, Kanban, Extreme Programming (XP), etc. [3].

Scrum. Scrum breaks down the development phases into stages or cycles called ‘*sprints*’. The development time for each sprint is optimized and dedicated only to one sprint at a time. This is a methodology in which a small team is led by a *scrum master*, whose main job is to clear away all obstacles to completing work. All responsibilities for the cycles and final result are delegated to the team members. After one sprint ends, corrections are made to make packages which are taken to the next sprint.

Kanban. This is visual methods for developing and managing projects. Kanban concept is connected to the concept of “just in time” (JIT) philosophy and initially was introduced as a lean manufacturing system and now is considered as a way to Agile activity.

Extreme Project Management (XPM). A methodology where the project plan, budget, and final deliverable can be changed to fit evolving needs, no matter how far along the project is.

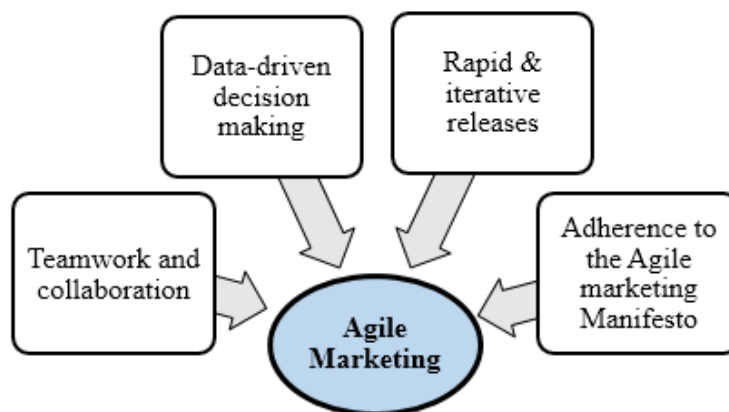
Professionals have started to use this instruments (initially born in IT sector) in digital marketing in order to increase business productivity.

Research and discussion. Agile marketing is considered as a process of finding, testing and implementing a series of specialized projects which are related to the marketing strategy and value. This definition represents the essence of this marketing category. “Agile, in the marketing context, means using data and analytics to continuously source promising opportunities or solutions to problems in real time, deploying tests quickly, evaluating the results, and rapidly iterating. At scale, a high-functioning agile marketing organization can run hundreds of campaigns simultaneously and multiple new ideas every week” [4]:

Major Agile marketing values are based on the followings [5, 6]:

1. Focusing on customer value and business outcomes over activity and outputs.
2. Delivering value early and often over waiting for perfection.
3. Learning through experiments and data over opinions and conventions.
4. Cross-functional collaboration over silos and hierarchies.

All versions of Agile marketing share multiple key characteristics (picture 1).



Picture 1. Agile marketing key characteristics

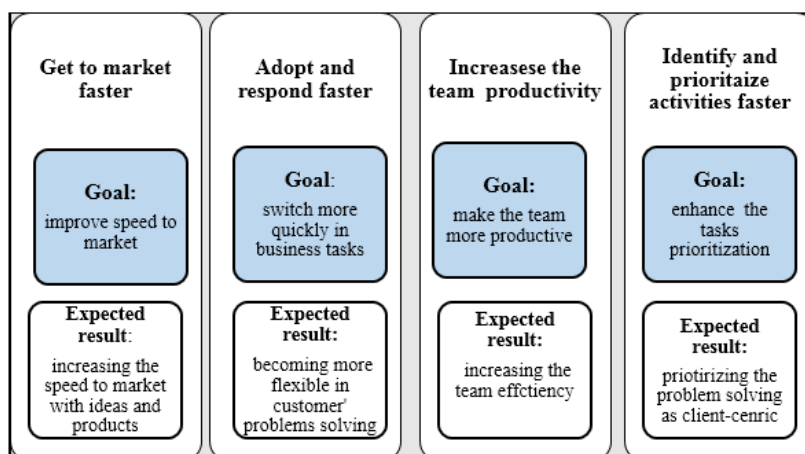
Very important to emphasize and clarify such characteristic as *data-driven decision*. This method uses data, acquired through customer interactions, and from third parties to gain a better view into customers' motivations, preferences and behaviors.

Everything in Agile marketing is data-driven. Key marketing decisions should always be informed, measured and verified by data. In Agile marketing practice never could be made the decision simply rely on opinion, assumption or feeling. Exactly, there room for the creativity: discussable ideas, inventive solutions or innovations. But all of them should be clear determined and measured for the adjusting team's efforts.

Agile approach in marketing is considered as project management and problems solving through teams' network. It allows to organize well-ordered enterprise control that support and motivate a strong leadership and human resources adjustability. Finally, business agility will make company faster, more productive and client-centric (picture 2) [7].

The results of Agile principles implementation will be the followings: get to market faster; adapt and respond faster; be more productive; enhance prioritizations of the higher-impact activities; deliver customer-centric outcomes.

Agile marketing is a tactical marketing approach in which marketing teams collectively identify high-value projects on which to focus their collective efforts. This methodology streamlines workflows to be resource-efficient.



Picture 2. Business problems solving on the base of Agile technique

Before implementation *Agile marketing in organization* need to clarify benefits and advantages of such decision (table 1). More powerful *benefits* company could earn trough the followings: adaptability, collaboration, measurability and cross-department transparency [6 ,7].

Table 1. Agile marketing benefits

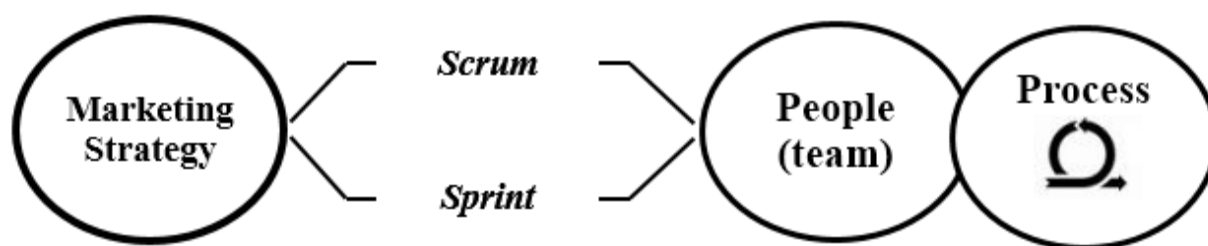
Benefit	Comments
Productivity	Data analysis and sharing efforts among prioritized tasks and projects will optimize the resources allocating to the right place. Such actions will allow to reach maximum productivity.
Transparency	Agile marketing transparency allows to observe how resources are used and distributed among the projects and needs.
Effective Priority Management	Data-driven strategy of Agile marketing helps to distribute the work to maximize high priority projects.
Measurability	Agile marketing is an opportunity for data-driven decisions - to measure all results. It helps to recognize when and where to adjust task / product / process or cycle in order to maximize the effectiveness of marketing and business.
Adapt to Change	Agile approach helps to recognize all areas that need change and support the changes at any project stages to reach the success.
Customer Satisfaction	Companies constantly improve their workflows and correspondingly increase product quality – this is the basic for higher customer satisfaction .
Competitiveness	Scrum technology increase entire team competitiveness and product competitiveness on the market: companies seek to become better, and do not become outdated. This helps to create high-quality products.
Improved Internal Communication	Teams of agile marketing work closer together on high-value projects, communication becomes more important and efficient: transparency information and right resources allocation provide a better way for internal communications
Greater Planning & Flexibility	Teams can benefit from planning and flexibility for projects. Data and analytics help recognize how many resources need to complete a project, and re-distribute tasks - to finish high value and priority projects faster.
Efficient & Continuous Improvement	As efficiency is increased for high-quality projects, this leads to growth within teams and other projects. More valuable experience and more valuable information will improve other aspects of the business.
Increased ROMI	Decreasing negative losses due to proper using resources will increase return on marketing investment and dedicate finance and time to new projects.
Scale for Growth	Successfully completed project allows businesses to start new projects - this scaling allows for businesses to grow

Agile marketing principles are the background of the values in the marketing activity [6, 9]:

1. *Customer satisfaction* – the priority of Agile marketing is to satisfy the customer through early and continuous delivery of marketing offering that solve problems.
2. *Welcome change* – teams welcome change within the project.
3. *Frequent delivery* – Agile methodology prefers a shorter time cycle vs. traditional marketing deadline (it requires to spend time for large programs preparing). Agile marketing deliver smaller iterative programs (products increments).
4. *Collaboration* – Agile marketing has close alignment with the business people, sales, and development. Through regular communication and transparency everyone knows what is happening to reduce delays or to improve the quality.
5. *Motivated team* – develop marketing programs around motivated individuals.
6. *Learning feedback loop* – learning through the build-measure-learn feedback loop. Measurements are the only way to gather data and improve.
7. *Constant pipeline* – marketers work at a steady rate and operate through the pipelines metrics.
8. *Learn from failure* – conduct measurements and data sharing allow everyone to learn and to improve processes.
9. *Focus on marketing fundamentals* – attention to marketing fundamentals and good design enhances agility. Utilize your experiences and include experiments that could be measured.
10. *Keep it simple* – simplicity is essential. By understanding the desired outcome and simplest way of problem solving will make individual work smarter.

All specified principles easily adapt to digital marketing techniques and tools. There are many strategies to get businesses to work at an efficient level, but Agile marketing is faster and beneficial.

To follow Agile principles and strategies all marketing activities could be grouped in several clusters: marketing research, advertising campaigns, new product development, SEO, content and copywriter's, UX design & HTML, lead generation, customer| acquisition, web-analytics, sales and sales promotion, marketing and sales processes automation, and etc. All this clusters are managed by professionals: in house or outsourced. All described clusters could be considered as a marketing projects – it is easy to divide all of them into to the short sprints and provide execution, control and change (if need) under scrum team responsibility (picture 3).



Picture 3. Marketing strategy and process in Agile methodology

All described marketing and sales processes and techniques could be presented as two base groups [6].

First group- is connected with a processes automation on the base of software platforms and applications – modern IT-solutions which are dedicated to the marketing and sales processes support. This direction is responsible for the business digitalization, including Big Data and AI implementation.

Second group – new products development (NPD) and customized services.

Typical examples of marketing activities which are dedicated to the **first group**:

1) **Algorithmic marketing**: this is an approach for scientifically managing a full range of marketing issues: targeted offers, communications and pricing. It employs advanced analytical methods, including predictive statistics, machine learning and natural language text mining.

It employs advanced analytical methods, including predictive statistics, machine learning and natural language text mining. In social media (SMM), algorithms help maintain order and assist in ranking search results and advertisements. Algorithmic marketing supplies automation of marketing and business processes and is deeply incorporated with Agile.

2) **Programmatic advertising**: programmatic advertising is the automated purchasing of online advertisements on websites or applications. *Real-time bidding (RTB)* provides the possibility to purchase and display targeted advertisements in an auction process (in less than a second). *Advertising exchange Platform for Automated Ad Buying and Selling* brings together *Demand Side Platforms (DSPs)* on the buy-side with Sell-side platforms (SSPs). This includes media buying, advertising placement, performance tracking, and campaign optimization.

3) **CRM-marketing**: the effective model of interaction with clients (Customer Relationship Management) which is performed by processes digitalization and automation.

Each of these activities could be judged as marketing projects which use certain algorithms, procedures and tools. Thanks to the IT-solutions such projects are performed automatically as a sprints and accumulate data files about customer's contact points, user experience, market situation, communication channels, traffic and conversion rate, competitors, price and pricing, etc. Productivity assessment of the described marketing projects is carried out by monitoring of numerous metrics and KPI that allows to make operative decisions on the chosen strategy – implement changes incrementally.

Typical examples of marketing activities which are dedicated to the **second group**:

1) **New Products Development (NPD)**, product updating and modernization. Exist two well-known project management methodologies which widely used in NPD – Agile and Waterfall. Both of them are popular in software development but need understand – which one is the best suited for different types of projects. The main difference is that Waterfall is a linear system of working that requires the team to complete each project phase before moving on to the next one, while Agile encourages the team to work simultaneously on different phases (sprints) of the project.

Agile methodology is a promising way in creation of MVP – minimum viable product. The main value and purpose of building a MVP for business is that it allows to do market research for customer demand and get feedback from real users spending a minimum of time and resources. It becomes possible to regularly upgrade the product to meet the real user needs at the stage of development.

2) **Omnichannel marketing**: this method treats every channel as its own entity, forcing to create unique content for each channel. Each channel has its own specific target audience and informational requirements. In this case *one media plan* creation and coordination should be considered as a project. But fulfillment of this media plan – should be done on the base of sprints, which are dedicated to each channels separately.

Teams who use Agile marketing approach are empowered to launch faster. Switching to Agile techniques in marketing has helped to prioritize tasks better and deliver a more relevant solution to the customers.

Conclusions and recommendations. Agile was developed as a flexible method that welcomes changes of direction even in the late process stages – these *system better fit and easily could be applied to the marketing projects*. Agile marketing *postulates and principles* could be interpreted as follows [9-11]:

Data and analytics has a priority over established opinions and intuitive decisions. This principle assumes continuous research (the market, clients, products), measurement of results, testing of hypotheses, introduction of decisions.

Cooperation and orientation to satisfaction of the want of clients. This principle consolidates efforts and focuses all employees of the organization on creation of value for clients and formation of streams of the income.

Flexible planning with modification possibility has a priority over the confirmed plans of marketing. It gives the chance to consider results of current researches and the analysis of a feedback for a duly estimation of new hypotheses and modification of marketing plans, including redistribution of budgets.

Design iteration including working out of new products/services, has a priority over global decisions. Short-term testing of hypotheses should support long-term projects.

Agile does not give accurate instructions with the described procedures. It is the concept which each company should adapt under real market conditions. Agile marketing can be considered as an application of the Agile approach to the strategy and marketing tactics to satisfy requirements of clients and to solve their problems at the expense of duly granting of value. Marketing *has* to become Agile in case if it is: stay relevant with change of customer expectations; create a culture of nonstop improvement within the organization; improve team communication and interactions.

Company must be flexible enough and allocate relevant resources to the automation and assets through Agile marketing to still be efficient.

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AGILE-МАРКЕТИНГ: СУЩНОСТЬ И ПРЕИМУЩЕСТВА

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Аннотация. В данной статье рассмотрена методология Agile-маркетинга: сущность, принципы, процедуры и выгоды. Agile-подход изначально был внедрен как способ трансформации разработки программных продуктов. Разбивая все работы на мини-проекты (sprint), изучая обратную связь и внедряя гибкий подход к изменениям, создаются условия для успешной командной работы. В последнее время данный подход стал настолько успешным, что многие дисциплины, включая маркетинг, стали инкорпорировать Agile-практику в свои процессы.

Ключевые слова: Agile манифест маркетинга, Agile-маркетинг, продуктивность, командная работа, scrum и sprint, Agile-инструменты, принципы, эффективность, преимущества, цифровой маркетинг.