

Rackspace Hosting reveals online marketing strategies leave IT departments isolated



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IT decision makers are increasingly falling into a "Website Wilderness" as they fail to align technology with the delivery of online marketing, according to international research launched by Rackspace Hosting (NYSE: RAX). The research also indicates that businesses are not engaging effectively online or aligning formal objectives with business goals.

The survey investigated the views and future plans of 250 IT decision makers among eight industry sectors and across several regions - the UK, Northern Europe (Netherlands, Sweden, Denmark) and South Africa.

According to the study nearly two-thirds (64%) of UK respondents expect to see more investment in online marketing in the coming year, but almost the same number (65%) claim they would not be involved in its delivery. The findings were similar across Northern Europe, where 44% stated online marketing would be a big focus, but 45% did not expect to get involved in it. Considering 90% of shoppers bought their Christmas presents online in 2008*, these findings are particularly startling.

As well as the disconnect between IT and the delivery of online marketing, only 20% of UK businesses and 32% in Northern Europe are investing in blogs and web forums. This could put businesses at a competitive disadvantage as the use of social media as a channel to communicate with customers increases in many sectors.

Just over a third (36%) of IT decision makers have formal objectives aligning IT with business goals, highlighting a disconnect between business strategy and technology implementation. This number is less in Northern Europe (28%). With so many options on how technology is delivered to the business, it seems that IT decision makers are confused by the array of applications they can host, which include [hosting](#), accounting, finance, email, ERP, payroll and websites.

Fabio Torlini, marketing director at [managed hosting](#) provider Rackspace, said: "The online ambitions of the marketing departments need to be supported by the technical expertise of the IT department for the benefit of the whole company.

Technology has evolved in such a way that businesses can have almost any service adapted to support their marketing needs. So for businesses not to use this to their advantage is completely misguided.

"Marketing leaders must tap into the expertise of the IT department and IT decision makers become engaged in the marketing strategy. The challenge for IT people is to look to new ways of working, such as online engagement and hosted applications, to enhance competitive edge. In particular I would expect to see a review of strategies in line with the economic downturn. Outdated views of technology and a disconnect between IT and the wider organisation will present a risk for businesses in 2009. Set against a backdrop of economic uncertainty, making mistakes in IT strategy could prove costly to repair."

Notes to editors:

* IMRG e-Retail Customer Service (e-CSi) Index, Dec 08

The research was carried out by independent research company, Loudhouse Research, who interviewed 100 IT decision makers from UK, including IT Directors, IT Managers, IT Project Managers, Heads of IT, Network Managers, MDs and CEOs.

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As the world's leader and specialist in hosting, Rackspace Hosting is changing the way businesses worldwide buy IT. Rackspace delivers computing-as-a-service, integrating the industry's best technologies into a flexible service offering, making computing more reliable and affordable. A trusted partner to companies of all sizes, Rackspace enables IT departments to be more effective. Rackspace is distinguished by its award-winning Fanatical Support, furthering the company's mission to be one of the world's greatest service companies. Rackspace featured in the top 30 of both the Sunday Times 100 Best companies to work for list and the Financial Times Great Place to Work Awards, 2008. Rackspace's portfolio of hosted services includes managed hosting, [email hosting](#) and [cloud hosting](#).

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