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The Evolved CMO In 2016

CMOs Broaden Their Influence And Leadership

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by Sheryl Pattek and Michelle Moorehead

July 2016

Why Read This Report

Forrester and Heidrick & Struggles fielded a global survey of 275 CMOs in Q4 2015 to better the role's evolution and the keys for future success. Collaborating closely with John M. Abele, managing partner of Heidrick & Struggles' Marketing, Sales & Strategy Officers Practice, it is clear that CMOs must now articulate exactly how marketing creates business value and master an increasingly broad skillset. Evolved CMOs who are committed to understanding customers and to driving that philosophy throughout the organization are those that will take charge in the C-suite.

Key Takeaways

CMOs Establish Themselves As Full Business Partners

After years of aspiring to be treated as more than functional experts, CMOs are finally proving their business chops. Tasked with delivering against P&L metrics, they're increasingly partnering with peers to drive business and brand results.

Two-Thirds Of CMOs Assume Responsibility For Customer Experience (CX)

Marketers recognize that delivering on the brand promise means ensuring that all customer experiences are aligned to a common brand vision. As they embrace CX, their objectives encompass customer retention as well acquisition, and they must master an augmented set of functional skills.

Leading Organizational Transformation Emerges As The Common Challenge

Winning in the age of the customer requires a fundamental reset of a company's operating model. Evolved CMOs are championing this transformation and taking on the challenges of culture and talent management, process redesign, and data and business technology (BT) realignment.

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by Sheryl Pattek, Michelle Moorehead, and John M. Abele
with Sharyn Leaver, Ryan Trafton, Anna Berman, and Ian McPherson

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Forrester interviewed six companies, including Assurant, Bloomberg, GE Capital, K&L Gates, Neiman Marcus, and Omni Hotels and Resorts.

Related Research Documents

- [Brand Health Measurement Is Ripe For Digital Disruption](#)
- [CMOs And CIOs Must Turn Collaboration Into Action](#)
- [Leadership In The Age Of The Customer](#)
- [Predictions 2015: CMOs Boldly Reach For More Influence In The Enterprise](#)
- [The Revenue Impact Of Customer Experience, 2015](#)

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CMO Role Evolves With The Rise Of Brand Experience

Forrester, in conjunction with global executive recruiting firm Heidrick & Struggles, recently completed our Q4 2015 Forrester/Heidrick & Struggles Global Evolved CMO/CCO Online Survey of 275 CMOs, the fourth in our series that began in 2008. This year our survey respondents were evenly balanced between consumer and business marketers. In this year's survey, working together with Heidrick & Struggles we explored the topics of leadership, culture, the CMO's remit, and the evolution of the customer experience discipline. We also spoke with marketing leaders and industry experts to complement our survey findings and dig deeper. Our research uncovered CMOs that are:

- › **Solidifying their position as business leaders.** In our first survey conducted in 2008, we concluded that it was time for CMOs to proactively evolve their role to become true business leaders. Over the past seven years, we've seen CMOs shift their view of what exactly that means. During the height of the economic crisis in 2012, CMOs told us they were looking to leave the difficulty of corporate life behind and become leaders of their own business as consultants. But, by our 2014 survey, we saw a dramatic shift with CMOs returning to the corporate fold and looking to build the leadership skills necessary to assume CEO roles. Our 2015 survey results show that they are finally achieving their goal of becoming a true peer and business leader within the C-suite.
- › **Broadening their brand responsibilities to include customer experience.** CMOs understand that they must transform the belief that brand is a controllable asset to a customer-centric view that recognizes brand as an emotionally resonant customer experience that transcends product and service transactions. Nearly two-thirds of CMOs responding to our survey report having primary responsibilities for both marketing and customer experience. As brand and customer experience become intertwined, brand building must move beyond the purview of just the marketing department to become an organizationwide effort focused on every customer touchpoint.¹
- › **Taking different evolutionary paths depending upon their organizations.** The most versatile and broadly influential CMOs earn the respect of fellow C-level executives by bringing a strategic viewpoint, exceptional measurement and analytical capabilities, financial management rigor, and operational savviness to their role. Others who struggle with these dimensions, either because of personal skill gaps or differing expectations in their organizations, excel at their function, delivering great brand building experiences and executing exceptional marketing programs.

CMOs Solidify Their Position As Business Leaders

In the age of the customer, savvy CMOs operate in a data-driven, highly segmented, customer-centric, multichannel world. They lead their teams to excel at working in real time, delivering a superior customer experience across all customer touchpoints and quantifying results. As a senior marketing leader at a prominent media company notes, "CMOs have evolved from brand stewards and storytellers to business partners in driving growth." By bringing customer insights and knowledge to the C-suite table, today's CMOs play a key role in driving profitable business growth.

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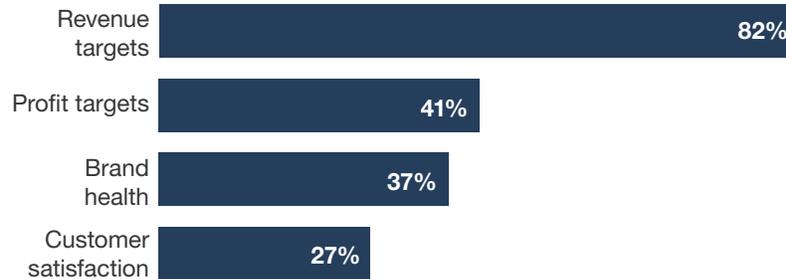
Tasked To Drive Longer-Term Business Results

Today's CMOs are moving beyond brand, communications, and marketing execution to better quantify the impact of marketing's work in business terms. But CMOs can't stop there, as making next quarter's numbers is no longer enough. They must understand customers' changing buying needs and potential external disruptions, and they must guide their firms toward the future. A tall order, but approximately three-quarters of our survey respondents are confident or very confident in their teams' ability to meet annual business objectives. Our survey results show that CMOs are positioning themselves to focus on the longer-term strategic view and (see Figure 1-1):

- › **Are goaled with profit and loss targets.** Eighty-two percent of CMOs report that their goals are aligned to revenue targets, and nearly half say they are aligned to profit targets as well. Our survey results show that CMOs are shedding the outdated cost-center stigma to be a driver of revenue and solidify their reputation as a business leader by sharing hard financial goals with their peers. As Rich Aneser, SVP, chief marketing officer of distribution of Lincoln Financial Group, said about assuming P&L responsibilities, "Your peers look at you differently, and I'm finding I make different decisions."
- › **Demonstrate increasing operations responsibility.** To help their firms pivot to customer obsession, today's CMOs are assuming more ownership of operations-focused functions.² Nearly a third of CMO hold responsibility for business unit P&L, which is an increase of 13 percentage points from our 2014 survey. Likewise, we saw responsibility for customer service increase by 7 percentage points.
- › **Focus on customer experience and satisfaction goals.** CX is a higher priority than ever before for companies (see Figure 1-2). As the CMO remit expands to support the entire customer life cycle, we find their goals are following suit. Over one-third of CMOs report that their performance goals are tied to their customers' overall satisfaction. Improvement in customer experience also ranks highly, with 23% of B2B CMOs and 32% of B2C CMOs selecting it as one of the top three business drivers to which they're aligned.
- › **Retain responsibility for brand health.** Today's CMOs treat brand as an asset for investment, rather than an expense to be managed.³ Almost four out of five CMOs report owning brand and positioning, and 37% say their business goals are aligned to the health of their brand. CMOs' measurement of brand dynamics takes on new strategic importance as they now need to evaluate brand health with an eye to understanding the relationship between how customers perceive a brand and what drives business value.

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FIGURE 1 CMOs Manage A Portfolio Of Objectives**1-1 CMOs focus on a balanced scorecard****“To which business drivers are your goals or objectives most directly aligned?”****1-2 CX increases in importance**

Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

Operate As Part Of The Broader C-Suite Team

Evolved CMOs recognize the interdependence of marketing with other functions. They understand their ability to drive change depends on their ability to gain the respect and trust of their C-suite peers and actively work to align goals (see Figure 2). In this year’s study, we find that CMOs are:

- › **Partnering with the CFO to respond to rising P&L accountability pressure.** Supporting their desire to run marketing with financial accountability, 37% percent of CMOs view the CFO as a top relationship to develop. Given the transactional nature of their business, B2C CMOs place an even greater emphasis on this relationship than their B2B counterparts. Just look at the results that insurance giant USAA attributes to a strong partnership between its CMO, CFO, and chief data analytics: “As USAA developed into a data-driven organization, we were able to accurately predict the impact of different marketing investment decisions,” says Roger Adams, CMO at USAA. “It’s completely reframed the conversation.”⁴

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› **Collaborating with the head of sales to deliver business results.** The bond between sales and marketing remains the most consistently identified partnership, with approximately two-thirds of CMOs identifying the chief sales officer as a crucial relationship. With a relationship-based business model, it's no surprise that this is even more true for B2B, where three quarters of CMOs prioritize strong relationships with their sales peer compared to just half of their B2C CMOs. Andrea Ward, Oracle's vice president of marketing for the firm's marketing cloud products, notes, "As buying becomes more digital, the speed with which we hand off to business development or account managers must also increase along with the quality of the information we pass."⁵

› **Still aligning with the CIO to develop a strong BT agenda.** CMOs must use technology to effectively engage customers and create actionable insights that fuel business growth. But, they can't go it alone. Instead, smart CMOs are building a collaborative relationship with their CIO to identify and shape their enterprise's BT agenda. Forrester defines the BT agenda as:

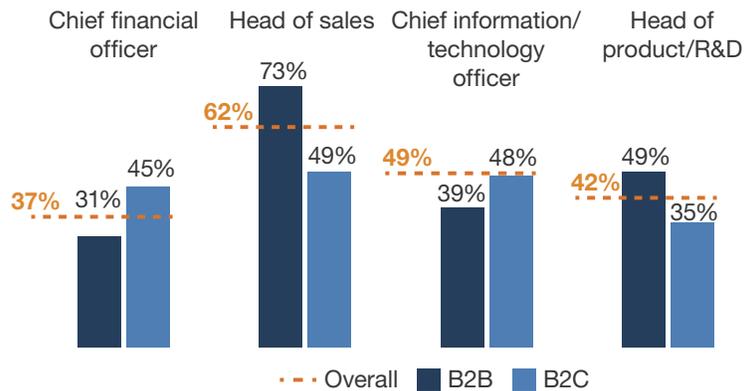
The technology, systems, and processes to win, serve, and retain customers.

In this year's survey, nearly half of respondents recognize the importance of their relationship with the CIO. With the complexity of the B2B2C business model, nearly three quarters of these CMOs identify the CMO and/or CIO as a crucial partnership.

› **Reaching out to the head of product and R&D to round out the delivery of the brand.** As CMOs continue to grow their operational influence, they must serve as the voice of the customer and partner with their product and R&D peers to build a strong pipeline of customer-obsessed innovation. Why now? Connected cars, RFID-enabled product tracking, and the internet of things are leading a digital revolution that will affect every industry.⁶ Nearly half of firms believe that digital has already disrupted their industry, and just over half believe that they will see more disruption in the coming year.⁷ Forty-two percent of CMOs recognize the importance of building strong peer relationships with head of product and R&D to build an innovation pipeline that helps the enterprise prepare for and respond to digital disruption.

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FIGURE 2 CMOs Operate As Part Of A Broader C-Suite Team**Percent of CMOs who say relationship with each executive below is critical**

Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

CMOs Broaden Brand Responsibilities To Include Customer Experience

Today's empowered customers have as much to say about what a brand stands for as the firm itself. In this new era, CMOs understand that they must transform the belief that brand is a controllable asset to a customer-centric view that recognizes brand as an emotionally resonant customer experience that transcends product and service transactions. Forrester defines brand experience as:

The sum of all the impressions, beliefs, and expectations that a customer has of a brand, including direct interactions, messaging, and peer conversation.

Embracing brand experience leads to broader thinking about the business and an expansion of the skills they and their teams need for success.

Scope Increasingly Spans Both Marketing And Customer Experience

Customer experience, which Forrester defines as "how customers perceive their interactions with an organization," is at the heart of both great brand management and overall customer obsession. Evolved CMOs understand that while marketing work is a component of brand and customer experience, excellence requires consistency of customer engagement that goes beyond marketing to all organization touchpoints. In this year's survey, we find that:

- › **Two-thirds of CMOs now have responsibility for customer experience.** As companies strive to improve their customer experience, we see them evaluating organizational structure and responsibility. With this in mind, it's no surprise to find the majority of CMOs tell us that they now have responsibility for CX, and forty-four percent would like to further grow their influence

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in customer experience (see Figure 3). CMOs are in the cat bird's seat to act as the customer advocate across the enterprise by bringing their knowledge about customers, markets, and competition to bear on defining the experiences that can best win, serve, and retain customers.

- › **CMOs are focusing on retention as well as acquisition.** For too long, CMOs have been laser focused on finding and acquiring new customers. Respondents to this year's survey who own customer experience are moving forward to embrace the full customer life cycle: They are 50% more likely to say customer retention is one of their top objectives than their purely marketing-focused peers (see Figure 4). Our research shows that delivering exceptional customer experiences pays off handsomely.⁸ As Merissa Hamilton, former senior manager of customer advocacy at Marketo, notes, "Advocacy creates a virtual cycle by influencing new people through social media and reviews; it initiates brand awareness, interest, and demand without spending."⁹
- › **CMOs are influential in shaping overall business strategy.** Thirty-one percent of CMOs with CX responsibilities under their remit also own business strategy development today; that's 9 percentage points more than pure marketing CMOs who assume this responsibility. And we believe this trend will continue. Nearly half of our respondents recognize the importance of taking a leading role in business strategy. Clay Stobaugh, EVP and CMO of John Wiley and Sons, for example, has been an instrumental force in leading the transformation of the 200-year-old company from a traditional book publisher to a digitally based learning company. He reinvigorated business strategy with a passion for customer needs, collaborating with his C-suite peers to build the shared BT agenda necessary for digital transformation.¹⁰

FIGURE 3 CX Emerges As A Key Responsibility For CMOs

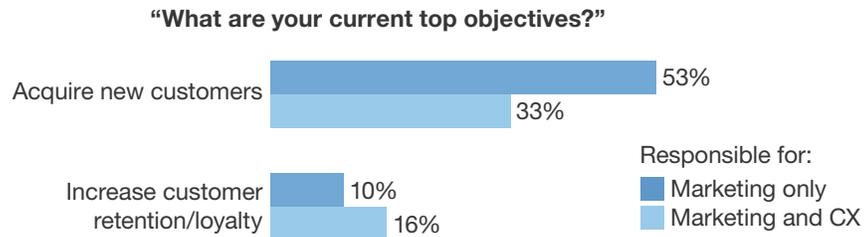


Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

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FIGURE 4 CX-Oriented CMOs Focus More On The Full Customer Journey

Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

CMOs Desire Further Expansion Into Transformative Areas Of The Company

Even as they get comfortable with their expanded CX responsibilities, CMOs are eager for even more influence in their firms' transformations as they:

- › **Solidify their leadership role in CX strategy and execution.** While the majority of CMOs responding to our survey indicate they now have responsibility for customer experience, there is more work to be done. Thirty percent of our survey respondents are cognizant of the need to further develop their customer experience skills, and 35% seek to expand their role as the voice of the customer in the enterprise. BBVA Compass Bancshares CMO and CxO, Jennifer Dominiquini, undertook a massive rebranding effort linked to strengthening their CX strategy by positioning banking as a seamless, transparent, and trusted experience for the customer across every touchpoint.¹¹
- › **Tackle innovation as a top priority.** More than halfway into the most digitally disruptive decade, customer-centric innovation is no longer a luxury — it's a necessity.¹² In this year's survey, CMOs are awakening to this challenge with 21% of respondents identifying innovation as the most important area to increase their influence. Chris Curtin, chief brand and innovation marketing officer at Visa, helps the company stay ahead of the curve by encouraging a culture of agile learning and adaptability. According to Chris, "That kind of mentality is the most important thing that every Visa marketer needs to have — it must be part of their DNA."¹³
- › **Seek greater involvement in business strategy.** Serving as the nexus of customer, market, and competitive knowledge, the evolved CMO is uniquely positioned to proactively identify changing market and customer expectations. As a result, their stature and credibility in the C-suite will continue to grow as smart CEOs depend on them for the customer insights needed to inform business growth strategies. This year's respondents are taking heed of these changes, and 18% of them are looking to increase their involvement and influence with business strategy while 12% are focused on business unit/P&L strategy. Unilever CMO and chief communications officer Keith Weed embodies this spirit, serving as an architect and leader of the firm's Sustainable Living Plan to double revenue while halving its environmental impact.¹⁴

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Skill Sets Needed For Driving Transformation Continue To Evolve

In the early days, particularly in B2C industries, marketing was a right-brain-led activity. CMOs, however, are now focusing more on left-brain analytical capabilities, driven both by the rise of digital and data and the growth of B2B marketers. And when CX responsibilities are added to the mix, there's yet another layer of process and organizational effectiveness that must be mastered. Suddenly, leadership skills like strategic thinking, vision, and team development become table stakes for the role. When you put it all together, marketers must master complex, integrative thinking to drive change and work to:

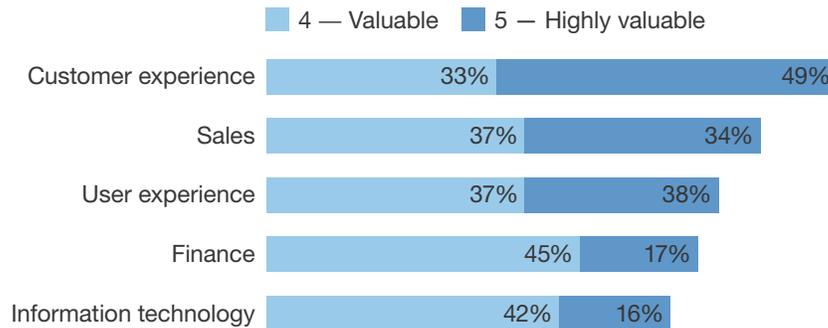
- › **Advance C-suite relationship and influencing skills.** Thirty-percent of our survey respondents recognize the need to take their leadership potential to new heights. Forty-five percent prioritize building relationships with other senior executives, and 30% highlight establishing a strong relationship with their CEO as one of the biggest challenges to their success. At Royal Caribbean, CMO Jim Berra, who has business strategy, pricing, distribution, and asset effectiveness and innovation under his remit, uses data to assess the performance of the fleet and the various ports of call and make recommendations to his C-suite peers on how to innovate to enhance business results.¹⁵
- › **Master the CX discipline.** Fifty-five percent of CMOs report a lack of common understanding of their customer across their organization, and CMOs must lead the charge to build customer empathy in the organization. Success requires an understanding of CX tools and techniques and the change management skills and operational credibility to rally teams across the organization. As Sydney Seiger, CMO of TXU Energy, told us, "Taking on CX requires you to have deep data and business process understanding combined with the art of storytelling to be able to rally the organization around a common aspirational vision."
- › **Raise technology and data chops.** Leading the firm's journey toward customer obsession requires CMOs to use technology effectively to create actionable, data-driven insights that fuel business growth. To enhance their ability to optimize customer engagement, loyalty, and advocacy, almost 40% of our survey respondents identify data insight and analytics skills, technology awareness and digital understanding as key areas requiring ongoing improvement. These are critical skills for CMOs to develop, as almost half of our respondents now own full responsibility for making marketing technology decisions.
- › **Draw from diverse prior experiences.** Given the dynamic nature of their responsibilities, it's not surprising that CMOs believe a wide breadth of experience prepares them to succeed. Key experiences noted as valuable to their ability to succeed range from CX to finance and from sales to P&L ownership (see Figure 5). Matt Schiffman, head of global marketing of Legg Mason, served in senior level sales, operational management, and P&L roles prior to being named CMO. His experiences brought a deep understanding of the business and strong C-suite relationships that serve as the foundation for his success.

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FIGURE 5 CMOs Draw On A Variety Of Experiences

“Please rank how valuable your experiences in the following functional areas were in preparing you for your current role.”



Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

CMOs Face Staggered Starting Blocks As The Role Evolves

It's been said that no two CMOs have the same job, and there's some truth to the statement. Depending upon the company, business model, and industry, the nature and positioning of a CMO can vary widely. In reviewing our research, we saw CMOs' jobs differ along three dimensions that will influence their respective evolutionary paths:

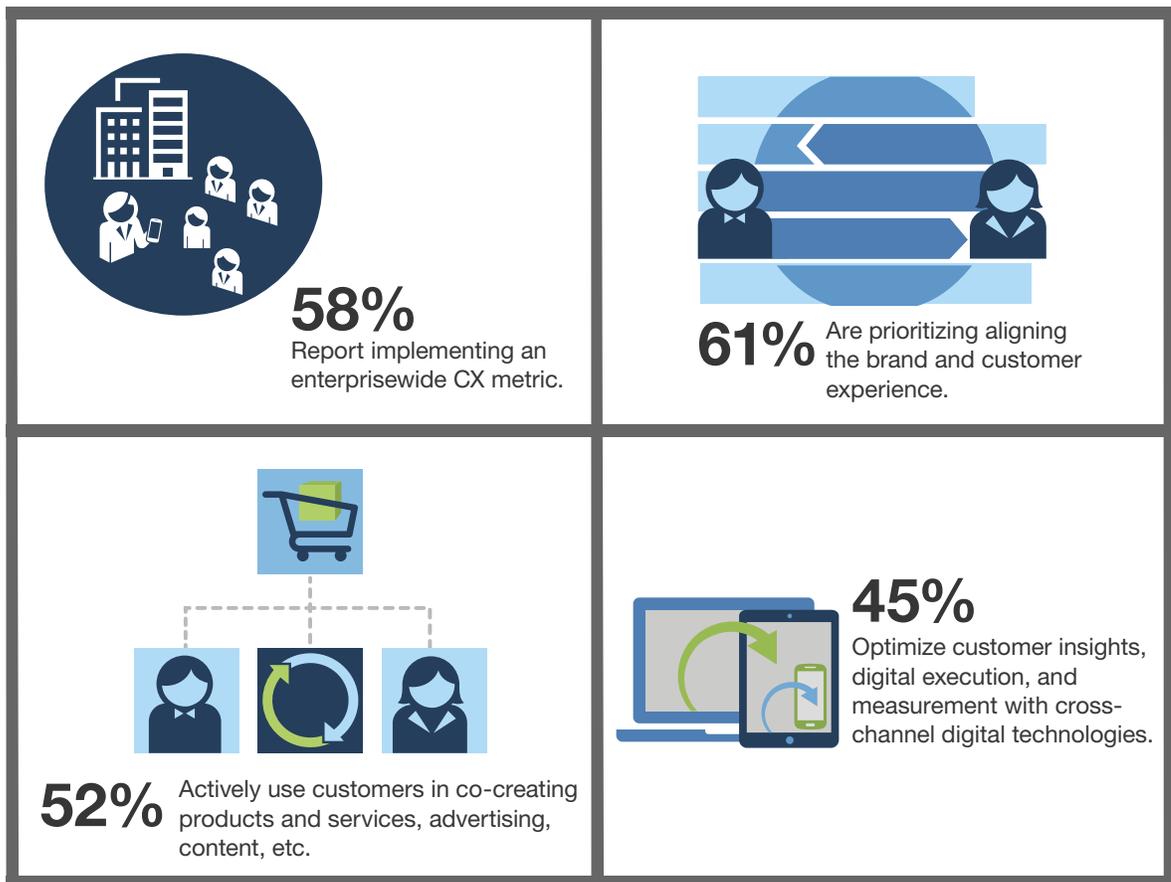
- › **Scope of the role.** As we noted, two-thirds of CMOs now lead CX as well as marketing. We see these CMOs accelerating their firm's journey toward customer obsession by constructing a common set of principles and practices that build tighter customer relationships and differentiated experiences (see Figure 6). In contrast, we find CMOs that serve solely as the “chief marketer” focus mainly on functional excellence. We believe these differences will moderate over time as CMOs master the influencing and CX disciplines needed to lead their organizations to a customer-obsessed approach.
- › **Nature of the business model.** We still see vestiges of marketing functioning in solely a sales support or marketing collateral shop, particularly in B2B. Three-quarters of B2B respondents are goaled by revenue growth, with half being accountable solely for customer acquisition. However, mindsets are slowly beginning to shift: 43% of B2B CMOs recognize that they must ramp up their data and analytic competencies to better serve the customer. These CMOs first need to reposition themselves from a functional leader to a true peer business leader. Then they will be better positioned to follow their B2C peers and focus on the entire customer experience. With success, we expect the gap between 47% of B2B CMOs and 61% of B2C CMOs reporting close alignment between brand and CX to diminish.

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- › **Degree of ownership.** We were surprised by the third difference that emerged in the research. We found a quarter of the CMOs surveyed perceived their role as influencers versus owners of primary marketing functions like integrated marketing planning or brand strategy. These CMOs were twice as likely to see internal team and budget management and peer support as key challenges and also viewed companywide elements like structure, leadership, and key processes as hindering rather than helping the organization to succeed (see Figure 7). The path for these CMOs is hardest of all: They must first establish themselves as a true leader that can shape their team and company. Only then can they tackle the challenges of business acumen and customer obsession.

FIGURE 6 CMOs With CX Responsibilities More Deeply Connect With Customers



Base: 141 senior most marketing leaders responsible for both marketing and CX

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

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FIGURE 7 “Influencer” CMOs Perceive Greater Corporate Challenges

Base: 219 senior most marketing leaders

Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

But CMOs All Face A Common Challenge Of Organization Transformation

Regardless of a CMOs starting position, the challenge ahead for both themselves and their company is universal. Winning in the age of the customer requires a fundamental shift in the operating model of the organization. This is not for the faint-of-heart, as it means simultaneously re-engineering your organization’s structure, talent management practices, metrics, culture, processes, and technology.¹⁶ And it’s especially challenging for CMOs because many see it as a “them not us” issue. CMOs are confident in their team’s ability to meet marketing’s goals, and they firmly believe that marketing’s culture and planning processes contribute to their success (see Figure 8). So, while some CMOs might feel more equipped than others, all must move beyond just their own team and start transforming the broader organization. CMOs can accelerate results by realizing that:

- › **Strong senior leadership and culture form the bedrock of success.** Culture is the most frequently mentioned challenge to success by CMOs. Fifty-one percent also note that organization structure hinders results, and 35% lack confidence in corporate leadership’s ability to help the company adapt to change. These issues, which are felt more acutely this year, require top-down commitment to solve (see Figure 9). We have consistently seen CEO or COO leadership accompanying successful culture transformation.¹⁷ But, it doesn’t stop there: As champion of the customer, evolved CMOs need to actively partner with HR and other executives to cut across the organization and redesign the firm’s people management processes.

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- › **Siloed and complex processes stand in the way.** A quarter of CMOs report company processes among their greatest challenges to success. Inefficient processes can come from systems challenges. For example, 40% of our survey respondents only sometimes use technology and associated processes to gather, analyze, and respond to customer feedback. But it can also stem from functional fiefdoms. Wanda Gierhart, CMO of Neiman Marcus, shared that forming cross-functional teams is a key to her success. It sounds basic, but getting representatives from all the right areas working directly on a common goal breaks down barriers and can redefine how the business operates.
- › **They need a stronger data and systems foundation.** Exceptional customer experiences can only be delivered when everyone across the enterprise shares a common understanding of customer behavior. However, CMOs have a challenging road ahead, as less than half of our survey respondents report that a consistent view of the customer exists across their organization, and 48% indicate that the quality of customer data hinders their ability to adapt to customer needs. In addition, nearly one in three CMOs cite technology capabilities as a major challenge to delivering the experiences their customers expect. CMOs must reach across the aisle and collaborate with their CIO to build a comprehensive BT agenda that wins, serves, and retains customers.

FIGURE 8 CMOs Are Confident In Their Function's Ability To Support Change



Base: 219 senior most marketing leaders

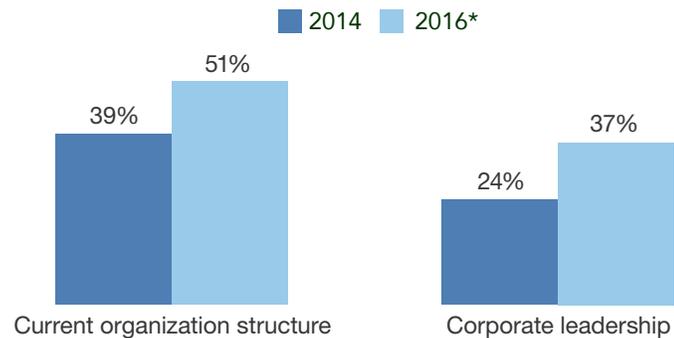
Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

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FIGURE 9 CMOs See Corporate Leadership And Organization Structure As Growing Concerns

“How much do the following factors help or hinder your team’s ability to adapt to today’s marketing environment?”



Base: 212 global marketing leaders

*Base: 219 senior most marketing leaders

Source: 2014 Forrester/Heidrick & Struggles Global Evolved CMO Survey

*Source: 2016 Forrester/Heidrick & Struggles Global Evolved CMO Survey

Recommendations**CMOs Must Lead The Enterprise Toward Customer Obsession**

CMOs of tomorrow have their work cut out for them. They need to master a new marketing universe, build business leadership skills, drive revenue, and become advocates for the technologies they need to deliver a seamless customer experience. But these are the right challenges for leading marketing and strategy professionals in the coming years. CMOs who rethink their approach — how they operate their teams and how they interact with their peers — will prosper in this new role and position themselves as candidates for general management, all the way up to the CEO. To reach their potential, CMOs must:

- › **Step up and take responsibility for customer experience.** It’s time to follow the two-thirds of your peers that have already recognized the importance of CX to their personal as well as their firm’s success. If you are one of the 36% of CMOs that don’t own customer experience, take the reins and champion customer obsession, especially since 64% of you said your organization lacked a CX function. Sit down with your CEO and outline the benefits to the organization of aligning marketing and CX under a single leader. Fueled by deep customer understanding, you should lead vital, customer-facing experience initiatives with the latitude to work internally across the organization. Seek endorsement and mentorship from your CEO for this effort to further expand your leadership potential. Then, actively and planfully work to develop the new skills you’ll need to be successful in a broader mandate.

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- › **Lead a C-suite conversation on building a customer-obsessed operating model.** Transforming your organization to a customer obsessed operating model is hard work. While as CMO, you are well positioned to champion this important initiative, don't try to go it alone. Our experience shows that full CEO commitment is unequivocally required.¹⁸ Change of this magnitude takes fortitude, as many, if not all, areas of the company will be affected, sometimes in very disruptive ways. Incorporate the point of view of every member of the C-suite as you evaluate your organization's current state against the four operating principles required for customer obsession: 1) customer-led; 2) insights-driven; 3) fast; and 4) connected. While it starts from the top, don't stop there: Actively enlist all leaders to make the talent, culture, process, and technology changes that are necessary.
- › **Stop talking about it and turn CIO collaboration into action.** We have talked with countless CMOs and CIOs who recognize that their mutual success depends on each other. But talking about the need and just taking small steps forward is no longer enough. By developing deep alignment, CMOs and CIOs can avoid being pushed aside in favor of new rising executives, such as the chief digital officer, who can cut through the silos and make much-needed cultural and operational changes.¹⁹ Start by engaging your CIO in regular dialog about customer engagement needs. Invite members of your CIO's team to your strategy and planning sessions. Seek out their advice for the best way to meet your business need.
- › **Prepare now for the next rung in your career ladder.** It's never been a harder and more exciting time to be a CMO. With accountability and customer insights under your belt, you are finally earning the respect of the organization and your rightful seat at the revenue table with your fellow C-level executives. So, what's next? If you're happy with your role, keep going. If you want to follow 17% of our respondents and be the CMO of a larger brand, raise your external market visibility and promote your successes. And, for those of you that join 35% of our survey respondents and aspire to general management as a CEO or COO, now is the time to build the general management skills you lack. Peter Strebel, CMO of Omni Hotels and Resorts and former president of Wyndham Hotels, noted that while GMs in his industry historically rose from finance, marketers are now stepping up. His advice on preparing for the move? "Get under the hood of the financial drivers of your business, and get a mentor who's managed P&Ls."

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Gain greater confidence in your decisions by working with Forrester thought leaders to apply our research to your specific business and technology initiatives.

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Put research into practice with in-depth analysis of your specific business and technology challenges. Engagements include custom advisory calls, strategy days, workshops, speeches, and webinars.

Learn about interactive advisory sessions and how we can support your initiatives.

Supplemental Material

Survey Methodology

Forrester's Q4 2015 Forrester/Heidrick & Struggles Global Evolved CMO/CCO Online Survey was fielded to 275 CMOs. For quality assurance, we screened respondents to ensure they met minimum standards in terms of marketing expertise and title of senior-most marketing leader. Forrester fielded the survey from October 2015 to February 2016. Respondent incentives included a summary of the survey results. Exact sample sizes are provided in this report on a question-by-question basis. This survey used a self-selected group of respondents knowledgeable of marketing strategy leadership and is therefore not random. This data is not guaranteed to be representative of the population, and, unless otherwise noted, statistical data is intended to be used for descriptive and not inferential purposes. While nonrandom, the survey is still a valuable tool for understanding where users are today and where the industry is headed.

Companies Interviewed For This Report

Assurant

K&L Gates

Bloomberg

Neiman Marcus

GE Capital

Omni Hotels and Resorts

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Endnotes

- ¹ As brand and customer experience become intertwined, brand building must move beyond the purview of just the marketing department to become an organization wide effort. To respond, CMOs require a strategic plan to lead the brand experience that will: 1) pinpoint the brand North Star; 2) navigate the brand experience with the brand compass to build a trusted, remarkable, unmistakable, and essential (TRUE) brand; and 3) create a new map of the brand experience that aligns messages, actions, and products or services (MAP). For more information, see the [“Chart A New Course For A Connected Brand Experience”](#) Forrester report.
- ² Source: Peter Dahlstrom, Chris Davis, Fabian Hieronimus, and Marc Singer, “The Rebirth of the CMO,” Harvard Business Review, August 5, 2014 (<https://hbr.org/2014/08/the-rebirth-of-the-cmo>).
- ³ CMOs’ ability to treat brand as an asset for investment is reliant on the quality and the validity of brand health measurement tools and technology. Forrester believes that the brand measurement landscape is poised for digital disruption instigated by, but much larger than, the incorporation of social listening tools. Brand health measurement vendors are reinventing themselves through the integration of multiple input sources to retain their dominance. For more information, see the [“Brand Health Measurement Is Ripe For Digital Disruption”](#) Forrester report.
- ⁴ Source: Courtney Buchanan, “The CMO’s new best friends: CIO and CFO,” Modern Marketing Blog, September 18, 2014 (<https://blogs.oracle.com/marketingcloud/cmos-new-best-friends-cio-cfo>).
- ⁵ Advances in automation increase visibility and accountability surrounding lead-to-revenue processes. Despite this, tensions between marketing and sales persist concerning the quality of support that marketing brings to the revenue-production equation. To progress from open hostilities to collaborative détente, CMOs will need to reimagine sales enablement programs and strategy around the journey that spans the customer’s lifetime. For more information, see the [“From Priming The Pipeline To Engaging Buyers: The B2B CMO’s New Role In Sales Enablement”](#) Forrester report.
- ⁶ Attendees at Forrester’s Digital Business 2015 Forum heard from digital leaders at top firms who are making bold moves to transform their companies. Allstate Insurance is merging digital and physical channels to deepen customer engagement. Mondelez International is focusing on leveraging dynamic ecosystems of value to drive revenue. Amazon Business is harnessing data and analytics to transform B2B purchasing decisions. The lessons that these three firms have learned can help eBusiness and channel strategy professionals from every industry lead their own firms’ transformation into digital businesses. For more information, see the [“Brief: Digital Leaders Focus On Digitizing Business Strategy”](#) Forrester report.
- ⁷ Source: Forrester/Odgers Berndtson Q3 2015 Global Digital Business Online Survey.
- ⁸ Many customer experience (CX) pros find it hard to draw a clear connection between improving customer experience and increasing their firm’s revenue. That’s why Forrester developed industry-specific models that estimate the impact of changes in customer experience on three types of loyalty that can drive revenue: retention, enrichment, and advocacy. This report shows the loyalty-driven revenue impact of improving CX for nine of the industries we cover in Forrester’s Customer Experience Index (CX Index™) and the industries that have the most to gain from improving experiences. For more information, see the [“The Revenue Impact Of Customer Experience, 2015”](#) Forrester report.
- ⁹ Specialist technology and service providers offer advocate marketing solutions aimed at encouraging your customers and employees to endorse your business brand and share experiences. While they help turn recommendations into revenue opportunities, these technologies work best to scale and unify disparate engagement programs. For an overview of advocate marketing options, see the [“Establish Your B2B Advocate Marketing Goals Before Choosing Tech Suppliers”](#) Forrester report.
- ¹⁰ It’s no longer a question of whether technology plays a role in marketing; it’s about what role the CMO needs to play in selecting the best solution to drive marketing and overall business success. To learn more about how CMOs should plan for technology investments, see the [“The CMO’s Role In Technology Purchasing”](#) Forrester report.
- ¹¹ Source: David T. Scott, “CMO Radio: BBVA Compass Invests In The Customer Experience,” CMO.com, November 30, 2015 (<http://www.cmo.com/articles/2015/11/25/cmo-radio-jennifer-dominiquini-cmo-bbva-compass.html>).

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- ¹² It's the middle of the decade, and chief marketing officers (CMOs) find themselves in the middle of a dilemma. The CMO role has yet to emerge fully from its historical communications, promotion, and lead management functions. But the pressures on organizations to become customer-centric have never been greater, creating an unprecedented need to understand customers much better than before. It's time for the CMO to meet that need. To learn more about how CMOs need to rethink their approach to marketing operations, see the "[Predictions 2015: CMOs Boldly Reach For More Influence In The Enterprise](#)" Forrester report.
- ¹³ Source: Giselle Abramovich, "The CMO.com Interview: Chris Curtin, Chief Brand & Innovation Officer, Visa," CMO.com, May 12, 2015 (<http://www.cmo.com/articles/2015/4/21/the-cmocom-interview-chris-curtin-chief-brand-and-innovation-officer-visa.html>).
- ¹⁴ Source: Gardiner Morse, "Reinventing the Chief Marketing Officer: An Interview with Unilever CMO Keith Weed," Harvard Business Review, July 21, 2014 (https://hbr.org/2014/07/reinventing-the-chief-marketing-officer-an-interview-with-unilever-cmo-keith-weed/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%253A+harvardbusiness+%2528HBR.org%2529).
- ¹⁵ Source: "Royal Caribbean's CMO Charting Innovative Digital Course," CMO.com, March 28, 2016 (<http://m.cmo.com/articles/2016/1/24/the-cmocom-interview-jim-berra-cmo-royal-caribbean-international.html>).
- ¹⁶ Through in-depth discussions with C-level over 30 companies at various stages in their customer-obsessed transformations, we teased out the common core for success. To learn more about the role of structure, talent management practices, metrics, culture, processes and technology in these transformations, see the "[The Operating Model For Customer Obsession](#)" Forrester report.
- ¹⁷ Companies want more customer-centric cultures to help them consistently deliver better customer experiences. But the path to customer centricity is long and uncertain. Forrester created a customer-centric culture transformation checklist to help CX professionals ask and answer the right questions to gauge their progress toward customer centricity. See the "[Checklist The Progress Of Your Culture Transformation](#)" Forrester report.
- ¹⁸ Through in-depth discussions with C-level over 30 companies at various stages in their customer-obsessed transformations, we teased out the common core for success. To learn more about common core for success, see the "[The Operating Model For Customer Obsession](#)" Forrester report.
- ¹⁹ Chief marketing officers (CMOs) and their chief information officers (CIOs) must put a unified business technology (BT) agenda into practice that best wins, serves, and retains today's empowered customers. But while both executives talk a good game about the importance of collaboration, they must now take the bold step to act. For more information, see the "[CMOs And CIOs Must Turn Collaboration Into Action](#)" Forrester report.

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