

The CMO Interview: Raja Rajamannar, CMO, MasterCard

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Raja Rajamannar is chief marketing officer at MasterCard, where he has global responsibility for advertising, sponsorships, promotions, research, insights, and digital and consumer marketing initiatives.

Since joining MasterCard in 2013, he has led the iteration of the company’s nearly 20-year-old “Priceless” brand platform--launched by Nick Utton, now CMO of BMC Software--and it continues to evolve. More than a year ago, the company launched “Priceless Surprises,” a new tentpole that is truly a global phenomenon. Within a year of its February 2014 launch, more than 200 “Priceless Surprises” campaigns have debuted in 24 countries.

Rajamannar is a hybrid executive—a marketer who also has a wealth of business management experience. Prior to MasterCard, he served as executive vice president and chief transformation officer at WellPoint, and led its \$10 billion Medicare Advantage business. He was also Humana’s chief marketing officer, and served in several executive roles at Citigroup before assuming the role of global chief marketing officer.

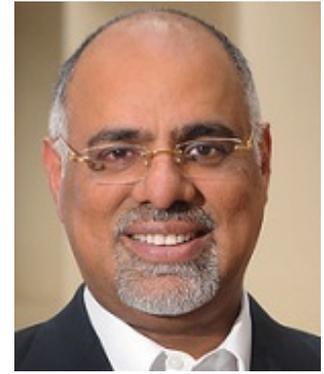
In this wide-ranging interview with CMO.com, Rajamannar explains how the digital revolution has affected MasterCard’s marketing.

CMO.com: In late 2014, you told CMO.com that true digital transformation involves marketers embracing and accelerating “the blurring of lines between marketing, innovation, PR, sales, products, and technology.” Can you elaborate?

Rajamannar: A few fundamental changes are shaping the way consumers think, feel, and act, which drives how marketing works in this new reality.

First, gigantic computers and their power are now packed into small, handheld devices. Second, the cost that it takes to produce all of this computing power is dramatically coming down, so you have a lot of computing power in small, handheld devices at affordable prices.

And the third thing is that the user interface is becoming more intuitive. You can just start them, and you're good to go. The user interface and design thinking has dramatically changed how consumers interact with and use digital devices.



The digital revolution, from the device point of view, is nothing short of tectonic. And from a media perspective, prime time doesn't exist anymore. A few years ago we would look at TV ratings and say people are watching this particular show at this particular time. But today people are always on.

There is more power packed in a smartphone today than Apollo 11 had when it landed on the moon. You're putting the power in the hands of the consumer. That changes the very nature of how you want to engage with your consumers. Today you have an unprecedented opportunity to reach consumers through social media—you can literally reach millions of people in a heartbeat. But if you look at the other side of the equation, it's exceptionally difficult to engage them.

For example, when I look at my son, when he's watching TV, he's also looking at a tablet and a smartphone. He says I watch TV passively and he watches it actively. He's commenting on and sharing things he's seeing, and this has profound implications for marketers. The way people are watching programs and movies is way different than it was before. The whole issue of media optimization is way different than it was in the past.

CMO.com: How are these changes affecting MasterCard's marketing?

Rajamannar: First and foremost, we have adopted the mantra that we always want to think digital-first. Many people talk about mobile-first, but I think it's shortsighted. I think mobile is a slice of digital. No. 2, we are trying to move our brand from being one that celebrates priceless moments in peoples' lives to the new position of connecting people with priceless possibilities ... we will create priceless experiences for them.

We are trying to create marketing platforms that will deliver extraordinary experiences in real time to consumers. As an example, we launched "Priceless Surprises" last year. It was all about surprising and delighting our consumers. The whole premise is that if you have a MasterCard, you can have surprises. These can be small surprises, like digital downloads of songs, or they can be of higher value, all the way up to someone like Justin Timberlake coming to your home and spending the day with you.

We have started creating hundreds of thousands of these experiences and surprising and

delighting consumers. And it's increasing affection for our brand among consumers. There's a perceptible shift happening.

CMO.com: So far what is “Priceless Surprises” doing for your brand?

Rajamannar: The brand is getting more energized and much more differentiated. The social campaigns that we are running are really smart about impressing consumers in an authentic way.

As an example, [in February] we had “Priceless Surprises” with Usher, who's one of our brand ambassadors. We told some unsuspecting consumers that we were creating a documentary about Usher's superfans. How did we know who the superfans are? We went to segmentation. And in a social media context, we asked people to identify themselves as fans of Usher. We picked a few, said we were shooting a documentary, and told them to come to a certain location for shooting. Usher appeared on the set, completely masked, and he suddenly revealed himself. We captured those moments beautifully and then placed them on social media.

We are doing these kinds of “Priceless Surprises” across a number of different passion points in our consumers' lives like sports and music. It's not a one-and-done kind of thing; it's always on, always happening. This is a significant transformation that MasterCard has undergone compared to a campaign-specific kind of approach. It's an always-on approach.

Travel is another passion point that we have identified. And causes. People want to be associated with noble causes that they believe in and they're passionate about.

CMO.com: What have these types of programs accomplished?

Rajamannar: We look at the brand measures and the business metrics. In the traditional sense, we have all the brand metrics that we've always been measuring. And our prime metrics have moved up—in terms of brand energy and brand differentiation.

But we have to ensure the business metrics are truly moving up. We try to correlate our marketing activities to the business metrics, so we're getting a brand lift and a business lift. We want to see whether more people are using MasterCard as opposed to some other card.

CMO.com: What is MasterCard as a company today? Would you define it as a technology or financial services company, or a hybrid?

Rajamannar: First and foremost, there is no question we are a technology company that happens to be in the financial services area. We provide the technology platforms for banks and merchants to have commerce. From a marketing perspective, we are a consumer company. Our main business is B2B, but our focus has been the consumer equally. And we categorize ourselves as a lifestyle company and an experiential brand that surprises and delights consumers. It's all about lifestyles—that's the persona of the brand. And it's about extraordinary experiences, so we are focused on experiential marketing.

We sell our services to the banks and merchants; we don't issue debit or credit cards directly to consumers. We operate through the banks. Our focus doesn't stop at marketing our services and solutions to the banks, but we are appealing directly to the consumers to create the pull for the brand.

CMO.com: You've spoken about the importance of omnichannel shopping experiences —online, in-store, in-app. What role does MasterCard play in this regard?

Rajamannar: The simplistic answer is that the role of the brand in this omnichannel shopping world is paramount. It's absolutely vital and critical. The more elaborate answer is that omnichannel shopping is getting more complicated for consumers to navigate. It's important to simplify the experience. Then we get into consumer experience design, and that's part of what marketing should be doing. The brand should give you peace of mind and reassurance that your transactions have happened safely and securely. You need something to stand for peace of mind and reassurance. And if the brand also gives you something extra, something surprising, something unanticipated, that's the icing on the cake.

CMO.com: How do you ensure consumers have a positive experience with your brand via mobile?

Rajamannar: We take a more holistic approach than just mobile. We talk about digital in total. Mobile is a very important component of the digital experience. But in our holistic view of the digital space, mobile also has to interface with the physical space. You need to be in both the physical and digital space and also be seamless across these two spaces. We don't look at it in a compartmentalized fashion, that's No. 1.

No. 2, we are unique in that our product itself plays in both digital payments and payments in the physical world. Digital is a marketing channel and a product channel. No. 3, we try to deliver technologies and enablement platforms so that we can partner with anyone in the space that has credibility and the scale. For example, we partner with Apple Pay and Samsung Pay to reach consumers.

If you were to look at it from a marketing perspective, we try to straddle both the physical and the digital worlds. As an example, when we look at "Priceless Surprises," in some instances the entire promotion and fulfillment of the surprise happens in the digital space. An example of that is if we decide to surprise you with a few downloads of songs, that's an end-to-end digital experience. Or we might be talking about a hybrid scenario where you meet Justin Timberlake in person, but the communication that precedes that has happened in the digital space.

We are constantly refocusing our efforts to ask: What is the most optimal experience that we can deliver and what is the most optimal way to make it happen? That's something that we have been doing to try and distinguish ourselves from most of our competitors and those in other categories.

CMO.com: What do you think keeps the nearly 20-year-old iconic "Priceless" campaign relevant?

Rajamannar: When Priceless was created, the entire marketing space was totally different

than what it is today. It was absolutely imperative for the platform to evolve and keep up with the times. At the same time, we have incredible equity in the whole approach that we don't want to lose and we don't want to mess it up. We had a complete soul-searching and recognized the fact that we needed to make some changes and let it evolve. We had two basic ideas.

Concept No. 1 was all about celebrating priceless moments in people's lives. It was more passive in the sense that you're watching and celebrating people as good things happen in their lives. We decided to take a more active approach and create priceless experiences in peoples' lives. So that's one big shift. We are an experiential brand.

No. 2, MasterCard was all about being the best way to pay. But we said it has nothing to do with payment—it's about overall life. Our new positioning is about connecting people to priceless possibilities. What this means is that we are not only going to be an advertising platform—we are transforming ourselves into a holistic marketing platform that includes product, price, place, and publishing.

We will be more of a marketing platform in total vs. just being an advertising platform. That's how we came up with the concept of "Priceless Surprises," "Priceless Cities," "Priceless Causes," etc., to tackle passion points in peoples' lives in order to get closer to consumers. The key thing is we are preserving the concept of pricelessness but we've evolved the concept. Priceless is a complete marketing platform.

CMO.com: MasterCard has a lot of data. What is the biggest data challenge for your marketing organization?

Rajamannar: Let me correct your perception. The kind of data that we have is extremely limited. For example, the social media data is not personally identifiable data. We are looking for trends, patterns, and segments. Where there is any information that is identifiable, we anonymize it. Our interest is in understanding [audience] segments, then regional segments.

The transactional data—where people are spending, what they're spending—it's very thin, and it's not personally identifiable. We're not a bank. When MasterCard processes a transaction, there's nothing personally identifiable.

CMO.com: MasterCard has embraced social-listening tools and social media in a big way—fed by consumers sharing their experiences from all over the world. What are the most important things you've learned from real-time social-listening efforts?

Rajamannar: For us, the key focus is to understand the trends. What is being talked about right now? What are people interested in? What are people responding to? These are the kinds of things we're trying to learn from a marketing perspective.

CMO.com: How would you describe your leadership and management styles?

Rajamannar: First, I believe in empowering my team and trying to enable them. I see my role as more of a coach and an enabler. Second, I believe in collaboration, whether it's within marketing or between marketing and the rest of the company, or within MasterCard and outside partners. I find collaborations are extremely critical.

Third, integrity, transparency, and honesty are paramount. These are values that I try to propagate within the company. It's not just about having extraordinary talent on the team. It has to be a combination of good people with great talent. They should be sensitive to other people, considerate, and it's not about "me, me, me," "I, I, I," "my accomplishment," "my reward," "my growth." It has to be "we," it has to be "our," it has to be "us."

CMO.com: What are your top three biggest business priorities in the next year to 18 months?

Rajamannar: First, to ensure that MasterCard's marketing truly becomes one of the top marketing organizations across all categories of business.

No. 2, I want to make sure that marketing and business are extremely closely linked and measured so when we do a marketing campaign, we know how to measure the ROI, and that it's actually driving the business. Linking both together is something that's very important.

The third thing is to have the right kind of people on the team, and I think at this point in time we are very fortunate to have some fantastic talent and creative processes in place so that these people can perform to their peak abilities. We believe in giving people exposure in other areas, so we keep moving people to different roles so they get different perspectives. They can be moving within marketing or into different parts of the company. I have been fortunate to have received that exposure within companies and across industries. I'm a marketer with business management experience.

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