

New report on CMOs emphasises art of marketing

CMO.com in the US has released its 2015 CMO Impact Study, which indicates that a singularly data-driven mindset is not the only key to successful CMO leadership; the art of marketing is also essential.



Image via [123RF](#)

CMOs drive business results, and so do CEOs who "get" marketing. The study, now in its second year, shows a relationship between better business outcomes and companies with stable, marketing-focused leadership. It also challenges the conventional wisdom that data-driven marketing leaders reign.

The executive summary, from Kimberly A Whitler and CMO.com, describes how the study is designed to understand how the CMO impacts the development of a firm's marketing capability and financial performance and how the CEO role impacts the CMO role.

The analysis is based on 564 respondents, 223 of whom are CMOs (ie the head of marketing for their firms, regardless of title). The survey was conducted throughout the winter of 2014/2015. The analysis investigates the CMO and CEO roles and compares responses across firms with high marketing capability (top tertile) and low marketing capability (bottom tertile).

Key results

1. Firms that are better at marketing have higher market share. - In our sample, firms that are better at marketing have nearly two-thirds higher market share than firms that are weak in marketing capability. This makes sense given that strong marketers possess the skills to drive higher growth at their firms relative to competitors (i.e., market share).
2. CMOs in firms with higher marketing capability are more likely to be included in firm-level strategy meetings. CMO inclusion in key strategy meetings is significantly higher (11%) in firms with stronger marketing performance than in firms with weaker marketing performance.
3. CMOs with both analytical and creative skills are more likely to work in firms with stronger marketing capability. 'Balanced' CMOs-that is, those with both right- and left-brain training-are more likely to work in firms with better marketing capability than either analytically trained or creatively trained CMOs. This speaks to the importance of being able to analyse and use insight to change consumer beliefs and behaviour.
4. CMOs with primarily an analytical background are more likely to work in firms with weaker marketing performance. This is likely surprising to many CMOs and CEOs, but it shows that only having an ability to analyse is not enough. Converting insight into strategies, plans and actions that impact the consumer is equally important and requires skill. This is a cautionary tale to CMOs, CEOs and executive recruiters not to overweight analytical skills at the expense of creative skills.
5. Whether the CEO prioritises marketing impacts the firm's marketing capability. CMOs who agreed that their CEOs prioritise marketing tend to work in firms with significantly higher marketing capability.
6. CMO and CEO continuity is good for marketing performance. In firms with higher marketing capability, both the CMO and CEO have significantly longer tenure (15% and 35% higher, respectively), suggesting that continuity of leadership is related to stronger marketing performance.
7. Stronger marketing firms have CEOs who are more likely to have been promoted from within. Consistent with the prior point, continuity tends to be associated with higher levels of marketing capability, even at the CEO level. CEOs who are promoted from within (versus hired from outside the firm) are less likely to have been significant strategic

shifts, which can disrupt marketing activities and potentially impair results at the outset.

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