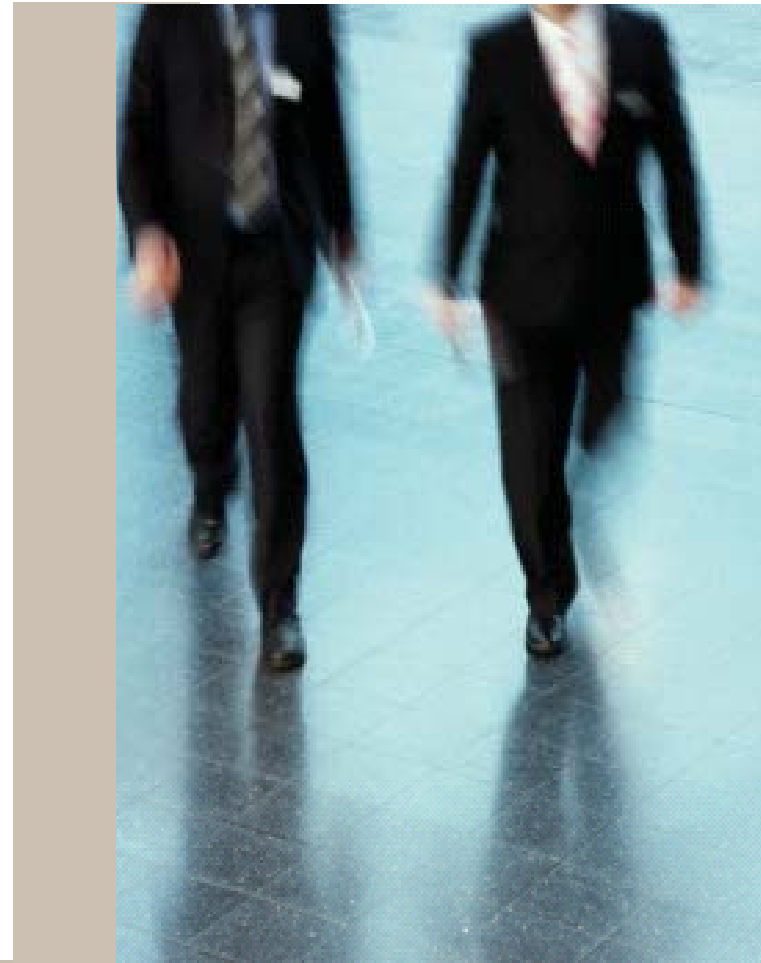


# The Changing Role of Marketing Executives

## SURVEY RESULTS AND ANALYSIS

In today's business environment of tightening budgets and rigorous attention to measureable results, the expectations of marketing leaders and organizations to "raise their game" has never been higher. How well are companies responding to these changing expectations? Are marketing groups on the same page as other departments in the organization? TopRight recently conducted research on this subject, surveying over 100 executives and senior leaders in marketing and non-marketing roles, in companies across a range of industries. Some of the findings may be expected, others are surprising:

- Nearly half of the respondents feel departments outside of marketing do not understand the organization's marketing and brand strategy
- Overwhelmingly, respondents indicated that building the brand is less important than improving the product or service offering
- Marketers and Management are split on the usefulness of marketing metrics outside of the marketing organization
- Marketing continues to lag in the adoption of processes and technology to improve operations



## DEMOGRAPHICS OF RESPONDENTS

TopRight surveyed approximately 110 executives and senior leaders  
30% of respondents hold roles in Marketing  
70% of respondents are in non-Marketing roles in their organization (Finance, IT, Operations, Sales, Strategic Planning, HR)

Respondents work in companies in a range of industries, including:  
Business Services (24%)  
Technology (20%)  
Financial Services (18%)  
Healthcare (13%)

## HOW ALIGNED IS YOUR ORGANIZATION

**Some key findings from the survey:**

Nearly half of the respondents feel departments outside of marketing do not understand the organization's marketing strategy

Overwhelmingly respondents indicated that building the brand is less important than improving the product or service offering

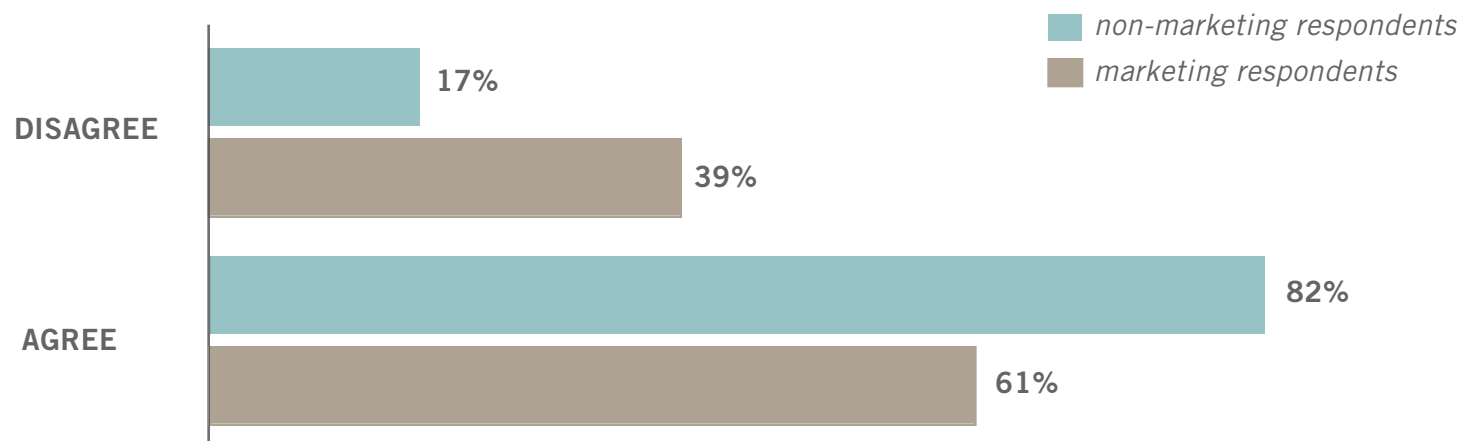
Marketers and Management are split on the usefulness of marketing metrics outside of the marketing organization



while a large majority of Non-Marketers, and over half of Marketers, feel that other groups influence marketing and brand strategy...

**Survey Question:**

Agreement with the following statement: "Departments outside of marketing (e.g., Finance, Operations, R&D, IT, etc.) influence your company's marketing and brand strategy."





...nearly half of all the respondents do not think the rest of the organization understands the company's marketing strategy...

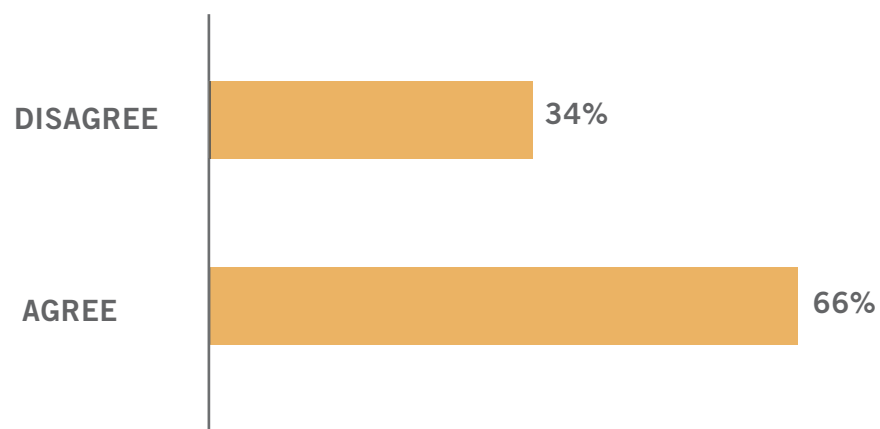
**Survey Question:**

Agreement with the following statement: "Departments outside of marketing understand your company's marketing and brand strategy."



### Survey Question:

Agreement with the following statement: “Your department’s leadership is in agreement with marketing’s overall brand strategy, priorities and metrics.”



...and 1/3 of all respondents feel their department’s leadership is not in agreement with marketing’s strategy, priorities and metrics

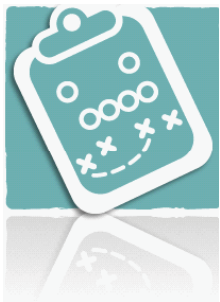
## TOPRIGHT ANALYSIS AND RECOMMENDATIONS - STRATEGIC PLANNING

Lack of alignment between Marketing and other departments on strategy and priorities is unfortunately common. Typical causes include:

- Marketing developing its own strategic plans in isolation
- Too many initiatives – Lack of focus
- No clear ownership or accountability for delivering results
- Lack of understanding of individual roles
- No measurement of expected or achieved results

TopRight has developed a **Strategic Playbook** process to address these common causes. The Playbook offers an opportunity to “reinvent” governance to increase focus and discipline for generating results - an initiative that will allow the organization to meet the strategic goals articulated by the CEO.

### CLASSIC APPROACH



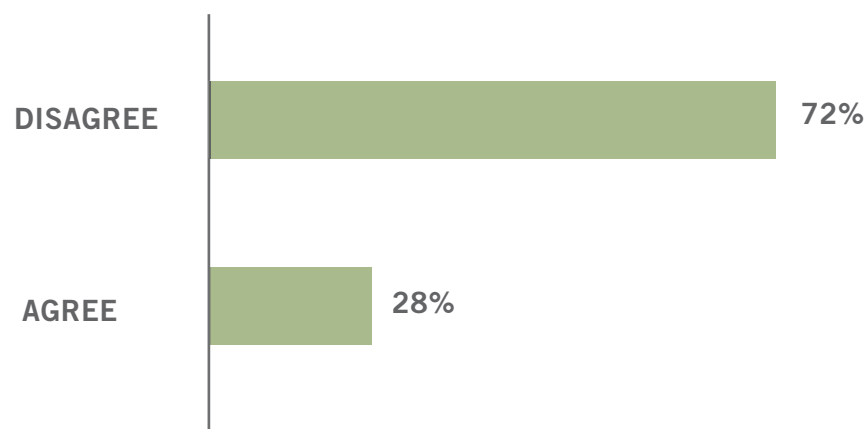
- Managing activity through project management rigor
- Emphasis on visibility and predictability
- Focused on a defined journey from point A to point B
- Fixed frame of reference:
- Objectives and destination clearly defined
- Limited duration (often highly constrained)
- Programs planned and isolated somewhat from external factors
- Temporary project team with members drawn from various disciplines
- From the outside looking in it looks like a Gantt chart, a budget and status reports

### TOPRIGHT APPROACH

- Managing business results and desired outcomes through change management discipline
- Emphasis on flexibility and agility
- Focused on an unpredictable journey
- Dynamic frame of reference:
- Objectives evolve, destination may move
- Duration potentially irrelevant - continuous improvement demanded
- Programs address internal AND external factors
- From the outside looking in it appears like strong and intentional leadership

### Survey Question:

Agreement with the following statement: “In your opinion, building a stronger brand is a higher priority than creating a better product/service.”

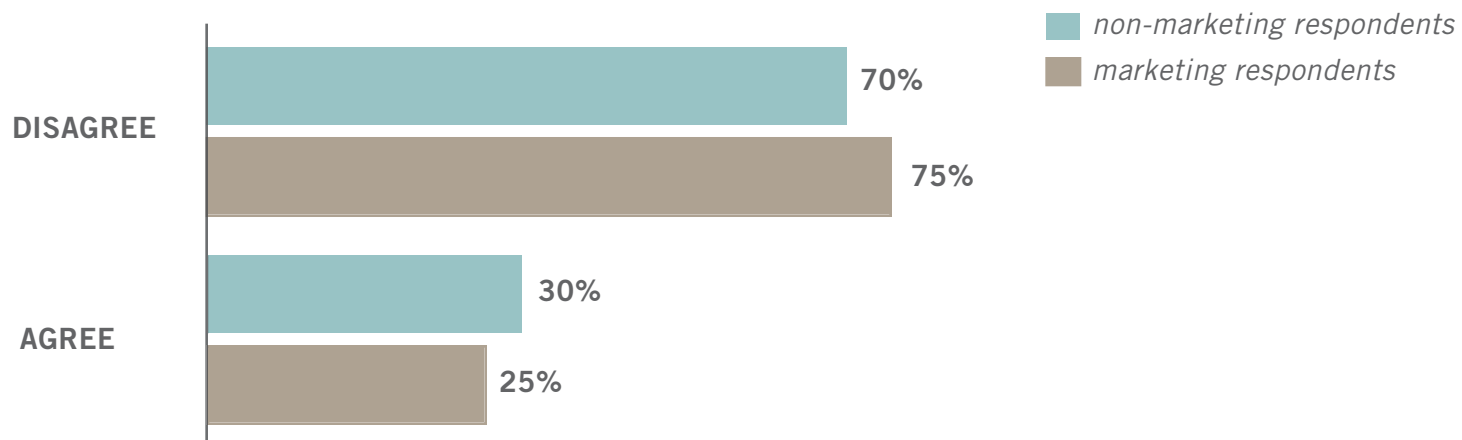


Less than 1/3 of all respondents feel that building the brand is the top priority...

...with Marketers responding similarly to management on the lower priority of building the brand

**Survey Question:**

Agreement with the following statement: "In your opinion, building a stronger brand is a higher priority than creating a better product/service."





## BUILDING THE BRAND VS. PRODUCT IMPROVEMENT

Which would your organization consider a higher priority, building your brand(s) or improving your product or service offering?

**As you evaluate which should be a higher priority, consider the following questions:**

Which is weaker relative to your competitors today? – your brand or your product/service offering

Which would more clearly differentiate you from your competitors? – a stronger brand or a better product/service offering

Which would allow you to command better pricing? – a stronger brand or a better product/service offering

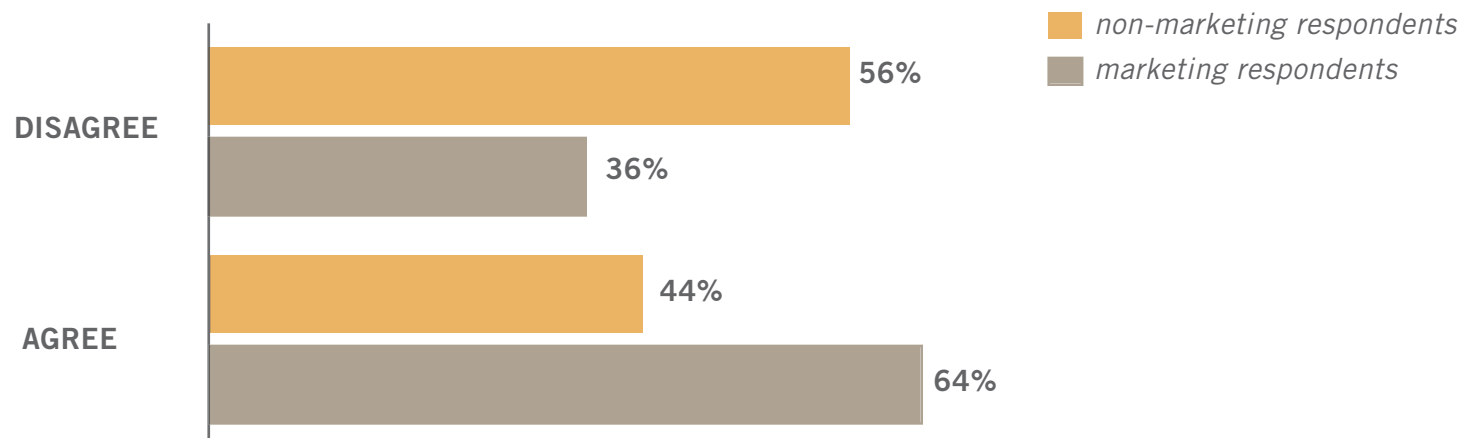
Which would be more difficult for your competitors to copy? – a stronger brand or a better product/service offering



A majority of respondents in other groups say that Marketing does not regularly share metrics...

**Survey Question:**

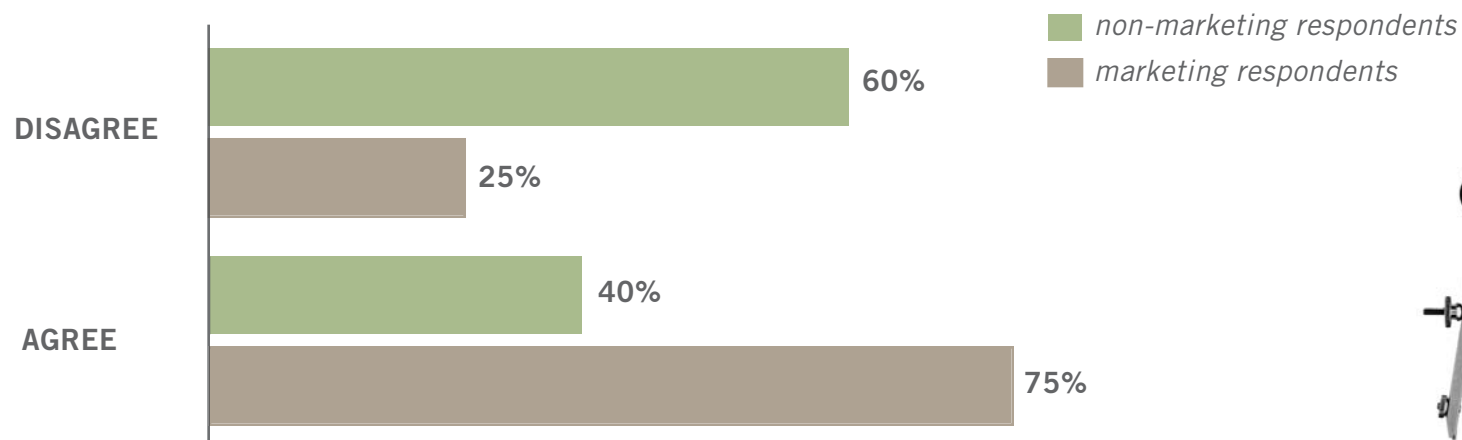
Agreement with the following statement: "Marketing regularly shares its metrics with leadership outside of marketing (e.g., Finance, Operations, R&D, IT, etc.)"



...and that the metrics that Marketing shares are generally not considered useful by other groups

**Survey Question:**

Agreement with the following statement: "The metrics that are shared by marketing enable you to more effectively manage your department."



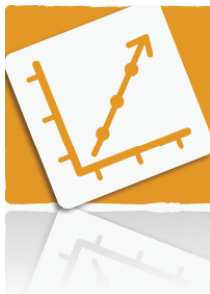
## TOPRIGHT ANALYSIS AND RECOMMENDATIONS - MEASUREMENT & MARKETING SPEND EFFECTIVENESS

Many marketing organizations have been slow to adopt the same level of measurement discipline expected of other departments

- Marketing metrics may have weak links to other growth-related metrics
- Marketing metrics may not be uniformly shared with other departments
- Marketing metrics may have little credibility due to collection methods and lack of consistency year over year

TopRight advocates that effective marketing organizations have:

- A core, consistent set of metrics that track the key drivers of organizational performance, which are regularly shared with leadership across the organization
- Capabilities to measure Marketing Spend Effectiveness as a means to optimize marketing spend by identifying poor performing marketing segments and recommending shifts in spend allocations to higher ROI marketing components.



### CLASSIC APPROACH

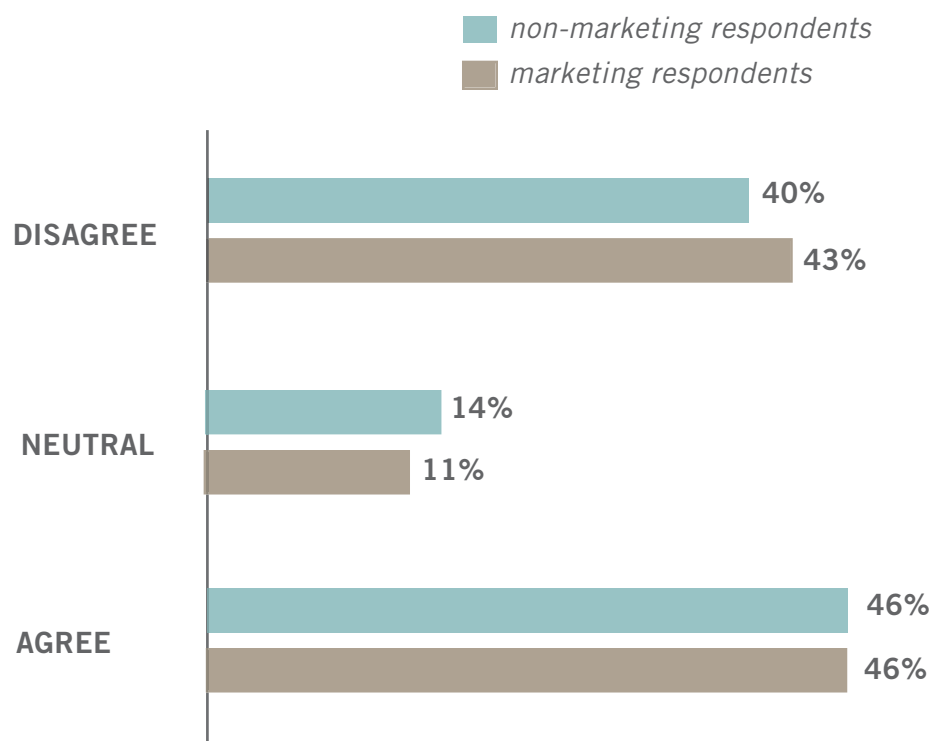
- Difficult to identify specific performance drivers
- Difficult to compare or evaluate sales to investment ratios
- Generally does not define which investments provide the biggest impact on sales

### TOPRIGHT APPROACH

- Identifies specific market drivers that create “lift” or more unit sales
- Provides the sales to investment ratios for each marketing medium and by unit type
- Tests different marketing spend allocation scenarios (by media type and market) to determine which one provides the biggest impact on sales

**Survey Question:**

Agreement with the following statement: “Your marketing organization leverages enterprise-wide technologies (e.g., Marketing Resource Management, Enterprise Marketing Management, Automated Campaign Management, etc.) to complete tasks.”

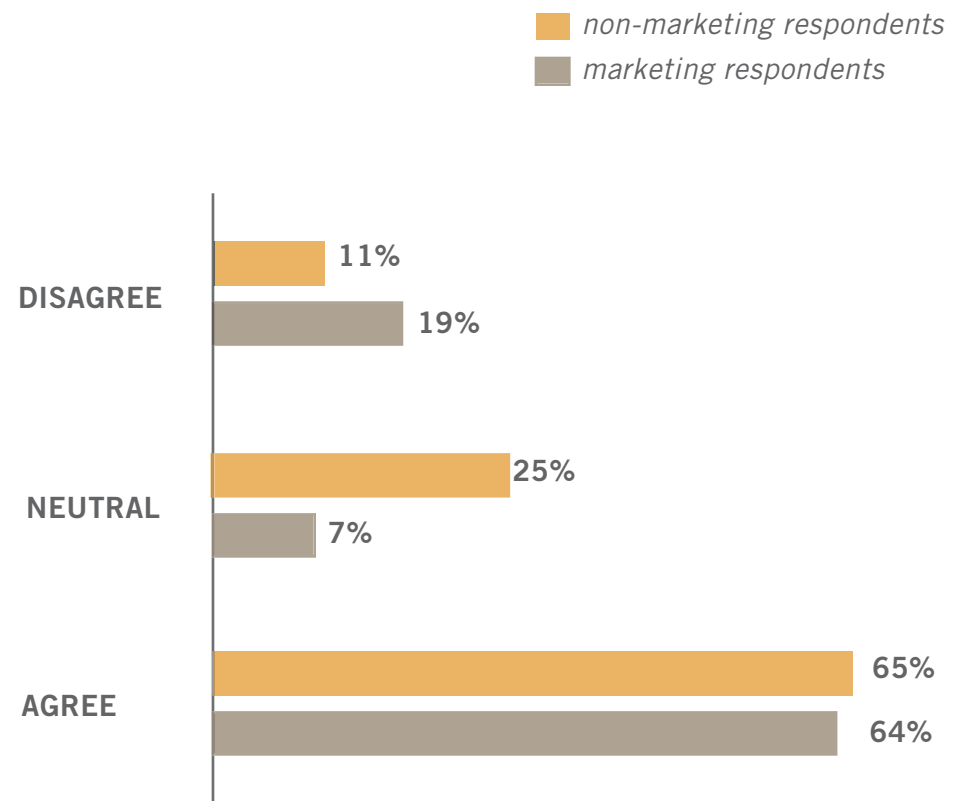


Fewer than half of respondents feel their marketing organizations are effectively leveraging available technologies for their operations...

...while nearly 1/3 of Marketers disagree that process efficiency and effective measurement are characteristics of their marketing organization

**Survey Question:**

Agreement with the following statement: "Process efficiency and effective measurement are characteristics of your department."

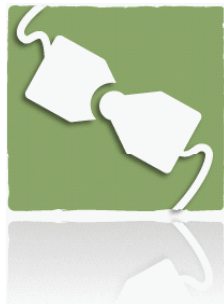


## TOPRIGHT ANALYSIS AND RECOMMENDATIONS - ENTERPRISE MARKETING MANAGEMENT

Many marketing organizations are cautious of standard processes and automation because of the belief that it may stifle creativity and innovation necessary to generate breakthrough ideas

However, when implemented correctly, the use of standard processes and technology tools can:

- Generate tremendous efficiencies which frees up resources for more strategic and creative activities
- Speed response time and enable marketing organizations to get ideas to market more quickly
- Make greater use of customer insights in planning and development
- Enable individuals and teams to more effectively collaborate and share ideas



### CLASSIC APPROACH

- Large funding outlays
- Teams know what they want
- No changes will be introduced during the development process
- MRM solutions should be constructed complete & correct
- Benefits will be captured longer term

### TOPRIGHT APPROACH

- Small funding outlays
- Significant changes will be introduced throughout the development process as the operating model is fine-tuned
- MRM solutions need to be delivered in a series of quick “releases” of value while staying on target to long-term solution
- Tangible benefits should be delivered quickly

TopRight’s Enterprise Marketing Management process is designed to help organizations succeed with their transformational marketing efforts by fostering five critical conditions:

- Making explicit linkages to strategy and enterprise value
- Sponsoring change: Accountability in action
- Assuring executive alignment: Leading and empowering through guiding principles
- Being committed at every level: Active versus passive

