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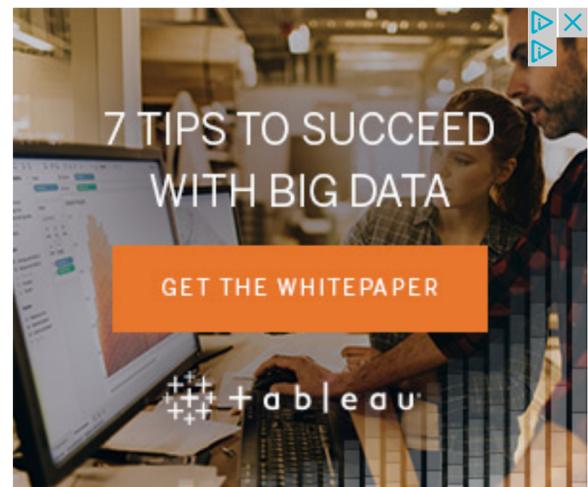
Next Generation CMO: How To Succeed In The Future Of Marketing



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What do collaboration, communication, creativity and flexibility have to do with the role of the CMO? These top attributes were identified by over 1,500 CEOs in IBM’s “Connect more – Insights from the IBM CEO, CMO and CIO Studies” as the personal skills most needed. The imperatives to engage employees were ethics and values, a collaborative environment, purpose and mission and the ability to innovate. How can CMOs become analytically driven strategic communicators who can create a clear vision that can engage both internal and external customers?

According to the IBM Chief Marketing Officer insights from the IBM C-suite Study released in 2014, enterprises that have a deep knowledge of their customers outperform their competition by 60%. While the good news from Spencer Stuart’s 2014 Marketing Officer Practice indicates that the average CMO tenure has increased to four years, double what it was ten years ago, there is a significant gap between knowing what needs to be done and action. Only 43% of CMOs interviewed effectively use data analytics to generate customer insights and have the expertise and resources to handle the explosion in social media with a fully integrated digital enterprise in place.



Creating value for the customer begins first with values

– Values are one of the top ways to engage employees. A Harvard Business Review article written nearly 20 years ago, “Putting the Service-Profit Chain to Work” focused on the relationship between satisfied employees who create loyal customers who in turn become apostles for your business subsequently driving profit and growth.

The most satisfied customers are the most loyal and the most profitable ones. The top 20% of customers drive the majority of profits. Employee engagement is strongly correlated to customer satisfaction which arises from listening and respect from leadership, combined with mission-driven strategies that lead to low employee turnover.

Creating a collaborative environment leads to

innovation – CEOs want a creative, flexible and collaborative environment to drive innovation. After interviewing 1,600 executives on their biggest obstacles to generating a return on innovation investments, Boston Consulting Group identified the following: lack of collaboration within the company, risk-averse cultures, ineffective marketing and communications, insufficient support from leadership and management and not enough customer insight. Both the CEO and the CMO play a major role in creating a climate of innovation. Innovation is especially difficult for large, complex, diverse organizations. By definition, it requires change, and inertia is a powerful force. Using internal data to come up with new ways to market to customer segments requires having an effective and trusting partnership with internal IT.

Embrace learning and change – Breaking down old ways of thinking and embracing change to learn are required to enhance speed. One way to accelerate the transformation demanded by the customer is understanding all aspects of diversity – both inside your organization to create environments open to sharing ideas, as well as diverse particle marketing. Fostering openness through the organization becomes much easier when employees are valued and the organization has a clear sense of values and purpose to guide decisions and actions. The smartest CMOs recognize the substantial work required to have employees embrace the culture of learning and change to understand the possibilities represented in emerging technologies and the insights they can provide into what individuals want and need. Every CMO needs to ask these two questions on a regular basis – how can I add value to the clients we serve externally, and how can I add value internally to help stimulate the culture.

Strategic communication is needed to create engagement to drive both employee and customer loyalty. The CMO must be able to listen effectively to connect with the customer and to internally build relationships to collaborate and strategically communicate with senior leadership and the board. The CMO needs to become a strategic partner with the CEO based upon their deep knowledge of the customer through data mining that can stimulate the organization to embrace change faster and bring products and services to the market that are reflective of the voice of the customer. Marketing is not a cost center but rather a communications center, based upon how the organization can better serve customers outside in, as opposed to the more linear formula of inside out.



The competencies that are the differentiators for success in this new, complex and incredibly challenging role of the CMO are not easy. Having the agility to create and execute a marketing vision that is continuously evolving based on new customer insights, and then ensuring that the best and brightest people internally are harnessed to create that vision, may be the most important part of their job.

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