



To Survive and Thrive Takes Analytical Muscle

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Today's CMOs (chief marketing officers) face a set of completely different challenges than their predecessors. The CMO role has continued to evolve over the past fifteen years as a result of the emergence of new media, the growing number of sales and service touch points, more complex distribution models, and the fragmentation of customer segments. As a result, the CMO has moved from focusing primarily on brands and clever advertising to a larger, more strategic role designed to enable a company to meet the ever-changing needs of a diverse and global customer base. The *Business Week* November 2007 article "The Short Life of the Chief Marketing Officer" reported that the average tenure today for a CMO is 26 months. Recently, the CMOs at Chico's, Home Depot, MySpace, and Rite Aid left after short tenures while Orbitz recently announced that it has "decided to eliminate the global Chief Marketing Officer position and continue managing the Company's marketing efforts on a regional basis..."

If a short tenure is the norm, what can a CMO do today to survive and thrive? To survive and thrive, CMOs need to see themselves as champions of growth who can anticipate customers, develop their organizations' marketing capabilities, and measure marketing's impact on the business in terms that matter to their CEOs, CFOs, and leadership teams. This will require CMOs with a bent towards the analytical end of the marketing spectrum instead of the creative end. Successful CMOs will need to exercise analytical muscle and have a deep understanding of the business landscape in order to predict and recommend which markets, products, and/or services will deliver the most profitable revenue growth.

Six Survival Tips

According to board members surveyed for the MarketBridge study, CMOs with greater quantitative focus and measurement emphasis have a 20 percent longer tenure. Specifically, surviving CMOs will need to exhibit these six skills:

1. Move business-focused responsibilities to the front and center.
2. Talk in the language of business. This includes reading balance sheets, understanding business models as well as key drivers of business value, and identifying key growth opportunities.
3. Leverage emerging marketing channels to build strong brand loyalty, reach targeted audiences, and gain insight into customer needs.
4. Understand which metrics are valuable for demonstrating the impact of marketing on the business.
5. Build collaborative teams committed to adding and demonstrating value to the business.
6. Prove that the investments they are making on behalf of the company are working.

Five Ingredients for Thriving

While surviving CMOs will focus on lead generation, pipeline management, branding and customer acquisition, the most important ingredient for thriving CMOs is their ability to increase their stake in growing customer lifetime value and focus on developing long-term customer profitability.

Four remaining essentials for the thriving CMO include:

1. Embracing analytics and metrics and leading the way for marketing performance management initiatives.
2. Closing the gap between marketing and the customer, leading the charge for a customer-centric business strategy, and serving as the “voice of the customer”.
3. Leveraging data to analyze market and customer trends and strengthening their knowledge of ethnography, lead-user analysis, and online customer communities to create customer-driven products.
4. Taking the helm in helping the company anticipate and respond to rapidly changing market and customer needs, creating new business models, and leading the charge in establishing new marketing capabilities.

CMOs who want to survive and thrive must actively align every brand under the corporate umbrella with the core values of the corporate entity and reconcile the brands with one another. They must initiate intra-business collaborations that develop, deliver and communicate a value proposition that resonates with customers. Only by building tight relationships between marketing and the rest of the organization and developing relationships outside the business will CMOs be able to tap into customer information that enables the business to extend into emerging markets and bring innovative products to market. CMOs will need to use their creativity to develop new ways to gain a deeper insight into the needs of customers and understand the trade-offs that will be required to design innovative products that meet customers' buying criteria. The global market is growing in complexity. Only those CMOs who can leverage data-management tools and processes to help companies maintain a consistent brand while optimizing pricing, placement and promotion within specific markets and connecting marketing to the business, will be left standing.