

# Marketing scrum vs IT scrum – two marketing case studies who now ‘act first and apologize later’

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Read about Scrum being used in a Marketing department. Learn about differences. Read about the new results and how we approached the organizational transition(s).

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## 1. INTRODUCTION

As we know, Scrum is a good framework for IT / software development projects to learn, adapt to change and deliver great software of value, faster. We have even seen it being used in a manufacturing context ([wikispeed](#)).

In this paper you will read about scrum being used in another department in the enterprise; marketing. You will see similar principles can be just as applicable if the product is not software. There are differences but there are also a lot of similarities. We (Xebia) have successfully implemented Scrum in the marketing departments of two large companies: The Dutch AAA and ING Bank. Both companies are now using Scrum for the development of new campaigns; their full commercial expressions and even at the product development level. They wanted a faster time to market, more ownership, and greater innovation.

How did we approach and realize a transition with these goals in the marketing environment? And what were the results?

## 2. MOTIVATION

Xebia is an agile consultancy firm in the Netherlands. We are among the best in the Netherlands when it comes to agile implementations. We very successfully transformed the Dutch version of Amazon.com (Bol.com) in being agile. We have been doing an agile transformation in Rabobank for some years now while working with various government organizations and several other commercial companies including ING Bank.

Xebia was involved with the teams creating the ING Bank mobile app around 2010. We worked with the teams and helped the product owners and their stakeholders prioritize a first version. ING Bank at that time had a disadvantage. There were two other large banks already live with good apps so ING needed to act immediately.

They wanted a first version with balance check, transfers, savings accounts and of course credit cards needed to be visible. After some discussion we helped them to make the list of desired elements for the first app smaller. We used agile techniques to get the teams using scrum. The success of that first app got everything started. ING wanted more. And we received questions such as “*Can we start using this outside of IT too?*” “*Can we help our product development or marketing?*”. The push to take scrum into marketing took quite a while. The negotiations and other administrative details took some months and finally the first teams were starting in late 2012.

### 3. THE JOURNEY

The first two teams started late 2012 and we (Xebia) started as change agents at the ING. The teams at ING were fairly new marketing segments for the ING: Youth and Personal Banking. They had never heard of scrum mostly other than that stuff they do at IT. The act of dividing the marketing department into segments was fairly new. The idea was: if you can do it with these two teams, we can do it with them all. From there we started and created sort of a Greenfield for the teams. Personal Banking started first and 6 weeks (2 sprints) later the Youth team started.

#### 3.1 Transition goals

In the first meetings with ING we discussed the goals for moving towards scrum. First questions from the board were: "When will you have my department fully agile?" We could not give the answer, but asked why would you want to be agile. What do you really want to achieve? After some moving back and forward we reached a simple set of goals to achieve with becoming agile;

ING wanted to move from product centered marketing to customer centered marketing by:

- Feeling less bureaucracy
- Seeing more entrepreneurship in the teams
- Seeing improved internal cooperation
- Moving toward personalized marketing
- Delivering with a faster time-to-market

From there Agile or Scrum was never a goal in its self but the means to reach the transition goals.

We approached the ANWB similarly. We arranged a meeting with the whole marketing management team. The ANWB was enthusiastic about our results at the ING so the expectations were high. We approached the meeting by asking what the wanted to achieve and wrote down 13 goals for the transition. As this was too many we summarized and consolidated. The goals we settled on were:

- Improved cooperation
- Improved monitoring and adjusting
- Smoother movement toward real results
- Increased ownership with the people
- Increased feeling of entrepreneurship

You can later read how we are steering and managing these goals.

#### 3.2 Where are we now?

At ING we currently have 14 scrum teams and 150 people working in those teams. Also there is a total of 400 people working around the scrum teams. We are starting a new team roughly every 9 to 12 weeks.

At ANWB we are running 2 productive teams and starting 2 new ones. In the teams there are about 40 people. Around the team we are working with a total of 100 people. The ambition is to start new teams at a similar pace as the ING.

### 3.3 A marketing scrum day

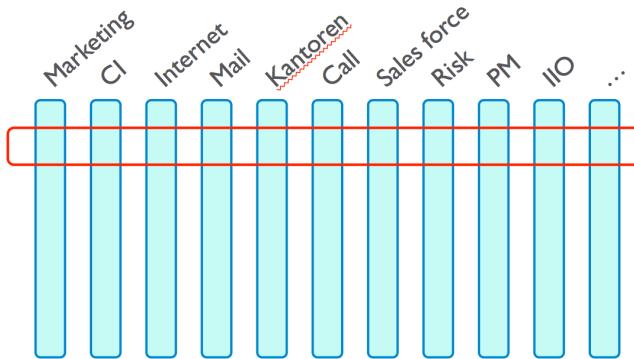
How does a sprint in marketing look? We have pretty much the same day as a normal scrum day actually. We start with a stand-up session where the team makes a new plan for the day. A sprint starts with a planning session where the teams estimate their own work. The work consists of UserStories. These UserStories and tasks will be on the scrumboard (see below). The sprint takes 3 weeks and is ended with a demo of the working products. Those can be small tests of parts of a larger campaign, or maybe personalized next best offers. Of course to improve the approach we do a retrospective with the team.



**Figure 1: A scrumboard of a mortgages team**

### 3.4 Results of the transitions

At the beginning everybody worked in silos, there were a lot of departments and specialized marketing people.



## **Figure 2: The silo situation at ING**

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Now we see scrum teams cooperating internally over the silos (see figure above). The language changed from "I am from Mail and do work for Personal Banking" to "I am from personal banking and am more specialized in Mail".

People are results driven. And maybe they already were but results were assumed and feeling-based and now they are fact-based. They are reaching for small test results and have learned to measure carefully.

We moved from large big bang marketing campaigns to small next best actions where they carefully measure and adjust. They learned to slice and dice their campaigns.

There is a special energy on the floors. To explain this a little, a small anecdote: The CIO of ING is blind, but respectful enough that he reaches a position like that with a handicap like blindness. But he told Xebia the story that he can walk the floors and know where teams are using scrum and where they aren't. He can feel a certain energy flowing in the scrum teams that isn't in the traditional silos.

Not only did the energy change but also the rest and focus. We see that the focus in the teams gives people a certain chilled attitude and they can go home relaxed and on time. A team member came to me one day and told me his girlfriend asked him very strange question after a few sprints. He apparently came home with energy and happiness as where before he was coming home drained. She asked him one evening "are you cheating on me?" Amazed as he was he asked why. She explained his change of happiness and energy levels coming home and thought cheating could be the reason. When he explained his new way of working of course they laughed about it and I had a great new story.

The productivity of the teams and the time to market changed significantly. They made some measurements and estimations comparing running almost the same campaign the year before and the year it was run in scrum. The numbers were that it was 30% faster and 30% more effective when run in scrum.

### **3.5 Differences between IT and marketing**

The people. First off all there are a lot more women in the teams. The second difference is the kind of people. They are more extraverts than in IT teams. Marketing people usually have more outgoing personality.

Visual management is more common. In the marketing department making results transparent en putting stuff on the wall is more natural.

Definition of done. Since the work is different of course the definition of done is a lot different. It's more about thing being checked with legal for example. More about the set date the materials will be sent to the people.

Team compositions. Remember the 13 (or over) silos from chapter 3.4, that's a lot more disciplines that designer, developer, tester. That means that the team is more versatile. That also means that not everybody is needed all the time, even if the management were able to make them available for the team.

Autonomy. We saw that a marketing team is at ease with their own budgets. They are more used making decisions. They will run their own company (at least it seems like that) rather soon. Against in IT where we see a clear role for the Product Owner being the business proxy to the teams and the teams being more in a execution role. In marketing the Product Owner role will fade and be performed by the whole team.

The broad spectrum of work and tasks. If compared to IT the marketing department would be working of several features in one sprint. They are more used and obligated to juggle a greater variety of work than I see in IT. Take a look at the scrumboard above you will see a lot of UserStories (US) with the same amount of work in progress. Don't make the mistake here to try and make them work US per US.

### 3.6 How to promote entrepreneurial behavior

Like I explained in paragraph 3.5 the Product Owner role will fade. This promotes the whole team as running the team as a company. In IT we were happy if every once and a while a story would be invented by a team member. In marketing we are unhappy if the amount of stories delivered / invented by the team members drops below 70%.

We are working with portfolio wall to plan a whole year. The difference here is that in IT we see those walls being used to plan over teams, one product. Every lane will be a team for example. In IT every team has its own wall. The whole team is responsible for it and we promote that the PO or team will be proactive towards management in explaining their year (long term) plan. The lanes on their wall will explain business goals, for example deep sell X percentage. And then the epics in the lane are supporting actions for that goal.

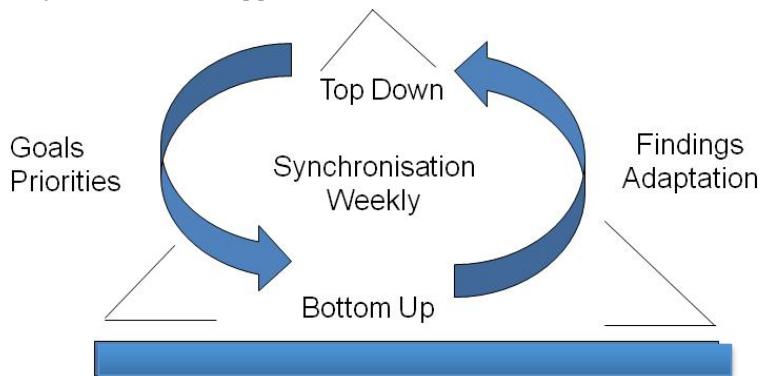
As a coach we are more and more promoting this behavior of creating your own path and goals. We promote they will treat a segment as if their own company. We will then help the management create the strategic goals and help them translate it into tactical behavior. The team can then perform within those strategic and tactical boundaries as an entrepreneur.

### 3.7 How we approached the organizational transition

We started as explained in chapter 3.1. by creating 'real' transition goals and get away from agile or scrum being a goal. We did that together with the management in one of the first meetings. We collected the goals just by having a discussion and catching that on a flip chart. We needed to sharpen and consolidate the goals off course and then gave them back to the management team.

After that meeting we created a Agile transition board (ATB). We explained that it was important that the management would cooperate in the transition. They would need to act like a snowplow for the teams so they would be able to move forward.

So we chose an approach where we are coaching and helping the management as well as the teams. We call it the hybrid transition approach.



**Figure 2: The transition approach: hybrid approach**

When we had the ATB in place we would be needing to create a path to get to the goals. Make the goals more tangible. What we did is write the goals out as text. We create 5 levels of very little cooperation till very high and agile levels of cooperation. We did that for all the goals:

- Improved cooperation
- Improved monitoring and adjusting

- Smoother movement toward real results
- Increased ownership with the people
- Increased feeling of entrepreneurship

We now call those text based transition goal levels the circles. That is because we placed a red circle where we were from the start and a green circle where it would be realistic to be at the end of the year. We monitor the progress every 6 weeks with the ATB now.

## 4. LEARNINGS

### 4.1 Most visible differences

In the IT domain people will start to behave more like an entrepreneur in solving problems or impediments. In the marketing department the people will start to act more like an entrepreneur in taking initiative and monitoring results

### 4.2 The Holy Grail?

Scrum is not the Holy Grail in marketing. It was hard to get to the point we are at now. We had to stop one team - the context of the team was too complex. The goals were too unclear and the visibility and attention too high. The board of directors was changing in sprint strategies and setting new goals. The team got demotivated and did not progress. We killed our darling and moved on.

### 4.3 How to coach in the marketing domain

You will have to know the language. What I experienced is that the coaches (including me) in the IT department come from a technical background, either as a Project manager, tester or even developer. That gives us an advantage since we speak the IT language. In marketing, speak the marketing language otherwise you will be out the door in no time. That gave me some reasonable study / learning time in the beginning. In the marketing department people only need a short explanation and then the "just go". In IT I usually got a couple or even a lot of questions before the team started. IT people usually want to have things very clear before start. Marketing people are more used to learning by doing.

Expect a critical attitude. Marketing people are very critical in whether something works or not. They (marketing) trust your judgment but you are not allowed a lot of mistakes. I think this goes together with the desire to know more upfront. IT people, by asking more questions, fully understand it and then allow a little more error (since it is more their own judgment).

### 4.4 Key learning's

Having every discipline full time in a team (when you have over 14) is very hard if not impossible. Meaning you will have to anticipate very much on part-time team members. Even having teams who only 'scrum' part time at the start is very common in the marketing domain.

In a marketing domain it's very common to manage on optimistic (sales) targets. This feeds a high-pressure working environment.

Everybody has targets in a marketing environment. Unfortunately at first that means you will have to deal with individual targets which conflict / contradict with team targets. Those targets are not easy to change to be shared.

With 14 silos / disciplines where teams are formed from there is a large periphery. That means that environment is (even) more important for a team and of course also coach managing.

When you do an agile transition in IT we usually see a professionalization of the IT development stack, test automation, continuous delivery, better code quality etc. In a marketing department that's not any different. We have to professionalize the way we do marketing. We had to learn about lean start-ups, A-B testing and various other marketing implementations. That way we could thoroughly professionalize the whole way of working.

## 5. WHAT'S NEXT?

Now we found out that Scrum can be applied further than IT in the enterprise. We learned a lot from the marketeers. The entrepreneurship and the way they treat the PO role and maybe even how it transforms is something we could bring back to IT. The way how marketing uses targets, KPIs and how normal it is to collect evidence for their work (measurements) is going to be very valuable for future IT transitions to scrum. Also this is just marketing and product development. How are we going to connect the triangle of marketing, IT and product development now in the enterprise?

## 6. ACKNOWLEDGEMENTS

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