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FACTORS INFLUENCING THE ALIGNMENT OF IS AND MARKETING

The concept of "alignment" – between IS strategy and business strategy - has become widely recognized as an important determinant of information systems success. Alignment is also an important consideration in the marketing domain, although there it usually concerns alignment between the organization and its customers. This study examines alignment between the IS and marketing functions. Field interviews of 36 IS and marketing executives were conducted to determine perceptions of alignment dimensions, antecedents and impacts.

Introduction

Alignment between the IS and marketing functions within business organizations is thought by some to be an important driver of business performance (Winer 2001). This paper reports on a preliminary exploration of the alignment between IS and marketing, and the factors which might influence that alignment.

Alignment has been approached differently by the two disciplines. From the IS perspective, research has mainly focused on the alignment between business and IS strategy (e.g., Chan et al. 1997). From the marketing perspective, attention has been directed toward the alignment of the organization with its market or customer needs (e.g., Mitchell 2001). The issue of alignment *between IS and marketing* has not yet been rigorously studied.

In the next section we briefly review the studies of alignment in both the IS and the marketing literatures, to highlight the kinds of factors which these studies have uncovered.

Factors Found to Impact Alignment

IS Literature

Two of the most important antecedents of alignment between IS and business strategy have been found to be mutual understanding of the other's objectives and goals (Reich & Benbasat 2000, Chan 1999, Raggad 1997) and good communication (Reich & Benbasat 2000, Papp et al. 1996, Chan 1999, Luftman & Brier 1999). The good communication and mutual understanding, in turn, are manifested in cross-functional task teams, and in mutual understanding in both IS and business executives (Chan 1999, Luftman & Brier 1999).

Further evidence of these good links and understanding is the commitment from both top management (Shankman & Malcolm 2002, Kagan 1994), and line executives, to IS issues, as well as a good relationship between the CIO and CEO (Chan 1999). However, much depends on both the strategic leadership (Papp et al., 1996) and personal leadership displayed by IT (Roepke et al. 2000) and on the position of the head of IT in the company (Roepke et al. 2000).

The extent of collaborative planning was found by both Chan (1999) and Kearns and Lederer (2001) as being an important predictor or antecedent of alignment. So, too, was the extent of investment in IT (Kearns & Lederer 2001).
The success of IT implementations (Reich & Benbasast 200) or the success of IT's achievement of strategic goals, (Papp et al. 1996), regular reviews of IS performance (Chan et al 1997), agreement on reporting requirements (Shankman & Malcolm 2002) and IT's appropriate prioritisation of work loads (Papp et al. 1996) were also found to be antecedents of effective alignment. Another aspect which was considered a significant antecedent to alignment, was the use of external consultants or the extent to which outsourcing was encouraged (Chan 1999)

Powell (1993) noted that although there appeared to be an undeniable link between corporate strategy and IT activities, the challenge in seeking an alignment between the two was problematic for a number of reasons:

- IT is not always strategic, yet it is often regarded as such if it can be seen to provide/contribute to competitive advantage
- Using accounting evaluations of IT often excludes a number of valuable aspects
- The question is whether IT and its use is different from other resources
- The returns from IT investment, in terms of firm's financial performance are questionable

Coakley et al. (1996) found that unease of executives about IT investments which might pull the organization in a direction which was not aligned to the general business strategy was an inhibitor of alignment. In addition, they feared that they might discover this too late. Also with regard to IT investments, Kagan (1994) found that one of the greatest obstacles in effecting a commitment to IS necessary for global marketing, was difficulty in obtaining funds for IT investment.

Yet another problem in achieving IT/strategy alignment was that IT tended to position itself reactively rather than proactively (Meador 2002). IT could thus not move with the necessary speed. Meador (2002) also found that there appeared to be a lack of alignment between the firm's competitive use of IT and its competitive strategy.

Hirschheim & Sabherwal (2001) argued that when the various components of strategic IS alignment did not move synchronously, misalignment resulted. Meador (2002) also argued that when means and ends were at odds, if time horizons differed, and if objectives and values differed, misalignment could occur. Erroneous assumption of alignment, lack of conviction, and ignorance of organizational goals could also lead to misalignment (Fonvielle & Carr 2001). So, too, could paradoxical decisions, excessive transformation and uncertainty turnaround (Hirschheim & Sabherwal 2001). Lastly, misalignment was also seen to occur between the strategic vision and legacy systems (Gibson et al. 1998).

Marketing Literature

Based on exploratory field research, Kohli and Jaworski (1990) proposed a model which depicted the antecedents of market orientation (alignment of the marketing function with customer needs) as consisting of senior management factors, interdepartmental dynamics and organizational systems.

Other studies have highlighted other antecedents to marketing orientation, including quality of marketing planning (Pulendran et al., 2003), leadership style (Harris and Ogbonna, 2001), corporate ownership of the organization (Beam, 2002), and strategic human resource management (Harris and Ogbonna, 2001).

Thirkell and Dau (1998) found that market orientation was a function of firm size, degree of competition in the markets of interest, and level of expenditure on R&D. Uncles (2000) indicated that successful performance could impact positively on market orientation. In that context it could be regarded as an antecedent, but alternatively as an outcome.

In addition to the influence of antecedents, there have been many studies which have empirically researched the different factors, either as they impact on market orientation or on components thereof. Such moderators include industry type (Deshpande & Farley, 1998), competitive environment (Appiah-Adu, 1997), geographic environment (Matsuno & Mentzer, 2000), market and technological turbulence (Greenley, 1995), time (Dawes, 2000), organizational size (Appiah-Adu, 1997), business strategic type (Matsuno & Mentzer, 2000), and other factors.

Research Methodology

Individual in-depth interviews were used to gather data for this study. An interview guideline was developed, drawing on the literature reviewed and on the various instruments used in previous studies. The interviews were semi-structured with a mixture of closed- and open-ended questions. (A copy of the interview guideline may be obtained from the authors.)

A stratified, convenience sample of organizations was used. Based primarily on one comprehensive list of New Zealand companies, eighteen large (100+ employees) private-sector companies were selected for the study. All agreed to participate. The heads of IT and marketing of each company, i.e. thirty-six people, were interviewed. The interviews were recorded, transcribed, and an opportunity provided for the interviewees to check the transcriptions for accuracy.

Findings And Discussion

Description of the relationship between IT and marketing

Interview responses are given in Table 1. While most respondents were amenable to discussing all of the aspects, in a few cases there was either a reluctance or an inability to provide any input. These will be noted by the gaps in table.

Two considerations which might have influenced responses should be noted. The first was the extent of ownership by, or alliances with, foreign companies. Four companies had US owners, one a French owner, one an Australian, and one a Japanese owner. These were all multi-national companies. The US owners appeared to exercise more control over the subsidiaries than the French and Japanese owners: much of their IT and marketing systems and processes was standardized. This led one IT manager to question the future role of IT managers in the organization, when nearly all development was done in the head office and all the subsidiary managers were required to do was to implement and maintain. On the other hand, some of the IT and marketing managers of the other US-owned companies saw the standardization of both IT and marketing as beneficial to the efficiency of the companies.

Furthermore, five companies had previously been owned by the New Zealand government. Although a number of years (4-10) had passed since the privatisation of these companies, they were still subject to some form of regulation. Lastly, two companies were owned by their members, as opposed to shareholders, and another company was owned by its partners.

The second aspect which appeared to influence responses and thus alignment perceptions, was the "newness" of the respondent to his/her position and/or to the company. This perception varied. Some respondents regarded four weeks as "new," while others regarded 15 months as "new." Whatever the perception, the main issue was that the newness was frequently offered as a reason for the respondent not providing what he/she regarded as a comprehensive or complete response, or for the company not being in an alignment position which the respondent felt was desirable.

> "Well, the simple answer is I have no understanding of that at all" (IT – four weeks)
> "I'm not in a position yet to provide the clarity they need" (M – 15 months)

Considering that nine out of the 36 respondents (25%), of which seven were heads of marketing, referred to themselves as "new", this "excuse" for perceived below-par performance leads one to question how many companies might be operating at a sub-optimal level.

In interpreting the responses, caution needs to be exercised against the skewing influence of demand artefacts. Given that the respondents had been alerted to the objectives of the study, and that this was the first question, they might have felt obligated to provide a positive reflection of their company to the relatively strange interviewer. Subsequent probing and subsequent questions served to substantiate or refute these responses.

Co.	Respondent	Owner/Links	"New"	Report to	Report. Comparison	Liaison	Collaborative planning	Relationship	Relationship summary	Align. Rating
A	IT	Partners	Y	CEO	par		N	Pos.	P	3
	M			CEO				Pos.		3
B	IT	French		Finance	IT lower		Y	Neg.	Discrepancy	6
	M			CEO				Pos.		5
C	IT	Japanese		Finance	IT lower		Projects	Neg.	Discrepancy	2
	M		Y	CEO				Pos.		4
D	IT	US		CEO	par		Co. planning	Pos.	P	5.5
	M			CEO				Pos.		5.5
E	IT	US		Other - co. specific	IT lower		Co. planning	Neg.	N	5
	M		Y	CEO				Neg.		
F	IT	Ex-govt.		Finance	par	Y	Discrepancy	Variable	Discrepancy	
	M			Trading				Variable		5
G	IT	Members		CEO	M lower		Projects	Pos.	P	5
	M			Retailing				Pos.		5
H	IT	US		Finance	IT lower	Y	N	Pos.	P	6.5
	M			CEO				Pos.		5.5
I	IT	NZ		Finance	par		N	Neg.	Discrepancy	4.5
	M		Y	Finance				Pos.		4.5
J	IT	NZ		CEO	par		Projects	Neg.	Discrepancy	4
	M			CEO				Pos.		7
K	IT	Ex-govt.		CEO	par		Y	Pos.	P	3
	M		Y	CEO				Pos.		3
L	IT	Members		CEO	par		Y	Pos.	P	6
	M			CEO				Pos.		6
M	IT	US		Finance	IT lower		Informal	Pos.	P	7
	M			CEO				Pos.		6
N	IT	Ex-govt.		CEO	M lower		Discrepancy	Pos.	Discrepancy	5
	M		Y	Retailing				Neg.		3
O	IT	Ex-govt.		CEO	M lower	Y	Y	Pos.	P	
	M			Operatio				Pos.		

				ns						
P	IT	NZ +Austral.		CEO	par		Co. planning	Variable	Discrepancy	6
	M		Y	CEO				Pos.		4
Q	IT	Ex-govt.	Y	CEO	M lower		N	Neg.	N	2
	M		Y	Other - co. specific				Neg.		3
R	IT	Austral.		Other - co. specific	IT lower	Y	Y	Pos.	P	4
	M			CEO				Pos.		5

Table 1 Description of alignment: consolidated view of responses

In most companies the heads of IT and marketing described the alignment more or less similarly. In nine companies there was a strong, predominantly positive, correlation between descriptions. In fact, in one of these companies, the head of marketing even questioned the need to explore the alignment between IT and marketing, there being such a perceived closeness and integration between IT and marketing in the company, that this was assumed to be the case in all companies.

> "I think the interesting thing for me is that there is something serious to look at in terms of alignment between IT and marketing because to my mind it's so critical that the relationship is seamless that I was surprised" (M)

In contrast, in seven of the 18 companies there appeared to be little similarity at all between the responses of the heads of IT and marketing. In four of these seven companies, the heads of marketing were "new." This might have been indicative of a new incumbent wanting to approach a new position in a positive fashion, or possibly seeing their first task to be internal marketing. It might also have been reflective of erroneous perceptions (Hirschheim & Sabherwal 2001) which might have been caused by excessive transformation and uncertainty turnaround (Fonvielle & Carr 2001).

Expanding on the descriptions, five heads of marketing and two of IT indicated the importance of a good mutual understanding of one another's objectives and areas of operation. In fact, one respondent noted that alignment suffers when meaning gets lost in the "translation" of ideas between the two functions.

> "Things that get started just don't come to fruition through…lack of clear understanding of what was trying to be delivered" (M)
> "We don't understand everything that goes on in the murky world of IT" (M)

In one company, the head of marketing had a background in IT, and the head of IT had served as a head of marketing in another company. They thus had a strong mutual understanding of one another's areas (Chan 1999, Luftman & Brier 1999) and consequently were able to describe their alignment in equally positive terms (Reich & Benbasat 2002). Furthermore, two heads of marketing praised IT for being responsive (Meador, 2002) and three expressed the respect that they had for the IT function. However, on the negative side, one head of IT reported that IT was seen as a necessary evil by marketing.

Potential or actual constraints or barriers to alignment that were mentioned were: the lack of speed in IT delivery (Meador 2002) (by four heads of IT), lack of funds for IT (Kagan 1994) (by four heads of IT), imposition of standardized systems from overseas owners (by two companies – heads of both IT and marketing), size of the organization (by two companies – heads of both functions), physical separation of IT and marketing functions (by two companies – heads of both functions),

> "Ideally, you would be more closely located but the business has decided, for many reasons, IT's here…" (IT)
> "I don't think our trying to improve communication is helped by having us on different floor" (IT)

and reporting level differences (Roepke et al. 2000), unclear roles, and the "newness" of the head of marketing (all by one company each).

At a more personal level, the IT and marketing departments were reported to get along well, apart from occasional personality clashes. This was irrespective of the reported state of alignment. However, stereotyping did creep into the picture. Eight respondents (six IT and two marketing, of which four were from two companies) reported along similar lines. Some of the comments were:

> "Marketing have ideas and want to react immediately, IT like to plan and need time to do things" (IT)
> "Marketing probably think that IT is a barrier to doing the job – slow, never deliver, and make it hard" (IT)
> "IT people are black and white" (M)
> "IT accountants are unrealistic regarding marketing campaigns" (M)
> "Marketing often doesn't consider the costs" (IT)
> "IT are probably seen to take too long. Marketing … disorganized and reactive" (IT)

One respondent commented that although the stereotyped perceptions were not evident in the workplace, "over a couple of beers," they might well emerge.

Reporting Levels

In terms of reporting lines, in ten companies (55%), the heads of IT and marketing were not on a par. These inequalities might well impact on the perceived superiority of either function, or the higher regard in which it is held within the company (Roepke et al. 2000). As a consequence, communication and mutual understanding might be hindered and, as a result, the alignment between the two functions.

Furthermore, the fact that IT fell under the CFO in six companies might indicate a dominance of the IT function by considerable cost-awareness, if not financial constraints. On the other hand, it might indicate a close attention to investments in IT and their return (Kearns & Lederer 2001), especially given the current concern over the productivity paradox (Powell 1993). Alternatively, such an arrangement might simply be a relic of the past when, in many organizations, IT was first instituted to assist with financial transactions.

A potentially confounding issue seemed to be the dotted line reporting (Shankman & Malcolm 2002) – usually trans-Tasman. This applied to most of the companies with foreign ownership or alliances and affected both the heads of IT and marketing – not always with the desired synergistic results. For instance, one head of marketing reported:

> "Say, for example, in the country we're really interested in customer satisfaction, revenue, profit and today's sales outstanding, whereas we might be a little more interested internationally in the health of our brand, how well we're tracking with certain campaigns. If I sat round with the exec. team and started talking about validated lead target or about campaign assurance metrics, they'd laugh me out of the room. So I have more of the down-to-earth measures here in New Zealand and more of the esoteric measures offshore."

While the similarities or differences in reporting levels, as well as to whom, might have been expected to show some correlation with the similarities or differences in the general descriptions of the IT-marketing relationship, none was evident.

Role of IT

The role of IT was explored in order to ascertain whether the heads of IT and marketing held similar perceptions and thus similar expectations of the IT function. It was also in order to determine whether difference in reporting levels might have any impact on these expectations.

IT's role was seen by a large majority of respondents as that of an enabler and/or service or support provider.

> "IT are seen as a service provider" (M)
> "I'm here to serve then" (IT)
> "I think that IT have realized that they need to be led by marketing (M)

In most instances, the view was that IT should be led by marketing or the business (Meador 2002). In two companies, it appeared that IT had done the leading in the past. However, with a new head of marketing in one instance, and a company restructuring in the other, this was predicted to change in both cases. In addition, one head of IT referred to the strategic leverage which IT could supply (Meador 2002).

The reporting level of IT vis-à-vis marketing did not appear to influence perceptions and expectations of IT's role, although it could be argued that, in those companies where the head of marketing was on a higher hierarchical rung than marketing, IT could be regarded as being subservient to marketing.

Liaison Position/Unit

In order to facilitate a closer alignment between IT and marketing, four companies had specifically created liaison positions or units which would bridge the gap between the two functions and act as a communications conduit.

> "We have a number of business alignment managers…[whose role] is to keep in touch, really informally. It's a ground-up type of thing with marketing people to find out what they're thinking about…" (IT)

Collaborative Planning

The aim of exploring collaborative planning was to determine to what extent IT and marketing worked together towards the same goals – whether mutual or individual (Chan 1999, Kearns & Lederer 2001). Of the nine companies that reported any form of collaborative planning between IT and marketing, one indicated that it was much more on an informal level, while three others indicated that it was more in terms of projects such as website development. Only five of the companies approached it strategically.

As could be expected, four of those five companies had demonstrated a close relationship between IT and marketing. Whether that closeness gave rise to collaborative planning or vice versa is debatable, but there appears to be a link between the two.

With regard to reporting levels, the heads of IT and marketing in three of the nine companies that reported collaborative planning reported at the same level in the organization – to the CEO. The similar reporting levels might well have enhanced opportunities for collaboration.

Although reported as collaborative planning between IT and marketing, in three additional companies, the extent of collaboration could be questioned as it occurred mainly, if not solely, within the context of the company planning process and not exclusively for IT and marketing. On the one hand it could be argued that such a context would lend a greater perspective to the overall positions, requirements and abilities of each function. On the other hand it could be argued that in such general forums, the focus might fall on other functions so that the specific IT-marketing relationship did not receive sufficient attention and thus opportunity for collaboration.

In two companies, one respondent perceived collaborative planning to have been taking place, while the other respondent did not. This tended to be the case, for instance, when the marketing function was one of a number of related functions reporting to a head of retailing. Thus the head of IT would be confused as to with which function or sub-section he/she had actually been planning collaboratively.

Of the four companies which had instituted liaison positions or units between IT and marketing, two reported that they practised collaborative planning, one that they did not, and in one company the heads of IT and marketing were at odds. This might be explained by a real commitment to collaboration and alignment between IT and marketing in the first two companies (Shankman & Malcolm 2002, Kagan 1994). The company which had such a unit but which reported no collaborative planning, was a large multinational and such collaboration possibly took place at a head office level. In that case, the liaison function between IT and marketing acted, in all likelihood, more as a communications channel. Alternatively, there might have been a possible complacency with the establishment of such a position or unit as being sufficient to ensure collaboration and thence alignment.

In all the foreign-owned or foreign-allied companies, apart from one US owned company, collaborative planning between IT and marketing took place – even though it was part and parcel of the company planning process in three instances.

In summary, it seems that there was a positive connection between the extent of strategic collaborative planning between IT and marketing and positive descriptions of the relationship between IT and marketing. The existence of a liaison position/unit seems to enhance the collaboration, as does the relatively large size of the company.

Outsourcing

The issue of outsourcing was explored in order to determine the extent to which core systems, especially with regard to IT-enabled marketing, were outsourced. Another reason for exploring this issue was to determine the extent of knowledge of the other function's activities and possibly a closer link between marketing and the outsourcing agent of IT.

Five companies outsourced all of their main IT and network functions. Two companies outsourced their core IT functions, two outsourced their web development and web hosting respectively, and two companies outsourced their helpdesks and infrastructure support. Four other companies outsourced their disaster recovery; IT maintenance; development and security; and desktop, networking and applications support respectively. Two companies did not outsource any IT at all, and one company only occasionally called in a consultant if necessary.

No relationships were observed between other variables (discussed above) and outsourcing practices, except that those companies which did not outsource anything were in the IT/IS service industry. At the other end of the spectrum, those companies which outsourced all of their IT and networking functions operated in very data intensive and IT-dependent industries. Apparently, outsourcing provided them with greater security or reassurance.

As far as marketing outsourcing was concerned, the main activities that were outsourced were advertising (nine companies), research (eight companies), promotions (three companies), media buying (three companies), public relations (two companies) and direct marketing (two companies). Six companies outsourced three or more activities, while most of the remainder outsourced two activities. The heads of IT did not appear to be very aware of which aspects of marketing were outsourced. One company reported that the IT aspects of marketing were the responsibility of the marketing function. The only condition was that any outsourcing had to be compatible with the company IT policies and practices. There did not appear to be any correlation between the amount of IT outsourcing and the amount of marketing outsourcing.

In general, the heads of marketing thus appeared to be better informed as to which aspects of IT were outsourced, than the heads of IT with regard to marketing outsourcing. This was contrary to Bacon & Fitzgerald (2001) and might be explained by the fact that IT underpins much of marketing's activities but not vice versa. However, there appear to be aspects of marketing, such as research, where IT could be more involved with marketing. In addition, and partially in support of Chan (1999), it would seem that the extent of outsourcing led to greater insights into IT for the heads of marketing but not necessarily for the heads of IT.

Alignment Ratings

Interview respondents were asked to rate of the alignment between IT and marketing on a scale of one to seven, seven being very high or close, and one being very low. These ratings were intended to act as a check on the descriptions of the relationship provided at the start of the interview. The impact of the previous discussions, however, needs to be taken into account insofar as they might have influenced the ratings. Alignment ratings are shown in Table 1.

Six of the companies yielded the same rating from the head of IT and the head of marketing, while only one company displayed a marked difference in ratings (3 points).

There appeared to be no correlation between the differences or similarities of the heads of IT and marketing's ratings and the differences or similarities of their prior descriptions of the relationship. In other words, where there might have been a large difference in the prior description, the actual ratings were similar, and vice versa. This might have been because of differences in individual benchmarks. For example, one respondent described the relationship as "often not easy" and accorded the perceived alignment a rating of 6, while another who described the relationship as "good" gave the perceived alignment a rating of 5. On the other hand, the demand artefact effect could have diminished by that stage and the numerical ratings could be a better reflection of the alignment. In only three companies did the respondents both describe and rate the IT/marketing alignment similarly positively.

In comparison to their competitors, most respondents indicated their inability to assess their alignment between IT and marketing comparatively.

> "Don't have a lot of information, really, on how the competition works" (IT)

However, five respondents, mainly heads of marketing rated the alignment within their company as being stronger than that of the competition. This could possibly have been because marketers, by nature of their jobs, tend to be more alert to their competition and also have more contact with the competitive world that IT professionals. One of these positive respondents, nevertheless, was a head of IT. In fact, both the heads of IT and marketing in that company perceived their alignment to be stronger than that of the competition. They had also provided similar ratings and similarly positive descriptions of their alignment.

Impact of Alignment On Business Performance

To introduce this topic, two scenarios were described: one of a company in which there was a good alignment between IT and marketing, and another of a company were the alignment was poor. Respondents were asked how the difference between those two companies in terms of business performance would be manifested, all things being equal. The objective was to ascertain whether the respondents viewed the alignment between IT and marketing as having a significant impact on the company, and if so, in which area.

Of the seven responses which focused on the customer, six came from heads of marketing. The comments ranged in the extent to which they were more or less strategic and included:

> "providing better service to clients and integrating the client more with the organization" (M)
> "primarily a crappy customer experience" (M)
> "more IT systems that weren't aligned to the delivery of the product and services to the customer" (IT)

There were four responses which focused on delivery (Papp et al. 1996, Meador 2002). Three of these were from heads of IT and one from a head of marketing. The perspectives varied. The IT respondents were concerned about non-delivery or delivering the wrong things to marketing. The marketing respondent was concerned about non-delivery to the customer. The latter respondent and the respective company head of IT had both highlighted the focus on delivery which seemed to indicate a concerted company emphasis on delivery.

Both IT and marketing respondents (four in total) focused on the quality and/or management of information. However, the largest number of responses (eight) emphasized the financial impact. Five of these responses were from heads of IT and three from heads of marketing. These were generally focused on the company as a whole, as opposed to marketing, although the reference to the impact on sales by one respondent could allude to the marketing function.

Other impacts mentioned included the effect on the ability to evaluate success, reduced business responsiveness, and development of innovative systems.

Judging from these responses, it seems that the heads of marketing saw alignment between IT and marketing as having more significant impacts on the customer or customer relations, on efficiency and on the quality and management of information. The heads of IT, on the other hand, focused more on delivery and on the financial impact on the company specifically. The focus of the two functions thus appears to be somewhat different.

Conclusion

Table 2 provides a summary of key alignment variables which were identified in the literature and which were supported by the findings of the research. All but two received complete support from the interviewees. The two which received only partial support were the extent of outsourcing, and executives not seeing IT holistically. Although the first applies to a lack of knowledge about marketing on the part of IT, the second applies to a lack of holistic perception of IT on the part of marketing.

	Supported		Supported
Antecedents to alignment		**Inhibitors of alignment**	
Mutual understanding	Y	Erroneous assumptions of alignment	Y
Mutual skills	Y	Ignorance of organizational goals	Y
Good relations between CIO and CMO	Y	Executives not seeing IT holistically	Partially
Commitment from top management	Y	IT not always strategic	Y
Commitment from line executives	Y	IT ROI	Y
Agreement on reporting requirements	Y	Executives unease re IT investment	Y
		IT's difficulty in obtaining funds	Y
Moderators of alignment		IT positions itself reactively	Y
Role of IT	Y	IT's lack of speed	Y
Position of head of IT in company	Y	Differing means and ends	Y
Strategic leadership of IT	Y	Different time horizons	Y
Perception of IT	Y	Foreign ownership	Y (New)
Extent of collaborative planning		Dotted line reporting	Y (New)
Cross-functional task teams	Y	Imposition of standardized systems in MNC's	Y (New)
Cross-functional communications	Y	Size of company	Y (New)
Extent of outsourcing	Partially	Physical separation of functions	Y (New)
Investment in IT	Y	"Newness" of incumbent in position	Y (New)
IT's prioritization of work load	Y	Different reporting levels of CIO and CMO	Y (New)

Existence of liaison unit	Y (New)	Unclear roles	Y (New)
Ownership by members/partners	Y (New)	Different delivery expectations	Y (New)
Prior government ownership	Y (New)	Demand artefacts	Y (New)

Table 2 Factors influencing the relationship between IT/IS and marketing

A number of new factors have emerged as either moderators or inhibitors of alignment. Most of these are dependent on organizational structure and control, especially in terms of clarity of roles and delivery expectations. However, the "newness" of the incumbent provides a serious challenge to top management. Whether the case or not, this perception of operating at a sub-optimum level will impact on the way these managers execute their responsibilities and, particularly, the confidence and competence with which they align themselves with any other function.

Finally, the pressure to be perceived to be aligned might lead to erroneous "perceptions" and reporting of alignment so that the company perceives itself to be aligned when, in fact, it is not. Future research will build on this exploratory phase and test these findings on a much larger sample and in a quantitative fashion. The relative strength of each factor will also be determined. Once this has been done, similar research will be conducted between IT and other functions to determine the factors which might exercise an influence there and the similarity or difference with these factors.

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