From Stretched to Strengthened: Insights from the Global Chief Marketing Officer Study
The 2011 Global CMO Study is part of our C-suite Study series encompassing interviews with more than 15,000 C-suite executives.
In this largest sample of face-to-face CMO interviews, we spoke with more than 1,700 CMOs.

The study represents organizations in 64 countries and 19 industries.

**Sectors**
- 24% Financial Services
- 21% Industrial
- 16% Communications
- 36% Distribution
- 3% Public

**Regions**
- 44% Growth markets
- 35% Europe
- 17% North America
- 4% Japan

Growth Markets include Latin America, Central and Eastern Europe, Middle East and Africa and Asia Pacific (excluding Japan); n=1734
Through these in-depth discussions, we are better able to understand the evolving role and function of the CMO in the C-suite.

**Scope**
- Sample consists of private sector CMOs (97%) and public sector leaders (3%)
- Representative sample across 64 nations and 19 industries
- Private sector organizations with revenue more than US$500 million in mature markets and more than US$250 million in growth markets; public sector organizations with more than 1,000 employees

**Approach**
- Face-to-face one hour interviews with 1,734 CMOs
- Facilitated using structured questionnaire
- Wide coverage: from highly profiled organizations (48 of the 100 top Interbrand organizations) to lower profile local organizations

**Analysis**
- Statistical analysis of 35 questions and the related 236 discrete factors
- In-depth analysis based on self-reported performance characteristics for differences between “outperformers” and “underperformers”
- Comprehensive review and analysis of more than 10,000 interview quotes
Introduction – Swimming, treading water or drowning?

Deliver value to empowered customers
– Move from market analysis to understanding individuals
– Take charge of growing volume, velocity and variety of data

Foster lasting connections
– Focus on the relationship, not just the transaction
– Invest in building your corporate character

Capture value, measure results
– Demonstrate accountability through ROI
– Recognize shift towards new skills and capabilities

The CMO Agenda – Get fit for the future

“The perfect solution is to serve each consumer individually. The problem? There are 7 billion of them.”
Consumer products CMO, Singapore
CMOs feel unprepared for the amount of complexity they face

**Expected level of complexity and preparedness to handle**

*Percent of CMOs responding*

- 79% Expect high/very high level of complexity over 5 years
- 48% Feel prepared for expected complexity
- 31% Complexity gap

“In this coming age of complexity and uncertainty, there is a serious risk of ‘losing our north,’ of being intoxicated by data overload and suffering from corporate indigestion.”

Industrial products senior managing director/marketing, Spain
The vast majority of CMOs are underprepared to manage the impact of key changes in the marketing arena.

**Underpreparedness**

*Percent of CMOs reporting underpreparedness*

- Data explosion: 50% reporting, 71% underprepared
- Social media: 50% reporting, 68% underprepared
- Growth of channel and device choices: 50% reporting, 65% underprepared
- Shifting consumer demographics: 50% reporting, 63% underprepared
- Financial constraints: 50% reporting, 59% underprepared
- Decreasing brand loyalty: 50% reporting, 57% underprepared
- Growth market opportunities: 50% reporting, 56% underprepared
- ROI accountability: 50% reporting, 56% underprepared
- Customer collaboration and influence: 50% reporting, 56% underprepared
- Privacy considerations: 50% reporting, 55% underprepared
- Global outsourcing: 50% reporting, 54% underprepared
- Regulatory considerations: 50% reporting, 50% underprepared
- Corporate transparency: 50% reporting, 47% underprepared
To deal with the broad level of underpreparedness, CMOs signaled three key domains of improvement

“Marketing must become more adept at managing the magnitude of change now taking place. Otherwise, it will be like going into battle with a Swiss Army knife.”

Financial services vice president, marketing, US
To form lasting connections with customers, CMOs recognize importance of corporate character – but more work needed

Is your corporate character understood in the marketplace?

- **22%** say no or limited understanding of corporate character
- **53%** say understood and (strong) contributor to brand success

### Breakdown:

<table>
<thead>
<tr>
<th>Not understood</th>
<th>Strong contributor to the brand's success</th>
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<tbody>
<tr>
<td>5%</td>
<td>25%</td>
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<tr>
<td>17%</td>
<td>32%</td>
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<td>21%</td>
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To form lasting connections with customers, CMOs recognize the importance of corporate character – but more work needed

### Is your corporate character understood in the marketplace?

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### Is much more work needed to get employees on board?

<table>
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<th>Percentage</th>
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<tr>
<td>57%</td>
<td>57% say significant or much work needed</td>
</tr>
<tr>
<td>25%</td>
<td>Significant work needed</td>
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<tr>
<td>32%</td>
<td>Say no or very limited work needed</td>
</tr>
<tr>
<td>23%</td>
<td>No work needed</td>
</tr>
<tr>
<td>20%</td>
<td>20% say no or very limited work needed</td>
</tr>
<tr>
<td>15%</td>
<td>No work needed</td>
</tr>
<tr>
<td>5%</td>
<td>No work needed</td>
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To activate the corporate character in a transparent world, marketing needs to drive broad changes in the organization.

Top 5 initiatives driven by transparency
Percent of CMOs selecting initiatives

<table>
<thead>
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<th>Initiative</th>
<th>Percent of CMOs</th>
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<tr>
<td>Manage brand reputation within and beyond the company</td>
<td>50% 75%</td>
</tr>
<tr>
<td>Enhance engagement with customers and citizens</td>
<td>50% 74%</td>
</tr>
<tr>
<td>Expand data collection, analysis and insights capabilities</td>
<td>50% 67%</td>
</tr>
<tr>
<td>Strengthen collaboration across the enterprise</td>
<td>50% 64%</td>
</tr>
<tr>
<td>Orchestrate a single view of the brand</td>
<td>50% 61%</td>
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“Traditionally, corporate culture and character have been managed by HR, but it can't remain there in a digital environment. The world of separate internal and external messages is gone, and internal actions, memos and decisions can impact your brand just as much as an advertising campaign.”

Financial markets EVP, head of global marketing, US
Global launch event blended virtual and in-person components, drawing substantial interest

- Live from the Harvard Club in NYC, Angelia Herrin, Editor of HBR, led panel discussion on Changing Role of the CMO with Jon Iwata, IBM Senior VP, Marketing and Communications, Elisa Steele, Exec VP & CMO, Yahoo! Inc., and Aaron Davis, CMO, Schneider Electric.
  - 30 clients attended exclusive in-person venue, including CMOs from major organizations such as Alberto Culver/Unilever, Barnes & Noble, MasterCard Worldwide, PepsiCo and Telstra (Australia)
We also went to where our audience increasingly resides: Study’s social media reach surpassed all expectations

- **LinkedIn group**
  - [CMO Study group](#) created end of June
  - >300 new members joined launch week, pushing membership to
  - >2,000 members
  - Broad geo distribution; top regions outside US: Netherlands (142), Australia (124), UK (100), India (68), Italy (50) and Belgium (45)

- **Twitter #IBMCMMStudy**
  - On launch day and 24 hrs after, 1,400 tweets reached nearly 1M people, generating 1.17M impressions; During rest of launch week, 2,000 tweets reached 1.2M people, generating 2.6M impressions
  - First-ever C-suite Study Tweet jam reached 38K people via 122 tweets, generating 79K impressions

- **YouTube IBMIBV channel**
  - >1,700 views of CMO videos; >1,000 views of press release videos

- **Prelaunch Virtual panel – The New Culture of Marketing**
  - Panelists: Anneliza Humlen, President/Co-Founder, The Emotional Branding Alliance; Andrew Spoeth, B2B Marketing Expert, Moderator of #B2B Chat, Principal of Relationship Marketing, Nimsoft; and Kit Yarrow, Consumer Psychology & Marketing Professor, Golden Gate University

- **Blogs**
  - >4,300 visits to IBM Marketing Exec posts on first-ever [Study blog](#)
  - [Carolyn Baird’s post](#) on asmarterplanet.com
PR team incorporated video assets into press kit to drive increased interest and higher engagement

- Media team provided press release and press kit featuring embedded video highlighting key themes

- >45 media hits at launch, including:
  - UK, Reuters -- Marketers struggle to harness social media – survey
  - The Wall Street Journal FINS -- So Much Data, So Little Time
  - AdAge.com -- CMOs Struggle to Acclimate to Changing Landscape
  - Forbes.com -- IBM's Global Chief Marketing Officer Study: CMOs Must Embrace Technology to Succeed
  - CNET -- CMOs not ready for new world of marketing
  - UK, Marketing Week, 11/10/11, UK not ready for data deluge

Marketing Week
CMO role to become more data-focused and less creative

Forbes
IBM's Global Chief Marketing Officer Study: CMOs Must Embrace Technology to Succeed

Marketers struggle to harness social media - survey

Oct 11 (Reuters) - Marketing chiefs feel overwhelmed by the growing volume of customer data on websites like Facebook and Twitter, and while they realise its potential value they consider themselves ill-equipped to harness it, an IBM study found.