



CMOs Have an Identity Crisis— With Their CEOs

No CMO possesses all the skills required for a company's success, so it's vital to tap the right lieutenant, team and agency partners.

By Brian Dennehy, Clare Gordon and Kenji Govaers

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At a Glance

- ▶ When hiring a chief marketing officer, CEOs often rely on well-known archetypes instead of considering the particular set of skills their company needs.
- ▶ CMOs can help resolve this dilemma in several ways, starting by honestly assessing their core skills and strengths, and identifying where they have gaps.
- ▶ To fill those gaps, CMOs should enlist a second-in-command and a team with complementary skills.
- ▶ Outside creative, media or digital agencies can also contribute expertise, tools and approaches that may be hard to replicate in-house.

The rapid turnover of CMOs today does not mean they are underperforming. Instead, it may stem from unrealistic expectations on the part of CEOs and boards, who often don't know which key attributes they should be looking for in a marketing leader. Busy CEOs and other senior executives tend to rely on three CMO archetypes, which can cloud the process of selecting the best person for a specific company. In today's marketing battles, any pure archetype is bound to fall short, and very few candidates will be equally great across all skill sets of the three archetypes. One former CMO we know, faced with advising a board on a new hire, called such a person a "purple squirrel"—something you can describe perfectly but does not exist in nature.

The first archetype is the classic creative iconoclast, a visionary who personally comes up with the next big idea. (Think Don Draper in the TV series *Mad Men*.) This role traces its roots to the early days of mass advertising and companies' assumption that true marketing leadership would come from a creative director or leader of an ad agency.

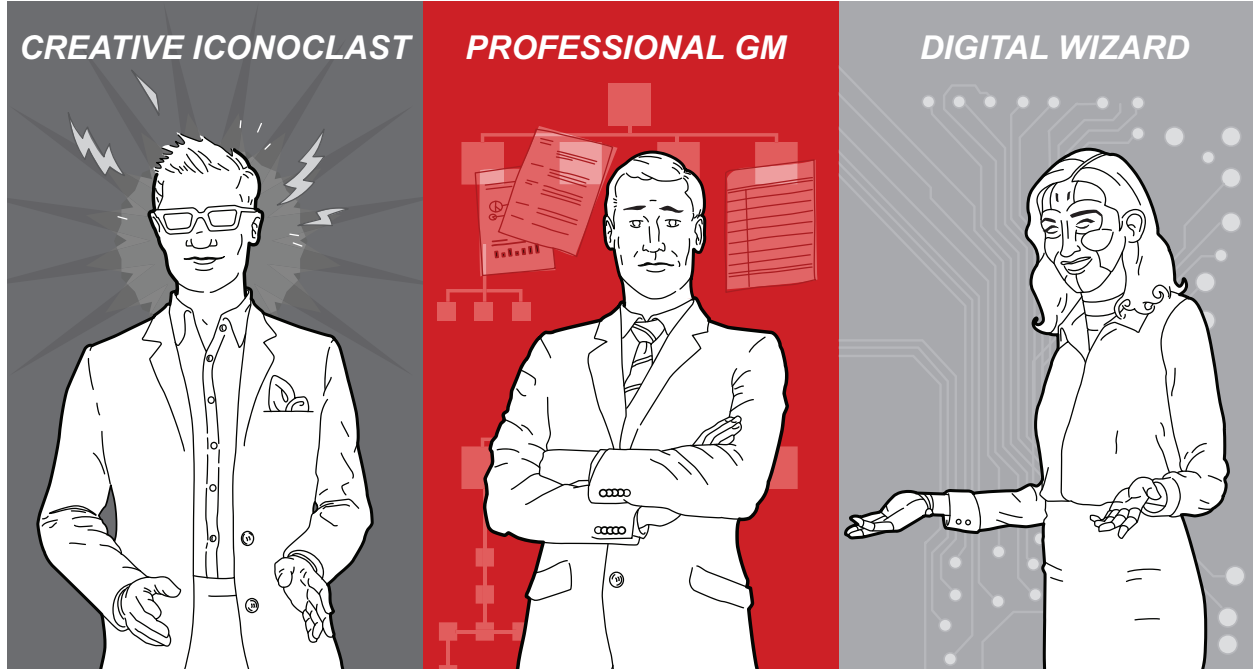
The second archetype is the professional general manager of marketing. CEOs and boards feel they can trust these hires to manage the marketing department as a business function akin to finance or human resources.

The most recent archetype to emerge is the digital wizard, an executive with a background in digital marketing or even in the data and analytical side of marketing. For CEOs and boards, many of whom aren't versed in digital, this choice offers reassurance that they can catch up to the digital revolution.

As CMO, it's important to identify which archetype you most closely align with—even if you have experience across the three—and then figure out ways to set up your team and operating model to succeed.

You're probably a creative iconoclast if you've spent time on the agency side of marketing, as a creative director or as the ideational force behind a number of campaigns. While you may understand how data and technology inform modern marketing, or appreciate how to run a large organization, you're most passionate about the "magic" that inspires customers and marketers.

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Source: Bain & Company

You're likely a professional manager if you climbed the career ladder at companies such as Procter & Gamble, Clorox, Microsoft or Intuit. You might have managed a brand, done a stint in sales or led teams that fielded research. You know how to manage large, matrixed organizations and the often-complex processes that take campaigns to customers.

No surprise, you're likely a digital wizard if you launched your career at a major technology company such as eBay or Facebook, or even in more traditional marketing departments, focusing on digital tools and the data they generate. You value data-driven decisions and have little trouble shifting resources during a campaign.

Build on your strengths, compensate for your gaps

Your core strengths probably fit one archetype well, and you might draw on the skills from a second archetype. This combination influences the type of department you create. We have met CMOs who appear to check all three boxes, but most of these superstars—regardless of appearance—freely admit they don't excel at everything. As is common with great leaders, they know their strengths and surround themselves with great teams that make them, and their brands, better.

- **Creative iconoclast + general manager** = a marketing department that's cool, edgy and well run. It may struggle, though, to harness the full potential of digital to target precise audiences and leverage data.



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CMO hybrid type

Complement

 **Creative iconoclast + General manager** needs  **Digital leader**
to reach digital-native customers

 **Creative iconoclast + Digital wizard** needs  **Chief operating officer**
to avoid overpaying for marketing or for customers

 **General manager + Digital wizard** needs  **Creative director**
to ensure the brand resonates with customers and earns loyalty

Source: Bain & Company

- **Creative iconoclast + digital wizard** = a hip and digitally savvy marketing function. However, you might overpay for your marketing or have to buy customers, as digital economics often make marketing indicators look better than they actually are.
- **General manager + digital wizard** = a well-run, digital organization, but one that may become “brand vulnerable.” Brand love and loyalty go hand in hand, so competitors with a more resonant brand may be able to take your customers over the long run.

No matter your strengths, you need a team that will complement your skills. For instance, a creative iconoclast/general manager will need a second-in-command who is adept with technology.

How agencies can help

In parallel, for certain activities, it’s worth turning to creative, media or digitally focused agencies, or even the one-stop shops that promise they can do it all. The agency route has several benefits. If your company operates in a region where talent is scarce, or the company is not seen as a destination for talent, an agency can tap the required expertise. Agencies can also provide access to marketing technologies and tools at scaled prices that may be unavailable to CMOs. Creative agencies bring unique benefits—namely, a winning idea, campaign or brand story—that in-house creative teams may not be able to offer. Often, behind a great brand is a great creative agency.

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Strong agencies also provide CMOs with an outside-in perspective that's valuable in a fast-changing marketing environment. For example, the agency may have a client that is seeing growth from a new social platform or digital channel that you might not know about. If your agency isn't pushing your organization, even making you uncomfortable, you probably have the wrong agency.

One caution: Do not outsource your marketing “secret sauce,” whether that consists of the creative magic around your brand, or analytics or media. For instance, if your digital marketing team does an outstanding job keeping the company more nimble than competitors, it would be counterproductive to outsource that function.

Agencies do bring some downside risks. If you outsource too much, you can lose touch with your own business. We have also seen creative agencies essentially rebrand campaigns or companies when that was not the charter. Some media agencies stack up their profits by buying media through their own holding companies and spending less on customer-facing activities. Recently, some agencies have claimed the data they produce is theirs, not the client's.

To ensure a healthy relationship, CMOs must actively manage the partnership with the agency. Keep the following guidelines in mind:

- Own your data, the data models and the insights.
- Understand the true cost and value you are getting from media.
- Integrate yourself and your team with the agency.
- Own the customer relationship yourself.

Knowing who you are as a marketer, and then surrounding yourself with complementary talent, can ensure the longer-term success of your marketing efforts—and your effectiveness as CMO.

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