

MARKETING'S ROLE IN THE BOARDROOM

New Research Uncovers How Today's Most
Successful CMOs Partner with CEOs & Boards

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INTRODUCTION

It's hard enough for CMOs and their marketing teams to successfully navigate the increasingly complex landscape of sellers, buyers, and competitors. But it's another challenge altogether for these marketing leaders to effectively communicate marketing's value and ROI to their CEO and Board. And as new datapoints become more widely available, strategies grow more complex, and tactics start to involve more new channels and personalization, **this need will only continue to grow.**

Yet, while nearly every marketing leader struggles, to some degree, with demonstrating their program's performance, there remains a handful of those who have found specific strategies to turn the odds in their favor.

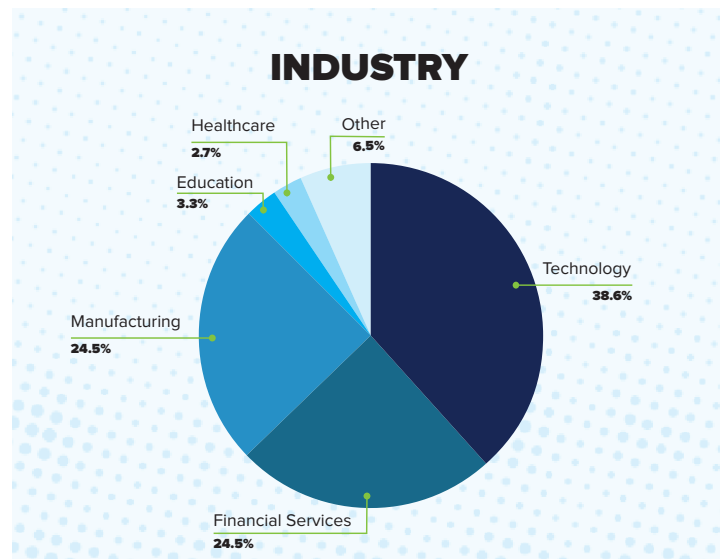
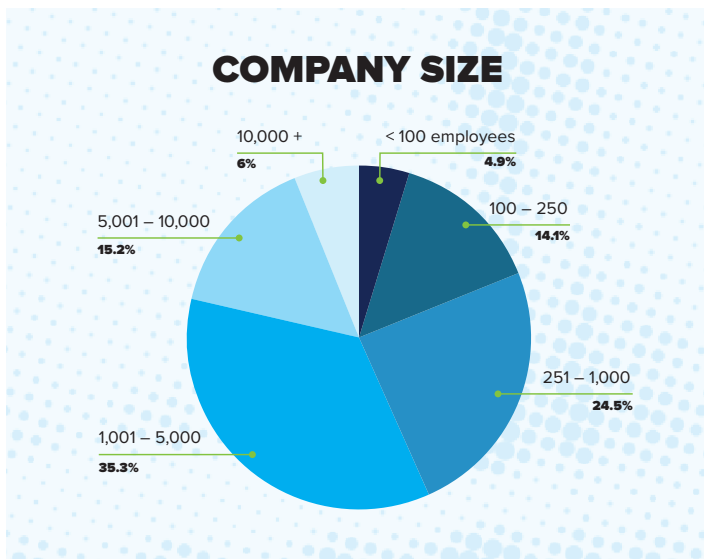
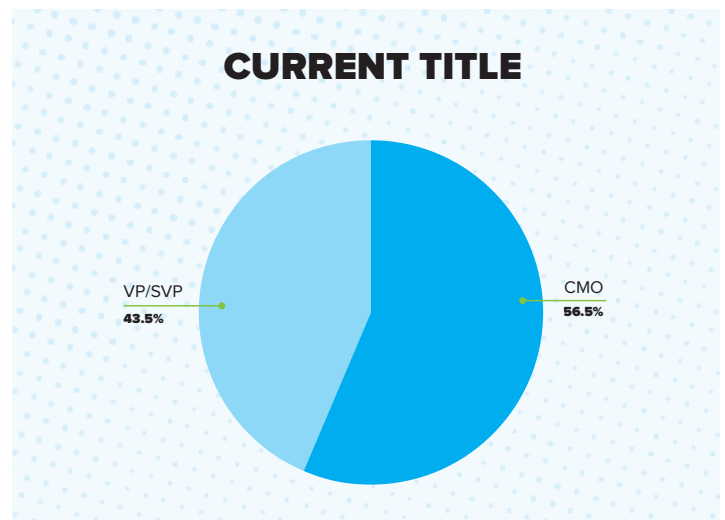
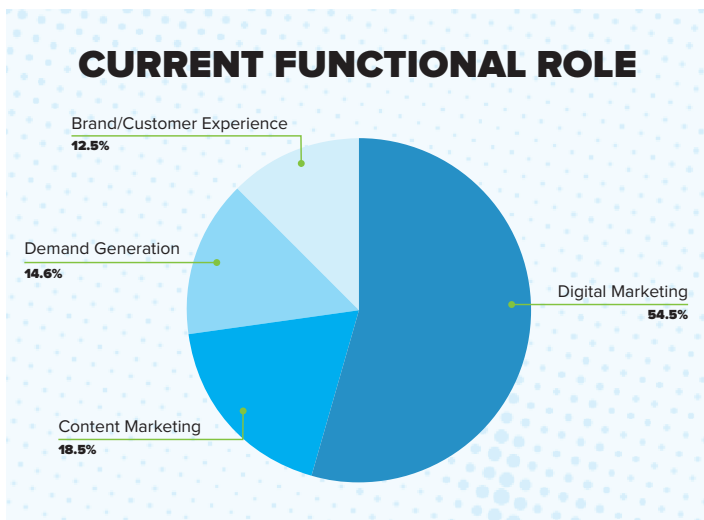
So, how do today's most successful marketing leaders find alignment with their Board? What challenges have they learned to overcome? What opportunities have they taken advantage of to find success?

New research from Drift, G2, and Heinz Marketing uncovers how modern CMOs communicate marketing's value and ROI to their CEO and their Board.

Let's dive in.

METHODOLOGY

The following response data comes from 184 B2B CMOs, VPs, or SVPs of Marketing. The respondents come from a variety of industries, including technology, financial services, healthcare, and manufacturing; and their companies range in size from SMB organizations to large enterprises.

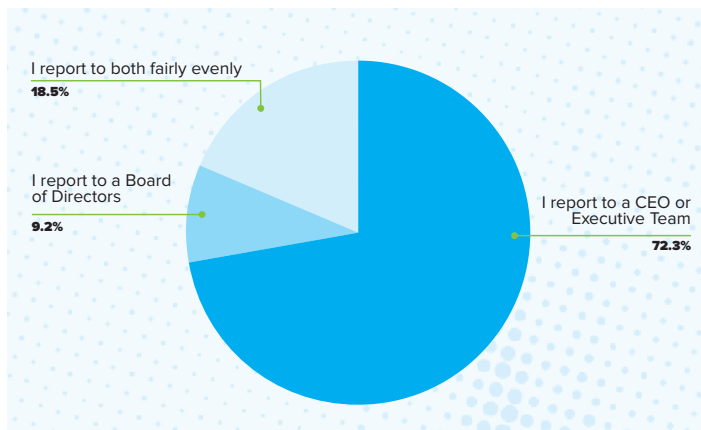


THE PROFILE OF TODAY'S CMO

Before we dig further into the results, let's first take a look at the profile of today's CMO: who they report to, how they spend their time, and where they feel most confident.

Today's CMO reports to *both* a CEO and a Board

All of today's CMOs report to someone. Most report directly to their CEO or Executive Team while a small amount report solely to their Board of Directors.



Q. Do you more often report marketing results to a Board, a CEO, or both?

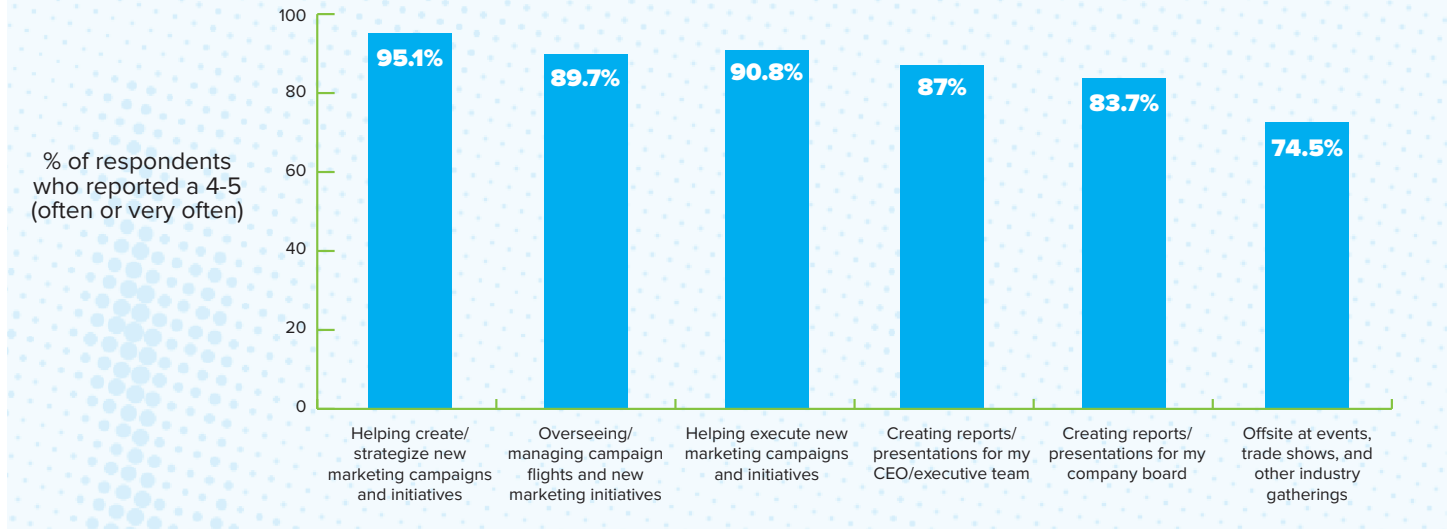
And they are (unsurprisingly) incredibly busy

Unsurprisingly, today's CMO is incredibly busy! From the development and execution of campaigns, to employee oversight, to developing presentations for their direct reports, today's CMOs are pulled in a number of different directions – daily.

- **95% of CMOs** spend a bulk of their time strategizing new marketing campaigns and initiatives
- **89%** continue to oversee and manage those campaigns
- And **91%** even help execute those campaigns

When they're not doing the tasks above, **84% of CMOs** will spend a majority of their time creating reports and presentations for leadership. And, if that didn't make them busy enough, **75% of CMOs** are offsite at events.

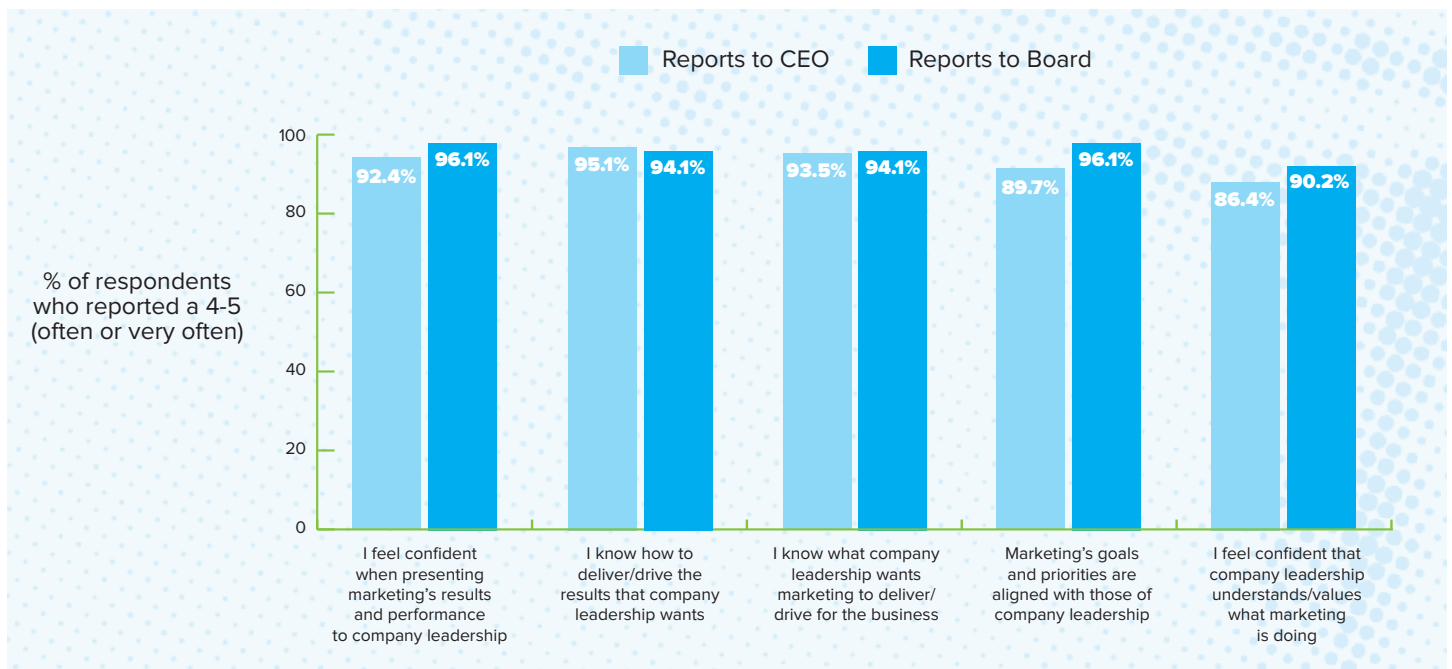
MARKETING NEVER SLEEPS, AND NEITHER DOES TODAY'S CMO



Q. In thinking about how you've spent your time in the last 3-6 months, please indicate how often you've spent your time doing the following. (5=very often, 4=often, 3=neutral, 2=not often, 1=not at all)

CMOs are very confident

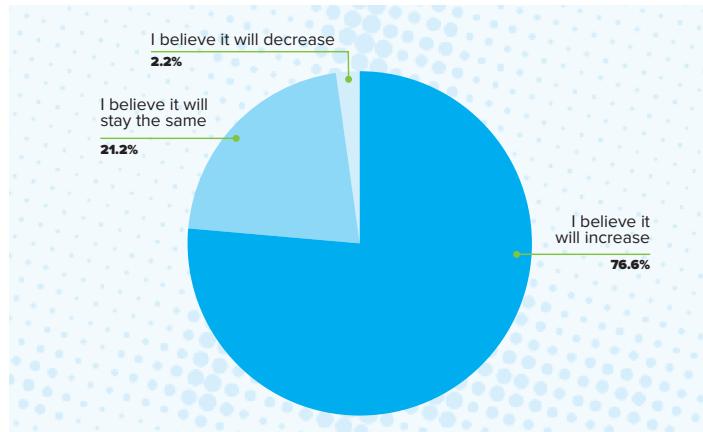
Yet, despite being pulled in every direction, CMOs feel confident not only about their own marketing programs, but also how their marketing programs fulfill the needs of their organizations.



Q. In thinking about the relationship between marketing and your CEO, executive team, and/or Board, please indicate the extent to which you agree with the following statements. (5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=strongly disagree)

And their marketing budgets are expected to increase

CMOs spend their time in nearly every key aspect of their marketing organization – from concept to strategy to execution and more – and they have earned the right to be confident in what they do. And because of this, a majority believe their marketing budgets will increase or, at the very least, stay the same.



Q. Do you believe your marketing budget will increase, decrease, or stay the same in the next 9-12 months?

All this is great, but it leaves us with 2 key questions

1. How do CMOs foster confidence?
2. How do they achieve alignment with their leadership team?

To answer those questions, our research identified 3 core tenets to consider.

THE CORE TENETS TO ACHIEVING ALIGNMENT

For CMOs (or any marketing leader) to effectively drive alignment and communicate marketing's success to their leadership team, there are 3 core areas – tenets – that must be strengthened first.

1. **Clear Communication**, to gain stakeholder buy-in and trust.
2. **Meaningful Data**, to measure, track, and report on what's needed most to move the needle.
3. **Justified Priorities**, to validate your decisions and instill confidence in your approach.

TENET 1: COMMUNICATION

To gain stakeholder buy-in, CMOs must be able to clearly, efficiently, and effectively communicate to their leadership team not only *what* they're doing, but also the role their actions play in the larger scope and strategy of the business.

Communication is crucial to ensure that every participant – from Board member to CEO to director to manager – understands what their role is in the greater sales and marketing program, and how they fit into the larger strategy of the organization.

To that end, there are 3 primary stakeholders who CMOs must align with:

- The Executive Board
- The CEO
- Sales Leadership

Aligning with the CEO and Executive Board

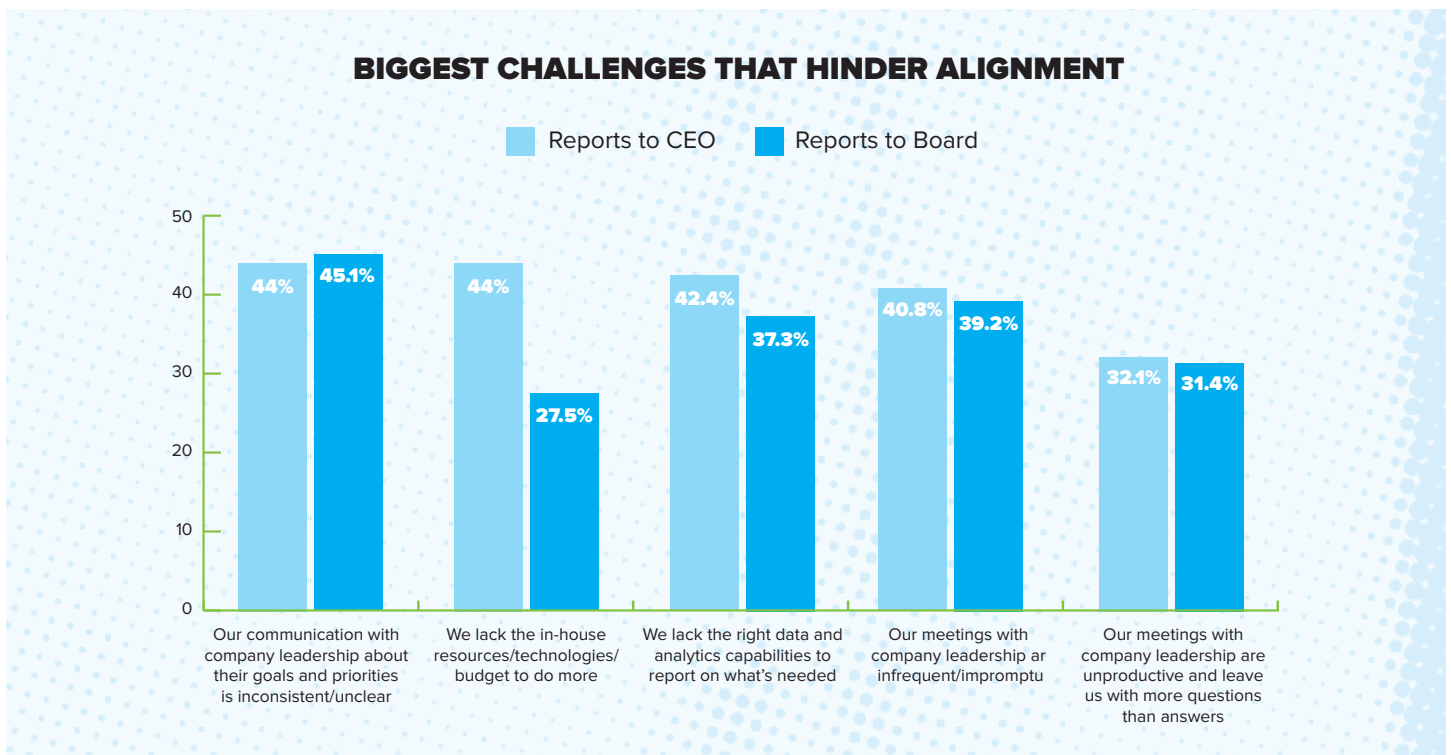
POOR COMMUNICATION HINDERS ALIGNMENT

While CMOs may feel confident in their ability to create, orchestrate, and report on their go-to-market initiatives, that doesn't mean the journey to success is free of obstacles. There will always be something standing in the way, and our research identified a few inherent challenges that arise when it comes to finding alignment.

Unfortunately, while not unusual, **communication is the number one challenge CMOs face when it comes to achieving alignment with their CEO and/or Board.**

Poor communication with company executives can cause massive challenges down the road and can lead to the creation of programs that aren't aligned with business or revenue objectives.

Continuing with the communication challenge, 2 in 5 respondents struggle to secure a regular meeting time with their CEO or Board, and nearly 1 in 3 respondents who do find these meetings unproductive – leaving them with more questions than answers.



Q. In thinking about how you've spent your time in the last 3-6 months, please indicate how often you've spent your time doing the following. (5=very often, 4=often, 3=neutral, 2=not often, 1=not at all)

OTHER PRESSING MATTERS

And while communication is high on their list of challenges, CMOs also struggle just as frequently with other obstacles:

- Many companies today, and not just in marketing departments, lack the right in-house resources, technology and/or budget to optimize campaigns effectively and report results to their superiors.
- Similarly, many lack the right data and analytics capabilities to report on what's needed, which could in fact be a direct correlation to the lack of resources internally: lack of personnel, technology and/or budget.
- And though these challenges around technology and data rank last from survey respondents, they are still challenges that today's CMOs must work to overcome.

With all these matters to consider, it's easy for misalignment to occur with even the slightest break. So what can CMOs do to bridge the gap?

OVERCOMING THE OBSTACLES

When a CMO is successful, the organization is successful. And when their processes, systems and employees are

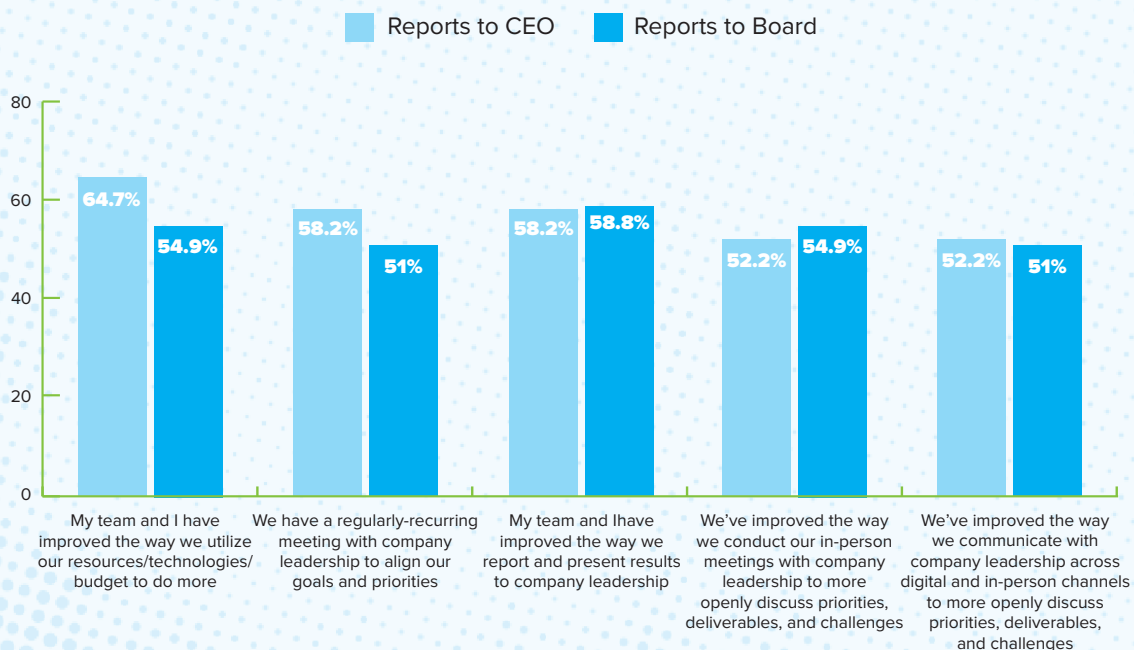
working efficiently, they are one step closer to helping the organization achieve its goals. But when a CMO is facing challenges, those waves are also felt throughout the organization. Fortunately, CMOs are stepping up and addressing their challenges head-on.

The greatest improvements CMOs have made come from improved tool utilization, clearer, more regular communication, and refined reporting capabilities.

- 2 in 3 CMOs have improved the way they utilize their resources, technologies and budgets to be more effective.
- Over half have started scheduling more regularly-recurring meetings to review their initiatives, goals, and priorities.
- And another 2 in 3 have improved the way they report and present their marketing results to their company leadership teams.

CMOs have and continue to make great strides in achieving alignment with their CEOs and executive Boards. And while these changes continue to push marketing organizations in the right direction, there's one area that CMOs – and many marketers in general – are still working to improve.

ACTIONS BEING TAKEN TO ALIGN MARKETING WITH COMPANY LEADERSHIP



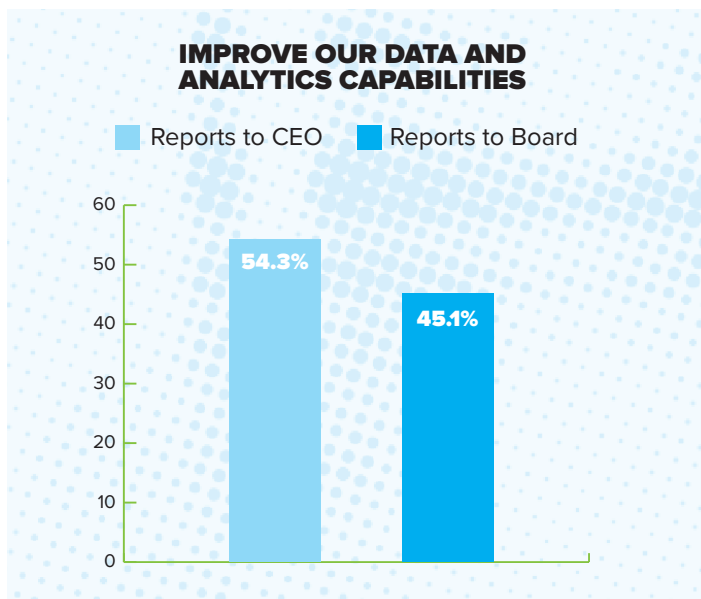
Q. What is being done today to help align marketing's goals and priorities with those of your CEO/executive team? (Select all that apply.)

THE DATA CHALLENGE

To align with the CEO and Board, CMOs have some work to do when it comes to data and analytics. Many data systems and reporting capabilities currently live in silos which leads to fragmented reporting and a lack of a full-picture view. And in an age where marketing is expected to deliver more, these are shortcomings that cannot be overlooked.

Marketing, for so long, has been focused on delivering leads and [MQLs](#). And the current swath of marketing automation platforms hasn't done much to help marketers gain a better picture of the leads they hand-off (in some cases, throw blindly) to sales.

While marketing can see what content leads have downloaded, how long they've been on a webpage, and whether or not they've clicked on an email, those actions don't necessarily translate to reveal a lead's intent to buy.



Q. Which factors do you most wish to improve to help align marketing's priorities with those of your CEO/executive team?

However, the data challenge in marketing extends well-beyond the technology at one's disposal – it's a much larger discussion about the entire sales, marketing, and business relationship. And while marketing may qualify a lead as ready for sales, sales may have another view entirely.

Without a clear throughline – without clear processes or definitions of what qualifies a lead from one stage to another – misalignment will continue to happen and marketing and sales will continue to grow further apart.

So how can CMOs stop this separation from continuing? How can they work to bring sales and marketing back together?

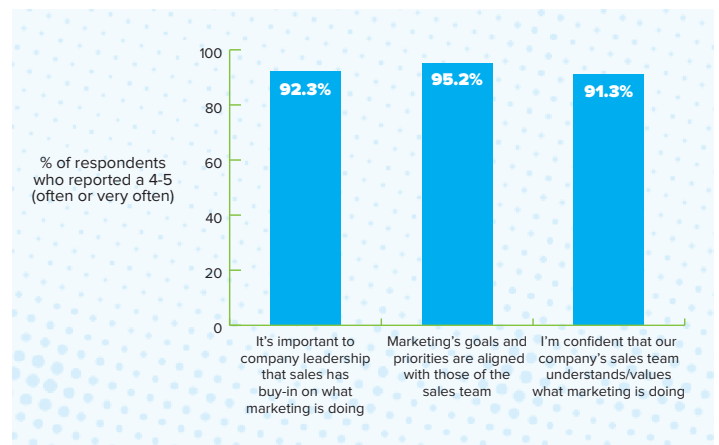
Aligning with Sales Leadership

BUY-IN IS ESSENTIAL

Ask anyone how important [marketing and sales alignment](#) is and they'll say it's important. Ask a CMO how important it is and they'll scoff that you even asked that question... because it's THAT important.

Both marketing and sales teams work towards the same revenue goal. And when they work in silos, it's easy to miss crucial pieces of information that could be the deal-breaker in a future sale. Whether it be how leads are handed off, what qualifies a lead from one stage to another, or what accounts are being targeted and by who – misalignment not only impacts the bottom-line, it can negatively impact company morale and [employee retention rates](#).

Luckily, 95% of CMOs feel their marketing goals and priorities are aligned with those of their sales team. Just over 90% of CMOs are confident their sales team understands and values what marketing is doing. And 92% of company leaders value sales buy-in too.

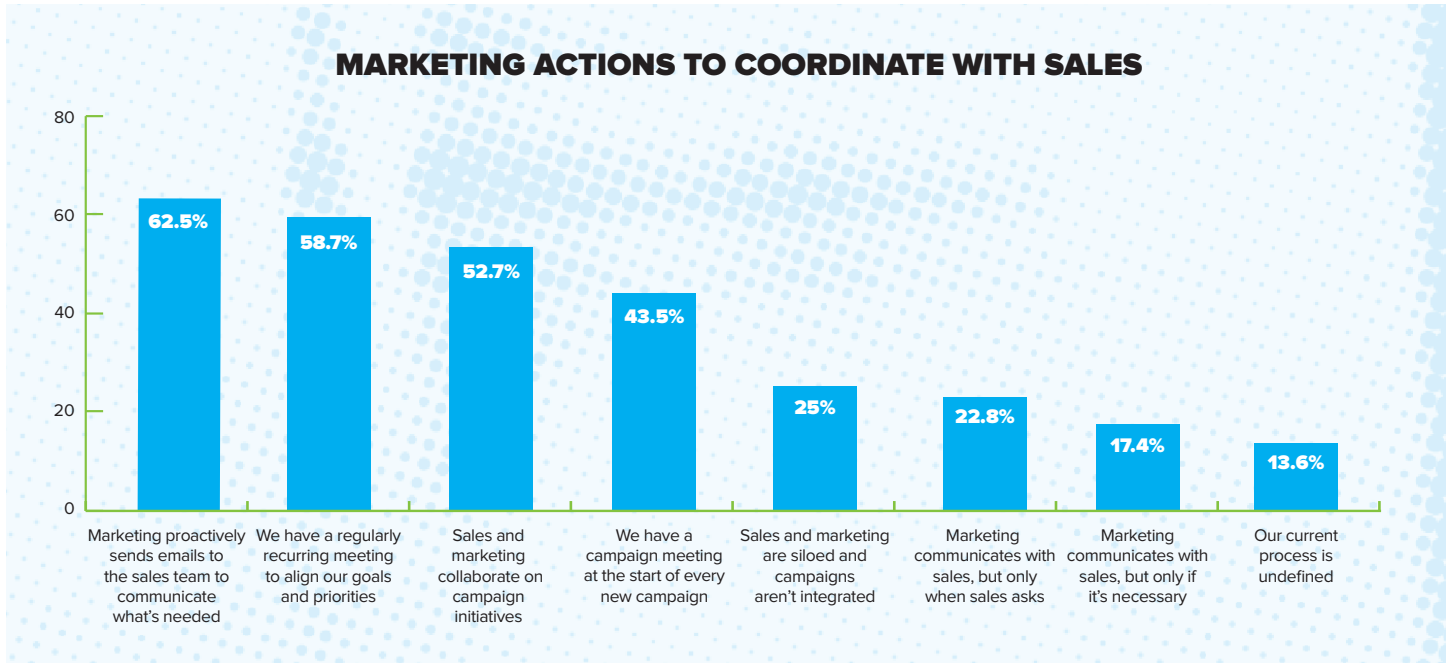


Q. In thinking about the relationship between sales and marketing, please indicate the extent to which you agree with the following statements. (5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=strongly disagree)

FOSTERING COLLABORATION WITH SALES

The good news? CMOs and their sales counterparts have begun to find success in bridging the gaps.

With clear communication, proactive processes, and review of campaign objectives, sales and marketing teams have started to foster greater alignment on their path to generating revenue.



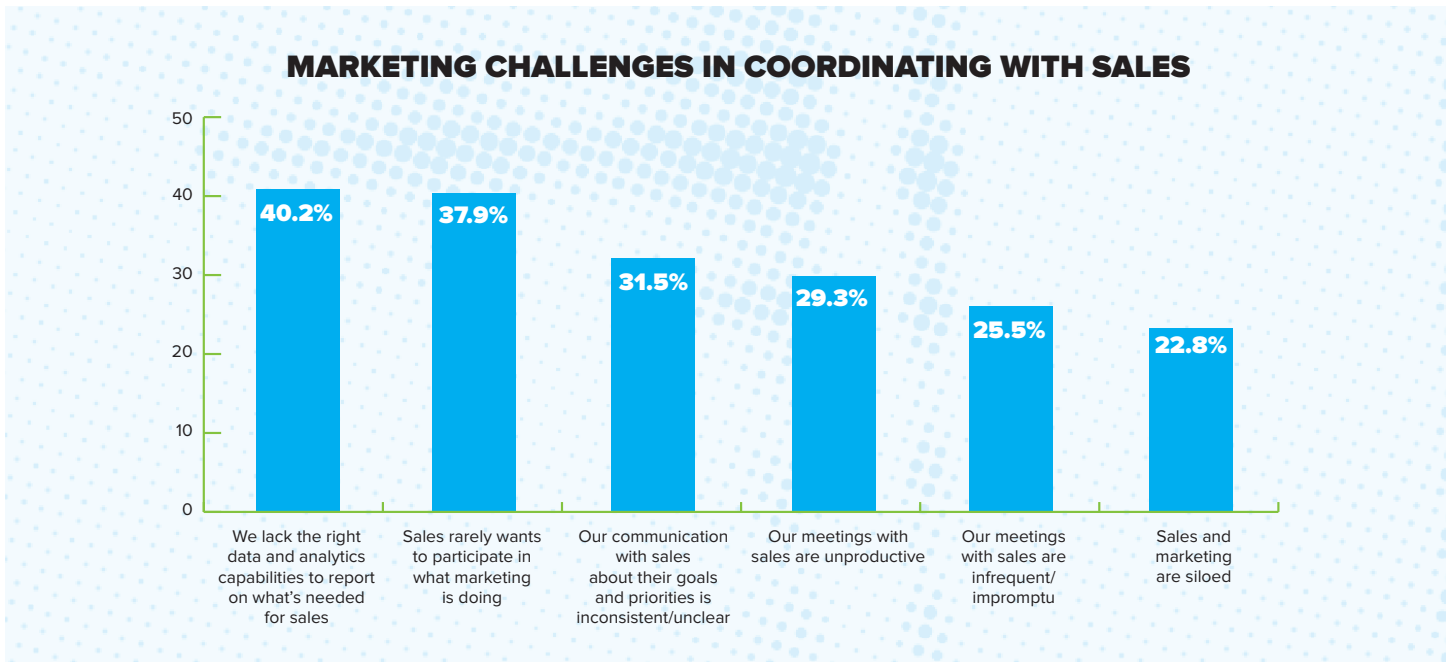
Q. How does marketing typically coordinate its goals, priorities, and initiatives with sales? (Select all that apply.)

KEY CHALLENGES

But that doesn't mean that their relationship is perfect.

Data and analytics continues to remain a challenge for over 40% of CMOs, further emphasizing the need for clear definitions of roles, responsibilities, processes, and – most importantly – what it means to be a qualified lead.

Though marketing and sales teams are more aligned than they were back in 2018, there are still some reservations.



Q. What are the biggest challenges to coordinating marketing's goals, priorities, and initiatives with sales? (Select up to three.)

ROOM FOR IMPROVEMENT

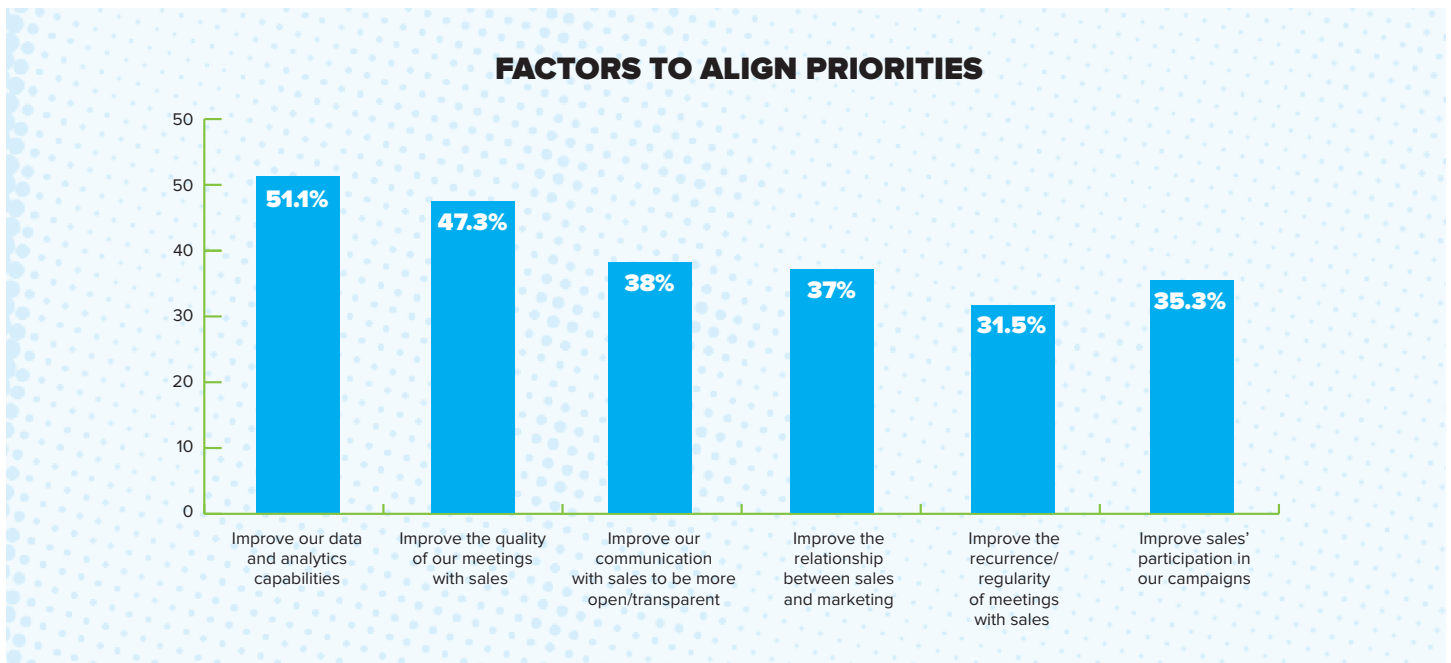
What can marketing and sales teams prioritize to improve their relationship? While there are a number of ways to foster closer alignment, one tactic that accomplishes much of what's listed below at once is to **give sales a reason to participate by including them in your planning meetings.**

- Give them a role in the process so they can help to define what they'll be responsible for and when
- Enable them by providing sales materials like suggested messaging, email copy, and phone talking points
- Send them content you're working on
- Specifically share your marketing reporting with sales so you're transparent on the good *and* the bad

At the end of the day, both marketing and sales teams want high-quality leads that become opportunities. When marketing and sales work together, figuring out the best formula to find these leads becomes that much easier.

KEY TAKEAWAYS TO GAIN STAKEHOLDER BUY-IN

1. Communicate openly and transparently with your stakeholders about, specifically, what they want to accomplish. Understand their goals and desired outcomes, and work backwards to determine what you're able to do to achieve those goals.
2. Schedule regularly-recurring meetings with your stakeholders where you provide an open environment to discuss current initiatives, potential roadblocks, and new opportunities.
3. Identify the roles, responsibilities, and action items for every relevant participant, including sales.
4. Agree on your set of success metrics and who's responsible for what metric at each stage of the sales process.



Q. Which factors do you most wish to improve to help align sales' and marketing's priorities? (Select up to three.)

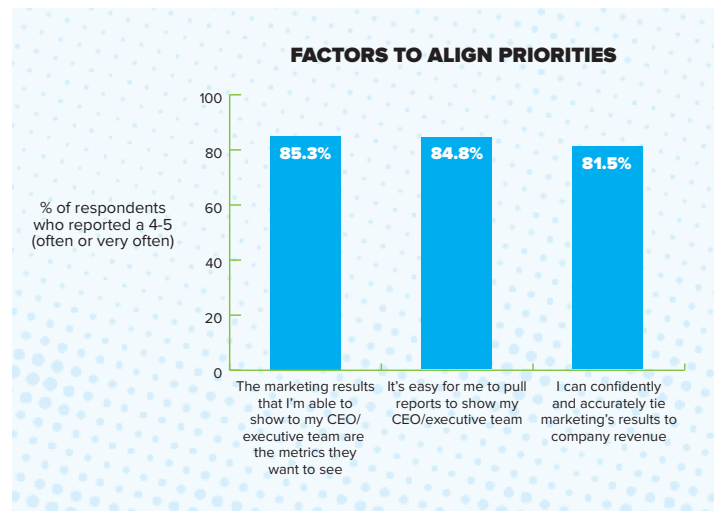
TENET 2: DATA

Marketers are no longer just responsible for what happens at the top of the funnel. In order to truly move the needle, CMOs need to know what metrics they need to measure, how they plan on tracking those metrics, and what's needed most to move the needle on company goals.

CMOs are confident in their data

But not overly confident... 20% of CMOs say they cannot confidently and accurately tie marketing's results to company revenue. And, as mentioned previously, 51% of CMOs wish to improve on their data and analytics capabilities.

20% of CMOs say they cannot confidently and accurately tie marketing's results to company revenue.



Q. In thinking about how you measure and report on marketing's results, please indicate the extent to which you agree with the following statements. (5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=strongly disagree)

Reporting on everything isn't viable

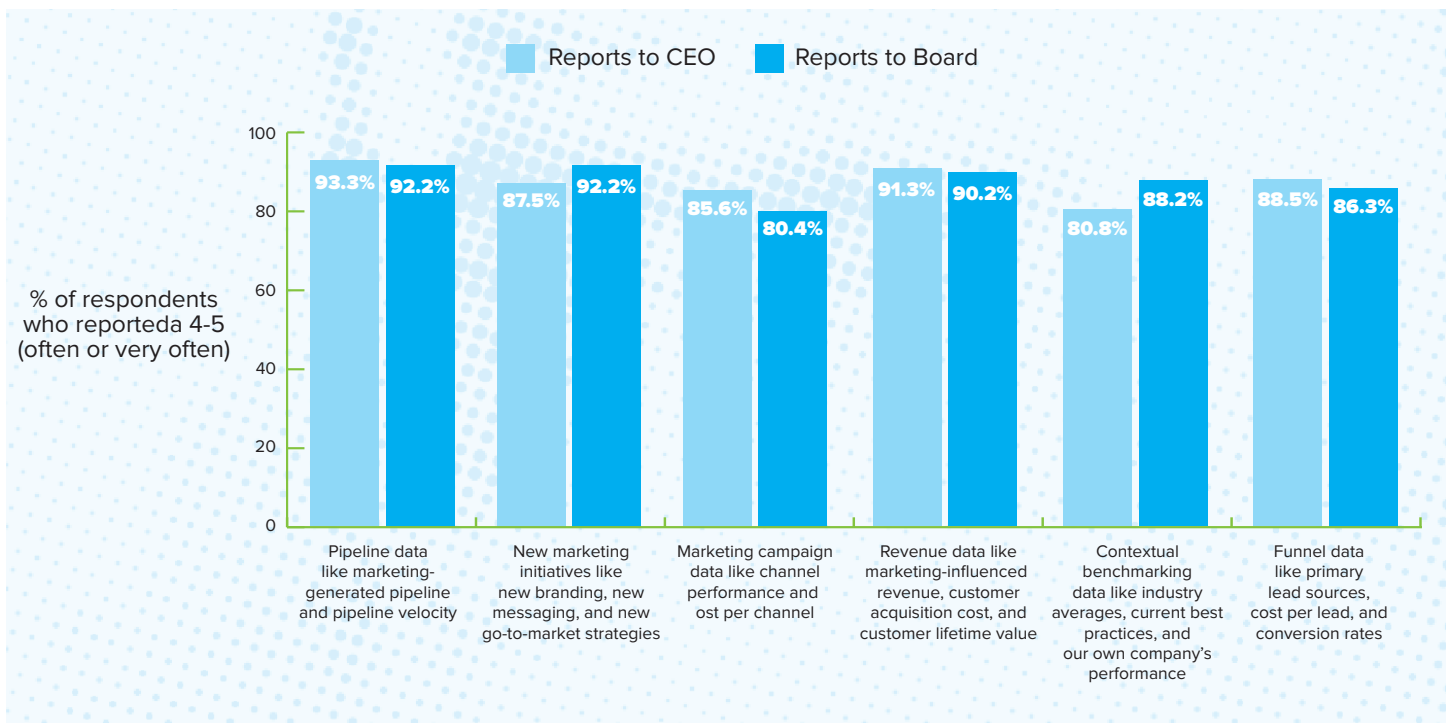
While it's clear that siloing marketing's function to the top of the funnel isn't valuable, it's also not viable for marketing to report on everything that's going on throughout their campaigns – especially to a C-suite audience.

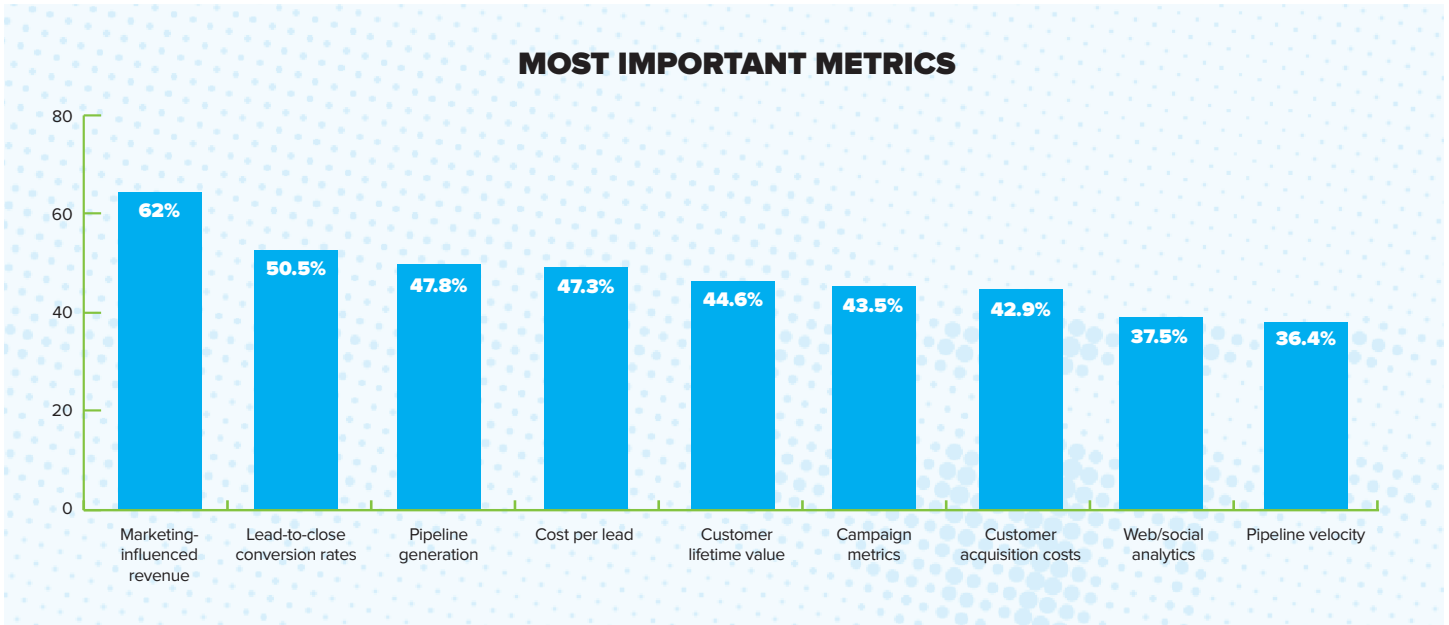
93% of CMOs share pipeline metrics like marketing-generated pipeline and pipeline velocity with their CEOs or Board. Similarly, revenue data like marketing-influenced revenue, customer acquisition cost, and customer lifetime value are high on CMOs' reporting list as well with just over 90% of respondents finding this information valuable to present.

Channel performance, funnel data like lead sources and conversion rates, and contextual benchmarking still make an appearance in CMOs' presentations to their leadership teams. However, these factors do little to convey marketing's business value.

Why? Because these days it's simply not enough for marketing teams to focus solely on metrics that fuel the top of the funnel. As marketing and sales teams work closely together, they should be reporting on and actively driving the metrics that impact pipeline and, ultimately, the bottom line.

As mentioned, 84% of CMOs spend a majority of their time creating reports and presentations for leadership. But are they presenting the right kind of data?





What metrics do CMOs believe are most valuable?

According to CMOs, the top three most important metrics to track are:

- Marketing-influenced revenue
- Lead-to-close conversion rates
- Pipeline generation

The least important metric to track, according to CMOs? Pipeline velocity – arguably one of the most important metrics for a business. So, where's the disconnect? It may be that CMOs – and many marketing organizations in general – aren't as revenue-focused and sales-aligned as they would like to (or think they might) be.

PIPELINE VELOCITY IS A MISSED OPPORTUNITY

It can be argued that pipeline velocity is a sales metric. But in today's landscape, pipeline velocity is a metric that every sales and marketing leader needs to keep an eye on. When pipeline velocity slows down, it doesn't only mean that sales isn't closing deals. It could also indicate that marketing isn't delivering enough qualified leads to sales to close.

Pipeline velocity is a two-way street. And by placing more attention on it, sales and marketing leaders are enabled to generate higher-quality leads, close more deals, and drive the coordination of their efforts to support the business.

Key Takeaways to Determine What to Report On

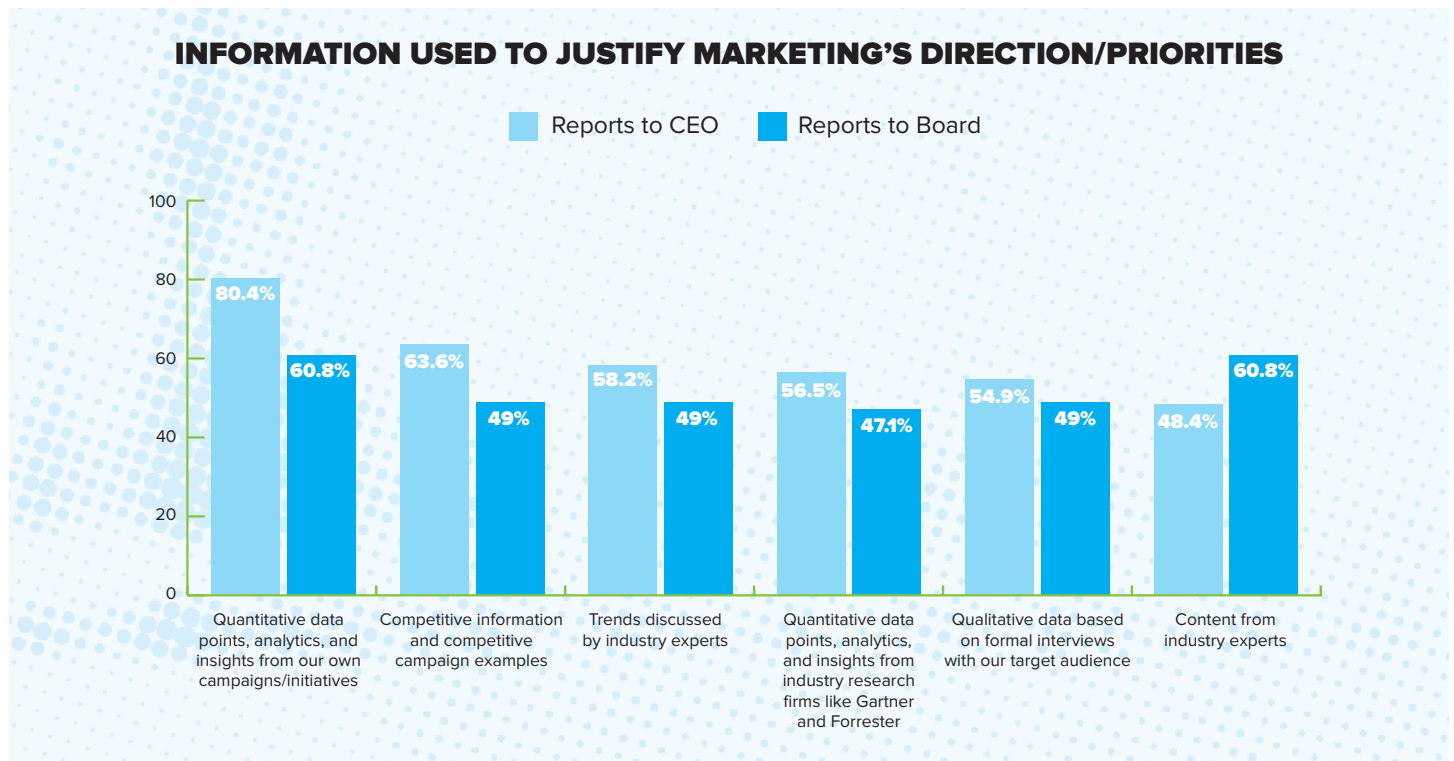
1. Gain a clear understanding of what metrics you need to report on – in terms of marketing, sales, and leadership – and how you'll report on them.
2. Align your metrics of success to the different stages of the buyer's journey and sales process so you know what you need to track and when.
3. Define the owners of each success metric as well as their responsibilities to generate those metrics to drive accountability and responsibility through your pipeline.
4. To make it easier to present your data to your CEO and Board, identify what metrics are the most important for them to see, first and foremost.
5. Don't forget about pipeline velocity!

TENET 3: JUSTIFIED PRIORITIES

Justification should come from a variety of sources

To justify their priorities, CMOs utilize a variety sources, data points, and references whether it be proprietary data, competitor data, and/or third-party research.

Utilizing the learnings of the previous tenets to gain stakeholder buy-in, streamline communication, agree on and define the metrics of success, and further align with sales, CMOs can more easily justify their priorities, validate their decisions, and instill confidence in their executive team.



Q. What do you most-often utilize to justify marketing's direction, initiatives, and priorities to your CEO/Board? (Select all that apply.)

FINAL TAKEAWAY

Communicating marketing's results, value, and ROI to company leadership is by no means an easy conversation, but it's one that's entirely necessary to have.

These days, it's not enough for marketing leaders to simply demonstrate value on their own; they are just a piece of the revenue puzzle. And as marketing and sales teams work together in the years to come, they will only continue to share both the burden and success of revenue results.

While nearly every marketing leader struggles in some way to communicate their findings or wants, to report on data or to demonstrate validated results, there are some proven strategies that can help them find alignment with their CEOs' and/or Boards' priorities. Use these strategies (and results!) at your next meeting to turn the odds in your favor and communicate marketing's results with confidence, passion, and poise.

About Drift

Drift is the Conversational Marketing platform that combines chat, email, video, and automation to remove the friction from business buying. With Drift, you can start conversations with future customers now, on their terms – not days later. There are over 50,000 businesses that use Drift today to generate more revenue, shrink sales cycles, and make buying easy. Our mission is to use conversations to make business buying frictionless, more enjoyable, and more human. Learn more at www.drift.com.

About G2

G2 is the world's largest tech marketplace where businesses can discover, review, and manage the technology they need to reach their potential. We give buyers better guidance than traditional analyst firms, which can take up to 2 years to update and publish technology research. That timeline just can't keep up with the pace of technology.

At G2, we aim to be a trusted source that helps every business professional in the world make better technology decisions. Learn more at www.g2.com.

About Heinz Marketing

Heinz Marketing is a B2B marketing and sales acceleration firm that delivers measurable revenue results. Every strategy, tactic, and action has a specific, measured purpose. Instead of focusing on the activities, we focus on the outcomes. What really matters is sales pipeline, closing business, and accelerating revenue. For more information, visit www.heinzmarketing.com.