



Is There An ‘A’ From The CEO For Marketing In Your Future?

By: Laura Patterson, President

We’re just a few weeks from the end of the spring semester for US schools. Many students are in the thick of preparing for or taking their final exams. Before long they’ll know their grades for this semester’s classes. It’s not really so different once we enter the workforce. Many of receive annual performance reviews. But what about the marketing organization as a whole?

For the past decade in VisionEdge Marketing’s annual marketing performance measurement and management survey we’ve been asking this very question, “What grade would the CEO give the marketing organization for implementing initiatives that enabled your company to achieve its objectives?” And for the past decade less than a quarter of marketing organizations received an A.

For the first time, however, we are able to understand what factors actually predict whether the marketing organization would receive an A. Applying ordinal logistic regression (Chi-square = 126.592, df 6, $p < .001$) to the results of the 2011 study enabled us to prove a direct relationship between those marketers that clearly convey to the leadership team how marketing is impacting the business AND are able to directly link between marketing activities with business outcomes with those marketing organizations that receive an A. There is less than one chance in a thousand this result was due to random variation.

What does this mean? Those marketers who can perform two things convincingly well – alignment and accountability- will go to the head of the class.

Let’s quickly examine what is meant by alignment and accountability and what each might require. We are all familiar with alignment, the ability to arrange groups or forces in relation to one another. When there is direct-line-of-sight between marketing activities, tactics and programs with marketing objectives and business outcomes we foster alignment. The key is direct-line-of sight and this at a minimum requires some type of approach or methodology. The more visual you can make this the easier it will be for the C-Suite to see the relationship.

When you review the definition of accountability, it doesn’t really shed much light on its importance, “ac•count•a•bil•i•ty [uh-koun-tuh-bil-i-tee]: the state of being accountable, liable, or answerable.” (Dictionary.com). We can turn to the AMA for a more specific definition. The AMA defines marketing accountability as:

“The responsibility for the systematic management of marketing resources and processes to achieve measurable gains in return on marketing investment and increased marketing efficiency, while maintaining quality and increasing the value of the corporation.”

In practical terms, accountability is the measuring and monitoring of the commitment a person, group, or organization makes to deliver specific, defined results. Measurement is the foundation of accountability. It's very hard to be accountable without the ability to measure. And measurement typically takes data and analytics capabilities, such as processes, systems, and skills. And lastly in addition to monitoring and measuring their performance these best-in-class marketers actually report on their performance conveying their metrics on some type of dashboard designed to facilitate strategic decisions and make course corrections.

Marketers who demonstrate these two capabilities, which is no easy undertaking, exemplify Best-in-Class marketers when it comes to performance measurement and management. If you're aiming for an A for implementing initiatives that enabled your company to achieve its objectives place tackling alignment and accountability at the top of your list.

The 2011 Report, A Roadmap to Performance Excellence, provides the complete findings from the study and can be purchased in the VEM Store for \$187.50 for a limited time, a 25% savings.

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