

Marketing & Sales

# Views from the top: What CEOs and other execs really think of marketing

Marketing is getting new respect from the C-suite as a driver of growth.

*by Biljana Cvetanovski and Jason Heller*



**If someone** were to write a book about the position marketing finds itself in today, he or she might title it *Great Expectations*. After years of defining marketing primarily as the “brand” or “advertising” arm of the business, many executives now regard it as an investment and rely on it to drive growth. This consensus emerged from a series of surveys and in-depth interviews we conducted with more than 200 leading C-suite executives. We asked them about their views on marketing and how CMOs are best able to drive growth. Here, in their own words, are their thoughts.

## **CEOs are champions of marketing**

Among C-suite executives, CEOs stand out as the biggest and most enthusiastic supporters of marketing’s mission and growth agenda:

*“Marketing and data in particular are first-class citizens in a way they were not four to five years ago.”*

—Direct-to-consumer entertainment company CEO

*“Marketing as a support function is antiquated.”*

—Retail CEO

## **Other C-suite members can also be supporters**

Although CFOs and COOs are generally more skeptical about marketing’s value than are CEOs, at some high-growth companies they have become believers:

*“Generally, marketing [used to be] considered an expense, and not an investment in growth. But now, when we foresee headwinds, it is the CFO who says, ‘We are not going to touch marketing.’”*

—Retail apparel CMO

*“Cuts to marketing will look OK in year one, but by year three, when you’ve starved spending on brand, consumer research, and product innovation, the pipeline will dry up and you’ll have a problem.”*

—Former packaged-goods CFO

*“When the COO established his goals, digitized marketing was one of them. It’s one thing for me to have that as one of my goals, but to have him also reflect my priority is pretty unique.”*

—Enterprise-software CMO

## **Several factors are driving marketing’s evolution**

Respondents identified at least two ingredients responsible for making marketing a “first-class citizen”: greater measurability and the ability to demonstrate complete ownership of the customer:

*“It used to be that the CMO worked in a world very different from the rest of the executives. Marketing was more of a craft and not as measurable. [Data] has changed how the C-suite is interacting with marketing. Now it’s very hard to separate company strategy from marketing strategy.”*

—Former retail CEO

*“The greatest value of a CMO is their fundamental understanding of the consumer. You must stay close to them to drive growth.”*

—Packaged-goods CEO

*“My perspective is that marketing owns the full end-to-end customer journey, from brand sentiment and awareness . . . to post-purchase.”*

—Specialty-retail CEO

## **Yet these changes are not universal**

At some organizations, marketing continues to be seen more narrowly as “advertising”:

*“They [the rest of the C-suite] never see marketing as a serious topic. They really need to work on trusting us.”*

—Insurance-company CMO

*“Marketing isn’t brought to the table as frequently with the C-suite as other parts of organization.”*

—Financial-services CMO

*“If a campaign goes well, it’s because the sales team did well. If it goes badly, it’s marketing’s fault.”*

—Former entertainment-company president

## **The difference boils down to relationships**

The bonds a CMO forms with other members of the C-suite matter. CMOs can’t deliver marketing-led growth to the company on their own. Cross-functional collaboration is essential.

*“It has to do with how you personally operate as a leader and how you engage with people. You don’t want to overlook the soft skills that go into any interaction. You have to be a likable person who is perceived as being empathetic as well. I approach every conversation as a collaborative one.”*

—Enterprise-software CMO

*“Even if you’re the best marketer out there, if you fail at the politics, you can fail in your role.”*

—Former retail CMO

*“It is so critically important, as a marketing exec, to have the support of the chairman and/or CEO. CEO support will dramatically change the output of marketing and will dramatically change the quality of the marketing people you will attract into the org.”*

—Tech CMO

## **In their interactions with CFOs, CMOs need to show a clear line between marketing spending and value**

The most effective CMOs build a business case to demonstrate that marketing is accountable and does, in fact, drive predictable and significant value:

*“To get the dollars for marketing, you need to show some kind of returns. The returns can be qualitative, but you need to show how the investment in marketing specifically drove revenue growth.”*

—Tech CFO

*“What marketing needs to get better at is having it ingrained that it's about profitable growth . . . not growth ‘at any cost.’”*

—Food-service CFO

*“I speak the language of finance. It gives the CFO comfort that you know what you're talking about and how you're thinking about the payback/ROI.”*

—Online staffing platform CMO

## **The CMO–CIO relationship flourishes when there are shared goals and accountability**

The best CMOs understand that marketing and technology are inextricable partners in developing world-class data and marketing platforms:

*“The beauty of our relationship [CIO/CMO] is that we have both signed up to take accountability for the digital transformation of marketing.”*

—Enterprise-software CMO

*“We made changes around how marketing and tech teams worked together. Now, instead of the CMO begging for support, we've moved to a model where they have more dedicated resources and a kind of agile/pod approach.”*

—Direct-to-consumer entertainment company COO

Arguably, there has never been a better time to be a CMO. CEOs and other executives are giving CMOs permission to step up and think boldly about how marketing will own growth. CMOs now need to give themselves the latitude to take on ever-more-ambitious ideas, unify the C-suite, and deliver marketing's mission across the company.

**Biljana Cvetanovski** is a senior expert in McKinsey's London office, and **Jason Heller** is a partner in the New York office.

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