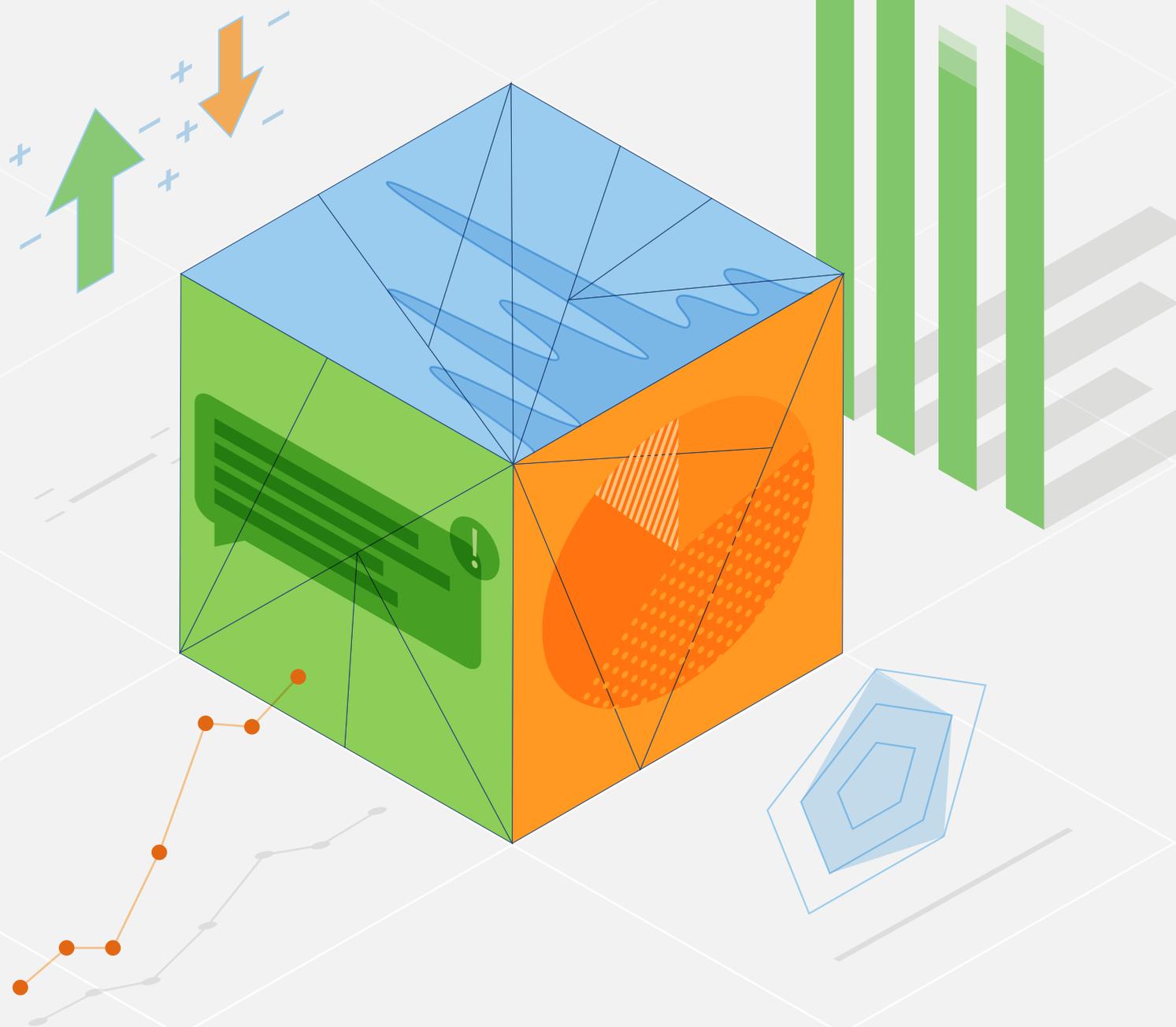


# Marketing's New M.O.

Why marketing leaders need to juggle strategic, business and operational goals better than ever before



# Introduction

Marketing leadership can be approached from many different paths. A brand-centric organization will lead to an emphasis on big creative ideas. A marketing-led organization requires you to always keep an eye on strategic goals. If you're in a complex customer environment, you will have an unrivaled connection to the operational needs of marketing.

Whatever your organization's needs, you're likely to have your own personal M.O. - modus operandi, a particular way of approaching marketing leadership. Of course, to succeed you will also have strength across the marketing mix but your background likely means you have a dominant area of experience and that other areas will, by definition, be weaker.

Having a singular M.O. has worked in the past, when marketing's role within the organization ebbed and flowed depending on immediate needs and market trends. It's likely one of the reasons that the CMO has the shortest tenures in the C-suite as people take up new challenges.

But today's marketing organization is different. Diversification in customer segments, products and competitive threats means that the modern CMO is constantly engaged in all elements of marketing: brand building, campaign management, customer loyalty, revenue growth. The list goes on.

The CMO has never been an easy job but the challenges keep on mounting. Some enterprises are even reconsidering the position of marketing within the organization and replacing the CMO role with new customer-focused positions.

To succeed in this new environment, Marketing needs a new M.O. which caters for all of these needs and allows the CMO to juggle both strategic and operational marketing priorities. More intelligent use of data is central to this new approach, as a way of offsetting the rising complexity. The result will be a marketing organization that creates customer value across all marketing activity and clearly communicates this value to the bottom line.

**Josh James**  
Founder and CEO of Domo

## About the research

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To build a better picture of how the industry is tackling these strategic, business and operational challenges, we asked CMOs and marketing leaders around the world about their opinions, routines and plans for the future.

Partnering with global research company Censuswide, we spoke to a total of 681 senior marketers in seven key international markets: Australia, France, Germany, Ireland, Japan, United Kingdom, and the United States.

The survey was conducted in January 2019, with responses from marketers in 13 different sectors, across organizations of all sizes. Each market was given equal weighting, and the figures in this report are the combined data from all countries, unless otherwise stated.

# Growth, or survival?

The challenges facing today's CMO.

Marketing has the deepest understanding of the customer, the best ability to communicate and the most advanced understanding of digital trends, so how can it be so maligned and misunderstood? To find out, we have to take a closer look at the current landscape, and more specifically how marketers are using data as part of their current M.O.



# Keep up or get left behind

It's clear that the pace of change is a major source of confusion and additional complexity. 83 percent of marketers at large enterprise organizations admit that the rise of new technologies and techniques means it's now much more difficult to stay on top of everything. Almost half (46 percent) say the number of data channels and sources has made it more difficult to plan for the long-term.

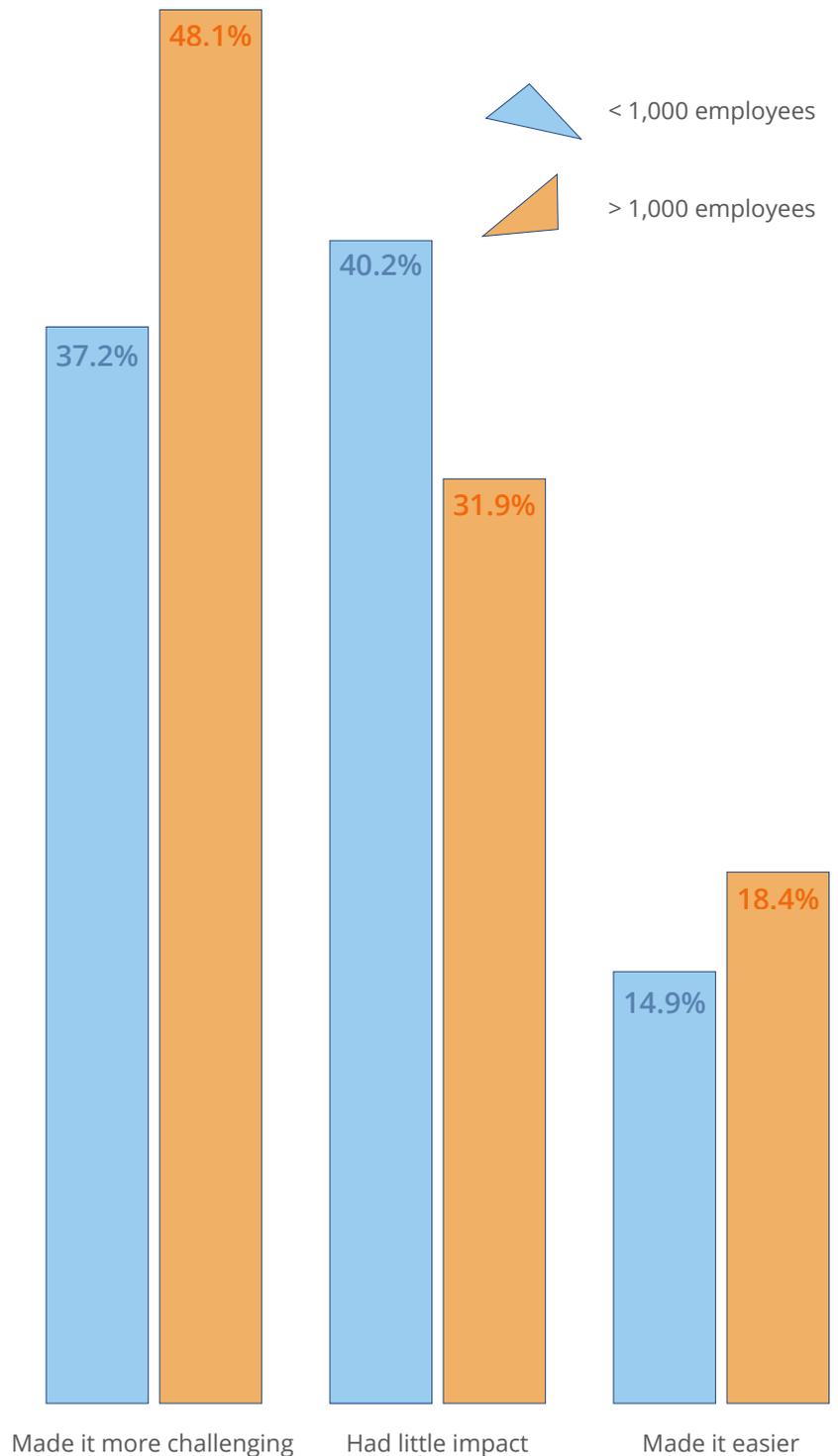


We have moved to an era where data, algorithms and analytics rule.

Some of this will be driven and motivated by internal pressures, but regardless of influence, enterprise marketers have become data-blind. 80 percent say that the industry is focusing on too many metrics – concerns that aren't unique to big business.

Yet even that is driven by a wide range of factors. It's harder to stay on top of things from an internal perspective and, as former Unilever CMO Keith Weed argues, the external factors are also huge: "We have moved to an era where data, algorithms and analytics rule. And we all know the battle for attention has never been greater."

➔ Fig 1.1 Breakdown of senior marketing leaders by company size, showing what impact the rising number of channels and data sources has had on their ability to plan for the long term



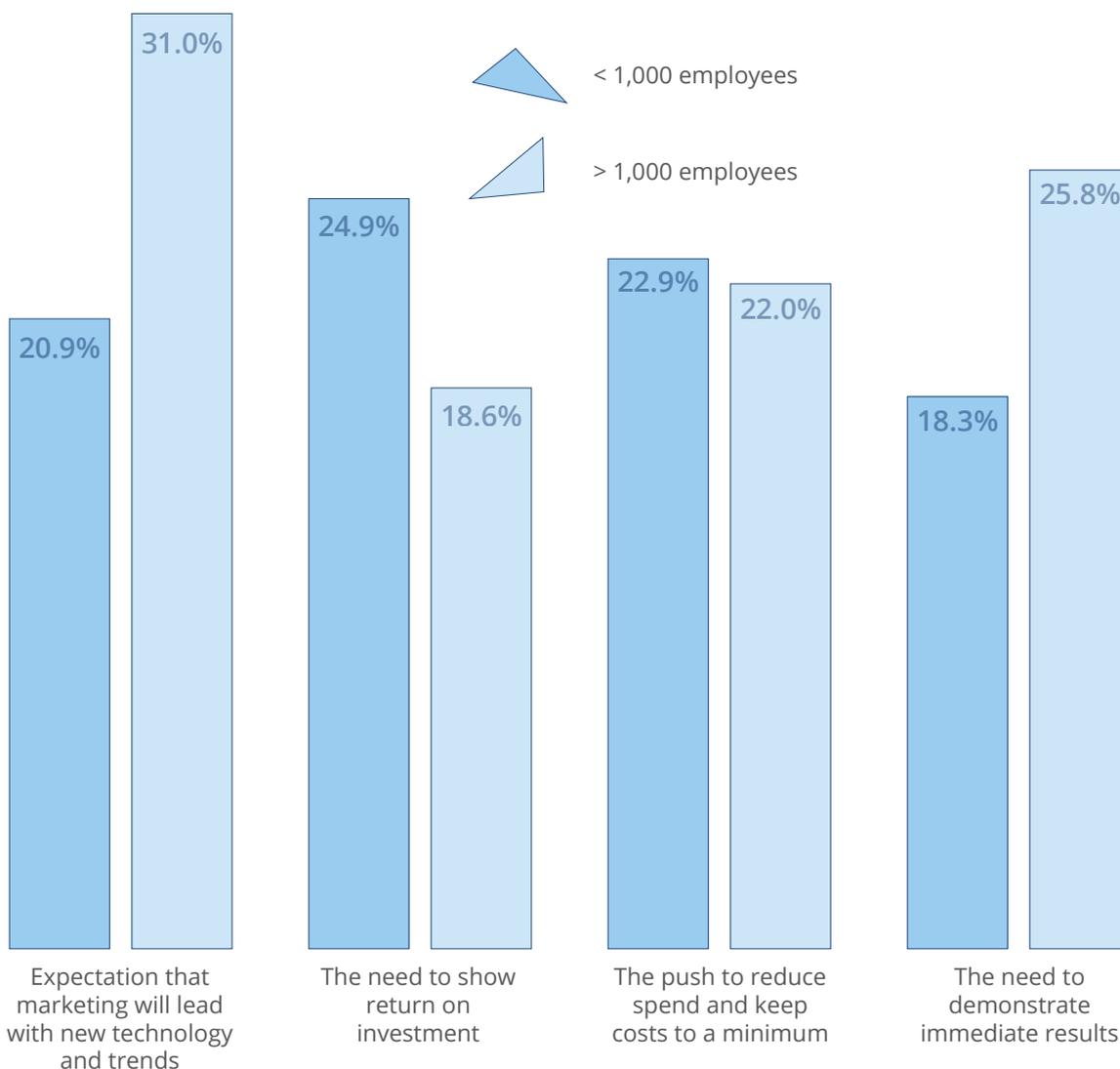
# The question of ownership

Then there's the debate around who really owns data. 34 percent of senior marketers believe it should be their M.O. to connect and manage data insights across the business. Closely followed by 30 percent who believe it's the CTO and the IT department that should shoulder the responsibility, and 20 percent that argue it should be the CEO.

That contrasts sharply with the view from the top. In research last year, Domo polled some of EMEA's leading CEOs and found that more than 45 percent believe they should have the responsibility to manage data in their organization, with just 8 percent saying it should be the CMO or marketing lead.

That's a big problem. There's currently no clear owner of data in the enterprise, and that in itself means there is a lack of unification – a missing link between marketing and the rest of the organization that signals an opportunity for growth missed, and time and resource wasted. But what's causing it?

➔ Fig. 1.2: Breakdown of senior marketing leaders showing sources of pressure from across their team



# Short term, and short sighted

The findings show that 22 percent of senior marketers believe the greatest barrier to communicating marketing performance with the C-suite, is the C-suite's focus on short-term metrics, rather than long-term results. 18 percent meanwhile, think it's a lack of data and systems that collate data and offer transparency across the team.

➔ Fig. 1.3: Breakdown of senior marketing leaders showing the greatest barriers to communicating marketing performance with the C-suite



# The customer is king

Unsurprisingly, the customer is already at the heart of the data that matters to marketing leaders – far more than metrics such as ROI. If forced to choose just one metric to focus on and cut through the noise, half of senior marketing leaders would track either customer satisfaction or customer lifetime value, because it's such a powerful insight.

It's a rational decision. Customer expectations are greater than ever before, and McKinsey & Company summarize it perfectly in a recent podcast titled 'Why the Customer Experience Matters.' The consulting firm argues that "when a customer is satisfied with a company, they are also lower in the cost to serve, but also have a higher potential to be more loyal customers for this company". Get things right for the customer, and it will make almost everything that follows easier.

McKinsey also notes that one of the key components in creating a good customer experience is a "top-down push", where the focus is driven by senior management, especially the CMO.

In the data age, CMOs need to define growth with stakeholders across the business, share insights about customer preferences and expectations, and implement an end-to-end customer experience that links short-term gains to long-term growth.

➔ Fig. 1.4: Breakdown of senior marketing leaders showing the one metric they would focus on, if forced to choose

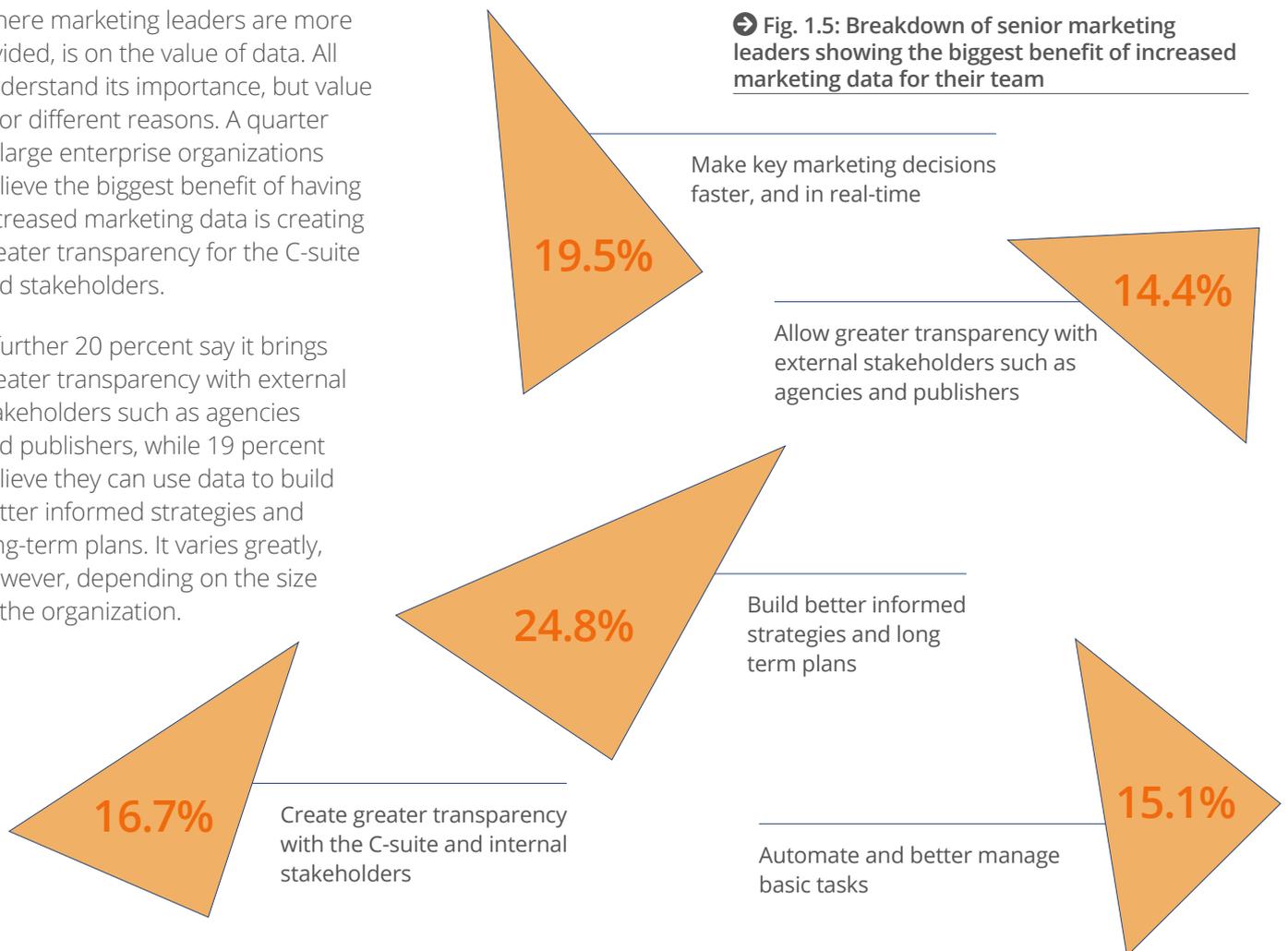


# The value of data

Where marketing leaders are more divided, is on the value of data. All understand its importance, but value it for different reasons. A quarter of large enterprise organizations believe the biggest benefit of having increased marketing data is creating greater transparency for the C-suite and stakeholders.

A further 20 percent say it brings greater transparency with external stakeholders such as agencies and publishers, while 19 percent believe they can use data to build better informed strategies and long-term plans. It varies greatly, however, depending on the size of the organization.

➔ Fig. 1.5: Breakdown of senior marketing leaders showing the biggest benefit of increased marketing data for their team



## Unhealthy competition

Few leaders highlighted the ways data can be used to create a competitive advantage, which is surprising given the findings of new research from consulting firm, NewVantage Partners. It revealed that almost four in five large enterprises in the US fear disruption or displacement from firms like those in the fintech sector, or firms specializing in big data.

They recognize that data-driven organizations hold all the cards, but the research also notes that “an important and continuing issue is the slow speed with which these established firms make the shift to a data-driven culture”.

The enterprise sees what it needs to be, but a lack of agility, and the fact that so much time is taken up managing basic operations, means an opportunity is often missed. Changing that won't take years. It just needs a new approach, one centred around the customer, and momentum to make swift adjustments.

# Appetite for change

➔ Fig. 1.6: Breakdown of senior marketing leaders showing what they feel would most improve the way their team communicates with the wider business



Raconteur’s Future CMO report, argues that “marketing has never been so central to corporate success, and it’s never been as difficult to reach and engage customers.” But the better news is that leaders are responding; there is a determination to optimize the way organizations use data and analytics.

More than a third (35 percent) of senior marketers say the one thing that would most improve the way their marketing team communicates with the wider business, would be training for staff to help them understand and explain marketing, but the wish list is much longer.

All are within reach, as central solutions that collate and manage data are already available, but consider the bigger business picture. For marketers that take the lead within their organization to implement data best practice, they can transform the way it functions and add value across every department. It’s an opportunity to be embraced. It’s what great marketers do.

And it should already be front of mind. The 2018 Dentsu Aegis’ CMO survey found that 64 percent of global CMOs consider delivering business growth to be their top priority. And the overwhelming majority think the key to delivering business growth is building more lasting relationships with customers, something they conclude can only be achieved with data-driven strategy.

# Return on investment

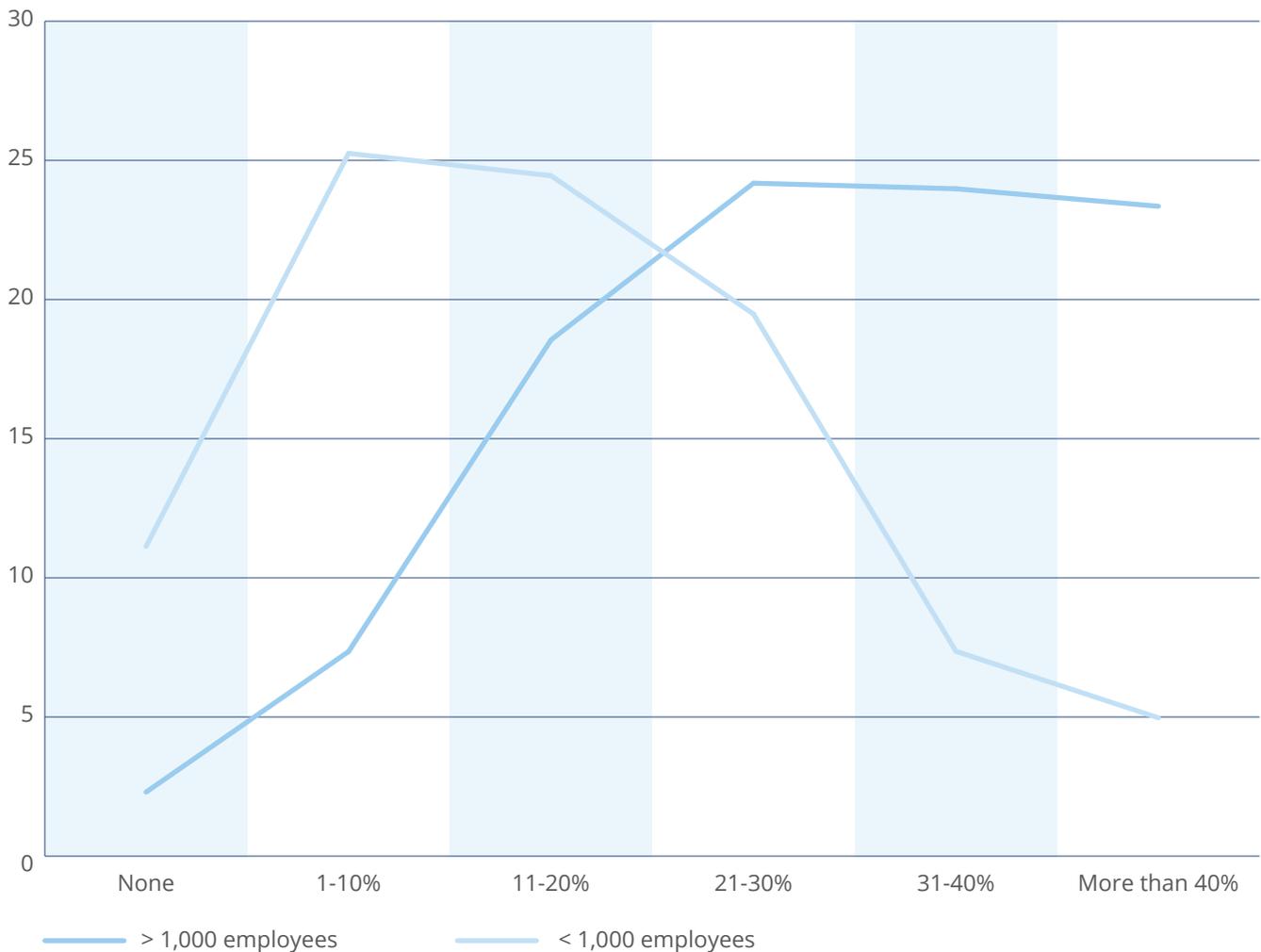
The size and scale of the challenges that come with effective, data-driven marketing are reflected in budgets, as 23 percent of large enterprise organizations plan to allocate more than 40 percent of their overall marketing budget to analytics and data management over the next 12 months; 70 percent will allocate at least a fifth.

Data, it seems, is a much greater priority for large firms. Only 2 percent say they will allocate no budget, compared to 11 percent of firms with less than 1,000 employees.

## 23%

of large enterprise organizations plan to allocate more than 40 percent of their overall marketing budget to analytics and data management over the next 12 months

➔ Fig. 1.7: Breakdown of senior marketing leaders showing the percentage of their overall marketing budget they plan to allocate to data management over the next 12 months



# Marketing in the middle

Can balanced skills and greater collaboration make Marketing a central force for growth?

It's clear that the way forward for the marketing organization isn't more of the same. Complexity is increasing and leaders are being asked to do more with existing or sometimes fewer resources. The budgets and the intentions are there, but to succeed in the modern enterprise, marketing needs to be much more integrated with other functions to help it achieve its objectives. Where should you make changes to adjust to this new normal, and what needs to be preserved?



# Marketing across the enterprise

Unilever argues that effective marketing today “means seeing one consumer, one budget and therefore needs one measurement system.” Or reading between the lines, it needs collaboration, something a lot of marketers feel they lack. 18 percent say a lack of systems that collate data and offer transparency across the team is the greatest barrier to effectively communicating marketing performance with the wider business.

The solution? 23 percent say a more open and collaborative team structure would provide the biggest improvement, while 22 percent want real-time data and performance figures, available to everyone and 21 percent, like Unilever, need one central reporting and measurement solution.

Shared analytics would go a long way to creating greater collaboration and strategic vision across teams, but there’s also the question of how those teams should be structured, and what the modern marketing skill set should look like.

## Data vs creativity: is one more important in modern marketing?

Marketing has historically been built around a creative heart. It is the function of brand narrative, emotional appeal and customer communications. Those are still important but they’re now joined by data, analytics and a greater rational understanding of the customer’s whole experience and touch points with other departments.

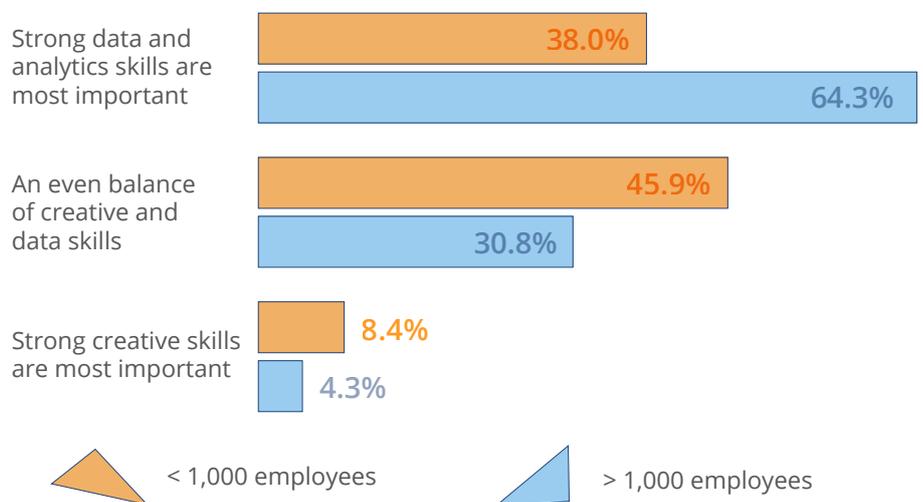
For businesses with fewer than 1,000 employees, parity is more important with 46 percent answering that there should be a balance of both data and creative skills. The overarching trend remains clear though, and

becomes more marked the bigger the business is. Larger organizations, which create and require a much more significant volume of data, place greater emphasis on managing it.

The debate about which should dominate marketing - left brained, rational data or right brained, emotive creativity - is a false choice. The answer lies in a balanced central brained approach, and it is the CMO’s opportunity to create this balance.

But there’s still work to be done. 64 percent of senior marketers in large enterprise organizations believe that data and analytics skills alone are most important in the modern marketing department. Just 31 percent say there should be an even balance between data and creative, but creative skills on their own take a back seat.

➔ Fig. 2.1: Breakdown of senior marketing leaders showing the balance of skills they think are most important for then modern marketing department

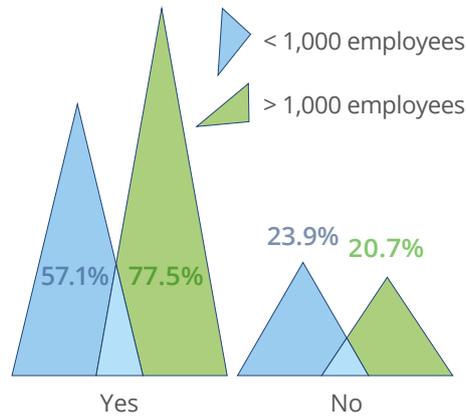


# In the hiring line

On recruitment, the picture is different. The three skills large enterprise organizations target when hiring marketers are creative (45 percent), security and compliance (45 percent) and data science and analytics (42 percent).

Data skills remain a clear focus, but in an age of democratized and shared analytics, those skills are arguably easier for candidates to learn, and for the enterprise to find, than creative talent. As consultant and lecturer Anna Powers explained to Forbes, knowledge and data is no longer asymmetric, as it was in the past when only certain people had access. Now everyone has access – it is just a matter of what we do with it. Her conclusion: “We must embrace and develop our creativity, and then use technology to creatively solve problems.” A strong endorsement for the idea of a new marketing M.O.

**Fig. 2.2: Breakdown of senior marketing leaders by company size, showing whether they believe there is currently a digital skills gap in the marketing industry**

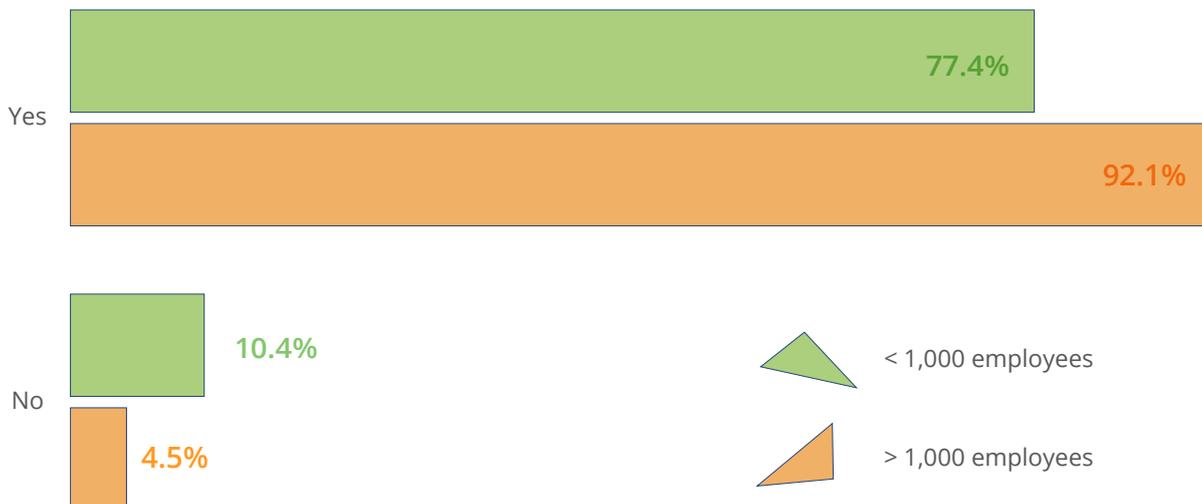


Another key question is: what constitutes creativity? It's always been subjective. LinkedIn Learning, the online training platform, argued that “creativity doesn't mean artistry. Yes, an artist could be creative, but so could a software engineer, a mathematician, a salesperson or a CEO. Creativity is really just solving problems in original ways.”

The reality is that the lines are blurred, and that data and creativity are intrinsically linked. That in turn has created a tension for the modern marketing department, which has historically split the two apart. The message is clear though: 92 percent of senior marketers surveyed at large enterprise organizations believe that data and analytics could be more effectively used to boost creativity in campaigns.

Data-driven creativity can help to resolve the tension. As Issue 22 of the Deloitte Review identified, “much has been said about the increasing need for strong data-analytics capabilities in marketing, and rightly so. Yet this should not tempt CMOs to undervalue the creative, right-brain skills that marketers have more traditionally valued. Only by marrying the two can CMOs bring insight and actionable guidance to organizations, and it requires a forward-thinking, strategic mind-set.”

**Fig. 2.3: Breakdown of senior marketing leaders showing whether data and analytics could be more effectively used to boost creativity in campaigns**



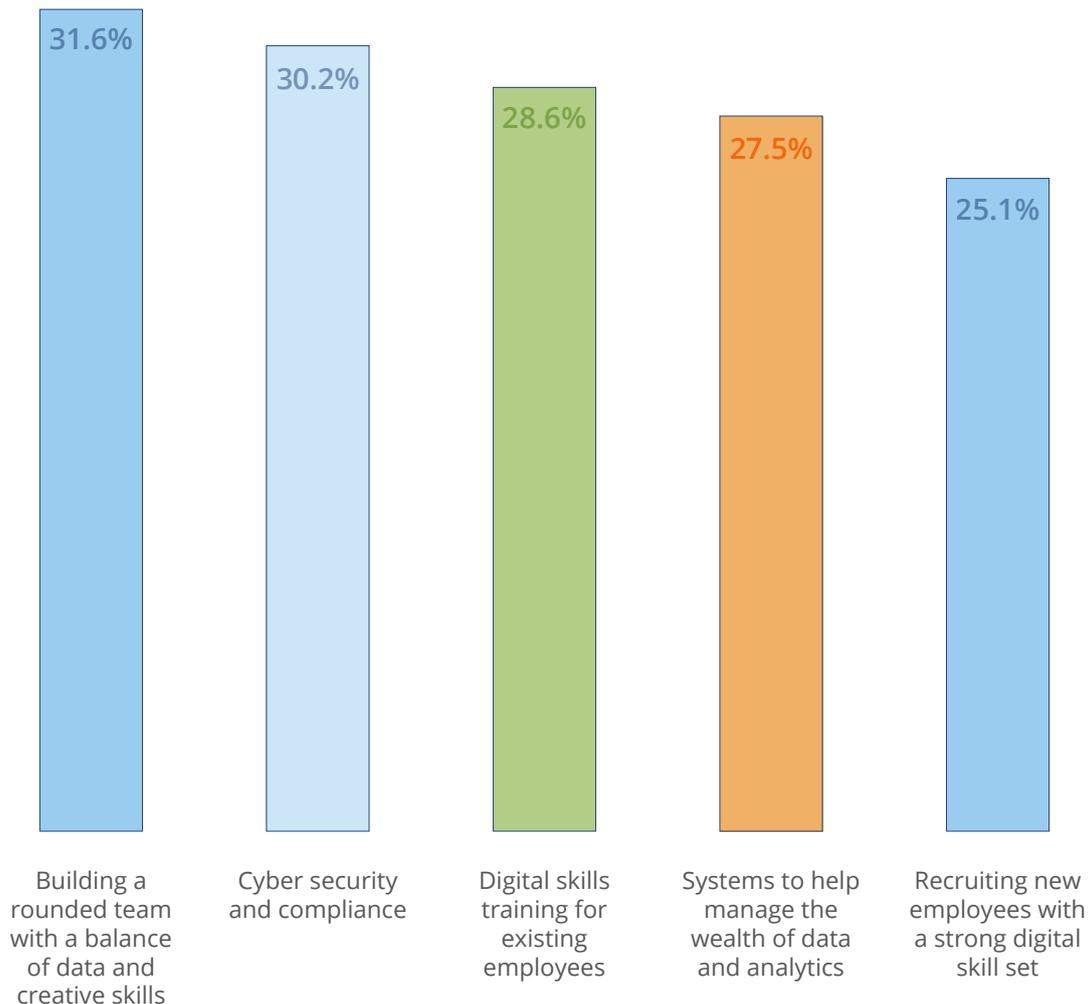
# Tackling the tension

The positive outcome is that change is coming. More than one-third (35 percent) of large enterprise organizations say their investment priority over the next five years is to build a rounded team with a balance of data and creative skills. The only thing considered a higher priority is security and compliance (39 percent).

As expected, leadership will play a critical role in any progress. Speaking on the issue in 2018, the General Marketing Alliance explained that “marketing success depends on an ability to achieve a symbiotic relationship between two apparently opposing concepts, by combining a variety of skills to see campaigns through from start to finish”.

That relationship needs to start and be managed from the top. The CMO or marketing lead must stand up to the task by being a strategic and operational marketer, adept at developing, protecting, and using effectively the firm’s key marketing resources, including both data and personnel.

➔ Fig. 2.4: Breakdown of senior marketing leaders showing what they think will be most important for their business to invest in over the next five years



# Demand creation

It is impossible to mention the short- and long-term balance and benefits of being data-driven, without also considering the bigger shift that is happening within marketing. Thanks to data, demand creation has become the new brand promotion. With the wealth of analytics now readily available to teams, it is no longer just about driving awareness and relying on sparse campaign reporting.



A fifth of all marketers believe the biggest benefit of increased data is the ability to make key marketing decisions faster, and in real-time.

New measurements and metrics demonstrate the value of marketing, and help challenge the organizational mindset that it's purely an expense by proving its value as a revenue contributor.



The cost of marketing is often hotly debated in large enterprise organizations, but truly data-driven marketing teams can offer detailed attribution.

The benefits of being data-driven are apparent – a fifth of all marketers believe the biggest benefit of increased data is the ability to make key marketing decisions faster, and in real-time; one in four marketers say it enables them to build better-informed strategies. The net result is better briefs, quality work, and stronger outcomes that benefit both the customer, and the wider business.

A data-driven culture ensures marketing data is used at the beginning, middle, and end of any ongoing campaign or individual project, to make marketing more effective and responsive in real-time.

It also provides real-time feedback to shape execution and actions, and ties marketing more closely to the purchase funnel. That agility is vital, as is the transparency it offers across the wider C-suite. The cost of marketing is often hotly debated in large enterprise organizations, but truly data-driven marketing teams can offer detailed attribution.

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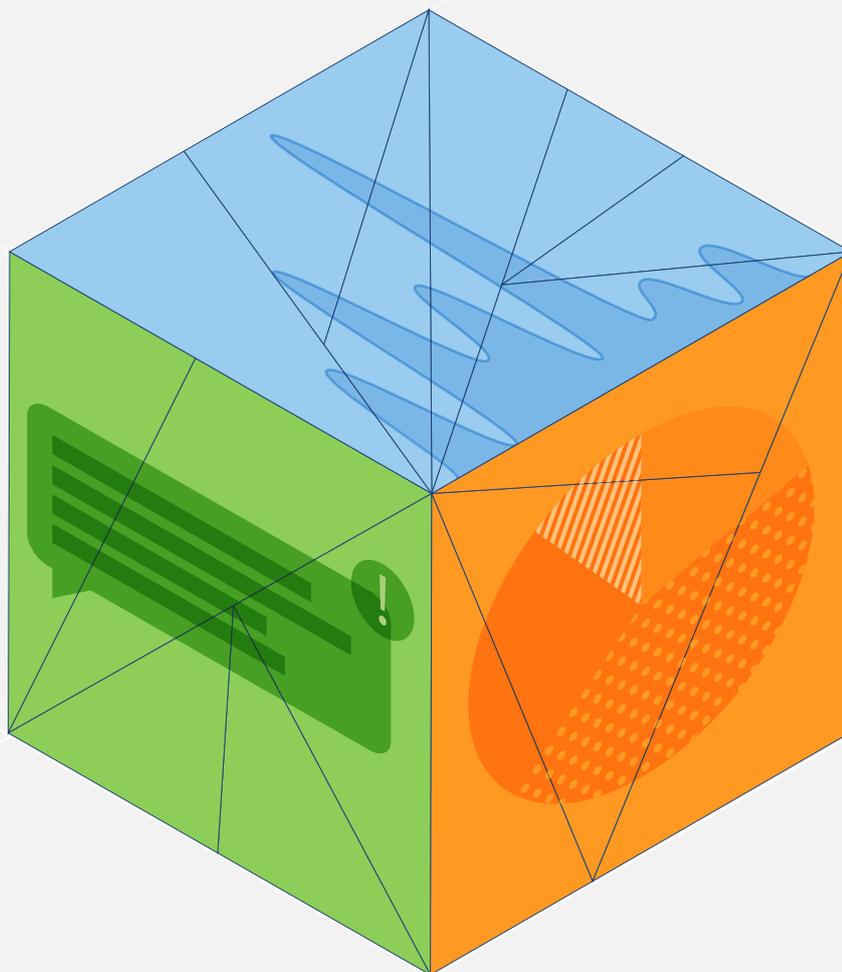
marketers say increased data enables them to build better-informed strategies

# The new M.O. for marketing

Driving commercial growth, delivering customer experience and demonstrating value to the wider business.

The research shows that marketing leaders are quite clear on what the organization needs and wants from them, and that they want to deliver it. But a big barrier to success is that operational and strategic complexity is getting in the way. It's a catch-22

that there's too much to do, and not enough resources available, so they often struggle to spend time on the strategic activities which could generate the additional resources required.



# The new M.O. for marketing

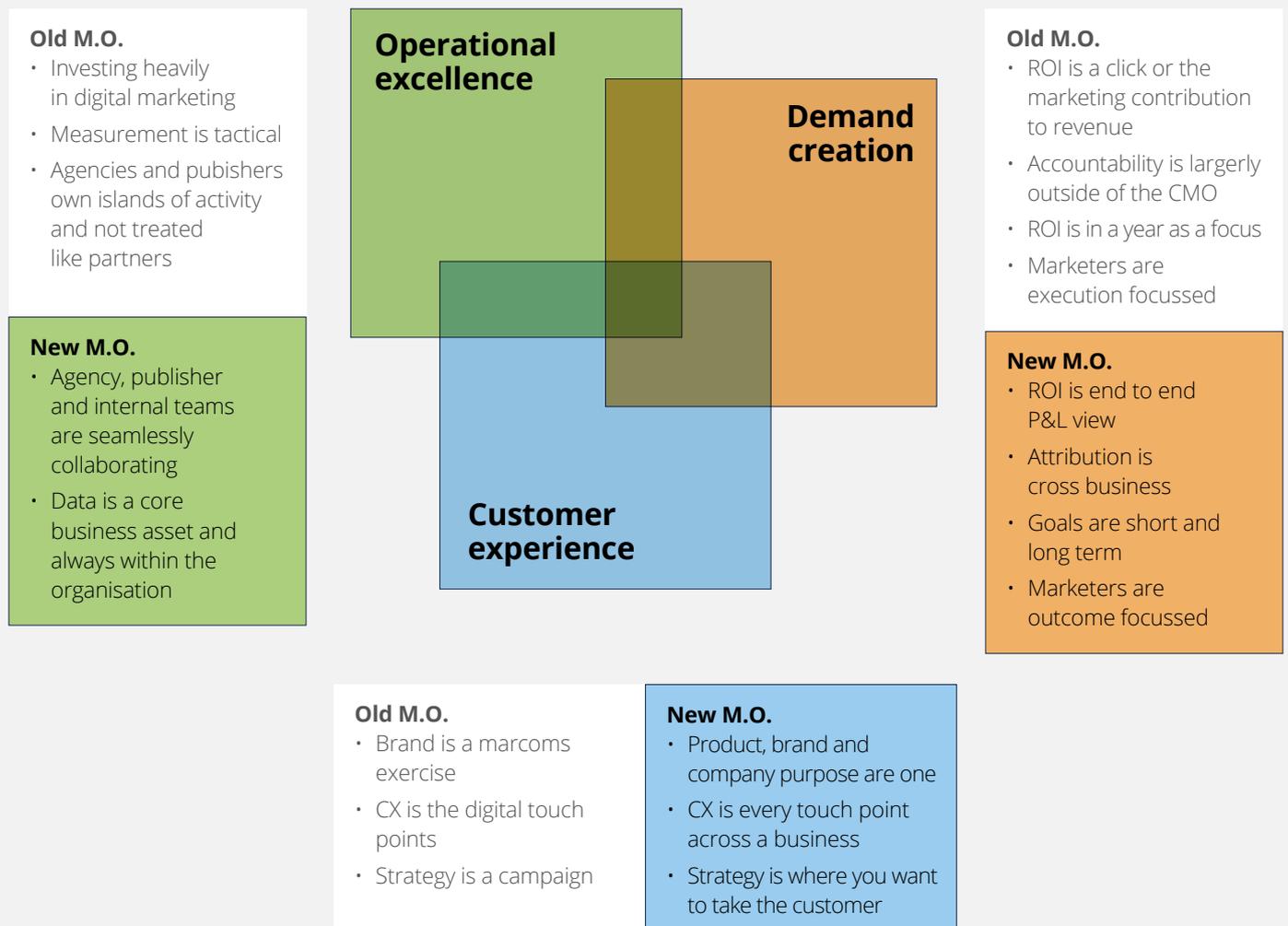
Guided by this research, a new M.O. for marketing will help the modern marketing leader to juggle the demands of their role and department in a post-digital market. It is a model for future success, based on what is important from the old models and enhanced with modern practices which may not be intuitive for a marketing organization.

The three focus areas for this new approach are:

1. Customer experience: Aligning the wider organization behind serving the consumer better
2. Demand creation: Taking marketing to the finance department, creating greater transparency around results

3. Operational excellence: Freeing the organization from managing complex tactical executions to instead be optimized and automated, with greater resource to focus on the strategic and creative endeavours

It's a marked shift from the old way of thinking.



# Steps to adopt the new marketing M.O.

The new M.O. will require you to make changes to the way that you operate, your marketing organization and your relationships across the C-suite. To get you started, here are five moves to make. You may be stronger in some areas than others, so pick the ones which you feel are achievable soonest:

## 1 **Create an ecosystem and network for the customer age of marketing**

Marketing systems, agencies and publishers are a complex ecosystem. Agencies can become commoditized by their clients, while publishers hold too much customer data. But when the power of both is pulled together, they can be a force to be reckoned with.

*First step: Start an operational audit of all data sources, systems, people, processes. Map out the ownership and SWAT of each.*

## **Reinvent the way your organization thinks about real-time.**

There's a lot of focus on real-time marketing, but it's not just a question of just being faster. That's tactical and at the media level. The organization needs to reinvent itself to take full power, and the cadence - the barriers to good decision making - need to break down so marketers can change their plan at the speed of the customer

*First step: Shift the management cadence to daily. Run a daily stand up with each functional leader. 5 minutes maximum, looking at data only, and no PowerPoints or planned presentations.*

# Steps to adopt the new marketing M.O. contd.

## 3 **Optimize the way people, data and systems are connected, across all levels**

Marketing optimization is often done at the tactical level. Whether it's the click, the A/B test or the widget. They are immediate actions, yet the cadence of decisions a CMO needs to make are most often at the monthly governance level. By unifying the business through better connection of people, data and systems, decisions can now be made at a much faster rate.

*First step: Perform a top/bottom analysis of campaigns and run a weekly investment review to shift performance. Create a culture of celebrating the changes and not the ownership of the execution.*

## **Ensure accountability is outward facing - make it bi-directional and holistic**

# 4

The CRO, CIO and CCO all have accountable ownership for growth. But the CMO does too. It's time to make it a team sport by shifting the narrative of marketing from just marketing, to the whole business.

*First step: Invest in objectives and key results (OKRs) for the marketing organization, and ensure they are visible across the wider C-suite.*

## 5 **Align the company behind the goal of demand generation - and be that champion**

This builds on point four, but goals need to be short and long-term. They need to be inward facing and outward facing. Marketing can be the bastion of strategic goal setting in partnership with the CEO, CFO and the company board.

*First step: Build an executive committee for purpose and brand strategy. Have the CFO chair it.*

# The global picture

The research in this report is based on global data, but it's clear that there are different approaches across the world. Marketing is often considered to be an international industry, but it's not one without its nuances. Especially when it comes to data.

## USA

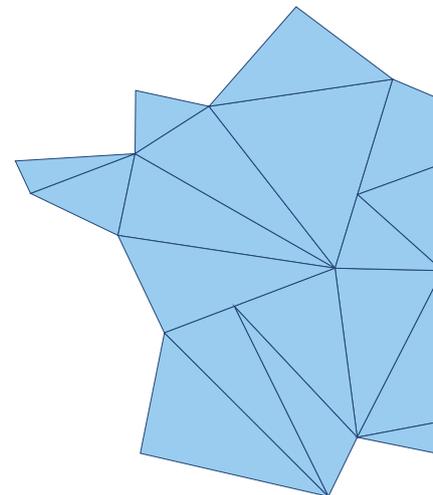
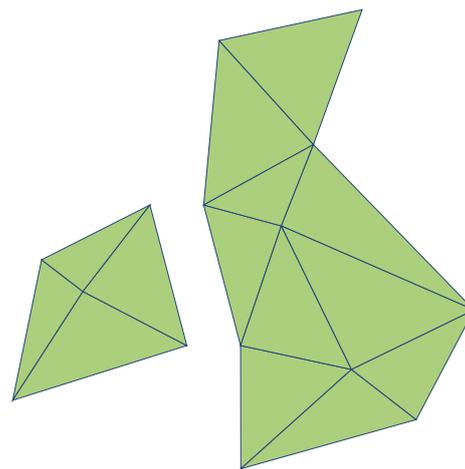
- Creative could be better: 92% of senior marketers think data could be more effectively used to boost creativity in campaigns. That drops to 73% in the UK, and 75% on average across other markets.
- Time to top up the toner: 51% still use printed reports as a primary method to present and interpret marketing data. Higher than any other market.
- No silos: 18% of senior marketers argue that new technologies and techniques in marketing aren't creating data silos that slow marketing down. Much higher than the average of 6% across other markets.
- Praise for agencies: 50% say the way data is shared between their team and agencies is very good - transparent and free. It's much lower on average across other markets, at 33%.

## UK & Ireland

- Data skills in demand: 43% of senior marketers say data science skills are most important when hiring new employees for their team, compared to 33% in the US and just 28% in Australia.
- Training a priority: Almost a third (32%) believe that training for staff to help them understand and explain marketing performance would most improve the way their team communicates with their wider organization. It's a much greater priority than other markets.

## France

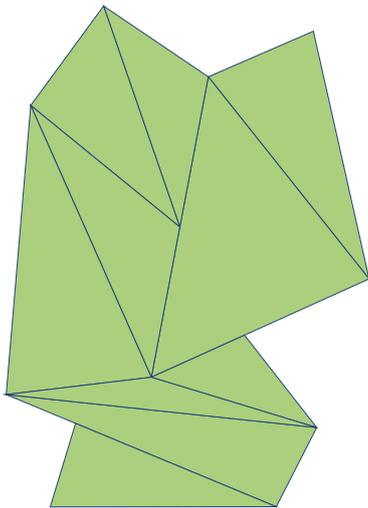
- Seeing a return? Demonstrating ROI is the greatest pressure that comes from the wider business, according to 31% of senior marketers. That compares to just 17% across other markets.



# The global picture contd.

## Germany

- Complexity, not confusion: 41% of senior marketers say the proliferation of channels has had little impact on their ability to plan for the long term, compared to 30% in other major markets such as the US.
- Fewer fears over skills: 54% believe there is currently a digital skills gap in the marketing industry, compared to 64% across other markets.

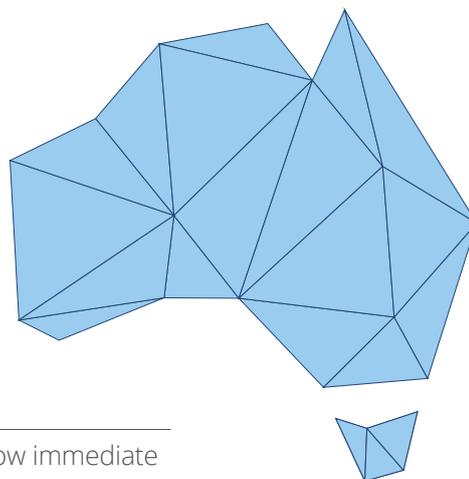


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of senior marketers feel their tools and processes for understanding data are poor.

## Japan

- Confidence lagging? Almost a fifth (19%) of senior marketers feel their tools and processes for understanding data are poor. Compared to an average of just 4% across other markets.



31%

Believe the need to show immediate results is the greatest pressure from the wider business.

## Australia

- Ahead of the curve: Half (50%) of senior marketers use centralised dashboards to present and interpret marketing data.
- Need for speed: The need to show immediate results is the greatest pressure from the wider business, according to 31% of senior marketers - almost double the average from other markets.

# Learn more

## Marketing Suite

Domo's Marketing Suite gives marketers the real-time reporting they need across all channels, empowered by automation to improve campaign performance.

[Learn about Marketing Suite](#)

## See Domo in action

With Domo, it's easy to see all the information you care about in one place, and use it to make faster, better-informed decisions. Let us show you how in a one-on-one demo.

[Request a demo](#)

## Try Domo for free

Drive smarter decision-making: Connect your data, systems and people.  
Start your free trial of Domo.

[Start a free trial](#)

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